

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APR 24 AM 10:34

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		210 FARMINGTON AVE		5. Lease Serial No. NOO-C-14-20-3609
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		<input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name HUN NE PAH
2. Name of Operator XTO ENERGY INC				7. If Unit or CA Agreement, Name and No. N/A
3a. Address 2700 FARMINGTON AVE., BLDG. K-1 FARMINGTON, NM 87401		3b. Phone No. (include area code) (505) 324-1090		8. Lease Name and Well No. HUN NE PAH #2
4. Location of Well (Report location clearly and in accordance with any State requirements *) At surface 1337' FNL & 1380' FWL At proposed prod. zone SAME				9. API Well No. 30-045-34285
14. Distance in miles and direction from nearest town or post office* 19 AIR MILES SOUTH OF BLOOMFIELD				10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
15. Distance from proposed* location to nearest property or lease line, ft (Also to nearest drig. unit line, if any) 1,260'		16. No. of acres in lease 160 (320 in CA)	17. Spacing Unit dedicated to this well W2	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 742' (XTO's HNP 1)		19. Proposed Depth 1,600'	20. BLM/BIA Bond No on file BIA NATIONWIDE 104312789	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,432' GL		22. Approximate date work will start* 07/01/2007	23. Estimated duration 2 WEEKS	

11. Sec., T. R. M. or Blk. and Survey or Area
F 10-25N-11W NMPM

12. County or Parish
SAN JUAN

13. State
NM

24. Attachments **RCVD DEC 7 '07**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

OIL CONS. DIV.

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

DIST. 3

25. Signature	Name (Printed/Typed) BRIAN WOOD	Date 04/21/2007
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Title **CONSULTANT** PHONE: (505) 466-8120 FAX: (505) 466-9682

Approved by (Signature)	Name (Printed/Typed) Wayne Townsend	Date 12-5-07
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Title **Acting AFM** Office **FFO**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

**NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT**

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

NMOCD

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

DEC 13 2007
AV

DISTRICT I
1625 N French Dr., Hobbs, NM 88240

DISTRICT II
1301 W Grand Ave., Artesia, NM 88210

DISTRICT III
1000 Rio Brozos Rd., Aztec, NM 87410

DISTRICT IV
1220 South St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

2007 APR 24 10:34

RECEIVED
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION, PLAT 210 HARRINGTON NM

¹ API Number 30-045-34285		² Pool Code 71629	³ Pool Name BASIN FRUITLAND COAL GAS
⁴ Property Code 22748	⁵ Property Name HUN NE PAH		⁶ Well Number 2
⁷ GRID No 167067 5380	⁸ Operator Name XTO ENERGY INC.		⁹ Elevation 6432

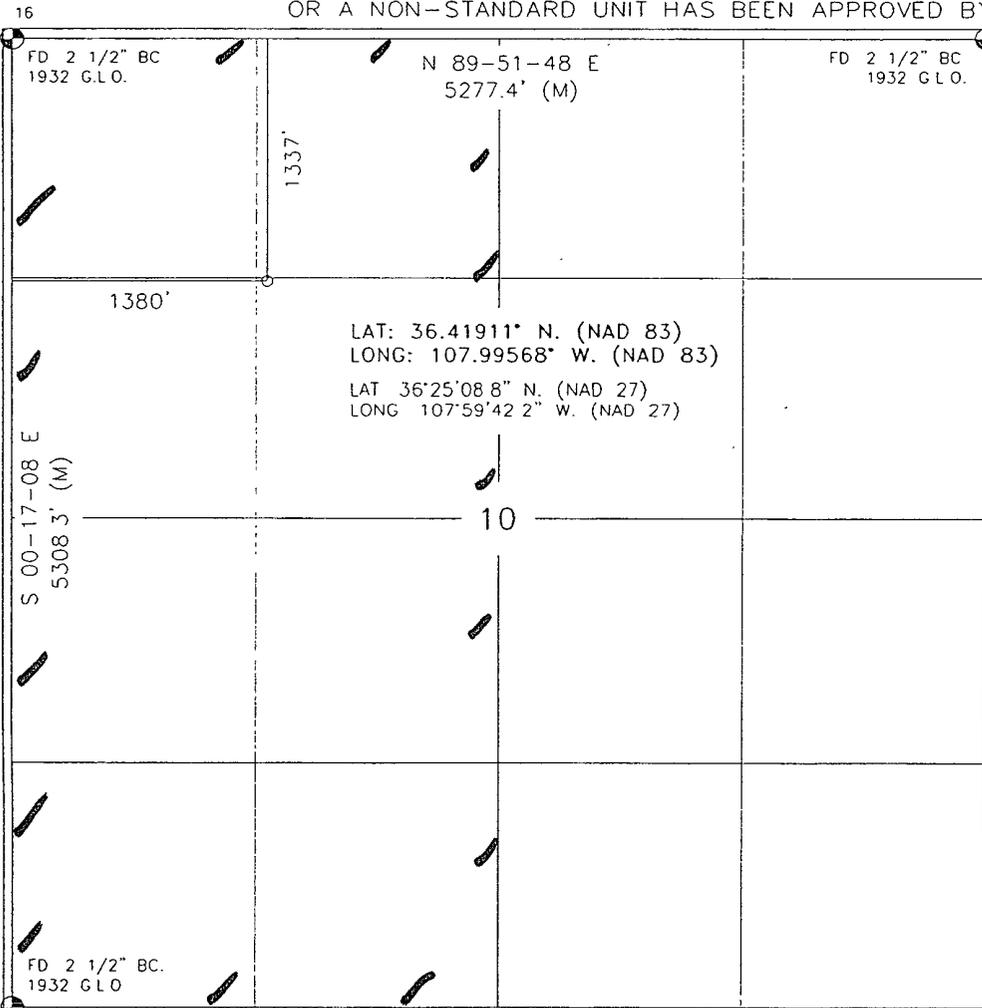
¹⁰Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	10	25-N	11-W		1337	NORTH	1380	WEST	SAN JUAN

¹¹Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320			¹³ Joint or Infill .		¹⁴ Consolidation Code C		¹⁵ Order No		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division

Brian Wood 4-21-07
Signature Date
BRIAN WOOD
Printed Name

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plot was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief

NOVEMBER 2005
Date of Survey
Signature and Seal of Registered Surveyor
ROY BAR RUSH
REGISTERED PROFESSIONAL LAND SURVEYOR
Certificate Number

XTO Energy Inc.
 Hun Ne Pah #2
 1337' FNL & 1380' FWL
 Sec. 10, T. 25 N., R. 11 W.
 San Juan County, New Mexico

Drilling Program

1. ESTIMATED FORMATION TOPS

<u>Formation Name</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Elevation</u>
Nacimiento	000'	5'	+6,432'
Ojo Alamo	417'	422'	+6,015'
Fruitland Coal	1,382'	1,387'	+5,050'
Pictured Cliffs	1,432'	1,437'	+5,000'
Lewis Shale	1,532'	1,537'	+4,900'
Total Depth (TD)*	1,600'	1,605'	+4,832'

2. NOTABLE ZONES

<u>Gas & Oil Zones</u>	<u>Water Zones</u>	<u>Coal Zone</u>
Fruitland	Nacimiento	Fruitland
Pictured Cliffs	Ojo Alamo	
	Fruitland	

Water zones will be protected with casing, cement, and weighted mud. Fresh water found while drilling will be recorded. Oil or gas shows will be tested for commercial potential based on the geologist's recommendations.

3. PRESSURE CONTROL

The drilling contract has not yet been awarded, thus the exact BOP system to be used is not yet known. A typical 2,000 psi stack, manifold, and testing procedures are on Page 3.

XTO Energy Inc.
 Hun Ne Pah #2
 1337' FNL & 1380' FWL
 Sec. 10, T. 25 N., R. 11 W.
 San Juan County, New Mexico

4. CASING & CEMENT

<u>Hole Size</u>	<u>O. D.</u>	<u>Weight (lb/ft)</u>	<u>Grade</u>	<u>Age</u>	<u>Connection</u>	<u>Setting Depth</u>
8-3/4"	7"	20	K-55	New	ST & C	160'
6-1/4"	4-1/2"	10.5	K-55	New	ST & C	1,600'

Surface casing will be cemented to the surface with ≈ 50 cubic feet (≈ 43 sacks) Class B + 1/4 lb/sk cello-flake + 2% CaCl₂. Yield = 1.18 cubic feet per sack. Weight = 15.2 pounds per gallon. Volume: $\geq 100\%$ excess. A guide shoe and insert float will be used. W. O. C. = 12 hours. Surface casing will be tested to 1,500 psi for 30 minutes. *Centralizers (3)*

Production casing will be cemented to the surface. Total cement: >329 cubic feet. Volumes are calculated at >100% excess. If the cement does not circulate to the surface, then a temperature survey will be run to determine the actual cement top as needed. W. O. C. = 12 hours. Test to 2,000 psi.

Lead cement will be ≈ 131 sacks Class B light cement (65% cement/35% Poz with 6% gel) with 5 #/sack gilsonite + 1/4 #/sack Flocele. Yield = 1.99 cu ft/sk. Weight = 12.4 #/gal.

Tail cement will be ≈ 50 sacks 50/50 Class B Poz with 2% gel + 1/4#/sack Flocele + 0.5% Halad 9. Yield = 1.38 cubic feet/sack. Weight = 13.5 #/gallon.

Cement equipment will include a guide shoe, float collar, and ≈ 8 centralizers.

NTL-FRA 90-1

5. MUD PROGRAM

<u>Range</u>	<u>Mud Type</u>	<u>Weight</u>
0' - 160'	Fresh-Spud	8.4
160' - TD	LSND	8.6

Lost circulation and absorption material will be on location.

XTO Energy Inc.
Hun Ne Pah #2
1337' FNL & 1380' FWL
Sec. 10, T. 25 N., R. 11 W.
San Juan County, New Mexico

PAGE 4

6. CORES, TESTS, & LOGS

No cores or drill stem tests are planned. Open hole logs will include GR, Neutron-Density, and Induction. The Neutron Density will be run from TD to 500'. The other logs will be run from TD to the base of the surface casing.

7. DOWN HOLE CONDITIONS

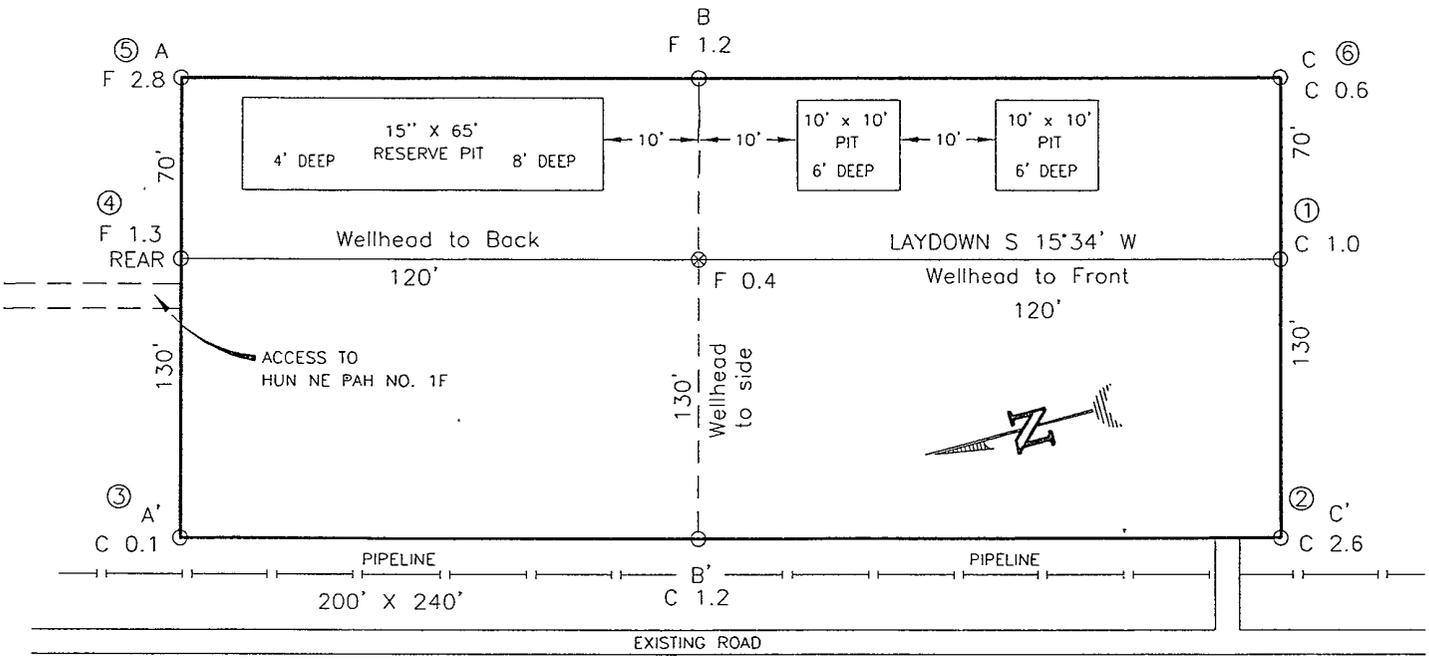
No abnormal pressures, temperatures, nor hydrogen sulfide are expected. Maximum pressure will be \approx 200 psi.

8. OTHER INFORMATION

The anticipated spud date is upon approval. It is expected it will take \approx 1 week to drill and \approx 1 week to complete the well.

XTO ENERGY INC.
 HUN NE PAH NO. 2, 1337 FNL 1380 FWL
 SECTION 10, T25N, R11W, N.M.P.M., SAN JUAN COUNTY, N.M.
 GROUND ELEVATION: 6432', DATE: NOVEMBER 16, 2005

NAD 83
 LAT. = 36.41911° N
 LONG. = 107.99568° W
 NAD 27
 LAT. = 36°25'08.8" N
 LONG. = 107°59'42.2" W



RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).
 BLOW PIT OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

NOTE: DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION

ELEV. A-A' C/L

6440				
6430				
6420				
6410				

ELEV. B-B' C/L

6440				
6430				
6420				
6410				

ELEV. C-C' C/L

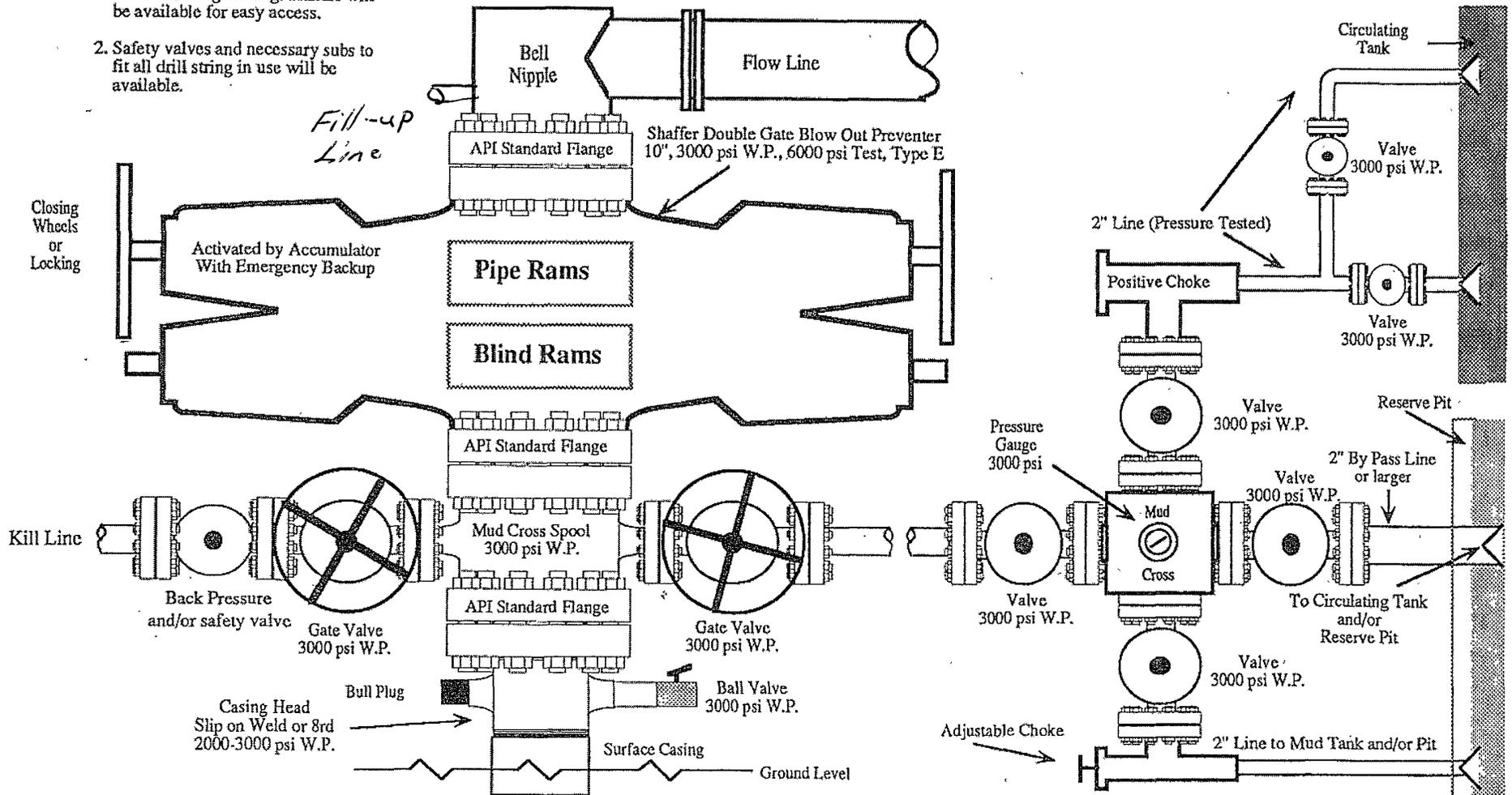
6440				
6430				
6420				
6410				

NOTE: CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

REVISION:	DATE:	REVISED BY:
Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15068 Formington, NM 87401 Phone (505) 326-1772 • Fax (505) 326-6019 NEW MEXICO L.S. No. 8894 CADFILE CR610_CFB DATE: 11/02/05		
DRAWN BY: C.V.		ROW: CR610

2,000 PSI BOP SYSTEM

- Note: 1. An upper Kelly cock valve will be utilized during drilling. Handle will be available for easy access.
2. Safety valves and necessary subs to fit all drill string in use will be available.



Note: This equipment is designed to meet requirements for a 2-M rating standard per 43 CFR part 3160 (amended). Proper operation and testing of equipment will be carried out per standard. 2,000 psi equipment can be substituted in the drawing to meet minimum requirements per standard.