

UNITED STATES
DEPARTMENT OF THE INTERIOR -3 AM 10:52
BUREAU OF LAND MANAGEMENT

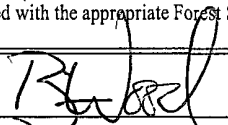
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER 210 FARMINGTON		5. Lease Serial No. NOO-C-14-20-3599	
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 E CLEN NEP PAH NMM-75911	
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		8. Lease Name and Well No. PAH 1-E	
3b. Phone No. (include area code) (505) 324-1090		9. API Well No. 30-045- 34322	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 835' FNL & 820' FWL At proposed prod. zone SAME		10. Field and Pool, or Exploratory BASIN DAKOTA	
14. Distance in miles and direction from nearest town or post office* 18 AIR MILES SOUTH OF BLOOMFIELD		11. Sec., T. R. M. or Blk. and Survey or Area D 3-25N-11W NMPM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 820'	16. No. of acres in lease 160.43 (320.43 in CA)	17. Spacing Unit dedicated to this well Lots 3 & 4, S2NW4, & SW4 w/2 320.43	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,085'	19. Proposed Depth 6,150'	20. BLM/BIA Bond No. on file BIA NATIONWIDE 104312789	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,271' GL	22. Approximate date work will start* 08/10/2007	23. Estimated duration 4 WEEKS	

24. Attachments

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

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) BRIAN WOOD	Date 04/30/2007
Title CONSULTANT		
PHONE: (505) 466-8120 FAX: (505) 466-9682		
Approved by (Signature) Original Signed: Stephen Mason	Name (Printed/Typed)	Date JUL 14 2008
Title 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)

A COMPLETE C-144 MUST BE SUBMITTED TO AND APPROVED BY THE NMOCD FOR: A PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, OR PROPOSED ALTERNATIVE METHOD, PURSUANT TO NMOCD PART 19.15.17, PRIOR TO THE USE OR CONSTRUCTION OF THE ABOVE APPLICATIONS.

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

SEE ATTACHED FOR
CONDITIONS OF APPROVALNOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

NMOCD

JUL 17 2008

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

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

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

DISTRICT III
1000 Rio Brazos 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
Fee Lease - 4 Copies
Fee Lease - 3 Copies

RECEIVED

BLH

☐ AMENDED REPORT

210 FARMINGTON NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34322	² Pool Code 71599	³ Pool Name BASIN DAKOTA
⁴ Property Code 22799-5380	⁵ Property Name PAH	⁶ Well Number 1E
⁷ OGRIQ No 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6271

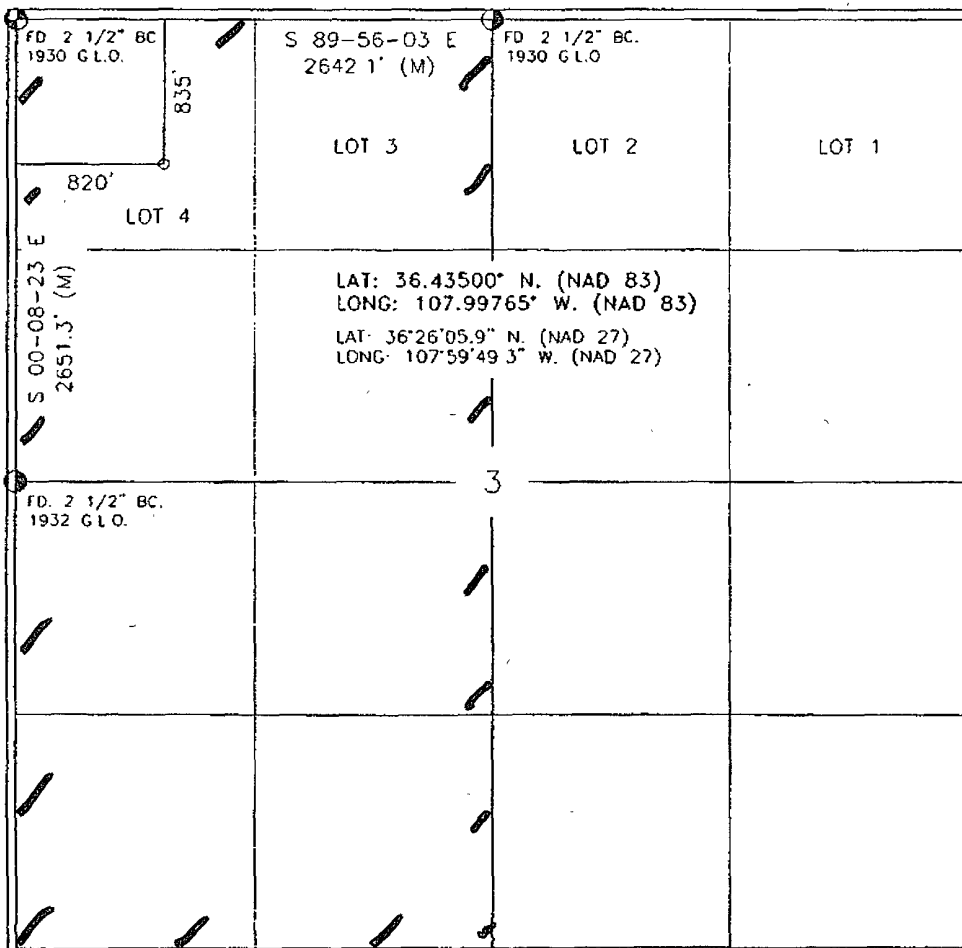
¹⁰ Surface Location

UL or lot no D	Section 3	Township 25-N	Range 11-W	Lot Idn	Feet from the 835	North/South line NORTH	Feet from the 820	East/West line WEST	County SAN JUAN
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¹¹ Bottom 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 320.43		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
Signature
Date
4-30-07
BRIAN WOOD
Printed Name
(505) 466-8120

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat 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.

OCT 10 2006
Date of Survey
Signature and Seal of Professional Land Surveyor
[Signature]
01-8894
8-06
PROFESSIONAL LAND SURVEYOR
Certificate Number

XTO Energy Inc.
Pah 1-E
835' FNL & 820' FWL
Sec. 3, T. 25 N., R. 11 W.
San Juan County, New Mexico

PAGE 1

Drilling Program

1. ESTIMATED FORMATION TOPS

<u>Formation Name</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Elevation</u>
Nacimiento	000'	12'	+6,271'
Fruitland	501'	513'	+5,770'
Pictured Cliffs	1,286'	1,298'	+4,985'
Mesa Verde	2,131'	2,143'	+4,140'
Cliff House	2,801'	2,813'	+3,470'
Point Lookout	3,761'	3,773'	+2,510'
Gallup	4,796'	4,808'	+1,475'
Greenhorn	5,691'	5,703'	+580'
Dakota	5,851'	5,863'	+420'
Morrison	5,961'	5,973'	+310'
Total Depth (TD)*	6,150'	6,162'	+121'

2. NOTABLE ZONES

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

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.

XTO Energy Inc.
Pah 1-E
835' FNL & 820' FWL
Sec. 3, T. 25 N., R. 11 W.
San Juan County, New Mexico

PAGE 2

3. PRESSURE CONTROL

The drilling contract has not yet been awarded, thus the exact BOP model to be used is not yet known. (A typical 2,000 psi model is on PAGE 3.) An 8-5/8" x 11" 2,000 pound double ram BOP system with a choke manifold and mud cross will be tested to 200 psi and then to 1,000 psi. Upper and lower Kelly cocks with valve handle and subs to fit all drill string connections which are in use will be available on the rig floor.

Tests will be run when:

- 1) installed
- 2) anytime a pressure seal is broken (test only affected equipment)
- 3) at least every 30 days
- 4) blind & pipe rams will be activated each trip, but no more than daily

BOP systems will be consistent with API RP 53. Blowout preventers will be installed and tested before drilling surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated daily to ensure good mechanical working order and this inspection recorded on the daily drilling report. Preventers and casing will be pressure tested before drilling casing cement plugs. Maximum expected bottom hole pressure will be ~~~2,800~~ psi. BOP and mud system will control pressure.

2,160 psi (Page 5)

4. CASING & CEMENT

<u>Hole Size</u>	<u>O. D.</u>	<u>Weight (lb/ft)</u>	<u>Grade</u>	<u>Age</u>	<u>Connections</u>	<u>Setting Depth</u>
12-1/4"	8-5/8"	24	J-55	New	ST & C	360'
7-7/8"	5-1/2"	15.5	J-55	New	ST & C	6,150'

Surface casing will be cemented to the surface with ≈ 375 cubic feet (≈ 270 sacks) Type V cement + 1/4 pound per sack cello-flake + 2% CaCl_2 . Yield = 1.39 cubic feet per sack. Weight = 14.5 pounds per gallon. Excess: >100%.

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PAGE 4

Centralizers will be set on the bottom two joints of the surface casing and every fourth joint to the surface.

Production casing will be cemented to the surface with $\approx 50\%$ excess as follows. DV tool will be set @ $\approx 4,250'$.

First stage lead will consist of ≈ 302 cubic feet (≈ 150 sacks) of Type III (or its equivalent) + 2% CaCl_2 + 1/4 pound per sack cello flake + 0.2% dispersant + 0.5% fluid loss control + 2% LCM additives mixed at 12.5 pounds per gallon and 2.01 cubic feet per sack.

First stage tail will consist of ≈ 222 cubic feet (≈ 150 sacks) Type III (or its equivalent) + 5% bonding additive + 1/4 pound per sack cello flake + 0.3% dispersant + 0.2% fluid loss control + 2% LCM additives mixed at 14.2 pounds per gallon and 1.48 cubic feet per sack.

Second stage lead will consist of ≈ 975 cubic feet (≈ 375 sacks) Type III (or its equivalent) + 1/4 pound per sack cello flake + 8% gel + 2% LCM mixed at 11.9 pounds per gallon and 2.6 cubic feet per sack.

Second stage tail will consist of ≈ 139 cubic feet (≈ 100 sacks) Type III Neat mixed at 14.5 pounds per gallon and 1.39 cubic feet per sack.

Centralizers will be set on the bottom two joints, every second joint to $\approx 5,000'$, and every fourth joint from $\approx 2,000'$ to the surface.

5. MUD PROGRAM

<u>RANGE</u>	<u>MUD TYPE</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>WATER LOSS</u>	<u>ADDITIVES</u>
0' - 360'	Fresh-Spud	8.6-9.0	28-32	NC	Gel, lime
360' - 2,500'	Fresh-Poly	8.4-8.8	28-32	NC	Gel, lime sweeps
2,500' - TD	Fresh Water	8.6-9.2	45-60	8-10 cc	Gel, soda ash, LCM

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PAGE 5

6. CORES, TESTS, & LOGS

No cores or drill stem tests are planned. Mud logger will arrive at $\approx 3,000'$ and collect samples every $\approx 10'$ from there to TD. These open hole logs will be run:

Array Induction/SFL/GR/SP from TD to $\approx 360'$
Neutron/Lithodensity/Pe/GR/Cal from TD to $\approx 3,000'$

7. DOWN HOLE CONDITIONS

No abnormal pressures, temperatures, nor hydrogen sulfide are expected. Maximum expected bottom hole pressure will be $\approx 2,460$ psi.

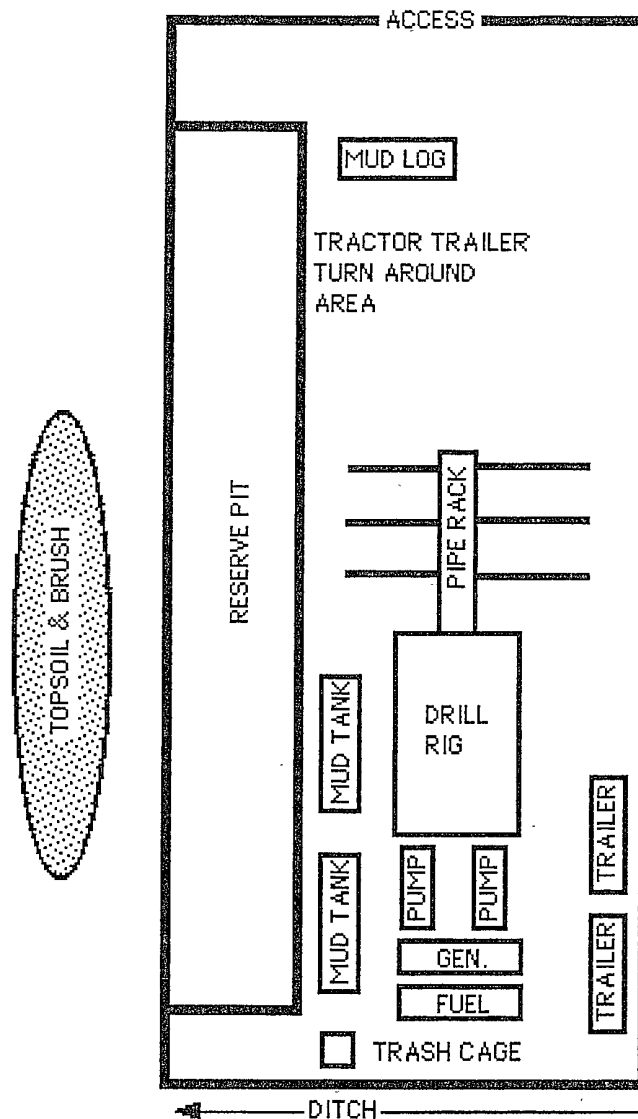
8. OTHER INFORMATION

The anticipated spud date is upon approval. It is expected it will take about four weeks to drill and complete the well.

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San Juan County, New Mexico

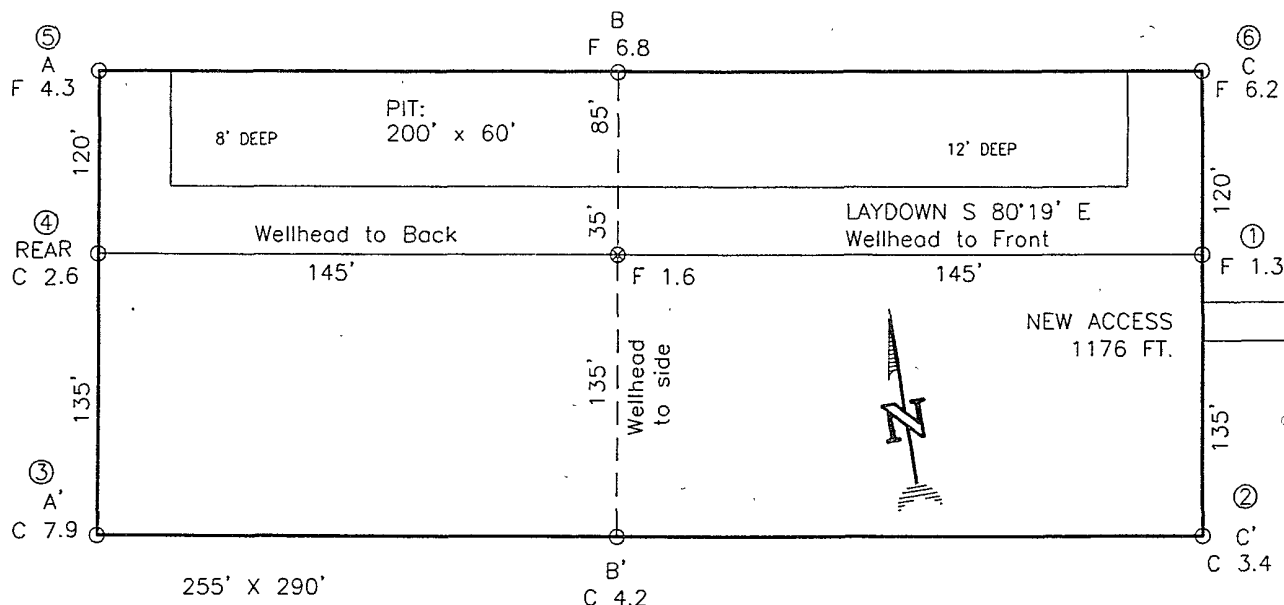
PAGE 13

NORTH 



XTO ENERGY INC.
 PAH No. 1E, 835 FNL 820 FWL
 SECTION 3, T25N, R11W, N.M.P.M., SAN JUAN COUNTY, N.M.
 GROUND ELEVATION: 6271' DATE: OCTOBER 20, 2006

NAD 83
 LAT. = 36.43500° N
 LONG. = 107.99765° W
 NAD 27
 LAT. = 36°26'05.9" N
 LONG. = 107°59'49.3" W

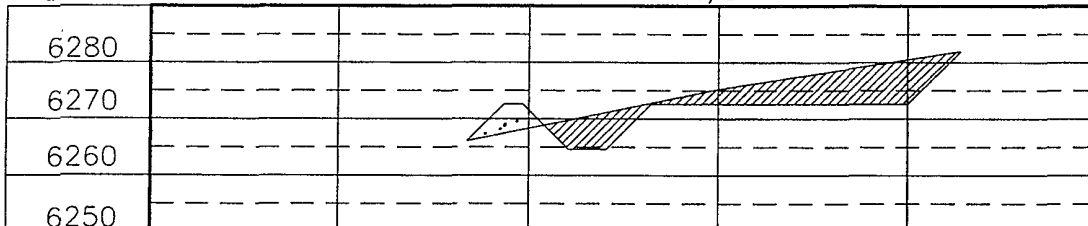


RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).
 BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

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.

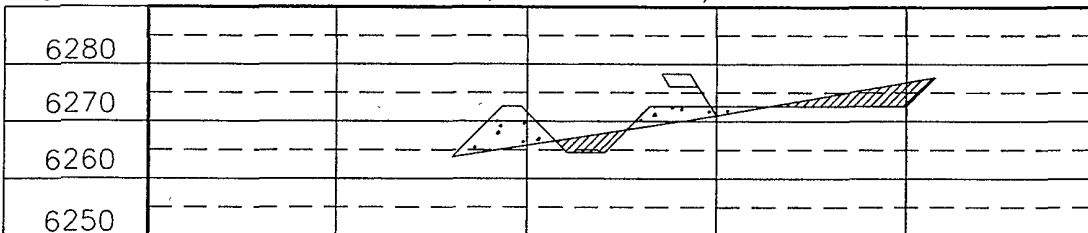
ELEV. A-A'

C/L



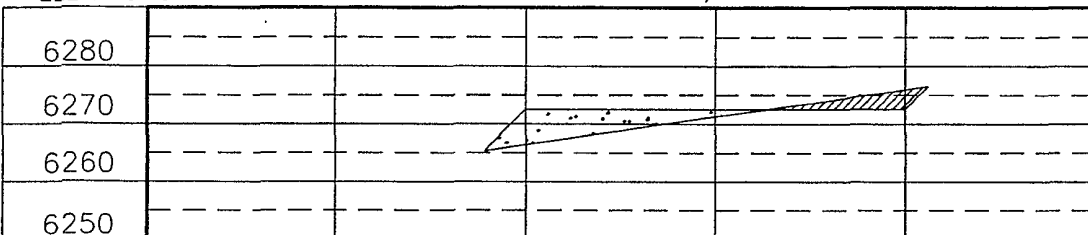
ELEV. B-B'

C/L



ELEV. C-C'

C/L



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	REVISION BY
CORRECTION TO ACCESS	03/09/07	A.C.

Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P. O. Box 15068 · Farmington, NM 87401
 Phone (505) 326-1772 · Fax (505) 326-6019
 NEW MEXICO L.S. No. 8894

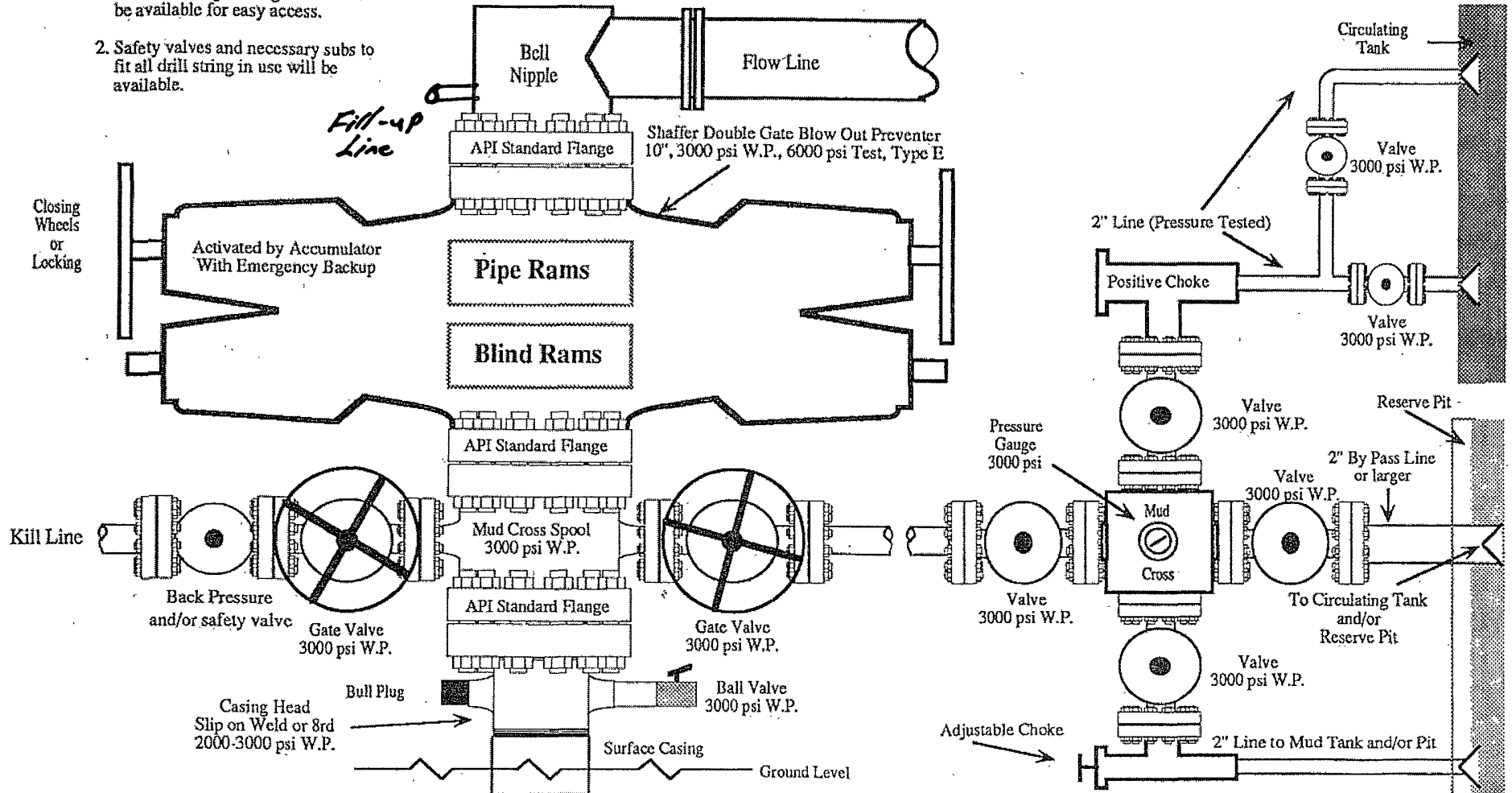
DRAWN BY: C.V.
ROW: CR606

DATE: 11/01/06

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.