Form 3160-3
(July 1992)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.: NMSF - 081061

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME: 22762

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER SINGLE ZONE [ ] MULTIPLE ZONE [X]

8. FARM OR LEASE NAME, WELL NO.: Lefkovitz Gas Com B #1F

2. NAME OF OPERATOR: XTO Energy Inc.

9. API WELL NO.: 30045 31419

3. ADDRESS AND TELEPHONE NO.: 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401

10. FIELD AND POOL, OR WILDCAT: Blanco Mesaverde / Basin Dakota

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 2240' FSL & ~~1305~~ 1340' FEL Sec 25, T29N, R10W
At proposed prod. zone

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec 25, T29N, R10W

MAR 2003

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: Approx 4 miles south of the Blanco NM Post Office (South of river)

12. COUNTY OR PARISH: San Juan

13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
1,254'	320	E/2 320 DK / 320 MV
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
1,250'	6,710'	0'-6,710' w/Rotary Tools

21. ELEVATIONS (Show whether DF,RT, GR, etc.): 5,58~~4~~' Ground level

22. APPROX. DATE WORK WILL START*: In 30 days

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8", H-40	32.3#	265'	140 sx Class "B"
8-3/4"	7", J-55	20.0#	2,250'	200 sx Liteweight cement
6-1/4"	4-1/2", J-55	10.5#	6,710'	375 sx Type III & Premium Lite

XTO Energy Inc. plans to drill the above mentioned well as described in the enclosed Surface Use Program.

Note: This well is located on Fee surface therefore no pipeline ROW is required.

RECEIVED
2003 FEB -6 PM 1:57
070 FARMINGTON, NM

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

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

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposalis to deepen, give dataon present productivezone and proposednew productivezone. If proposalis to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED J W Patton TITLE Drilling Engineer DATE 2/5/03

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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:

MAR 3' 2003

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

NMOCD

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

DISTRICT II
811 South First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
30-045-31419	71599	BASIN DAKOTA

4 Property Code	5 Property Name	6 Well Number
32762	LEFKOVITZ GAS COM B	1F

7 OGRID No.	8 Operator Name	9 Elevation
167067	XTO ENERGY INC.	5584'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	25	29-N	10-W		2240'	SOUTH	1340'	EAST	SAN JUAN

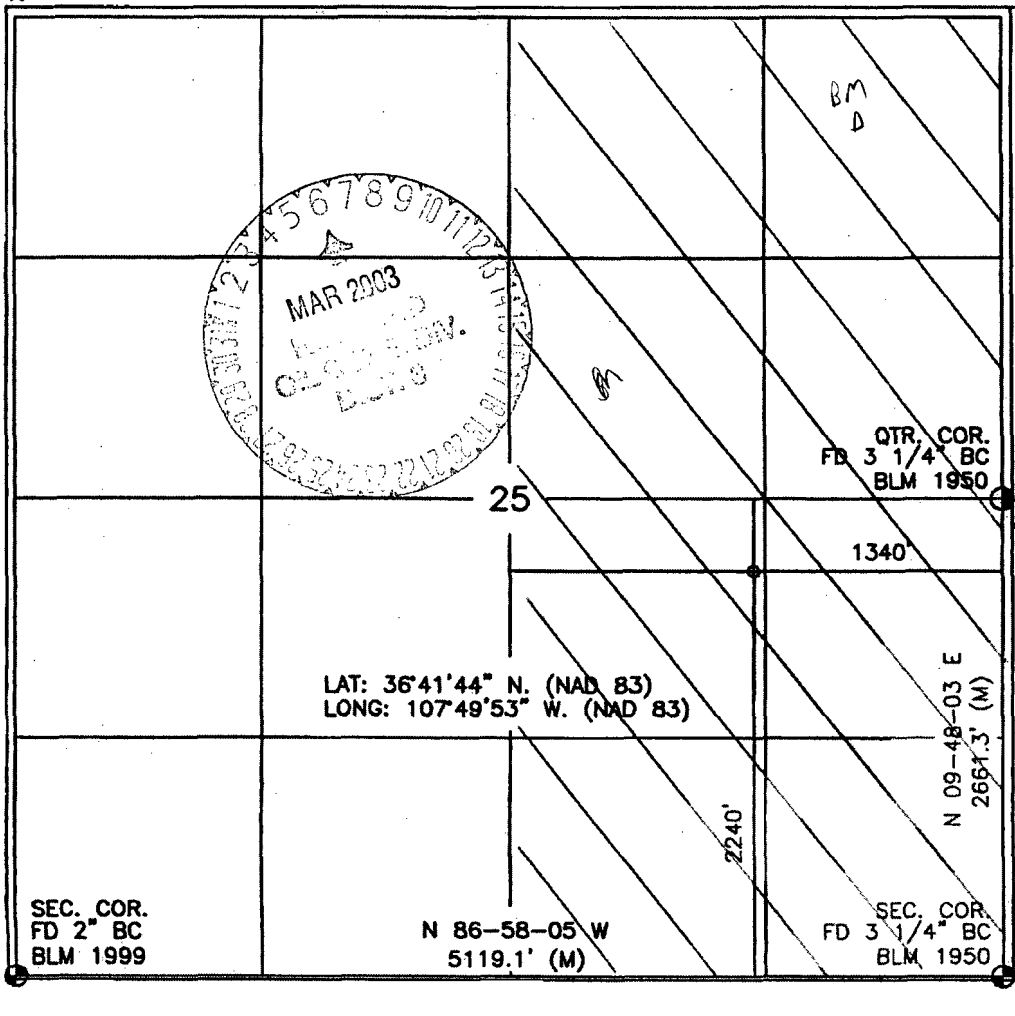
11 Bottom Hole Location If Different From Surface

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		13 Joint or Infill	14 Consolidation Code	15 Order No.
320	E/2	I		

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

16



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

JW Patton

Signature

JEFFREY W PATTON

Printed Name

DRILLING ENGINEER

Title

2-26-03

Date

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.

2-25-03

Date of Survey

DAVID A. JOHNSON NEW MEXICO 14827 REGISTERED PROFESSIONAL SURVEYOR

Signature and Seal of Professional Surveyor:

14827

Certificate Number

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

DISTRICT II
811 South First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

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Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease – 4 Copies
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
30-045-31419	72319	BLANCO MESAVERDE

4 Property Code	5 Property Name	6 Well Number
22762	LEFKOVITZ GAS COM B	1F

7 OGRID No.	8 Operator Name	9 Elevation
167067	XTO ENERGY INC.	5584'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	25	29-N	10-W		2240'	SOUTH	1340'	EAST	SAN JUAN

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12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
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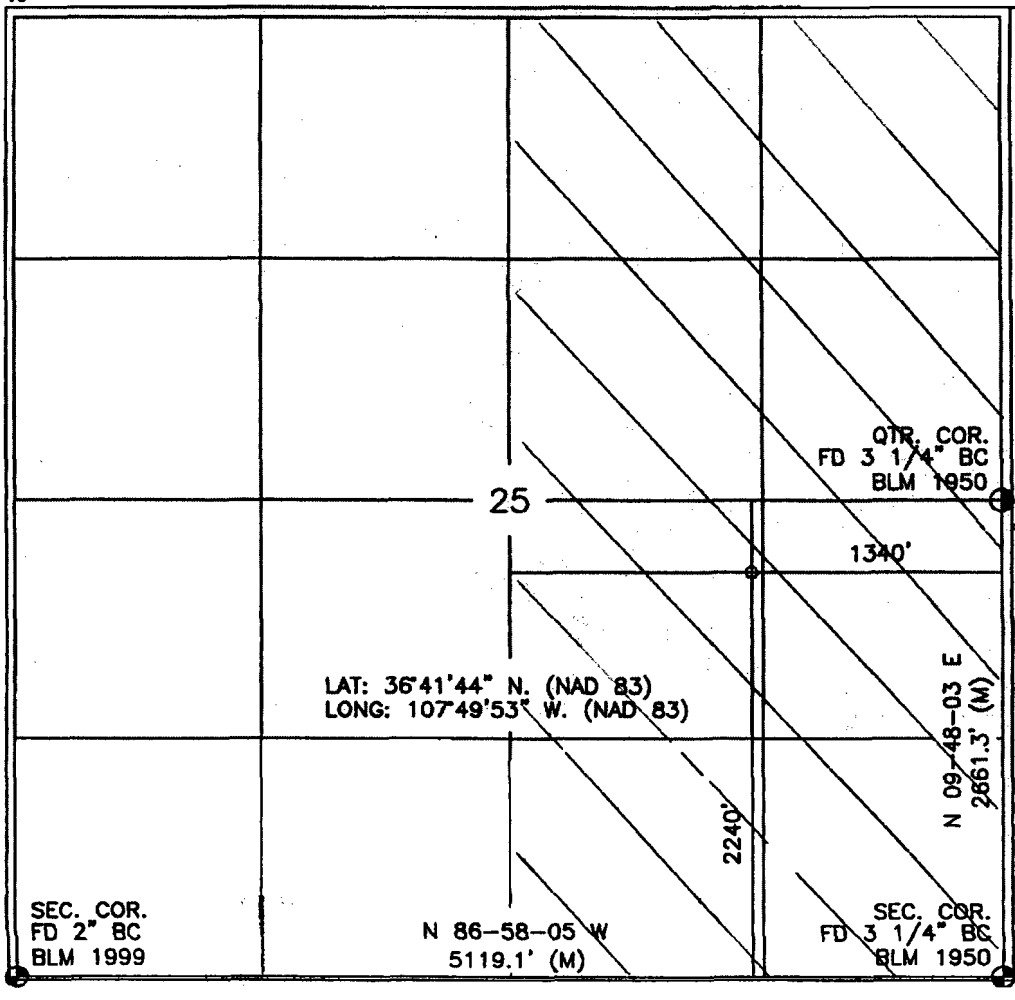

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature: J W Patton

Printed Name: JEFFREY W PATTON

Title: DRILLING ENGINEER

Date: 2-26-03

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.

Date of Survey: 2-25-03

Signature and Seal of Professional Surveyor: DAVID A. JOHNSON, NEW MEXICO, 14827, REGISTERED PROFESSIONAL SURVEYOR

14827

Certificate Number

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

MAR 2003

5. Lease Serial No.
NMSF081061

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
LEFKOVITZ GAS COM B 1F

2. Name of Operator
XTO ENERGY INC

Contact: HOLLY PERKINS
E-Mail: Regulatory@xtoenergy.com

9. API Well No.
30-045-31419-00-X1

3a. Address
2700 FARMINGTON AVE., BLDG K, SUITE 1
FARMINGTON, NM 87401

3b. Phone No. (include area code)
Ph: 505.324.1090 Ext: 4020
Fx: 505.564.6700

10. Field and Pool, or Exploratory
BASIN DAKOTA
BLANCO MESAVERDE

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*

Sec 25 T29N R10W NWSE 2240FSL 1305FEL
36.69500 N Lat, 107.83140 W Lon

11. County or Parish, and State

SAN JUAN COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Change to Original APD
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Per conversation w/Jim Lovato and Margie Dupre @ BLM on 2/25/03, attached are two new C-102 plats (1 each for Dakota and Mesaverde) and a quad map for the above mentioned well. Due to a discrepancy in the communication agreement and the actual certified survey, the well site location has been moved to a new location at 2,240' FSL x 1,340'FEL in Sec 25, T29N, R10W. This well will still be located on Federal Lease NMSF-081061.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #18965 verified by the BLM Well Information System
For XTO ENERGY INC, sent to the Farmington
Committed to AFMSS for processing by Adrienne Garcia on 03/04/2003 (03AXG0780SE)

Name *(Printed/Typed)* JEFF PATTON — Title DRILLING ENGINEER

Signature (Electronic Submission) — Date 02/26/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By /s/ David J. Mankiewicz — Title — Date MAR 4 2003

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

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.

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****

NMOCD

XTO ENERGY INC.

Lefkovitz Gas Com "B" #1F
APD Data
February 5, 2003

Surface Location: 2,240' FSL & 1,305' FEL, Sec 25, T29N, R10W **County:** San Juan **State:** New Mexico

TOTAL DEPTH: ±6,710' OBJECTIVE: Dakota/Mesaverde
GR ELEV: 5,585' Est KB ELEV: 5,598' (13' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 265'	265' to 2,250'	2,250' to TD
HOLE SIZE	12-1/4"	8-3/4"	6-1/4"
MUD TYPE	FW/Native Mud	FW/Polymer	Air/Foam
WEIGHT	8.6-8.8	8.6-9.0	
VISCOSITY	28-32	29-34	
WATER LOSS	NC	NC	

Remarks: Use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. RU air compressors after setting the intermediate csg. Drill with air or foam to TD.

2. CASING PROGRAM:

Surface Casing: 9-5/8" casing to be set at ± 265' in 8.6 ppg mud

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-265'	265'	36.0#	J-55	STC	2020	3520	394	8.921	8.765	22.20	29	41.30

Intermediate Casing: 7" casing to be set at ±2,250' in 9.0 ppg mud.

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-2,250'	2,250'	20.0#	J-55	STC	2270	3740	234	6.456	6.331	2.16	3.55	3.71

Production Casing: 4-1/2" casing to be set at 6,710' in air.

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-6,710'	6,710'	10.5#	J-55	STC	4010	4790	132	4.052	3.927	1.33	1.20	1.90

EXHIBIT E

3. WELLHEAD:

A. Bradenhead: 9-5/8" x 7" 2,000 psig WP (4,000 psig test).
Casinghead: 7" x 4-1/2" 3,000 psig WP (6,000 psig test).

4. CEMENT PROGRAM (Slurry design may change slightly, but the plan is to circulate cement to surface on both casing strings):

A. Surface: 9-5/8", 32.3#, H-40, STC casing to be set at ± 265'.

Lead: **140 sx** of Class "B" (Standard) cement containing 2% $CaCl_2$, ¼ pps celloflake, mixed at 15.6 ppg, 1.18 ft^3/sk, & 5.20 gal wtr/sk.

Total slurry volume is 166 ft^3, 100% excess of calculated annular volume to 265'.

B. Intermediate: 7", 20.0#, J-55, STC casing to be set at ±2,250'.

Lead: **150 sx** of Type III cement containing ±8% gel, ¼ pps celloflake and 2% CaCl2 mixed at 11.4 ppg, 3.03 ft^3/sk, 18.51 gal wtr/sx.

Tail: **50 sx** of Type III cement containing ¼ pps celloflake and 2% CaCl2 mixed at 14.5 ppg, 1.39 ft^3/sk, 6.80 gal wtr/sx.

Total slurry volume is 524 ft^3, circulated to surface. This value is 50% (excess) over gage hole volume.

C: Production: 4-1/2", 10.5#, J-55, STC casing to be set at ±6,710'.

We plan to cement the production casing in one stage. Prior to cementing, we will unload the hole with nitrogen. The top of cement is design to overlap into the 7" x 4-1/2" annulus between 200-500'.

Lead: **275 sx** of Class "H" Premium Lite High Strength (65/35/6), ¼ pps celloflake, 2% KCl, 0.5% fluidloss, 0.2% dispersant & 2% Phenoseal mixed at 12.5 ppg, 2.01 ft^3/sk, 10.55 gal wtr/sx.

Tail: **100 sx** of Type III cement, 5% BA-10, ¼ pps celloflake, 0.4% fluidloss, 0.3% dispersant & 2% Phenoseal mixed at 14.2 ppg, 1.54 ft^3/sk, 7.50 gal wtr/sx.

Total estimated slurry volume for the 4-1/2" production casing is 706 ft^3 for ±4,960' of fill. Est. TOC should be @ ±1,750'. 40% (excess) over gage hole volume has been added to the number of sacks indicated..

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined for the caliper logs plus 35%..

EXHIBIT E

5. LOGGING PROGRAM:

A. Mud Logger: A two man mud logging crew will come on the hole @ 2,500' and remain on the hole until TD.

B. Open Hole Logs as follows: Run Dual Induction/MSFL/GR/CAL/SP/CNL/LDT (lithodensity) from TD to the bottom of the intermediate csg (@ ±2,250' MD). Run cased hole GR/CCL from TD to surface.

6. FORMATION TOPS:

Formation	Subsea Depth	Well Depth (MD)
Ojo Alamo SS	+4807'	790'
Kirtland Shale	+4676'	921'
Farmington Sanstone	+4541'	1056'
Fruitland Formation	+3988'	1609'
Pictured Cliffs SS	+3673'	1924'
Lewis Shale	+3494'	2103'
Cliffhouse SS	+2013'	3584'
Menefee	+1978'	3619'
Point Lookout SS	+1380'	4217'
Mancos Shale	+1060'	4537'
Gallup Sandstone	+185'	5412'
Greenhorn Limestone	-580'	6177'
Graneros Shale	-640'	6237'
1st Dakota	-698'	6295'
3rd Dakota	-763'	6360'
4th Dakota		
5th Dakota	-813'	6410'
6th Dakota	-863'	6460'
Burro Canyon Ss	-949'	6546'
Morrison	-949'	6546'
Projected TD	-1113'	6710'

7. COMPANY PERSONNEL:

Name	Title	Office Phone	Home Phone
Jeff Patton	Drilling Engineer	505-324-1090	505-632-7882
Dennis Elrod	Drilling Foreman	505-486-6460 cell	505-326-2024
Glen Christiansen	Project Geologist	800-288-2900	
Barry Voigt	Reservoir Engineer	817-885-2462	817-540-2092

JWP
2/5/03

EXHIBIT E

BOP SCHEMATIC FOR DRILLING OPERATIONS CLASS 1 (2M) NORMAL PRESSURE

TESTING PROCEDURE

1. Test BOP after installation:
   Pressure test BOP to 200-300 psig (low pressure) for 5 min.
   Test BOP to Working Press or to 70% internal yield of surf csg (10 min).
2. Test operation of (both) rams on every trip.
3. Check and record Accumulator pressure on every tour.
4. Re-pressure test BOP stack after changing out rams.
5. Have kelly cock valve with handle available.
6. Have safety valve and subs to fit all sizes of drill string.