

SEP 29 2009

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NOG 05031728 28
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name NAVAJO ALLOTMENT
2. Name of Operator XTO Energy Inc.		7. If Unit or CA Agreement, Name and No. PENDING
3a. Address 382 CR 3100 Aztec, NM 87410	3b. Phone No. (include area code) 505/ 333-3100	8. Lease Name and Well No. BOXER #1E
4. Location of Well (Report location clearly and in accordance with any State requirements *) At surface 1935' FSL x 660' FWL At proposed prod. zone SAME		9. API Well No. 30-045- 35026
14. Distance in miles and direction from nearest town or post office* 24 miles SE of Bloomfield P.O.		10. Field and Pool, or Exploratory BASIN DK/BASIN MC
15. Distance from proposed* location to nearest property or lease line, ft (Also to nearest drig. unit line, if any) 660'		11. Sec , T R M or Blk and Survey or Area (L) Sec 27, T25N, R10W
16. No. of acres in lease 160		12. County or Parish SAN JUAN
17. Spacing Unit dedicated to this well DK: S/2 320, MC: S/2 320		13. State NM
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. N/A		20. BLM/BIA Bond No. on file BIA104312789
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6680' Ground Elevation		23. Estimated duration 2 Weeks
22. Approximate date work will start* 01/01/2010		

24. Attachments

RCVD FEB 1 '10

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.

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| 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 Malia Villers	Name (Printed/Typed) Malia Villers	Date 09/25/2009
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Title

Permitting Tech.

Approved by (Signature) M. Villers	Name (Printed/Typed) M. Villers	Date 1/29/2010
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Title

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

NMOCD

FEB 03 2010

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

DISTRICT II
1301 W. Grand Avenue, Artesia, N.M. 88210

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

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, N.M. 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30.045-350220	² Pool Code 71599/97232	³ Pool Name Basin DAKOTA / MANCOS
⁴ Property Code 38004	⁵ Property Name BOXER	⁶ Well Number IE
⁷ GRID No. 5380	⁸ Operator Name XTO ENERGY, INC.	⁹ Elevation 6680

¹⁰ Surface Location

UL or lot no. L	Section 27	Township 25 N	Range 10 W	Lot Idn	Feet from the 1935	North/South line SOUTH	Feet from the 660	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
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¹² Dedicated Acres S 1/2, 320 AC±	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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 N 89°56'55" E 2640.01'	2637.02'	N 89°54'20" E 2639.36'	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 released 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. mahavillers 9/25/09 Signature Date mahavillers Printed Name
N 0°02'07" E			S 0°02'41" W
SECTION 27			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. 3/17/08 Date of Survey Signature and Seal of Professional Surveyor ROBERT L. POUNDS NEW MEXICO LICENSED 6846 Certificate Number
NAD 83 LAT: 36.370111° N LONG: 107.890713° W	660'	1935'	2643.53'
2638.69'			2643.53'
N 0°01'49" E			S 0°03'37" W
S 89°59'51" W	2639.29'	N 89°59'05" W	2635.25'

XTO ENERGY INC.

Boxer #1E

APD Data

September 25, 2009

Location: 1935' FSL x 660' FWL Sec 27, T25N, R10W County: San Juan State: New Mexico

GREATEST PROJECTED TD: 6600'
APPROX GR ELEV: 6680'

OBJECTIVE: Basin Dakota / Basin Mancos
Est KB ELEV: 6692' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 6600'
HOLE SIZE	12.25"	7.875"	7.875"
MUD TYPE	FW/Spud Mud	FW/Polymer	LSND / Gel Chemical
WEIGHT	8.6-9.0	8.4-8.8	8.6- 9.20
VISCOSITY	28-32	28-32	45-60
WATER LOSS	NC	NC	8-10

Remarks: Use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing purposes.

2. CASING PROGRAM:

Surface Casing: 8.625" casing to be set at $\pm 360'$ in a 12-1/4" hole filled with 9.20 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'-360'	360'	24.0#	J-55	ST&C	1370	2950	244	8.097	7.972	7.950	17.13	28.24

Production Casing: 5.5" casing to be set at TD ($\pm 6600'$) in 7.875" hole filled with 9.20 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'-6600	6600'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.28	1.52	1.97

Remarks: All Casing strings will be centralized in accordance with Onshore Order #2 and NTL FRA-90-1.

3. WELLHEAD:

- Casing Head: Larkin Fig 92 (or equivalent), 9" nominal, 2,000 psig WP (4,000 psig test) with 8-5/8" 8rnd thread on bottom and 11-3/4" 8rnd thread on top.
- Tubing Head: Larkin Fig 612 (or equivalent), 6.456" nominal, 2,000 psig WP (4,000 psig test), 5-1/2" 8rnd female thread on bottom (or slip-on, weld-on), 8-5/8" 8rnd thread on top.

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

A. Surface: 8.625", 24.0#, J-55, ST&C casing to be set at $\pm 360'$ in 12-1/4" hole.

214 sx of Type III cement (or equivalent) typically containing accelerator and LCM, mixed at 14.5 ppg, 1.39 ft³/sk, & 6.70 gal wtr/sk.

Total slurry volume is 297 ft³, 100% excess of calculated annular volume to 360'.

B. Production: 5.5", 15.5#, J-55 (or K-55), ST&C casing to be set at $\pm 6600'$ in 7.875" hole. DV Tool set @ $\pm 4075'$

1st Stage

LEAD:

± 190 sx of Premium Lite HS (Type III/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 12.5 ppg, 2.01 ft³/sk, 10.55 gal wtr/sx.

TAIL:

150 sx Type III or equivalent cement with bonding additive, LCM, dispersant, & fluid loss mixed at 14.2 ppg, 1.54 cuft/sx, 8.00 gal/sx.

2nd Stage

LEAD:

± 338 sx of Type III or equivalent cement with 8% gel & LCM mixed at 11.9 ppg, 2.54 ft³/sk, 15.00 gal wtr/sx.

TAIL:

100 sx Type III neat mixed at 14.5 ppg, 1.39 cuft/sx, 6.3 gal/sx.

Total estimated slurry volume for the 5-1/2" production casing is 1611 ft³.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 40%. It will be attempted to circulate cement to the surface.

5. LOGGING PROGRAM:

A. Mud Logger: None.

B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (6600') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (6600') to 3,000'.

6. **FORMATION TOPS:**

Est. KB Elevation: 6692'

FORMATION	Sub-Sea	MD	FORMATION	TV Sub-Sea	MD
Ojo Alamo SS	5943	749	Gallup	1745	4947
Kirtland Shale	5789	903	Greenhorn	636	6056
Farmington SS			Graneros	585	6107
Fruitland Formation	5456	1236	Dakota 1*	547	6145
Lower Fruitland Coal	5067	1625	Dakota 2*	514	6178
Pictured Cliffs SS	5048	1644	Dakota 3*	488	6204
Lewis Shale	4823	1869	Dakota 4*	419	6273
Chacra SS	4239	2453	Dakota 5*	386	6306
Cliffhouse SS*	3537	3155	Dakota 6*	346	6346
Menefee**	3504	3188	Burro Canyon	297	6395
Point Lookout SS*	2575	4117	Morrison*	249	6443
Mancos Shale	2355	4337	TD	92	6600

* Primary Objective

** Secondary Objective

**** Maximum anticipated BHP should be <2,000 psig (<0.30 psi/ft) *****

7. **COMPANY PERSONNEL:**

Name	Title	Office Phone	Home Phone
Justin Niederhofer	Drilling Engineer	505-333-3199	505-320-0158
Bobby Jackson	Drilling Superintendent	505-333-3224	505-486-4706
John Klutsch	Project Geologist	817-885-2800	--

JDN
9/25/09

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

1. Stake all lines from choke manifold to pit.
2. Pressure test choke manifold after installation.
3. Pressure test manifold at the same time with the BOP Stack. Test manifold to the same test pressures.

TESTING PROCEDURE



