

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*  
(Other instructions on  
reverse side)

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF - 081239																
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME																
2. NAME OF OPERATOR XTO Energy Inc.		7. UNIT AGREEMENT NAME 2886																
3. ADDRESS AND TELEPHONE NO. 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401		8. FARM OR LEASE NAME, WELL NO. Little Stinker #2																
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1175' FNL & 1605' FEL in Sec 11, T30N., R12W At proposed prod. zone same as above		9. API WELL NO. 3004531570																
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 2 air miles north of the Spencerville, NM.		10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal																
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1032'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 11, T30N., R12W																
16. NO. OF ACRES IN LEASE +2,410.24		12. COUNTY OR PARISH San Juan																
17. NO. OF ACRES ASSIGNED TO THIS WELL 317.11 E2		13. STATE NM																
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 75'		19. PROPOSED DEPTH 2,475'																
20. ROTARY OR CABLE TOOLS 0-2,475' with Rotary Tools		21. APPROX. DATE WORK WILL START* Spring 2003																
22. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,919' Ungraded Ground Level		23. PROPOSED CASING AND CEMENTING PROGRAM																
<table border="1"><thead><tr><th>SIZE OF HOLE</th><th>GRADE SIZE OF CASING</th><th>WEIGHT PER FOOT</th><th>SETTING DEPTH</th><th>QUANTITY OF CEMENT</th></tr></thead><tbody><tr><td>8-3/4"</td><td>7", J-55</td><td>20.0#/ft</td><td>+200'</td><td>75 sx Type III or C1 B cement</td></tr><tr><td>6-1/4"</td><td>4-1/2", J-55</td><td>10.5#/ft</td><td>+2,475'</td><td>195 sx Premium Lite cement</td></tr></tbody></table>				SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	8-3/4"	7", J-55	20.0#/ft	+200'	75 sx Type III or C1 B cement	6-1/4"	4-1/2", J-55	10.5#/ft	+2,475'	195 sx Premium Lite cement
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8-3/4"	7", J-55	20.0#/ft	+200'	75 sx Type III or C1 B cement														
6-1/4"	4-1/2", J-55	10.5#/ft	+2,475'	195 sx Premium Lite cement														

XTO ENERGY INC. Request approval to drill the above mentioned well as described in the enclosed Surface Use Plan and proposed Drilling Program.

Note: Due to this well being located on existing location, No pipeline ROW is required.

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

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

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposals to deepen, give data on present productive zone and proposed new productive zone. If proposals 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 JW Patton TITLE Drilling Engineer DATE 3/13/03

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE APR - 2 2003

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:

APPROVED BY /s/ David J. Mankiewicz TITLE \_\_\_\_\_ DATE APR - 2

\*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.

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

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 15, 2000

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

OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, NM 87505

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

REC'D / SAN JUAN

DEC 13 2002

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-31570		<sup>2</sup> Pool Code 71629		<sup>3</sup> Pool Name BASIN FULTLAND COAL	
<sup>4</sup> Property Code 28816		<sup>5</sup> Property Name LITTLE STINKER			<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 167067		<sup>8</sup> Operator Name XTO ENERGY INC.			<sup>9</sup> Elevation 5919'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	11	30-N	12-W		1175	NORTH	1605	EAST	SAN JUAN

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres 317.11 E/Z		<sup>13</sup> Joint or Infill I		<sup>14</sup> Consolidation Code		<sup>15</sup> 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

<p>16</p> <p>LOT 4</p> <p>LOT 5</p> <p>LOT 6</p> <p>LOT 7</p> <p>LOT 10</p> <p>RECEIVED</p> <p>070 Fairington, NM</p> <p>200 MAR 3 PM 3:40</p>		<p>QTR. CORNER FD 3 1/4" BC BLM 1975</p> <p>LOT 3</p>		<p>S 89-07-13 W 2636.50' (M)</p> <p>LOT 2</p>		<p>SEC. CORNER FD 3 1/4" BC BLM 1976</p> <p>LOT 1</p>		<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature <u>JW Patton</u></p> <p>Printed Name <u>JEFFREY W PATTON</u></p> <p>Title <u>DRILLING ENGINEER</u></p> <p>Date <u>3-13-03</u></p>	
		<p>LAT: 36°49'51" N. (NAD 83) LONG: 108°03'50" W.</p> <p>APR 2003</p>		<p>1175'</p> <p>1032'</p> <p>287'</p> <p>143'</p> <p>S 01-00-05 W 2635.00' (M)</p> <p>LOT 8</p>		<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>12-13-02</p> <p>Date of Survey</p> <p>Signature <u>DAVID A. JOHNSON</u></p> <p>REGISTERED PROFESSIONAL SURVEYOR NEW MEXICO 14827</p> <p>Certificate Number</p>			

# XTO ENERGY INC.

## DRILLING PROCEDURE

### LITTLE STINKER #2

Basin Fruitland Coal

March 11, 2003

Location: 1,175' FNL & 1605' FEL, Sec 11, T30N, R12W County: San Juan State: New Mexico

PROJECTED TOTAL DEPTH: 2,475' OBJECTIVE: Fruitland Coal GR ELEV: 5,919'

#### 1. MUD PROGRAM:

INTERVAL	0'-200'	200'-TD
HOLE SIZE	8-3/4"	6-1/4"
MUD TYPE	FW/Native	FW/Polymer
MUD WEIGHT, ppg	8.6-9.0	8.6-9.1
VISCOSITY, sec/qt	28-32	28-33
WATER LOSS, cc	NC	NC

Remarks: Drill the surface hole with fresh water. Run and cement 7" surface casing, circulating cement to surface. NU and test BOP equipment, then drill out with fresh water. Use polymer sweeps as needed for hole cleaning. At TD, sweep the hole prior to TOH to log.

#### 2. CASING PROGRAM:

Surface Casing: 7" casing to be set at  $\pm 200'$  in 8.8 ppg mud.

Interval	Length	Wt (ppf)	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	DD (in)	SF Coll	SF Burst	SF Tension
0'-200'	200'	20#	J-55	STC	2,270	3,740	234	6.456	6.331	9.99	4.59	58.5

Optimum makeup torque for 7" 20#, J-55, STC casing is **2,340 ft-lbs** (Min - 1,760 ft-lbs, Max - 2,930 ft-lbs).

Production Casing: 4-1/2" casing to be set at  $\pm 2,475'$  in 8.8 ppg mud.

Interval	Length	Wt (ppf)	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	DD (in)	SF Coll	SF Burst	SF Tension
0'-TD	2,475'	10.5#	J-55	STC	4,010	4,790	132	4.052	3.927	3.57	3.33	5.24

Optimum makeup torque for 4-1/2", 10.5#, J-55, casing is **1,320 ft-lbs** (Min - 990 ft-lbs, Max - 1,650 ft-lbs).

Capacity of 7", 20# casing is: 0.04048 bbl/ft

Capacity of 4-1/2", 10.5# casing is: 0.01595 bbl/ft

EXHIBIT D

3. **WELLHEAD:**

Casinghead: Larkin Fig 92 (or equivalent) 2,000 psig WP (4,000 psig test) with 7", 8rd pin on bottom and 8-5/8" API Modified 8rd thread on top.

Tubinghead: Larkin Model 612 (or equivalent) 2,000 psig WP (4,000 psig test) with 4-1/2", 8rd bottom thread and 8-5/8" 8rd API Modified top body thread, 4.090" minimum bore.

4. **CEMENT PROGRAM:**

A. Surface: 7", 20#, J-55, STC casing at  $\pm 200'$ .

Lead:  $\pm 75$  sx Type III (or Class "B") cement containing LCM and accelerator mixed at an average density of 14.6 – 15.6 ppg, average yield 1.39 – 1.18 ft<sup>3</sup>/sk, water requirement 6.67 – 5.2 gal wtr/sk.

Total slurry volume is 104.25 – 88.5 ft<sup>3</sup>,  $\pm 250\%$  excess of calculated annular volume required to circulate cement to surface.

B. Production: 4-1/2", 10.5#, J-55, STC casing at  $\pm 2,475'$ .

Lead: 125\* sx of Type III (or Class "B") cement containing 8% gel & LCM mixed at an average density 11.4 – 11.9 ppg, average yield 3.03 – 2.86 ft<sup>3</sup>/sk, water requirement of 18.51 – 16.0 gal wtr/sk).

Tail: 70 sx Type III (or Class "B") cement containing accelerator and LCM mixed at an average density of 14.5 – 15.6 ppg, 1.41 - 1.18 ft<sup>3</sup>/sk, 6.72 – 5.2 gal wtr/sx).

Total average slurry volume is 457 ft<sup>3</sup>,  $\pm 100\%$  excess of calculated annular volume required to circulate cement to surface.

\* Actual cement volumes will be determined using log caliper volume plus 40% excess.

5. **DRILLING HAZARDS:**

- H<sub>2</sub>S or other Poisonous Gases: No formations known to contain H<sub>2</sub>S or any other poisonous gases will be penetrated with this wellbore.
- Abnormal Pressures: No overpressured zones are known to exist or are anticipated to be encountered during the drilling of this well.
- Lost Circulation: Seepage and/or lost circulation may be encountered below surface casing and can be controlled with conventional lost circulation materials added to the mud system.

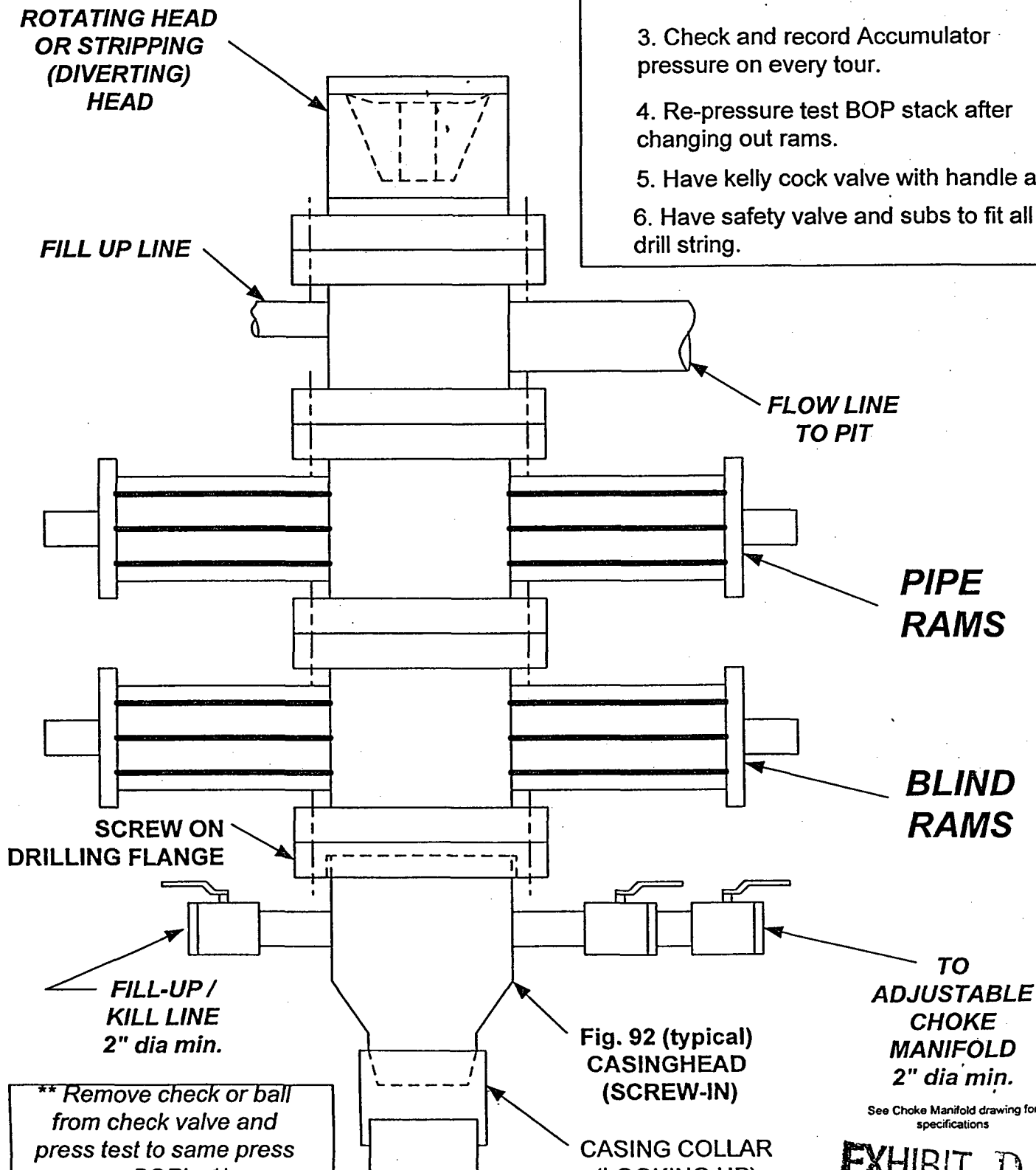
6. **LOGGING PROGRAM:**

Array Induction/DFL/GR/SP/Cal  
DSN/Spectral Density/GR/Cal/Pe

TD to bottom of surf csg. ,  
TD to bottom of surf csg.

EXHIBIT D

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



## 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.

**TESTING  
PROCEDURE**

**\*\* Remove check or ball from check valve and press test to same press**

See Choke Manifold drawing for specifications

**EXHIBIT D**