

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-019414	
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 N/A	
2. Name of Operator XTO Energy Inc.		7. Unit or CA Agreement Name and No. N/A	
3a. Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM		8. Lease Name and Well No. Stanolind Gas Com D #1R	
3b. Phone No. (include area code) 505-324-1090		9. API Well No. 30045 3 2671	
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 1815' FSL x 665' FEL in Sec 17, T32N, R12W At proposed prod. zone same		10. Field and Pool, or Exploratory Blanco Mesaverde	
14. Distance in miles and direction from nearest town or post office* Approx 7.38 air miles NE of La Plata NM Post Office		11. Sec., T., R., M., or Blk. and Survey or Area I Sec 17, T32N, R12W	
13. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 665'		12. County or Parish San Juan	
16. No. of Acres in lease 905.42		13. State NM	
17. Spacing Unit dedicated to this well 302.63 5/2			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 650'		20. BLM/BIA Bond No. on file	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6038' Ground Level		22. Approximate date work will start* winter 2004	
		23. Estimated duration 2 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:

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

25. Signature Kyla Vaughan	Name (Printed/Typed) Kyla Vaughan	Date 11/05/04
Title Regulatory Compliance Tech		
Approved by (Signature) [Signature]	Name (Printed/Typed) [Signature]	Date 1-5-05
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)

NMOCD

APD/ROW

DRILLING OPERATIONS AUTHORIZED AS
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

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

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 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 June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-32671	Pool Code 72319	Pool Name Bianco Mesquero
Property Code 2287	Property Name STANOLIND GAS COM D	Well Number 1R
GRID No. 107067	Operator Name XTO ENERGY INC.	Elevation 6038'

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
1	17	32-N	12-W		1815	SOUTH	665	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
Dedicated Acre 512 302.63			Joint or In I		Consolidation Code		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

16	LOT 4	LOT 3	LOT 2	LOT 1
LOT 5	LOT 6	LOT 7	LOT 8	
LOT 12	LOT 11	LOT 10	LOT 9	
LOT 13	LOT 14	LOT 15	LOT 16	

OTR. CORNER
FD 3 1/4" BC
BLM 1952

LAT: 38°59'02" N. (NAD 27)
LONG: 108°05'41" W. (NAD 27)

SEC. CORNER
FD 1/2" REBAR
w/ CAP
LS 8894"

S 88-31-52 W
2499.1' (M)

665'

1815'

N 00-28-23 E
2643.3' (M)

17 OPERATOR CERTIFICATION

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

Signature
Debra J. Small

Printed Name
Debra J. Small

Title
Drilling Assistant

Date
9/17/04

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.

Signature
STAN A. VUKONICH

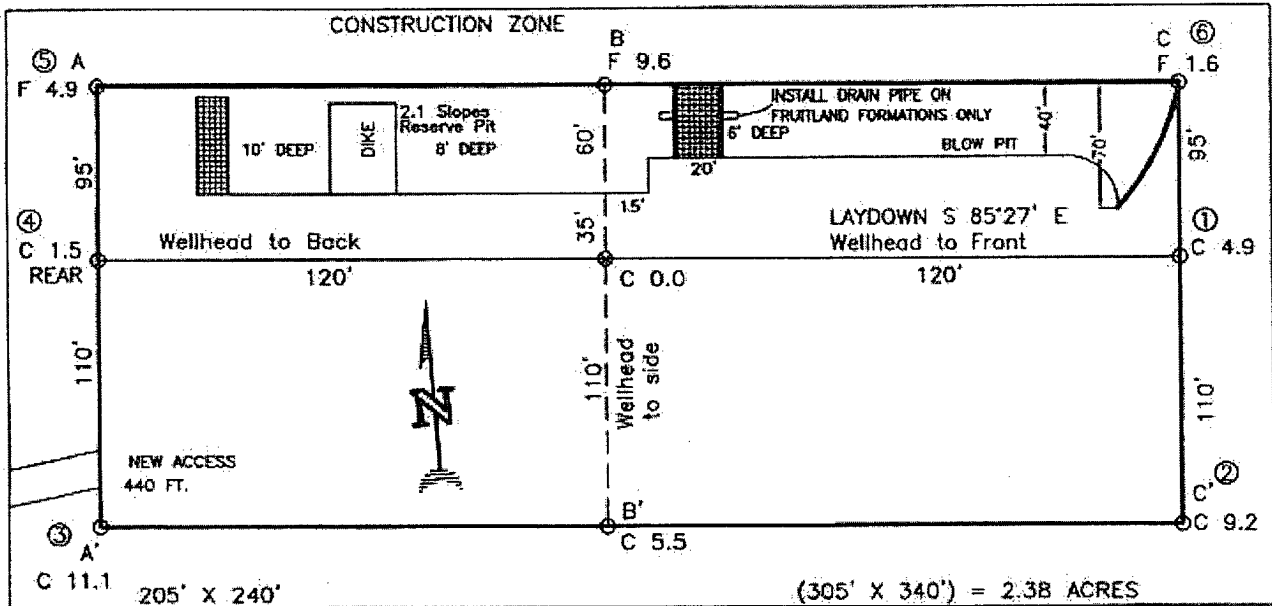
Printed Name
STAN A. VUKONICH

Title
REGISTERED PROFESSIONAL SURVEYOR

Certification Number
14831

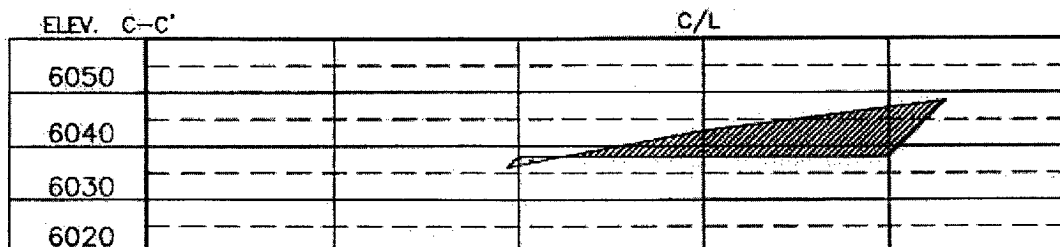
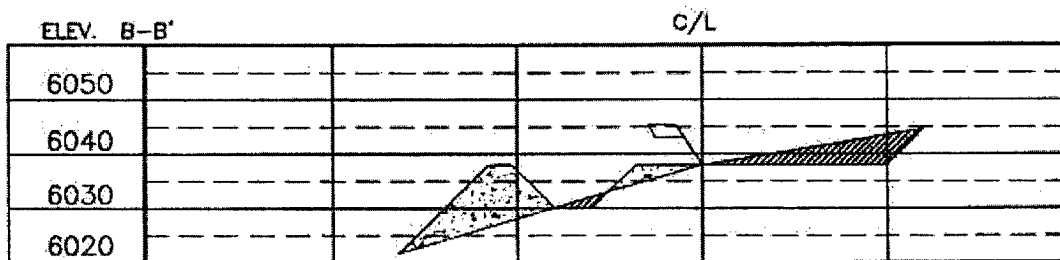
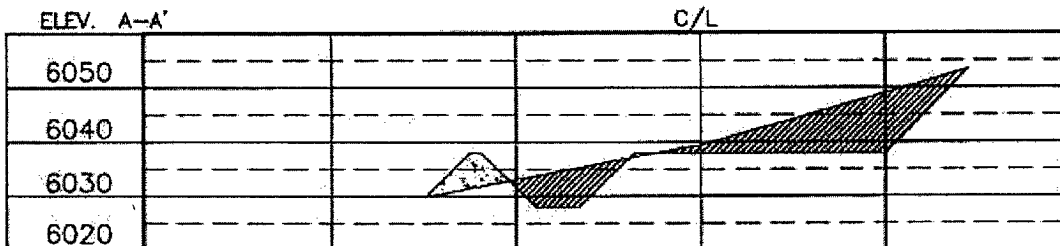
XTO ENERGY INC.
 STANOLIND GAS COM D #1R, 1815' FSL 665' FEL
 SECTION 17, T32N, R12W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 6038', DATE: JULY 15, 2004

LAT. = 36°59'02" N.
 LONG. = 108°06'41" W
 NAD 27



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.



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.

EXHIBIT D

Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P. O. Box 15008 • Farmington, NM 87401
 Phone (505) 326-1772 • Fax (505) 326-8018
 NEW MEXICO L.S. No. 14831

DATE: 07/25/04
 DRAWN BY: B.L.
 REVISED BY: [blank]
 REVISED DATE: [blank]

XTO ENERGY INC.
Stanolind Gas Com "D" #1R
Drilling Prognosis
November 4, 2004

Location: 1,815' FSL & 665' FEL, Sec 17, T32N, R12W

County: San Juan

State: New Mexico

PROJECTED TOTAL DEPTH: ±4,350'
GR ELEV: 6,038'

OBJECTIVE: Mesaverde
Est KB ELEV: 6,050' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 265'	265' to TD
HOLE SIZE	12-1/4"	7-7/8"
MUD TYPE	FW/Spud Mud	FW/Polymer/LSND
WEIGHT	8.6-9.0	8.4-8.8
VISCOSITY	28-32	28-40
WATER LOSS	NC	8-10 cc's

Remarks: Use fibrous materials as needed to control seepage and lost circulation during intermediate part of hole.

2. CASING PROGRAM:

Surface Casing: 8-5/8" casing to be set at ± 265' in 8.6 ppg spud 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'	24.0#	J-55	STC	1,370	2,950	244	9.001	8.845	11.57	18.76	49.14

Production Casing: 5-1/2" casing to be set at 4,350' in LSND Gel based 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'-4,350'	4,350'	15.5#	J-55	STC	4,040	4,810	202	4.950	4.825	1.87	2.23	2.83

*** Surface Casing along with the BOP will be tested to ±1,500 psig for 30 minutes.

3. WELLHEAD:

- A. Casing Head: Larkin Fig 92 (or equivalent), 8-5/8" nominal, 2,000 psig WP (4,000 psig test) with 8-5/8" 8rnd thread on bottom and 10-3/4" 8rnd thread on top.
- B. Tubing Head: Larkin Fig 612 (or equivalent), 6.437" nominal, 3,000 psig WP (6,000 psig test), 5-1/2" weld-on, slip-on bottom and a flanged fitting on top.

EXHIBIT E

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

A. Surface: 8-5/8", 24.0#, J-55, STC casing to be set at $\pm 265'$.

Lead: 150 sx of Type III (or equivalent) cement containing 2% CaCl_2 , ¼ pps celloflake, mixed at 14.5 ppg, 1.41 ft^3/sk , & 6.30 gal wtr/sk.

Total slurry volume is 208 ft^3 , $\pm 125\%$ excess of calculated annular volume to 265'.

B. Production Casing: 5-1/2", 15.5#, J-55, STC casing to be set at 4,350'. DV Tool @ 3,800'

1st Stage 80 sx Premium Lite High Strength w/LCM, dispersant and fluid loss additives mixed at 12.5 ppg, 2.01 cuft/sx, 10.6 gal wtr/sx.

2nd Stage

Lead: 310 sx of Type III w/extender and LCM mixed at 11.9 ppg, 2.54 ft^3/sk , 15.0 gal wtr/sx.

Tail: 100 sx of Type III w/LCM mixed at 14.5 ppg, 1.41 ft^3/sk , 6.7 gal wtr/sx..

Total estimated slurry volume for the 5-1/2" production casing is ¹⁰⁸⁹~~1,184~~ ft^3 using 40% excess.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined for the caliper logs plus 40%.

5. LOGGING PROGRAM:

A. Mud Logger: A 2 man mud logging unit will come on the hole from $\pm 2,000'$ to TD.

B. Open Hole Logs as follows: Run Induction/MSFL/GR/SP from TD (4,350') to the bottom of the surface casing and run the Density/CSN/Cal and Pe fr/TD to 2,000'.

6. FORMATION TOPS:

Formation	Subsea Depth	Well Depth
Ojo Alamo SS		
Kirtland Shale		
Fruitland Formation	+4860'	1268'
Lower Fruitland Coal	+4719'	1409'
Pictured Cliffs SS	+4619'	1509'
Lewis Shale	+4446'	1682'
Chacra SS	+3368'	2760'
Cliffhouse SS*	+2850'	3278'
Menefee*	+2637'	3491'
Point Lookout SS*	+2136'	3992'
Mancos Shale	+2016'	4112'
Projected TD	+1778'	4350'

* Target Reservoir. Maximum anticipated reservoir pressure will be $\pm 1,550$ psig.

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~~¹⁰ min.

Test BOP to Working Press or
to 70% internal yield of surf csg
(10 min).

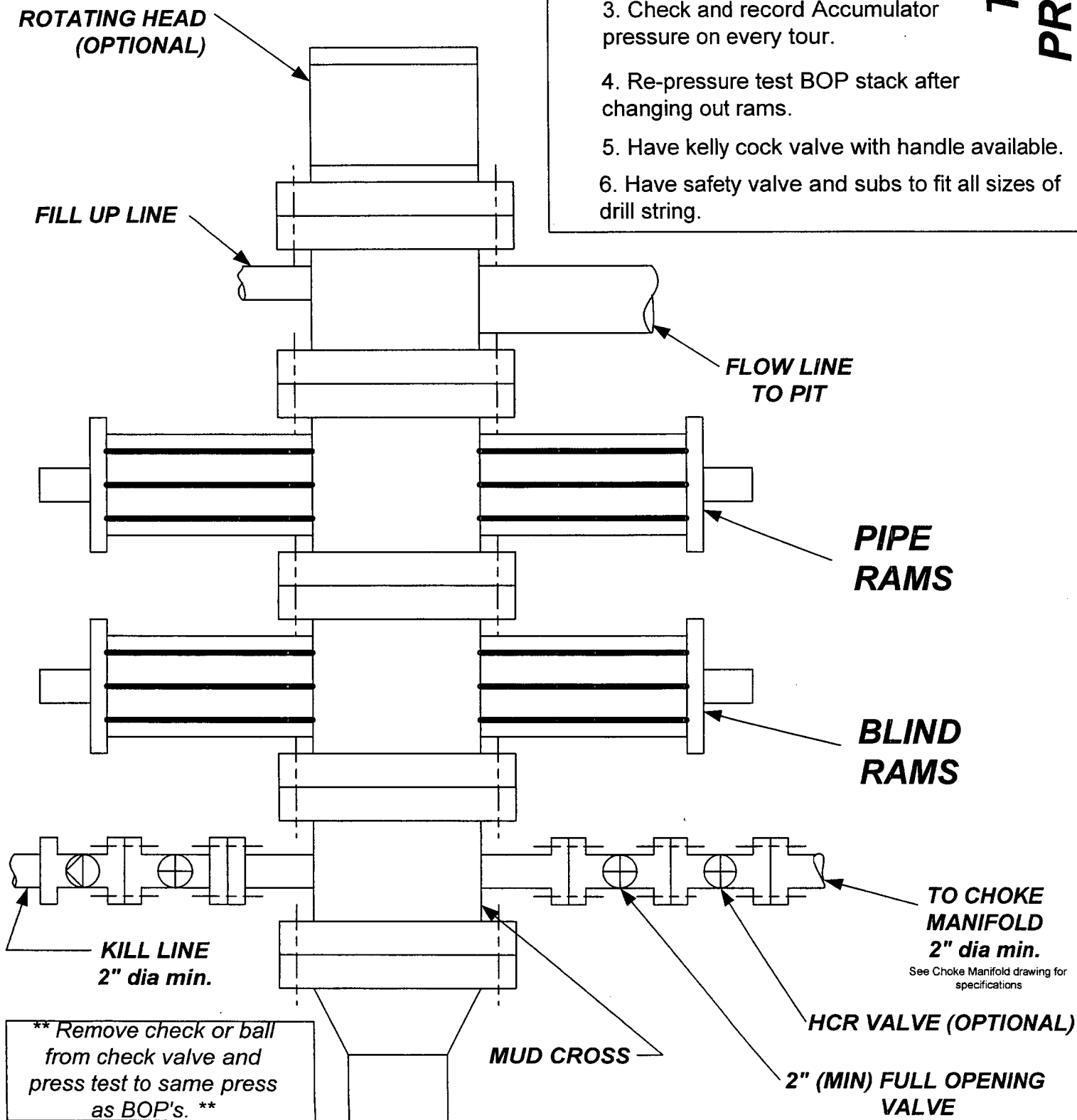
2. Test operation of (both) rams on every trip.

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.



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

