

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-021127	
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 A #2G	
3b. Phone No. (include area code) 505-324-1090		9. APN Well No. 30-045-32869	
4. Location of Well (Report location clearly and in accordance with any State requirements) At surface 665' FNL x 1835' FEL in Sec 29, T31N, R12W 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* Approx 9.35 air miles NorthEast of Farmington, NM Post Office		11. Sec., T., R., M., or Blk. and Survey or Area B Sec 29, T31N, R12W	
15. 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 320		13. State NM	
17. Spacing Unit dedicated to this well DK 320 E/2		18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 947'	
19. Proposed Depth 7200'		20. BLM/BIA Bond No. on file	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5993' Ground Elevation		22. Approximate date work will start* summer 2005	
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:

- |                                                                                                                                                 |                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| 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. |

25. Signature <i>Kyla Vaughan</i>	Name (Printed/Typed) Kyla Vaughan	Date 01/26/05
Title Regulatory Compliance Tech		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 2-11-05
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 pages 2 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".

APD/ROW

NMOCD

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

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

DISTRICT VI  
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 87504-2088

REC'D / SAN JUAN

NOV 04 2004

2005 JAN 31 PM 3 36

RECEIVED

070 FARMINGTON NM

Form C-102

Revised June 10, 2003

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30015-32869</b>		Pool Code <b>71599</b>	Pool Name <b>Basin Dakota</b>
Property Code <b>22636</b>	Property Name <b>STANOLIND A</b>		Well Number <b>2G</b>
Operator No. <b>167067</b>	Operator Name <b>XTO ENERGY INC.</b>		Elevation <b>5993</b>

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from line	North/South line	Feet from line	East/West line	County
B	29	31-N	12-W		665	NORTH	1835	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from line	North/South line	Feet from line	East/West line	County

Dedicated Acres <b>812.330</b>	Joint or Infill	Consolidation Code	Order No.
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16 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>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>Billy H. Small</u></p> <p>Printed Name: <u>Billy H. Small</u></p> <p>Title: <u>Drilling Assistant</u></p> <p>Date: <u>11/12/04</u></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>Date of Survey: <u>NOV 04 2004</u></p> <p>Signature of Registered Professional Surveyor: <u>[Signature]</u></p> <p>Certificate Number: <u>14831</u></p>

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 87240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

NM-021127

7. Lease Name or Unit Agreement Name:

STANOLIND A

8. Well Number

#2G

9. OGRID Number

167067

10. Pool name or Wildcat

BASIN DAKOTA

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

XTO Energy Inc.

3. Address of Operator

2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401

4. Well Location

Unit Letter B : 665 feet from the NORTH line and 1835 feet from the EAST line

Section 29 Township 31N Range 12W NMPM NMPM County SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

5993' GL

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type DRILL Depth to Groundwater >100 Distance from nearest fresh water well 1 MILE Distance from nearest surface water 1 MILE

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: RESERVE PIT ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See Attachment

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Kyla Vaughan TITLE Regulatory Compliance Tech DATE 01/26/05

Type or print name Kyla Vaughan

E-mail address: Kyla\_Vaughan@xtoenergy.com

Telephone No. 505-324-1090

For State Use Only

APPROVED BY [Signature]

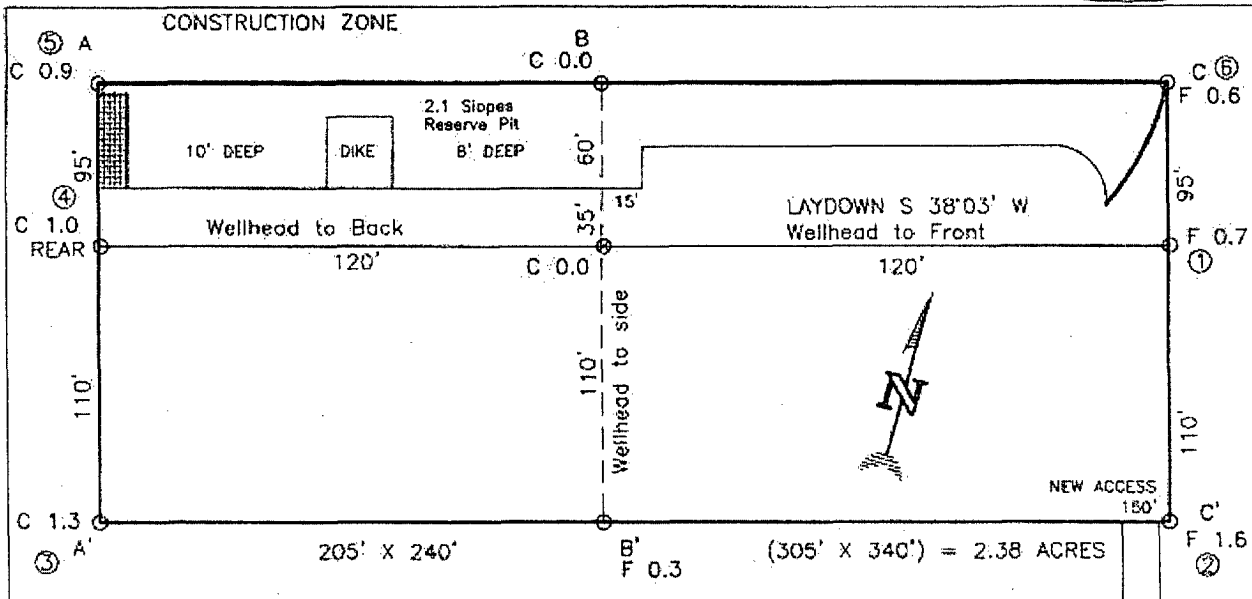
DEPUTY OIL & GAS INSPECTOR, DIST. 48 **FEB 14 2005**

Conditions of Approval, if any:

EXHIBIT

XTO ENERGY INC.  
 STANOLIND A No. 2G, 665 FNL 1835 FEL  
 SECTION 29, T31N, R12W, N.M.P.M., SAN JUAN COUNTY, N. M.  
 GROUND ELEVATION: 5993, DATE: NOVEMBER 3, 2004

LAT: 36°52'33.6" N.  
 LONG: 108°07'06.0" W.  
 NAD 27

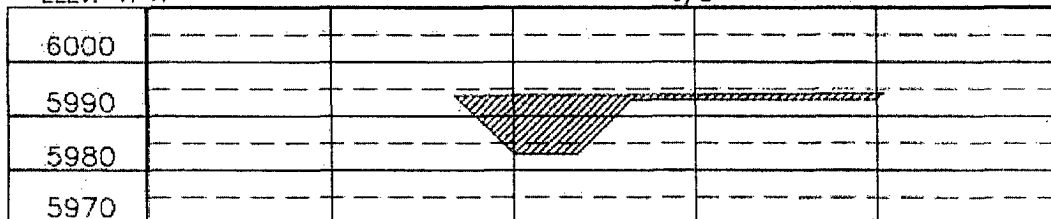


RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).  
 BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

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.

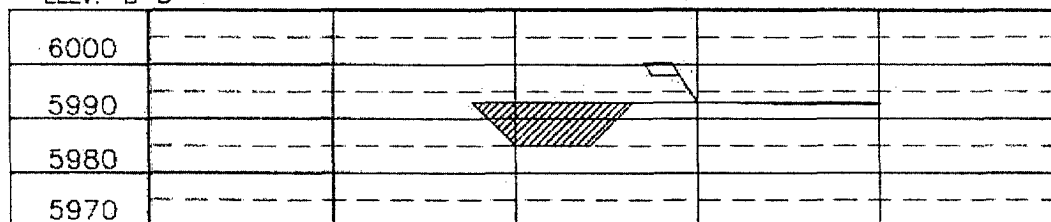
ELEV. A-A'

C/L



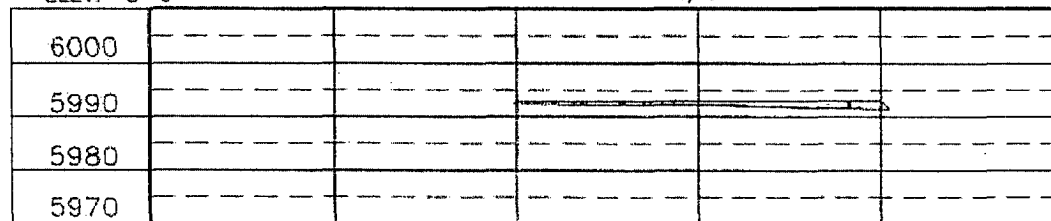
ELEV. B-B'

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:	REVISED BY:	
ACCESS ROAD CHANGE	11/13/04	A.G.	
<b>Daggett Enterprises, Inc.</b> 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. 14831			
OWNER BY: A.G.	CADFILE: CR39702B	DATE: 11/03/04	
ROW# CR397			

EXHIBIT E

**STANOLIND "A" #2G  
XTO ENERGY INC.  
SURFACE USE PROGRAM  
SAN JUAN COUNTY, NM  
Basin Dakota / Blanco Mesaverde  
665' FNL – 1,835' FEL  
Section 29, Township 31 North, Range 12 West**

**1. EXISTING ROADS:**

Starting in Farmington, NM, go north off of Pinon Hills Blvd on to the glade. Continue northeast on the existing Glade road for 9.9 mile. Turn left on to new dirt road going to location. See attached **Exhibit "A"**.

**2. ACCESS ROADS TO BE CONSTRUCTED:**

The proposed new location is located alongside an existing lease road. Only 150' of new access road will be required.

**3. LOCATION OF EXISTING WELLS:**

See Attached **Exhibit "B"**.

**4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES IF WELL IS PRODUCTIVE:**

If the well is productive it will initially be equipped with a separator, automation and gas measurement equipment, a buried, double wall, steel water tank and necessary lines. If necessary, a well head compressor and pumping unit may be installed. All equipment will be installed in an appropriate manner within the boundaries of the well pad. Location of equipment on the pad will be determined after the well is drilled. *El Paso Field Services* will install the required pipeline. See **Exhibit "C"** for the pipeline ROW that will be required.

STANOLIND A #2G

XTO Energy Inc. proposes to install a lined, earthen reserve pit on location for drilling. The pit will be removed from location in accordance with New Mexico Oil Conservation division guidelines when work is completed.

# XTO ENERGY INC.

Stanolind "A" #2G

APD Data

January 26, 2005

Surface Location: 665' FNL & 1,835' FEL, Sec 29, T31N, R12W County: San Juan State: New Mexico

TOTAL DEPTH: ±7,200' MD

GR ELEV: 5,993'

OBJECTIVE: Dakota/Mesaverde

Est KB ELEV: 6,005' (12' AGL)

## 1. MUD PROGRAM:

INTERVAL	0' to 265'	265' to 3,400'	3,400' to TD
HOLE SIZE	12-1/4"	8-3/4"	6-1/4"
MUD TYPE	FW/Native Mud	FW/Polymer	Air to 6800' / LSND Mud
WEIGHT	8.6-8.8	8.6-9.0	8.8-9.0
VISCOSITY	28-32	29-34	34-60
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.

## 2. CASING PROGRAM:

Surface Casing: 9-5/8" casing to be set at ± 265' in 8.6-8.8 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	5.98	5.68	15.73

Intermediate Casing: 7" casing to be set at ±3,400' in 8.6-9.0 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'-3,400'	3,400'	20.0#	J-55	STC	2270	3740	234	6.456	6.331	1.15	1.31	2.57

Production Casing: 4-1/2" casing to be set at 7,200' in 8.8-9.0 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'-7,200'	7,200'	10.5#	J-55	STC	4010	4790	132	4.052	3.927	1.33	1.20	1.90

EXHIBIT 

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", 36.0#, J-55, STC casing to be set at  $\pm 265'$ .

Lead: 150 sx of Type III or equivalent cement containing accelerator and LCM typically mixed at 14.5 ppg, 1.39 ft<sup>3</sup>/sk, & 6.30 gal wtr/sk.

*Total slurry volume is 209 ft<sup>3</sup>, 100% excess of calculated annular volume to 265'.*

- B. Intermediate: 7", 20.0#, J-55, STC casing to be set at  $\pm 3,400'$ .

Lead: 350 sx of Type III or equivalent cement containing extender, accelerator and LCM typically mixed at 11.9 ppg, 2.54 ft<sup>3</sup>/sk, 15.00 gal wtr/sx.

Tail: 100 sx of Type III or equivalent cement containing accelerator and LCM typically mixed at 14.5 ppg, 1.41 ft<sup>3</sup>/sk, 6.30 gal wtr/sx.

*Total slurry volume is 1,030 ft<sup>3</sup>, circulated to surface. This value is  $\pm 100\%$  (excess) over gage hole volume.*

- C. Production: 4-1/2", 10.5#, J-55, STC casing to be set at  $\pm 7,200'$ .

Lead: 200 sx of Class "H" Premium Lite High Strength (65/35/6) containing dispersant, fluid loss, salt and LCM typically mixed at 12.5 ppg, 2.01 ft<sup>3</sup>/sk, 10.12 gal wtr/sx.

Tail: 150 sx of Class "H" or equivalent cement containing extender, dispersant, fluid loss and LCM typically mixed at 14.2 ppg, 1.54 ft<sup>3</sup>/sk, 7.50 gal wtr/sx..

*Total estimated slurry volume for the 4-1/2" production casing is 633 ft<sup>3</sup> for 4,300' of fill. Est. TOC should be @  $\pm 2,900'$  ( $\pm 500'$  inside the 7" intermediate casing). 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 40%.*

5. **LOGGING PROGRAM:**

- A. Mud Logger: A two man mud logging crew will come on the hole @ 3,000' 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 (@  $\pm 2,600'$  MD). Run cased hole GR/CCL from TD to surface.



6. FORMATION TOPS:

Formation	Subsea Depth	Well Depth (MD)
Ojo Alamo SS		
Kirtland Shale		
Farmington Sandstone		
Fruitland Formation	+3968'	2031'
Lower Fruitland Coal	+3868'	2131'
Pictured Cliffs SS	+3668'	2331'
Lewis Shale	+3538'	2461'
Chacra Sandstone	+2579'	3420'
Cliffhouse SS	+2038'	3961'
Menefee	+1915'	4084'
Point Lookout SS	+1315'	4684'
Mancos Shale	+1005'	4994'
Gallup Sandstone	+34'	5965'
Greenhorn Limestone	-715'	6714'
Graneros Shale	-775'	6774'
1 <sup>st</sup> Dakota	-834'	6833'
2 <sup>nd</sup> Dakota		
3 <sup>rd</sup> Dakota	-892'	6891'
4 <sup>th</sup> Dakota		
5 <sup>th</sup> Dakota	-926'	6925'
6 <sup>th</sup> Dakota	-976'	6975'
Burro Canyon Ss	-1068'	7067'
Morrison	-1088'	7087'
Projected TD	-1188'	7200'

Maximum anticipated BHP for the Dakota Formation should 1,500-1,800 psig.

7. COMPANY PERSONNEL:

Name	Title	Office Phone	Home Phone
Jeff Patton	Drilling Engineer	505-324-1090	505-632-7882
Jim Onisko	Drilling Manager	505-324-1090	505-564-4935
Dennis Elrod	Drilling Foreman	505-486-6460 cell	505-326-2024
Randy Hosey	Project Geologist	817-885-2398	817-427-2475
Barry Voigt	Reservoir Engineer	817-885-2462	817-540-2092

JWP  
1/26/05

EXHIBIT F

# 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~~<sup>10</sup> min.

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

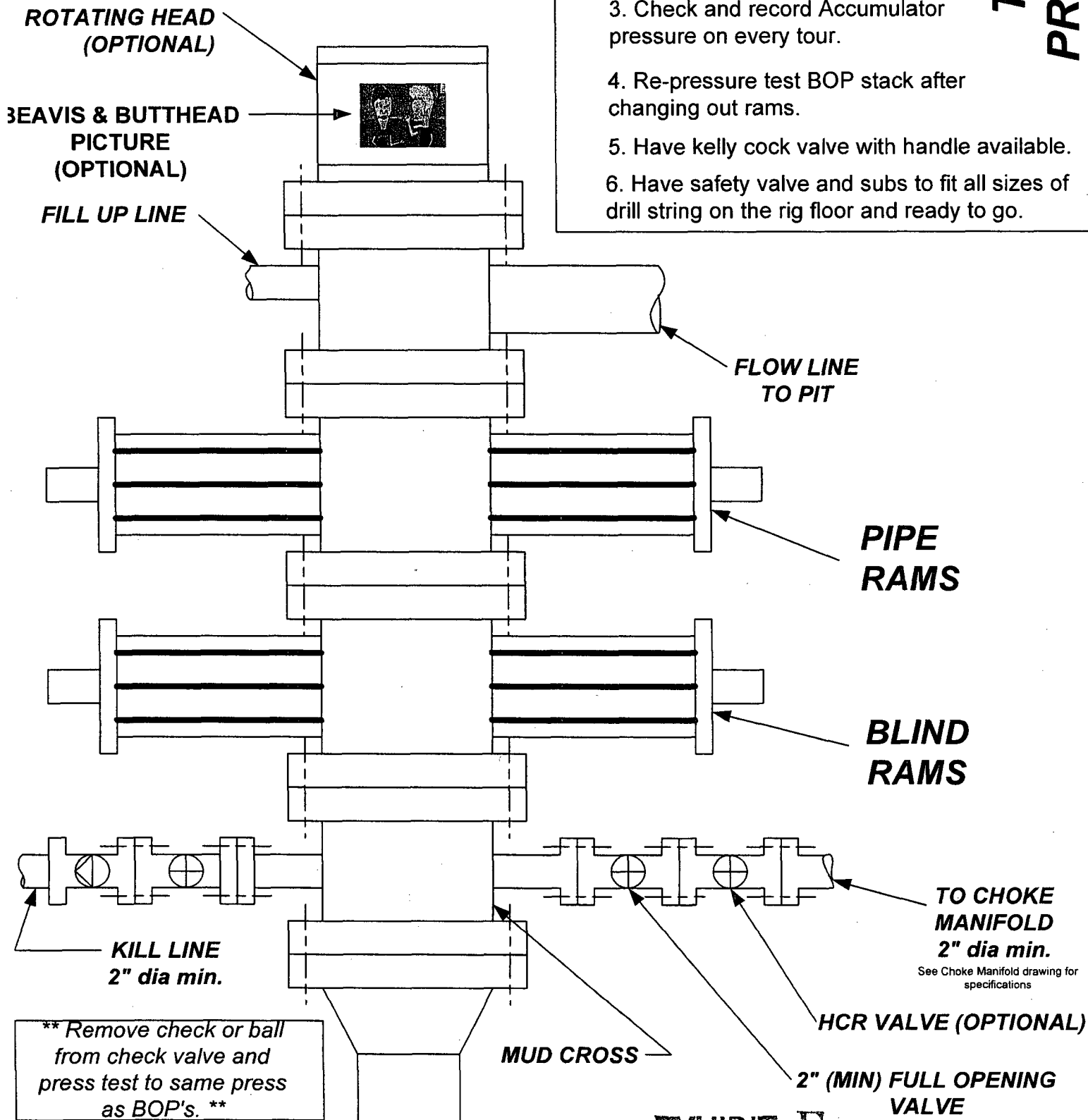
### 2. Test operation of (both) rams on every trip.

### 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 on the rig floor and ready to go.



# **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**

