

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER DIV.

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

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMSF-078978
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. If Unit or CA Agreement, Name and No. N/A
3a. Address 2700 FARMINGTON AVE., BLDG. K-1 FARMINGTON, NM 87401		8. Lease Name and Well No. GARTNER 2 S
3b. Phone No. (include area code) (505) 324-1090		9. API Well No. 30-045- 32915
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 1010 FNL & 1100 FEL. At proposed prod. zone SAME		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
14. Distance in miles and direction from nearest town or post office* 18 AIR MILES SSW OF BLOOMFIELD		11. Sec., T. R. M. or Blk. and Survey or Area A 27-26N-11W NMPM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1,010'	16. No. of acres in lease 760.13	17. Spacing Unit dedicated to this well N2 320
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 223' (XTO's 1-E)	19. Proposed Depth 2,100'	20. BLM/BIA Bond No. on file BLM NATIONWIDE 57 91 73
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,275' GL	22. Approximate date work will start* 04/01/2005	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>Brian Wood</i>	Name (Printed/Typed) BRIAN WOOD	Date 02/21/2005
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Title
CONSULTANT

PHONE: (505) 466-8120

FAX: (505) 466-9682

Approved by (Signature) <i>Wayne Townsend</i>	Name (Printed/Typed) Wayne Townsend	Date 3-3-05
Title Acting 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.

*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".

2005 FEB 23 PM 10 30
RECEIVED
BUREAU OF LAND MANAGEMENT
FARMINGTON NM

NMOCD

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

OIL CONSERVATION DIVISION

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

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

2040 South Pacheco
Santa Fe, NM 87505

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-32915		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code 22612	*Property Name GARTNER		*Well Number 2S
*OGRD No. 167067	*Operator Name XTO ENERGY INC.		*Elevation 6275'

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
A.	27	26-N	11-W	.	1010	NORTH	1100	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 Acres 320					*Joint or Infill		*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	QTR. CORNER FD. 2 1/2" BC. 1930 U.S.G.L.O.	S 89-56-17 W 2637.5' (M)	SEC. CORNER FD. 2 1/2" BC. 1930 U.S.G.L.O.	1100'	5295.7' (M)	N 00-12-46 W	27	1010'	MAR 2005 RECEIVED OIL CONSERV. DIV. SANTA FE, NM	17	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>Brian Wood</u> Printed Name <u>BRIAN WOOD</u> Title <u>CONSULTANT</u> Date <u>FEB. 21, 2005</u>	
											18	

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
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

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.)		WELL API NO. 30-045-
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator XTO ENERGY INC.		6. State Oil & Gas Lease No. NMSF-078978
3. Address of Operator 2700 FARMINGTON AVE., BLDG. K-1, FARMINGTON, NM 87401		7. Lease Name or Unit Agreement Name GARTNER
4. Well Location Unit Letter A : 1010 feet from the NORTH line and 1100 feet from the EAST line Section 27 Township 26N Range 11W NMPM County SAN JUAN		8. Well Number 2 S
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6,275' GL		9. OGRID Number 167067
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat BASIN FRUITLAND COAL GAS
Pit type DRILLING Depth to Groundwater ~150' Distance from nearest fresh water well >1 mi Distance from nearest surface water ~100'		
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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: DRILLING PIT <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

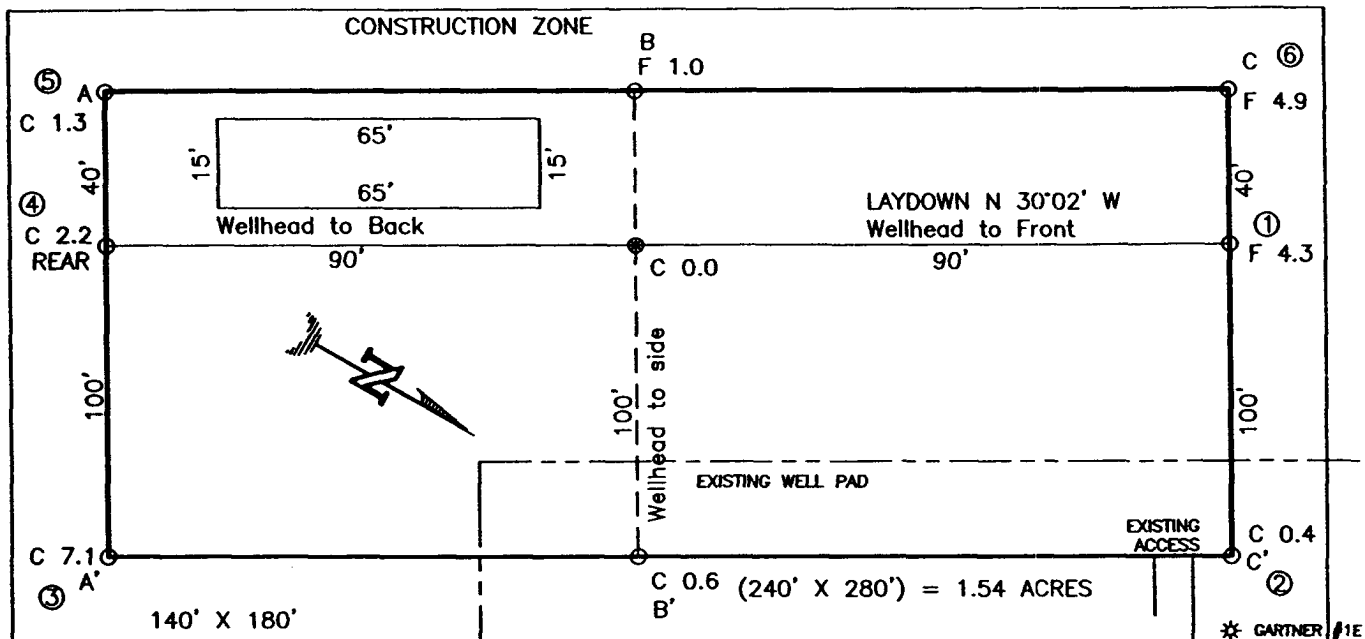
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed and closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Brian Wood TITLE CONSULTANT DATE 2-21-05
Type or print name BRIAN WOOD E-mail address: brian@permitswest.com Telephone No. (505) 466-8120
For State Use Only

APPROVED BY: [Signature] DEPUTY OIL & GAS INSPECTOR, DIST. 83 DATE MAR - 7 2005
Conditions of Approval (if any): Notify D. Foster prior to pit construction

XTO ENERGY INC.
 GARTNER No. 2S, 1010 FNL 1100 FEL
 SECTION 27, T26N, R11W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 6275', DATE: JUNE 29, 2004

LAT. = 36°27'49" N.
 LONG. = 107°59'08" W
 NAD 27



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.	A-A'	C/L
6290		
6280		
6270		
6260		

ELEV. B-B'

C/L

ELEV.	B-B'	C/L
6290		
6280		
6270		
6260		

ELEV. C-C'

C/L

ELEV.	C-C'	C/L
6290		
6280		
6270		
6260		

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: CHANGE NAME OF B. WOOD 09/20/04 B.L.

Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P. O. Box 15088 • Farmington, NM 87401
 Phone (505) 326-1772 • Fax (505) 326-8019
 NEW MEXICO P.L.S. No. 14831
 CAPULE CR348CFB
 DATE 8/02/04

DRAWN BY B.L.
 RWP: CR348

XTO Energy Inc.
Gartner 2 S
1010' FNL & 1100' FEL
Sec. 27, T. 26 N., R. 11 W.
San Juan County, New Mexico

PAGE 1

Drilling Program

1. ESTIMATED FORMATION TOPS

<u>Formation Name</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Elevation</u>
Nacimiento	000'	5'	+6,275'
Ojo Alamo	465'	470'	+5,810'
Farmington	635'	640'	+5,640'
Fruitland Coal	1,255'	1,260'	+5,020'
Pictured Cliffs	1,510'	1,515'	+4,765'
Lewis Shale	1,925'	1,930'	+4,350'
Total Depth (TD)*	2,100'	2,105'	+4,275'

2. NOTABLE ZONES

Gas & Oil Zones

Fruitland
Pictured Cliffs

Water Zones

Nacimiento
Ojo Alamo
Fruitland

Coal Zone

Fruitland

Water zones will be protected with casing, cement, and weighted mud. Fresh water found while drilling will be recorded. Oil or gas shows will be tested for commercial potential based on the geologist's recommendations.

3. PRESSURE CONTROL

The drilling contract has not yet been awarded, thus the exact BOP system to be used is not yet known. A typical 2,000 psi stack, manifold, and testing procedures are on Page 3.

XTO Energy Inc.
Gartner 2 S
1010' FNL & 1100' FEL
Sec. 27, T. 26 N., R. 11 W.
San Juan County, New Mexico

PAGE 2

4. CASING & CEMENT

<u>Hole Size</u>	<u>O. D.</u>	<u>Weight (lb/ft)</u>	<u>Grade</u>	<u>Age</u>	<u>Connection</u>	<u>Setting Depth</u>
8-3/4"	7"	20	K-55	New	S T & C	160'
6-1/4"	4-1/2"	10.5	K-55	New	S T & C	2,100'

Surface casing will be cemented to the surface with ≈ 50 cubic feet (≈ 43 sacks) Class B + 1/4 lb/sk cello-flake + 2% CaCl_2 . Yield = 1.18 cubic feet per sack. Weight = 15.2 pounds per gallon. Volume: $\geq 100\%$ excess. A guide shoe and insert float will be used. W. O. C. = 12 hours. Surface casing will be tested to 1,500 psi for 30 minutes.

Production casing will be cemented to the surface. Total cement: >437 cubic feet. Volumes are calculated at $>100\%$ excess. If cement does not circulate to surface, then a temperature survey will be run to determine the actual cement top as needed. W. O. C. = 12 hours. Test to 2,000 psi.

Lead cement will be ≈ 185 sacks Class B light cement (65% cement/35% Poz with 6% gel) with 5 #/sack gilsonite + 1/4 #/sack Flocele. Yield = 1.99 cu ft/sk. Weight = 12.4 #/gal.

Tail cement will be ≈ 50 sacks 50/50 Class B Poz with 2% gel + 1/4#/sack Flocele + 0.5% Halad 9. Yield = 1.38 cubic feet/sack. Weight = 13.5 #/gallon.

Cement equipment will include a guide shoe, float collar, and 10 centralizers.

5. MUD PROGRAM

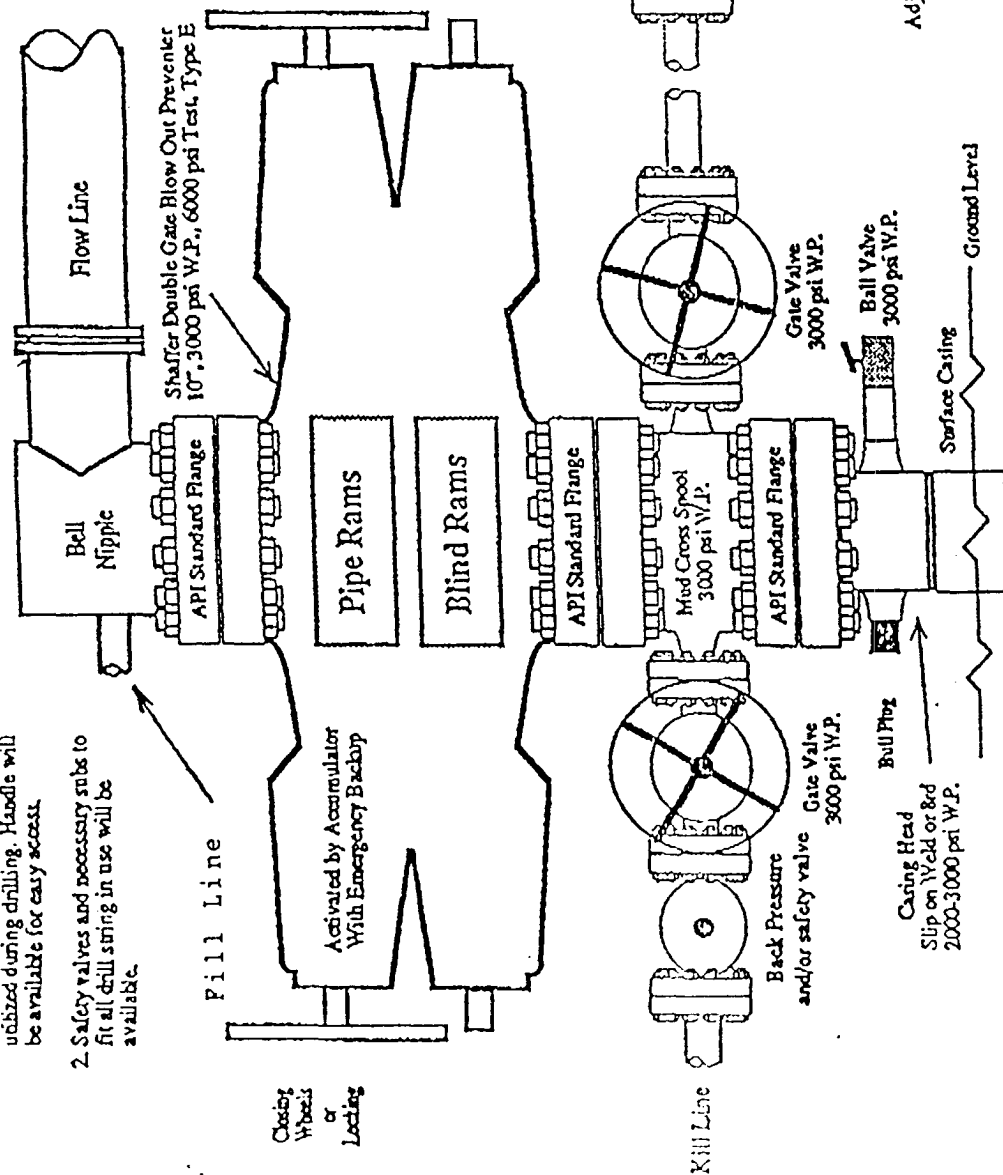
<u>Range</u>	<u>Mud Type</u>	<u>Weight</u>
0' - 160'	Fresh-Spud	8.4
160' - TD	LSND	8.6

Lost circulation and absorption material will be on location.

Pressure Control Equipment

Note: 1. An upper Kelly cock valve will be utilized during drilling. Handle will be available for easy access.

2. Safety valves and necessary sub to fit all drill string in use will be available.



Note: This equipment is designed to meet requirements for a 2-M rating standard per 43 CFR part 3160 (amended). Proper operation and testing of equipment will be carried out per standard. 2,000 psi equipment can be substituted in the drawing to meet minimum requirements per standard.