

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

RECEIVED

5. Lease Serial No.
NMSF-080382A

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA Agreement, Name and No.

N/A

8. Lease Name and Well No.

Schwerdtfeger 8 #3

9. API Well No.

30-045- 32149

10. Field and Pool, or Exploratory

Basin Fruitland Coal

11. Sec., T., R., M., or Blk. and Survey or Area

0 8-27n-11w NMPM

12. County or Parish

San Juan

13. State

NM

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator
XTO Energy Inc.

3a. Address **2700 Farmington Ave., K-1
Farmington, NM 87401**

3b. Phone No. (include area code)
(505) 324-1090

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface **1185' FNL & 960' FWL**

At proposed prod. zone **Same**

14. Distance in miles and direction from nearest town or post office*

9 air miles SSW of Bloomfield, New Mexico

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)

960'

16. No. of Acres in lease

2,081.12

17. Spacing Unit dedicated to this well

W2 (320 acres)

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.

197'*

19. Proposed Depth

2,100'

20. BLM/BIA Bond No. on file

BLM nation wide: 57 91 73

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

6,117' ungraded

22. Approximate date work will start*

Upon Approval

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:

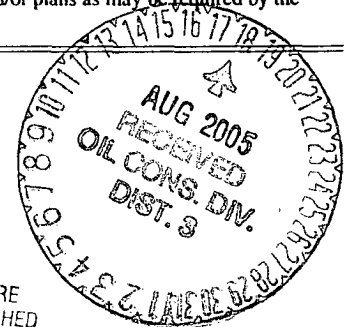
1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20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

Comments

*XTO's Frontier Aztec A which is a Dakota well

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".



cc: BLM (& OCD), NAPI, Patton, Tribe

25. Signature

Name (Printed/Typed)

Date

Title

Consultant

Phone: 505 466-8120

Brian Wood

1-23-04

FAX: 505 466-9682

Approved by (Signature)

Name (Printed/Typed)

Date

Title

Office

FEO

8-16-05

Application approval does not warrant or certify 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.

NMOC

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

2040 South Pacheco
Santa Fe, NM 87505

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

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 71629	³ Pool Name BASIN FRUITLAND COAL
⁴ Property Code 30340	⁵ Property Name SCHWERTFEGER 8	⁶ Well Number 3
⁷ Operator No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6117'

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
D	8	27-N	11-W	.	1185'	NORTH	960'	WEST	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
¹² Dedicated Acres 320			¹³ Joint or Infill		¹⁴ Consolidation Code C		¹⁵ 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 SEC. CORNER FD. 2 1/2" B.C. U.S.G.L.O. 1913 BURIED 3' IN FIELD 1185' 960'	N 89-56-59 E	5284.08' (M)	SEC. CORNER FD. 2 1/2" B.C. U.S.G.L.O. 1913 BURIED IN FIELD
		LAT: 36°35'37" N. (NAD 83) LONG: 108°01'59" W.	
5283.50' (M)			
S 00-04-24 E	8		
CALC'D CORNER			

17 OPERATOR CERTIFICATION

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

Brian Wood
Signature
BRIAN WOOD
Printed Name
CONSULTANT
Title
JAN. 23, 2004
Date

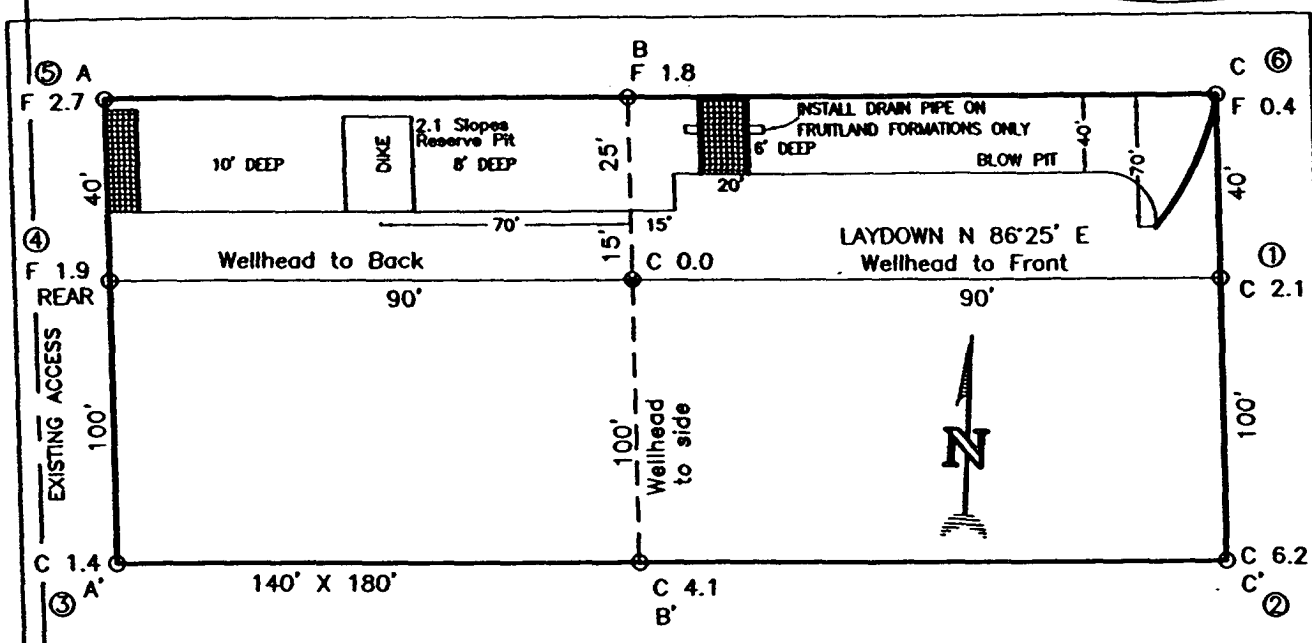
18 SURVEYOR CERTIFICATION

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 knowledge and belief

Date of Survey
14827
Signature and Seal of Professional Surveyor:
D. J. [Signature]
14827
Certificate Number

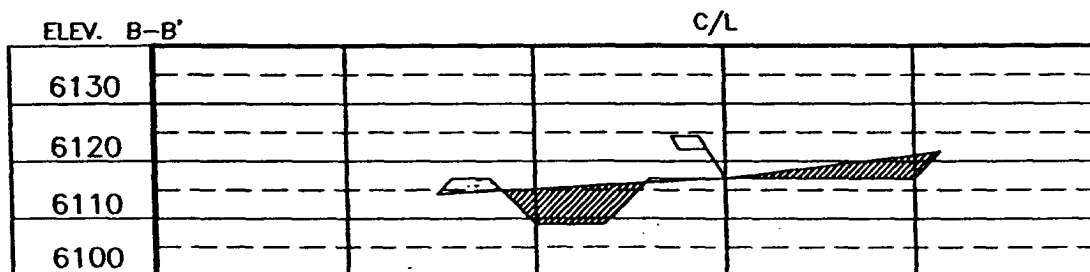
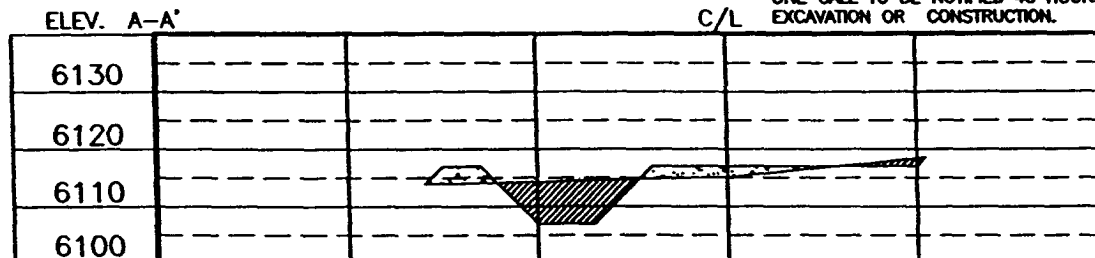
XTO ENERGY INC.
 SCHWERTFEGER 8 #3, 1185' FNL 960' FWL
 SECTION 8, T27N, R11W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 6117', DATE: JULY 10, 2003

LAT. = 36°35'37" N.
 LONG. = 108°01'59" W.
 (NAD83)



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.

DRAWN BY: BS

ROW#: CR180

CADFILE: CR180CFB

DATE: 7/14/03

Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P. O. Box 15068 Farmington, NM 87401
 Phone (505) 326-1772 Fax (505) 326-8019

XTO Energy Inc.
Schwerdtfeger 8 #3
1185' FNL & 960' FWL
Sec. 8, T. 27 N., R. 11 W.
San Juan County, New Mexico

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Drilling Program

1. ESTIMATED FORMATION TOPS

<u>Formation Name</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Sub Sea Elevati</u>
Nacimiento Fm	000'	5'	+6,117'
Ojo Alamo Ss	642'	647'	+5,475'
Kirtland Shale	842'	847'	+5,275'
Fruitland Coal	1,617'	1,622'	+4,500'
Pictured Cliffs Ss	1,867'	1,872'	+4,250'
Lewis Shale	2,067'	2,072'	+4,050'
Total Depth (TD)*	2,100'	2,105'	+4,017'

* all elevations reflect the ungraded ground level of 6,117 0000'

2. NOTABLE ZONES

<u>Gas & Oil Zones</u>	<u>Water Zones</u>	<u>Coal Zone</u>
Fruitland	Nacimiento	Fruitland
Pictured Cliffs	Ojo Alamo	
	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.
Schwerdtfeger 8 #3
1185' FNL & 960' FWL
Sec. 8, T. 27 N., R. 11 W.
San Juan County, New Mexico

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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>GL Setting Dept</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

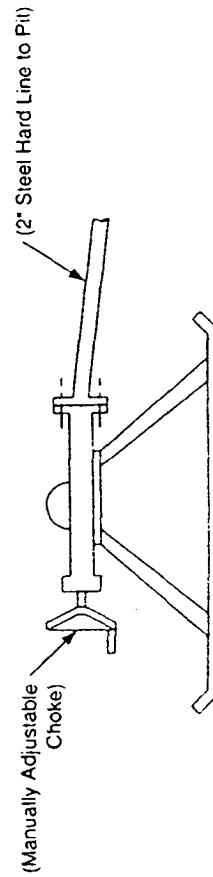
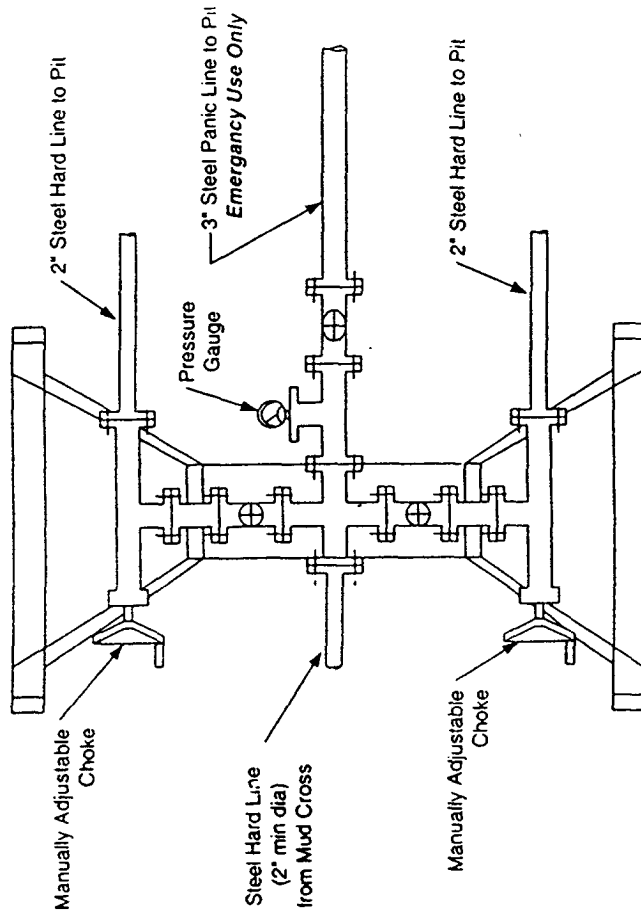
<u>Range</u>	<u>Mud Type</u>	<u>Weight</u>
0' - 160'	Fresh-Spud	8.4
160' - TD	LSND	8.6

Lost circulation and absorption material will be on location.

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

TESTING PROCEDURE

- choke manifold to pit.
- Pressure test choke manifold after installation.
- Pressure test manifold at the same time with the BOP Stack. Test manifold to the same test pressures.



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

TESTING PROCEDURE

- psig (low pressure) for 5 min.
- Test BOP to Working Press or to 70% internal yield of surf csg (10 min).
- Test operation of (both) rams on every trip.
- Check and record Accumulator pressure on every tour.
- Re-pressure test BOP stack after changing out rams.
- Have kelly cock valve with handle available.
- Have safety valve and subs to fit all sizes of drill string.

