Marquez, Cynthia <cmarquez@blm.gov>

OIL CONS. DIV DIST. 3

JUN 30 2016

Unapproved APD's

7 messages

Salyers, Troy <tsalyers@blm.gov> Mon, Jun 27, 2016 at 11:50 AM
To: "Johnson, Dee" <Dee_Johnson@xtoenergy.com>
Cc: Maureen Joe <mjoe@blm.gov>, Cynthia Marquez <cmarquez@blm.gov>, Abdelgadir Elmadani <aelmadani@blm.gov>

Dee,

Below is a list of wells we currently have on file from XTO Energy. These permits have been pending for an extended period of time. Please advise this office if your company is still interested in pursuing drilling these wells. If so, please provide a response to this message by 7/27/2016. If no response is received by the aforementioned date, the BLM will return your APD's with no further action taken. Thank you.

Troy Salyers
BLM-FDO

Well name	Well #	Township	Range	Section	Received date
Martin C Federal	1F	27N	10W	3	8/8/2007
Evensen	2F	27N	10W	19	8/5/2008
Federal F	2F	27N	10W	4	8/8/2007
Bolack	4B	27N	8W	12	1/23/2008
Bolack	4A	27N	8W	12	1/23/2008
Blanco	20	27N	8W	1	11/9/2007

NMOCD-A

Johnson, Dee <Dee_Johnson@xtoenergy.com> Mon, Jun 27, 2016 at 1:23 PM
To: "Salyers, Troy" <tsalyers@blm.gov>, "Weston, Cherylene" <Cherylene_Weston@xtoenergy.com>, "Kardos, Kelly" <Kelly_Kardos@xtoenergy.com>
Cc: Maureen Joe <mjoe@blm.gov>, Cynthia Marquez <cmarquez@blm.gov>, Abdelgadir Elmadani <aelmadani@blm.gov>

Troy,

Kelly and Cherylene handle the permitting side for XTO. I've included them in this email and they should be getting back to you with an answer. Please let us know if you have any other questions.

Thanks,

~ Dee Johnson ~

Sr. Regulatory Analyst

XTO Energy Inc.

San Juan District, Western Division

382 CR 3100 · Aztec, NM 87410

Office (505)333-3164

iPhone (505)386-8348

dee_johnson@xtoenergy.com

An ExxonMobil Subsidiary

> **From:** Salyers, Troy [mailto:tsalyers@blm.gov]
> **Sent:** Monday, June 27, 2016 11:50 AM
> **To:** Johnson, Dee
> **Cc:** Maureen Joe; Cynthia Marquez; Abdelgadir Elmadani
> **Subject:** Unapproved APD's
>
> [Quoted text hidden]

Kardos, Kelly <Kelly_Kardos@xtoenergy.com> Mon, Jun 27, 2016 at 1:32 PM
To: "Johnson, Dee" <Dee_Johnson@xtoenergy.com>, "Salyers, Troy" <tsalyers@blm.gov>, "Weston, Cherylene" <Cherylene_Weston@xtoenergy.com>
Cc: Maureen Joe <mjoe@blm.gov>, Cynthia Marquez <cmarquez@blm.gov>, Abdelgadir Elmadani <aelmadani@blm.gov>

Troy,

Do you have any notes to why these APDs were never processed?

Kelly K. Kardos

Permitting Supervisor

XTO ENERGY a subsidiary of ExxonMobil

PO Box 6501 | Englewood, CO 80155

9193 South Jamaica St. | Englewood, CO 80112

Office: 303.397.3727 | Cell: 505.787.7784

From: Johnson, Dee
Sent: Monday, June 27, 2016 1:23 PM
To: Salyers, Troy; Weston, Cherylene; Kardos, Kelly
Cc: Maureen Joe; Cynthia Marquez; Abdelgadir Elmadani
Subject: RE: Unapproved APD's

[Quoted text hidden]

Salyers, Troy <tsalyers@blm.gov> Mon, Jun 27, 2016 at 1:55 PM
To: "Kardos, Kelly" <Kelly_Kardos@xtoenergy.com>
Cc: "Johnson, Dee" <Dee_Johnson@xtoenergy.com>, "Weston, Cherylene" <Cherylene_Weston@xtoenergy.com>, Maureen Joe <mjoe@blm.gov>, Cynthia Marquez <cmarquez@blm.gov>, Abdelgadir Elmadani <aelmadani@blm.gov>

Hi Kelly.

I do not have any information on why these permits are still in pending status. I would assume environmental and/or tribal concerns. I just need an update from your side to see if XTO wants to pursue the permits. Thank you.

Troy Salyers
[Quoted text hidden]

Kardos, Kelly <Kelly_Kardos@xtoenergy.com> Tue, Jun 28, 2016 at 7:52 AM
To: "Salyers, Troy" <tsalyers@blm.gov>
Cc: "Johnson, Dee" <Dee_Johnson@xtoenergy.com>, "Weston, Cherylene" <Cherylene_Weston@xtoenergy.com>, Maureen Joe <mjoe@blm.gov>, Cynthia Marquez <cmarquez@blm.gov>, Abdelgadir Elmadani <aelmadani@blm.gov>

Troy,

At this time XTO would like to rescind the APDs. We will re-permit in the future if XTO decides to drill. Thank you.

Kelly K. Kardos

Permitting Supervisor

XTO ENERGY a subsidiary of ExxonMobil

PO Box 6501 | Englewood, CO 80155

9193 South Jamaica St. | Englewood, CO 80112

Office: 303.397.3727 | Cell: 505.787.7784

From: Salyers, Troy [mailto:tsalyers@blm.gov]
Sent: Monday, June 27, 2016 1:56 PM
To: Kardos, Kelly
Cc: Johnson, Dee; Weston, Cherylene; Maureen Joe; Cynthia Marquez; Abdelgadir Elmadani
Subject: Re: Unapproved APD's

[Quoted text hidden]

Salyers, Troy <tsalyers@blm.gov> Tue, Jun 28, 2016 at 7:54 AM
To: "Kardos, Kelly" <Kelly_Kardos@xtoenergy.com>
Cc: "Johnson, Dee" <Dee_Johnson@xtoenergy.com>, "Weston, Cherylene" <Cherylene_Weston@xtoenergy.com>, Maureen Joe <mjoe@blm.gov>, Cynthia Marquez <cmarquez@blm.gov>, Abdelgadir Elmadani <aelmadani@blm.gov>

Kelly,

Thank you for the update. The BLM will rescind the mentioned permits.

Troy Salyers
[Quoted text hidden]

Form 3160-3
(February 2005)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

2007 AUG -8 PM 12:29

RECEIVED
070 FARMINGTON NM

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMSF 077382

6. If Indian, Allotee or Tribe Name
N/A

7. If Unit or CA Agreement, Name and No.
N/A

1a. Type of work: ☑ DRILL ☐ REENTER

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

8. Lease Name and Well No.
FEDERAL F #2F

2. Name of Operator
XTO Energy, Inc.

9. API Well No.
30-045- 34390

3a. Address **2700 Farmington Ave, Bldg K - Suite 1**
Farmington NM 87402

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

10. Field and Pool, or Exploratory
BASIN DK/WC BASIN MC

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface **725' FNL x 1585' FEL**
At proposed prod. zone **same**

11. Sec., T. R. M. or Blk. and Survey or Area
(B) SEC 4, T27N, R10W

14. Distance in miles and direction from nearest town or post office*
Approximately 8.5 miles Southeast of Bloomfield, NM post office

12. County or Parish
San Juan

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) **725'**	16. No. of acres in lease **2523.52**	17. Spacing Unit dedicated to this well **E/2 320.89 DK - NE/4 160 MC**
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. **273'**	19. Proposed Depth **7000'**	20. BLM/BIA Bond No. on file **UTB-000138**
21. Elevations (Show whether DF, KDB, RT, GL, etc.) **6234' Ground Elevation**	22. Approximate date work will start* **09/15/2007**	23. Estimated duration **2 weeks**

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must 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 must 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 BLM.

25. Signature Kyla Vaughan	Name *(Printed/Typed)* **Kyla Vaughan**	Date **08/06/2007**
Title **Regulatory Compliance**		

Approved by *(Signature)*	Name *(Printed/Typed)*	Date
Title	Office	

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.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

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)

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".

Revised to be a New Drill

APD/ROW

NMOCD

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 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 October 12, 2005
Submit to Appropriate District Office
State Lease – 4 Copies
Fee Lease – 3 Copies

2007 AUG 28 PM 1:38
RECEIVED
BLM
210 FARMINGTON NM

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹API Number	²Pool Code	³Pool Name
	71599	Basin Dakota

⁴Property Code	⁵Property Name	⁶Well Number
22701	FEDERAL F	2F
⁷OGRID No	**⁸Operator Name**	**⁹Elevation**
5380	XTO ENERGY INC.	6234

¹⁰Surface Location

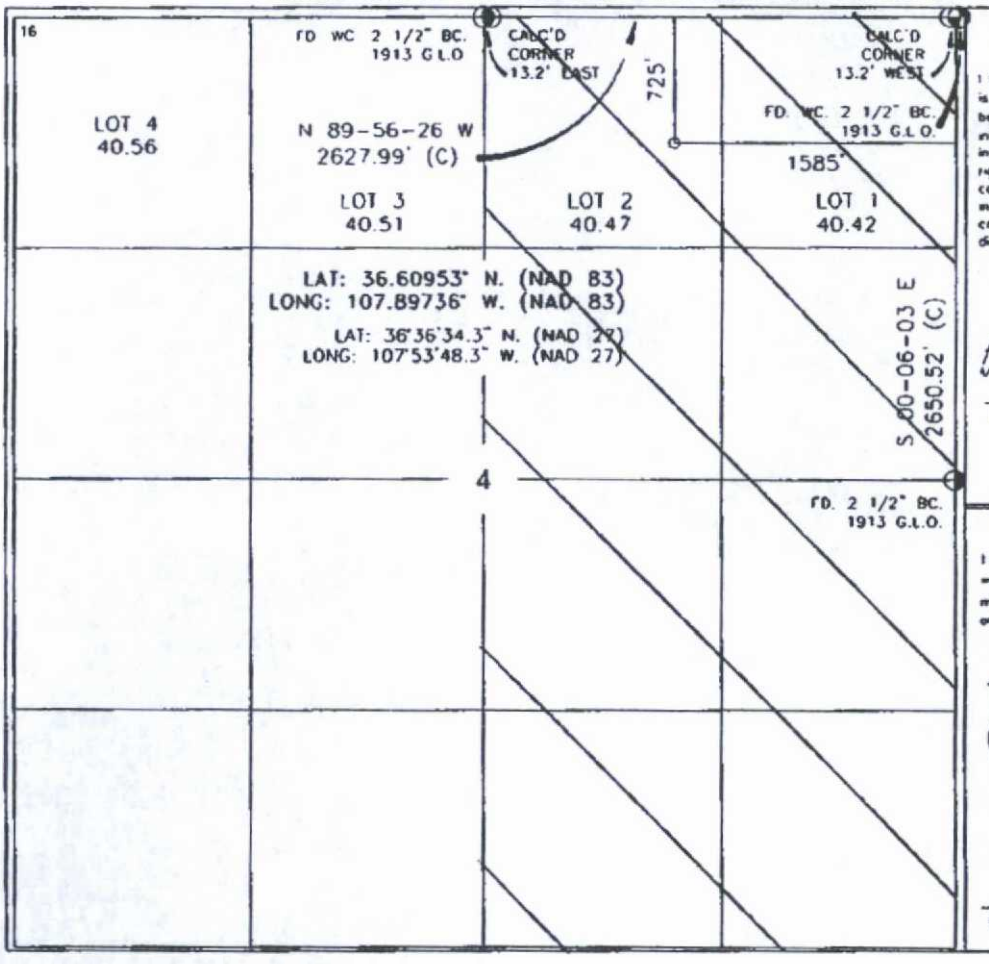
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	4	27-N	10-W		725	NORTH	1585	EAST	SAN JUAN

¹¹Bottom 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

¹²Dedicated Acres	¹³Joint or Infill	¹⁴Consolidation Code	¹⁵Order No
E/2 320.89			

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



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

K Small 5/3/07
Signature Date

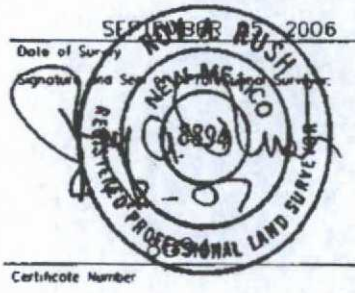
K Small
Printed Name

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.

SEPTEMBER 22, 2006
Date of Survey

Signature and Seal of Professional Surveyor:



Certificate Number

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, N.M 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 October 12, 2005
Submit to Appropriate District Office
State Lease – 4 Copies
Fee Lease – 3 Copies

2007 AUG -8 PM 1:38
RECEIVED
BLM
FARMINGTON NM

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
	97232	WC BASIN MANCOS

4 Property Code	5 Property Name	6 Well Number
22701	FEDERAL F	2F
7 OGRID No	**8 Operator Name**	**9 Elevation**
5380	XTO ENERGY INC.	6234

10 Surface Location

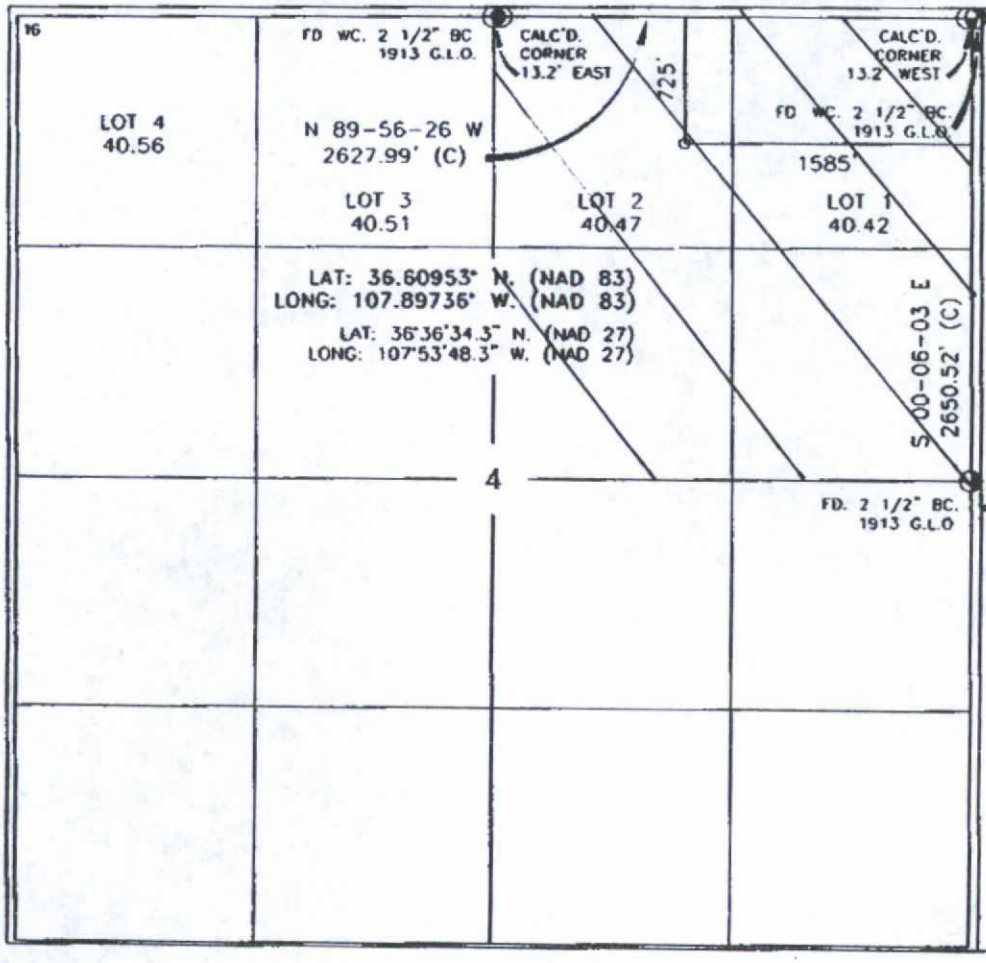
UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	4	27-N	10-W		725	NORTH	1585	EAST	SAN JUAN

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

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
NE/4 160			

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



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division

Kyla Vaughan 8/3/07
Signature Date

Kyla Vaughan
Printed Name

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.

SEPTEMBER 8, 2006
Date of Survey

Signature and Seal of Professional Surveyor:

NEW MEXICO 9894 REGISTERED PROFESSIONAL LAND SURVEYOR

Certificate Number

Operator Certification:

a. Permitting and Compliance:

Kyla Vaughan
Regulatory Compliance
XTO Energy Inc.
2700 Farmington Avenue, Bldg K, Ste 1
Farmington, NM 87401
505-324-1090

b. Drilling and Completions:

John Egelston
XTO Energy Inc.
2700 Farmington Avenue, Bldg K, Ste 1
Farmington, NM 87401
505-324-1090

c. Certification:

I herby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be preformed by XTO Energy Inc. and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided by XTO Energy Inc. This statement is subject to provisions of 18 U.S.C. § 1001 for the filing of a false statement.

Signature: Kyla Vaughan 8/6/07
Kyla Vaughan

SURFACE USE PLAN

XTO Energy Inc.
Federal F #2F
725' FNL x 1585' FEL
Section 4, T27N, R10W
San Juan County, New Mexico

THIRTEEN POINT SURFACE USE PLAN

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

1. Existing Roads:

   a. Proposed route to location is shown on the East Fork Kutz Canyon USGS quadrangle map: **See Exhibit "A".**

   b. Location of proposed well in relation to town or other reference point: **From Bloomfield, NM go South on US 550 8.4 miles. Turn left and follow main dirt road 7.2 miles (going around Angel Peak Compressor Station). Turn left and go 0.4 miles. Turn left and go 400 feet and turn right . Go 220 feet into location.**

   c. All existing roads within 1 mile of the drill site are shown on Exhibit "B". **If necessary, all existing roads that will be used for access to the well location will be maintained to their current condition or better unless BLM approval or consent is given to upgrade the existing road(s).**

2. Planned Access Roads:

   a. Location (centerline): **Starting from a point along an existing road in the NWNE of sec 4, T27N, R10W.**

   b. Length of new access to be constructed: **Approx 215 feet of new access will be constructed in order to gain safe access to the wellpad. See Exhibit "A"**

   c. Length of existing roads to be upgraded: **No additional upgrades should be necessary to existing oilfield service roads.**

   d. Maximum total disturbed width: **Typically both existing roads and new access roads require up to 40' of disturbed width in order to obtain a 20' driving surface. If both the road and pipeline are capable of sharing the ROW, then only 50' of disturbed width may be needed.**

   e. Maximum travel surface width: **25' or less**

   f. Maximum grades: **Maximum grades will not exceed 10% after construction.**

   g. Turnouts: **No turnouts are planned at this time. Turnouts may be specified in the approved APD.**

h. Surface materials: **Only native materials will be used during construction. If necessary, gravel or rock maybe purchased and used to improve road conditions and travel.**

i. Drainage (crowning, ditching, culverts, etc): **Roads will be crowned and bar ditches will be located along either side. 18-24" dia CMP culverts will be installed as necessary.**

j. Cattleguards: **No cattle guards are planned at this time. Cattle guards will be specified in the stipulations if necessary.**

k. Length of new and/or existing roads which lie outside the lease or unit boundary for which a BLM/state/fee right-of-way is required: **None**

l. Other: **See general information below.**

Surface disturbance and vehicular travel will be limited to the approved location and access road only. Any additional surface area needed must be approved by BLM in advance.

If any additional right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligations as determined by the BLM.

If the well is productive, the access road will be rehabilitated as needed and brought to Resource (Class III) Road Standards within a time period specified by the BLM. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Field Office Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells within a one mile radius of the proposed well:

See attached Exhibit "B".

4. Location of Production Facilities:

a. On-site facilities: **Typical on-site facilities will consist of a wellhead, flow lines (typ 3" dia.), artificial lifting system (if necessary), wellhead compression (if necessary), gas/oil/water separator (3 phase), gas measurement and water measurement equipment, and a heated enclosure/building for weather and environmental protection. The tank battery will typically be constructed and surrounded by a berm of sufficient capacity to contain 1½ times the storage capacity of the largest tank(s).**

The tanks typically necessary for the production of this well will be 1 – 210 bbl steel, above ground tank for oil/condensate and 1 – 100 bbl steel, below grade tank for produced water. All loading lines and valves for these tanks will be placed inside the berm surrounding the tank battery. All oil/condensate production and measurement shall conform to the provisions of 43 CFR § 3162.7 and Onshore Oil and Gas Order No. 4, if applicable. Other on-site equipment and system may include methonal injection and winter weather protection.

All permanent (in place for six months or longer) structures constructed or installed on the well site location will be painted a flat, nonreflective color to match the standard environmental colors, as specified by the COA's in the APD. All facilities will be painted within six months of installation. Facilities required by comply with the Occupational Safety and Health Act (OSHA) may be excluded.

b. Off-site facilities: **N/A**

c. Pipelines: **The well will be produced into a 4" steel gas pipeline and transported to either an existing pipeline ROW (3rd party transporter) or gas gathering facility. See Exhibit "C" for the proposed pipeline route.**

d. Powerlines: **There are no plans to include powerlines in this application. In the event power is required, a ROW application will be submitted to the appropriate agencies.**

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): **Water will be purchased from a commercial water source and trucked via third party to the location over approved access roads.**

Water obtained on private land, or land administered by another agencies, will require approval from the owner or agency for use of said water.

6. Source of Construction Material:

Pad construction material will be obtained from (if the material source is Federally owned, a map will be included showing the location of the material): **All construction material will be purchased from private landowners and or from a commercial gravel/materials pit. All material will be trucked to location via third party trucking using only approved access roads.**

The use of materials under BLM jurisdiction will conform to 43 CFR § 3610.2-3, if applicable.

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The reserve pit will typically be lined with a synthetic material, ±12 mils in thickness. The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry.

The amount of time the pit may remain open will typically be specified by the COA's in the APD. Once dry, the pit liner will be cut and removed at the mud line and the pit will be covered and buried in place.

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

Sewage from trailers and chemical portable toilets will be removed on a regular basis by a third party contractor and disposed of at an authorized sanitary waste facility.

Any and all chemicals used during the drilling and completion of the well will be kept to a minimum and stored within the boundaries of the well pad. The third party chemical contractor will be responsible for containment and clean-up and removal of all spilled chemicals on location.

8. Ancillary Facilities: **No ancillary facilities will be required during the drilling or completion of the well.**

The State of New Mexico Sundry form C-103 (used for reserve pit information) is attached. **See Exhibit "D".**

9. Well Site Layout -depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. **See Exhibit "E".**

All equipment and vehicles that will be used to drill and complete this well will remain within the boundaries of the approved wellpad. Any equipment and or vehicles park or stored off of the location will be considered trespassing on federal lands and will NOT be tolerated.

Materials obtained from the construction of location, like topsoil and vegetation will be stock piled as indicated and permitted by the approved APD. The stock piles themselves may be outside the approved boundaries of the wellpad.

10. Plans for Restoration of the Surface:

The top 6 inches of topsoil material will be removed from the location and stockpiled separately on: **Typically as specified by the approved APD.**

Topsoil along the access road will be reserved in place adjacent to the road as indicted by the approved APD.

Within 30-45 days after completion of well, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed in a given time period as specified by the BLM in the approved APD.

Before any dirt work to restore the location takes place, the reserve pit must be dry and ready for burial. If necessary, any approvals needed to commence the burial operation will be obtained.

All road surfacing will be removed prior to the rehabilitation of roads, if necessary.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between during a time specified by the BLM and or state. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure uniform seed coverage.

The following seed mixture will be used: **As specified in the conditions of approval.**

If necessary, an abandonment marker will be one of the following, as specified by BLM:

1) at least four feet above ground level,
2) at restored ground level, or
3) below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

Additional requirements: **None**

11. Surface and Mineral Ownership: **Both the surface and the minerals are property of the United States Federal Government and are managed by the Bureau of Land Management.**

12. Other Information:

a. Archeological Concerns: **A BLM approved contractor will submit the appropriate reports to the agency as required. Special stipulations will be included in the COA's of the approved APD.**

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the appropriate BLM Field Office for further instructions.

b. Threatened and Endangered Species Concerns: **An BLM approved contractor will submit the appropriate reports to the agency as required. Special stipulation will be included in the COA's of the approved APD.**

c. Wildlife Seasonal Restrictions: **Current wildlife restrictions and closure dates, if applicable, will be specified in the approved APD.**

d. **The Drilling Program is attached. See Exhibit "F".**

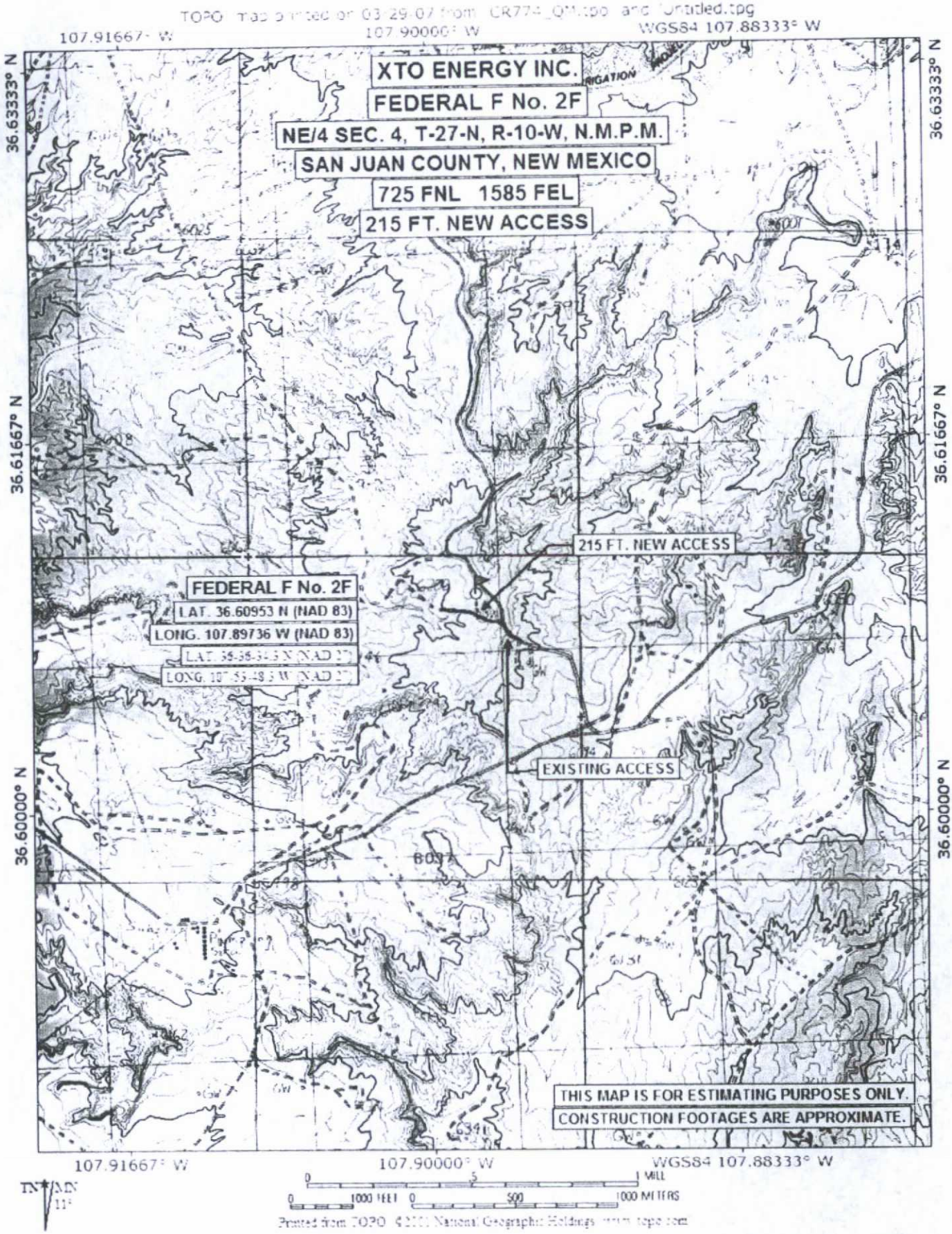

TOPO! Map printed on 03-29-07 from CR774_QM.tpg and Untitled.tpg
107.91667° W
107.90000° W
WGS84 107.88333° W
36.63333° N
36.61667° N
36.60000° N
XTO ENERGY INC.
FEDERAL F No. 2F
NE/4 SEC. 4, T-27-N, R-10-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
725 FNL 1585 FEL
215 FT. NEW ACCESS
215 FT. NEW ACCESS
FEDERAL F No. 2F
LAT. 36.60953 N (NAD 83)
LONG. 107.89736 W (NAD 83)
EXISTING ACCESS
THIS MAP IS FOR ESTIMATING PURPOSES ONLY.
CONSTRUCTION FOOTAGES ARE APPROXIMATE.
1 MILE
1000 FEET
500
1000 METERS
Printed from TOPO ©2001 National Geographic Holdings www.topo.com

EXHIBIT A

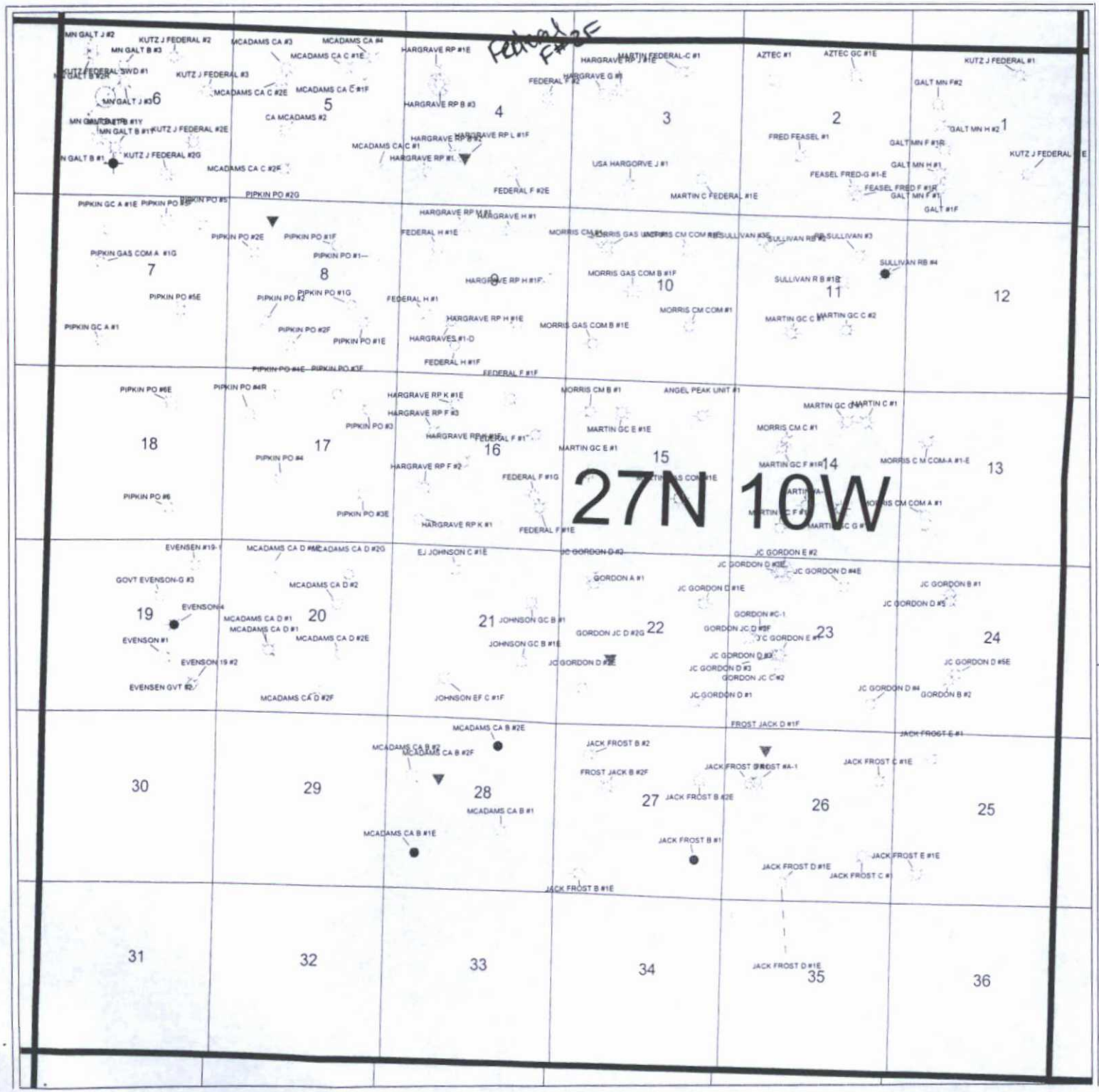

27N 10W
XTO Energy
T 27N, R 10W
0
4,217
8,434
FEET
POSTED WELL DATA
Well Label
WELL SYMBOLS
Location Only
Oil Well
Gas Well
Oil & Gas Well
Injection Well
Plugged and Abandoned
Coal Gas Well
XTO Location
April 26, 2007

EXHIBIT B

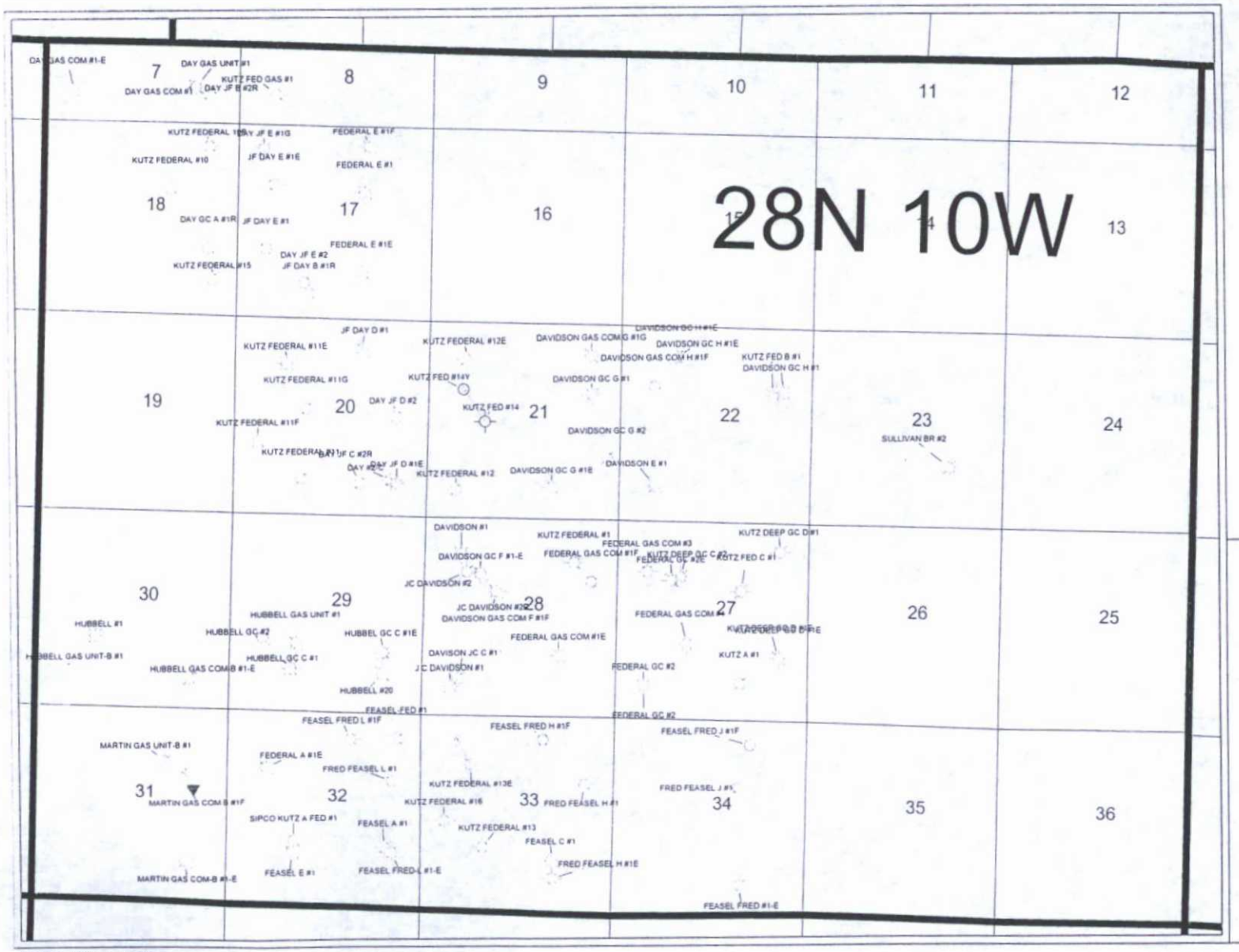


EXHIBIT B

XTO Energy

T 28N, R 10W

0 4,093 8,186

FEET

POSTED WELL DATA

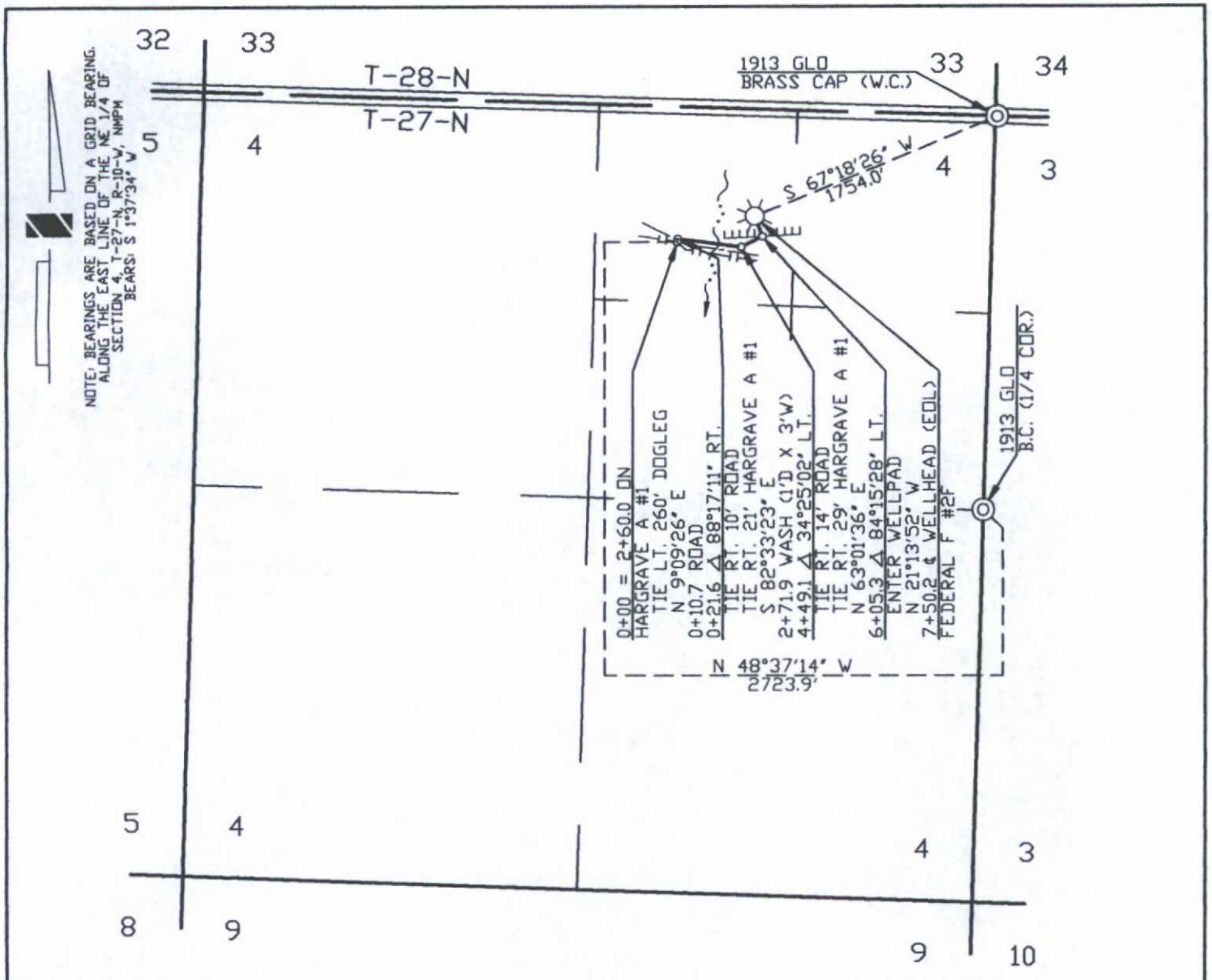
Well Label

WELL SYMBOLS

- Location Only
- Gas Well
- Dry Hole
- XTO Location

April 20, 2007

PETRA 4/20/2007 1:48:07 PM



PIPE DATA

PRELIMINARY DRAWING

OWNERSHIP

SUBDIVISION	OWNER	FEET	MILES	ACRES	RODS	
0+00 TO 7+50.2	BUREAU OF LAND MANAGEMENT	750.2	0.142	0.689	45.467	

REVISION

NO.	DATE	BY	DESCRIPTION	W.O.NO.	CHK.	APP.	NO.	DATE	BY	DESCRIPTION	W.O.NO.	CHK.	APP.
1	6/01/07	JC	ISSUED FOR REVIEW		PB								

INFO		DRAFTING	BY	DATE
R/W #:	06951	DRAWN BY	JC	6/06/07
METER #:		CHECKED BY	PB	6/03/07
SURVEYED:	5/30/07	APPROVED BY		
		ENGINEER	BY	DATE
		DESIGNED BY		
		PROJ. APPROVED		

STATE: NEW MEXICO
COUNTY: SAN JUAN

WILLIAMS FOUR CORNERS, LLC Williams
ONE OF THE WILLIAMS COMPANIES

TORRE ALTA GATHERING SYSTEM
XTO - FEDERAL F #2F
0+00 = 2+60.0 ON HARGRAVE A #1
(REF DWG. L799.0-1)
SEC. 4, T-27-N, R-10-W, NMPM

SCALE: 1" = 1000'
W.O. NO.

DWG NO. L799.0-28-1

SHEET 1 OF 1 | REV 1

T:/DS/MAPPING/DRAWINGS/SANJUAN/799/00/L7990-28-1_R01.DWG 06/06/2007 11:00AM PAULB

EXHIBIT C

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

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

Form C-103
May 27, 2004

WELL API NO.

5. Indicate Type of Lease STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name: FEDERAL F

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

8. Well Number #2F

2. Name of Operator XTO Energy Inc.

9. OGRID Number 5380

3. Address of Operator 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401

10. Pool name or Wildcat BASIN DK/WC BASIN MANCOS

4. Well Location

Unit Letter B : 725 feet from the NORTH line and 1585 feet from the EAST line

Section 4 Township 27N Range 10W NMPM NMPM County SAN JUAN

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 6234' GROUND ELEVATION

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type DRILL Depth to Groundwater >100 Distance from nearest fresh water well >1000 Distance from nearest surface water >1000

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 8000 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	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPLETION	☐	CASING TEST AND CEMENT JOB	☐		
OTHER: PIT	☒			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.

XTO Energy plans to install a lined pit on location for drilling.

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 08/06/2007

E-mail address: kyla_vaughan@xtoenergy.com

Type or print name Kyla Vaughan Telephone No. 505-564-6726

For State Use Only

APPROVED BY _____ TITLE _____ DATE _____

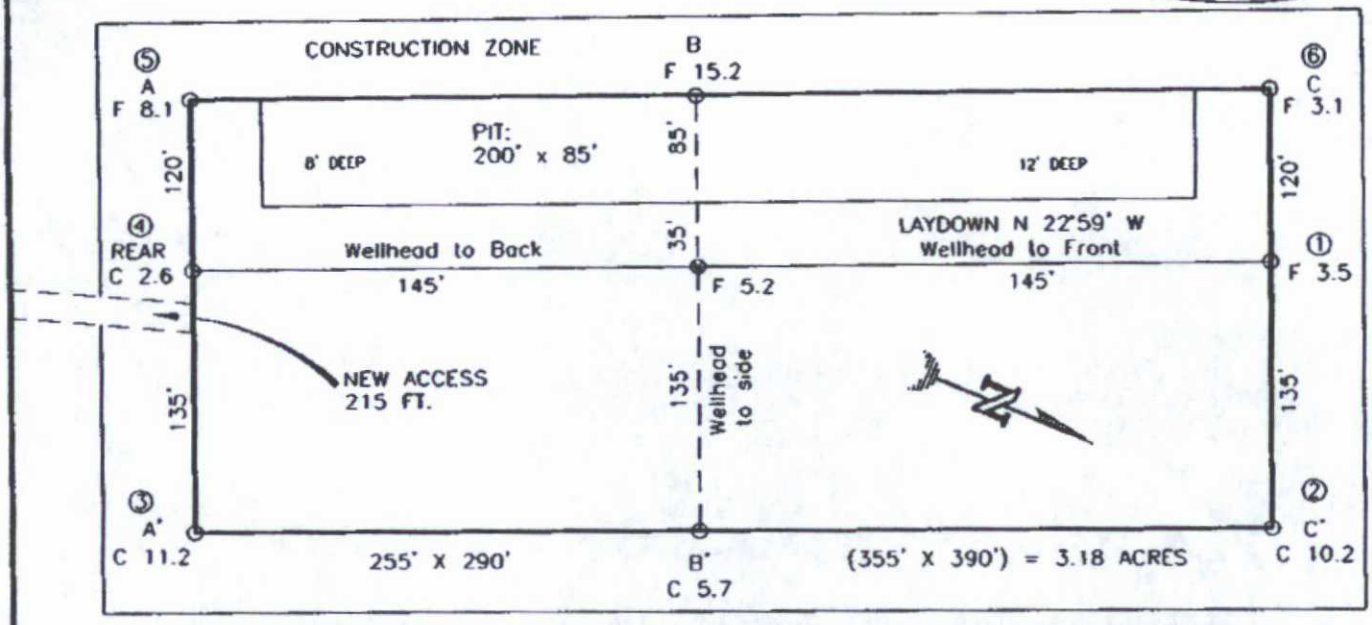
Conditions of Approval, if any:

EXHIBIT D

EXHIBIT D

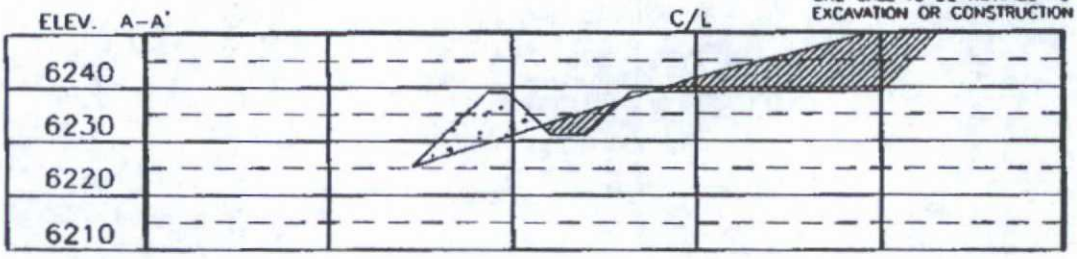
XTO ENERGY INC.
FEDERAL F No. 2F, 725 FNL 1585 FEL
SECTION 4, T27N, R10W, N.M.P.M., SAN JUAN COUNTY, N.M.
GROUND ELEVATION: 6234' DATE: SEPTEMBER 25, 2006

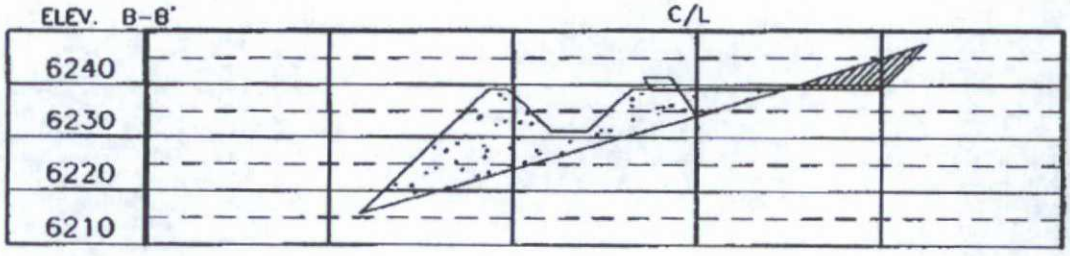
NAD 83
LAT. = 36.60953° N
LONG. = 107.89736° W
NAD 27
LAT. = 36°36'34.3" N
LONG. = 107°53'48.3" W

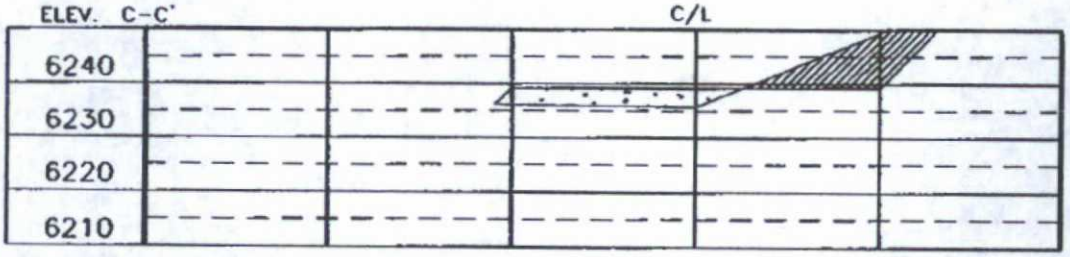


RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW – 3' WIDE AND 1' ABOVE SHALLOW SIDE).
BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

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.

Daggett Enterprises, Inc.
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. 8894
Drawn By: G.V.
Proj. CR774
CAD File: CR774_PLB
Date: 3/29/07

EXHIBIT E

XTO ENERGY INC.

Federal F #2F
APD Data
August 6, 2007

Location: 725' FNL x 1585' FEL Sec 4, T27N, R10W **County**: San Juan **State**: New Mexico

GREATEST PROJECTED TD: 7000' OBJECTIVE: Basin Dakota / Basin Mancos
APPROX GR ELEV: 5865' Est KB ELEV: 6234' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 7000'
HOLE SIZE	12.25"	7.875"	7.875"
MUD TYPE	FW/Spud Mud	FW/Polymer	LSND / Gel Chemical
WEIGHT	8.6-9.0	8.4-8.8	8.6- 9.20
VISCOSITY	28-32	28-32	45-60
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. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing purposes.

2. CASING PROGRAM:

Surface Casing: 8.625" casing to be set at ± 360' in a 12.25" hole filled with 9.20 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'-360'	360'	24.0#	J-55	ST&C	1370	2950	244	8.097	7.972	7.950	17.13	28.24

Production Casing: 5.5" casing to be set at TD (±7000') in 7.875" hole filled with 9.20 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'-7000	7000'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.21	1.44	1.86

3. WELLHEAD:

A. Casing Head: Larkin Fig 92 (or equivalent), 9" nominal, 2,000 psig WP (4,000 psig test) with 8-5/8" 8rnd thread on bottom and 11-3/4" 8rnd thread on top.
B. Tubing Head: Larkin Fig 612 (or equivalent), 6.456" nominal, 2,000 psig WP (4,000 psig test), 5-1/2" 8rnd female thread on bottom (or slip-on, weld-on), 8-5/8" 8rnd thread on top.

EXHIBIT F

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

A. Surface: 8.625", 24.0#, J-55, ST&C casing to be set at ± 360' in 12-1/4" hole.

214 sx of Type III cement (or equivalent) typically containing accelerator and LCM, mixed at 14.5 ppg, 1.39 ft^3/sk, & 6.70 gal wtr/sk.

Total slurry volume is 297 ft^3, 100% excess of calculated annular volume to 360'.

B. Production: 5.5", 15.5#, J-55 (or K-55), ST&C casing to be set at ±7000' in 7.875" hole. DV Tool set @ ±4100'

1st Stage

LEAD:
±235 sx of Premium Lite HS (Type III/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 12.5 ppg, 2.01 ft^3/sk, 10.55 gal wtr/sx.

TAIL:
150 sx Type III or equivalent cement with bonding additive, LCM, dispersant, & fluid loss mixed at 14.2 ppg, 1.54 cuft/sx, 8.00 gal/sx.

2nd Stage

LEAD:
±341 sx of Type III or equivalent cement with 8% gel & LCM mixed at 11.9 ppg, 2.54 ft^3/sk, 15.00 gal wtr/sx.

TAIL:
100 sx Type III neat mixed at 14.5 ppg, 1.39 cuft/sx, 6.3 gal/sx.

Total estimated slurry volume for the 5-1/2" production casing is 1708 ft^3.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 40%. It will be attempted to circulate cement to the surface.

5. LOGGING PROGRAM:

A. Mud Logger: None.

B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (7000') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (7000') to 3,000'.

EXHIBIT F

6. FORMATION TOPS:

Est. KB Elevation: 6234'

FORMATION	Sub-Sea	MD	FORMATION	TV Sub-Sea	MD
Ojo Alamo SS	5080	1166	Gallup	537	5709
Kirtland Shale	4943	1303	Greenhorn	-254	6500
Farmington SS			Graneros	-296	6542
Fruitland Formation	4532	1714	Dakota 1*	-328	6574
Lower Fruitland Coal	4092	2154	Dakota 2*	-360	6606
Pictured Cliffs SS	4075	2171	Dakota 3*	-422	6668
Lewis Shale	3950	2296	Dakota 4*	-476	6722
Chacra SS	3143	3103	Dakota 5*	-523	6769
Cliffhouse SS*	2507	3739	Dakota 6*	-560	6806
Menefee**	2419	3827	Burro Canyon	-580	6826
Point Lookout SS*	1727	4519	Morrison*	-601	6847
Mancos Shale	1388	4858	**TD**	-754	**7,000**

** Primary Objective* *** Secondary Objective*

**** Maximum anticipated BHP should be <2,000 psig (<0.30 psi/ft) *****

7. COMPANY PERSONNEL:

Name	Title	Office Phone	Home Phone
Justin Niederhofer	Drilling Engineer	505-566-7946	505-320-0158
Jerry Lacy	Drilling Superintendent	505-566-7917	505-320-6543
John Klutsch	Project Geologist	817-885-2800	--

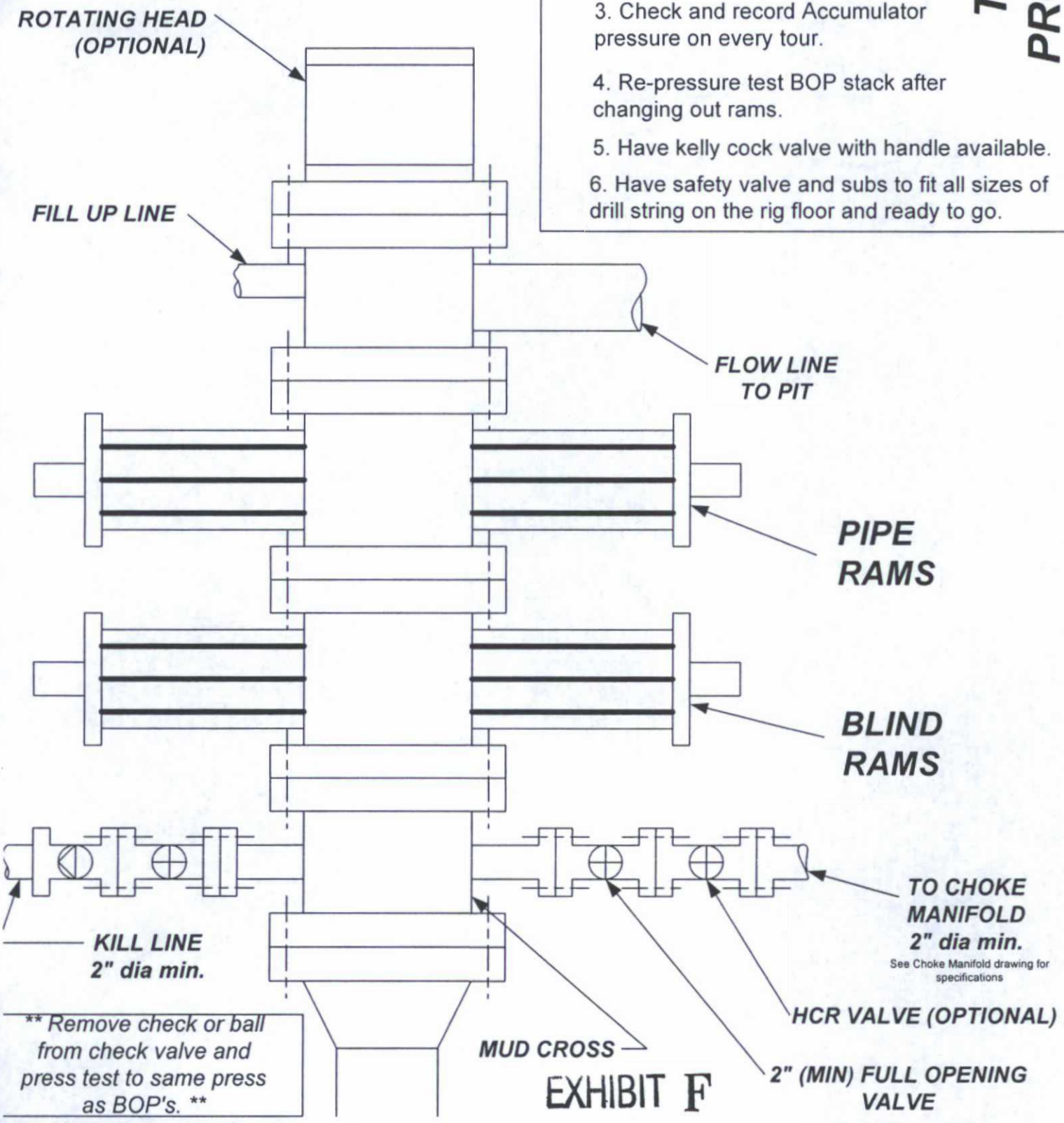
JWE
8/6/07

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 10 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.



** Remove check or ball from check valve and press test to same press as BOP's. **

EXHIBIT F

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

TESTING PROCEDURE

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.

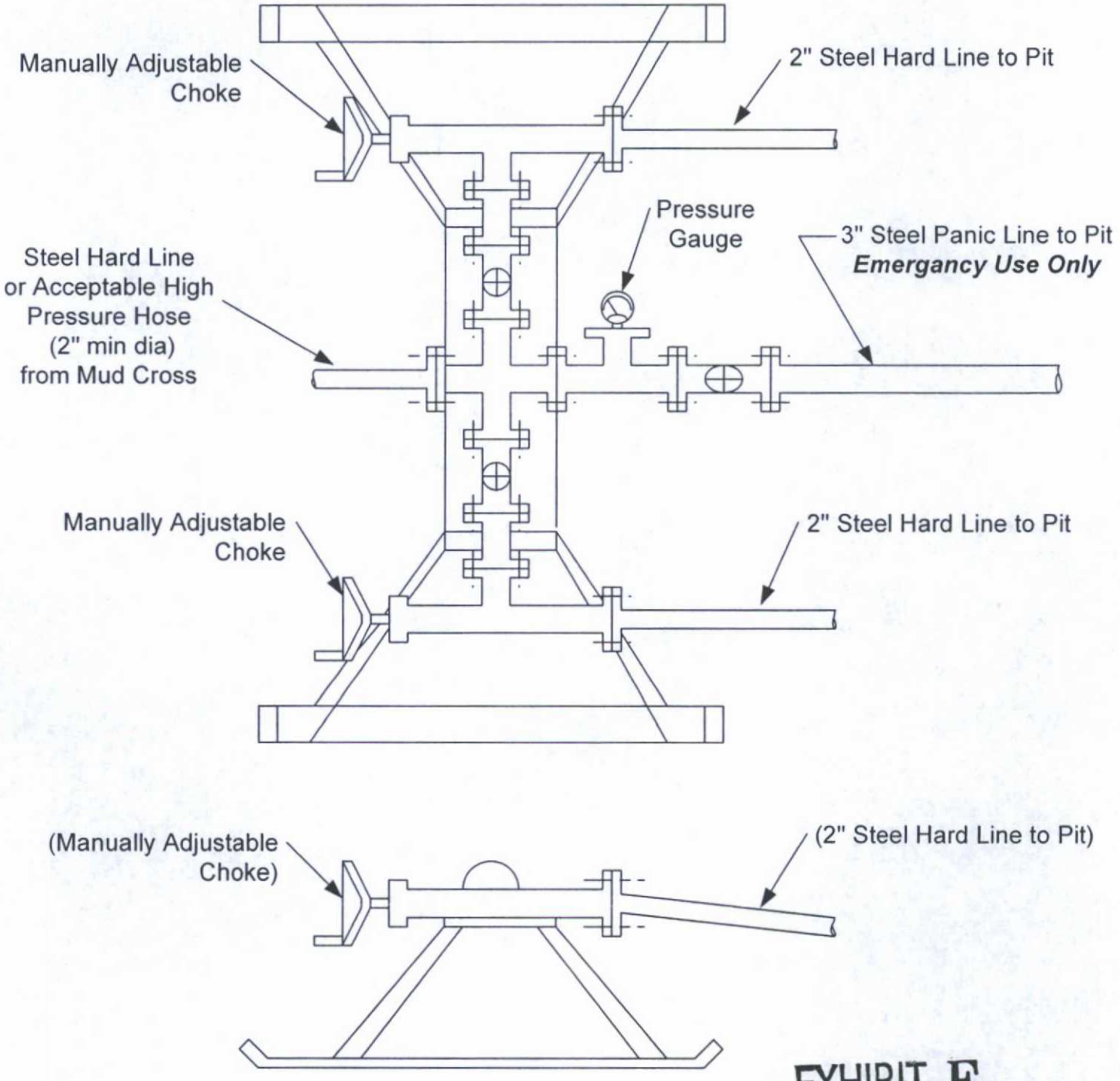


EXHIBIT F