Form 3160-3 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRIL	L OR REENTER	5. Lease Serial 1 SF-07795	
la. Type of Work REENT	TER	6. If Indian, Alk	tee or Tribe Name
1b. Type of Well Oil Well Gas Well Other	Single Zone Multiple Zone	N/A 7. Unit or CA A	greement Name and No.
2. Name of Operator	RECEIVED	N/A 8. Lease Name a	and Well No.
XTO Energy Inc.	3b. (Phone No. (include area coo	Jack Fro	st D #1F
3a. Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington	****	9. API Well No.	~)つ(AN)
4. Location of Well (Report location clearly and in accordance with any S		30-045-	ol, or Exploratory
At surface 695' FNL x 1270' FWL in Sec 26, T27N,	R10W	Basin Da	kota/Basin Mancos M., or Blk. and Survey or Area
At proposed prod. zone		(D) Sec	26, 127N, R10W
14. Distance in miles and direction from nearest town or post office*		12. County or Pa	
Approximately 11.9 miles southeast of \$5. Distance from proposed*	16. No. of Acres in lease	San Juan 17. Spacing Unit dedica	ted to this well
poperty or lease line, ft. (Also to nearest drg. unit line, if any)	800		K - NW/4 160 MC
18. Distance from proposed location*	19. Proposed Depth	20. BLM/BIA Bond N	io. on file
to nearest well, drilling, completed, applied for, on this lease, ft.			
applied for, on this lease, it.	7000'	UIS	3-000138
21. Elevations (Show whether DF, KDB, RT, GL, etc.	22. Approximate date work will star	t* 23. Estimate	ed duration
6310' Ground Elevation	Fall 2006		2 weeks
	24. Attachments	_	CVD FEB9'07 III CONS. DIV.
The following, completed in accordance with the requirements of Onshore C	Dil and Gas Order No. 1, shall be attached	to this form:	DIST. 3
 Well plat certified by a registered surveyor. A Drilling Plan A Surface Use Plan (if the location is on National Forest System Lands, SUPO shall be filed with the appropriate Forest Service Office). 	4. Bond to cover the operation ltem 20 above). 5. Operator certification. 6. Such other site specific in authorized officer.	·	
25. Signuature Lula Vaushan	Name (Printed/Typed) Kyla Vanghan		Date 08/16/06
Title Regulatory Compliance Tech			
Approved by (Signalutre)	Name (Printed/Typed)	· · · · · · · · · · · · · · · · · · ·	Date
Clumbyab		į	2/8/07
Title VIII ACIA A	Office		
Application approval does not warrant or certify that the applicant holds conduct operations thereon. Conditions of approval, if any, are attached.	legal or equitable title to those rights in	the subject lease which	would entitle the applicant to
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a c States any false, fictitious or fraudulent statements or representations as to a	rime for any person knowlingly and willfu any matter within its jurisdiction.	lly to make to any depa	rtment or agency of the United
*(Instructions on page 2) DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS". NOTIFY AZTEC OCD 2443 IN TIME TO WITNESS CEMAN	This action is subject to procedural review pursu and appeal pursuant to	ant to 43 CFR 3165.3	
NWOCD '	2/13/07		

RCVD FEB9'07 OIL CONS. DIV.

DIST. 3

DISTRICT 1 1625 M. French Dr., Hobbs, N.M. 88240

State of New Mexico Energy, Minerals & Natural Resources Department

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

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

1000 Rio Brozos Rd., Aztec, H.M. 87410

Fee Lease - 3 Copies ☐ AMENDED REPORT

1220 South St. Francis Dr., Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT 30-045-33904 ⁴Property Code Well Number ⁵Property Name 22714 JACK FROST D 1F OGRID No. *Operator Name * Elevation 5380 6310 XTO ENERGY INC. ¹⁰ Surface Location

North/South line UL or lot no. Feet from the Section Township Range Lot Idn Feet from the East/West line County 10-W **NORTH** D 26 27-N 695 1270 WEST SAN JUAN ¹¹ Bottom Hole Location If Different From Surface UL or lot no. Section Lot Idn Feet from the North/South line Feet from the East/West line County ¹² Dedicated Acres 13 Joint or Infill ¹⁶ Consolidation Code 16 Order No. Plwa

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	OIL A HOIL STAIDHAND CHILLING	DEEN AFTROTED DI	THE DIVISION
FD. 21/2* BC. 1913 GD0 '00 1270' W 1270'	S 89-57-12 FD. 2 1/2" BC. 1913 GLO LAT: 36.55157' N. (NAD 83) LONG: 107.86964' W. (NAD 83) LAT: 36'33'05.6' N. (NAD 27) LONG: 107'52'08.5' W. (NAD 27)		17 OPERATOR CERTIFICATION I hereby cartify that the information contained hereis is true and complete to the best of my knowledge and belef, 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 the will at this location pursuant to a compract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a computacry pooling order heretofore entered by the division.
S 00-04-	26		Signature J. S. D. Date Signature J. L. S. D. O. D. Date Printed Name
FD. 2 1/2" BC. 1913 GLO			18 SURVEYOR CERTIFICATION I hereby cartify that the well location shown on this plot 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. MARCH 29, 2006 Date of Surveys and Protection arveyor.
			Cartificate Number



OIL CONS. DIV.

DIST. 3 Form C-102

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

Revised October 12, 2005

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

DISTRICT I 1825 M. French Dr., Hobbs, N.M. 88240

Submit to Appropriate District Office

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

State Lease - 4 Copies Fee Lease - 3 Copies

ET AMENDED DEBORT

ISTRICT IV 220 South St. Fra	ncis Dr., Sor	nto Fe, NM 87	505					لا	AMEN	DED REPORT
		W	ELL LO	CATION	AND AC	REAGE DEDI	CATION PL	AT		
30-045	Number	900	771	"智"(C	7 (79510	³ Pool Name	-		
Property Con		100		<u> </u>	⁵ Property N		DOLL CAR	\sim \top	* We	I Number
22711					JACK FROS				1F	
OGRID No.										Elevation
16701	c				XTO ENERG	Y INC.				6310
					¹⁰ Surface	Location				
UL or lot no.	Section	Township	Range	Lot kin	Feet from the	North/South line	Feet from the	East/West		County
D	26	27-N	10-W	<u> </u>	695	NORTH	1270	WES	<u> </u>	SAN JUAN
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UL or lot na.	Section	Township	Range	Lot idn	Feet from the	North/South line	Feet from the	Eost/West	t line	County
² Dedicated Acres		<u> </u>	15 Joint or I		14 Consolidation Co	ode	¹⁹ Order No.	<u> </u>		1
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	8			1			t hereby is true o	cartily that the	information the best of	n contained herein of my knowledge and
							belief, an	d that this org	panization el	ither owns a working
1270				N. (NAD			including	the proposed I	bottom hole	location or has a
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Submit 3 Copies To Appropriate District Office District I	State of New M Energy, Minerals and Natu		WELL ADINO	Form C-103 May 27, 2004
1625 N. French Dr., Hobbs, NM 87240 District II	OIL CONSERVATIO	N DIVISION	WELL API NO.30-	045-33906
1301 W. Grand Ave., Artesia, NM 88210 District III	1220 South St. Fr	ancis Dr.	5. Indicate Type of Le	_ 1
1000 Rio Brazos Rd., Aztec, NM 87410 District IV	Santa Fe, NM 8	37505	STATE 6. State Oil & Gas Le	FEE L
1220 S. St. Francis Dr., Santa Fe, NM 87505	··········		SF-077951	asc IVO.
SUNDRY NOTIC (DO NOT USE THIS FORM FOR PROPO DIFFERENT RESERVOIR. USE "APPLIC PROPOSALS.)	ES AND REPORTS ON WE SALS TO DRILL OR TO DEEPEN ATION FOR PERMIT" (FORM C-10	OR PLUG BACK TO A	7. Lease Name or Uni Jack Frost D	it Agreement Name:
1. Type of Well: Oil Well Gas Well 🕱	Other		8. Well Number	
2. Name of Operator	Ouki		9. OGRID Number	
XIO Energy Inc.			167067	
3. Address of Operator 2700 Farmington Ave., Bldg	r K Sto 1 Farmington K	M 97401	10. Pool name or Wil Basin Dakota/Basin	
4. Well Location	. R. See I Farming CAL, I	E1 0/401	Dasili Dakota/Basil	I FAIROS
Unit Letter D:	695 feet from the No	orth line and	1270 feet from the	he West line
Section 26	Township 27N	Range 10W		County SAN JUAN
	11. Elevation (Show whether 6310' Gro	DR, RKB, RT, GR, et und Elevation	c.)	
	or Closure			1200
Pit typeDRILL Depth to Groundwater .				water <u>>1000</u>
Pit Liner Thickness: 12 mil	Below-Grade Tank: Volume	bbls; Construction	on Material	
12. Check A NOTICE OF INTE PERFORM REMEDIAL WORK []	Appropriate Box to Indicate ENTION TO: PLUG AND ABANDON		SEQUENT REPO	
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILL		PLUG AND
PULL OR ALTER CASING	MULTIPLE COMPLETION	CASING TEST AND CEMENT JOB		ABANDONMENT
OTHER: PIT	X	OTHER:		
13. Describe proposed or completed of starting any proposed work). or recompletion. XTO Energy intends to instance.		le Completions: Attach		
Type or print name Ryla Vaughan For State Use Only APPROVED BY	closed according to NMOCD guidelin	es 🗶 , a general permit	ompliance Tech D la vaughan@xtoenerg Telepho	tive OCD-approved plan ATE 08/16/06
Conditions of Approval, if any:			EXHII	BIT D

XTO ENERGY INC. NAD 83 LAT. = 36.55157 N LONG. = 107.86964 JACK FROST D No. 1F, 695 FNL 1270 FWL SECTION 26, T27N, R10W, N.M.P.M., SAN JUAN COUNTY, N. M. NAD 27 DATE: MARCH 29, 2006 **GROUND ELEVATION: 6310'** LAY. = 36"33"05.6" N LONG. = 107'52'08.5" ACCESS ROAD CONSTRUCTION, ZONE PIPELINE (5) A 6 14.2 F 4.1 9.1 33, 8' DEEP 12' DEEP 200 4 35, LAYDOWN N 57'22' E F 4.5 Wellhead to Back Wellhead to Front (1) REAR 145 TF 0.3 145 F 1.0 **NEW ACCESS** 20, ₹ \$ 3 c. (3) ⁰C 15.2 C 3.0 8' C 14.7 $(340' \times 390') = 3.04 \text{ ACRES}$ 240' X 290' 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 6320 6310 6300 6290 C/L ELEV. 8-B 6320 6310 1 Olf Field Services • Farmington, Na 87401 1772 • Fex (505) 325-6019 6300 6290 . Box 15068 • Formingto • (305) 328-1772 • Fax (3 NEW MEXICO L.S. No. 1 ELEV. C-C' C/L 6320 Surveying (P. O. Box 150 Phone (305) 33 6310 6300 6290 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.



XTO ENERGY INC.

Jack Frost D #1F APD Data August 16, 2006

Location: 695' FNL x 1270' FWL Sec 26, T27N, R10W County: San Juan State: New Mexico

GREATEST PROJECTED TD: 7000'

OBJECTIVE: Basin Dakota / Basin Mancos

Est KB ELEV: <u>6322' (12' AGL)</u>

1. MUD PROGRAM:

APPROX GR ELEV: 6310'

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 12-1/4" 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 7-7/8" hole filled with 9.20 ppg mud.

					Coll	Burst						
					Rating	Rating	Jt Str	ID	Drift	SF	SF	SF
Interval	Length	Wt	Gr	Cplg	(psi)	(psi)	(M-lbs)	(in)	(in)	Coll	Burst	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.



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

A. Surface:

8.625", 24.0#, J-55, ST&C casing to be set at \pm 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 ft³/sk, & 6.70 gal wtr/sk.

Total slurry volume is 297 ft³, 100% excess of calculated annular volume to 360'.

B. <u>Production:</u> 5.5", 15.5#, J-55 (or K-55), ST&C casing to be set at ± 7000 ' in 7.875" hole. DV Tool set @ ± 4200 '

1st Stage

LEAD:

±261 sx of Premium Lite HS (Type III/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 12.5 ppg, 2.01 ft³/sk, 10.55 gal wtr/sx.

TAIL:

100 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:

±350 sx of Type III or equivalent cement with 8% gel & LCM mixed at 11.9 ppg, 2.54 ft³/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 ft³.

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: The mud logger will come on at 2,900' and will remain on the hole until TD. The mud will be logged in 10' intervals.
- 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'.



6. FORMATION TOPS:

Est. KB Elevation: 6322'

FORMATION	Sub-Sea	MD	FORMATION	TV Sub-Sea	MD
Ojo Alamo SS	5195	1,127	Gallup**	703	5,619
Kirtland Shale	5048	1,274	Greenhorn	-142	6,464
Farmington SS			Graneros	-195	6,517
Fruitland Formation	4706	1,616	Dakota 1*	-221	6,543
Lower Fruitland Coal	4243	2079	Dakota 2*	-259	6,581
Pictured Cliffs SS	4220	2,102	Dakota 3*	-303	6,625
Lewis Shale	4074	2,248	Dakota 4*	-355	6,677
Chacra SS	3322	3,000	Dakota 5*	-400	6,722
Cliffhouse SS	2647	3,675	Dakota 6*	-436	6,758
Menefee	2565	3,757	Burro Canyon	-472	6,794
Point Lookout SS	1823	4,499	Morrison*	-495	6,817
Mancos Shale	1545	4,777	TD	-678	7,000

^{*} Primary Objective

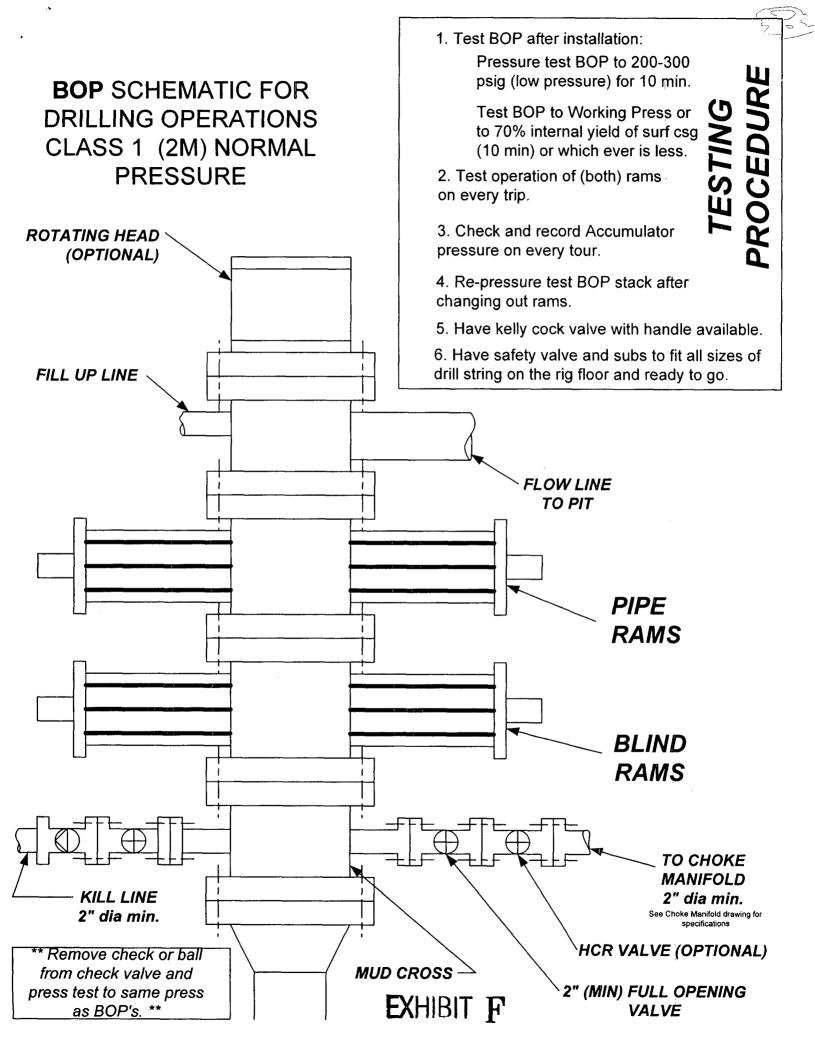
7. <u>COMPANY PERSONNEL:</u>

Name	Title	Office Phone	Home Phone
John Egelston	Drilling Engineer	505-564-6734	505-330-6902
Jerry Lacy	Drilling Superintendent	505-566-7917	505-320-6543
John Klutsch	Project Geologist	817-885-2800	

JWE 8/16/06

^{**} Secondary Objective

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



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

