

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		3. Lease Serial No. JIC 154
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name JICARILLA APACHE
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. JICARILLA APACHE #11F
3b. Phone No. (include area code) 505-324-1090		9. API Well No. 30-039-30192
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 1210' FNL x 675' FWL At proposed prod. zone SAME		10. Field and Pool, or Exploratory BS DK/BL MV/BS MC/OT CH
14. Distance in miles and direction from nearest town or post office* Approximately 39 miles Southeast of Bloomfield, NM post office		11. Sec., T., R., M., or Blk. and Survey or Area (D) SEC 28, T26N, R5W
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 675'	16. No. of Acres in lease 2560	17. Spacing Unit dedicated to this well DK, MV: W2 320 - MC, CH: NW4 160
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 430'	19. Proposed Depth 7550'	20. BLM/BIA Bond No. on file UTB000138
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6467' GROUND ELEVATION	22. Approximate date work will start* AUGUST 2007	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 01/31/07
--------------------------------------	---	-------------------------

Title Regulatory Compliance Tech		
--	--	--

Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 5/13/07
---	----------------------	------------------------

Title AFM	Office PFC
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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 page 2)

**NOTIFY AZTEC OCD 24 HRS
PRIOR TO CASING & CEMENT**

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".

NMOCD

5/19/07

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, 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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-30192		² Pool Code 71599	³ Pool Name BASIN DAKOTA
⁴ Property Code 30320	⁵ Property Name JICARILLA APACHE		⁶ Well Number 11F
⁷ OGRD No. 5380	⁸ Operator Name XTO ENERGY INC.		⁹ Elevation 6467

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	28	26-N	5-W		1210	NORTH	675	WEST	RIO ARRIBA

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 W/2 320					¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. RCUD MAY 4'07 OIL CONS. DIV. DIST. 3

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>16</p> <p>CALC'D. CORNER PROTRACTION</p> <p>1210'</p> <p>675'</p> <p>S 00-19-07 W 5282.60' (C)</p> <p>28</p> <p>CALC'D. CORNER PROTRACTION</p>	<p>S 89-54-36 E 5307.50 (C)</p> <p>LAT: 36.46162° N. (NAD 83) LONG: 107.37111° W. (NAD 83) LAT: 36°27'41.8" N. (NAD 27) LONG: 107°22'13.8" W. (NAD 27)</p>	<p>CALC'D. CORNER PROTRACTION</p>	<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, 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.</p> <p><i>Kyla Vaughan</i> 1/29/07 Signature Date <i>Kyla Vaughan</i> Printed Name</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 REVIEWED 2006 Date of Review Signature of Surveyor <i>JOHN A. VUKONICH</i> REGISTERED PROFESSIONAL SURVEYOR 14831 Certificate Number</p>		

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CITY OF SANTA FE

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-30192		*Pool Code 72319	*Pool Name BLANCO MESAVERDE	
*Property Code 30320		*Property Name JICARILLA APACHE		*Well Number 11F
*GRID No. 5380		*Operator Name XTO ENERGY INC.		*Elevation 6467

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	28	26-N	5-W		1210	NORTH	675	WEST	RIO ARRIBA

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 W/2 320		*Joint or Infill		*Consolidation Code		*Order No. RCVD MAY 4 '07 OIL CONS. DIV. DIST 3			

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<p>16</p> <p>CALC'D. CORNER PROTRACTION</p> <p>S 89-54-36 E 5307.50 (C)</p> <p>1210'</p> <p>675'</p> <p>S 00-19-07 W 5282.60' (C)</p> <p>28</p> <p>LAT: 36.46162° N. (NAD 83) LONG: 107.37111° W. (NAD 83) LAT: 36°27'41.8" N. (NAD 27) LONG: 107°22'13.8" W. (NAD 27)</p> <p>CALC'D. CORNER PROTRACTION</p>		<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, 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.</p> <p><i>Kyla Vaughan</i> 1/29/07 Signature Date Printed Name Kyla Vaughan</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: 1/29/06 Signature: <i>JOHN A. VUKONICH</i> NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 14831 Certificate Number</p>	
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-30192		2 Pool Code 97232		3 Pool Name WC BASIN MANCOS	
4 Property Code 30320		5 Property Name JICARILLA APACHE		6 Well Number 11F	
7 GRID No. 5380		8 Operator Name XTO ENERGY INC.		9 Elevation 6467	

10 Surface Location

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D	28	26-N	5-W		1210	NORTH	675	WEST	RIO ARRIBA

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 NW/4 160					13 Joint or Infill		14 Consolidation Code		15 Order No. RCVD MAY 4 07 OIL CONS. DIV.	

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Energy, Minerals & Natural Resources Department

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Form C-102

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-30192		² Pool Code 82329		³ Pool Name OTERO CHACRA	
⁴ Property Code 30320		⁵ Property Name JICARILLA APACHE		⁶ Well Number 11F	
⁷ OCRID No. 5380		⁸ Operator Name XTO ENERGY INC.		⁹ Elevation 6467	

¹⁰ Surface Location

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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.

JIC 154

7. Lease Name or Unit Agreement Name:

JICARILLA APACHE

8. Well Number

#11F

9. OGRID Number

5380

10. Pool name or Wildcat

BS DK/BL MV/BS MC/OT CH

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 D : 1210 feet from the NORTH line and 675 feet from the WEST line

Section 28 Township 26N Range 5W NMPM NMCM County SAN JUAN

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

6467' GROUND ELEVATION

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type DRILL Depth to Groundwater 450 Distance from nearest fresh water well >1000 Distance from nearest surface water >200

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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: 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.

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 01/31/07

Type or print name Kyla Vaughan

E-mail address: kyla_vaughan@xtoenergy.com

Telephone No. 505-564-6726

For State Use Only

APPROVED BY

[Signature]

TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3

DATE

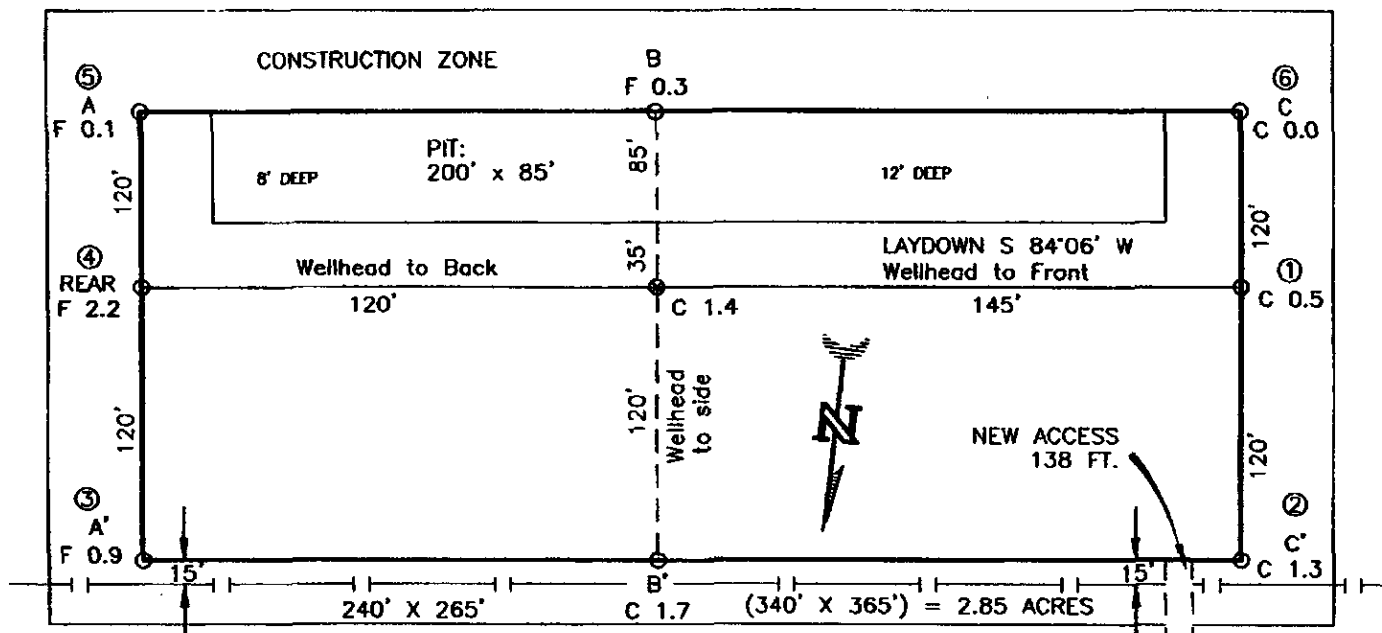
Conditions of Approval, if any:

MAY 09 2007

EXHIBIT D

XTO ENERGY INC.
 JICARILLA APACHE No. 11F, 1210 FNL 675 FWL
 SECTION 28, T26N, R5W, N.M.P.M., RIO ARRIBA COUNTY, N. M.
 GROUND ELEVATION: 6467' DATE: MARCH 31, 2006

NAD 83
 LAT. = 36.46162° N
 LONG. = 107.37111° W
 NAD 27
 LAT. = 36°27'41.8" N
 LONG. = 107°22'13.8" 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.

ELEV. A-A'	C/L			
6480				
6470				
6460				
6450				

ELEV. B-B'	C/L			
6480				
6470				
6460				
6450				

ELEV. C-C'	C/L			
6480				
6470				
6460				
6450				

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.

DATE	5/18/06	REVISED BY	G.V.
LOCATION	RESTATED	DATE	07/20/06
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. 14831			
		DRAWN BY: B.L. ROWEN CR172	

EXHIBIT E

XTO ENERGY INC.

Jicarilla Apache #11F

APD Data

January 29, 2007

Location: 1210' FNL x 675' FWL Sec 28, T26N, R5W

County: Rio Arriba

State: New Mexico

GREATEST PROJECTED TD: 7550'

OBJECTIVE: Basin Dakota/Blanco Mesaverde /Otero Chacra/Basin Mancos

APPROX GR ELEV: 6467'

Est KB ELEV: 6479' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 7550'
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 \pm 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 (\pm 7550') 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'-7550	7550'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.12	1.33	1.73

3. WELLHEAD:

- 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.
- 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 $\pm 360'$ 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. Production: 5.5", 15.5#, J-55 (or K-55), ST&C casing to be set at $\pm 7550'$ in 7.875" hole. DV Tool set @ $\pm 4400'$

1st Stage

LEAD:

± 265 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:

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:

± 369 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 1841 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 (7550') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (7550') to 3,000'.

EXHIBIT F

6. **FORMATION TOPS:**

Est. KB Elevation: 6479'

FORMATION	Sub-Sea	MD	FORMATION	TV Sub-Sea	MD
Ojo Alamo SS	4195	2,267	Gallup**	366	6,096
Kirtland Shale	4051	2,411	Greenhorn	-465	6,927
Farmington SS			Graneros	-520	6,982
Fruitland Formation	3999	2,463	Dakota 1*	-540	7,002
Lower Fruitland Coal	3702	2760	Dakota 2*	-562	7,024
Pictured Cliffs SS	3650	2,812	Dakota 3*	-634	7,096
Lewis Shale	3463	2,999	Dakota 4*	-664	7,126
Chacra SS**	2750	3,712	Dakota 5*	-702	7,164
Cliffhouse SS**	2005	4,457	Dakota 6*	-755	7,217
Menefee	1941	4,521	Burro Canyon	-789	7,251
Point Lookout SS**	1459	5,003	Morrison*	-888	7,350
Mancos Shale	1079	5,383	TD	-1088	7,550

* 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
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
1/29/07

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.

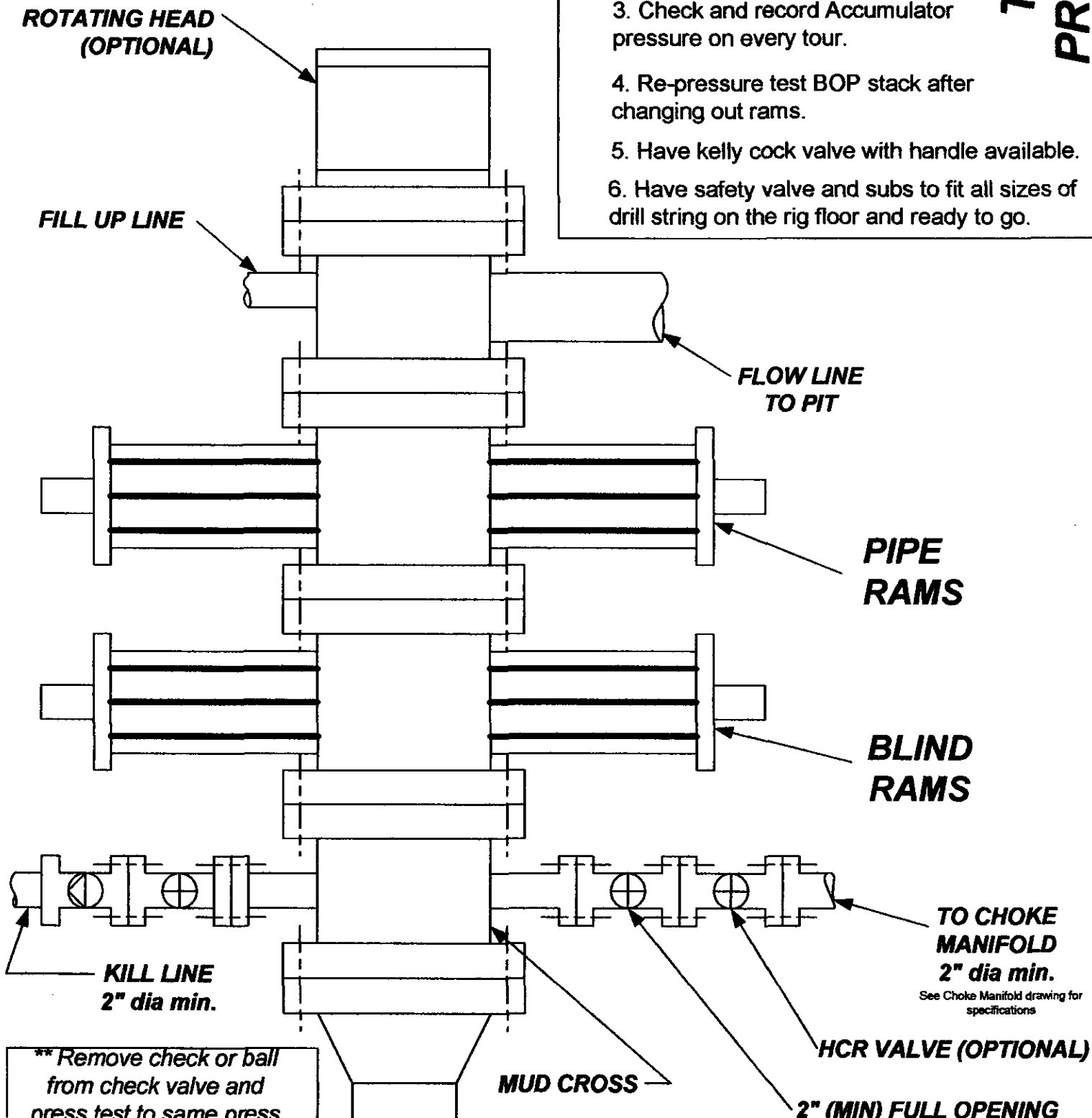


EXHIBIT F

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

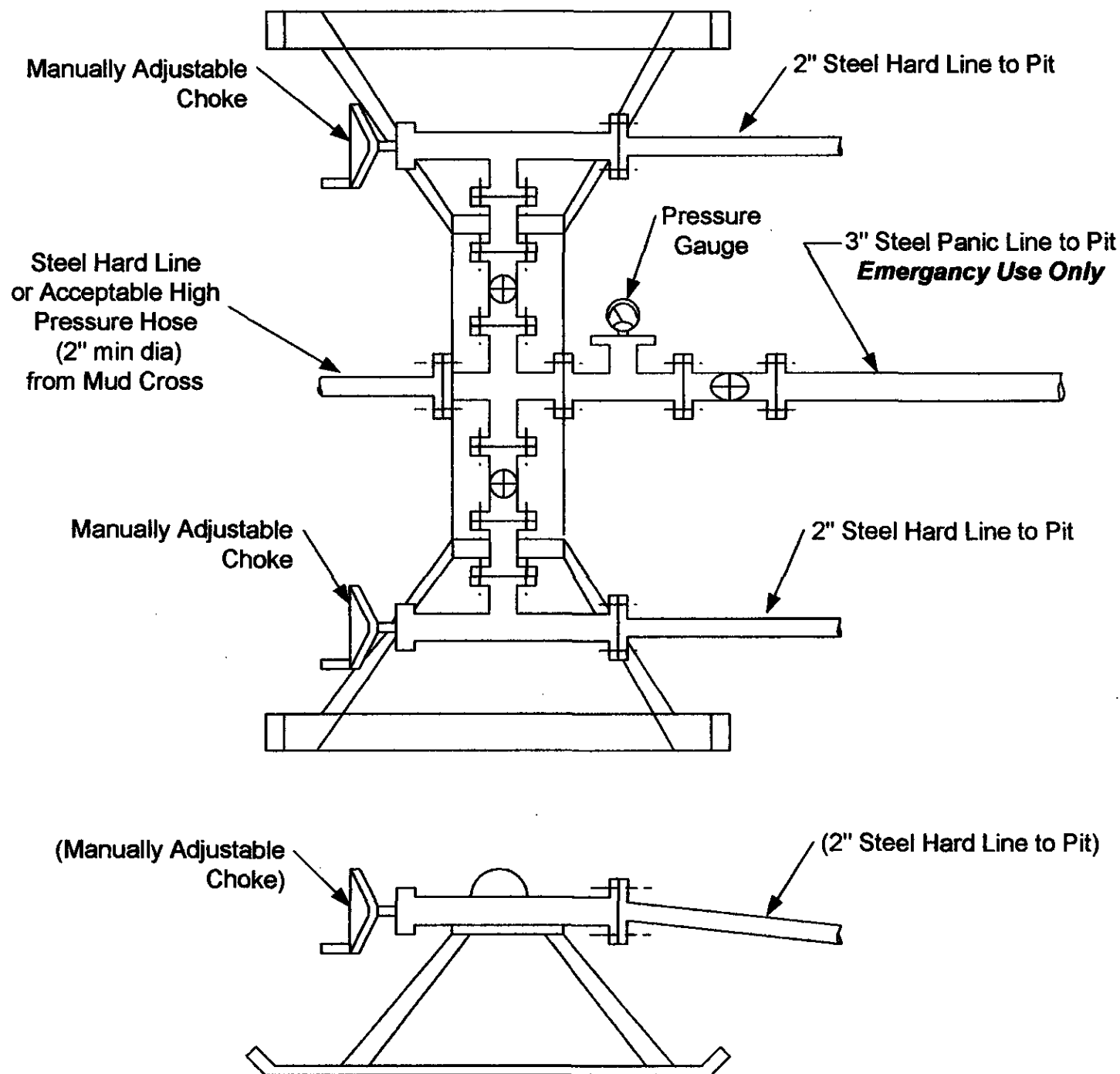


EXHIBIT F