

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 & Natural Resources

Form C-101
June 16, 2008

Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,
PLUGBACK, OR ADD A ZONE**

¹ Operator Name and Address XTO Energy Inc. 382 CR 3100 Aztec, New Mexico 87410		² OGRID Number 5380
		³ API Number 30- 045-34936
⁴ Property Code 22643	⁵ Property Name TAFT GAS COM	⁶ Well No #1G
⁹ Proposed Pool 1 BASIN DAKOTA		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
F	14	30N	13W		1935	FNL	1855	FWL	SAN JUAN

⁸ Proposed 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

Additional Well Location

¹¹ Work Type Code NEW WELL	¹² Well Type Code GAS	¹³ Cable/Rotary ROTARY	¹⁴ Lease Type Code FEE	¹⁵ Ground Level Elevation 5774'
¹⁶ Multiple N	¹⁷ Proposed Depth 6700'	¹⁸ Formation DAKOTA	¹⁹ Contractor	²⁰ Spud Date

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12.25	8.625	24	360'	214	
7.875	5.5	15.5	6700'	199 (LEAD)	

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

See Attached Drilling Program

A COMPLETE C-144 MUST BE SUBMITTED TO AND APPROVED BY THE NMOCD FOR: A PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, OR PROPOSED ALTERNATIVE METHOD, PURSUANT TO NMOCD PART 19.15.17, PRIOR TO THE USE OR CONSTRUCTION OF THE ABOVE APPLICATIONS.

RCVD APR 15 '09
OIL CONS. DIV.
DIST. 3

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

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: <i>Jennifer M. Hembry</i>		Approved by: <i>[Signature]</i>	
Printed name: JENNIFER M. HEMBRY		Title: DEPUTY OIL & GAS INSPECTOR, DIST. 3	
Title: REGULATORY CLERK		Approval Date: APR 24 2009	Expiration Date: APR 24 2011
E-mail Address: jennifer.hembry@xtoenergy.com			
Date: 04/14/2009	Phone: 505-333-3631	Conditions of Approval Attached <input type="checkbox"/>	

[Signature] **APR 24 2009** *[Signature]*

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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 30-045-34936	² Pool Code 71599	³ Pool Name Basin Dakota
⁴ Property Code 22643	⁵ Property Name TAFT GAS COM	⁶ Well Number 1G
⁷ OCRID No 5380	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 5774'

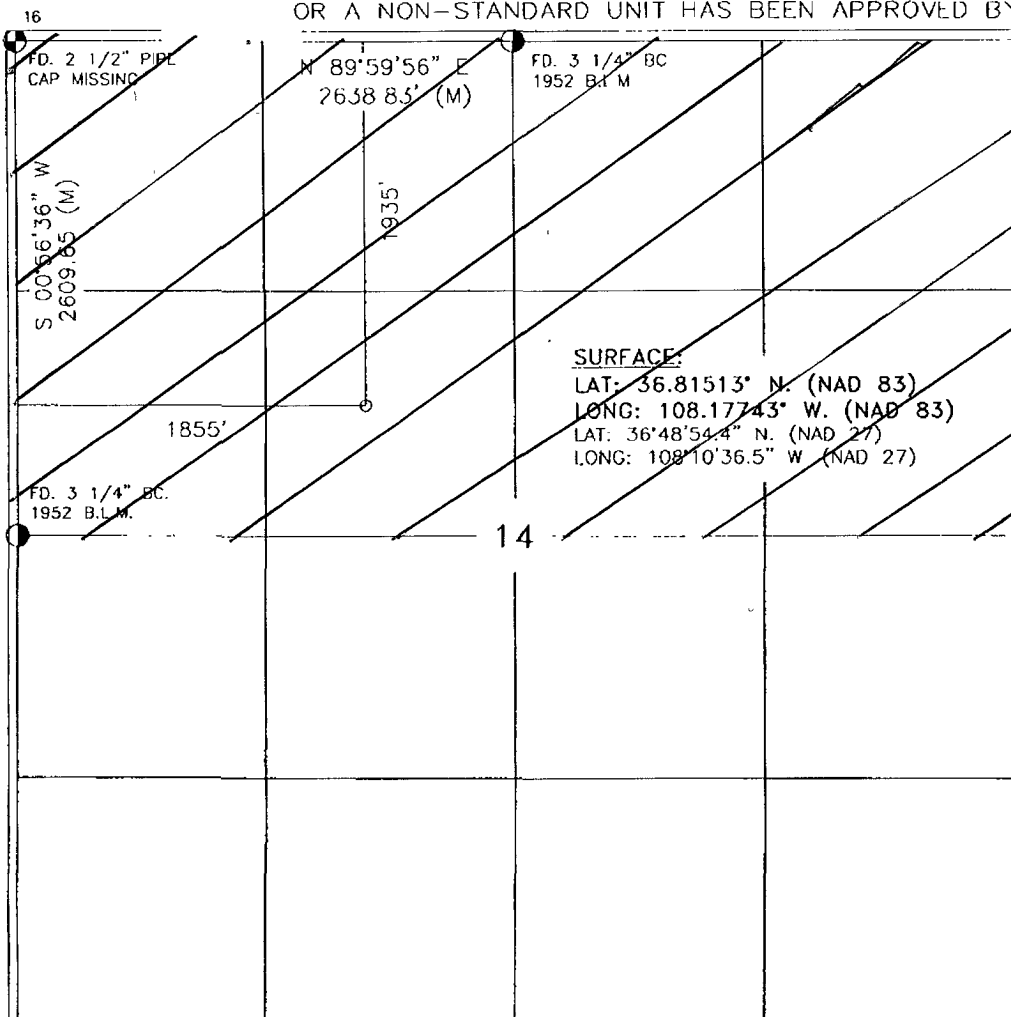
¹⁰ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	14	30--N	13--W		1935	NORTH	1855	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 N/2-320			¹³ Joint or Infill		¹⁴ Consolidation Code		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



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.

J. Hembry 4/3/09
Signature Date
Jennifer M. Hembry
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 knowledge & belief

AUGUST 21, 2008
Date of Survey
Signature and Seal of Professional Surveyor
NEW MEXICO
REGISTERED PROFESSIONAL LAND SURVEYOR
03-08
Certificate Number

XTO ENERGY INC.

Taft Gas Com #1G

APD Data

January 16, 2009

Location: 1935' FNL x 1855' FWL Sec 14, T30N, R13W

County: San Juan

State: New Mexico

GREATEST PROJECTED TD: 6700'
APPROX GR ELEV: 5774'

OBJECTIVE: Basin Dakota
Est KB ELEV: 5786' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 6700'
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 ($\pm 6700'$) 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'-6700	6700'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.26	1.50	1.95

Remarks: All Casing strings will be centralized in accordance with Onshore Order #2 and NTL FRA-90-1.

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.

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 $\pm 6700'$ in 7.875" hole. DV Tool set @ $\pm 4100'$

1st Stage

LEAD:

± 199 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:

± 341 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 1635 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: None.

B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (6700') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (6700') to 3,000'.

6. FORMATION TOPS:

Est. KB Elevation: 5786'

FORMATION	Sub-Sea	MD	FORMATION	TV Sub-Sea	MD
Ojo Alamo SS			Gallup	307	5479
Kirtland Shale	5431	355	Greenhorn	-450	6236
Farmington SS			Graneros	-504	6290
Fruitland Formation	4553	1233	Dakota 1*	-563	6349
Lower Fruitland Coal	3984	1802	Dakota 2*	-574	6360
Pictured Cliffs SS	3952	1834	Dakota 3*	-644	6430
Lewis Shale	3764	2022	Dakota 4*	-700	6486
Chacra SS	2931	2855	Dakota 5*	-725	6511
Cliffhouse SS*	2345	3441	Dakota 6*	-753	6539
Mencfee**	2283	3503	Burro Canyon	-802	6588
Point Lookout SS*	1609	4177	Morrison*	-840	6626
Mancos Shale	1199	4587	TD	-914	6700

* Primary Objective

** Secondary Objective

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

7. COMPANY PERSONNEL:

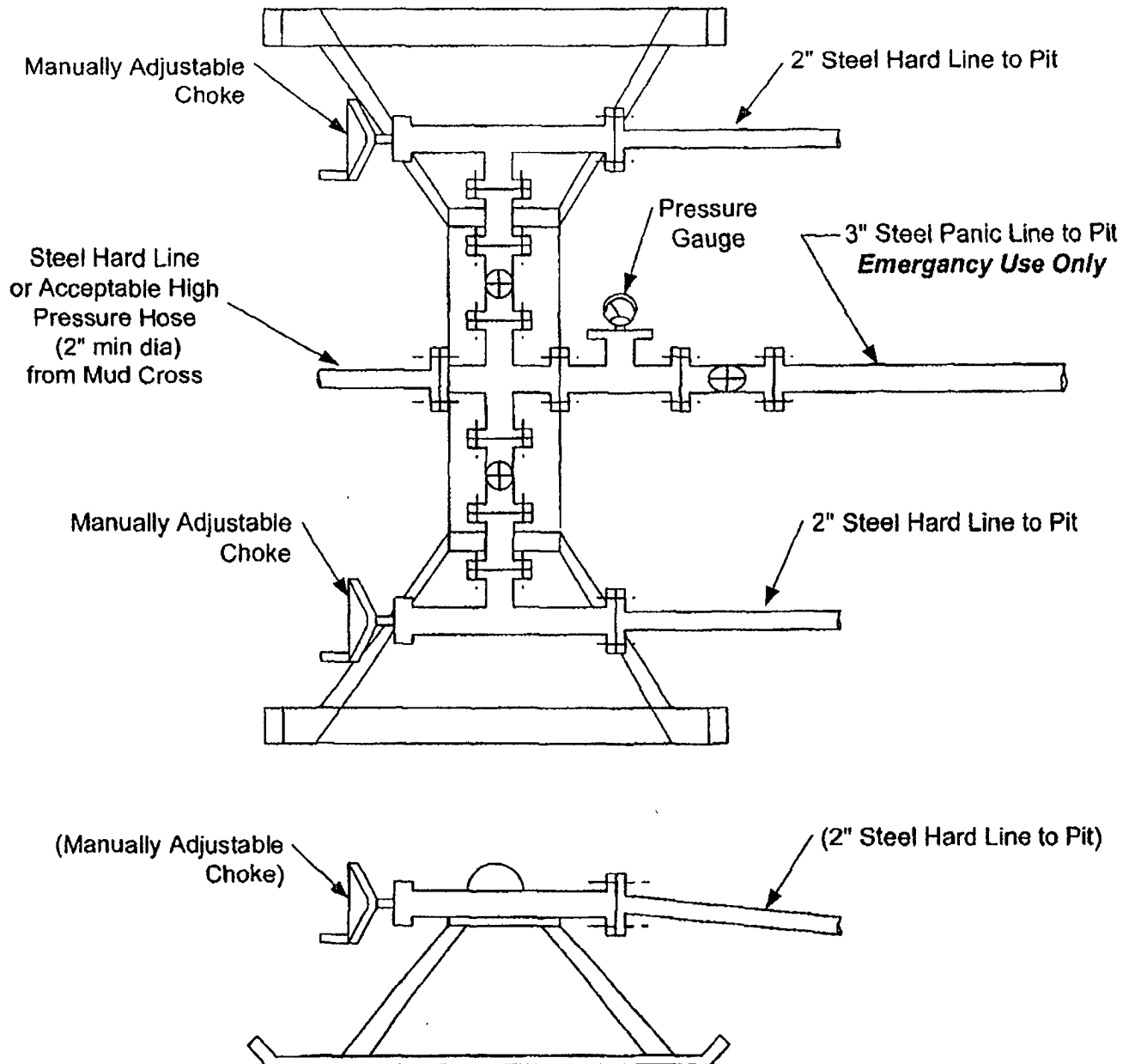
Name	Title	Office Phone	Home Phone
Justin Niederhofer	Drilling Engineer	505-333-3199	505-320-0158
Jerry Lacy	Drilling Superintendent	505-333-3177	505-320-6543
John Klutsch	Project Geologist	817-885-2800	--

JDN
1/16/09

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



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.

