State of New Mexico

Form C-101 Permit 44490

Energy, Minerals and Natural Resources

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

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

	, ,					
1.	Operator Name and Address	2. OGRID Number				
	5380					
-1555	FARMINGTON AVENUE MINGTON , NM 87401	3. API Number				
THI	WIII () () () () () () () () ()	30-025-38254				
4. Property Code	5. Property Name	6. Well No.				
3355	SOUTHEAST MALJAMAR GB/SA UNIT 716					

7. Surface Location

3	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	I	29	17S	33E	I	1580	S	399	E	LEA

8. Pool Information

MALJAMAR;GRAYBURG-SAN ANDRES 43329

Additional Well Information

	3700		THE PROPERTY OF THE PARTY OF TH		767
9. Work Type New Well	20100-0	10. Well Type 11. Cable/Rotary 12. Lease Type OIL State		12. Lease Type State	13. Ground Level Elevation 4100
14. Multiple 15. Proposed Depth N 4600			16. Formation 17. Contractor Grayburg		18. Spud Date
Depth to Ground	water		Distance from nearest fresh water	well	Distance to nearest surface water
160			1000		1000
Liner: Synthetic D	X 12	mils thick	Clay Pit Volume: 7000 bbls	Drilling Method: Fresh Water X Brine	Diesel/Oil-based Gas/Air

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1200	630	0
Prod	7.875	5.5	17	4600	860	0

Casing/Cement Program: Additional Comments

XTO Energy Inc. proposes to: *Drill 12-1/4" hole to 1200', run 8 5/8" csg & cmt w/class "C" to surf. *Drill 7-7/8" hole to 4600', run 5-1/2" csg & cmt w/class "C" to surf. Mud Program: 0-1200' 8.4 ppg fresh water 1200-4700' 10.0 ppg brine water XTO Energy Inc. Case III BOPE

Proposed Blowout Prevention Program

	110100000121000011		
Туре	Working Pressure	Test Pressure	Manufacturer
Hydril	1500	3000	Schaeffer
DoubleRam	2000	3000	Schaeffer

I hereby certify that the information given above is true and complet of my knowledge and belief. I further certify that the drilling pit will be constructed accord	OIL COMPERVATION DIVIDION
NMOCD guidelines X, a general permit , or an (attached) at OCD-approved plan .	
Printed Name: Electronically filed by Cheryl Moore	Title: District Supervisor
Title: Regulatory Analyst	Approved Date: 1/10/2007 Expiration Date: 1/10/2008
Email Address: Cheryl_moore@xtoenergy.com	6
Date: 1/8/2007 Phone: 505-564-6706	Conditions of Approval Attached

State of New Mexico

DISTRICT I 1625 N. FRENCH DR., HOBBS, NW 88240

Energy, Minerals and Natural Resources Department

DISTRICT II

1301 W. GRAND AVENUR, ARTESIA, NW 80210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

Form C-102 Revised JUNE 10, 2003 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT IV WELL LOCATION AND ACREAGE DEDICATION PLAT □ AMENDED REPORT 1220 S. ST. FRANCIS DR., SANTA PE, NM 87505 API Number Pool Code Pool Name Maljamar; Grayburg-San Andres Property Code Well Number **SEMGSAU** 716 OGRID No. Operator Name Elevation **XTO ENERGY** 4100 005380

Surface Location

UL or lot No.	Section	Township	Range	Lot idn	Feet from the	North/South line	Feet from the	East/West line	County
1	29	17-S	33-E		1580	SOUTH	399	EAST	LEA

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	Joint or	Infill Co	nsolidation (ode Or	ler No.			<u> </u>	L
40									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

	OR A NON-STANDARD UNIT HAS BI	EEN APPROVED BY TH	E DIVISION
			OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.
			Signature
			Printed Name
			Title
			Date
	 		SURVEYOR CERTIFICATION
	GEODETIC COORDINATES NAD 27 NME		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
	Y=656314.7 N X=701519.0 E		supervison and that the same is true and correct to the best of my belief.
<u>'</u>	LAT.=32*48'09.29" N LONG.=103*40'38.96" W	<u>399'</u>	DECEMBER 15, 2005 Date Surveyed REVISED 1/5/06 RZB
			Signature & Seal of Professional Surveyor
	1	1580'—	Bay Stelm 1/5/06
			Certificate No. GARY EIDSON 12641

Permit Conditions of Approval

Operator: XTO ENERGY, INC , 5380 Well: SOUTHEAST MALJAMAR GB/SA UNIT #716

API: 30-025-38254

OCD Reviewer	Condition
IDMIII I	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
DMULL	Notice is to be given to the Hobbs OCD office prior to construction of the pit(s).