

State of New Mexico
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 XTO ENERGY, INC 2700 FARMINGTON AVENUE FARMINGTON, NM 87401 | | 2. OGRID Number 5380 |
| 4. Property Code 22779 | | 3. API Number 30-045-34344 |
| 5. Property Name MCCARTY GAS COM B | | 6. Well No. 001F |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|
| J | 16 | 29N | 11W | J | 1910 | S | 1745 | E | SAN JUAN |

8. Pool Information

| | |
|-----------------------------|-------|
| BASIN DAKOTA (PRORATED GAS) | 71599 |
| OTERO CHACRA (GAS) | 82329 |

Additional Well Information

| | | | | |
|---|----------------------------|--|-------------------------|--|
| 9. Work Type New Well | 10. Well Type GAS | 11. Cable/Rotary | 12. Lease Type State | 13. Ground Level Elevation 5575 |
| 14. Multiple Y | 15. Proposed Depth 6750 | 16. Formation Dakota Formation | 17. Contractor | 18. Spud Date 6/15/2007 |
| Depth to Ground water 150 | | Distance from nearest fresh water well > 1000 | | Distance to nearest surface water 200 |
| Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 8000 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> | | | | |

19. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 12.25 | 8.625 | 24 | 360 | 214 | 0 |
| Prod | 7.875 | 5.5 | 15.5 | 6750 | 217 | |
| Prod | 7.875 | 5.5 | 15.5 | 6750 | 150 | 4000 |
| Prod | 7.875 | 5.5 | 15.5 | 4000 | 100 | |
| Prod | 7.875 | 5.5 | 15.5 | 4000 | 331 | 0 |

Casing/Cement Program: Additional Comments

This is a 2 stage cement job setting a DV tool @ 4000'. The plan is to circulate cement to surface on both casing strings.

Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| DoubleRam | 2000 | 4000 | |

| | | |
|---|----------------------------------|----------------------------|
| I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCB guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCB-approved plan <input type="checkbox"/>. | OIL CONSERVATION DIVISION | |
| Printed Name: Electronically filed by Cheryl Moore | Approved By: Charlie Perin | |
| Title: Regulatory Analyst | Title: District Supervisor | |
| Email Address: Cheryl_moore@xtoenergy.com | Approved Date: 6/18/2007 | Expiration Date: 6/18/2008 |
| Date: 6/7/2007 | Phone: 505-564-6706 | |

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

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Form C-102
 Permit 54909

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------------------|---------------------------------------|---|
| 1. API Number 30-045-34344 | 2. Pool Code 71599 | 3. Pool Name BASIN DAKOTA (PRORATED GAS) |
| 4. Property Code 22779 | 5. Property Name MCCARTY GAS COM B | 6. Well No. 001F |
| 7. OGRID No. 5380 | 8. Operator Name XTO ENERGY, INC | 9. Elevation 5575 |

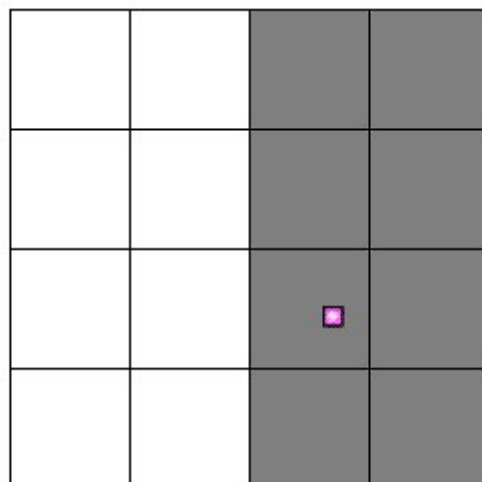
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11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|-------------------------------|---------|---------------------|-------|------------------------|-----------|---------------|-----------|----------|--------|
| 12. Dedicated Acres 320.00 | | 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



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(s) 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.

E-Signed By: Cheryl Moore
 Title: Regulatory Analyst
 Date: 6/7/2007

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.

Surveyed By: Roy Rush
 Date of Survey: 3/7/2007
 Certificate Number: 8894

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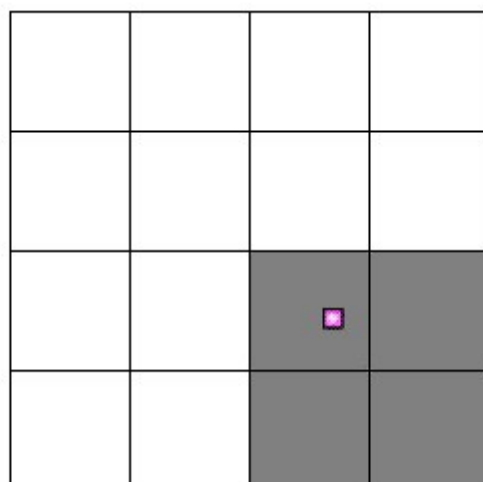
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