

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 22814		3. API Number 30-045-34378
5. Property Name SKELLY GAS COM		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
H	32	29N	10W	H	1975	N	665	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 5643
14. Multiple Y	15. Proposed Depth 6850	16. Formation Dakota Formation	17. Contractor	18. Spud Date 8/7/2007
Depth to Ground water 100		Distance from nearest fresh water well > 1000		Distance to nearest surface water 150
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ mls 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	6850	217	4000
Prod	7.875	5.5	15.5	6850	150	
Prod	7.875	5.5	15.5	4100	100	0
Prod	7.875	5.5	15.5	4100	341	

Casing/Cement Program: Additional Comments

This is a 2 stage cement job setting a DV tool @4100'. 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: 8/6/2007	Expiration Date: 8/6/2008
Date: 7/31/2007	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

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
 Permit 58269

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-34378	2. Pool Code 71599	3. Pool Name BASIN DAKOTA (PRORATED GAS)
4. Property Code 22814	5. Property Name SKELLY GAS COM	6. Well No. 001F
7. OGRID No. 5380	8. Operator Name XTO ENERGY, INC	9. Elevation 5643

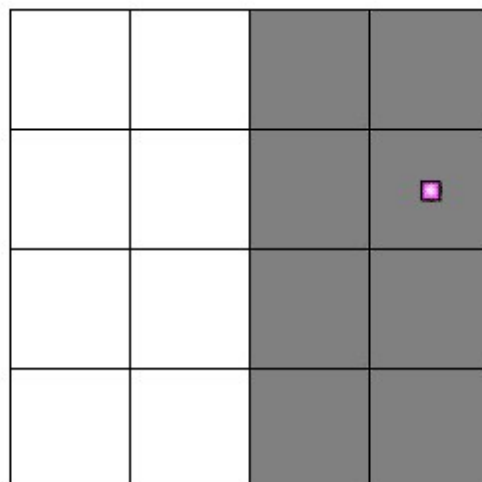
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	32	29N	10W		1975	N	665	E	SAN JUAN

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: 7/31/2007

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: John Vukonich
 Date of Survey: 6/12/2005
 Certificate Number: 14831

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

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
 Permit 58269

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-34378	2. Pool Code 82329	3. Pool Name OTERO CHACRA (GAS)
4. Property Code 22814	5. Property Name SKELLY GAS COM	6. Well No. 001F
7. OGRID No. 5380	8. Operator Name XTO ENERGY, INC	9. Elevation 5643

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	32	29N	10W		1975	N	665	E	SAN JUAN

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 160.00	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: 7/31/2007

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: John Vukonich
 Date of Survey: 6/12/2005
 Certificate Number: 14831