

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 382 ROAD 3100 AZTEC , NM 87410		2. OGRID Number 5380
		3. API Number 30-045-34548
4. Property Code 22731	5. Property Name HANEY 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
K	20	29N	10W	K	1480	S	1645	W	SAN JUAN

8. Pool Information

BASIN DAKOTA (PRORATED GAS)	71599
WC BASIN MANCOS	97232
OTERO CHACRA (GAS)	82329

Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 5472
14. Multiple Y	15. Proposed Depth 6550	16. Formation Dakota Formation	17. Contractor	18. Spud Date
Depth to Ground water 100		Distance from nearest fresh water well > 1000		Distance to nearest surface water 300
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	6550	331	0
Prod	7.875	5.5	15.5	4000	193	
Prod	7.875	5.5	15.5	6550	100	0
Prod	7.875	5.5	15.5	4000	150	

Casing/Cement Program: Additional Comments

A. Surface: 8.625", 24.0#, J-55, ST&C casing to be set at ? 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 ?6550' in 7.875" hole. DV Tool set @ ±4000' 1st Stage LEAD: ±193 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: ±331 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

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 NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Cheryl Moore	Approved By: Charlie Perrin
Title: Production Accounting Supervisor	Title: District Supervisor
Email Address: Cheryl_moore@xtoenergy.com	Approved Date: 1/15/2008 Expiration Date: 1/15/2010
Date: 12/20/2007 Phone: 505-333-3143	

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 66497

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-34548	2. Pool Code 71599	3. Pool Name BASIN DAKOTA (PRORATED GAS)
4. Property Code 22731	5. Property Name HANEY GAS COM B	6. Well No. 001F
7. OGRID No. 5380	8. Operator Name XTO ENERGY, INC	9. Elevation 5472

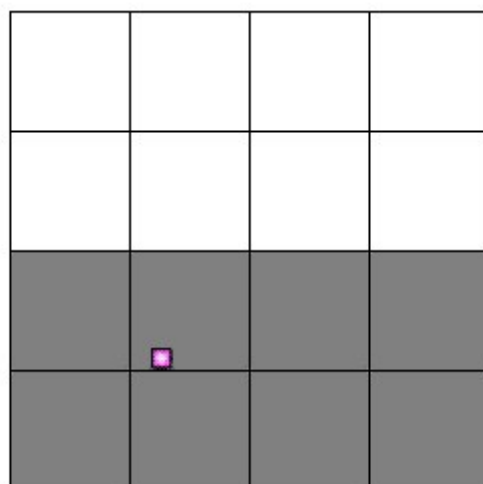
10. Surface Location

UL - Lot K	Section 20	Township 29N	Range 10W	Lot Idn	Feet From 1480	N/S Line S	Feet From 1645	E/W Line W	County SAN JUAN
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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: Production Accounting Supervisor
 Date: 12/20/2007

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: 1/10/2007
 Certificate Number: 8894

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-34548	2. Pool Code 97232	3. Pool Name WC BASIN MANCOS
4. Property Code 22731	5. Property Name HANEY GAS COM B	6. Well No. 001F
7. OGRID No. 5380	8. Operator Name XTO ENERGY, INC	9. Elevation 5472

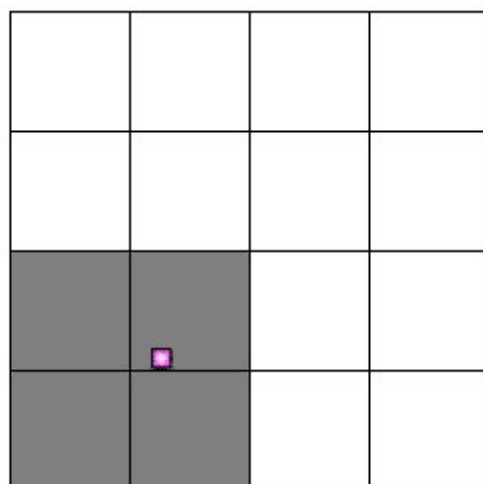
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 160.00		13. Joint or Infill		14. Consolidation Code		15. Order No.			

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-34548	2. Pool Code 82329	3. Pool Name OTERO CHACRA (GAS)
4. Property Code 22731	5. Property Name HANEY GAS COM B	6. Well No. 001F
7. OGRID No. 5380	8. Operator Name XTO ENERGY, INC	9. Elevation 5472

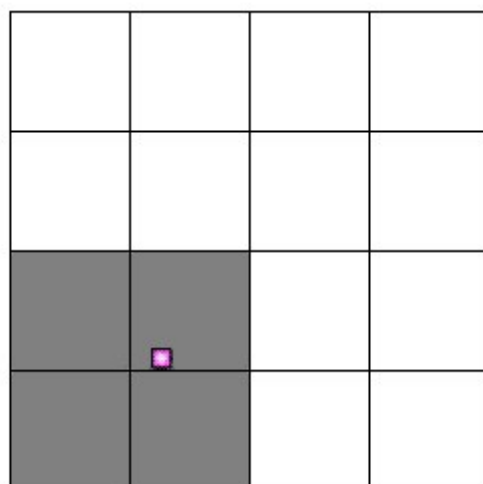
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Permit Comments

Operator: XTO ENERGY, INC , 5380
Well: HANEY GAS COM B #001F
API: 30-045-34548

Created By	Comment	Comment Date
SHAYDEN	Minerals are Fee-federal for coal only	12/21/2007