



| | | | | |
|----------|----------|-----------|------|---------|
| SUSPENSE | ENGINEER | LOGGED IN | TYPE | APP NO. |
|----------|----------|-----------|------|---------|

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

ABOVE THIS LINE FOR DIVISION USE ONLY

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] ~~Location~~ Spacing Unit - Simultaneous Dedication
 NSL NSP SD

XTO's
 Florance D 18

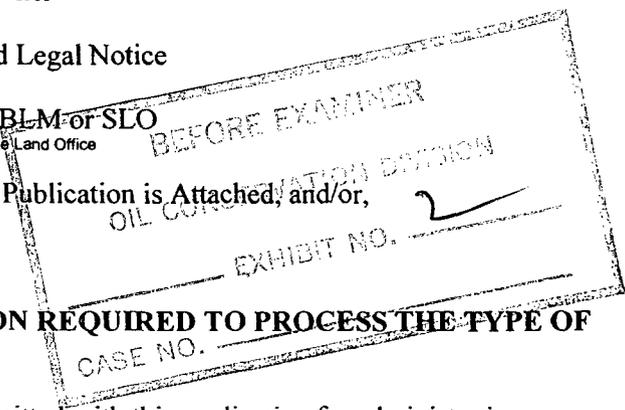
- Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

[D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or _ Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached



[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

| | | | |
|--|-----------|------------|---|
| Print or Type Name | Signature | Title | Date |
| BRIAN WOOD (505) 466-8120 FAX 466-9682 | | CONSULTANT | 7-15-05 |
| | | | e-mail Address brian@permitswest.com |

REQUEST FOR ADMINISTRATIVE APPROVAL FOR NONSTANDARD LOCATION FOR
 XTO ENERGY INC.
 FLORANCE D 18
 595' FSL & 520' FEL SEC. 20, T. 27 N., R. 8 W., SAN JUAN COUNTY, NM

I. The well is on BLM surface and on BLM oil and gas lease (NMNM-003380). The proposed location is nonstandard for the Blanco Pictured Cliffs South and Blanco Mesa Verde due to topography. A standard location must be at least 660' from the quarter line. This well is staked 65' further south and 140' further east than is standard. (Closest standard location would be 660' FSL and 660' FEL.) The APD cover sheet is attached as EXHIBIT A.

II. A C-102 showing the well location and pro ration units (SE4 Sec. 20 for Pictured Cliffs and E2 Sec. 20 for Mesa Verde) is attached (EXHIBIT B). The BLM oil and gas lease (2,400.96 acres) boundary is marked as a solid line on the attached (EXHIBIT C) copy of the Fresno Canyon USGS topo map.

The well encroaches on the SW4 Section 21, NW4 Section 28, and NE4 Section 29. Closest wells (all XTO operated) in those 3 quarter sections are:

| <u>Quarter Section</u> | <u>Well</u> | <u>Zone(s)</u> | <u>Distance</u> |
|------------------------|------------------|----------------|-----------------|
| SW4 Section 21 | Florance D LS 14 | PC & MV | 2,547' |
| NW4 Section 28 | Bolack C LS 11-A | MV | 2,146' |
| NE4 Section 29 | Bolack C LS 12 | PC & MV | 1,491' |

Pictured Cliffs acreage dedications (quarter sections) and Mesa Verde dedications (half sections) are shown on Exhibit D.

III. According to NM Oil Conservation Division records, the closest existing or planned Pictured Cliffs or Mesa Verde well is XTO's Bolack C LS 12, an existing Pictured Cliffs and Mesa Verde well which is 1,491' south at 820' FNL & 990' FEL 29-27n-8w. EXHIBIT D shows the proposed NSL well site, Pictured Cliffs and Mesa Verde dedicated spacing units, and Pictured Cliffs and Mesa Verde wells (circled on map) within those dedications.

Registered letters were sent on July 15, 2005 to all of the offset interest owners. Copies of the postal receipts and letters are attached.

IV. A copy of the USGS map is attached (EXHIBIT E). The proposed well site is marked. Pro ration unit (dashed line) for the Blanco Pictured Cliffs South gas is the 160.00 acre southeast quarter of Section 20, Township 27 North, Range 8 West, San Juan County, NM. Pro ration unit (solid line) for the Blanco Mesa Verde gas is the 320.00 acre east half of Section 20, Township 27 North, Range 8 West, San Juan County, NM.

V. The nonstandard location is due to topography. The well was initially staked at 660' FSL & 660' FEL, a standard location. However, that location was rejected by BLM due to its location below a pour off. A rain storm would have created a water fall onto the pad and into the reserve pit. The well was then moved 154' southeast to 595' FSL & 520' FEL. This is not only away from the pour off, but it also reduced the height of the cuts. The standard location had an average cut of 17'. The non standard location has an average cut of 10'. Copies of the cut and fill diagrams are in EXHIBIT F.

VI. Archaeology is not an issue.

VII. See item V. above and attached map (EXHIBIT F) for a description of the surface conditions.

VIII. Directional drilling is not feasible because it is not cost effective.

IX. I hereby certify notice (see attached EXHIBIT G) has been sent to the following lessees, lessors, operators of existing spacing units, or owners of undrilled leases which adjoin the applicant's spacing unit on one or more of the two sides or the single closest corner to the proposed well and that the information is current and correct.

BLM
BP America Production Co.
Burlington Resources Oil and Gas Company
ConocoPhillips Co.
Rio Arriba Investment LLC Co.

Brian Wood

7-15-05

Brian Wood, Consultant

STATE OF NEW MEXICO)
) SS:
COUNTY OF SANTA FE)

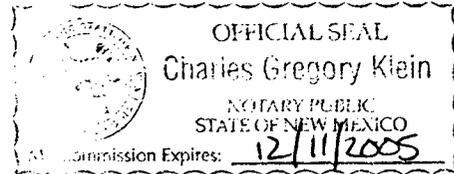
The foregoing instrument was acknowledged before me this 15th day of July, 2005 by Brian Wood. Witness my hand and official seal.

Charles Gregory Klein

Notary Public

My Commission Expires: 12/11/2005

Business Address: 37 VERANO LOOP, SANTA FE, NM 87508



cc: Aztec OCD, Vaughan

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

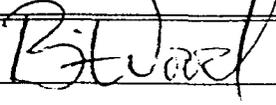
APPLICATION FOR PERMIT TO DRILL OR REENTER

| | |
|--|--|
| 5. Lease Serial No NMNM-0 003380 | |
| 6. If Indian, Allottee or Tribe Name N/A | |
| 7. If Unit or CA Agreement, Name and No N/A | |
| 8. Lease Name and Well No. FLORANCE D 18 | |
| 9. API Well No. 30-045- | |
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | 10. Field and Pool, or Exploratory BLANCO PC S., BLANCO MV |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone | 11. Sec., T. R. M. or Blk and Survey or Area 20-27N-8W NMPM |
| 2. Name of Operator XTO ENERGY INC | 12. County or Parish SAN JUAN |
| 3a. Address 2700 FARMINGTON AVE., BLDG. K-1 FARMINGTON, NM 87401 | 13. State NM |
| 3b. Phone No. (include area code) (505) 324-1090 | 14. Distance in miles and direction from nearest town or post office* 13 AIR MILES SOUTHEAST OF BLANCO |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 595 FSL & 520 FEL. At proposed prod. zone SAME | 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 595' |
| 16. No. of acres in lease 2,400.96 | 17. Spacing Unit dedicated to this well PICTURE CLIFF: SE4 & MESA VERDE: E2 |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,816' (Flor. D LS 4A) | 19. Proposed Depth 5,200' |
| 20. BLM/BIA Bond No. on file BLM NATIONWIDE 57 91 73 | 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,257' GL |
| 22. Approximate date work will start* 12/01/2004 | 23. Estimated duration 6 WEEKS |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

| | | |
|---|------------------------------------|--------------------|
| 25. Signature  | Name (Printed/Typed) BRIAN WOOD | Date 10/29/2004 |
|---|------------------------------------|--------------------|

| | | |
|---------------------|-----------------------|---------------------|
| Title CONSULTANT | PHONE: (505) 466-8120 | FAX: (505) 466-9682 |
|---------------------|-----------------------|---------------------|

| | | |
|-------------------------|----------------------|------|
| Approved by (Signature) | Name (Printed/Typed) | Date |
|-------------------------|----------------------|------|

| | |
|-------|--------|
| Title | Office |
|-------|--------|

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

EXHIBIT A

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesa, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

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 June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|----------------------|--|-----------------------------------|--|---|--------------------|
| *API Number . | | *Pool Code 72439 & 72319 | | *Pool Name BLANCO PC SOUTH & BLANCO MESA VERDE | |
| *Property Code . | | *Property Name FLORANCE D | | | *Well Number 18 |
| *OGRID No. 167067 | | *Operator Name XTO ENERGY INC. | | | *Elevation 6257 |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| P | 20 | 27-N | 8-W | . | 595 | SOUTH | 520 | EAST | 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 |
|-------------------------------|---------|----------|-------|---------|------------------|------------------|---------------------|----------------|------------|
| *Dedicated Acres 160 & 320 | | | | | *Joint or Infill | | *Consolidation Code | | *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

Brian Wood
Signature
BRIAN WOOD
Printed Name
CONSULTANT
Title
OCT. 29, 2004
Date

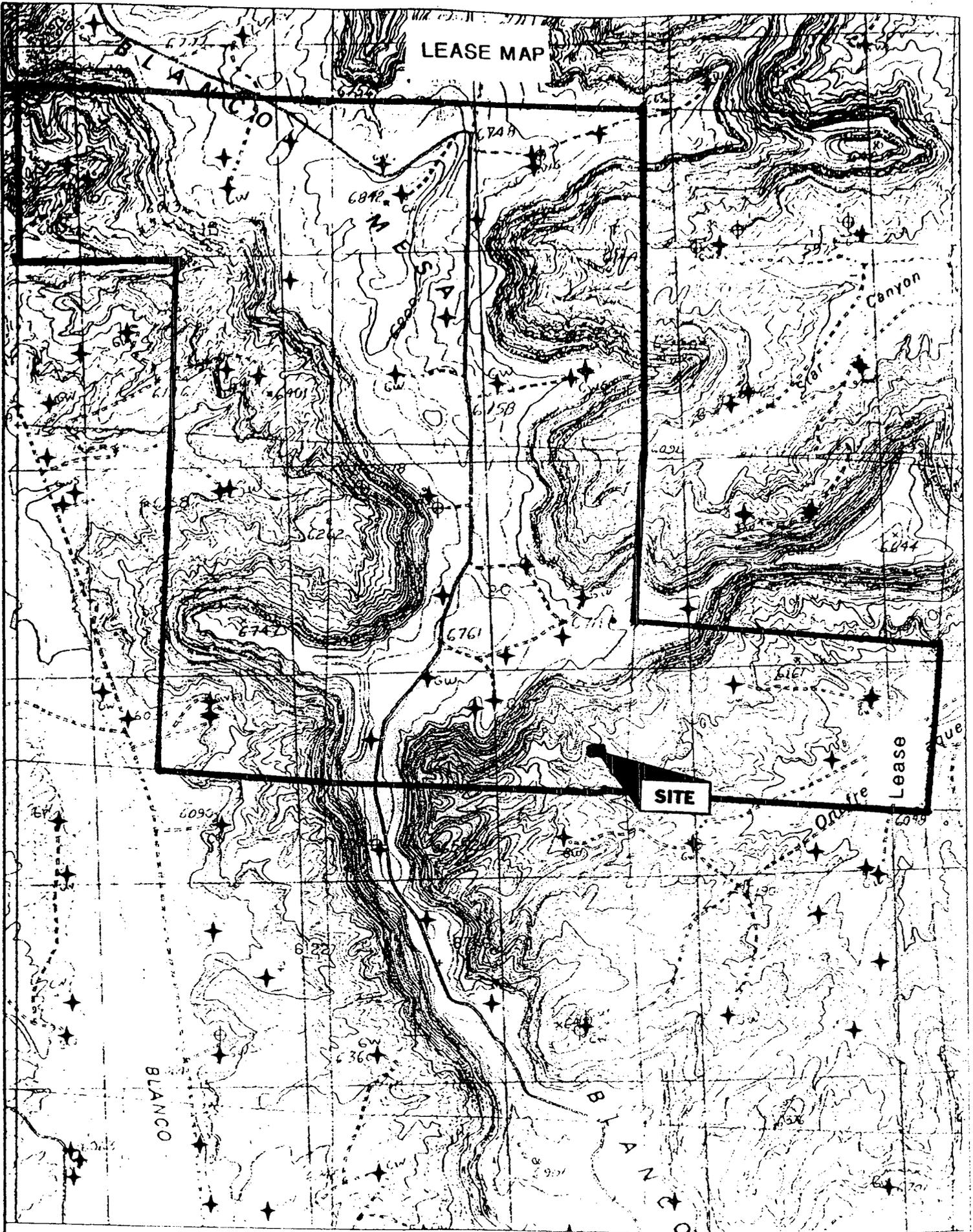
18 SURVEYOR CERTIFICATION

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 and belief

Date of Survey: N 03-39-03 E 2672.5' (M)
Signature and Seal: **JUANA VUKONICH**, Registered Professional Surveyor, No. 14831
Certificate Number: **14831**

EXHIBIT P

LEASE MAP



Name: FRESNO CANYON
Date: 9/9/2004
Scale: 1 inch equals 2000 feet

Location 036 5594537" N 107 7047575" W
Caption 20, 27N 8W

EXHIBIT C



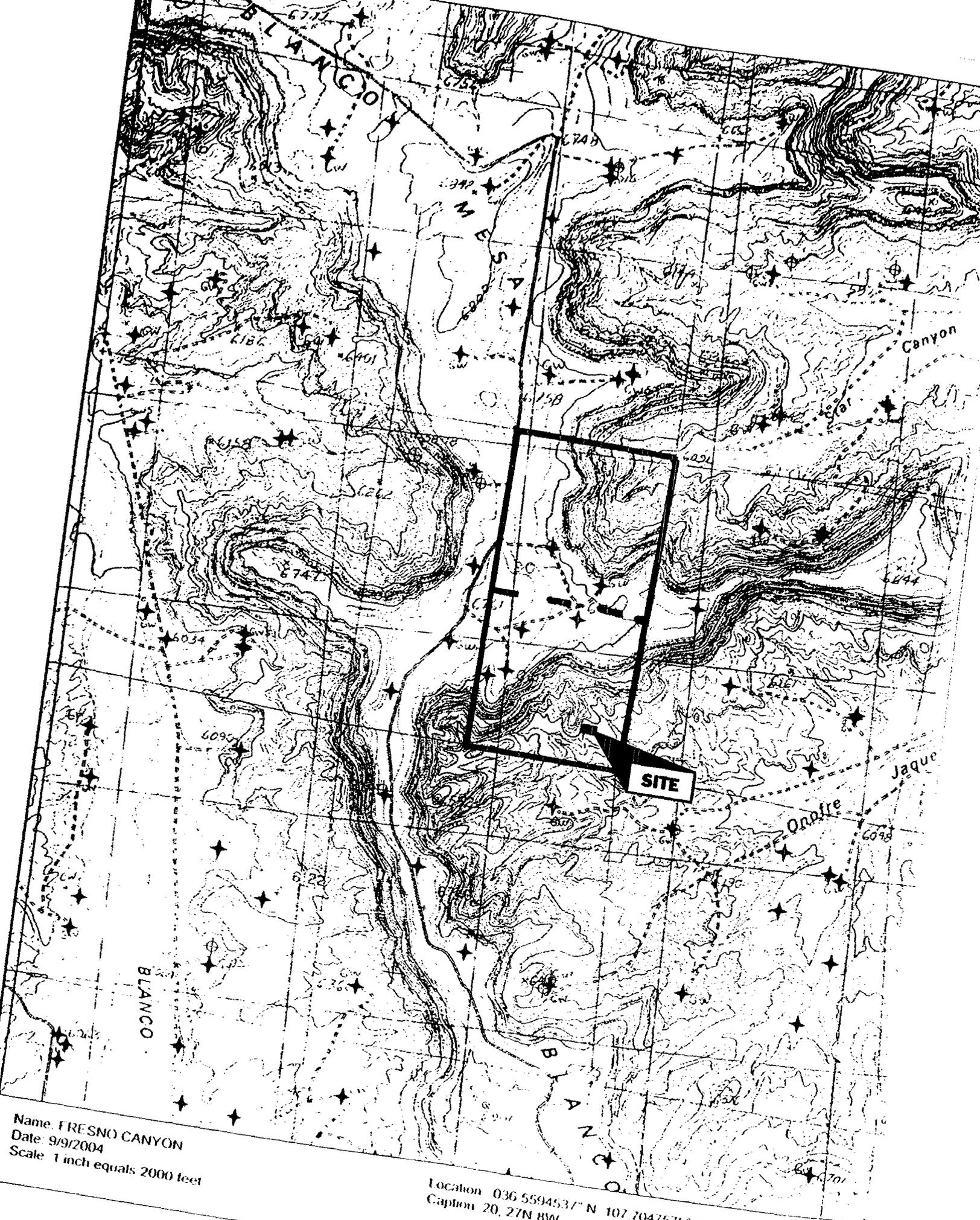
**MESA VERDE
& PICTURED CLIFFS
WELLS (Circled)
& ACREAGE
DEDICATIONS**

SITE

Name FRESNO CANYON
Date 9/9/2004
Scale 1 inch equals 2000 feet

Location 036 5594537' N 107 7047575' W
Caption 20. 27N 8W

Copyright (c) 1997 Maptech, Inc.



Name. FRESNO CANYON
Date: 9/9/2004
Scale: 1 inch equals 2000 feet

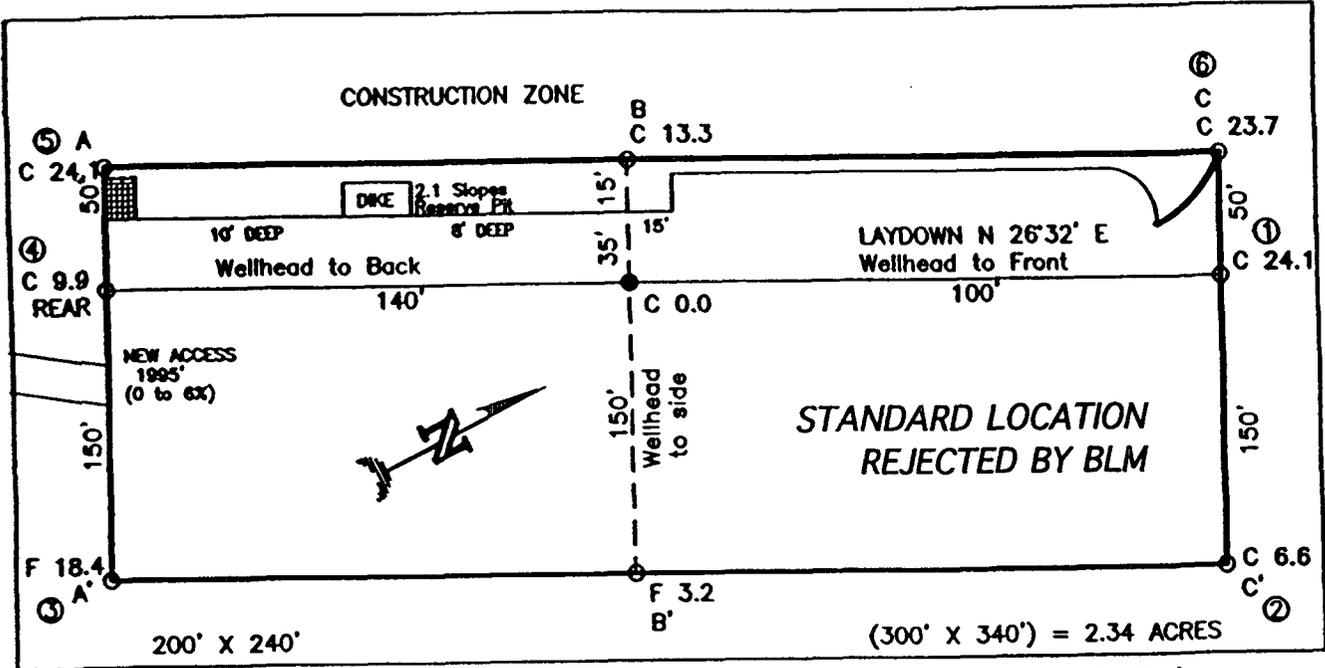
Location: 036 5594537" N 107 7047575" W
Caption: 20, 27N 8W

Copyright (C) 1987, Maptech, Inc.

EXHIBIT F

XTO ENERGY INC.
 FLORANCE D #18, 660' FSL 660' FEL
 SECTION 20, T27N, R8W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 6260', DATE: JANUARY 12, 2004

LAT. = 36°33'16" N.
 LONG. = 107°41'55" W
 NAD 27



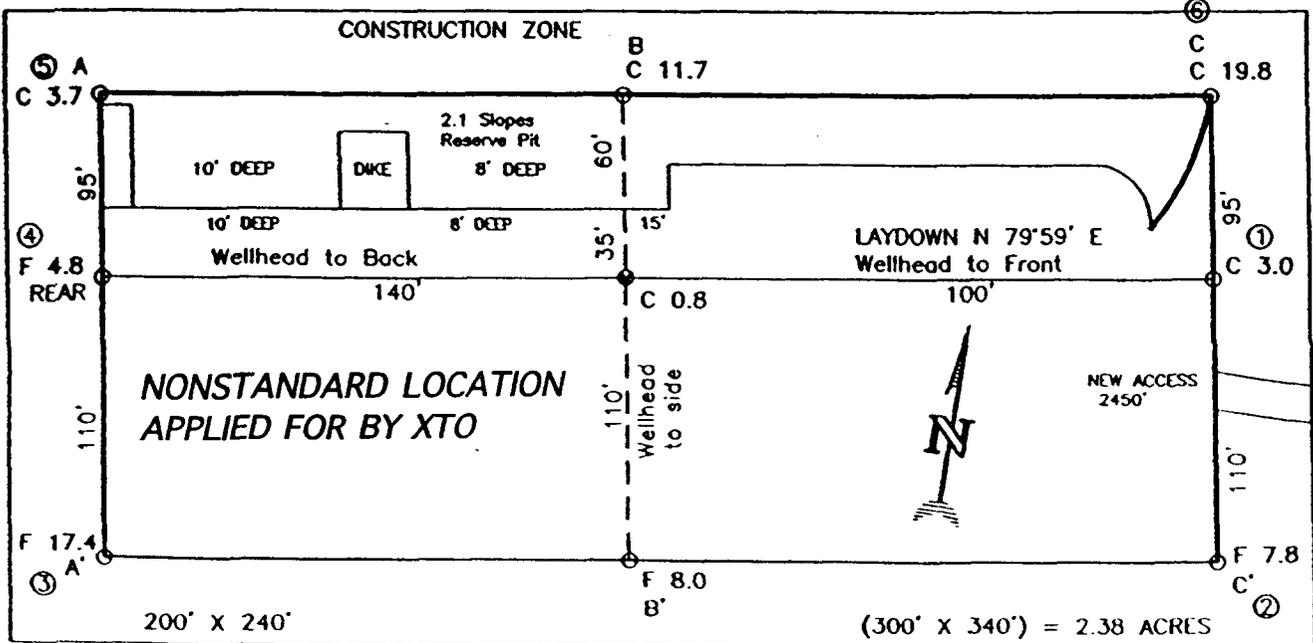
RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).
 BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

NOTE: DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.

EXHIBIT F

XTO ENERGY INC.
 FLORANCE D #18, 595' FSL 520' FEL
 SECTION 20, T27N, R8W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 6257', DATE: JUNE 22, 2004

LAT. = 36°33'15" N.
 LONG. = 107°41'53.5" W
 NAD 27



RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).
 BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

NOTE: DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.

EXHIBIT

PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37 Merano Loop, Santa Fe, New Mexico 87508 (505) 466-8170

July 15, 2005

BLM
1235 LaPlata Highway
Farmington, NM 87401

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

XTO Energy Inc. is applying to drill its Florance D 18 gas well. The minimum state distance for such a gas well is 660' from a quarter section line. The proposed well is 65' further south and is 140' further east than is standard. Thus, it is a nonstandard location. The NSL is due to topography.

Well Name: Florance D 18 Total Depth: 5,200'
Proposed NSL Zones: Blanco Pictured Cliffs South & Blanco Mesa Verde
NSL Acreage Dedication: 160 acres (= SE4) and 320 acres (= E2)
Location: 595' FSL & 520' FEL Sec. 20, T. 27 N., R. 8 W.,
San Juan County, NM on Federal lease NMNM-0 003380
Approximate Location: ≈13 air miles southeast of Blanco, NM
Applicant Name: XTO Energy Inc. (505) 324-1090
Applicant's Address: 2700 Farmington Blvd, Bldg. K-1, Farmington, NM 87401

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

| | | | | | | | | | | | | | | | | | |
|---|-----------|-------------|--|---------------|----|--|--|----|--|---|----|--|---------------------------------|-----------|-------------|---|---|
| <p>U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT <i>(Domestic Mail Only; No Insurance Coverage Provided)</i></p> <p>For delivery information visit our website at www.usps.com</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Postage</td> <td style="width: 15%;">\$</td> <td style="width: 15%;"></td> </tr> <tr> <td>Certified Fee</td> <td>\$</td> <td></td> </tr> <tr> <td>Return Receipt Fee (Endorsement Required)</td> <td>\$</td> <td></td> </tr> <tr> <td>Restricted Delivery Fee (Endorsement Required)</td> <td>\$</td> <td></td> </tr> <tr> <td>Total Postage & Fees</td> <td>\$</td> <td>4.42</td> </tr> </table> <p>Sent To: BLM Street, Apt. No., or PO Box No.: 1235 LaPlata Highway City, State, ZIP+4: Farmington, NM 87401</p> <p style="text-align: center;">PS Form 3811, July 1999</p> | Postage | \$ | | Certified Fee | \$ | | Return Receipt Fee (Endorsement Required) | \$ | | Restricted Delivery Fee (Endorsement Required) | \$ | | Total Postage & Fees | \$ | 4.42 | <p>SENDER: COMPLETE THIS SECTION</p> <ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. <p>1. Article Addressed to:</p> <p style="text-align: center;">BLM 1235 LaPlata Highway Farmington, NM 87401</p> <p style="text-align: center;">XTO - Florance D 18</p> <p>2. Article Number (Copy from service label)</p> <p style="text-align: center;">7004 1160 0007 4910 6080</p> <p style="text-align: center;">PS Form 3811, July 1999</p> | <p>COMPLETE THIS SECTION ON DELIVERY</p> <p>A. Received by (Please Print Clearly) B. Date of Delivery</p> <p style="text-align: right;">/ / 05</p> <p>C. Signature</p> <p style="text-align: center;"><i>[Signature]</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p> |
| Postage | \$ | | | | | | | | | | | | | | | | |
| Certified Fee | \$ | | | | | | | | | | | | | | | | |
| Return Receipt Fee (Endorsement Required) | \$ | | | | | | | | | | | | | | | | |
| Restricted Delivery Fee (Endorsement Required) | \$ | | | | | | | | | | | | | | | | |
| Total Postage & Fees | \$ | 4.42 | | | | | | | | | | | | | | | |

PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS
 17 Wetano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

July 15, 2005

BP America Production Co.
 P. O. Box 3092
 Houston, TX 77253-3092

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

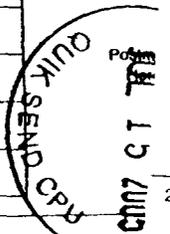
XTO Energy Inc. is applying to drill its Florance D 18 gas well. The minimum state distance for such a gas well is 660' from a quarter section line. The proposed well is 65' further south and is 140' further east than is standard. Thus, it is a nonstandard location. The NSL is due to topography.

Well Name: Florance D 18 Total Depth: 5,200'
Proposed NSL Zones: Blanco Pictured Cliffs South & Blanco Mesa Verde
NSL Acreage Dedication: 160 acres (= SE4) and 320 acres (= E2)
Location: 595' FSL & 520' FEL Sec. 20, T. 27 N., R. 8 W.,
 San Juan County, NM on Federal lease NMNM-0 003380
Approximate Location: ≈13 air miles southeast of Blanco, NM
Applicant Name: XTO Energy Inc. (505) 324-1090
Applicant's Address: 2700 Farmington Blvd, Bldg. K-1, Farmington, NM 87401

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division, 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
 For delivery information visit our website at www.usps.com

| | |
|--|----------------|
| Postage | \$ |
| Certified Fee | |
| Return Receipt Fee (Endorsement Required) | |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 4.47 |



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 BP America Production Co.
 P. O. Box 3092
 Houston, TX 77253-3092

XTO - Florance D 18

2. Article Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

| | |
|---|--|
| A. Received by (Please Print Clearly) | B. Date of Delivery |
| C. Signature X [Signature] | <input type="checkbox"/> Agent JUL 19 2005 <input type="checkbox"/> Yes <input type="checkbox"/> No |
| D. Is delivery address different from item 1? If YES, enter delivery address below: | |

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

Sent To: BP
 Street Apt. No. or PO Box No. PO Box 3092
 City, State, ZIP+4 Houston TX 77253-3092

PS Form 3811, July 1999

7004 1160 0007 4910 6127

Domestic Return Receipt

PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

17 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

July 15, 2005

Burlington Resources Oil and Gas Company
 P. O. Box 4289
 Farmington, NM 87499

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

XTO Energy Inc. is applying to drill its Florance D 18 gas well. The minimum state distance for such a gas well is 660' from a quarter section line. The proposed well is 65' further south and is 140' further east than is standard. Thus, it is a nonstandard location. The NSL is due to topography.

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 San Juan County, NM on Federal lease NMNM-0 003380
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Applicant's Address: 2700 Farmington Blvd, Bldg. K-1, Farmington, NM 87401

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

7004 1160 0007 4910 6110

| | | | |
|--|--|--|--|
| SENDER: COMPLETE THIS SECTION | | COMPLETE THIS SECTION ON DELIVERY | |
| <p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse, so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> | | <p>A. Received by (Please Print Clearly) <u>Shawill, gas</u> B. Date of Delivery <u>7-19-05</u></p> <p>C. Signature <u>[Signature]</u> <input type="checkbox"/> Agent <input type="checkbox"/> Address</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below: <input type="checkbox"/> No</p> | |
| <p>1. Article Addressed to: Burlington Resources Oil and Gas Company P. O. Box 4289 Farmington, NM 87499</p> <p style="text-align: right;">XTO - Florance D 18</p> | | <p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> | |
| <p>2. Article Number (Copy from service label)</p> | | <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p> | |
| 7004 1160 0007 4910 6110 | | | |
| PS Form 3811, July 1999 | | Domestic Return Receipt | |

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| Postage | \$ 37 |
| Certified Fee | 230 |
| Return Receipt Fee (Endorsement Required) | 175 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 442 |

QUICK SEND CPU

Sent To: Burlington

Street, Apt. No. or PO Box No.: PO Box 4289

City, State, ZIP+4: Farmington NM 87499

PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37 Verano Loop, Santa Fe, New Mexico 87508

(505) 466-8120

July 15, 2005

Rio Arriba Investment LLC Co.
82 East Devonshire St.
Boston, MA 02109

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

XTO Energy Inc. is applying to drill its Florance D 18 gas well. The minimum state distance for such a gas well is 660' from a quarter section line. The proposed well is 65' further south and is 140' further east than is standard. Thus, it is a nonstandard location. The NSL is due to topography.

Well Name: Florance D 18 Total Depth: 5,200'
Proposed NSL Zones: Blanco Pictured Cliffs South & Blanco Mesa Verde
NSL Acreage Dedication: 160 acres (= SE4) and 320 acres (= E2)
Location: 595' FSL & 520' FEL Sec. 20, T. 27 N., R. 8 W.,
San Juan County, NM on Federal lease NMNM-0 003380
Approximate Location: ≈13 air miles southeast of Blanco, NM
Applicant Name: XTO Energy Inc. (505) 324-1090
Applicant's Address: 2700 Farmington Blvd, Bldg. K-1, Farmington, NM 87401

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 833-2222.

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|---|--------|
| Postage | \$ 37 |
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| Total Postage & Fees | \$ 442 |

Sent To: Rio Arriba Investment LLC Co.
Street, Apt. No. or PO Box No.: 82 E. Devonshire St.
City, State, ZIP+4: Boston MA 02109

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
Rio Arriba Investment LLC Co.
82 East Devonshire St.
Boston, MA 02109

XTO - Florance D 18

2. Article Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____ B. Date of Delivery _____
C. Signature _____
 Agent
 Addressee
D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
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 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

7004 1160 0007 4910 6134