Form 3160-3 (July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR

(Other instructions on reverse side)

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

| MENT OF THE INTERIOR | 基目としませまだま プロ | 5. LEASE DESIGNATION AND SERIAL: |
|----------------------|--------------------------------|----------------------------------|
| | The best week to be the second | NMSF - 046563 |
| ULOF LAND MANAGEMENT | | 11101 010000 |

| | | BUREAU OF | LAND WAIN | GEMEN | · · · · · · · · · · · · · · · · · · · | | | 6. IF INDIAN, ALLOTTEE O | R TRIBE NAME |
|------|--|--|----------------------|---------------|---|--|------------|--|------------------|
| | APPLI | CATION FOR PE | RMIT TO D | RILL C | RDEEP | PEN AM | TE U | | |
| | 1a. TYPE OF WORK | | | | - | | 0.1.3.13 | 7. UNIT AGREEMENT NAM | E |
| | b. Type of well | | DEEPEN | | | FWHGT | ON, NM | Z_{c} | 2756 |
| / | OIL WELL | GAS X OTHER | | SINO | SLE X | MULTIPLE ZONE | | 8. FARM OR LEASE NAME, Kutz Federal | WELL NO. #13E |
| / | 2. NAME OF OPERATOR | | | | | | | Rucz i edel di | #130 |
| | XTO Energy Inc. | | | | | | | 9. API WELL NO. | |
| | 3. ADDRESS AND TELEPHONE | | | | 756 | 780 | | 300453 | 11155 |
| | 2700 Farmington A | ve., Bldg. K. Ste 1 | <u>Farmingto</u> | n. NM 87 | | | 2 | 10. FIELD AND POOL, OR V | |
| | 4. LOCATION OF WELL (Repo | rt location clearly and in accor | dance with any Stat | te requiremen | CO LE | ക | | Basin Dakota | |
| , 80 | 1105 FNL & 67 | 0' FWI | | Ä | DEC | 5005 | `±3 | 11. SEC., T., R., M., OR BLK. | |
| | At proposed prod. zone | • | | \ <u>`</u> | S DES | A PROPERTY | . 되 | AND SURVEY OR AREA | |
| | 1,250' FNL & 1,35 | | | | 2 A San | 100 0N | 55] | Sec 33, T28N, | R10W |
| | 14. DISTANCE IN MILES AND I | 65) | 12. COUNTY OR PARISH | 13. STATE | | | | | |
| 1 | This well is loca | DIRECTION FROM NEAREST TOV ted approx 9 souther | east of the I | Bloomfie | Jd NM pos | t office | | San Juan | NM NM |
| 卜 | 15. DISTANCE FROM PROPOSI LOCATION TO NEAREST | ED* | | 16. NO. OF | A CRESI N LEASE | 5 n | V. NO. OF | ACRES ASSIGNED | • |
| 7 | PROPERTY OR LEASE LINE (Also to nearest drlg. uni | i,FT. t line, if any) 670 | | +-192 | 0 V | 22212 | JIO IIIIS | 320 W/2 | |
| | 18. DISTANCE FROM PROPOSI | ED LOCATION* | | 19. PROPOS | ED DEPTH | | 20. ROTARY | OR CABLE TOOLS | |
| | TO NEAREST WELL, DRILL OR APPLIED FOR, ON THIS | | | 7,000 | • | ļ | 0-7, | 000' Rotary Tool | s |
| ~ | 21. ELEVATIONS (Show when | ther DF,RT, GR, etc.) | | | | | | 22. APPROX. DATE WOR | K WILL START* |
| 59 | 6-037 Ground Lev | el | | | | | | Fall 2002 | |
| | 23. | I | PROPOSED CASIN | G AND CEM | ENTING PRO | GRAM | | | |
| | SIZE OF HOLE | GRADE SIZE OF CASING | WEIGHT PER FO | ЭТ | SETTING DE | РТН | | QUANTITY OF CEN | ENT |
| | 12-1/4" | 8-5/8" J-55 | 24 #/ft | : | +-350 | <u>. </u> | +- 245 | sx cl B cmt | |
| | 7-7/8" | 4-1/2", J-55 | 10.5 #/f | | +-7000 |), | | sx cmt | |
| | | | | | | | | | |
| | | | | I | | 1 | | | |

XTO Energy plans to drill the above mentioned well as described in the enclosed Surface Use Program.

This well is dedicated to Williams Field Services and their pipeline plat is attached for ROW approval.

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal-pursuant 19 43 CFR 3165.4

APD/ROW

| N lee | ABOVE SPACE DESCRIBE PROPOS pen directionally, give pertinent data | SED PROGRAM: If ja a on subsurface location | proposalis to deepen, give dataon presen ons and measured and true vertical depth | tproductivezone and proposednes s. Give blowout preventer progra | w productivezone. If proposalis to drill or m, if any. | • |
|----------|---|---|--|---|---|---|
| 4. | SIGNED | Who | llon mile Drilling Er | gineer | DATE 7/19/02 | _ |
| | (This space for Federal or State office | e use) | | | | - |
| | PERMIT NO. | | APPROVAL | DATE | | - |
| | | • | int holds legal or equitable title to those rights i | n the subject lease which would entitle | the applicant to conduct operations thereon. | |
| | CONDITIONS OF APPROVAL, IF ANY | Directi | anal 801 Vel | | | |
| | APPROVED BY | | TILE - | DA | TE | _ |

*See Instructions On Reverse Side

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

Form 3160-5 (November 1994)

UNITED STATES DEPARTMENT OF THE INTERIOR RUPE ALLOS LAND MANAGEMENT

FORM APPROVED Budget Bureau No. 1004-0135 Expires November 30, 2000

| , BUREAU OF | LAND MANAGEMENT | | 5. Lease | Serial No. |
|--|---|--|---|---|
| SUNDRY NOTICES | AND REPORTS ON WEL | LS | NMSF - | |
| | proposals to drill or to re-ent m 3160-3 (APD) for such pro | | 6. If India | an, Allottee or Tribe Name |
| | - Other instructions on rever | se side | 7. If Unit | or CA/Agreement, Name and/or |
| 1. Type of Well Oil Well Well Other 2. Name of Operator | | Tilling Tilling | 8. Well N Kutz Fe | Jame and No. |
| XTO Energy Inc. | | A Section of the sect | 9. API W | ell No. |
| 3a. Address | 1 1 | No. (include area code) | I | |
| 2700 Farmington Ave., Bldg. K. Ste 4. Location of Well (Footage, Sec., T., R., M., or Survey Descrip | ption) | (Sp. 200001) (1) | Basin D | and Pool, or Exploratory Area)akota |
| 1,105' FNL & 670' FWL sec 33, T28N, | R10W (old surface loca | tion) | 11. Cours | Lu au Danich Chala |
| 580' FNL & 970' FWL sec 33, T28N, R 1,250' FNL & 1,350' FWL sec 33, T28 | | | San Jua | aty or Parish, State |
| | HATE BOX(ES) TO INDICATE N | | | |
| TYPE OF SUBMISSION | | TYPE OF A | ACTION | |
| X Notice of Intent | Acidize De | epen | Production (Start/Res | sume) Water Shut-Off |
| | Alter Casing Fra | acture Treat | Reclamation | Well Integrity |
| Subsequent Report | Casing Repair Ne | w Construction | Recomplete | X Other change |
| Final Abandonment Notice | | | Temporarily Abandor | surface location |
| | Convert to Injection Plu | ng Back | Water Disposal | |
| 13. Describe Proposed or CoommpletedOperation (clear If the proposal is to deepen directionally or recomp Attach the Bond under which the work will be per following completion of the involved operations. If testing has been completed. Final AbandonmentN determined that the final site is ready for final inspect | plete horizontally, give subsurface loc rformed or provide the Bond No. on the operation results in a multiple c lotices shall be filed only after all 1 | ations and measured and file with BLM/BIA. Rompletion or recompletic | true vertical depths of equired subsequent re- n in a new interval. | of all pertinent markers and zone ports shall be filed within 30 da a Form 3160-4 shall be filed on |
| XTO Energy Inc has already filed determined that the surface locat the surface location was moved fr 580' FNL & 970' FWL. | the APD for the above m tion was in conflict wit | h Bracks Cactus | . To mitigate | e the cactus problem, |
| Attached is a new plat showning talong with a new pipeline plat fr | | | | n (did not change) |
| Revised T & E and archaeology rep | ports will be forwarded | to the appropri | ate departmen | ts. |
| | | | | |
| | | | | |
| 14. I hereby certify that the foregoing is true and correct Name(Printed/Typed) Jeffrey W. Patton | Waller Title | Drilling En | gineer | |
| | Date | 9/23/02 | | |
| / THI | S SPACE FOR FEDERAL O | R STATE OFFICE | JSE | |
| Approved by /s/ David . I Mankiewic | 27 | Title ATM | | Date DEC - 3 2002 |

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

Office

Conditions of approval, if any, are attached. Approval of this notice 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.

DISTRICT I 1625 N. French Dr., Hobbs, N.M. 88240 State of New Mexico

Form C-102 Revised August 15, 2000

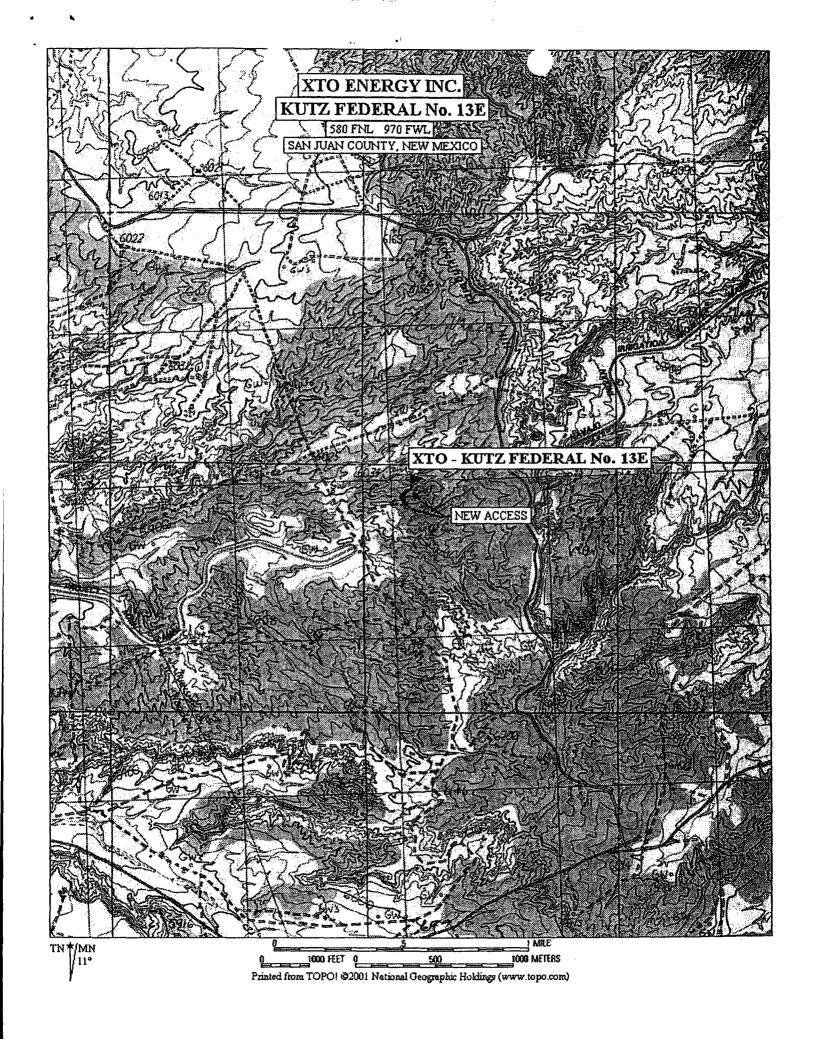
DISTRICT # 811 South First, Artesia, N.M. 88210

SION

Submit to Appropriate District Office State Lease — 4 Copies Fee Lease — 3 Copies

DISTRICT III 1000 Rio Brazas Rd., Azisa, N.M. 87410 OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

| | CO., PAINO, P | .m. 0/41U | | | 2040 South Santa Fe, NA | Pacheco 4 87505 | | | _ | |
|-------------------------------|---------------|---------------|--------------------------|------------------|-------------------------------|-----------------------------------|-------------------------|------------------|-----------------|---|
| DISTRICT IV 2040 South Pache | co, Santa F | , NM 87505 | | | | | • | |] AMEN | NDED REPORT |
| 4 | | | VELL L | OCATIO | N AND AC | REAGE DED | ICATION PI | _AT | | |
| ZAZZI | Number 2 / | 155 | - - | Pool Code | | | Pool Name | - | | |
| Property Co | | /33 | | 1599 | *Properly N | | BASIN DA | KOTA T | - W | fell Humber |
| 12275 | 6 | | | | KUTZ FEDE | | | | | 13E |
| OGRID No | - | · | | | *Operator 1 | tome | | | | Elevation |
| 1670 | 67 | | · | | XTO ENERG | Y INC. | | | | 6059' |
| | | | | | ¹⁰ Surface | Location | | | | |
| UL or let no. | Section 33 | Township | .Range | Lot Idn | Feet from the | North/South line | Feet from the | East/Wes | | County |
| D | 33 | 28-N | 10-W | | 580' | NORTH | 970' | WES | 51 | SAN JUAN |
| UL or let no. | Section | Township | Range | m Hole | Location Feet from the | If Different F North/South line | rom Surtace | East/Wes | d line | County |
| C | 33 | 28-N | 10·W | | 1,250' | NORTH | 1,350' | WES | T | SAU SUAN |
| ¹² Dedicated Acres | W. | / | ¹³ Joint or i | nfW | ¹⁴ Consolidation C | ode | ¹⁶ Order No. | | | |
| 320 | W | 7 | I | - | | | | | | |
| NO ALLOY | VABLE V | | | | | ION UNTIL ALI | | | BEEN | CONSOLIDATED |
| 16 | | OR A N | NON-STA | ANDARD | UNIT HAS B | EEN APPROVEI | BY THE DI | VISION | | |
| SEC. CORNER FD. GLO BC | S 89 | -52403 | E | QTR. COF | | | 17 | OPERA | TOR C | ERTIFICATION |
| 1913 | 26 | 36.8' (M) | \ ' | FD GLO ! 1913 | BC | 4700 | | certify that the | e information | n contained herein of my knowledge and |
| 970 | 348' | | | | A.C. | 6789 | bellef | or coulhars m |) file peer (| n tily innercolo an |
| 3/0 | \ | \ | \ | 1 | (5°) | | | | | |
| (M) | 12 | AT: 3637 | '28" N | | | 2008 | | | | |
| 3.0 | - 4 | rong jos | 754'24" | W. | 1 × 1 | EC CON. | 7 | | . ^ | |
| 9 1,350 | | BOTT | WHOLE TOU | CADTARC | | , O. J. S. | 3/ | \bigcap | \mathcal{M} | |
| 2,00 | | 1,2504 | | J. | | | Signatu | <u>- Yu</u> | Ma | Mon |
| | | | | | | 2 4 6 2 | Signatu | 1 | 4 W F | PATION |
| | | | | | No. | | Printed | Name | | |
| | \rightarrow | ` | | 200 | 4 10 1 | | Title | DKILLI | NG EN | JU/WEER |
| | | | | 33 | J 8. W & | £2 \$ 5.3 bec | Date | 7-7 | Z 3- <i>0</i> 2 | · |
| QTR. CORNER FD GLO BC | | | ` | % 5 | | | | SLIDVEY | OP CE | RTIFICATION |
| 1913 | . 1 | | | 1 | | | 11 | | | shown on this plat |
| | | | | | | | was plotted | from field no | tes of actua | of surveys made by at the same is true |
| | | ` | | | | | | to the best o | | |
| | \ | | | | | | 156 | ATO A | On | 200 |
| | | $\overline{}$ | | 4 | | <u> </u> | Date of | W Water | EX | onal Surveyors |
| | 7 | ` | | | | | Signatur AEG | | 1- | |
| | \ | | | | | | l GS | (148 | 27) | (E) |
| | | | ` | 4 | | | 1-1-18 | | 1/1 | \$/ |
| | , 1 | | | | | | | Mores | 10m× | X |
| \ | \setminus | | | | | | | | 4827 | <u> </u> |



XTO ENERGY INC.

Kutz Federal #13E APD Data July 19, 2002

Location: Surface: 1105' FNL & 670' FWL, Sec 33, T28N R10W County: San Juan State: New Mexico

Btmhole: 1250' FNL & 1350' FWL, Sec 33, T28N, R10W

GREATEST PROJECTED TD: 7,000'

OBJECTIVE: <u>Basin Dakota</u> Est KB ELEV: 6,049' (12' AGL)

APPROX GR ELEV: 6,037'

1. MUD PROGRAM:

| INTERVAL | 0' to 350' | 350' to 4,500' | 4,500' to TD |
|------------|-------------|----------------|--------------|
| HOLE SIZE | 12-1/4" | 7-7/8" | 7-7/8" |
| MUD TYPE | FW/Spud Mud | FW/Polymer | PolyPlus |
| WEIGHT | 8.6-9.0 | 8.4-8.8 | 8.6-9.0 |
| VISCOSITY | 28-32 | 28-32 | 45-60 |
| WATER LOSS | NC | NC | 8-10 |

Remarks: Use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing purposes.

2. CASING PROGRAM:

| Surface | Casing: | 8-5 | 5/8" casi | ng to be | set at ± 3 | 50' in 8.8 | ppg mud | | | | | |
|----------|---------|-----|-----------|----------|----------------|------------|---------|-------|-------|------|-------|-------|
| | | | | | Coll | Burst | | | | ! | | |
| | | | | | Rating | Rating | Jt Str | ID | Drift | SF | SF | SF |
| Interval | Length | Wt | Gr | Cplg | (psi) | (psi) | (M-lbs) | (in) | (in) | Coll | Burst | Ten |
| 0'-350' | 350' | 24# | 1-55 | STC | 1370 | 2950 | 244 | 8.097 | 7 972 | 7 32 | 7.95 | 29 39 |

Production Casing: 4-1/2" casing to be set at TD in 9.0 ppg mud.

| | | | | | Coll | Burst | | | | | | |
|----------|--------|-------|------|------|--------|--------|---------|-------|-------|------|-------|------|
| | | | | | Rating | Rating | Jt Str | ID | Drift | SF | SF | SF |
| Interval | Length | Wt | Gr | Cplg | (psi) | (psi) | (M-lbs) | (in) | (in) | Coll | Burst | Ten |
| 0'-TD | 7,000' | 10.5# | J-55 | STC | 4010 | 4790 | 132 | 4.052 | 3.875 | 1.66 | 1.33 | 2.44 |

3. WELLHEAD:

- A. Casing Head: Larkin Fig 92 (or equivalent), 9" nominal, 2,000 psig WP (4,000 psig test) with 8-5/8" 8rnd thread on bottom and 11-3/4" 8rnd thread on top.
- B. Tubing Head: Larkin Fig 612 (or equivalent), 6.456" nominal, 3,000 psig WP (6,000 psig test), 4-1/2" 8rnd female thread on bottom, 8-5/8" 8rnd thread on top.

4. <u>CEMENT PROGRAM</u> (Slurry design may change slightly, but the plan is to circulate cement to surface on both casing strings):

A. Surface: 8-5/8", 24#, J-55, STC casing to be set at \pm 350'.

245 sx of Class "B" cement containing 2% CaCl₂, ¼ pps celloflake, mixed at 15.6 ppg, 1.18 ft³/sk, & 5.20 gal wtr/sk.

Total slurry volume is 289 ft³, 100% excess of calculated annular volume to 350'.

B. Production: 4-1/2", 10.5#, J-55, STC casing to be set at $\pm 6,750$ ".

LEAD:

525 sx of Lite-Crete cement (proprietary blend) containing ¼ pps celloflake mixed at 9.5 ppg, 2.52 ft³/sk, 11.50 gal wtr/sx.

TAIL:

200 sx 50/50 class "G" with poz, 6 % gel, 1/4#/sx cellofalke, 0.2% dispersant & 0.2% fluid loss additive mixed at 13.0 ppg, 1.42 cuft/sx, 9.85 gal/sx.

Total estimated slurry volume for the 4-1/2" production casing is 1,607 ft³ (no excess).

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 40%. It will be attempted to circulate cement to the surface.

5. LOGGING PROGRAM:

- A. Mud Logger: The mud logger will come on at 5,200' and will remain on the hole until TD. The mud will be logged in 10' intervals.
- B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (7,000') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from 7,000' to 5,000'.

