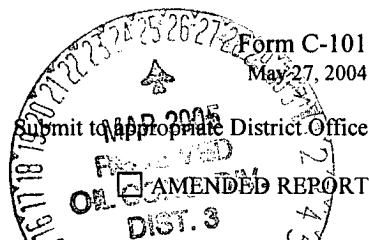


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South 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 Farington Ave. Ste 1 Bldg K Farmington, NM 87401		2 OGD Number 16206711681	
3 Property Code 34744		3 Property Name Haney Gas Com	
9 Proposed Pool 1 Aztec Pictured Cliffs		10 Proposed Pool 2	

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	20	29N	10W		1,450'	South	1,710'	West	San Juan

8 Proposed 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

Additional Well Information

11 Work Type Code N	12 Well Type Code G	13 Cable/Rotary Rotary	14 Lease Type Code P	15 Ground Level Elevation 5,473'
16 Multiple No	17 Proposed Depth 1,850'	18 Formation Pictured Cliffs	19 Contractor Stewart Brothers	20 Spud Date Spring 2005
Depth to Groundwater <10 feet		Distance from nearest fresh water well >1 mile		Distance from nearest surface water 200 yds
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 1,000 bbls		Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>		
Closed-Loop System <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24.0#/ft	850'	450 sx	Surface
7-7/8"	5-1/2"	15.5#	1,850'	225 sx	Surface

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Surface: 450 sx Type III cement w/2% CC & 1/4# cello mixed @ 14.5 ppg, 1.41 cuft/sx. Circ cement to surf.

Production: 125 sx (lead) Type III cement w/8% gel, 1/4#/sx cello mixed @ 11.9 ppg, 2.54 cuft/sx followed by 100 sx (tail) Type III cement w/1% CC & 1/4# cello mixed @ 14.5 ppg, 1.41 cuft/sx. Circ cement to surf.

Final cement volumes will be 40% over open hole log volumes. Cement additives may change based on well conditions and availability of the additives. Cement densities will not be changed.

BOP diagram is attached.

23 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 ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Printed name:

Title: Drilling Engineer

E-mail Address: Jeff_Patton@XTOEnergy.com

Date: 3/24/05

Phone: 505 - 324 - 1090

OIL CONSERVATION DIVISION

Approved by:

Title: DEPUTY OIL & GAS INSPECTOR, DIST. #3

Approval Date:

MAR 25 2005

Expiration Date:

MAR 25 2006

Conditions of Approval Attached

☒ No below grade pits or tanks

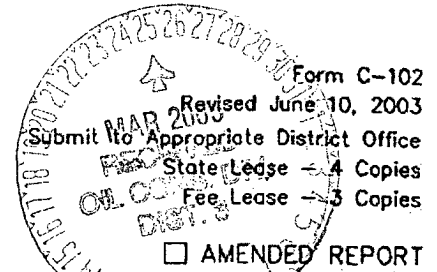
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WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-32995		*Pool Code 71280	*Pool Name Aztec PICTURED CLIFFS
*Property Code 34744	*Property Name HANEY GAS COM		*Well Number 1R
*GRID No. 167067	*Operator Name XTO ENERGY INC.		*Elevation 5473

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
K	20	29-N	10-W		1450	SOUTH	1710	WEST	SAN JUAN

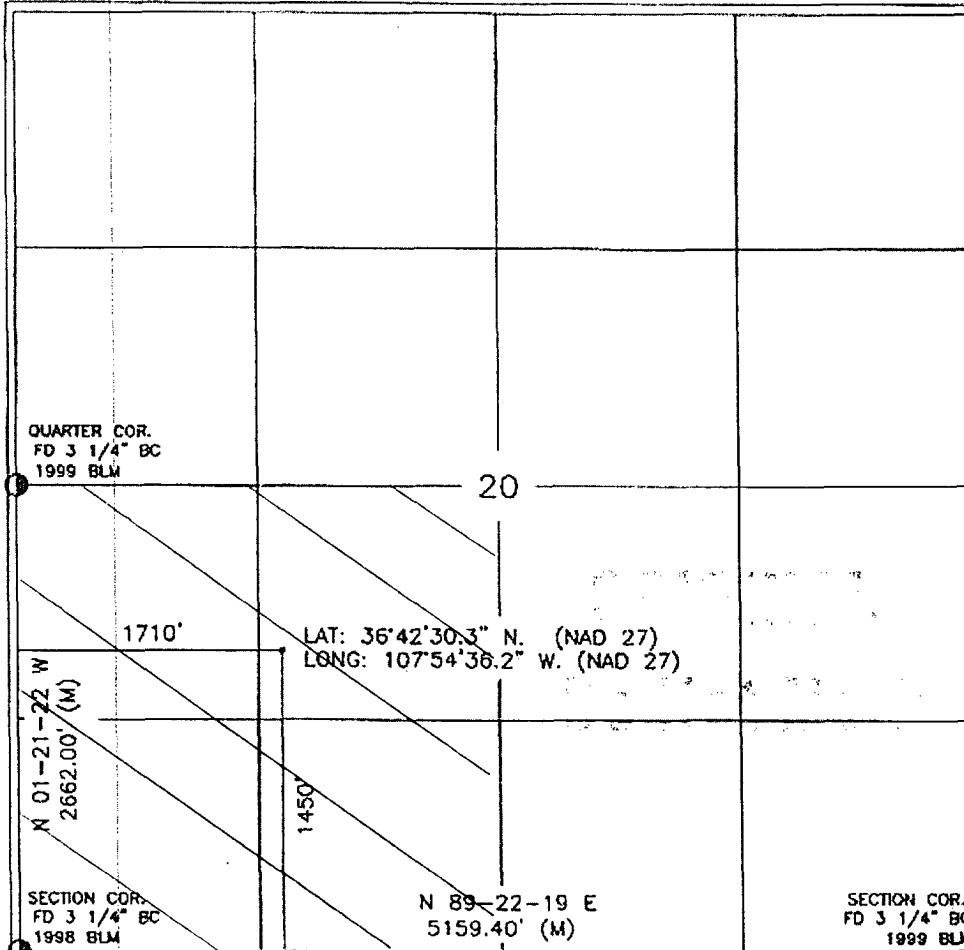
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

*Dedicated Acres SW 1/4 160	*Joint or Infill	*Consolidation Code	*Order No.
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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

16



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Healy K Small
Signature
Healy K Small
Printed Name
Drilling Assistant
Title
3/23/05
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 belief.

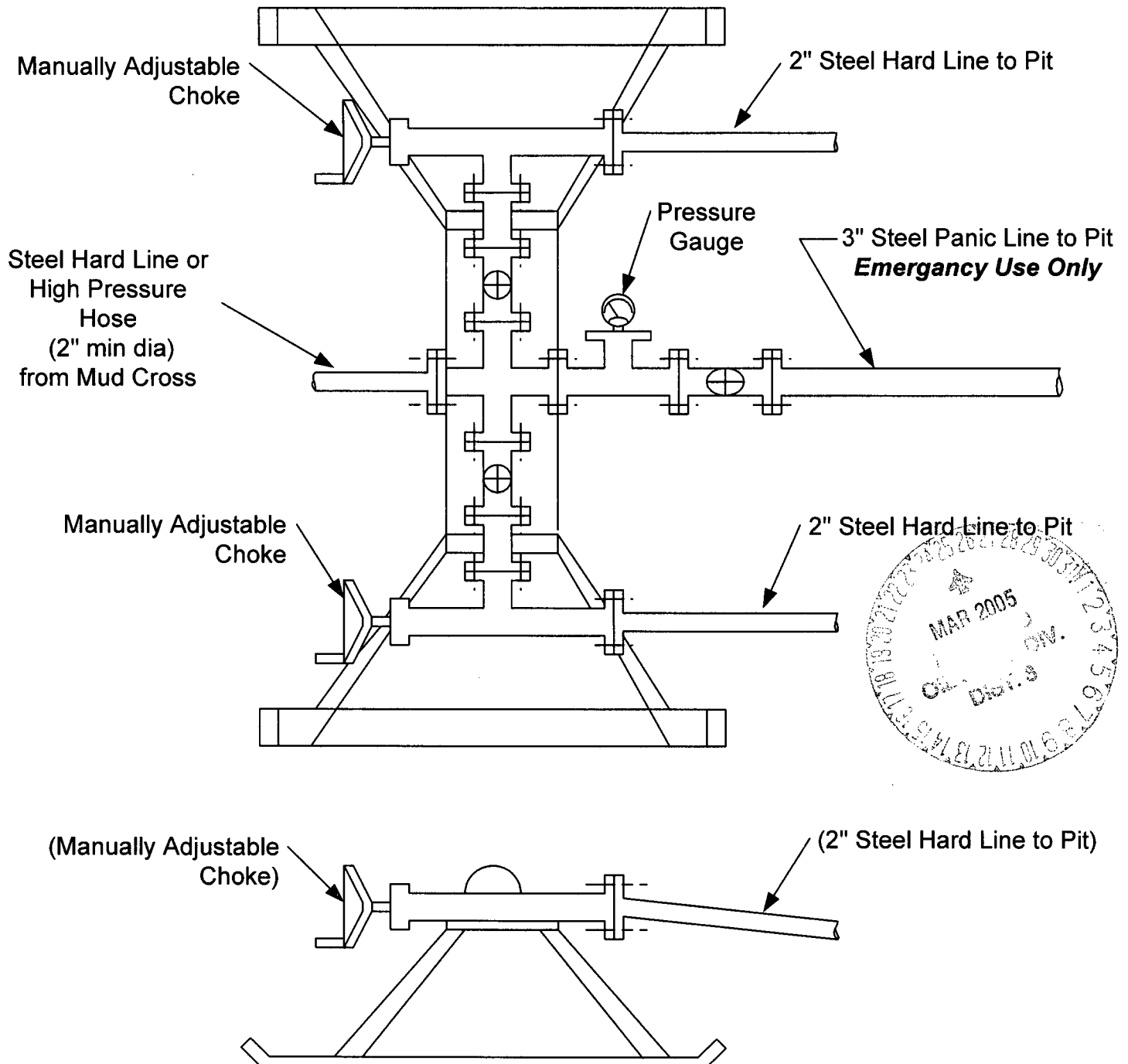
MARCH
Date of Survey
[Signature]
Signature of Registered Professional Surveyor

Certificate Number

CHOKE MANIFOLD SCHEMATIC FOR DRILLING OPERATIONS CLASS 1 (2M) NORMAL PRESSURE

1. Stake all lines from choke manifold to pit.
2. Pressure test choke manifold after installation.
3. Pressure test manifold at the same time with the BOP Stack. Test manifold to the same test pressures.

TESTING PROCEDURE



BOP SCHEMATIC FOR DRILLING OPERATIONS CLASS 1 (2M) NORMAL PRESSURE

ROTATING HEAD
OR STRIPPING
(DIVERTING)
HEAD

FILL UP LINE

FLOW LINE
TO PIT

BLIND
RAMS

PIPE
RAMS

SCREW ON
DRILLING FLANGE

FILL-UP /
KILL LINE
2" dia min.

TO
ADJUSTABLE
CHOKE
MANIFOLD
2" dia min.

Fig. 92 (typical)
CASINGHEAD
(SCREW-IN)

CASING COLLAR
(LOOKING UP)

** Remove check or ball
from check valve and
press test to same press
as BOP's. **

1. Test BOP after installation:

Pressure test BOP to 200-300
psig (low pressure) for 5 min.

Test BOP to Working Press or
to 70% internal yield of surf csg
(10 min).

2. Test operation of (both) rams on every trip.

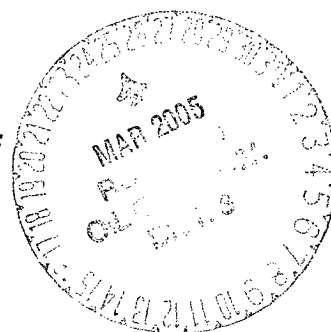
3. Check and record Accumulator pressure on every tour.

4. Re-pressure test BOP stack after changing out rams.

5. Have kelly cock valve with handle available.

6. Have safety valve and subs to fit all sizes of drill string available and on the rig floor.

TESTING
PROCEDURE



See Choke Manifold drawing for
specifications