

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF-077386A
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		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator XTO Energy Inc.		7. Unit or CA Agreement Name and No. N/A
3a. Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM	3b. Phone No. (include area code) 505-324-1090	8. Lease Name and Well No. EJ Johnson C #1F
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 950' FSL x 1870' FWL At proposed prod. zone SAME		9. API Well No. 30-045-33368
14. Distance in miles and direction from nearest town or post office* Approx 8 miles Southeast of Bloomfield, NM Post Office		10. Field and Pool, or Exploratory Basin Dakota/Angel Peak Gallup
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 950'	16. No. of Acres in lease 480	11. Sec., T., R., M., or Blk. and Survey or Area (N) Sec 21, T27N, R10W
17. Spacing Unit dedicated to this well DK-W/2 320	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 150'	12. County or Parish San Juan
19. Proposed Depth 6850'	20. BLM/BIA Bond No. on file	13. State NM
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6270' Ground Elevation	22. Approximate date work will start* Winter 2005	23. Estimated duration 2 weeks

24. Attachments

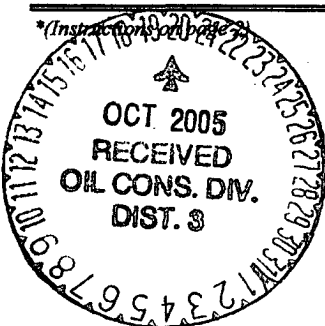
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 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 Kyle Vaughan	Name (Printed/Typed) Kyla Vaughan	Date 09/22/05
Title Regulatory Compliance Tech		
Approved by (Signature) [Signature]	Name (Printed/Typed) [Signature]	Date 10/18/05
Title AFM	Office FFO	

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.



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

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

APD/ROW

NMOCD

DISTRICT I
1825 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1501 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 E. 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

SEP 28 PM 1 37

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 30-045-33368		*Pool Code 71599	*Pool Name Basin Dakota
*Property Code 22605	*Property Name E J JOHNSON C		*Well Number 1F
*OGRD No. 167067	*Operator Name XTO ENERGY INC.		*Elevation 6270'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
N	21	27-N	10-W		950	SOUTH	1870	WEST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres w/2 320			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

<div>16</div> <div>16</div>	<div>17 OPERATOR CERTIFICATION</div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Kelly K. Small</i> Kelly K. Small Drilling Assistant Date: 5/18/05</p>
	<div>18 SURVEYOR CERTIFICATION</div> <p>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.</p> <p>Date: SEP 28, 2005 Signature: <i>[Signature]</i> Station: <i>[Signature]</i> Surveyor: <i>[Signature]</i></p> <p>NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 14831 4-13-05</p> <p>Certificate Number: _____</p>

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

Free Lease - 3 Copies

RECEIVED

OTO FARMINGTON ILL

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-33368		*Pool Code 02170	*Pool Name ANGEL PEAK GALLUP	
*Property Code	*Property Name E J JOHNSON C			*Well Number 1F
*OGRD No. 167067	*Operator Name XTO ENERGY INC.			*Elevation 8270'

¹⁰ Surface Location

UL or lot no. N	Section 21	Township 27-N	Range 10-W	Lot Idn	Feet from the 950	North/South line SOUTH	Feet from the 1870	East/West line WEST	County SAN JUAN
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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
²³ Dedicated Acres E/2 SW/4 80			²⁴ Joint or Infill		²⁵ Consolidation Code		²⁶ 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

10	<div style="border: 1px solid black; height: 100px; position: relative;"> <div style="position: absolute; top: 10px; left: 10px; width: 100px; height: 100px; border: 1px solid black; border-style: dashed;"></div> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%); font-weight: bold;">21</div> <div style="position: absolute; top: 60%; left: 10%; width: 30%; border: 1px solid black; padding: 5px;"> LAT. 36°33'21.9"N (NAD 27) LONG. 107°54'10.4" W (NAD 27) </div> <div style="position: absolute; top: 80%; left: 10%; width: 30%; border: 1px solid black; padding: 5px;"> 1870' CALC'D CORNER FROM W.C. 47.5' NORTH S 89-51-23 E 2636.3' (C) </div> <div style="position: absolute; top: 90%; left: 50%; transform: translate(-50%, -50%); font-weight: bold;">950'</div> </div>	<div style="border: 1px solid black; padding: 5px;"> 17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Kyla Vaughan</div> Signature <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Kyla Vaughan</div> Printed Name <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Regulatory Compliance</div> Title <div style="border-bottom: 1px solid black; margin-bottom: 5px;">9/23/05</div> Date </div>
N 0-01-01 W 2642.4' (C)	<div style="border: 1px solid black; padding: 5px;"> 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. <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Kyla Vaughan</div> Date <div style="border-bottom: 1px solid black; margin-bottom: 5px;">9/23/05</div> </div>	<div style="border: 1px solid black; padding: 5px;"> 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. <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Kyla Vaughan</div> Date <div style="border-bottom: 1px solid black; margin-bottom: 5px;">9/23/05</div> </div>

Kyla Vaughan
 NEW MEXICO
 14831
 REGISTERED PROFESSIONAL SURVEYOR
 H-13-9

Certificate Number

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO <u>20-045-33368</u>	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. <u>SF-077386A</u>	
7. Lease Name or Unit Agreement Name: <u>EJ Johnson C</u>	
8. Well Number <u>#1F</u>	
9. OGRID Number <u>167067</u>	
10. Pool name or Wildcat <u>Basin Dakota/Angel Peak Gallup</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>6270'</u>	
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type <u>DRILL</u> Depth to Groundwater <u>>100</u> Distance from nearest fresh water well <u>>1000</u> Distance from nearest surface water <u>>1000</u> <u>700'</u>	
Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator <u>XTO Energy Inc.</u>	
3. Address of Operator <u>2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401</u>	
4. Well Location Unit Letter <u>N</u> : <u>950</u> feet from the <u>SOUTH</u> line and <u>1870</u> feet from the <u>WEST</u> line Section <u>21</u> Township <u>27N</u> Range <u>10W</u> NMPM <u>NMEM</u> County <u>SAN JUAN</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>6270'</u>	
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type <u>DRILL</u> Depth to Groundwater <u>>100</u> Distance from nearest fresh water well <u>>1000</u> Distance from nearest surface water <u>>1000</u> <u>700'</u>	
Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: PTT ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

XTO Energy proposed to install a pit on location for drilling. The pit will be closed in accordance with NMOC guidelines when work is completed.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☒ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Kyla Vaughan TITLE Regulatory Compliance Tech DATE 09/23/05
E-mail address: kyla_vaughan@xtoenergy.com
Type or print name Kyla Vaughan Telephone No. 505-564-6726

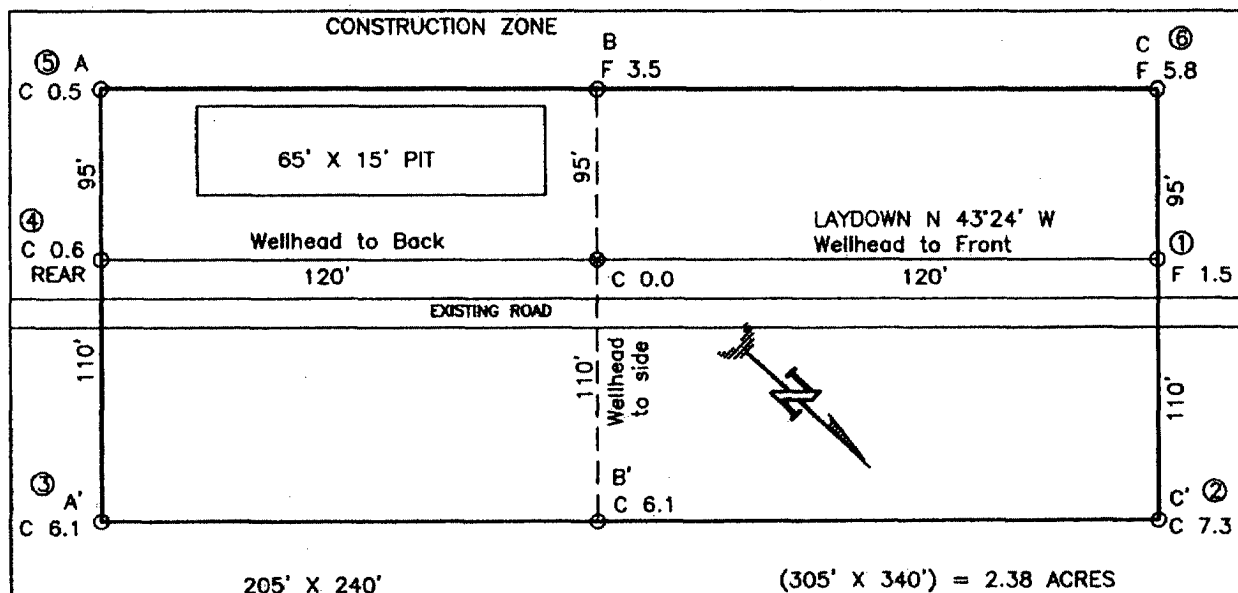
For State Use Only

APPROVED BY [Signature] DEPUTY OIL & GAS INSPECTOR, DIST. 9 DATE OCT 20 2005
Conditions of Approval, if any: _____

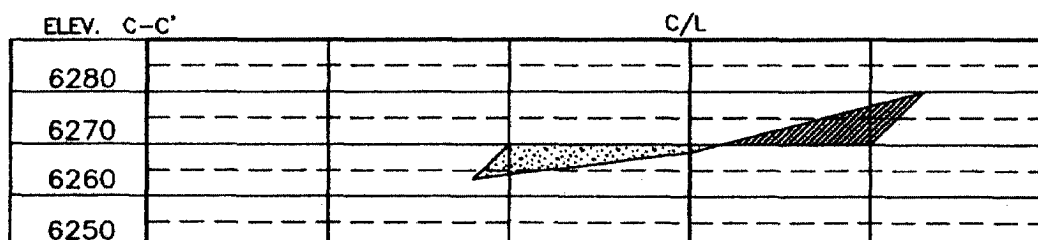
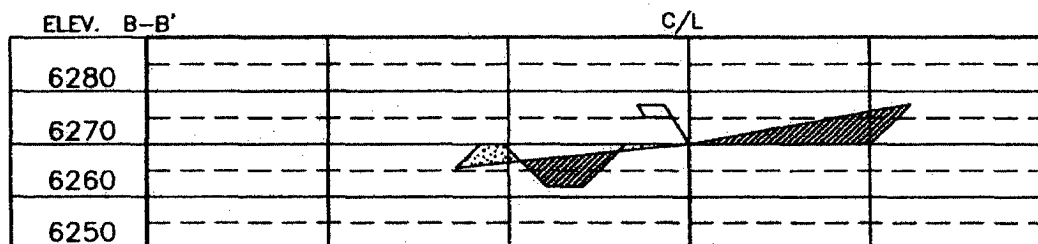
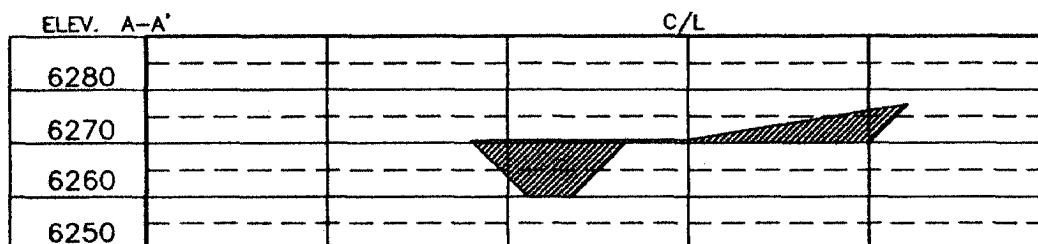
EXHIBIT D

XTO ENERGY INC.
 E J JOHNSON C No.1F, 950 FSL 1870 FWL
 SECTION 21, T27N, R10W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 6270', DATE: FEBRUARY 28, 2005

LAT. = 36°33'21.9" N.
 LONG. = 107°54'10.4" W
 NAD 27



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.



NOTE: CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P. O. Box 15088 • Farmington, NM 87401
 Phone (505) 326-1772 • Fax (505) 326-6018
 NEW MEXICO L.S. No. 14831
 CARTEL CR427C9B
 DATE 04/02/05
 DRAWN BY B.L.
 REVISED CR427

EXHIBIT E

XTO ENERGY INC.

EJ Johnson C #1F

APD Data

September 16, 2005

Location: 950' FSL x 1870' FWL Sec 21, T27N, R10W County: San Juan State: New Mexico

GREATEST PROJECTED TD: 6850'

APPROX GR ELEV: 6270'

OBJECTIVE: Basin Dakota / Angel Peak Gallup

Est KB ELEV: 6282' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2800'	2800' to 6850
HOLE SIZE	12.25"	7.875"	7.875"
MUD TYPE	FW/Spud Mud	FW/Polymer	LSND / Gel Chemical
WEIGHT	8.6-9.0	8.4-8.8	8.6- 9.20
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: 8.625" casing to be set at \pm 360' in a 12-1/4" hole filled with 9.20 ppg mud

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-360'	360'	24.0#	J-55	ST&C	1370	2950	244	8.097	7.972	7.950	17.13	28.24

Production Casing: 5.5" casing to be set at TD (\pm 6850') in 7-7/8" hole filled with 9.20 ppg mud.

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-6850	6850'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.23	1.47	1.90

3. WELLHEAD:

- 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.
- Tubing Head: Larkin Fig 612 (or equivalent), 6.456" nominal, 2,000 psig WP (4,000 psig test), 5-1/2" 8rnd female thread on bottom (or slip-on, weld-on), 8-5/8" 8rnd thread on top.

EXHIBIT F

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

A. Surface: 8.625", 24.0#, J-55, ST&C casing to be set at $\pm 360'$ 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 $\pm 6850'$ in 7.875" hole.

LEAD:

± 712 sx of Premium Lite HS (Type III/Poz/Gel) with 2% salt, 1/4 pps cello, 0.2% dispersant, 0.5% fluid loss & 2% LCM mixed at 12.5 ppg, 2.01 ft³/sk, 10.55 gal wtr/sx.

TAIL:

150 sx Type III with 5% bonding additive, 1/4 pps cello, 2% LCM, 0.3% dispersant & 0.2% fluid loss mixed at 14.2 ppg, 1.54 cuft/sx, 8.00 gal/sx.

Total estimated slurry volume for the 5-1/2" production casing is 1661 ft³.

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 2,900' 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 (6850') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (6850') to 3,000'.

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

TESTING PROCEDURE

1. Test BOP after installation:

Pressure test BOP to 200-300
psig (low pressure) for ~~5~~¹⁰ min.

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

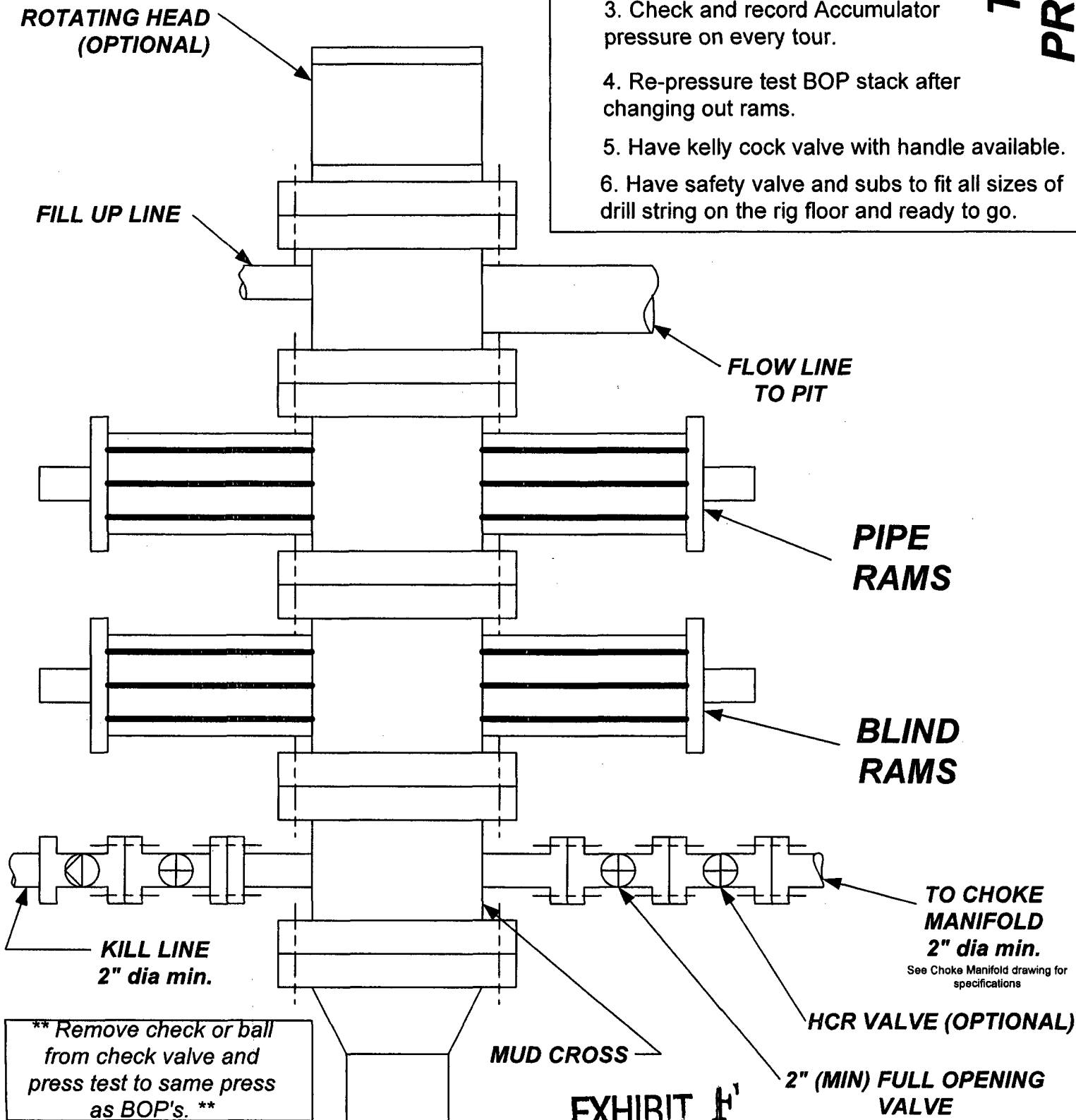
2. Test operation of (both) rams on every trip.

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 on the rig floor and ready to go.



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

