

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-3 APD form.

Operator Signature Date: 7-28-14

Well information;

Operator XTO, Well Name and Number Ute Indians A #57

API# 30-045-34155, Section 27, Township 32 N/S, Range 14 E/W

Conditions of Approval:

(See the below checked and handwritten conditions)

- Notify Aztec OCD 24hrs prior to casing & cement.
- Hold C-104 for directional survey & "As Drilled" Plat
- Hold C-104 for NSL, NSP, DHC
- Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
- Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
- Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84
- Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.
- Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.

Charles Lee
NMOCD Approved by Signature

12-17-15
Date

**RECEIVED
ELECTRONIC REPORT**

OIL CONS. DIV DIST. 3

DEC 07 2015

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUL 28 2014

BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. 142060462
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name UTE MOUNTAIN UTE
2. Name of Operator XTO ENERGY Contact: CHERYLENE CHARLEY E-Mail: CHERYLENE_CHARLEY@XTOENERGY.COM		7. If Unit or CA Agreement, Name and No.
3a. Address 382 CR 3100 AZTEC, NM 87410		8. Lease Name and Well No. UTE INDIANS A 57
3b. Phone No. (include area code) Ph: 505-333-3190 Fx: 505-333-3284		9. API Well No. 30-045-34155-00-X1
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SESW 870FSL 1710FWL 36.954100 N Lat, 108.299610 W Lon At proposed prod. zone SESW 870FSL 1710FWL 36.954100 N Lat, 108.299610 W Lon		10. Field and Pool, or Exploratory UTE DOME
14. Distance in miles and direction from nearest town or post office* APPROX 14 MILES NW OF FARMINGTON, NM POST OFFICE		11. Sec., T., R., M., or Blk. and Survey or Area Sec 27 T32N R14W Mer NMP SME: BIA
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 870'	16. No. of Acres in Lease 4800.00	12. County or Parish SAN JUAN
17. Spacing Unit dedicated to this well 640.00	13. State NM	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1000'	19. Proposed Depth 8850 MD 8850 TVD	20. BLM/BIA Bond No. on file 104312789
21. Elevations (Show whether DF, KB, RT, GL., etc.) 6015 GL	22. Approximate date work will start 01/15/2015	23. Estimated duration 4 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 (Electronic Submission)	Name (Printed/Typed) CHERYLENE CHARLEY Ph: 505-333-3190	Date 07/28/2014
Title SR. PERMITTING ANALYST		
Approved by (Signature) /s/ Connie Clementson	Name (Printed/Typed) /s/ Connie Clementson	Date NOV 25 2015
Title Field Manager	Office TRES RIOS FIELD OFFICE	

**APPROVED FOR A PERIOD
NOT TO EXCEED 2 YEARS**

Application approval does not warrant or certify 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.

**SEE ATTACHED
CONDITIONS OF APPROVAL**

Additional Operator Remarks (see next page)

Electronic Submission #254808 verified by the BLM Well Information System
For XTO ENERGY, sent to the Durango
Committed to AFMSS for processing by BARBARA TELECKY on 07/29/2014 (14BDT0574AE)

Venting / Flaring approved for 30 days
per NTL-4A

NMOCDA

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Approval of this agreement does not warrant or certify that the operator hereof and other holders of operating rights hold legal or equitable title to those rights in the subject lease which are committed hereto...

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
ELECTRONIC REPORT

OCT 29 2014

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
142060462

6. If Indian, Allottee or Tribe Name
UTE MOUNTAIN UTE

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. UTE INDIANS A 57
2. Name of Operator XTO ENERGY Contact: CHERYLENE WESTON E-Mail: cherylene_weston@xtoenergy.com		9. API Well No. 30-045-34155-00-X1
3a. Address 382 CR 3100 AZTEC, NM 87410	3b. Phone No. (include area code) Ph: 505-333-3190 Fx: 505-333-3284	10. Field and Pool, or Exploratory UTE DOME
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 27 T32N R14W SESW 870FSL 1710FWL 36.954100 N Lat, 108.299610 W Lon		11. County or Parish, and State SAN JUAN COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

XTO Energy Inc. is in receipt of BLM's APD deficiency letter dated 8/6/14. It requested Drilling Plan (perforating & hydraulic frac plans) and SUPO corrections and other missing information.

Deficiency Items 1-15 are addressed in the attached SUPO.

Deficiency Item 16, Drilling Program: Provide details of the perforating and hydraulic fracturing plans. Answer: XTO plans to perforate and acidize the Paradox formation in 5-7 stages. More detailed plans will not be determined until the well is drilled and logged.

Updated plats/maps and exhibits are attached. There have been no changes to the surface location from what was originally submitted on the re-filed APD, other than a turnout that was requested at the on-site.

OIL CONS. DIV DIST. 3

DEC 07 2015

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #274742 verified by the BLM Well Information System
For XTO ENERGY, sent to the Durango
Committed to AFSS for processing by BARBARA TELECKY on 10/30/2014 (15BDT0032SE)

Name (Printed/Typed) CHERYLENE WESTON	Title SR. PERMITTING ANALYST
Signature (Electronic Submission)	Date 10/29/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By IS/ Connie Clementson	Title Field Manager	Date NOV 25 2015
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.		Office TRES RIOS FIELD OFFICE

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMOCD

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6181 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 478-3460 Fax: (505) 478-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, N.M. 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

RECEIVED
ELECTRONIC REPORT

OCT 29 2014

BUREAU OF LAND MANAGEMENT AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34155		² Pool Code 86760		³ Pool Name Ute Dome Paradox	
⁴ Property Code 22645		⁵ Property Name UTE INDIANS A			⁶ Well Number 57
⁷ GRID No. 5380		⁸ Operator Name XTO ENERGY, INC.			⁹ Elevation 6013.5

¹⁰ Surface Location

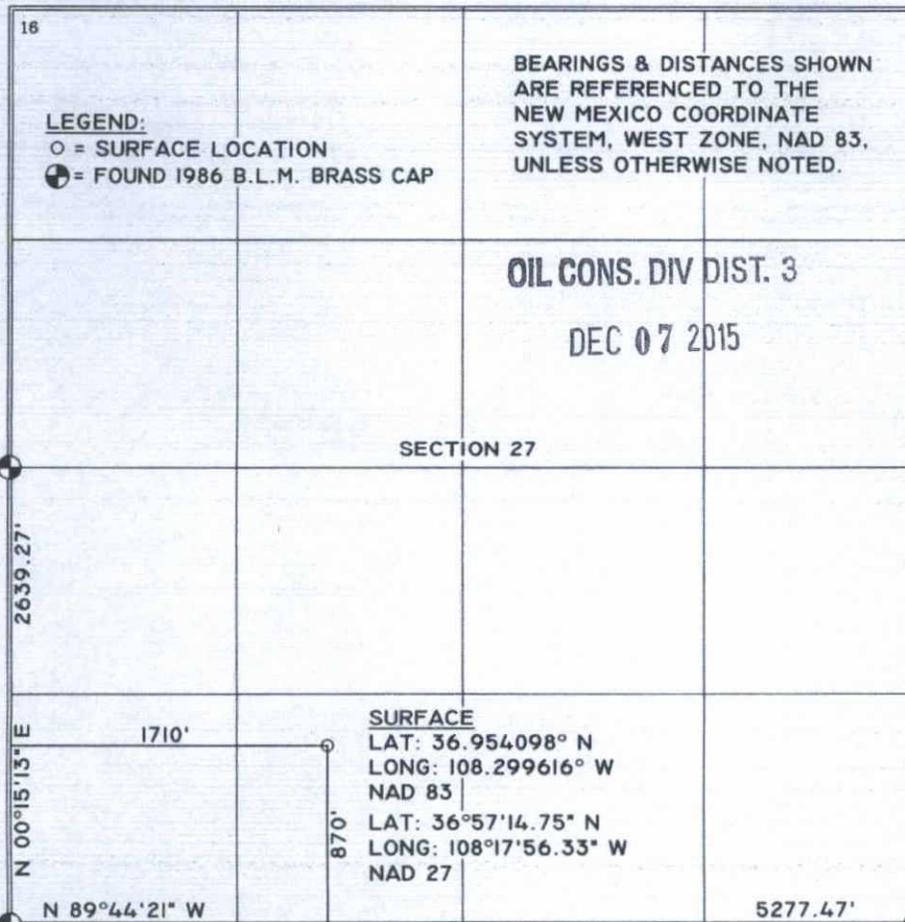
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	27	32 N	14 W		870	SOUTH	1710	WEST	SAN JUAN

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

¹² Dedicated Acres 640.27	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



¹⁷ 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 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.

Cherylene Weston 10/27/14
Signature Date
Cherylene Weston
Printed Name
cherylene-weston@xtoenergy.com
E-mail Address

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.

09/19/14
Date of Survey
Signature of Marshall W. Linden
MARSHALL W. LINDEN
NEW MEXICO
17078
PROFESSIONAL SURVEYOR
17078
Certificate Number

XTO ENERGY INC.

Ute Indians A #57

APD Data

March 17, 2011

Location: 870' FSL x 1710' FWL Sec 27, T32N, R14W County: San Juan State: New Mexico

GREATEST PROJECTED TD: 8850'
APPROX GR ELEV: 6015'

OBJECTIVE: Ute Dome Paradox
Est KB ELEV: 6027' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 850'	850' to 2500'	2500' to 8850
HOLE SIZE	12.25"	8.75"	8.75"-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: 9.625" casing to be set at \pm 850' 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'-850'	850'	36.0#	J-55	ST&C	2020	3520	394	8.921	8.765	4.967	8.66	12.88

Production Casing: 5.5" casing to be set at TD (\pm 8850') in 8.75" 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'-8850	8850'	17.0#	L-80	LT&C	6280	7740	348	4.892	4.767	1.48	1.83	2.31

3. WELLHEAD:

- A. Casing Head: C-22, 11" 3,000 psi WP, 9-5/8" 8-rnd with 2 2" line pipe outlets.
- B. Tubing Head: TCM 11" 3,000 psi WP by 7-1/16" 3,000 psi WP with two 2-1/16" 5,000 studded side outlets, with 9" BG Bottom Viton Seal. (Casing spool, if needed, C-22 11" 3,000 psi WP by 11" 3,000 psi WP, 18" tall.)

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

A. Surface: 9.625", 36.0#, J-55, ST&C casing to be set at $\pm 850'$ in 12-1/4" hole.

383 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 532 ft³, 100% excess of calculated annular volume to 850'.

B. Production: 5.5", 17.0#, L-80, LT&C casing to be set at $\pm 8850'$ in 8.75" hole. DV Tool set @ $\pm 4500'$

1st Stage

LEAD:

± 598 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:

± 551 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 for the 5-1/2" production casing is 2973 ft³ based upon entire hole being drilled with 8-3/4" bit.

Note: The production hole will be drilled with an 8-3/4" drill bit. Should no hole problems be encountered, then the bit may be changed to a 7-7/8" bit to TD the well with. 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 (8850') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (8850') to 3,000'.

C. No coring (Wire line side wall or Rotary "whole" core) operations are planned for this well.

D. No open hole formation tests are planned for this well.

6. **FORMATION TOPS:**

Est. KB Elevation: 6027'

FORMATION	Sub-Sea	MD	FORMATION	TV Sub-Sea	MD
Cliffhouse			Carmel Fmtn	2318	3709
Menefee	6027	0	Wingate SS	2090	3937
Point Lookout	5928	99	Chinle Fmtn	1932	4095
Mancos	5487	540	Shinarump Congl.	1483	4544
Gallup SS	4315	1712	Moenkopi Fmtn	1091	4936
Greenhorn LS	3780	2247	Cutler Group	860	5167
Graneros Shale	3730	2297	Hermosa Group	-969	6996
Dakota SS	3649	2378	Paradox Fmtn	-1438	7465
Burro Canyon SS	3457	2570	Ismay Member*	-1800	7827
Morrison Fmtn	3408	2619	Desert Creek *	-1738	7765
Bluff SS	2850	3177	Akah *	-2003	8030
Summerville Fmtn	2660	3367	Barker Creek*	-2292	8319
Todilto LS	2541	3486	Alkali Gulch	-2526	8553
Entrada SS	2557	3470	TD	-2826	8850

* Primary Objective

** Secondary Objective

**** Maximum anticipated BHP should be <5,000 psig (<0.58 psi/ft) ****

7. **ANTICIPATED OIL, GAS, & WATER ZONES:**

A.

Formation	Expected Fluids	Well Depth Top
Cliffhouse	Water	
Menefee	Water	0
Point Lookout	Water	99
Gallup	Water	1712
Dakota SS	Gas	2378
Burro Canyon SS	Gas	2570
Morrison Formation	Water	2619
Bluff SS	Water	3177
Entrada SS	Water	3470
Wingate SS	Water	3937
Ismay Member	Gas	7827
Desert Creek	Gas	7765
Akah	Gas	8030
Barker Creek	Gas	8319
Alkali Gulch	Gas	8553

B. No Appreciable Water Zones are anticipated.

C. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.

D. Once the Morrison is drilled the well will be treated as a potential source of H₂S.

E. No abnormally pressured zones or zones of lost circulation are anticipated.

F. No shallow gas zones are anticipated.

8. BOP Equipment:

Minimum specification for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double ram with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed:
- b. whenever any seal subject to test pressure is broken
- c. following related repairs: and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) shall be held open or the ball removed.

Annular preventers (if used) shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No.2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place.

Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The BLM in Durango, Colorado shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.
- b. A choke line and a kill line are to be properly installed.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.
- e. See attached BOP & Choke Manifold diagrams.

9. COMPANY PERSONNEL:

Name	Title	Office Phone	Home Phone
Justin Niederhofer	Drilling Engineer	505-333-3199 303-397-3719	505-320-0158
Bobby Jackson	Drilling Superintendent	505-333-3224 303-397-3720	505-486-4706
Reed Meek	Project Geologist	817-885-2800	--

JDN
3/17/11



XTO Energy Inc.
382 Road 3100
Aztec, New Mexico 87410
Office: 505.333.3100
Fax: 505.333.3280

H2S Contingency Plan

(Emergency Response and Public Protection Plan)

Drilling, Completion and Production Operations

XTO Energy Inc.
San Juan Division
Aztec, N.M./Durango-Trinidad, Colo.

San Juan Basin Operations
Ute Indians A#57

PREPARED BY:
Jeff Clement

Office: (505) 333-3175
Cell: (505) 215-0533

H2S Contingency Plan

Company Name:	XTO Energy, Inc.
Address:	382 RD 3100, Aztec, New Mexico 87410
Phone:	(505) 333-3100
Well Name:	Ute Indians A #57 San Juan County, New Mexico
TD:	Varied Geological Tops
Location:	Sec.27 (N), 32N,R14W SESW 870' FSL & 1710' Lat: 36.57147 / Long: 108.17563 NAD 27 Lat: 36.95410 / Long: 108.29961 NAD 83
API #	#30-045-34155
BIA	142060462
Formation	Various Formations (Thermo-genic – Bio-genic) Ute Dome Paradox
Geological Tops	To be determined by data obtained during operations



XTO Energy Inc.
382 Road 3100
Aztec, New Mexico 87410
Office: 505.333 3100
Fax: 505.333 3280

Drilling Operations San Juan New Mexico Contact Personnel

XTO Energy Drilling Manager

Ross Lubers
Office: (303) 397-3600

XTO Energy Drilling Engineer

Justin Niederhofer
Office: (303) 397-3600
Cell (505) 320-6543

XTO Energy Drilling Superintendent

Bobby Jackson
Office (303) 397-3720
Cell (505) 486-4706

XTO Energy Drilling Health & Safety Coordinator

Jerry Lacy
Office (505) 333-3100
Cell (505) 320-6543

XTO Energy Drilling OIMS Coordinator/Drilling Foreman

Mark Nietzel/Ryan Rensink
Office: (505) 333-3100
Mark (Cell) 505/ 486-2609 Ryan (Cell) 505/947-6532

XTO Energy OIMS/Contractor Management - SR. EHS Coor.

Jeff Clement
Cell: (505) 215-0533 Off. (505) 333-3175

XTO Energy Senior EHS Manager/EHS District Supervisor

Martin Nee/James McDaniel
Martin Office: (303) 397-3600
Martin (Cell) 505/793-6694
James Office: (505) 333-3100
James Cell: (505) 787-0519

CONTRACT H2S / SITE SAFETY COMPANIES

McGuire Industries

Leroy Winters
Office: (505) 634-8629 Office: (505) 325- 6232

Drilling Rig – Work Over Rig TBD

DEC 12 2014

Bureau of Land Management
Montano, Colorado

The use of materials under BLM jurisdiction will conform to 43 CFR § 3610.2-3, if applicable.

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

Oil based mud will not be used at Barker Dome.

Drill Cuttings: The reserve pit will typically be lined with a synthetic material, ±12 mils in thickness. The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. The amount of time the pit may remain open will typically be specified by the COA's in the APD. Once dry, the pit liner will be cut and removed at the mud line and the pit will be covered and buried in place.

Drilling mud and fluids are stored on-site in 400 BBL steel tanks and will be moved forward from location to location. If they cannot be moved forward, they will be disposed of. Drilling waste solids will be taken to IEL, located at 49 Road 3150, Aztec, NM 87410, for disposal. Drilling waste fluids will be trucked to Basin Disposal located at 200 Montana, Bloomfield, NM 87413.

✓ **XTO plans to use a closed loop flow back system for all aspects of the completion for the collection, storage, and safe containment for each type of waste.**

Garbage must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. General non-contaminated debris referred to as general household trash including; concrete, paper, brush, scrap metal, etc. No dope buckets or paint cans. Trash collected on-site in trash bins and/or cages provided by contracted disposal service.

Disposal Facilities: San Juan County Landfill or Bondad Landfill.

Waste water will be hauled to Basin Disposal Inc., located at 200 Montana, Bloomfield, NM 87413. Phone number: 505-334-3013.

Sewage from trailers and chemical portable toilets will be removed on a regular basis by a third party contractor and disposed of at an authorized sanitary waste facility.

Any and all chemicals used during the drilling and completion of the well will be kept to a minimum and stored within the boundaries of the well pad. The third party chemical contractor will be responsible for containment and clean-up and removal of all spilled chemicals on location.

8. Ancillary Facilities: **Camper trailers will be on location for the duration of drilling and completion operations for the company man, tool pusher, mud logger and drilling engineers.**

9. Well Site Layout -depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. **See Exhibit "E". (Revised)**

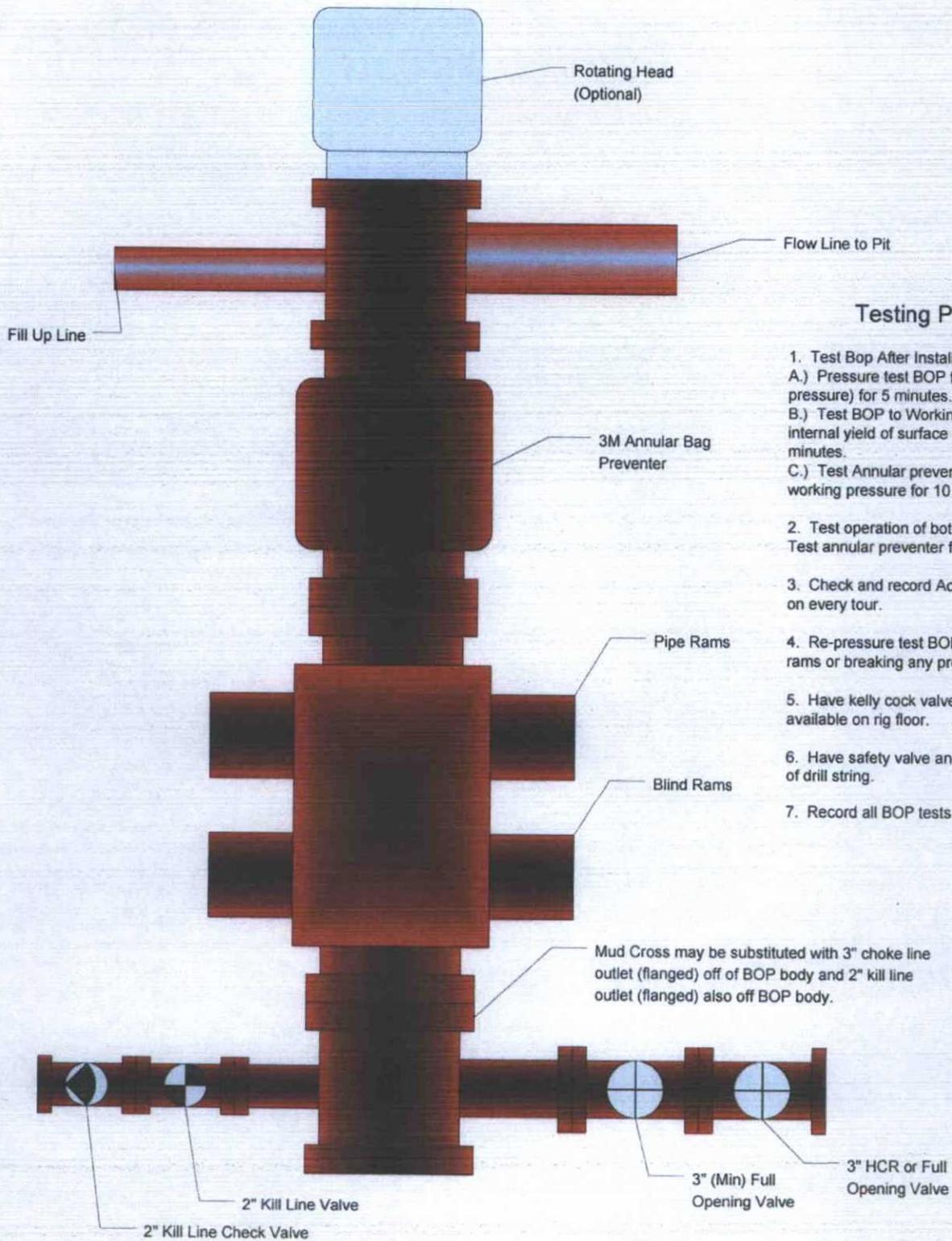
All equipment and vehicles that will be used to drill and complete this well will remain within the boundaries of the approved wellpad. Any equipment and or vehicles park or stored off of the location will be considered trespassing on federal lands and will NOT be tolerated.

Materials obtained from the construction of location, like topsoil and vegetation will be stock piled as indicated and permitted by the approved APD. The stock piles themselves may be outside the approved boundaries of the wellpad.

XTO Energy

3M BOP Stack

11/29/2010



Testing Procedure

1. Test Bop After Installation:
 - A.) Pressure test BOP to 200-300 psig (low pressure) for 5 minutes.
 - B.) Test BOP to Working pressure or 70% internal yield of surface casing for 10 minutes.
 - C.) Test Annular preventer to 50% of working pressure for 10 minutes.
2. Test operation of both rams on each trip. Test annular preventer function weekly.
3. Check and record Accumulator pressure on every tour.
4. Re-pressure test BOP after changing rams or breaking any pressure tested seal.
5. Have kelly cock valve with handle available on rig floor.
6. Have safety valve and subs to fit all sizes of drill string.
7. Record all BOP tests in IADC book.

XTO Energy

3M Choke
Manifold

11/29/2010

