

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. JTC 154
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 JICARILLA APACHE
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. JICARILLA APACHE #10F
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 1970' ENL x 975' FEL At proposed prod. zone SAME		9. API Well No. 30-039-30190
14. Distance in miles and direction from nearest town or post office* Approximately 39 miles Southeast of Bloomfield, NM post office		10. Field and Pool, or Exploratory BS DK/EL MV/OT CH
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 975'	16. No. of Acres in lease 2560	11. Sec., T., R., M., or Blk. and Survey or Area (H) SEC 27, T26N, R5W
17. Spacing Unit dedicated to this well DK, MV: N2/320, MC, CH: NE4 160	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 930'	12. County or Parish RIO ARriba
19. Proposed Depth 7700'	20. BLM/BIA Bond No. on file UIB000138	13. State NM
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6535' GROUND ELEVATION	22. Approximate date work will start* AUGUST 2007	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:

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> 1. Well plat certified by a registered surveyor. 2. A Drilling Plan 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). | <ul style="list-style-type: none"> 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 5. Operator certification. 6. Such other site specific information and/or plans as may be required by the authorized officer. |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

**2 WEEKS
RCVD MAY 4 07
OIL CONS. DIV.
DIST. 3**

25. Signature <i>Kyla Vaughan</i>	Name (Printed/Typed) Kyla Vaughan	Date 01/31/07
Title Regulatory Compliance Tech		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 5/3/07
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.

*(Instructions on page 2)

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".

**NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENTING**

5/9/07

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

DISTRICT II
1901 V. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1800 N. Green 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

RECEIVED
070 FARMINGTON N.M. AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-30190	*Pool Code 71599	*Pool Name Basin Dakota
*Property Code 303207	*Property Name JICARILLA APACHE	*Well Number 10F
*UICM No. 5380	*Operator Name XIO ENERGY INC.	*Elevation 6535'

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
H	27	26-N	5-W		1970	NORTH	975	EAST	RIO ARRIBA

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
									RCVD MAY 4 '07
*Dedicated Acres n/a 320			*Joint or Infill		*Consolidation Code		*Order No. OIL CONS. DIV. DIST. 3		

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.

Signature: *Dwight D. Small*
 Printed Name: *Dwight D. Small*
 Title: *Regulatory Compliance Tech*
 Date: *8/19/05*

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.

Date of Survey: _____
 Signature and Title: _____

NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR
14888
1-5

Certificate Number: _____

DISTRICT I
1829 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1701 W. Grand Ave., Artesia, N.M. 88210

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

DISTRICT IV
1229 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

RECEIVED
070 FARMINGTON NM
FEB 5 AM 11 28

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-30190	*Pool Code 72319	*Pool Name Blanco Mesaverde
*Property Code (30330) 36#78 30330	*Property Name JICARILLA APACHE	*Well Number 10F
*OCRD No. 5380	*Operator Name XTD ENERGY INC.	*Elevation 6535'

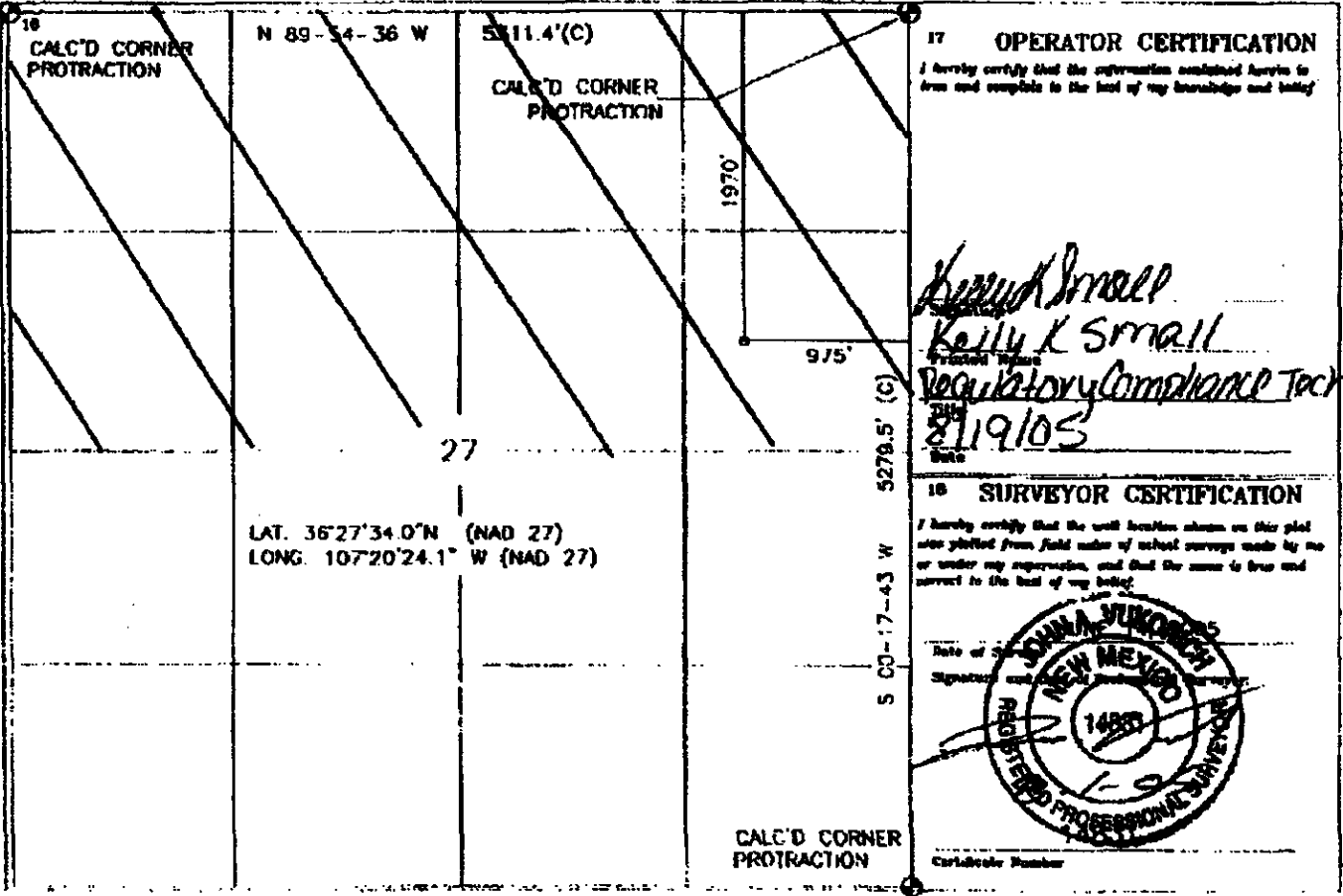
10 Surface Location

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
H	27	26-N	5-W		1970	NORTH	975	EAST	RIO ARRIBA

11 Bottom Hole Location if Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
*Dedicated Acres n/a 320			*Joint or Infill		*Consolidation Code		*Order No. RCUD MAY 4 '07 OIL CONS. DIV. DIST. 3		

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



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

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

DISTRICT III
1000 Rio Brazos Rd., Artesia, 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
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003

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

RECEIVED
070 FEB 5 AM 11 20

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-30190		*Pool Code 82329	*Pool Name Otero Chacra
*Property Code (30320) 36498	*Property Name JICARILLA APACHE		*Well Number 10F
*OGRID No. 5380	*Operator Name XTO ENERGY INC.		*Elevation 8535'

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
H	27	26-N	5-W		1970	NORTH	975	EAST	RIO ARRIBA

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
									RIO ARRIBA
*Dedicated Acres NE 1/4 160		*Joint or Infill		*Consolidation Code		*Order No.		RCUD MAY4'07 OIL CONS. DIV. DIST. 3	

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

<p>16 CALC'D CORNER PROTRACTION</p> <p>N 89-54-36 W</p> <p>5311.4'(C)</p> <p>CALC'D CORNER PROTRACTION</p> <p>1970'</p> <p>975'</p> <p>27</p> <p>LAT. 36°27'34.0"N (NAD 27) LONG. 107°20'24.1" W (NAD 27)</p> <p>CALC'D CORNER PROTRACTION</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Heely K Small</i> Signature</p> <p><i>Heely K Small</i> Title/Name</p> <p>Regulatory Compliance Tech Title</p> <p>1/19/06 Date</p>
	<p>18 SURVEYOR CERTIFICATION</p> <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>State of New Mexico Signature and Title of Registered Professional Surveyor</p> <p>NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 14887</p> <p>Certificate Number</p>

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.
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. JIC 154
7. Lease Name or Unit Agreement Name: JICARILLA APACHE
8. Well Number #10F
9. OGRID Number 5380
10. Pool name or Wildcat BS DK/BL MV/OT CH

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 Gas Well Other

2. Name of Operator
 XTO Energy Inc.

3. Address of Operator
 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401

4. Well Location
 Unit Letter H : 1970 feet from the NORTH line and 975 feet from the EAST line
 Section 27 Township 26N Range 5W NMPM NMEM County SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 6535' GROUND ELEVATION

Pit or Below-grade Tank Application or Closure
 Pit type DRILL Depth to Groundwater 520 Distance from nearest fresh water well >1000 Distance from nearest surface water >200
 Pit Liner Thickness: 12 mm Below-Grade Tank: Volume 8000 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 plans to install a lined pit on location for drilling.

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 NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan

SIGNATURE Kyla Vaughan TITLE Regulatory Compliance Tech DATE 01/31/07

Type or print name Kyla Vaughan E-mail address: kyla_vaughan@xtoenergy.com Telephone No. 505-564-6726

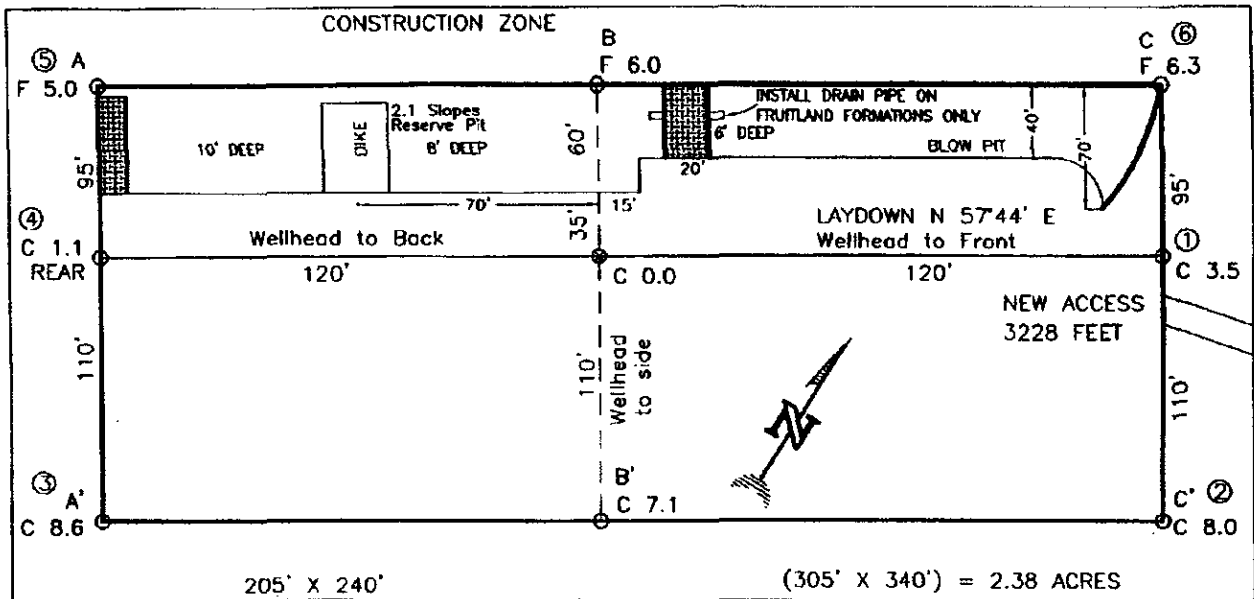
For State Use Only

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 4 DATE MAY 09 2007

Conditions of Approval, if any: vulnerable area, pits to be closed accordingly.

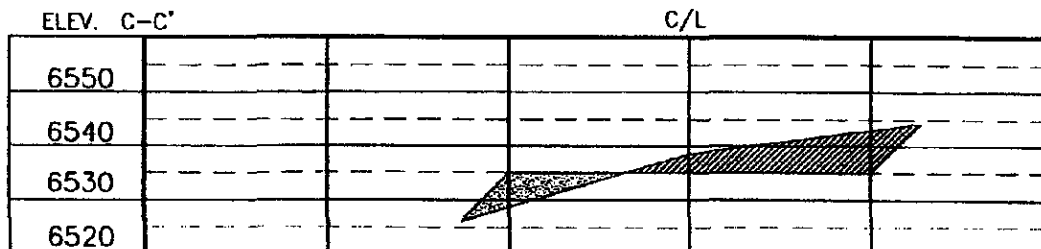
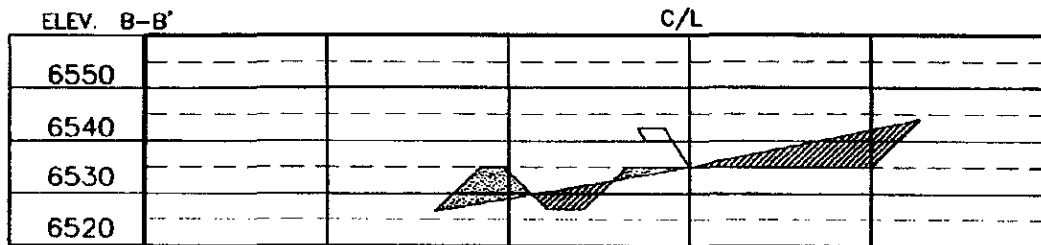
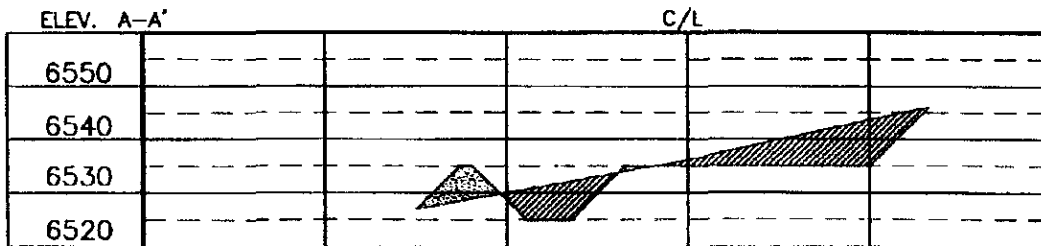
XTO ENERGY INC.
 JICARILLA APACHE No.10F, 1970 FNL 975 FEL
 SECTION 27, T26N, R5W, N.M.P.M., RIO ARRIBA COUNTY, N. M.
 GROUND ELEVATION: 6535', DATE: JUNE 14, 2005

LAT. = 36°27'34.0" N.
 LONG. = 107°20'24.1" 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.



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.


DATE	REVISION BY
Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15068 • Farmington, NM 87401 Phone (505) 318-1772 • Fax (505) 324-6019 NEW MEXICO L.S. No. 14831 REG. NO. CR440078 DATE: 07/18/03	
	
BOAR #1 B.L.	NO. CR440

EXHIBIT E

XTO ENERGY INC.

Jicarilla Apache #10F

APD Data

January 26, 2007

Location: 1970' FNL x 975' FEL Sec 27, T26N, R5W County: Rio Arriba State: New Mexico

GREATEST PROJECTED TD: 7700'

OBJECTIVE: Basin Dakota / Blanco Mesaverde /

Otero Chacra

APPROX GR ELEV: 6535'

Est KB ELEV: 6547' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 7700'
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 ($\pm 7700'$) in 7.875" 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'-7700	7700'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.10	1.31	1.69

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, 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 ± 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 ±7700' in 7.875" hole. DV Tool set @ ±4600'

1st Stage

LEAD:

±259 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:

±388 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 1877 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 (7700') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (7700') to 3,000'.

EXHIBIT F

6. **FORMATION TOPS:**

Est. KB Elevation: 6547'

FORMATION	Sub-Sea	MD	FORMATIO N	TV Sub- Sea	MD
Ojo Alamo SS	4145	2,387	Gallup	332	6,200
Kirtland Shale	3995	2,537	Greenhorn	-521	7,053
Farmington SS			Graneros	-576	7,108
Fruitland Formation	3941	2,591	Dakota 1*	-602	7,134
Lower Fruitland Coal	3661	2871	Dakota 2*	-632	7,164
Pictured Cliffs SS	3543	2,989	Dakota 3*	-698	7,230
Lewis Shale	3440	3,092	Dakota 4*	-736	7,268
Chacra SS**	2704	3,828	Dakota 5*	-771	7,303
Cliffhouse SS**	1926	4,606	Dakota 6*	-836	7,368
Menefee	1867	4,665	Burro Canyon	-878	7,410
Point Lookout SS**	1398	5,134	Morrison*	-971	7,503
Mancos Shale	1038	5,494	TD	-1168	7,700

* Primary Objective ** Secondary Objective

**** Maximum anticipated BHP should be <2,000 psig (<0.30 psi/ft) *****

7. **COMPANY PERSONNEL:**

Name	Title	Office Phone	Home Phone
John Egelston	Drilling Engineer	505-564-6734	505-330-6902
Jerry Lacy	Drilling Superintendent	505-566-7917	505-320-6543
John Klutsch	Project Geologist	817-885-2800	--

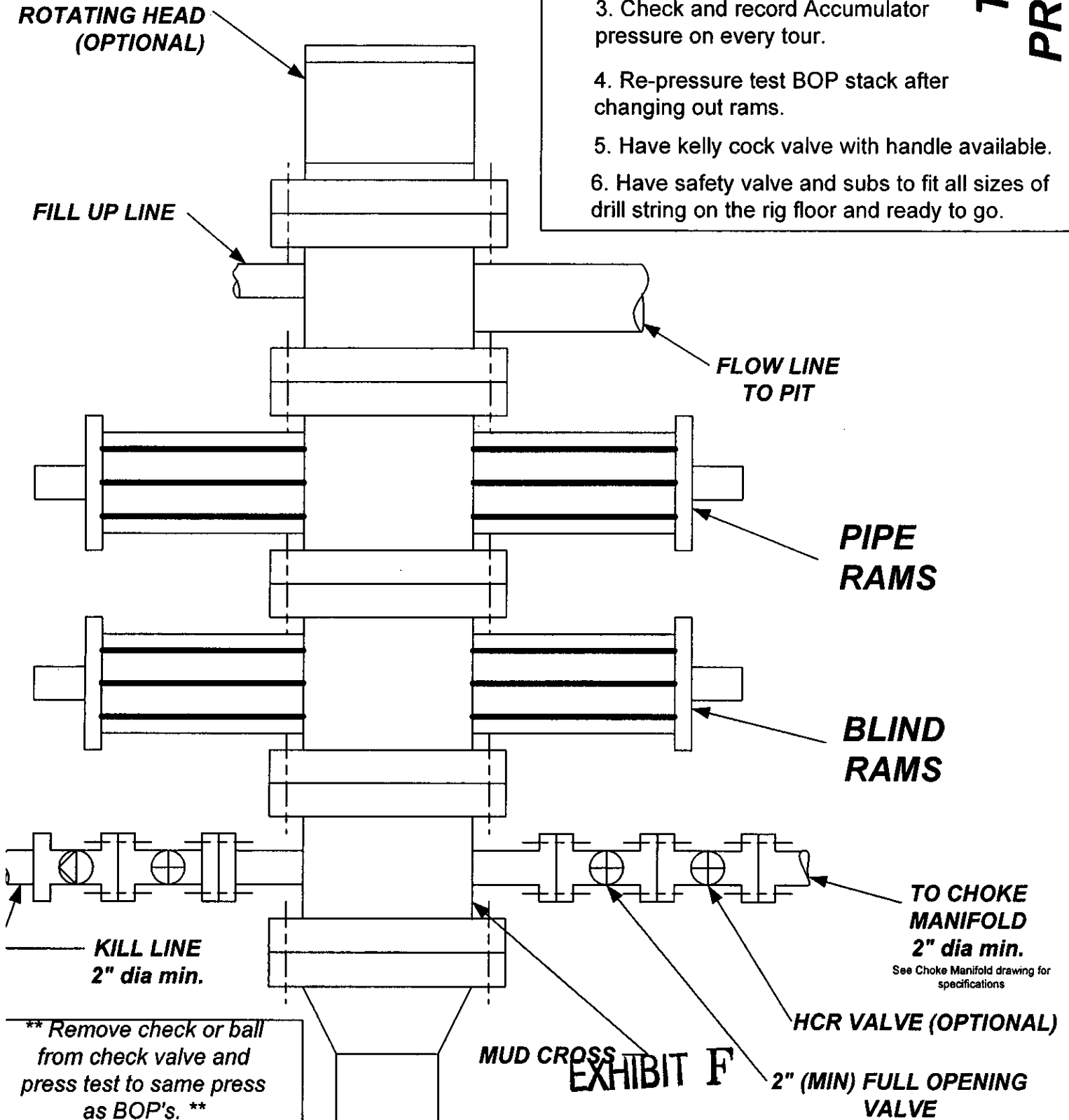
JWE
1/26/07

EXHIBIT F

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 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.



CHOKES 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**

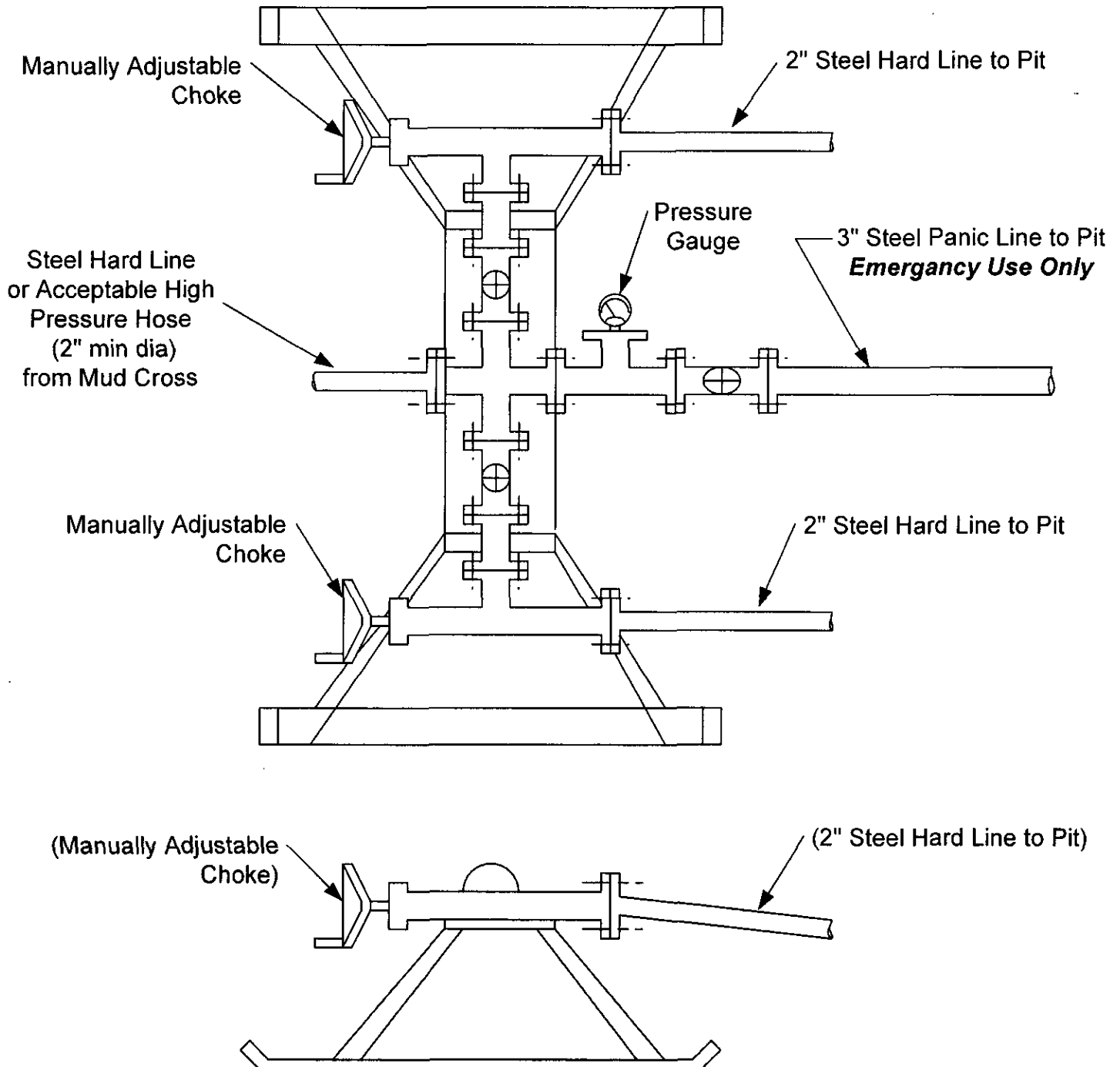


EXHIBIT F