Form 3160-3
(July 1992)

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
03 AUG -5 PM 12:04
070 Farmington, NM

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL [X] DEEPEN [ ]

b. TYPE OF WELL
OIL WELL [ ] GAS WELL [X] OTHER SINGLE ZONE [X] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR
XTO Energy Inc.

3. ADDRESS AND TELEPHONE NO.
2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
660' FNL & 755' FWL in Sec 8, T30N, R12W
At proposed prod. zone
same as above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 air miles east of the Flora Vista Post Office

5. LEASE DESIGNATION AND SERIAL NO.
NM - 021123

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
30328

8. FARM OR LEASE NAME, WELL NO.
Ohio "D" Government #3

9. API WELL NO.
3004531822

10. FIELD AND POOL, OR WILDCAT
Basin Fruitland Coal

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 8, T31N, R12W

12. COUNTY OR PARISH
San Juan

13. STATE
NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'

16. NO. OF ACRES IN LEASE
+-480

17. NO. OF ACRES ASSIGNED TO THIS WELL
320 W/2

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 75'

19. PROPOSED DEPTH
2,475'

20. ROTARY OR CABLE TOOLS
0-2,475' with Rotary Tools

21. ELEVATIONS (Show whether DF,RT, GR, etc.)
5,896' Ungraded Ground Level

22. APPROX. DATE WORK WILL START*
Summer 2003

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7", J-55	20.0#/ft	+-200'	75 sx Type III or Cl B cement
6-1/4"	4-1/2", J-55	10.5#/ft	+-2,475'	195 sx Premium Lite cement

XTO ENERGY INC. Request approval to drill the above mentioned well as described in the enclosed Surface Use Plan and proposed Drilling Program.

Note: Due to this well being located on existing location and being connected to an existing gas gathering system, No pipeline ROW is required.

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

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposalis to deepen, give dataon presentproductivezone and proposednew productivezone. If proposalis to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED JW Patton TITLE Drilling Engineer DATE 8/4/03

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE SEP 18 2003

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:

APPROVED BY /s/ David J. Mankiewicz TITLE DATE SEP 18 2003

*See Instructions On Reverse Side

NMOCD

Title 18 U.S.C. Section 1001, makes 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.

RECEIVED

2003 SEP -5 PM 12:04

070 Farmington, NM

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719

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

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
30-045-31822	71629	BASIN FRUITLAND COAL

4 Property Code	5 Property Name	6 Well Number
30378	OHIO "D" GOVERNMENT	3

7 OGRID No.	8 Operator Name	9 Elevation
167067	XTO ENERGY INC.	5896

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
D	8	31-N	12-W		660	NORTH	755	WEST	SAN JUAN

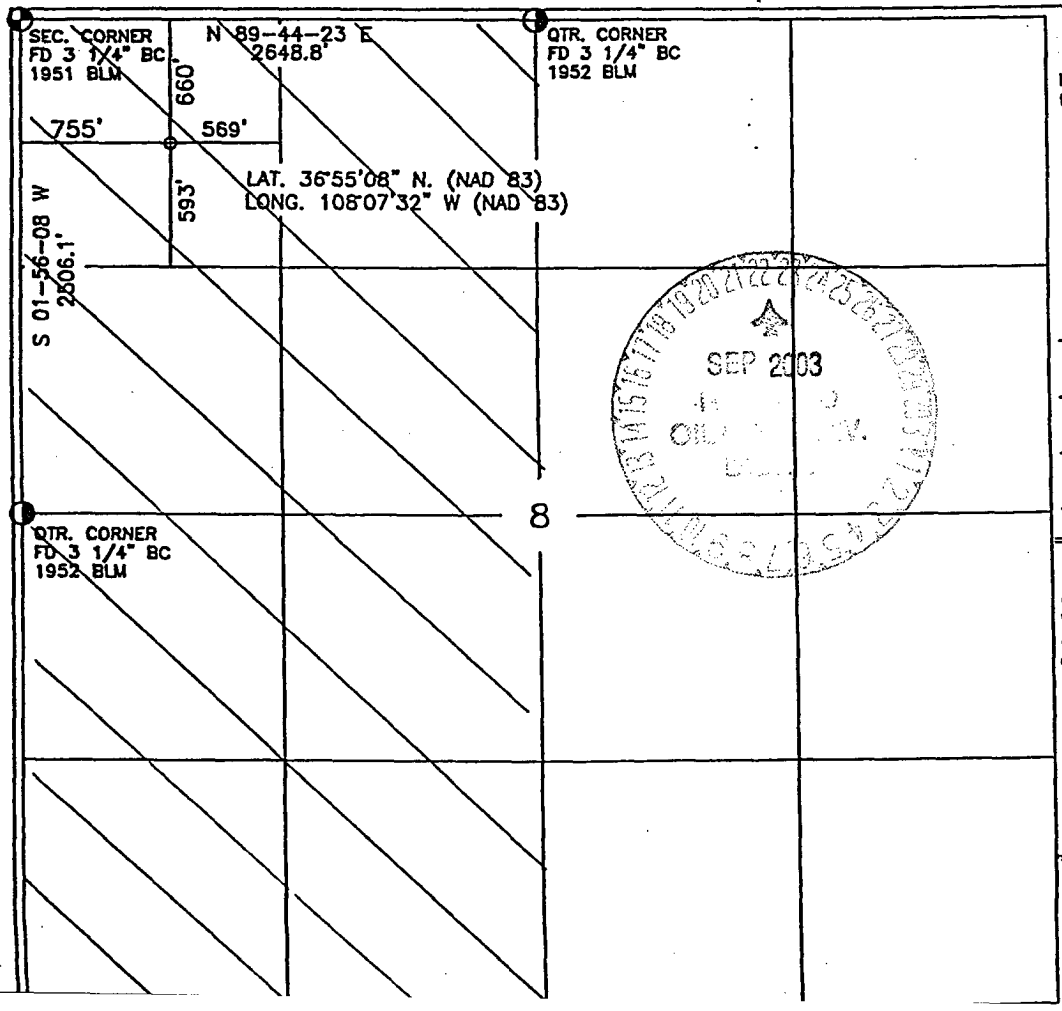
11 Bottom Hole Location If Different From Surface

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	13 Joint or Infill	14 Consolidation Code	15 Order No.
320 W/2	I		

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

Signature: J W Patton

Printed Name: JEFFREY W PATTON

Title: DRILLING ENGINEER

Date: 9-15-03

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 Seal of Professional Surveyor:

DAVID R. JOHNSON
NEW MEXICO
14827
REGISTERED PROFESSIONAL SURVEYOR

Certificate Number: 14827

XTO ENERGY INC.

DRILLING PROCEDURE
Ohio D Government #3
Basin Fruitland Coal
April 16, 2003

Location: 660' FNL & 755' FWL, Sec 8, T31N, R12W **County:** San Juan **State:** New Mexico

PROJECTED TOTAL DEPTH: 2,475' OBJECTIVE: Fruitland Coal GR ELEV: 5,896'

1. MUD PROGRAM:

INTERVAL	0'-200'	200'-TD
HOLE SIZE	8-3/4"	6-1/4"
MUD TYPE	FW/Native	FW/Polymer
MUD WEIGHT, ppg	8.6-9.0	8.6-9.1
VISCOSITY, sec/qt	28-32	28-33
WATER LOSS, cc	NC	NC

Remarks: Drill the surface hole with fresh water. Run and cement 7" surface casing, circulating cement to surface. NU and test BOP equipment, then drill out with fresh water. Use polymer sweeps as needed for hole cleaning. At TD, sweep the hole prior to TOH to log.

2. CASING PROGRAM:

Surface Casing: 7" casing to be set at ± 200' in 8.8 ppg mud.

Interval	Length	Wt (ppf)	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	DD (in)	SF Coll	SF Burst	SF Tension
0'-200'	200'	20#	J-55	STC	2,270	3,740	234	6.456	6.331	9.99	4.59	58.5

Optimum makeup torque for 7" 20#, J-55, STC casing is **2,340 ft-lbs** (Min - 1,760 ft-lbs, Max – 2,930 ft-lbs).

Production Casing: 4-1/2" casing to be set at ± 2,475' in 8.8 ppg mud.

Interval	Length	Wt (ppf)	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	DD (in)	SF Coll	SF Burst	SF Tension
0'-TD	2,475'	10.5#	J-55	STC	4,010	4,790	132	4.052	3.927	3.57	3.33	5.24

Optimum makeup torque for 4-1/2", 10.5#, J-55, casing is **1,320 ft-lbs** (Min - 990 ft-lbs, Max - 1,650 ft-lbs).

Capacity of 7", 20# casing is: 0.04048 bbl/ft
Capacity of 4-1/2", 10.5# casing is: 0.01595 bbl/ft

EXHIBIT E

3. **WELLHEAD:**

Casinghead: Larkin Fig 92 (or equivalent) 2,000 psig WP (4,000 psig test) with 7", 8rd pin on bottom and 8-5/8" API Modified 8rd thread on top.

Tubinghead: Larkin Model 612 (or equivalent) 2,000 psig WP (4,000 psig test) with 4-1/2", 8rd bottom thread and 8-5/8" 8rd API Modified top body thread, 4.090" minimum bore.

4. **CEMENT PROGRAM:**

A. Surface: 7", 20#, J-55, STC casing at ± 200'.

Lead: 75 sx Class B or Type III cement (or equivelent) containing ¼ pps celloflake, 2% $CaCl_2$ (mixed at 15.6 - 14.6 ppg, 1.18 - 1.39 ft^3/sk, 5.2 - 6.67 gal wtr/sk).

Total slurry volume is 104.25 ft^3, 250% excess of calculated annular volume required to circulate cement to surface.

B. Production: 4-1/2", 10.5#, J-55, STC casing at ± 2,475'.

Lead: 125* sx of Type III cement containing 8% gel, 1/4 pps Celloflake & 2% Phenoseal (mixed at 11.4 ppg, 3.03 ft^3/sk, 18.51 gal wtr/sk).

Tail: 70 sx Type III cement containing 1% CaCl2, 1/4 pps Celloflake & 2% Phenoseal (mixed at 14.5 ppg, 1.41 ft3/sk, 6.72 gal wtr/sx).

Total estimated slurry volume is 477 ft^3, ±100% excess of calculated annular volume required to circulate cement to surface.

*** Actual cement volumes will be determined using log caliper volume plus 40% excess.**

5. **DRILLING HAZARDS:**

- H_2S or other Poisonous Gases: No formations known to contain H_2S or any other poisonous gases will be penetrated with this wellbore.
- Abnormal Pressures: No overpressured zones are known to exist or are anticipated to be encountered during the drilling of this well.
- Lost Circulation: Seepage and/or lost circulation may be encountered below surface casing and can be controlled with conventional lost circulation materials added to the mud system.

6. **LOGGING PROGRAM:**

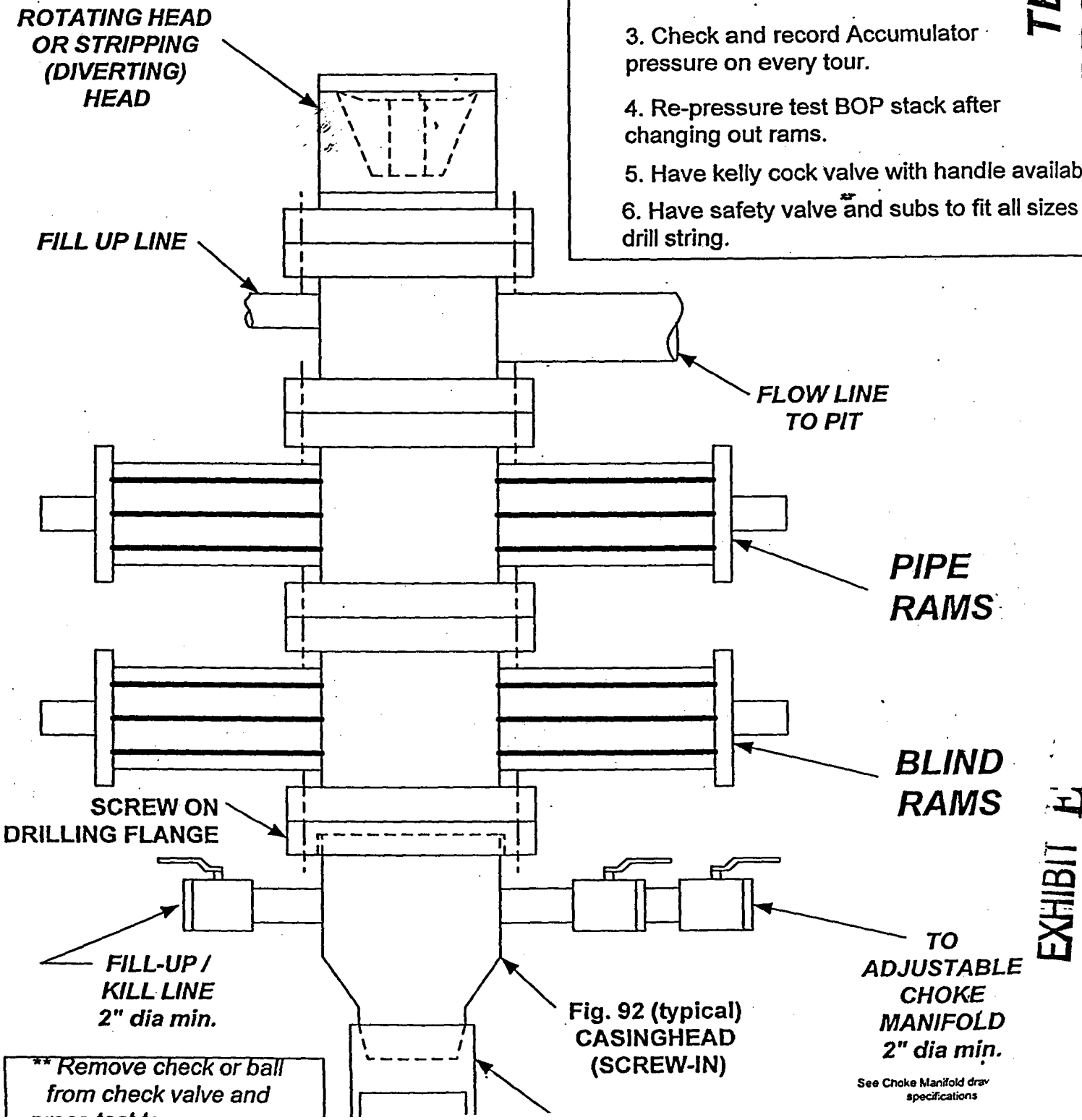
Array Induction/DFL/GR/SP/Cal — TD to bottom of surf csg.
DSN/Spectral Density/GR/Cal/Pe — TD to bottom of surf csg.

EXHIBIT E

BOP SCEMATIC 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).
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.



See Choke Manifold drav specifications

EXHIBIT E