

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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		2007 APR 16 PM 12:00 RECEIVED	5. Lease Serial No. NMSF 077951A
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 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. JACK FROST B #1F
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 775' FSL x 380' FWL M At proposed prod. zone 1000' FSL x 1980' FWL N			9. API Well No. 30-045-34275
14. Distance in miles and direction from nearest town or post office* Approximately 12.9 miles Southeast of Bloomfield, NM post office			10. Field and Pool, or Exploratory basin dakota
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 1000'		16. No. of Acres in lease 640	11. Sec., T., R., M., or Blk. and Survey or Area (M) SEC 27, T27N, R10W
17. Spacing Unit dedicated to this well 5/2 320 DK		12. County or Parish SAN JUAN	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 410'		13. State NM	
19. Proposed Depth 7100'		20. BLM/BIA Bond No. on file UTB000138	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6165' GROUND ELEVATION		22. Approximate date work will start* AUGUST 2007	
		23. Estimated duration 2 WEEKS	

24. Attachments

RCVD OCT 17 '07
OIL CONS. DIV.

DIST. 3

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.
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).

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

25. Signature <i>Kyla Vaughan</i>	Name (Printed/Typed) Kyla Vaughan	Date 04/13/07
Title Regulatory Compliance Tech		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) AFM	Date 10/16/07
Title AFM	Office FPO	

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)

HOLD C-104 FOR directional survey and as drilled C-102 Form
NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

APD/ROW

NMOC

B 10/26

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

DISTRICT II
1301 W. Grand Avenue, Artesia, N.M. 88210

DISTRICT III
1000 Rio 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 87504-2088

Form C-101

Revised October 12, 2005

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease: 47 Copies

RECEIVED
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30.045.3427571599	² Pool Code Basin Dakota	³ Pool Name
⁴ Property Code 22715	⁵ Property Name JACK FROST B	⁶ Well Number 1F
⁷ OGRID No. 5380	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6165

¹⁰ Surface Location

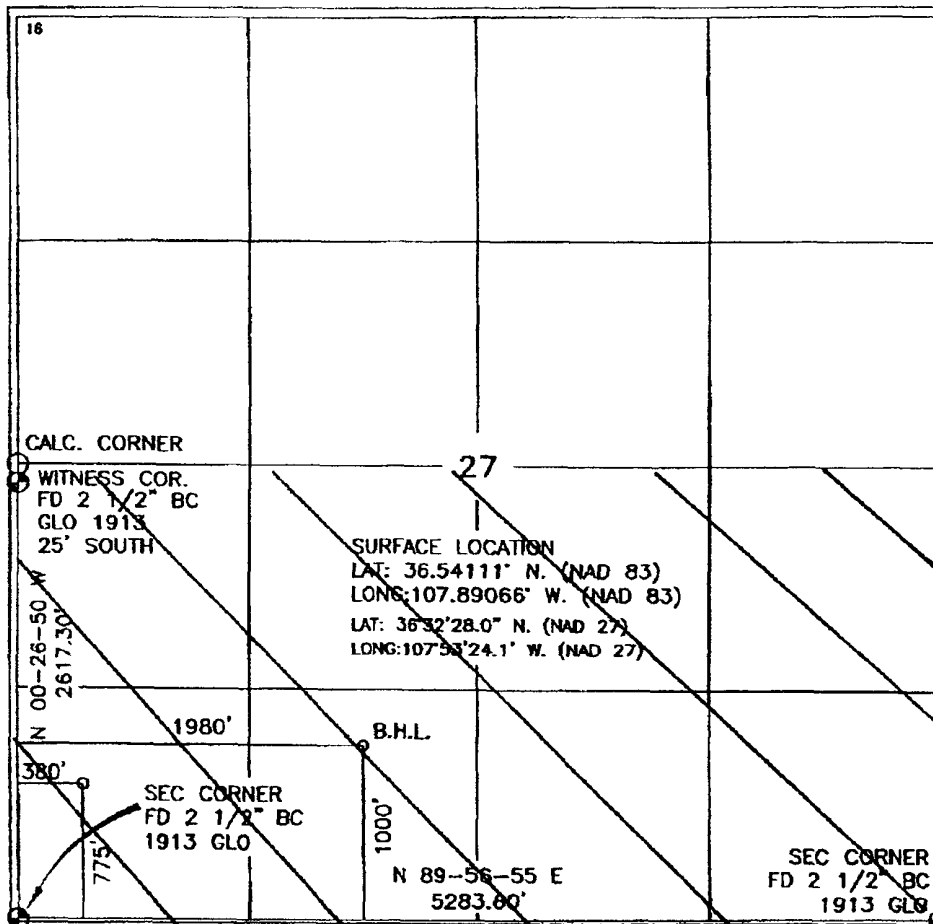
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	27	27-N	10-W		775	SOUTH	380	WEST	SAN JUAN

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
N	27	27-N	10-W		1000	SOUTH	1980	WEST	SAN JUAN

¹² Dedicated Acres 512.320	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.

Kelly K. Small
Signature Date
Kelly K. Small
Printed Name

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.

NOVEMBER 9, 2008
Date of Survey
Signature and Seal of Registered Surveyor:
[Seal]
8894
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

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

Form C-103
May 27, 2004

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	WELL API NO. 30-045-34275
2. Name of Operator XTO Energy Inc.	5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401	6. State Oil & Gas Lease No. NMSF 077951A
4. Well Location Unit Letter M : 775 feet from the SOUTH line and 380 feet from the WEST line Section 27 Township 27N Range 10W NMPM NMPM County SAN JUAN	7. Lease Name or Unit Agreement Name: JACK FROST B
	8. Well Number #1F
	9. OGRID Number 5380
	10. Pool name or Wildcat BASIN DAKOTA
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6165' GROUND ELEVATION	
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type DRILL Depth to Groundwater >100 Distance from nearest fresh water well >1000 Distance from nearest surface water >200	
Pit Liner Thickness: 12 mil 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:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: PIT <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

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 04/13/07
E-mail address: kyla_vaughan@xtoenergy.com
Type or print name Kyla Vaughan Telephone No. 505-564-6726

For State Use Only

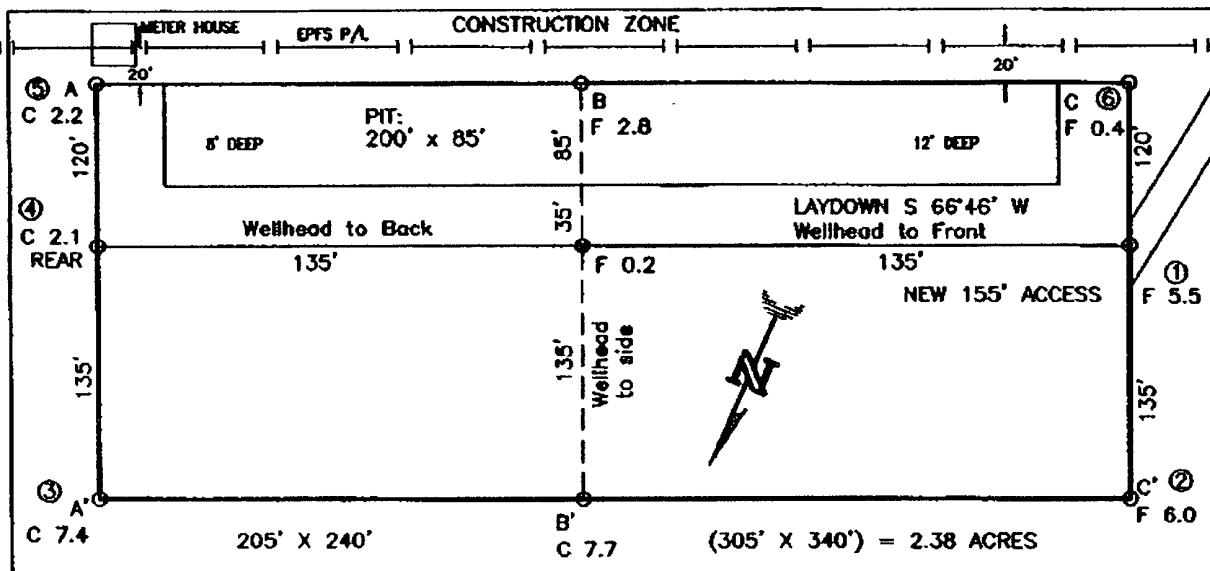
APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE OCT 26 2007

Conditions of Approval, if any:

EXHIBIT D

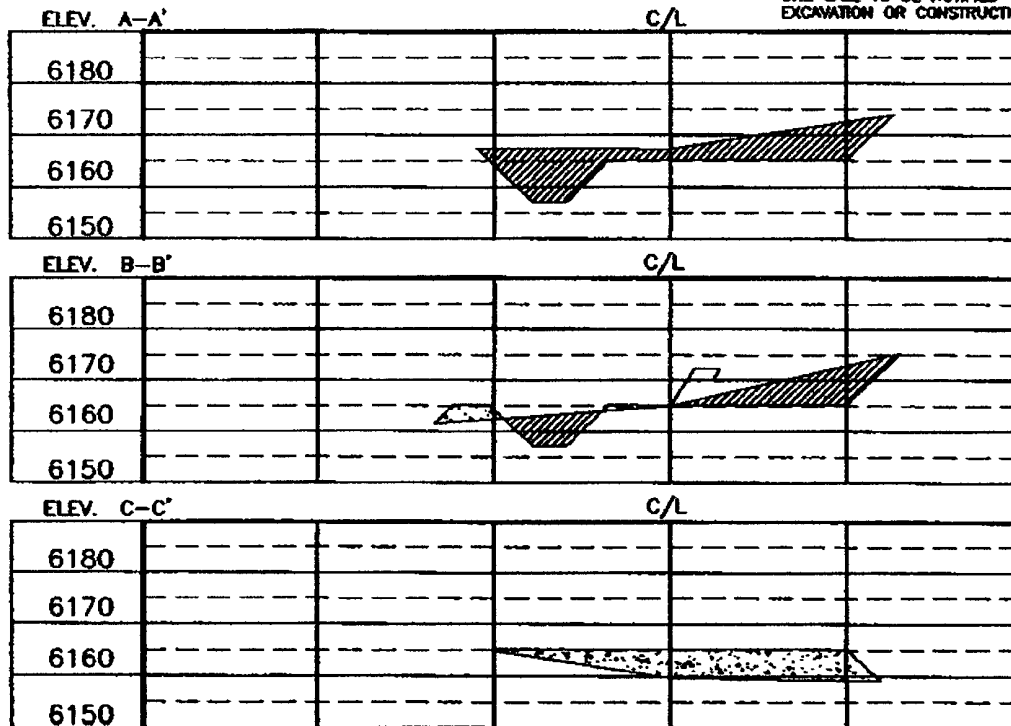
XTO ENERGY INC.
 JACK FROST B No. 1F, 775 FSL 380 FWL
 SECTION 27, T27N, R10W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 6165 DATE: NOVEMBER 9, 2006

NAD 83
 LAT. = 36.54111° N
 LONG. = 107.89066° W
 NAD 27
 LAT. = 36°32'28.0" N
 LONG. = 107°53'24.1" W



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.

Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P. O. Box 15068 • Farmington, NM 87401
 Phone (505) 328-1772 • Fax (505) 328-4019
 NEW MEXICO L.S. No. 8894
 GEORGE CHAVEZ
 State of N.M.



EXHIBIT E

XTO ENERGY INC.

Jack Frost B #1F

APD Data

April 12, 2007

Location: 775' FSL x 380' FWL Sec 27, T27N, R10W County: San Juan

State: New Mexico

Bottomhole Location: 1000' FSL x 1980' FWL Sec 27, T27N, R10W

GREATEST PROJECTED TD: 7100'

OBJECTIVE: Basin Dakota

APPROX GR ELEV: 6165'

Est KB ELEV: 6177' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 7100'
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 ($\pm 7100'$) 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'-7100	7100'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.20	1.43	1.85

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 $\pm 360'$ 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 $\pm 7100'$ in 7.875" hole. DV Tool set @ $\pm 4300'$

1st Stage

LEAD:

± 217 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:

± 360 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 1720 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: None.

B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (7100') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (7100') to 3,000'.

EXHIBIT F

6. **FORMATION TOPS:**

Est. KB Elevation: 6177'

Please see attached Directional Plan

**** 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
4/12/07

EXHIBIT F

XTO Energy, Inc.
Planning Report

Database: EDM 2003.14 Single User Db
Company: XTO Energy
Project: San Juan Basin (NAD 83)
Site: Jack Frost B #1F
Well: Jack Frost B #1F
Wellbore: Jack Frost B #1F
Design: Permitted Wellbore

Local Co-ordinate Reference: Well Jack Frost B #1F
TVD Reference: Rig KB @ 6177.0ft (AWS #545)
MD Reference: Rig KB @ 6177.0ft (AWS #545)
North Reference: True
Survey Calculation Method: Minimum Curvature

Formations						
Measured Depth (m)	Vertical Depth (m)	Name	Lithology	Dip (°)	Dip Direction (°)	
905.1	905.0	Ojo Alamo SS	Sandstone			
1,033.6	1,033.0	Kirtland Shale	Shale			
1,451.0	1,439.0	Fruitland Formation				
1,913.3	1,881.0	Lower Fruitland Coal	Coal			
1,929.0	1,896.0	Pictured Cliffs SS	Sandstone			
2,133.0	2,091.0	Lewis Shale	Shale			
2,880.9	2,806.0	Chacra SS	Sandstone			
3,610.0	3,503.0	Cliffhouse SS	Sandstone			
3,657.0	3,548.0	Menefee	Coal			
4,463.5	4,319.0	Point Lookout SS	Sandstone			
4,756.4	4,599.0	Mancos Shale	Shale			
5,618.3	5,423.0	Gallup**	Sandstone			
6,358.9	6,131.0	Greenhorn				
6,417.5	6,187.0	Graneros	Shale			
6,584.9	6,347.0	Dakota 1*	Sandstone			
6,615.2	6,376.0	Dakota 2*	Sandstone			
6,673.8	6,432.0	Dakota 3*	Sandstone			
6,725.0	6,481.0	Dakota 4*	Sandstone			
6,776.3	6,530.0	Dakota 5*	Sandstone			
6,813.9	6,566.0	Dakota 6*	Sandstone			
6,856.8	6,607.0	Burro Canyon				
6,902.9	6,651.0	Morrison*	Sandstone			

EXHIBIT F

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

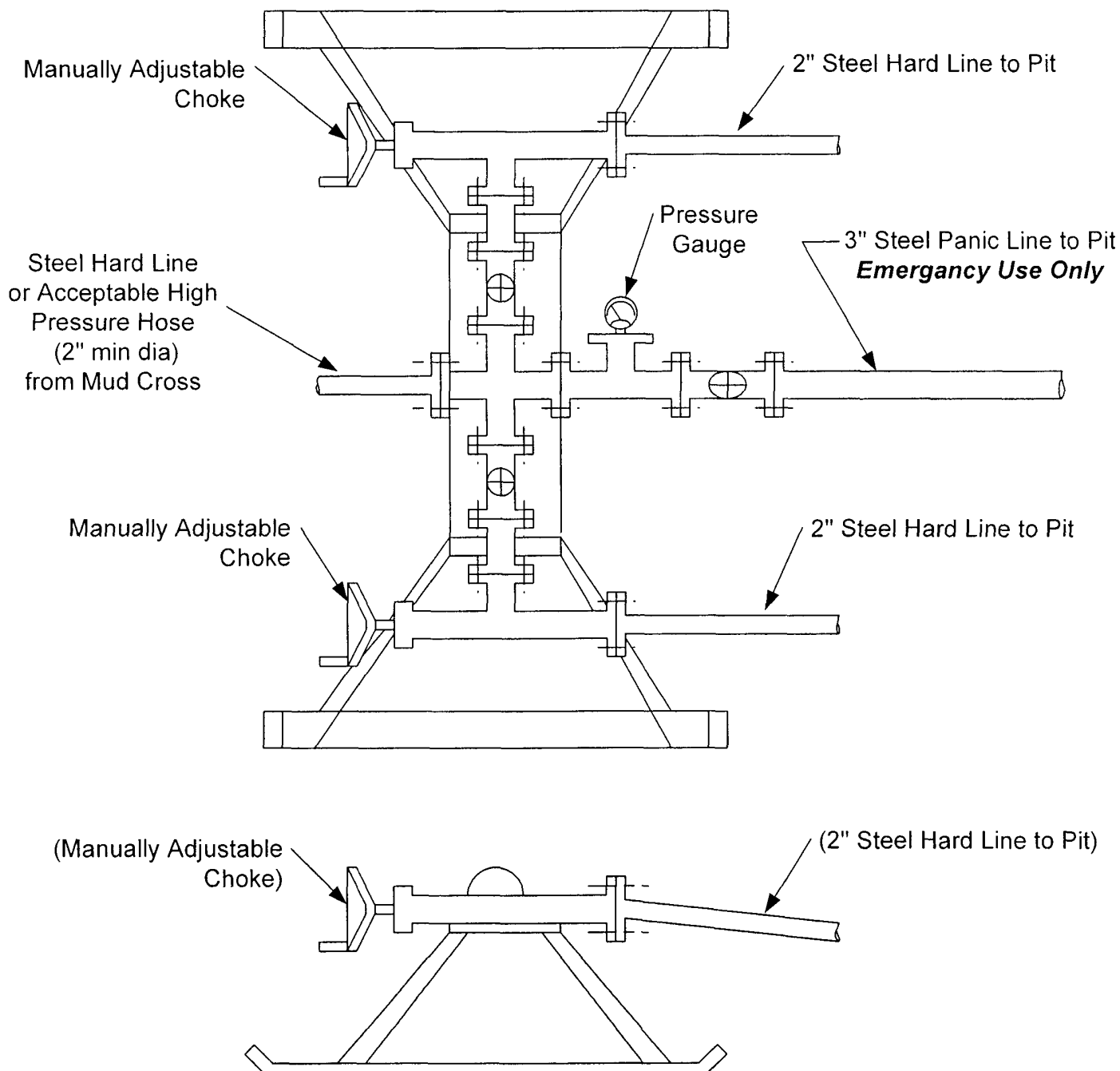


EXHIBIT F

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 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.

