

Form 3160-3
(February 2005)

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: DRILL REENTER 210 FARMINGTON NM

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator
XTO Energy, Inc.

3a. Address 2700 Farmington Ave, Bldg K - Suite 1
Farmington NM 87402

3b. Phone No. (include area code)
505-324-1090

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface 2355' FSL x 855' FEL
At proposed prod. zone same

5. Lease Serial No.
NMSF 046563

6. If Indian, Allottee or Tribe Name
N/A

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

8. Lease Name and Well No.
FRED FEASEL H #1G

9. API Well No.
30-045- 34389

10. Field and Pool, or Exploratory
BASIN DK/ WC BASIN MC

11. Sec., T. R. M. or Blk. and Survey or Area
(I) SEC 33, T28N, R10W

12. County or Parish
San Juan

13. State
NM

14. Distance in miles and direction from nearest town or post office*
Approximately 8 miles Southwest of Bloomfield, NM post office

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drng. unit line, if any) 855'

16. No. of acres in lease
2522.00

17. Spacing Unit dedicated to this well
E/2 320 DK - SE/4 160 MC

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1207'

19. Proposed Depth
6900'

20. BLM/BIA Bond No. on file
UTB-000138

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6046' Ground Elevation

22. Approximate date work will start*
09/15/2007

23. Estimated duration
2 weeks

24. Attachments

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

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature *Kyla Vaughan* Name (Printed/Typed) Kyla Vaughan Date 08/06/2007

Title Regulatory Compliance

Approved by (Signature) *[Signature]* Name (Printed/Typed) Office FFO Date 10/23/07

Title AFM

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.

SEE ATTACHED FOR

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.

CONDITIONS OF APPROVAL

*(Instructions on page 2)

HOLD C104 FOR NSL mancos

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 & CEMENT

APD/ROW

NMOCD 06 OCT 30 2007

AU

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

DISTRICT II
1301 W Grand Ave., Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 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 October 12, 2005

Submit to Appropriate District Office
State Lease - 2 Copies
Fee Lease - 3 Copies

AMENDED REPORT

RECEIVED
OCT 13 2006
SANTA FE, NEW MEXICO

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34389	² Pool Code 71599	³ Pool Name BASIN DANCHA
⁴ Property Code 22697	⁵ Property Name FRED FEASEL H	
⁶ OGRID No 5380	⁷ Operator Name XTO ENERGY INC	⁸ Well Number 1G
		⁹ Elevation 6046

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
1	33	28-N	10-W		2355	SOUTH	855	EAST	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 812 320									
			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

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.

[Signature] 5/13/07
Signature Date
H. 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.

DECEMBER 4 2006
Date of Survey
Signature and Seal of Professional Land Surveyor
[Signature]
4
Certificate Number

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

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1301 W Grand Ave., Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 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 October 12, 2005

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34389	² Pool Code 91232	³ Pool Name Basin Mancos
⁴ Property Code	⁵ Property Name FRED FEASEL H	⁶ Well Number 1G
⁷ OCRID No 5380	⁸ Operator Name XTO ENERGY INC.	⁹ Invokr 0046

¹⁰ Surface Location

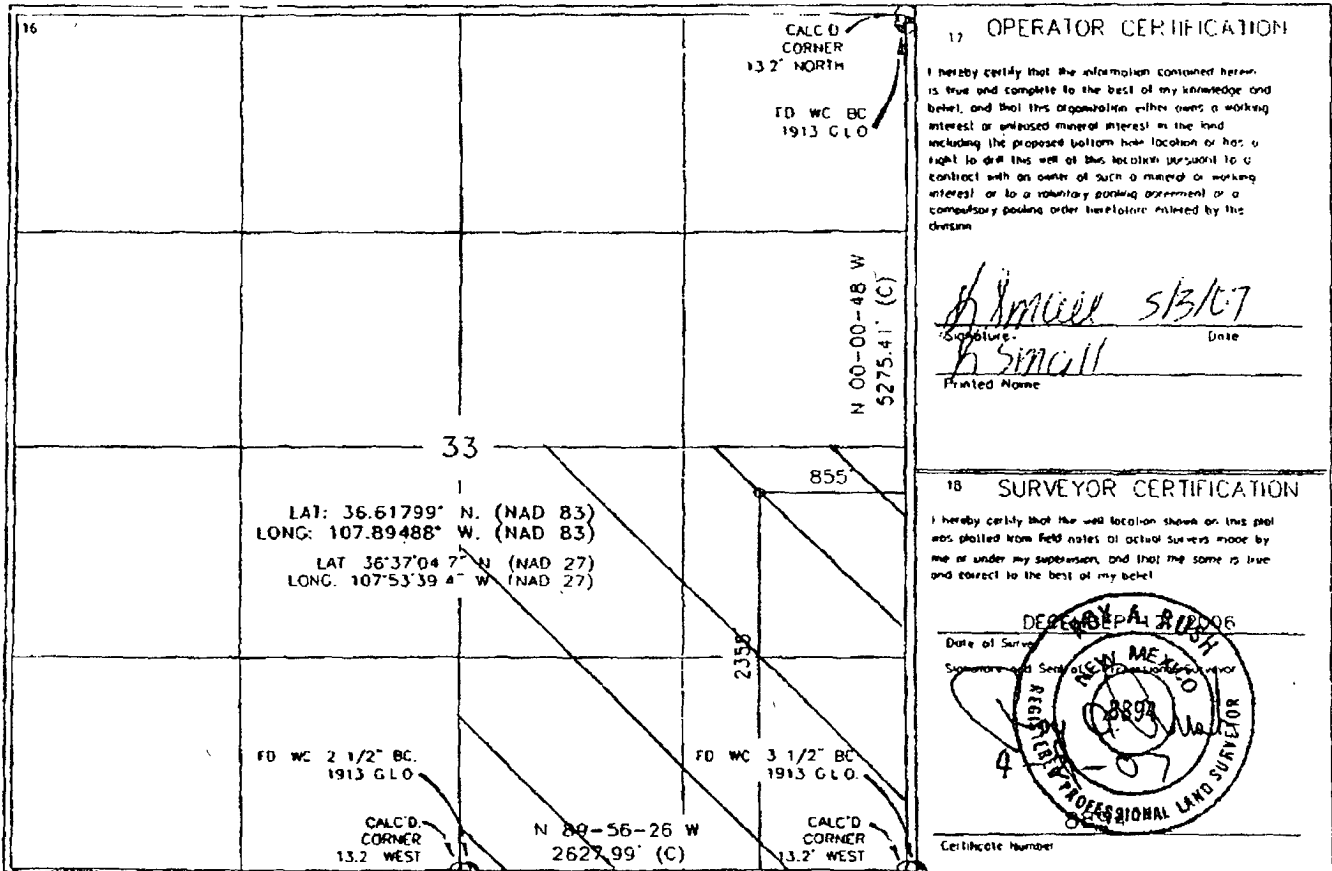
UT or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	33	28-N	10-W		2355	SOUTH	855	EAST	SAN JUAN

¹¹ Bottom Hole Location II Different From Surface

UT or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 58/4 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No NSL-5677
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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



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>36-045-34389</u>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Fred Feasel H
8. Well Number #1G
9. OGRID Number 5380
10. Pool name or Wildcat Basin Dakota/WC Basin Mancos

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 I : 2355 feet from the South line and 855 feet from the East line
 Section 33 Township 28N Range 10W NMPM NMEM County SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6046' Ground Elevation

Pit or Below-grade Tank Application or Closure

Pit type DRILL Depth to Groundwater >100 Distance from nearest fresh water well >1000 Distance from nearest surface water <1000

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

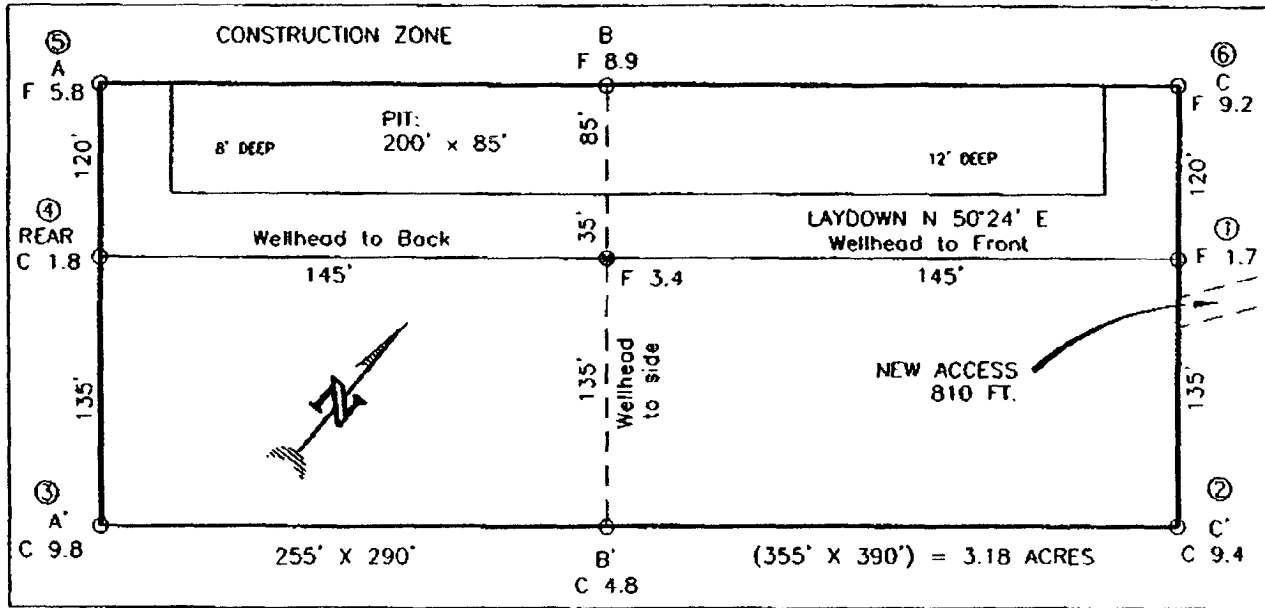
SIGNATURE Kyla Vaughan TITLE Regulatory Compliance Tech DATE 08/03/2007
 E-mail address: kyla_vaughan@xtoenergy.com
 Type or print name Kyla Vaughan Telephone No. 505-564-6726

For State Use Only
 APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE OCT 30 2007
 Conditions of Approval, if any:

EXHIBIT D

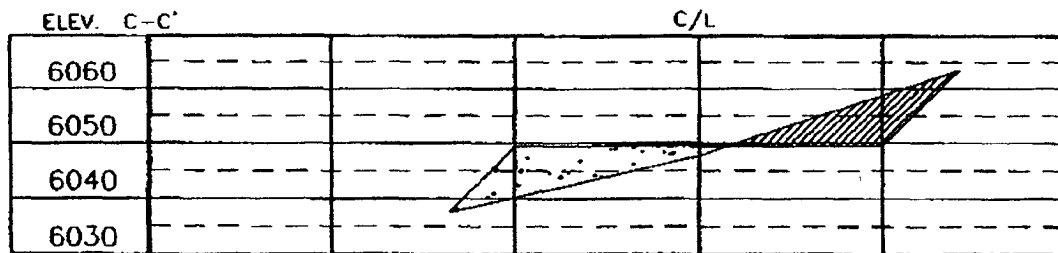
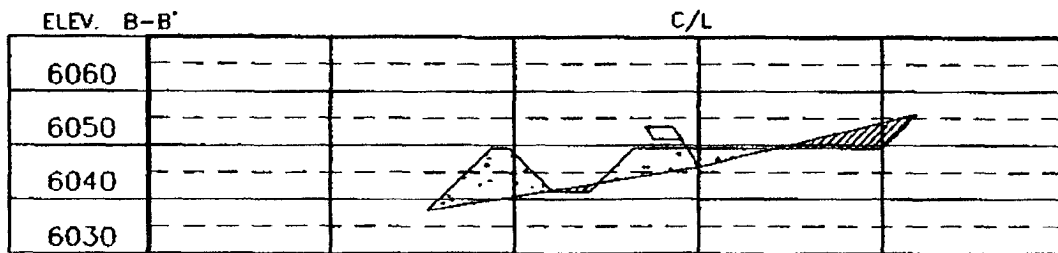
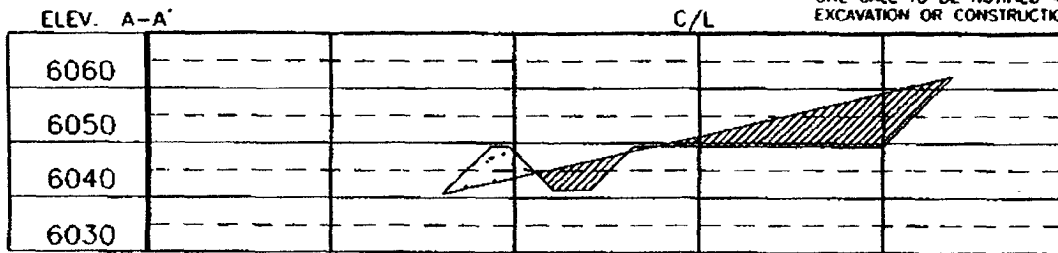
XTO ENERGY INC.
 FRED FEASEL H No. 1G, 2355 FSL 855 FEL
 SECTION 33, T28N, R10W, N.M.P.M., SAN JUAN COUNTY, N.M.
 GROUND ELEVATION: 6046' DATE: DECEMBER 12, 2006

NAD 83
 LAT. = 36.61799° N
 LONG. = 107.89488° W
 NAD 27
 LAT. = 36°37'04.7" N
 LONG. = 107°53'39.4" 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.


DATE	REVISED BY	Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15088 Farmington, NM 87401 Phone (505) 316-1772 • Fax (505) 326-6019 NEW MEXICO L.S. No. 8894	CONTROL CR787-PLB	DATE: 3/29/07
	DATE		DATE	DATE
DRAWN BY: G.V.				
REVISED BY:				

EXHIBIT E

XTO ENERGY INC.

Fred Feasel H #1G

APD Data

August 6, 2007

Location: 2355' FSL x 855' FEL Sec 33, T28N, R10W County: San Juan State: New Mexico

GREATEST PROJECTED TD: 6900'
APPROX GR ELEV: 6046'

OBJECTIVE: Basin Dakota / Basin Mancos
Est KB ELEV: 6058' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 6900'
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 12.25" 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 ($\pm 6900'$) 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'-6900'	6900'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.22	1.46	1.89

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 $\pm 6900'$ in 7.875" hole. DV Tool set @ $\pm 4100'$

1st Stage

LEAD:

± 223 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:

± 341 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 1683 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 (6900') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (6900') to 3,000'.

EXHIBIT F

6. FORMATION TOPS:

Est. KB Elevation: 6058'

FORMATION	Sub-Sea	MD	FORMATION	TV Sub-Sea	MD
Ojo Alamo SS	5061	997	Gallup	506	5552
Kirtland Shale	4915	1143	Greenhorn	-257	6315
Farmington SS			Graneros	-319	6377
Fruitland Formation	4520	1538	Dakota 1*	-350	6408
Lower Fruitland Coal	4067	1991	Dakota 2*	-375	6433
Pictured Cliffs SS	4050	2008	Dakota 3*	-432	6490
Lewis Shale	3892	2166	Dakota 4*	-494	6552
Chacra SS	3114	2944	Dakota 5*	-530	6588
Cliffhouse SS*	2475	3583	Dakota 6*	-561	6619
Menefee**	2400	3658	Burro Canyon	-583	6641
Point Lookout SS*	1695	4363	Morrison*	-619	6677
Mancos Shale	1370	4688	TD	-842	6900

* 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
Justin Niederhofer	Drilling Engineer	505-566-7946	505-320-0158
Jerry Lacy	Drilling Superintendent	505-566-7917	505-320-6543
John Klutsch	Project Geologist	817-885-2800	--

JWE
8/6/07

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

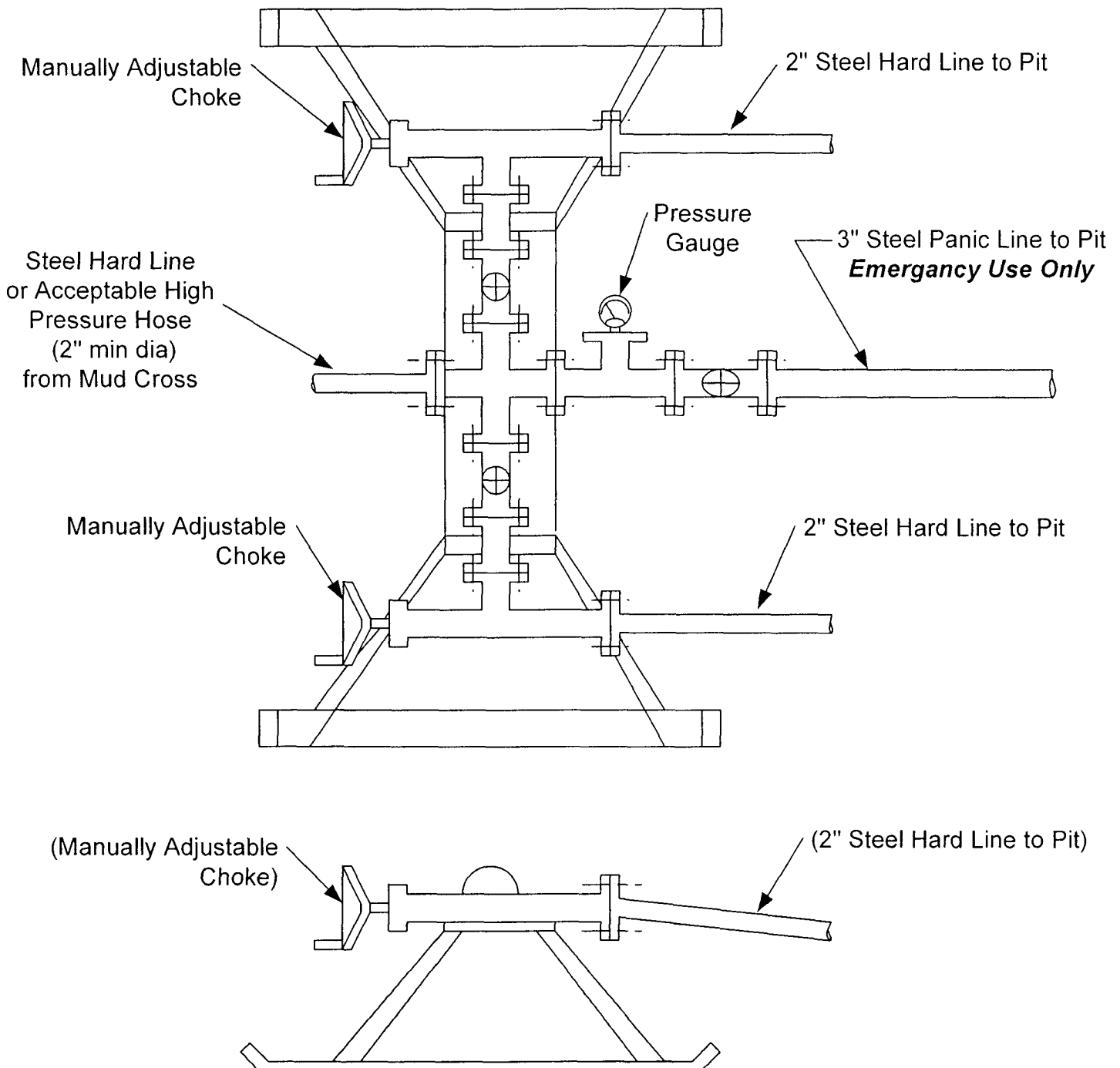


EXHIBIT F

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.

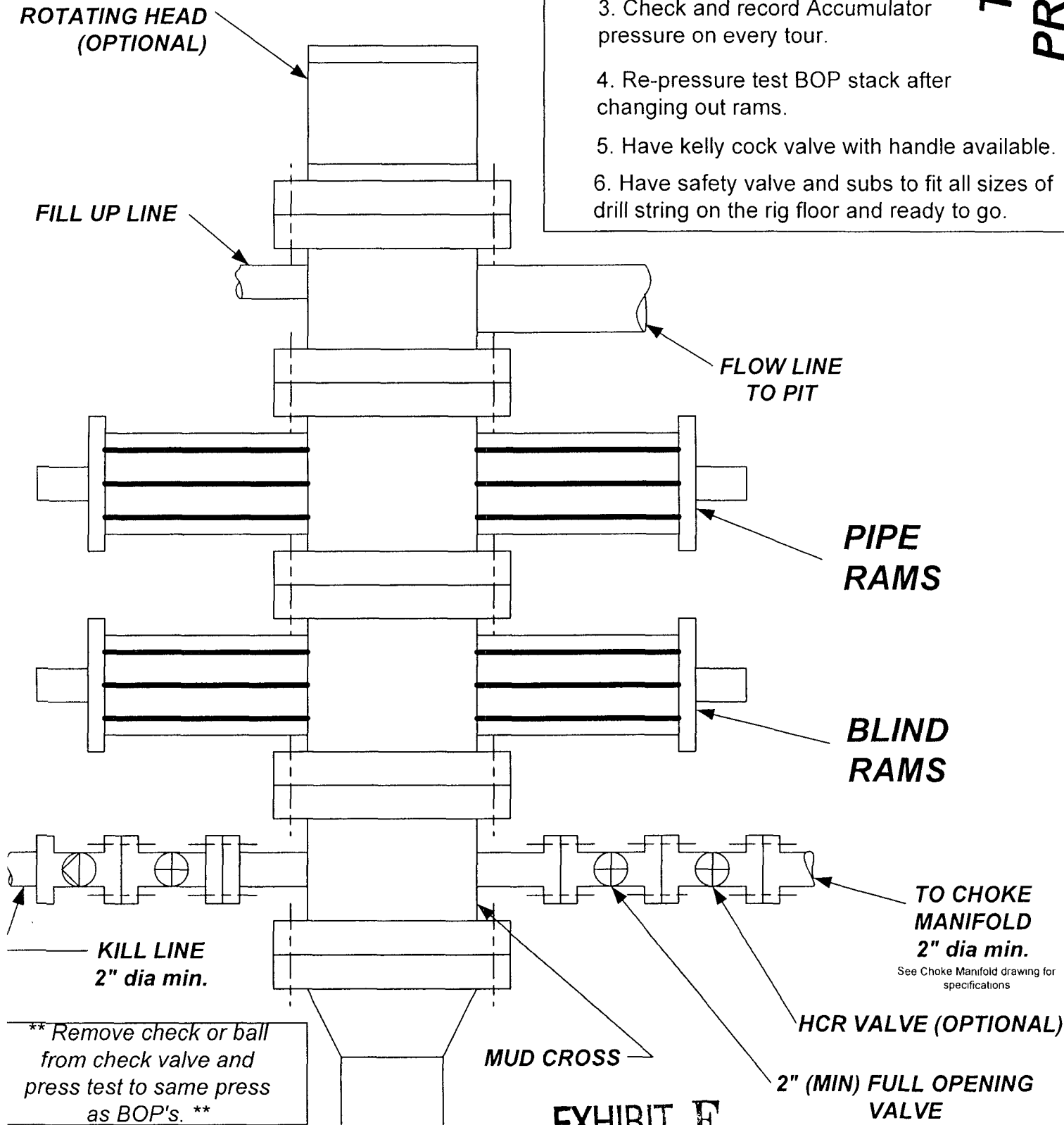


EXHIBIT F