

DIST. 3

Form 3160-3
(February 2005)

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
BIA 142060462

6. If Indian, Allottee or Tribe Name
Ute Mountain Ute

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

8. Lease Name and Well No.
Ute Indians A #52X

9. API Well No.
30-045-34642

10. Field and Pool, or Exploratory
Ute Dome Paradox

1a. Type of work: DRILL REENTER

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

2. Name of Operator
XTO Energy, Inc.

3a. Address **382 CR 3100
AZTEC, NM 87410**

3b. Phone No. (include area code)
505-333-3100

4. Location of Well (Report location clearly and in accordance with any State requirements.)
At surface **1475' ENL x 1970' FEL**
At proposed prod. zone **same**

11. Sec., T R. M. or Blk. and Survey or Area
9 (G) Sec 36, T32N, R14W

14. Distance in miles and direction from nearest town or post office*
Approximately 5 miles Northwest of La Plata, NM Post office

12. County or Parish
San Juan

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) **1475'**

16. No. of acres in lease
4251.9

17. Spacing Unit dedicated to this well
640

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. **502'**

19. Proposed Depth
8938'

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6373' Ground Elevation

22. Approximate date work will start*
03/25/2008

23. Estimated duration
2 weeks

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

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, must 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 must 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 BLM.

25. Signature *Kyla Vaughan*
Title **Regulatory Compliance**

Name (Printed/Typed) **Kyla Vaughan**

Date **01/29/2008**

APPROVED FOR A PERIOD NOT TO EXCEED 2 YEARS

Approved by (Signature) */s/ Richard A. Rymerson*
Title **MINERALS STAFF CHIEF**

Name (Printed/Typed)

Office **SAN JUAN PUBLIC LANDS CENTER**

Date **MAR 10 2008**

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 CONDITIONS OF APPROVAL

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)

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

RECEIVED

NOTIFY AZTEC OCD 24 HRS PRIOR TO CASING & CEMENT

FEB - 1 2008
Bureau of Land Management
Durango, Colorado

MAR 19 2008
AV

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

DISTRICT II
1301 W. Grand Ave., 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 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 30-045-34042	² Pool Code 86760	³ Pool Name UTE DOME PARADOX
⁴ Property Code 22645	⁵ Property Name UTE INDIANS A	
⁷ OGRID No. 5380	⁶ Operator Name XTO ENERGY INC.	⁸ Well Number 52X
		⁹ Elevation 6373

¹⁰ Surface Location

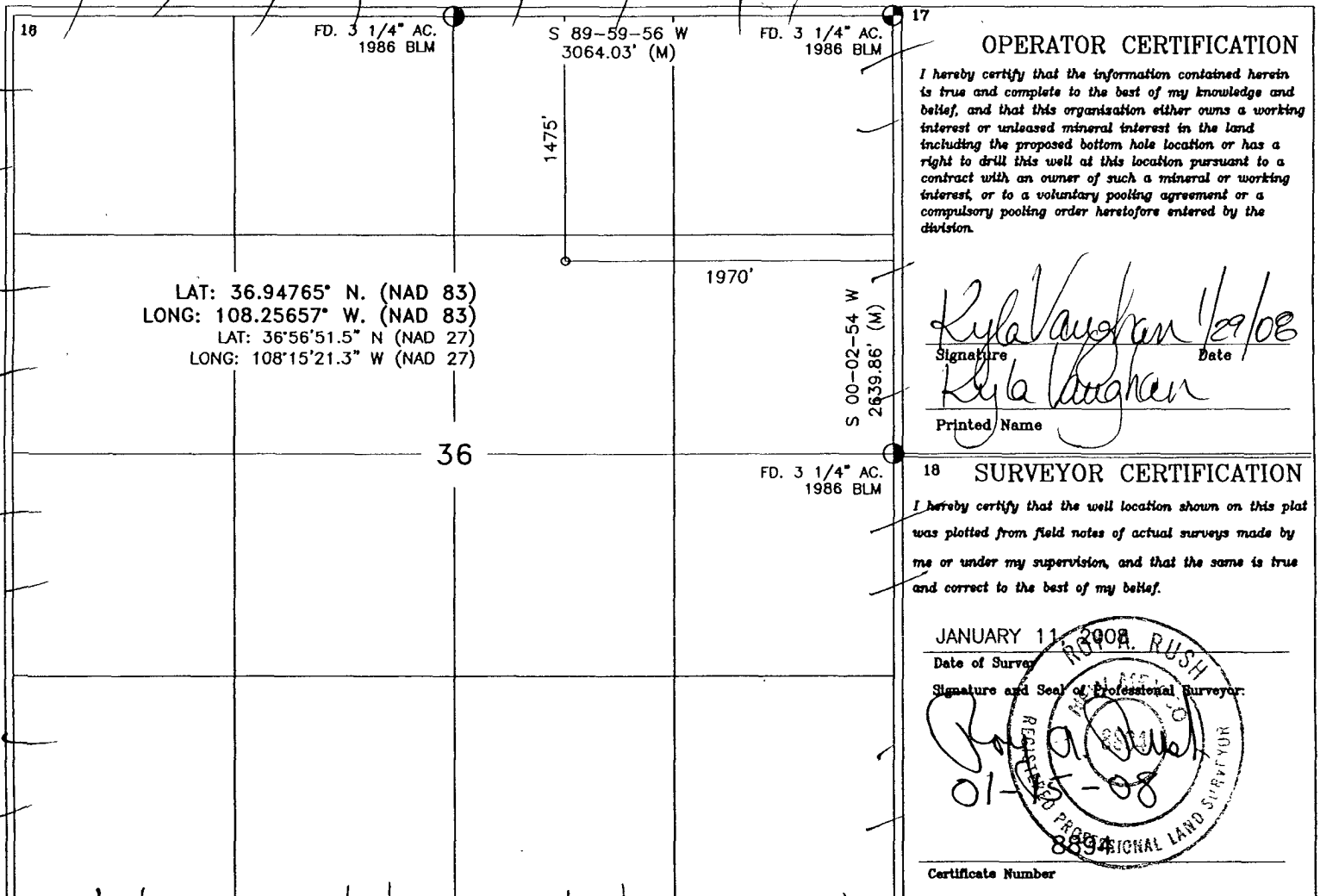
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	36	32-N	14-W	U00	1475	NORTH	1970	EAST	SAN JUAN

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 691.18	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



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.

Ryle Vaughan 1/29/08
Signature Date
Ryle Vaughan
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.

JANUARY 11, 2008
Date of Survey
Signature and Seal of Professional Surveyor:

[Signature]
01-29-08
Professional Land Surveyor
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

Form C-103
 May 27, 2004

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

WELL API NO. 30-045- 34642
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. BIA 142060462
7. Lease Name or Unit Agreement Name: UTE INDIANS A
8. Well Number #52X
9. OGRID Number 5380
10. Pool name or Wildcat UTE DOME PARADOX

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 G : 1475 feet from the NORTH line and 1970 feet from the EAST line
 Section 36 Township 32N Range 14W NMPM NMEM County SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 6373' 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 _____ 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: <u>PIT</u> <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 NMOC guidelines , a general permit or an (attached) alternative OCD-approved plan

SIGNATURE Kyla Vaughan 29 08 TITLE Regulatory Compliance Tech DATE 01/29/2008
 E-mail address: kyla_vaughan@xtoenergy.com Telephone No. 505-564-6726
 Type or print name Kyla Vaughan

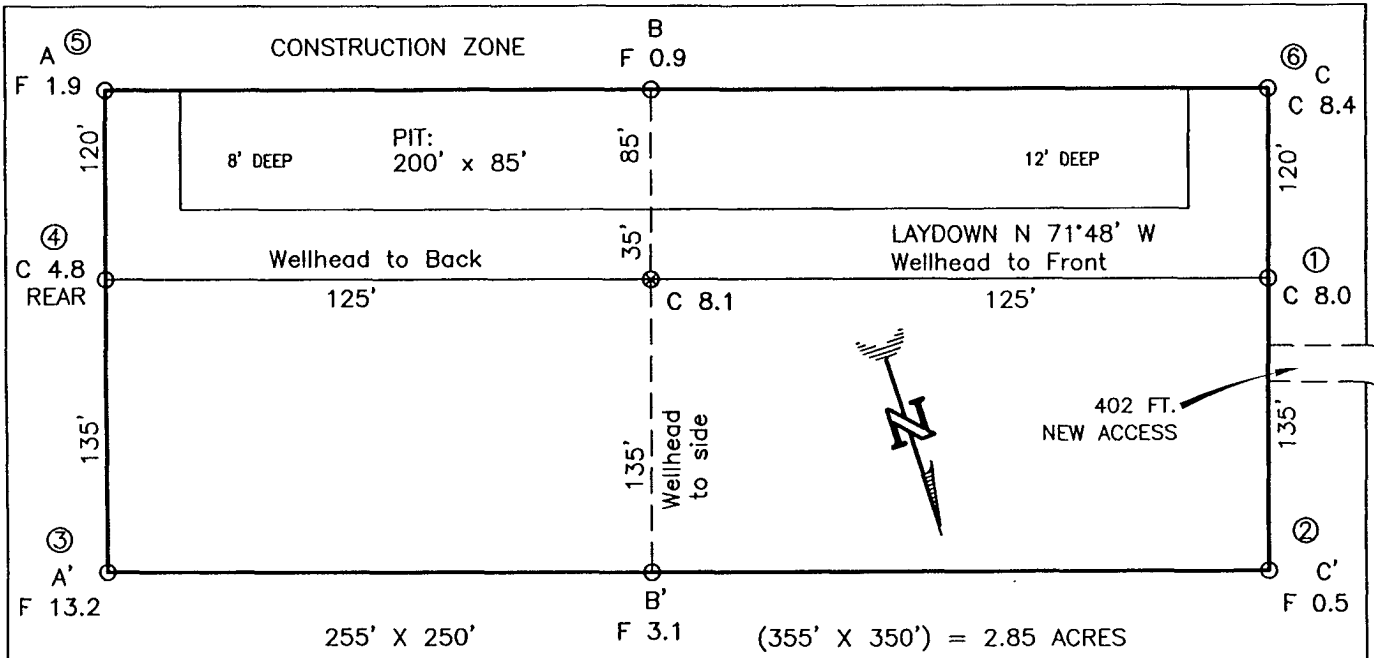
For State Use Only
 APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE MAR 19 2008

Conditions of Approval, if any:

EXHIBIT D

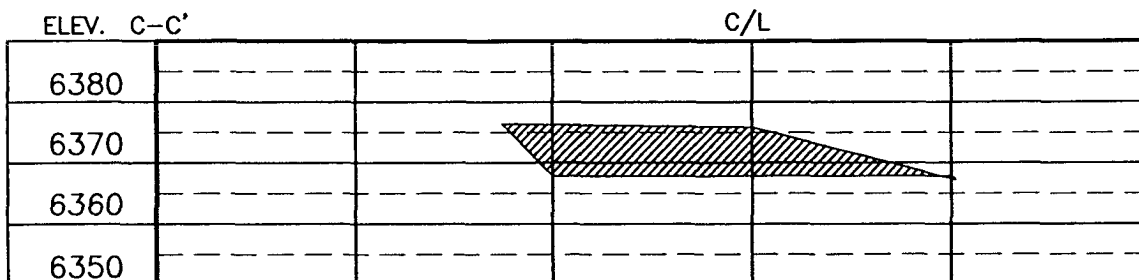
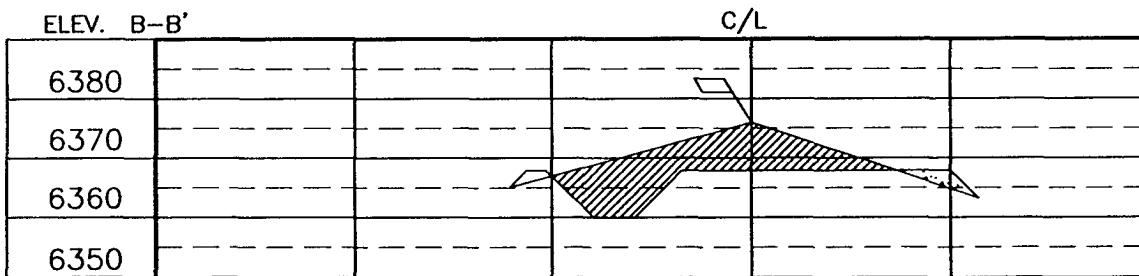
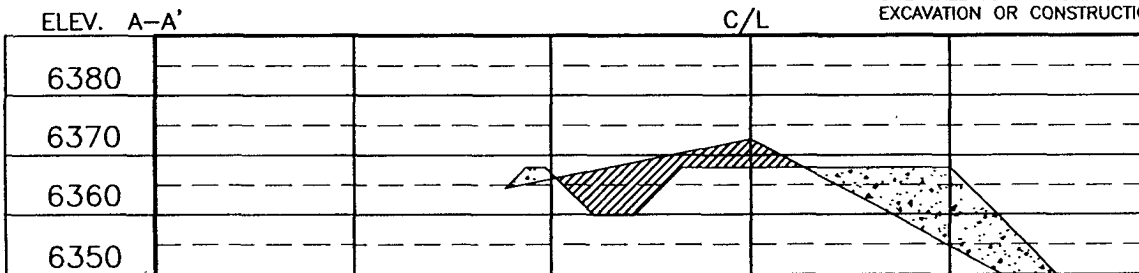
XTO ENERGY INC.
 UTE INDIANS A No. 52X, 1475 FNL 1970 FEL
 SECTION 36, T32N, R14W, N.M.P.M., SAN JUAN COUNTY, N.M.
 GROUND ELEVATION: 6373' DATE: JANUARY 11, 2008

NAD 83
 LAT. = 36.94765° N
 LONG. = 108.25657° W
 NAD 27
 LAT. = 36°56'51.5" N
 LONG. = 108°15'21.3" 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.

EXHIBIT E

REVISION:	DATE:	NAME CHANGE/FOOTAGE CHANGE	1/11/08	REVISED BY:	G.V.
Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 510 - Farmington, NM 87499 Phone (505) 326-1772 - Fax (505) 326-6019 NEW MEXICO L.S. No. 8894			DRAWN BY: G.V. ROW# CR584		
DATE: 10/13/06			DATE: 10/13/06		

XTO ENERGY INC.

Ute Indians A #52 X

APD Data

January 29, 2008

Location: 1475' FNL x 1970' FEL Sec 36, T32N, R14W County: San Juan

State: New Mexico

GREATEST PROJECTED TD: 8938'

OBJECTIVE: Ute Dome Paradox

APPROX GR ELEV: 6376'

Est KB ELEV: 6394' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 8938'
HOLE SIZE	12.25"	8.75"	8.75"
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 $\pm 800'$ 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'-800'	800'	36.0#	J-55	ST&C	2020	3520	394	8.921	8.765	11.73	20.44	30.40

Production Casing: 5.5" casing to be set at TD ($\pm 8938'$) 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'-8938	8938'	17.0#	N-80	LT&C	6280	7740	348	4.892	4.767	1.47	1.81	2.29

3. WELLHEAD:

- 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.
- 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: 9.625", 36.0#, J-55, ST&C casing to be set at $\pm 800'$ in 12-1/4" hole.

361 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 501 ft³, 100% excess of calculated annular volume to 800'.

B. Production: 5.5", 17.0#, N-80 (or K-55), LT&C casing to be set at $\pm 8938'$ in 8.75" hole.

1st Stage

LEAD:

± 1095 sx of Premium Lite FM (Type III/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 12.1 ppg, 2.08 ft³/sk, 11.55 gal wtr/sx.

TAIL:

210 sx Premium Lite HS cement with bonding additive, LCM, dispersant, & fluid loss mixed at 12.5 ppg, 1.97 cuft/sx, 10.41 gal/sx.

Total estimated slurry volume for the 5-1/2" production casing is 2682 ft³.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 20%. 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 (8938') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (8938') to 3,000'.

EXHIBIT F

6. FORMATION TOPS:

Est. KB Elevation: 6394'

FORMATION	Sub-Sea	MD	FORMATION	TV Sub-Sea	MD
Ojo Alamo SS	5404	902	Gallup	725	5,581
Kirtland Shale	5298	1,008	Greenhorn	-129	6,435
Farmington SS			Graneros	-188	6,494
Fruitland Formation	4811	1,495	Dakota 1*	-218	6,524
Lower Fruitland Coal	4317	1989	Dakota 2*	-241	6,547
Pictured Cliffs SS	4299	2,007	Dakota 3*	-285	6,591
Lewis Shale	4059	2,247	Dakota 4*	-326	6,632
Chacra SS	3384	2,922	Dakota 5*	-371	6,677
Cliffhouse SS*	2780	3,526	Dakota 6*	-411	6,717
Menefee**	2691	3,615	Burro Canyon	-451	6,757
Point Lookout SS*	1847	4,459	Morrison*	-511	6,817
Mancos Shale	1559	4,747	TD	-694	7,000

* 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	505-333-3199	505-320-0158
Jerry Lacy	Drilling Superintendent	505-333-3177	505-320-6543
John Klutsch	Project Geologist	817-885-2800	--

JN
1/29/08

EXHIBIT F

XTO Energy

3M Choke
Manifold

11/9/2006

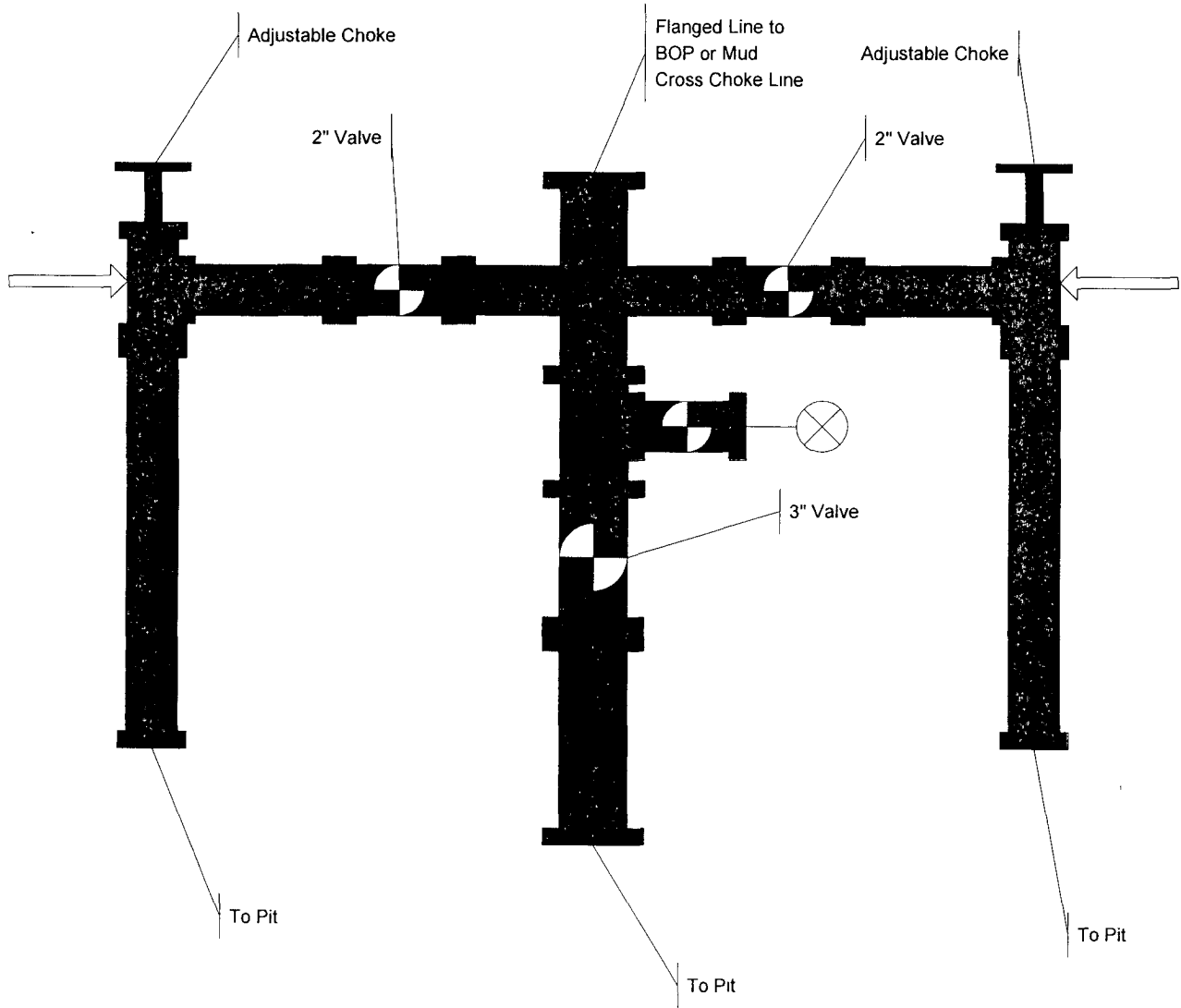
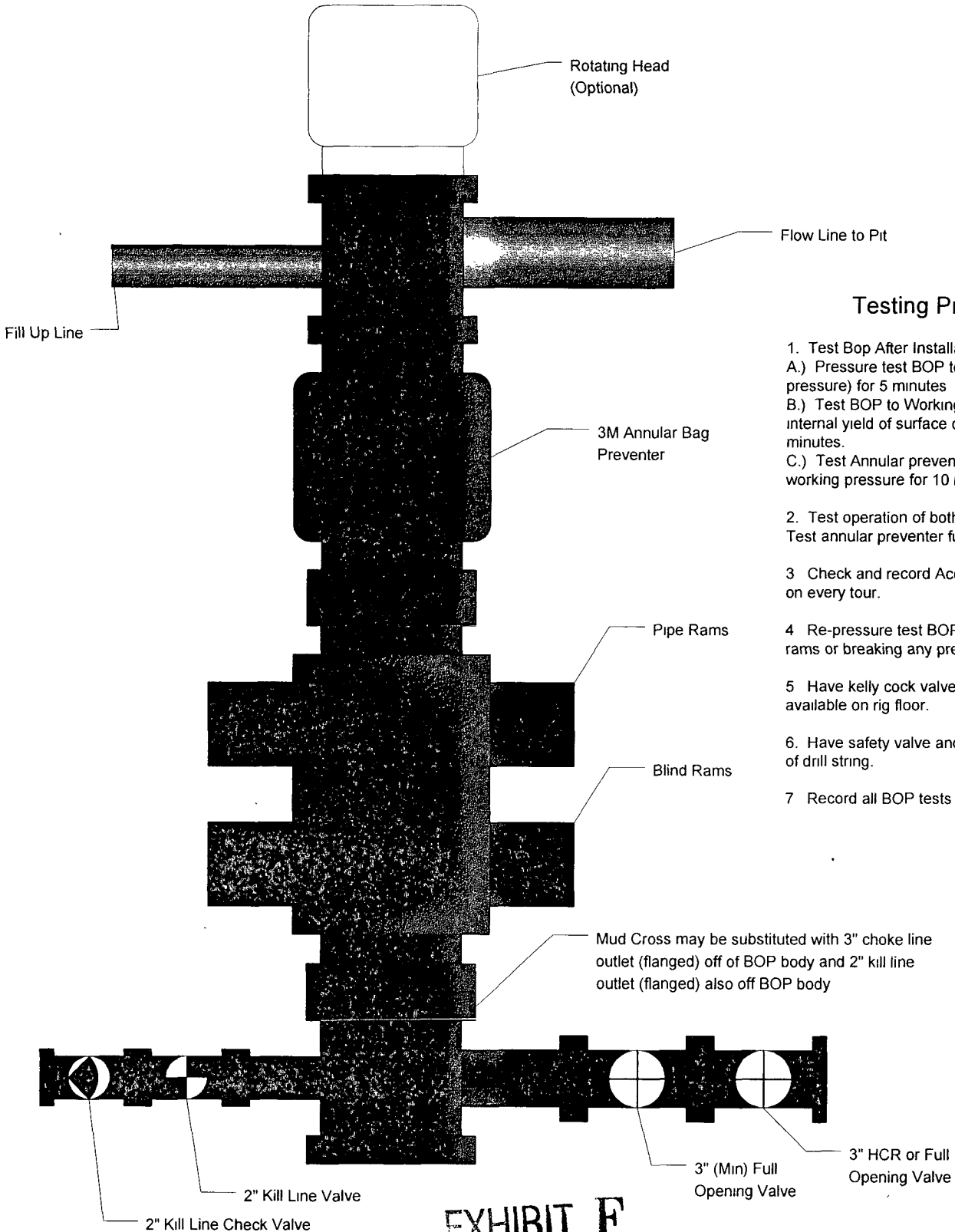


EXHIBIT F

XTO Energy

3M BOP Stack

11/8/2006



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.

EXHIBIT F