

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

RECEIVED

5. Lease Serial No.

NMSF-078306

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.

Bolack A 1 R

9. API Well No.

30-045- 31283

10. Field and Pool, or Exploratory

Kutz Gallup & Basin Dakota

11. Sec., T., R., M., or Blk. and Survey or Area

2-27n-11w NMPM

12. County or Parish

San Juan

13. State

NM

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 **2700 Farmington Ave., Bldg. K-1
Farmington, NM 87401**

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 **1885' FNL & 1730' FEL**

At proposed prod. zone **Same**

14. Distance in miles and direction from nearest town or post office*

8 air miles S of Bloomfield, New Mexico

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

549'

16. No. of Acres in lease

80 (322.68 comm.)

17. Spacing Unit dedicated to this well

40 (Gall: SWNE) & 322.68 (Dak.: N2)

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

279'

19. Proposed Depth

6,700'

20. BLM/BIA Bond No. on file

BLM nation wide: 57 91 73

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

5,960' ungraded

22. Approximate date work will start*

May 1, 2003

23. Estimated duration

12 days to drill

24. Attachments

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.

Comments

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".

cc: BLM, OCD (via BLM), Patton, Tribe

25. Signature

Name (Printed/Typed)

Brian Wood

Date

12-12-02

Title

Consultant

Phone: 505 466-8120

FAX: 505 466-9682

Approved by (Signature)

/s/ David J. Markiewicz

Name (Printed/Typed)

Date

DEC - 1 2003

Title

Office

Application approval does not warrant or certify the 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.

nmoco

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

DISTRICT II
811 South First, Artesia, N.M. 88210

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

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

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-31283	² Pool Code 36550 & 71599	³ Pool Name KUTZ GALLUP & BASIN DAKOTA
⁴ Property Code 22594	⁵ Property Name BOLACK A	⁶ Well Number 1R
⁷ GRID No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 5960'

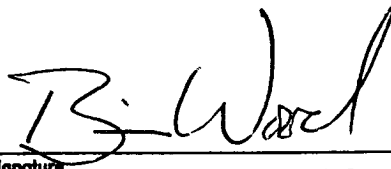
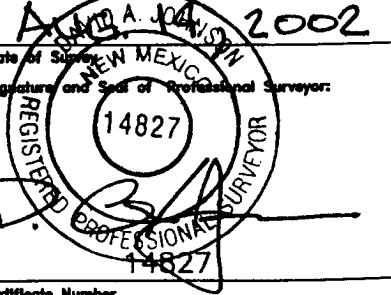
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G.	2	27-N	11-W	.	1885'	NORTH	1730'	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 40 & 322.68					¹³ Joint or Infill		¹⁴ Consolidation Code C		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

16	LOT 4	LOT 3	LOT 2	LOT 1	17
					OPERATOR CERTIFICATION
					I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
					
					Signature
					BRIAN WOOD
					Printed Name
					CONSULTANT
					Title
					DEC. 12, 2002
					Date
					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
					Certificate Number

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Drilling Program

1. ESTIMATED FORMATION TOPS

<u>Formation Name</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Elevation</u>
Nacimiento Fm	000'	12'	+5,960'
Ojo Alamo Ss	735'	747'	+5,225'
Kirtland Sh	810'	822'	+5,150'
Fruitland Fm	1,485'	1,497'	+4,475'
Pictured Cliffs Ss	1,815'	1,827'	+4,145'
Lewis Sh	1,910'	1,922'	+4,050'
Chacra Ss	2,735'	2,747'	+3,225'
Cliff house Ss	3,360'	3,372'	+2,600'
Menefee Sh	3,460'	3,472'	+2,500'
Pt. Lookout Ss	4,210'	4,222'	+1,750'
Mancos Sh	4,585'	4,597'	+1,375'
Gallup Ss	5,385'	5,397'	+575'
Greenhorn Ls	6,210'	6,222'	-250'
Graneros Sh	6,235'	6,247'	-275'
Dakota Ss	6,270'	6,292'	-310'
Morrison Fm	6,460'	6,472'	-500'
Total Depth (TD)*	6,700'	6,712'	-740'

* all elevations reflect the ungraded ground level of 5,960'

2. NOTABLE ZONES

Gas or Oil Zones

Fruitland
Pictured Cliffs
Gallup
Dakota

Water Zones

Nacimiento
Ojo Alamo
Fruitland

Coal or Uranium Zones

Fruitland
Menefee
Morrison

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Water zones will be protected with casing, cement, and weighted mud. Fresh water found while drilling will be recorded. Oil or gas shows will be tested for commercial potential based on the geologist's recommendations.

3. PRESSURE CONTROL

The drilling contract has not yet been awarded, thus the exact BOP system to be used is not yet known. A typical 2,000 psi stack and manifold are on PAGES 3 and 4. Testing procedures are on the same pages.

4. CASING & CEMENT

	<u>Surface Casing</u>	<u>Production Casing</u>
Interval	0' - 300'	0' - 6700'
Hole Diameter	12-1/4"	7-7/8"
Casing Diameter	8-5/8"	4-1/2"
Weight (pounds/foot)	24	10.5
Grade	J-55	J-55
Coupling	ST & C	ST & C
Collapse Rating (psi)	1370	4010
Burst Rating (psi)	2950	4790
Jt.-Str. (M-lbs)	244	132
I. D. (inches)	8.097	4.052
Drift (inches)	7.972	3.875
SF Coll	9.44	1.28
SF Burst	13.72	1.06
SF Ten	33.89	1.87
Centralizers	3-4	20

Casing head will be Larkin Fig 92 or its equivalent, 9" nominal, 2000 psi WP, (4000 psi test) with 8-5/8" 8 rounded thread on bottom, and 11-3/4" 8 rounded thread on top. Tubing head will be Larkin Fig 612 or its equivalent, 2000 psi WP (4000 psi test), 4-1/2" 8 rounded female thread on bottom, and 8-5/8" rounded thread on top.

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Surface casing will be cemented to surface with ≈ 185 sacks Type III cement with 2% CaCl_2 + 1/4 pound per sack cello flake mixed with 6.33 gallons of water per sack. Weight = 14.8 pounds/gallon. Density = 1.34 cubic feet/sack. Total volume = 248 cubic feet based on 100% excess.

Production casing will be cemented to surface in two stages. DV tool will be set at $\approx 4,500'$. Total first stage volume = 705 cubic feet. Total second stage volume = 1,335 cubic feet. Volumes to be based on caliper log + 33% excess.

First stage lead will be ≈ 280 sacks 65/35 Class H with 6% gel + 1/4 pound per sack cello flake + 3% NaCl + 0.5% fluid loss additive + 0.2% dispersant mixed with 10.59 gallons of water per sack. Weight = 12.5 pounds/gallon. Density = 2.08 cubic feet/sack.

First stage tail will be cemented with ≈ 105 sacks Class H + 1/4 pound per sack cello flake + 0.5% fluid loss additive mixed with 5.23 gallons of water per sack. Weight = 15.6 pounds per gallon. Volume = 1.18 cubic feet per sack.

Second stage lead will be cemented with ≈ 395 sacks Class H with 3% extender + 1/4 pound per sack cello flake mixed with 10.19 gallons of water per sack. Weight = 11.2 pounds per gallon. Volume = 3.07 cubic feet per sack.

Second stage tail will be cemented with ≈ 105 sacks Class H with 1/4 pound per sack cell flake + 0.5% fluid loss additive mixed with 5.23 gallons of water per sack. Weight = 15.6 pounds per gallon. Volume = 1.18 cubic feet per sack.

5. MUD PROGRAM

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<u>INTERVAL</u>	<u>MUD TYPE</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>WATER LOSS</u>
0' - 300'	Fresh Water-Spud	8.6-9.0	28-32	NC
300' - 4,900'	Fresh Water-Polymer	8.4-8.8	28-32	NC
4,900' - TD	LSND	8.6-9.0	45-60	8-10 cc

Fibrous material (e.g., cedar bark, cotton seed hulls) will be on site to control seepage and lost circulation. High viscosity sweeps will be used as needed for hole cleaning. Viscosity will be raised at TD for logging. Viscosity will be reduced after logging for cementing. A two person mud logging crew will be on site from $\approx 5,500'$ to TD.

6. CORES, TESTS, & LOGS

No cores or drill stem tests are planned. The following open hole logs will be run:

Array Induction/SFL/GR/SP from TD to bottom of surface casing
CNL/LDT(Lithodensity)/GR/Cal and PE from TD to $\approx 4,700'$
Formation Micro Imager (FMI) from TD to $\approx 6,150'$

7. DOWN HOLE CONDITIONS

No abnormal pressures, temperatures, nor hydrogen sulfide are expected. Maximum reservoir pressure will be $\approx 1,500$ psi.

8. OTHER INFORMATION

The anticipated spud date is May 1, 2003. It is expected it will take about twelve days to drill and thirty days to complete the well.