

RECEIVED

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APR 08 2009

APPLICATION FOR PERMIT TO DRILL OR REENTER

Bureau of Land Management
Farmington Field Office

Lease Serial No.
NMNSF-080844
Indian, Allottee or Tribe Name
N/A

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. N/A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		8. Lease Name and Well No. T L RHODES C 1 F
2. Name of Operator XTO ENERGY INC.		9. API Well No. 30-045- 34943
3a. Address 382 ROAD 3100 AZTEC, NM 87410	3b. Phone No. (include area code) (505) 333-3159	10. Field and Pool, or Exploratory BASIN MANC. & BASIN DK.
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 1665' FNL & 1265' FWL At proposed prod. zone SAME Lot 2		11. Sec., T. R. M. or Blk. and Survey or Area E 30-28N-11W NMPM
14. Distance in miles and direction from nearest town or post office* 8 AIR MILES SOUTHWEST OF BLOOMFIELD		12. County or Parish SAN JUAN
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1265'		13. State NM
16. No. of acres in lease 1,911.24	17. Spacing Unit dedicated to this well MANCOS & DAKOTA: N2 each (317.96 ac.)	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 509'	19. Proposed Depth 6,500'	20. BLM/BIA Bond No. on file BLM NATIONWIDE UTB-000138
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5,922' GL	22. Approximate date work will start* 09/01/2009	23. Estimated duration 4 WEEKS

24. Attachments

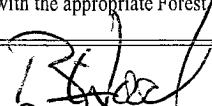
RCVD JAN 21 '11

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

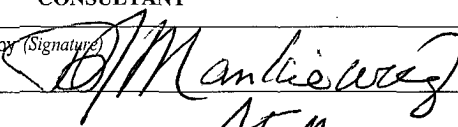
OIL CONS. DIV.

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 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). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

DIST. 3

25. Signature 	Name (Printed/Typed) BRIAN WOOD	Date 04/05/2009
---	---	---------------------------

Title **CONSULTANT** PHONE: (505) 466-8120 FAX: (505) 466-9682

Approved by (Signature) 	Name (Printed/Typed) AFM	Date 1/18/2011
Title	Office FFO	

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)
A COMPLETE C-144 MUST BE SUBMITTED TO AND APPROVED BY THE NMOC FOR: A PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, OR PROPOSED ALTERNATIVE METHOD, PURSUANT TO NMOC PART 19.15.17, PRIOR TO THE USE OR CONSTRUCTION OF THE ABOVE APPLICATIONS.

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

COOWN
FEB 14 2011
NMOC

HOLD C144 FOR 5.9 Compliance

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

RECEIVED

APR 08 2009

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

Bureau of Land Management
Farmington Field Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34943	² Pool Code 97232	³ Pool Name BASIN-MANCOS GAS
⁴ Property Code 000758 22642	⁵ Property Name TL RHODES C	⁶ Well Number 1F
⁷ OGRID No. 5380	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 5922

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
E	30	28-N	11-W	2	1665	NORTH	1265	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 317.96					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

FD. 3 1/4" BC. 1911 G.L.O.	S 89-59-29 E 5251.41' (M)	FD. 3 1/4" BC. 1913 G.L.O.
LOT 1 38.97 AC		
1265'	LAT: 36.63588° N. (NAD 83) LONG: 108.04976° W. (NAD 83) LAT: 36°38'09.1" N. (NAD 27) LONG: 108°02'56.9" W. (NAD 27)	
LOT 2 38.99 AC	30	
LOT 3 39.01 AC		
LOT 4 39.03 AC		
FD. 3 1/4" BC. G.L.O.		

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.

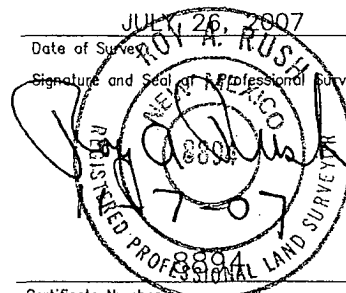
Brian Wood
Signature
BRIAN WOOD
Printed Name

4-5-09
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.

JULY 26, 2007
Date of Survey
Signature and Seal of Professional Surveyor:



Certificate Number

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-	² Pool Code 71599	³ Pool Name BASIN DAKOTA
⁴ Property Code 000756	⁵ Property Name TL RHODES C	⁶ Well Number 1F
⁷ GRID No. 5380	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 5922

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
E	30	28-N	11-W		1665	NORTH	1265	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 317.96	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

16

FD. 3 1/4" BC. 1911 G.L.O.	S 89-59-29 E 5251.41' (M)	FD. 3 1/4" BC. 1913 G.L.O.
LOT 1 38.97 AC		
1265'	LAT: 36.63588° N. (NAD 83) LONG: 108.04976° W. (NAD 83) LAT: 36°38'09.1" N. (NAD 27) LONG: 108°02'56.9" W. (NAD 27)	
LOT 2 38.99 AC		
LOT 3 39.01 AC		
LOT 4 39.03 AC		
FD. 3 1/4" BC. G.L.O.		

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.

Brian Wood 4-5-07
Signature Date

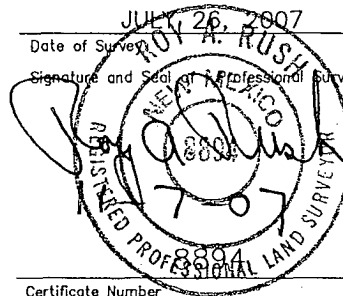
BRIAN WOOD

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.

JULY 26, 2007
Date of Survey
Signature and Seal of Professional Surveyor:



Certificate Number

XTO Energy Inc.
T L Rhodes C 1 F
1665' FNL & 1265' FWL
Sec. 30, T. 28 N., R. 12 W.
San Juan County, New Mexico

PAGE 1

Drilling Program

1. ESTIMATED FORMATION TOPS

<u>Formation Name</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Elevation</u>
Nacimiento	0'	12'	+5,922'
Ojo Alamo Sandstone	252'	264'	+5,670'
Fruitland Formation	1,107'	1,119'	+4,815'
Pictured Cliffs Sandstone	1,522'	1,534'	+4,400'
Cliff House Sandstone	3,327'	3,339'	+2,595'
Menefee Shale	3,472'	3,484'	+2,450'
Point Lookout Sandstone	4,122'	4,134'	+1,800'
Gallup Sandstone	5,392'	5,404'	+530'
Greenhorn Limestone	6,202'	6,214'	-280'
Dakota Sandstone	6,292'	6,304'	-370'
Total Depth (TD)	6,500'	6,512'	-578'

2. NOTABLE ZONES

<u>Gas & Oil Zones</u>	<u>Water Zones</u>	<u>Coal Zone</u>
Fruitland	Nacimiento	Fruitland
Pictured Cliffs	Ojo Alamo	
Gallup	Fruitland	
Dakota		

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.

XTO Energy Inc.
T L Rhodes C 1 F
1665' FNL & 1265' FWL
Sec. 30, T. 28 N., R. 12 W.
San Juan County, New Mexico

PAGE 2

3. PRESSURE CONTROL

The drilling contract has not yet been awarded, thus the exact BOP model to be used is not yet known. (A typical 2,000 psi model is on PAGE 3.) An 8-5/8" x 11" 2,000 pound double ram BOP system with a choke manifold and mud cross will be tested to ≈ 200 psi and then to $\approx 1,000$ psi. Upper and lower Kelly cocks with valve handle and subs to fit all drill string connections which are in use will be available on the rig floor.

Tests will be run when:

- 1) installed
- 2) anytime a pressure seal is broken (test only affected equipment)
- 3) at least every 30 days
- 4) blind & pipe rams will be activated each trip, but no more than daily

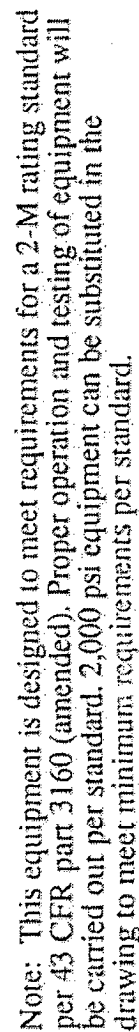
BOP systems will be consistent with API RP 53. Blowout preventers will be installed and tested before drilling surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated daily to ensure good mechanical working order and this inspection recorded on the daily drilling report. Preventers and casing will be pressure tested before drilling casing cement plugs. Maximum expected bottom hole pressure will be $\leq 2,600$ psi. BOP and mud system will control pressure.

4. CASING & CEMENT

<u>Hole Size</u>	<u>O. D.</u>	<u>Weight (lb/ft)</u>	<u>Grade</u>	<u>Age</u>	<u>Connections</u>	<u>Setting Depth</u>
12-1/4"	8-5/8"	24	J-55	New	ST & C	360'
7-7/8"	5-1/2"	15.5	J-55	New	ST & C	6,500'

Note: 1. An upper Kelly cock valve will be utilized during drilling. Handle will be available for easy access.

2. Safety valves and necessary subs to fit all drill string in use will be available.



XTO Energy Inc.
T L Rhodes C 1 F
1665' FNL & 1265' FWL
Sec. 30, T. 28 N., R. 12 W.
San Juan County, New Mexico

PAGE 4

Surface casing will be cemented to the surface with ≈ 375 cubic feet (≈ 270 sacks) Type V cement + 1/4 pound per sack cello-flake + 2% CaCl_2 . Yield = 1.39 cubic feet per sack. Weight = 14.5 pounds per gallon. Excess: >100%. Centralizers will be set on the bottom two joints of the surface casing and every fourth joint to the surface.

Production casing will be cemented to the surface in two stages with $\approx 100\%$ excess. DV tool will be set at $\approx 4,600'$. Total first stage volume = 663 cubic feet. Second stage volume = 1,595 cubic feet. Centralizers will be set on the bottom two joints, every second joint to $\approx 5,000'$, and every fourth joint from $\approx 2,000'$ to the surface.

Will cement first stage with ≈ 330 sacks (=663 cubic feet) premium light HS cement with 0.2% CD 32 + 0.5% FL 32 + 1/4 pound per sack cello flake + 2% KCl + 2% phenoseal mixed at 12.5 pounds per gallon and 2.01 cubic feet per sack.

Will cement second stage with ≈ 560 sacks (=1,595 cubic feet) premium light HS cement with 8% gel + 1/4 pound per sack cello flake + 2% phenoseal mixed at 11.9 pounds per gallon and 2.60 cubic feet per sack. Will follow with ≈ 100 sacks (= 139 cubic feet) Type III neat cement mixed at 14.5 pounds per gallon and 1.39 cubic feet per sack.

5. MUD PROGRAM

<u>RANGE</u>	<u>MUD TYPE</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>WATER LOSS</u>	<u>ADDITIVES</u>
0' - 360'	Fresh-Spud	8.6-9.0	28-32	NC	Gel, lime
360' - 2,500'	Fresh-Poly	8.4-8.8	28-32	NC	Gel, lime sweeps
2,500' - TD	Fresh Water	8.6-9.2	45-60	8-10 cc	Gel, soda ash, LCM

XTO Energy Inc.
T L Rhodes C 1 F
1665' FNL & 1265' FWL
Sec. 30, T. 28 N., R. 12 W.
San Juan County, New Mexico

PAGE 5

6. CORES, TESTS, & LOGS

No cores or drill stem tests are planned. Mud logger will arrive at $\approx 3,000'$ and collect samples every $\approx 10'$ from there to TD. These open hole logs will be run:

Array Induction/SFL/GR/SP from TD to $\approx 360'$
Neutron/Lithodensity/Pe/GR/Cal from TD to $\approx 3,000'$

7. DOWN HOLE CONDITIONS

No abnormal pressures, temperatures, nor hydrogen sulfide are expected. Maximum expected bottom hole pressure will be $\leq 2,600$ psi.

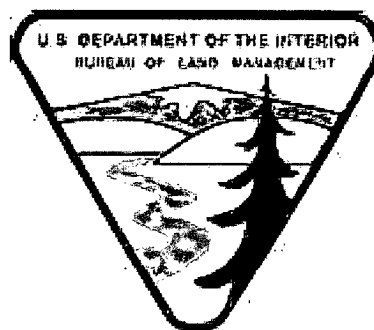
8. OTHER INFORMATION

The anticipated spud date is upon approval. It is expected it will take about four weeks to drill and complete the well.

DRILLING CONDITIONS OF APPROVAL

Operator: XTO Energy
Lease No.: NMSF-080844
Well Name: TL Rhodes C #1F
Well Location: Sec.30, T28N, R11W; 1665' FNL & 1265' FWL

- 1) Two (2) adjustable chokes are required on the choke manifold for a 2M BOPE system. Refer to attachment I-1 in Onshore Order #2.
- 2) Pressure test the surface casing to a minimum of 600 psi for 30 minutes.
- 3) Pressure test the production casing to a minimum of 1500 psi for 30 minutes.



After hour contact: Troy Salyers 505-360-9815