

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

XTO Energy Inc.

3. ADDRESS AND TELEPHONE NO.

2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface

1770' FSL & 1,040' FWL

At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.

NMSF - 078019

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

EH Pipkin #8R

9. API WELL NO.

3004531148

10. FIELD AND POOL, OR WILDCAT

Basin Dakota

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Sec 1, T27N, R11W

12. COUNTY OR PARISH

San Juan

13. STATE

NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

This well is located approx 10 southeast of the Bloomfield NM post office

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

872'

16. NO. OF ACRES IN LEASE

2560

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

150'

19. PROPOSED DEPTH

6,750'

20. ROTARY OR CABLE TOOLS

0-6,750' Rotary Tools

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5,944' Ground Level

22. APPROX. DATE WORK WILL START*

Fall 2002

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" J-55	24 #/ft	+350'	+245 sx cl B cmt
7-7/8"	4-1/2" J-55	10.5 #/ft	+6750'	+700 sx cmt

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".

XTO Energy plans to drill the above mentioned well as described in the enclosed Surface Use Program.

This well is dedicated to Williams Field Services and their pipeline plat is attached for ROW approval.

APD/ROW

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

GW Patton

TITLE

Drilling Engineer

DATE

7/18/02

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

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:

APPROVED BY

Wayne Thomas

TITLE

Pct. Eng.

DATE

10/24/02

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

NMOCD

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. E. H. PIPKIN 8R
2. Name of Operator XTO ENERGY INC		9. API Well No. 30-045-31148-00-X1
3a. Address 2700 FARMINGTON AVE SUITE 1 FARMINGTON, NM 87401	3b. Phone No. (include area code) Ph: 505.324.1090 Ext: 4020 Fx: 505.564.6700	10. Field and Pool, or Exploratory BASIN DAKOTA
4. Location of Well (or Survey Description) Sec 1 T27N R11W NE 1/4 NE 1/4 1040FWL		11. County or Parish, and State SAN JUAN COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMITTAL	TYPE OF ACTION				
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Widize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Water Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original PD	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed Operation. Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to do any work, the operator must complete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond Underwritten by the State of Alaska, or a copy of the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the operation. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed and the results have been determined that the surface is suitable for use. (See Attachment.)

XTO Energy Inc. requests that you add the Kutz Gallup formation to the wellbore of the above mentioned well. XTO Energy Inc. has completed the APD for this well and would like to complete the well as a downhole completion. A C-102 location and acreage dedication plat for the Kutz Gallup is attached.

14. I hereby certify that _____ is the true and correct electronic Submission #13022 verified by the BLM Well Information System For XTO ENERGY INC., sent to the Farmington committed to AFMSS for processing by Adrienne Garcia on 07/24/2002 (02AXG0407SE)	
Name (Printed/Typed)	J. [unclear] Title ENGINEER
Signature	Date 07/23/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>Wayne Townsend</u>	Title <u>Ret. Eng.</u>	Date <u>10/29/62</u>
Conditions of approval, if any, of this notice does not warrant or certify that the applicant is entitled to those rights in the subject lease which would entitle the applicant to those rights thereon.	Office <u>FFO</u>	

Title 18 U.S.C. Section 1001, 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.

**** REVISÉ ** REVISÉ ** REVISÉ ** REVISÉ ** REVISÉ ** REVISÉ ** REVISÉ ****

NMOC

DISTRICT I
1825 N. French Dr., Hobbs, N.M. 88240

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

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-31148	² Pool Code 36550	³ Pool Name KUTZ GALLUP
⁴ Property Code 23853	⁵ Property Name E. H. PIPKIN	⁶ Well Number 8R
⁷ OCRD No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 5944'

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
L	1	27-N	11-W		1770	SOUTH	1040'	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 NWSW 46A 1/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSL-4676
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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

16	17
<div><p>LOT 4</p><p>LOT 3</p><p>LOT 2</p><p>LOT 1</p><p>FD BC S.L.O. 1913</p><p>1040'</p><p>232'</p><p>448'</p><p>1770'</p><p>N 00-11-33 E 2642.1' (M)</p><p>FD BC S.L.O. 1913</p><p>5286.1' (M)</p><p>CALC'D CORNER</p></div>	<div><p>OPERATOR CERTIFICATION</p><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p><p>Signature <u>Jeffrey W. Patton</u></p><p>Printed Name <u>JEFFREY W. PATTON</u></p><p>Title <u>DRILLING ENGINEER</u></p><p>Date <u>7-21-02</u></p><p>SURVEYOR CERTIFICATION</p><p>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.</p><p><u>David A. Jones</u> Date of Survey <u>7-21-02</u></p><p>Signature and Seal of Professional Surveyor: <u>David A. Jones</u> 14827</p><p>Certificate Number <u>14827</u></p></div>

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

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2040 South Pacheco
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-31148		*Pool Code 71599		*Pool Name BASIN DAKOTA	
*Property Code 22853		*Property Name E. H. PIPKIN			*Well Number 8R
*OGRID No. 167067		*Operator Name XTO ENERGY INC.			*Elevation 5944'

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
L	1	27-N	11-W		1770	SOUTH	1040'	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
*Dedicated Acres 320 5/2					*Joint or Infill		*Consolidation Code		*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				17 OPERATOR CERTIFICATION			
LOT 4				I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.			
LOT 3				Signature <u>Jeffrey W. Patton</u>			
LOT 2				Printed Name <u>JEFFREY W. PATTON</u>			
LOT 1				Title <u>DRILLING ENGINEER</u>			
FD BC G.L.O. 1913				Date <u>7-20-02</u>			
1040'				18 SURVEYOR CERTIFICATION			
282'				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.			
449'				Date of Survey <u>22-20-2002</u>			
1770'				Signature and Seal of Professional Surveyor:			
N 00-11-33 E 2642.1' (M)				14827			
FD BC G.L.O. 1913				14827			
N 89-34-13 E				Certificate Number			
5286.1' (M)							
CALC'D CORNER							

XTO ENERGY INC.

E.H. Pipkin #8R

APD Data

July 18, 2002

Location: 1770' FSL & 1040' FWL, Sec 1, T27N R11W

County: San Juan

State: New Mexico

GREATEST PROJECTED TD: 6,750'

APPROX GR ELEV: 5,944'

OBJECTIVE: Basin Dakota

Est KB ELEV: 5,956' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 350'	350' to 4,500'	4,500' to TD
HOLE SIZE	12-1/4"	7-7/8"	7-7/8"
MUD TYPE	FW/Spud Mud	FW/Polymer	PolyPlus
WEIGHT	8.6-9.0	8.4-8.8	8.6-9.0
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: 8-5/8" casing to be set at \pm 350' in 8.8 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'-350'	350'	24#	J-55	STC	1370	2950	244	8.097	7.972	7.32	7.95	29.39

Production Casing: 4-1/2" casing to be set at TD in 9.0 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'-TD	6,750'	10.5#	J-55	STC	4010	4790	132	4.052	3.875	1.66	1.33	2.44

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, 3,000 psig WP (6,000 psig test), 4-1/2" 8rnd female thread on bottom, 8-5/8" 8rnd thread on top.

4. CEMENT PROGRAM (Slurry design may change slightly, but the plan is to circulate cement to surface on both casing strings):

A. Surface: 8-5/8", 24#, J-55, STC casing to be set at $\pm 350'$.

245 sx of Class "B" cement containing 2% CaCl_2 , 1/4 pps celloflake, mixed at 15.6 ppg, 1.18 ft^3/sk , & 5.20 gal wtr/sk.

Total slurry volume is 289 ft^3 , 100% excess of calculated annular volume to 350'.

B. Production: 4-1/2", 10.5#, J-55, STC casing to be set at $\pm 6,750'$.

LEAD:

500 sx of Lite-Crete cement (proprietary blend) containing 1/4 pps celloflake mixed at 9.5 ppg, 2.52 ft^3/sk , 11.50 gal wtr/sx.

TAIL:

200 sx 50/50 class "G" with poz, 6 % gel, 1/4#/sx celloflake, 0.2% dispersant & 0.2% fluid loss additive mixed at 13.0 ppg, 1.42 cuft/sx , 9.85 gal/sx.

Total estimated slurry volume for the 4-1/2" production casing is 1,544 ft^3 (no excess).

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: The mud logger will come on at 5,100' and will remain on the hole until TD. The mud will be logged in 10' intervals.

B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (6,750') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from 6,750' to 4,750'.

BOP SCHEMATIC FOR DRILLING OPERATIONS CLASS 1 (2M) NORMAL PRESSURE

1. Test BOP after installation:

Pressure test BOP to 200-300
psig (low pressure) for 5 min.

Test BOP to Working Press or
to 70% internal yield of surf csg
(10 min).

2. Test operation of (both) rams on every trip.

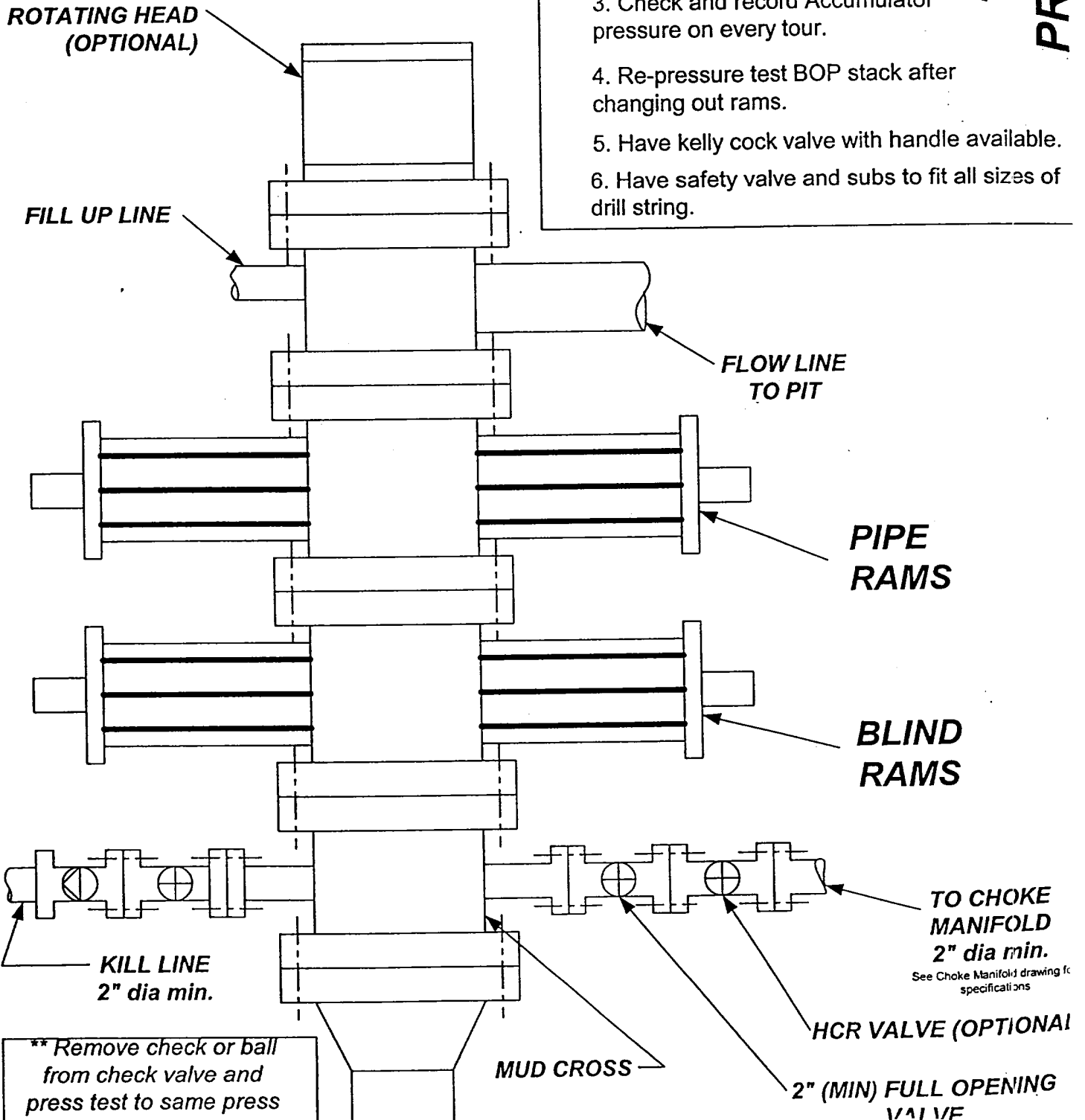
3. Check and record Accumulator pressure on every tour.

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.

TESTING PROCEDURE



XTO ENERGY INC.

E. H. PIPKIN No. 8R

SW/4 SEC. 1, T-27-N, R-11-W, N.M.P.M.,

SAN JUAN COUNTY, NEW MEXICO

1770' FSL 1040' FWL

