

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Cross Timbers Operating Company

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

2500' FNL & 550' FEL Sec 10, T31N, R14W

At proposed prod. zone

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

Please see Attached Surface Use Program

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any) 550'

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

1,800'

16. NO. OF ACRES IN LEASE

19. PROPOSED DEPTH

3,800'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

NE/4 160 acres

20. ROTARY OR CABLE TOOLS

Rotary

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

6,283' GL

22. APPROX. DATE WORK WILL START*

Winter 2001

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 | 24.0# | 350' | 220 sx Type III |
| 7-7/8" | 4-1/2" J-55 | 10.5# | 3,800' | 720 sx 50/50 Poz, Type III cmt |

SEE ATTACHED
CONDITIONS OF APPROVAL

Venting / Flaring approved for 90 days
per NTL-4A

Set 8-5/8", 24.0#, J-55 STC surface csg @ 350'. Cmt w/approx 220 sx Type III cmt w/additives.
Attempt to circ cmt to surface.

Install & test BOP equipment as required. Drill 7-7/8" hole to approx 3,800'.

Set 4-1/2", 10.5#, J-55, STC production csg @ 3,800' TVD. Cmt w/approx 720 sx 50/50 Poz, Type III
cmt w/additives. Final cmt volumes will be obtained fr/caliper log at 30% of this agreement does not
cmt to surface.

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...

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposals to deepen, give data on present productive zone and proposed productive zone. If proposals 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

TITLE

Drilling Engineer

DATE 10/2/00

(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 a portion thereof.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED FOR A PERIOD
NOT TO EXCEED 1 YEAR

/s/ JOHN L PECOR

ACTING

MINERALS STAFF CHIEF

JAN 17 2001

APPROVED BY

TITLE

*See Instructions On Reverse Side

DATE

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.

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|-----------------------------|---------------------------------------------------|-----------------------|---------------------------------|
| *API Number 30-045-30491 | | *Pool Code 86720 - | *Pool Name UTE DOME DAKOTA - |
| *Property Code 24393 | *Property Name MOUNTAIN UTE GAS COM N | | *Well Number 2 |
| *OGRID No. 167067 | *Operator Name CROSS TIMBERS OPERATING COMPANY | | *Elevation 6283' |

¹⁰ Surface Location

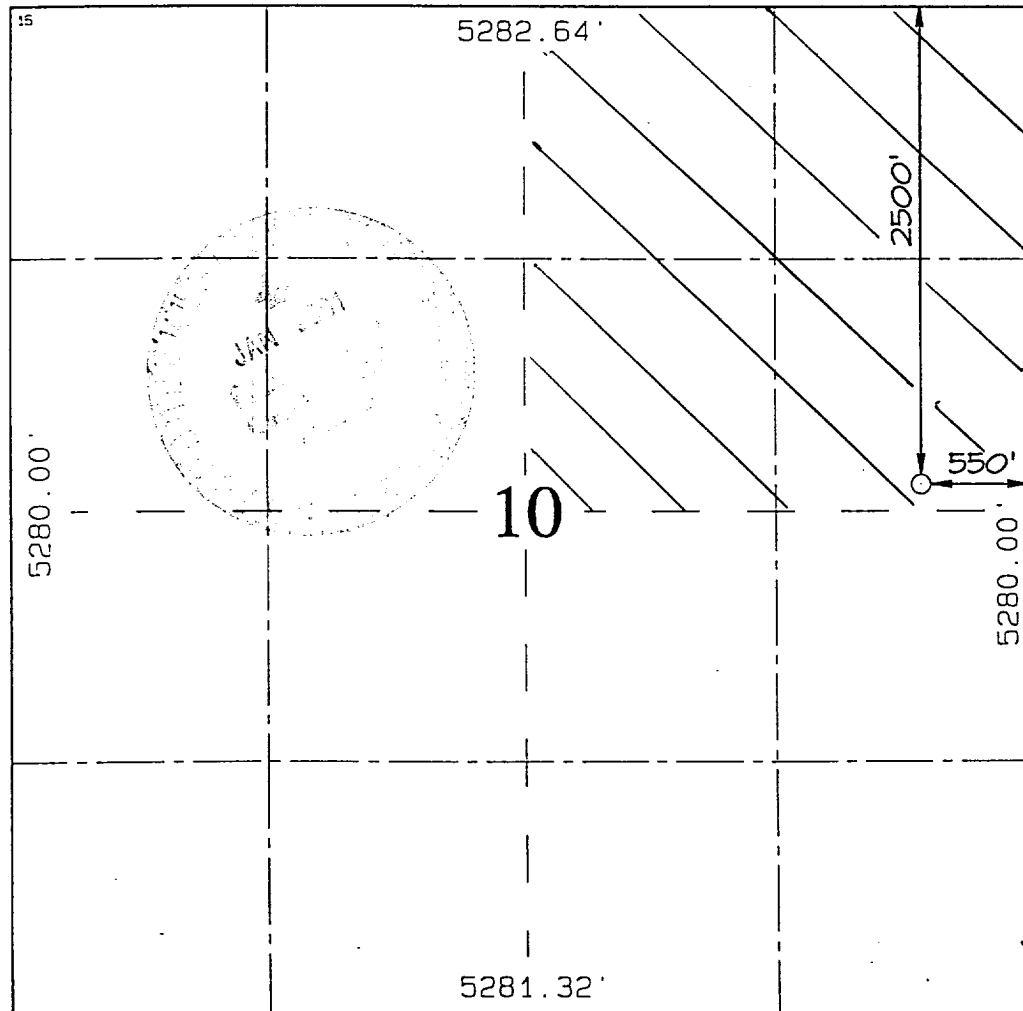
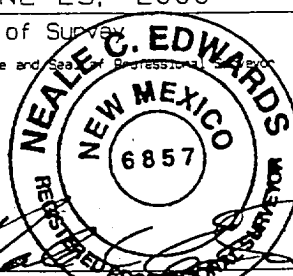
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| H | 10 | 31N | 14W | | 2500 | NORTH | 550 | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

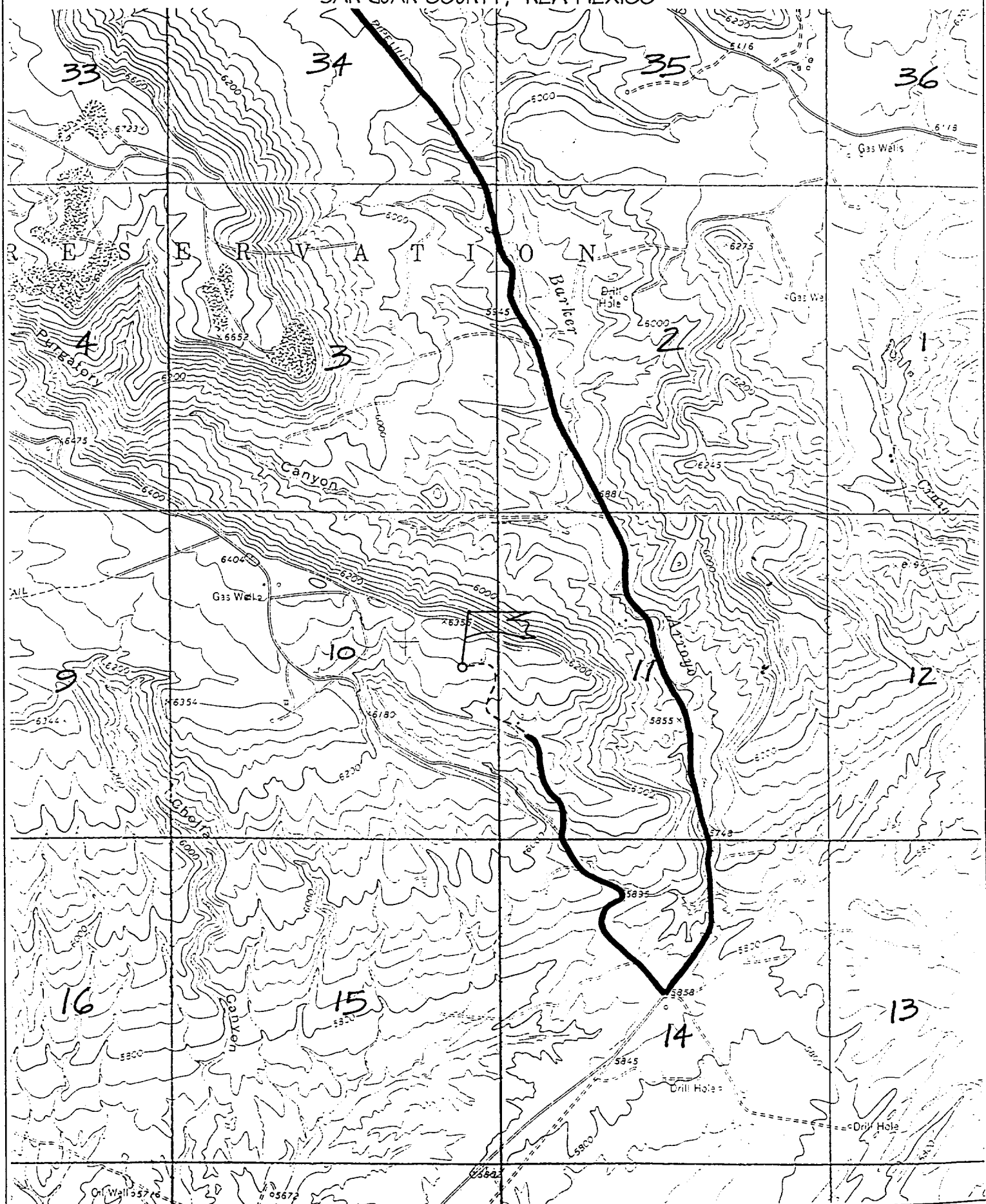
| | | | |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 160 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|

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

| | |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>¹⁷ 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>Jeff Patton</u></p> <p>Printed Name <u>Jeff Patton</u></p> <p>Title <u>Production Engineer</u></p> <p>Date <u>7/13/00</u></p> |
| | <p>¹⁸ 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>JUNE 23, 2000</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p></p> <p>Certificate Number <u>6857</u></p> |

CROSS TIMBERS OF LATERATING COMPANY MOUNTAIN UTE GAS COM N #2

2500' FNL & 550' FEL, SECTION 10, T31N, R14W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO





Cross Timbers Operating Company

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 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.

**ROTATING HEAD
(OPTIONAL)**

FILL UP LINE

**FLOW LINE
TO PIT**

**BLIND
RAMS**

**PIPE
RAMS**

**KILL LINE
2" dia min.**

**TO CHOKE
MANIFOLD
2" dia min.**

See Choke Manifold drawing for
specifications

HCR VALVE (OPTIONAL)

**2" (MIN) FULL OPENING
VALVE**

MUD CROSS

**** Remove check or ball
from check valve and
press test to same press
as BOP's. ****

