

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address XTO ENERGY, INC XTO Energy, Inc. Aztec, NM 87410		2. OGRID Number 5380
		3. API Number 30-045-35220
4. Property Code 37087	5. Property Name SANCHEZ B	6. Well No. 001F

7. Surface Location

UL - Lot B	Section 28	Township 29N	Range 10W	Lot Idn B	Feet From 830	N/S Line N	Feet From 1505	E/W Line E	County SAN JUAN
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8. Pool Information

BASIN DAKOTA (PRORATED GAS)	71599
ARMENTA-GALLUP (O)	2290
BLANCO-MESAVERDE (PRORATED GAS)	72319

Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 5493
14. Multiple Y	15. Proposed Depth 6600	16. Formation Mesa Verde Group	17. Contractor	18. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	360	214	
Prod	7.875	5.5	15.5	6600	199	
Prod	7.875	5.5	15.5	6600	150	
Prod	7.875	5.5	15.5	4000	331	
Prod	7.875	5.5	15.5	4000	100	

Casing/Cement Program: Additional Comments

3. WELLHEAD: A. 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. B. 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. 4. CEMENT PROGRAM (Slurry design may change slightly, but the plan is to circulate cement to surface on both casing strings): A. Surface: 8.625", 24.0#, J-55, ST&C casing to be set at ? 360' in 12-1/4" hole. 214 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 297 ft3, 100% excess of calculated annular volume to 360'. B. Production: 5.5", 15.5#, J-55 (or K-55), ST&C casing to be set at ?6600' in 7.875" hole. DV Tool set @ ±4000' 1st Stage LEAD: ±199 sx of Premium Lite HS (Type III/Poz/Gel) or equivalent, with dispers

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Charlie Perrin	
Printed Name: Electronically filed by Cheryl Moore	Title: District Supervisor	
Title: Regulatory Compliance Manager	Approved Date: 12/13/2010	Expiration Date: 12/13/2012
Email Address: Cheryl_moore@xtoenergy.com		
Date: 11/29/2010	Phone: 505-333-3143	Conditions of Approval Attached

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources

Form C-102
 Permit 123593

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-35220	2. Pool Code 71599	3. Pool Name BASIN DAKOTA (PRORATED GAS)
4. Property Code 37087	5. Property Name SANCHEZ B	
6. Well No. 001F	7. OGRID No. 5380	
8. Operator Name XTO ENERGY, INC	9. Elevation 5493	

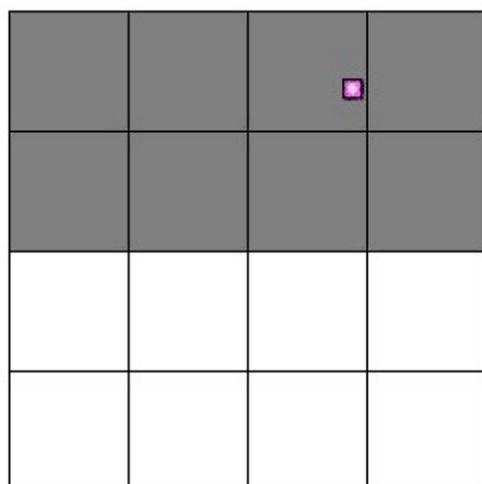
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	28	29N	10W		830	N	1505	E	SAN JUAN

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00		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



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(s) 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.

E-Signed By: Cheryl Moore
 Title: Regulatory Compliance Manager
 Date: 11/29/2010

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.

Surveyed By: Roy Rush
 Date of Survey: 12/20/2007
 Certificate Number: 8894

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-35220	2. Pool Code 2290	3. Pool Name ARMENTA-GALLUP (O)
4. Property Code 37087	5. Property Name SANCHEZ B	
6. Well No. 001F	7. OGRID No. 5380	
8. Operator Name XTO ENERGY, INC	9. Elevation 5493	

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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00		13. Joint or Infill		14. Consolidation Code			15. Order No.		

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<table border="1" style="width: 100%; height: 100%;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%; background-color: #cccccc; text-align: center;">■</td> <td style="width: 25%;"></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </table>			■														<p align="center">OPERATOR CERTIFICATION</p> <p><i>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(s) 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.</i></p> <p>E-Signed By: Cheryl Moore Title: Regulatory Compliance Manager Date: 11/29/2010</p> <hr/> <p align="center">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Surveyed By: Roy Rush Date of Survey: 12/20/2007 Certificate Number: 8894</p>
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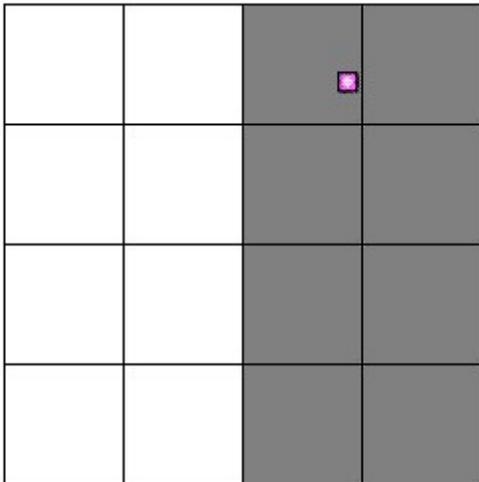
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Permit Conditions of Approval

Operator: XTO ENERGY, INC , 5380

Well: SANCHEZ B #001F

API: 30-045-35220

OCD Reviewer	Condition
CPerrin	must have approved C-144 before beginning.
CPerrin	hold c-104 for NSL in Armenta gallup