

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING					FORM 3 AMENDED REPORT <input checked="" type="checkbox"/>	
APPLICATION FOR PERMIT TO DRILL					1. WELL NAME and NUMBER BLC 13-02-11-15	
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>					3. FIELD OR WILDCAT WILDCAT	
4. TYPE OF WELL Gas Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>					5. UNIT or COMMUNITIZATION AGREEMENT NAME	
6. NAME OF OPERATOR XTO ENERGY INC					7. OPERATOR PHONE 505 333-3159	
8. ADDRESS OF OPERATOR 382 Road 3100, Aztec, NM, 87410					9. OPERATOR E-MAIL kyla_vaughan@xtoenergy.com	
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML-51638			11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>		12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
13. NAME OF SURFACE OWNER (if box 12 = 'fee')					14. SURFACE OWNER PHONE (if box 12 = 'fee')	
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')					16. SURFACE OWNER E-MAIL (if box 12 = 'fee')	
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>		19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>	
20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	585 FSL 463 FWL	SWSW	2	11.0 S	15.0 E	S
Top of Uppermost Producing Zone	585 FSL 463 FWL	SWSW	2	11.0 S	15.0 E	S
At Total Depth	585 FSL 463 FWL	SWSW	2	11.0 S	15.0 E	S
21. COUNTY DUCHESNE			22. DISTANCE TO NEAREST LEASE LINE (Feet) 463		23. NUMBER OF ACRES IN DRILLING UNIT 52008	
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 12808		26. PROPOSED DEPTH MD: 16850 TVD: 16850	
27. ELEVATION - GROUND LEVEL 7136			28. BOND NUMBER 104312762		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE Commercial Water	
ATTACHMENTS						
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES						
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER			<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN			
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)			<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER			
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)			<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP			
NAME Eden Fine		TITLE Permitting Clerk		PHONE 505 333-3664		
SIGNATURE		DATE 05/24/2010		EMAIL eden_fine@xtoenergy.com		
API NUMBER ASSIGNED 43013503710000		APPROVAL  Permit Manager				

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Cond	17.5	13.375	0	500		
Pipe	Grade	Length	Weight			
	Grade H-40 ST&C	500	48.0			

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Proposed Hole, Casing, and Cement

String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	12.25	9.625	0	5000		
Pipe	Grade	Length	Weight			
	Grade N-80 LT&C	5000	40.0			

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Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	8.125	7	0	16850		
Pipe	Grade	Length	Weight			
	Grade P-110 LT&C	16850	32.0			

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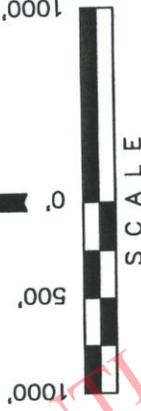
Well location, BLC #13-02-11-15, located as shown in the SW 1/4 SW 1/4 of Section 2, T11S, R15E, S.L.B.&M., Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 14, T10S, R18E, S.L.B.&M. TAKEN FROM THE MOON BOTTOM QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5129 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

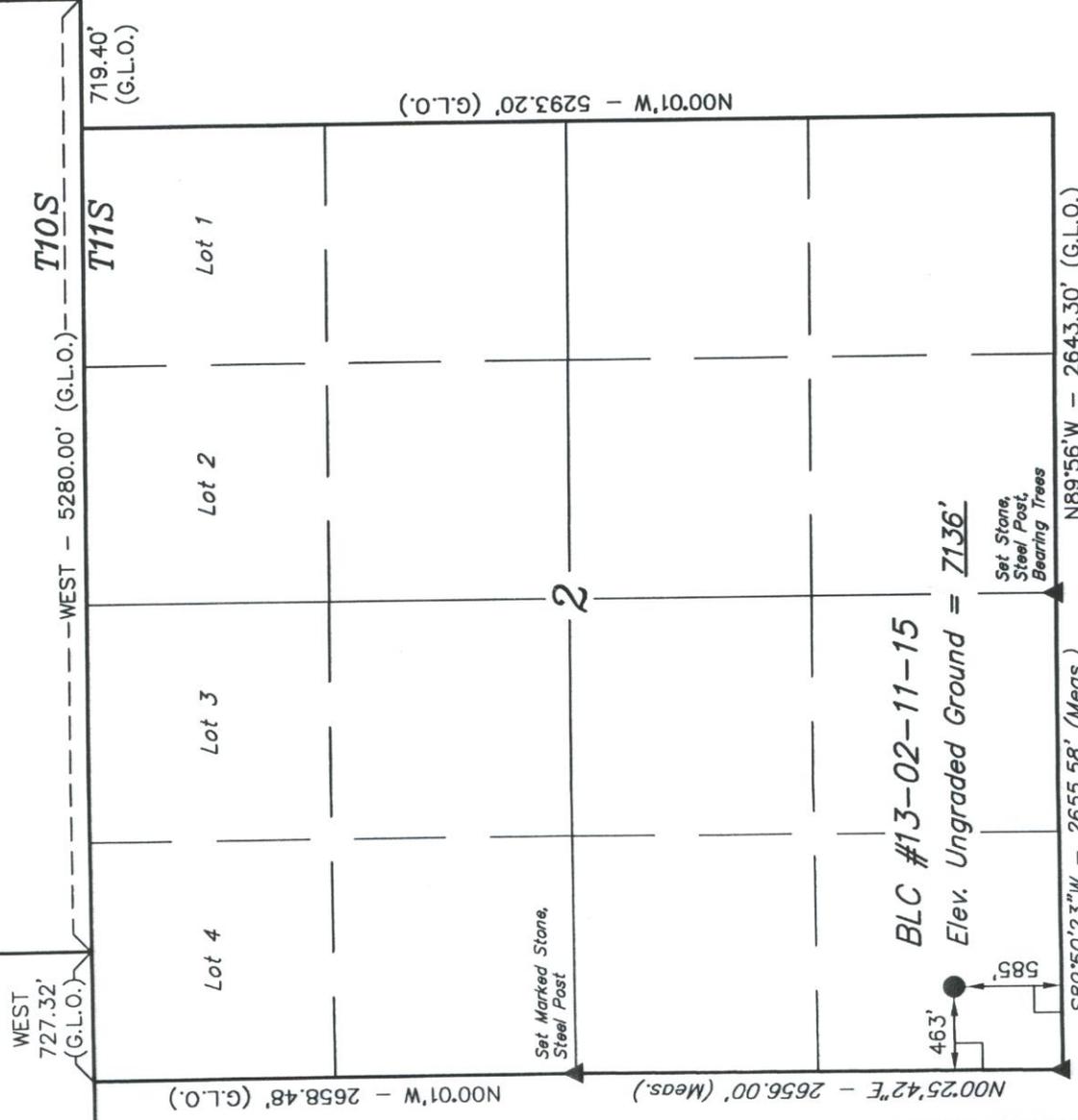
Robert H. ...
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161318
 STATE OF UTAH

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UNTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 01-21-10	DATE DRAWN: 02-19-10
PARTY D.K. T.A. C.C.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE XTO ENERGY, INC.	

T11S, R15E, S.L.B.&M.



(NAD 83)
 LATITUDE = 39°52'50.13" (39.880592)
 LONGITUDE = 110°12'34.70" (110.209639)
 (NAD 27)
 LATITUDE = 39°52'50.26" (39.880628)
 LONGITUDE = 110°12'32.15" (110.208931)

- LEGEND:**
- = 90° SYMBOL
 - = PROPOSED WELL HEAD.
 - ▲ = SECTION CORNERS LOCATED.

BLC #13-02-11-15
 Elev. Ungraded Ground = 7136'

Set Stone,
Steel Post,
Bearing Trees

Set Marked Stone,
Steel Post

XTO ENERGY INC.
Bad Land Cliffs 13-02-11-15
APD Data
May 20, 2010

Location: 585' FSL & 463' FWL, Sec. 02, T11S, R15E **County:** Duchesne **State:** Utah

GREATEST PROJECTED TD: 16,850'
 APPROX GR ELEV: 7136'

OBJECTIVE: Mancos Shale
 Est KB ELEV: 7150' (24' AGL)

1. MUD PROGRAM:

INTERVAL	Surface – 500'	500' to 5000'	5000' to 16,850'
HOLE SIZE	17.5"	12.25"	8.75"
MUD TYPE	Air-Mist/Mud	FW/Spud Mud ¹	KCl Based LSND / Gel Chemical
WEIGHT	8.4 Max	8.4	8.9-12.5
VISCOSITY	NC	NC	28-40
WATER LOSS	NC	NC	8-15

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. Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected.

2. CASING PROGRAM:

Conductor Casing: 13.375" casing to be set at ±500' in a 17-1/2" hole filled with 8.4 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'-500'	500'	48.0#	H-40	ST&C	770	1730	322	12.715	12.559	3.53	7.93	16.1

Surface Casing: 9.625" casing to be set at ±5000' in a 12-1/4" hole filled with 8.4 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'-5000'	5000'	40.0#	N-80	LT&C	3090	5750	727	8.835	*8.75	1.41	1.44	3.64

*Special Drift Pipe - not API Drift

Collapse-Full Evacuation, Burst – Frac Grad. @ 5000' TVD = 15.4 ppg, and Tensile without Buoyancy

Production Casing: 7" Casing to be set at TD (±16,850' MD/TVD) in 8.125" hole filled w/ 12.5 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
0-16,850'	16850'	32.0#	P-110	LT&C	10760	12460	1025	6.094	5.969	*1.16	1.48	1.90

Collapse based on full evacuation with 0.1 psi/ft gas gradient back up internally.

*Note: 7" Casing will be filled with +/- 12.5 ppg mud while running the string into the wellbore.

Burst based on anticipated pore pressure @ total depth less 0.1 psi/ft gas gradient to surface and 8.33 ppg

Mud Weight Equivalent back up behind pipe.

Tensile based on air weight only – No Buoyancy Factor

3. WELLHEAD:

- A. Casing Head: SH2 Multi-Bowl (or equivalent), 13-5/8" nominal, 10,000 psig WP with 13-3/8" Slip-on-Weld Bottom, and 13-5/8", 10,000 psig WP API Top Flange. 9-5/8" to be landed in lower Multi-Bowl with mandrel or slips. 7" casing to be landed in upper section of Multi-Bowl with mandrel or slips.
- B. Tubing Head: Wood Group Type 'T' (or equivalent), 7-1/16" nominal, 15,000 psig WP, 13-3/8" 10,000 psig WP Bottom Flange, with 7-1/16" 15,000 psig WP Top Flange.

4. CEMENT PROGRAM (Slurry design may change slightly based on wellbore conditions):

- A. Conductor: 13-3/8", 48.0#, H-40 (or Equiv), ST&C casing to be set at $\pm 5,00'$ in 17-1/2" hole.

450 sx of Type V cement (or equivalent) typically containing accelerator and LCM.

Slurry includes 50% excess of calculated annular volume to 500'.

- B. Surface: 9-5/8", 40.0#, N-80 (or Equiv), LT&C casing to be set at $\pm 5,000'$ in 12-1/4" hole.

LEAD:

± 760 sx of Light Premium Plus Blend. (Type V/Poz/Gel) or equivalent, with thixotropic, fluid loss, accelerator, & LCM mixed at 11.5 ppg, 2.71 ft³/sk, 15.94 gal wtr/sk.

TAIL:

220 sx Class G or equivalent cement with retarding and LCM additives mixed at 15.8 ppg, 1.15 cuft/sx, 4.96 gal wtr/sk.

Total estimated slurry volume with 50% excess for the 9-5/8" intermediate casing is 2295 ft³.

- C. Production: 7", 32.0#, P-110 (or Equiv), LT&C casing to be set at $\pm 16,850'$ in 8-3/4" hole.

LEAD:

± 1005 sx of Light Premium Plus Blend. (Type V/Poz/Gel) or equivalent, with light weight additive, fluid loss, retarder, & LCM mixed at 12.5 ppg, 1.96 ft³/sk, 10.55 gal wtr/sk.

TAIL:

± 760 sx 50/50 Poz Premium or equivalent cement with light weight and bonding additives, temperature retrogression and gas migration agents, fluid loss additives mixed at 14.3 ppg, 1.51 cuft/sx, and ± 6.56 gal wtr/sk.

Total estimated slurry volume with 30% excess for the 7" intermediate casing is 3113 ft³.

5. LOGGING PROGRAM:

Mud Logger: Plot drill times from surface casing to T. Depth in conjunction with Gas Chromatograph readings.

Catch 10' – 20' samples from surface casing to total depth.

Electric Logging Program: Hi Resolution Laterolog Array from surface casing to TD.

Compensated Neutron/Lithodensity/Pe/Caliper log from surface casing to TD.

Gamma Ray Log from Surface Casing to TD.

Run Gamma Ray from Surface (0') to Total Depth.

6. FORMATION TOPS:

<i>FORMATION</i>	<i>Depth (TVD)</i>	<i>Subsea</i>
Green River	1221	5940
Mahogany Bench Mbr	2017	5144
Wasatch Tongue	3998	3163
Green River Tongue	4492	2669
Wasatch	4696	2465
Mesaverde	8935	-1774
Castlegate	11646	-4485
Blackhawk	11782	-4621
Mancos	12702	-5541
Mancos 'B'	12794	-5633
<u>Dakota</u>	<u>16742</u>	<u>-9581</u>
TD	16850	

Note: The Uintah Formation Outcrops @ Surface

7. ANTICIPATED OIL, GAS, & WATER ZONES:

A.

Formation	Expected Fluids	TV Depth Top
Wasatch Tongue	Oil/Gas/Water	3998
Wasatch	Gas/Water	4696
Mesaverde	Gas/Water	8935
Castlegate	Gas/Water	11646
Blackhawk	Gas/Water	11782
Mancos	Gas/Water	12702
Mancos 'B'	Gas/Water	12794
Dakota	Gas/Water	16742

- B. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation. No known fresh water zones will be penetrated (but if flow is encountered - will be promptly reported to the UT DOGM). The gas bearing zones may contain in-situ water. No known mineral zones will be penetrated.
- C. There are no known potential sources of H₂S.
- D. The bottomhole pressure is anticipated to be approximately 10,075 psi (from nearby offset well Gasco GCS 23-16-11-15).
- E. The Maximum Anticipated Surface Pressure (MASP) is calculated at 8391 psi assuming a dry column of gas (0.1 psi/ft) back to surface.

8. BOP EQUIPMENT:

Conductor (17-1/2" hole): A 20" diverter system will be utilized and installed on top of the 20" structural pipe set at +40'. The diverter system will provide a means of well control consistent with the depth of the 20" structural pipe during the air drilling phase of this section. The blooie line will be approximately 100' in length, and will have straight runs if possible or targeted "Teas" if conditions dictate (with verbal

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approval solicited from the UT DOGM prior to proceeding) to divert any surface flows safely away from the rig floor and personnel. An automatic spark-type ignitor will be fixed to the end of the blooie line and set to provide a continuous spark to ignite and burn any produced hydrocarbons and/or gasses. XTO is not aware of any shallow gas hazard events in the Unitah outcroppings in this area.

Surface Hole (12-1/4") will be drilled with a 10,000 psi BOP Stack.

Production hole will be drilled with a 10,000 psi BOP Stack.

Minimum specifications for pressure control equipment are as follows:

Annular Type: 13-5/8" 5,000 psi WP

Ram Type: 13-5/8" Hydraulic Double Ram with annular, 10,000 psi w.p.

Ram Type: 13-5/8" Hydraulic Single Ram, 10,000 psi w.p.

Ram type preventers and associated equipment shall be tested to stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed:
- b. whenever any seal subject to test pressure is broken
- c. following related repairs
- d. at 30 day intervals.

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip; however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No.2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests. Pressure tests shall apply to all related well control equipment.

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BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Test pressures for BOP equipment are as follows:

- Annular BOP – 2,500 psi
- Ram type BOP – 10,000 psi
- Kill line valves – 10,000 psi
- Choke line valves and choke manifold valves – 10,000 psi
- Chokes – 10,000 psi
- Casing, casinghead & weld -- 1500 psi
- Upper kelly cock and safety valve – 10,000 psi
- Dart valve – 10,000 psi

Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The UT DOGM in Salt Lake City, UT shall be notified, at least 24 hours prior to initiating the pressure test, in order to be given the opportunity to have one of it's representatives witness the pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.
- b. A choke line and a kill line are to be properly installed.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.
- e. See attached BOP (Figure 1) & Choke manifold (Figure 2) diagrams.

9. **COMPANY PERSONNEL:**

<u>Name</u>	<u>Title</u>	<u>Office Phone</u>	<u>Home Phone</u>
Justin Niederhofer	Drilling Engineer	505-333-3199	505-320-0158
Bobby Jackson	Drilling Superintendent	505-333-3224	505-486-4706
Brent Martin	Drilling Manager	505-333-3110	505-320-4074
Jeff Jackson	Project Geologist	817-885-2800	

SURFACE USE PLAN

**XTO Energy Inc.
BLC 13-02-11-15
585' FSL x 463' FWL
Section 02, T11S, R15E
UINTAH COUNTY, UTAH**

TWELVE POINT SURFACE USE PLAN

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

1. Existing Roads:

- a. Proposed route to location is shown on the USGS quadrangle map:
See Exhibit "A".
- b. **The Proposed Well Location is approximately 26.55 miles from Myton, UT**
- c. Location of proposed well in relation to town or other reference point:
Proceed in a southwesterly direction from Myton, Utah along U.S. Highway 40 Approximately 1.5 miles to the junction of this road and sand wash road to the south; turn left and proceed in a southerly, then southwesterly, then southerly direction approximately 1.7 miles to the junction of this road and the 9 mile road to the southwest; turn right and proceed in a southwesterly direction approximately 23.6 miles to the junction of this road and an existing road the southeast; turn left and proceed in a southeasterly direction approximately 1.1 miles to the beginning of the proposed access road to the northeast; follow road flags in a northeasterly direction approximately 0.15 miles to the proposed location.
- d. All existing roads within 1 mile of the drill site are shown on Exhibit "A". **If necessary, all existing roads that will be used for access to the well location will be maintained to their current condition or better unless SITLA approval or consent is given to upgrade the existing road(s).**

2. Planned Access Roads:

- a. Location (centerline): **Starting from a point along an existing road in the SW/4 of Sec 1, T11S, R15E.**
- b. Length of new access to be constructed: **No new access will be needed upon approval of the State APD for the BLC 11-02-11-15**
- c. Length of existing roads to be upgraded: **None**
- d. Maximum total disturbed width: **Typically both existing roads and new access roads require up to 40' of disturbed width in order to obtain a 20' driving surface. If both the road and pipeline are capable of sharing the ROW, then only 50' of disturbed width may be needed.**

- e. Maximum travel surface width: **25' or less**
 - f. Maximum grades: **Maximum grades will not exceed 10% after construction.**
 - g. Turnouts: **No turnouts are planned at this time. Turnouts may be specified in the approved APD.**
 - h. Surface materials: **Only native materials will be used during construction. If necessary, gravel or rock maybe purchased and used to improve road conditions and travel.**
 - i. Drainage (crowning, ditching, culverts, etc): **Roads will be crowned and bar ditches will be located along either side. 18-24" dia CMP culverts will be installed as necessary.**
 - j. Cattle guards: **No cattle guards are planned at this time. Cattle guards will be specified in the stipulations if necessary.**
 - k. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
 - l. Length of new and/or existing roads which lie outside the lease or unit boundary for which a BLM/state/fee right-of-way is required: **None**
 - m. Other: **See general information below.**
 - n. Surface disturbance and vehicular travel will be limited to the approved location and access road only. Any additional surface area needed must be approved by BLM in advance.
 - o. All access roads and surface disturbance will conform to the standards outlines in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. (1989).
 - p. The operator will be responsible for all maintenance of the access road including drainage structures.
3. Location of Existing Wells within a one mile radius of the proposed well:
"See Exhibit C"
4. Location of Production Facilities:
- a. On-site facilities: **Typical on-site facilities will consist of a wellhead, flow lines (typ 3" dia.), artificial lifting system (if necessary), wellhead compression (if necessary), gas/oil/water separator (3 phase), gas measurement and water measurement equipment, and a heated enclosure/building for weather and environmental protection. The tank battery will typically be constructed and surrounded by a berm of sufficient capacity to contain 1½ times the storage capacity of the largest tank(s). The tanks typically necessary for the production of this well will be 1 – 300 bbl steel, above ground tank for oil/condensate and 1 – 300 bbl steel, tank for produced water. All loading lines and valves for these tanks will be placed inside the berm surrounding the tank battery.**

All oil/condensate production and measurement shall conform to the

provisions of 43 CFR § 3162.7 and Onshore Oil and Gas Order No. 4, if applicable. Other on-site equipment and system may include methanol injection and winter weather protection.

All permanent (in place for six months or longer) structures constructed or installed on the well site location will be painted a flat, nonreflective color to match the standard environmental colors, as specified by the COA's in the APD. All facilities will be painted within six months of installation. Facilities required by comply with the Occupational Safety and Health Act (OSHA) may be excluded.

- b. Off-site facilities: **N/A**
- c. Pipelines: **The well will be produced into a buried 10" or less steel gas pipeline and transported to either an existing pipeline ROW (3rd party transporter) or gas gathering facility. The proposed pipeline route will be submitted as a sundry after exact route is determined.**
- d. Power lines: **There are no plans to include power lines in this application. In the event power is required, a ROW application will be submitted to the appropriate agencies.**

5. Location and Type of Water Supply:

Water will be purchased from a commercial water source and trucked via third party to the location over approved access roads.

6. Source of Construction Material:

No construction material will be removed from SITLA, Federal, or Tribal lands

If any gravel is used it will be obtained from a State approved gravel pit.

Pad construction material will be obtained from (if the material source is federally owned, a map will be included showing the location of the material):

All construction material will be purchased from private landowners and or from a commercial gravel/materials pit. All material will be trucked to location via third party trucking using only approved access roads.

The use of materials under BLM jurisdiction will conform to 43 CFR § 3610.2-3, if applicable.

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The reserve pits will typically be lined with a synthetic material, ±20 mils in thickness. The reserve pits shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pits will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pits are dry. Appropriate precautions, such as bird netting or bird balls will be used in order to prevent access and mortality of birds and other animals.

Muds and cuttings will be solidified in place and buried. All precautions will be

used as to minimize damage done to the pit liner while mixing is taking place.

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

Sewage from trailers and chemical portable toilets will be removed on a regular basis by a third party contractor and disposed of at an authorized sanitary waste facility.

No chemicals subject reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well.

Any and all chemicals used during the drilling and completion of the well will be kept to a minimum and stored within the boundaries of the well pad. The third party chemical contractor will be responsible for containment and clean-up and removal of all spilled chemicals on location.

8. Ancillary Facilities: No ancillary facilities will be required during the drilling or completion of the well.
9. Well Site Layout -depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. See Exhibit "E".

During project construction, surface disturbance and vehicle travel shall be limited to the approved location and access routes. Any additional area needed must be approved by the State prior to use.

The operator will provide a trash cage for the collection and containment of all trash. The trash will be disposed in an authorized landfill. The location and access roads shall be kept litter free.

The pad has been staked at its maximum size; however it will be constructed smaller if possible, depending on rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.

All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.

Dust will be controlled during all phases of project implementation through the use of water or approved dust suppressants.

All cut and fill slopes will be such that stability can be maintained for the life of the activity.

Diversion ditches will be constructed as shown around the well site to prevent surface waters from entering the well site area.

The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.

Materials obtained from the construction of location, like topsoil and vegetation will be stock piled as indicated and permitted by the approved APD.

The topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination

Pits will remain fenced until site cleanup.

10. Plans for Restoration of the Surface: (Interim Reclamation and Final Reclamation)

Prior to disturbance, the topsoil will be separately removed and segregated from other materials. The topsoil depth will be decided by the State during the onsite. Topsoil will be segregated from subsoil without mixing them, based upon site specific conditions.
Typically as specified by the approved APD.

Topsoil along the access road will be reserved in place adjacent to the road as indicted

Within 30-45 days after completion of well, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed in a given time period as specified by SITLA in the approved APD.

Before any dirt work to restore the location takes place, the reserve pit must be dry and ready for burial. If necessary, any approvals needed to commence the burial operation will be obtained.

All road surfacing will be removed prior to the rehabilitation of roads, if necessary.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseeding, all disturbed areas, including the access road will be scarified and left with a rough surface. All seed utilized will be tested prior to application to ensure BLM specifications for PLS, purity, noxious weeds, etc. have been met.

The following seed mixture will be used: **As specified in the conditions of approval.**

Prior to final abandonment of the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM and SITLA

11. Surface and Mineral Ownership: **Both the surface and the minerals are property of the State of Utah under management of the SITLA –State Office, 675 East 500 South, Suite 500, Salt Lake City, UT 84102-2818; 801-538-5100**

12. Other Information:

- a. SWCA has conducted a Class III archeological survey. A copy of the report will be submitted under separate cover to the appropriate agencies.
- b. SWCA has conducted a paleontological survey. A copy of the report will be submitted under separate cover to the appropriate agencies.
- c. No raptor habitat is known to exist within 1 mile of the proposed wellsite.

XTO ENERGY, INC.
BLC #13-02-11-15
SECTION 2, T11S, R15E, S.L.B.&M.

PROCEED IN A SOUTHWESTERLY DIRECTION FROM MYTON, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND SAND WASH ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND THE 9 MILE ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 23.6 MILES TO THE JUNCTION OF THIS ROAD AND 9 MILE ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE PROPOSED LOCATION

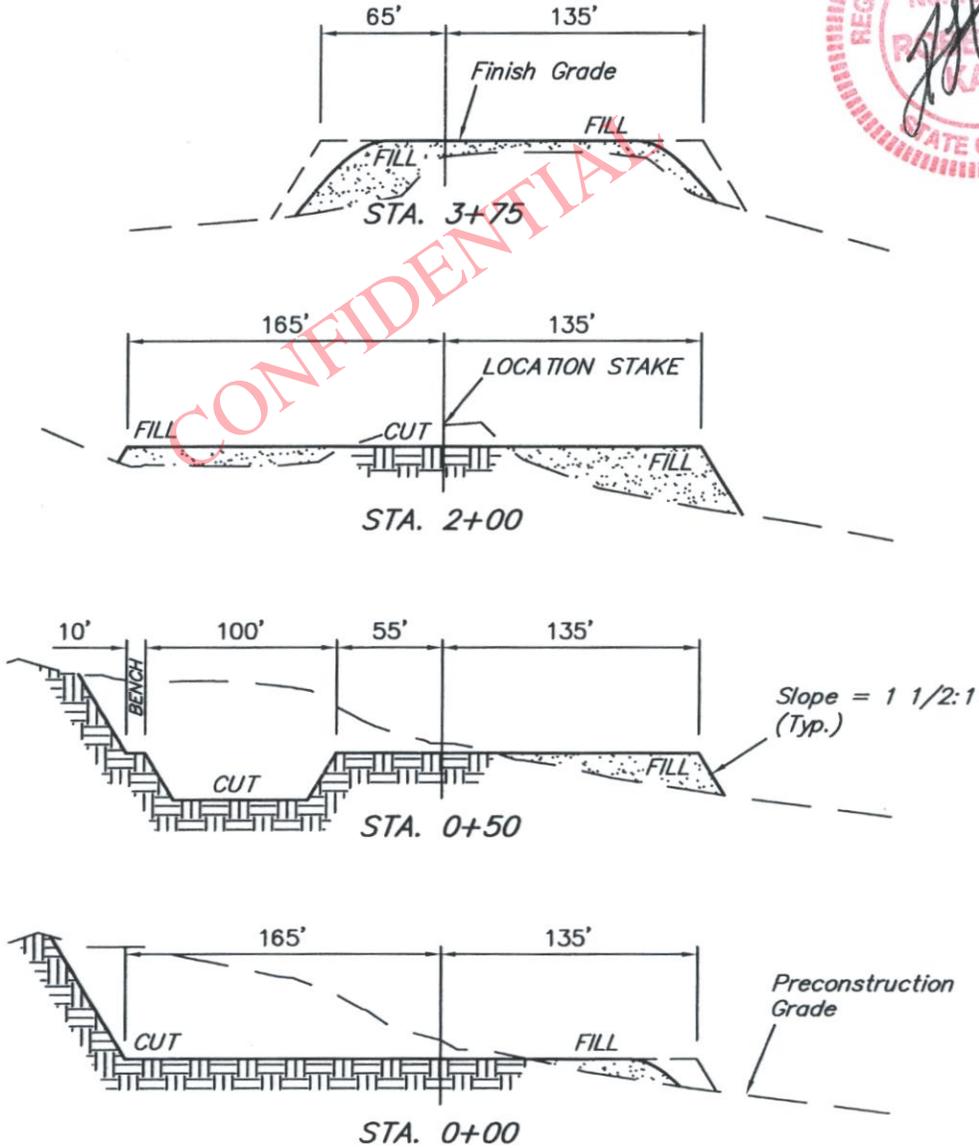
TOTAL DISTANCE FROM MYTON, UTAH TO THE PROPOSED LOCATION IS APPROXIMATELY 26.55 MILES.

XTO ENERGY, INC.

FIGURE #2

TYPICAL CROSS SECTION FOR
BLC #13-02-11-15
SECTION 2, T11S, R15E, S.L.B.&M.
585' FSL 463' FWL

X-Section Scale
 1" = 40'
 1" = 100'
 DATE: 02-19-10
 DRAWN BY: C.C.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE ACREAGES
 WELL SITE DISTURBANCE = ± 3.224 ACRES
 ACCESS ROAD DISTURBANCE = ± 0.616 ACRES
 TOTAL = ± 3.840 ACRES

* NOTE:
 FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 2,410 Cu. Yds.
 Remaining Location = 18,290 Cu. Yds.
TOTAL CUT = 20,700 CU.YDS.
FILL = 15,590 CU.YDS.

EXCESS MATERIAL = 5,110 Cu. Yds.
 Topsoil & Pit Backfill = 5,110 Cu. Yds.
 (1/2 Pit Vol.)
 EXCESS UNBALANCE = 0 Cu. Yds.
 (After Interim Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
 86 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

XTO ENERGY, INC.
BLC #13-02-11-15
LOCATED IN DUCHESNE COUNTY, UTAH
SECTION 2, T11S, R15E, S.L.B.&M.

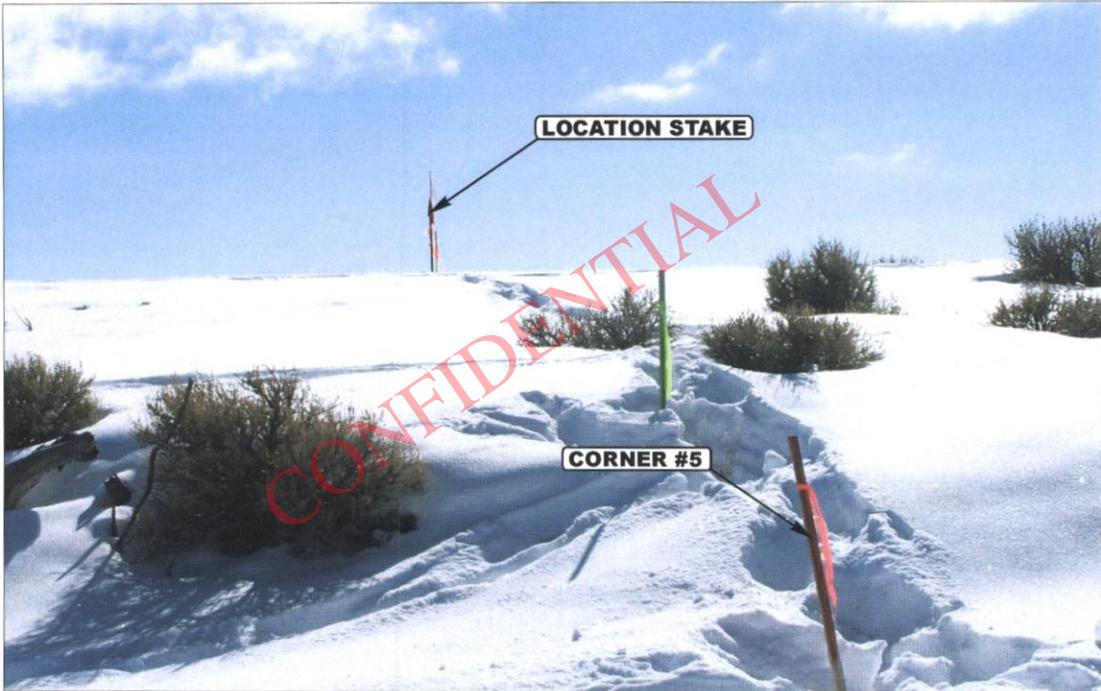


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

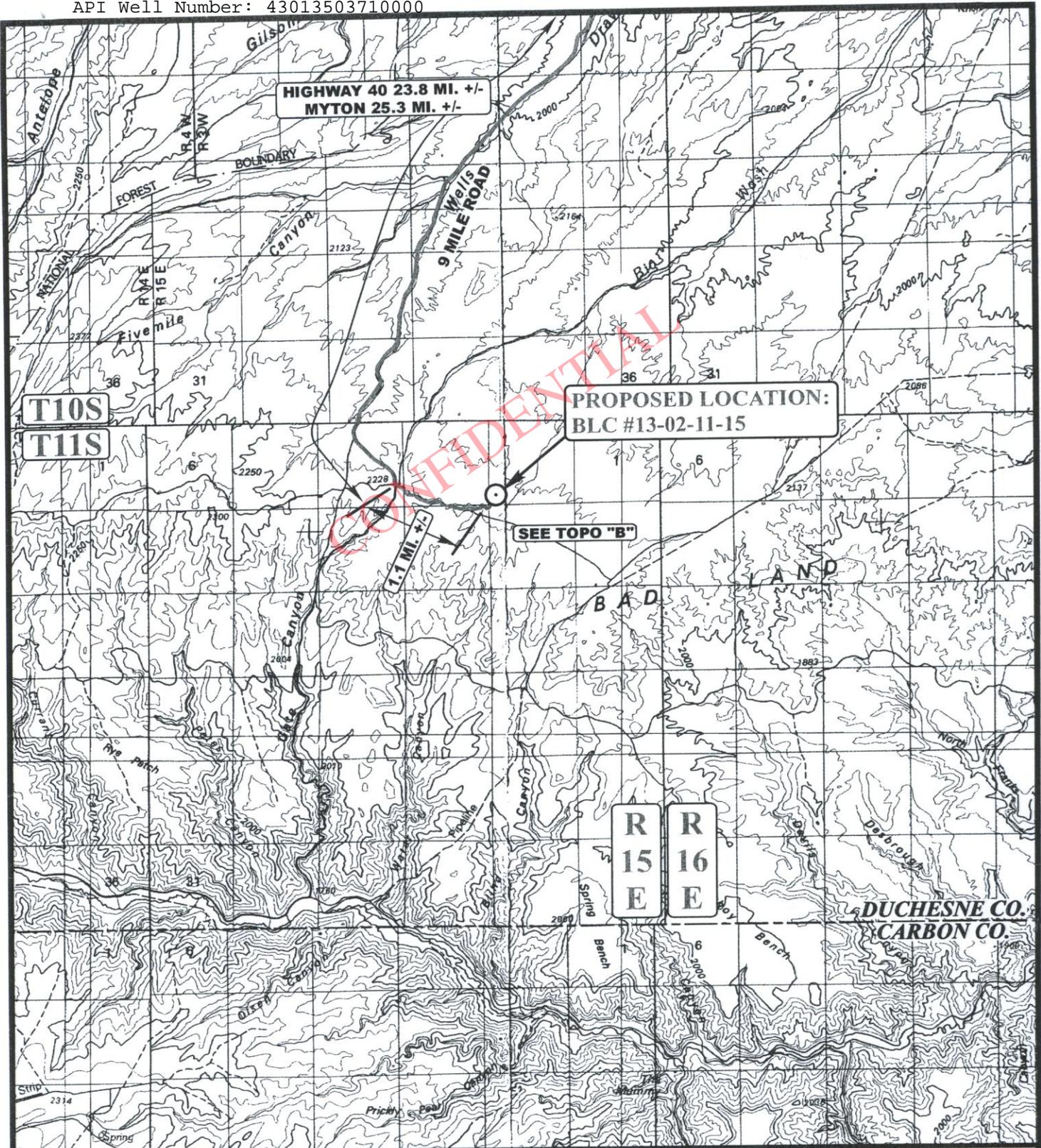
CAMERA ANGLE: EASTERLY



UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

- Since 1964 -

LOCATION PHOTOS	02	23	10	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.K.	DRAWN BY: J.H.		REVISED: 00-00-00	



LEGEND:

○ PROPOSED LOCATION

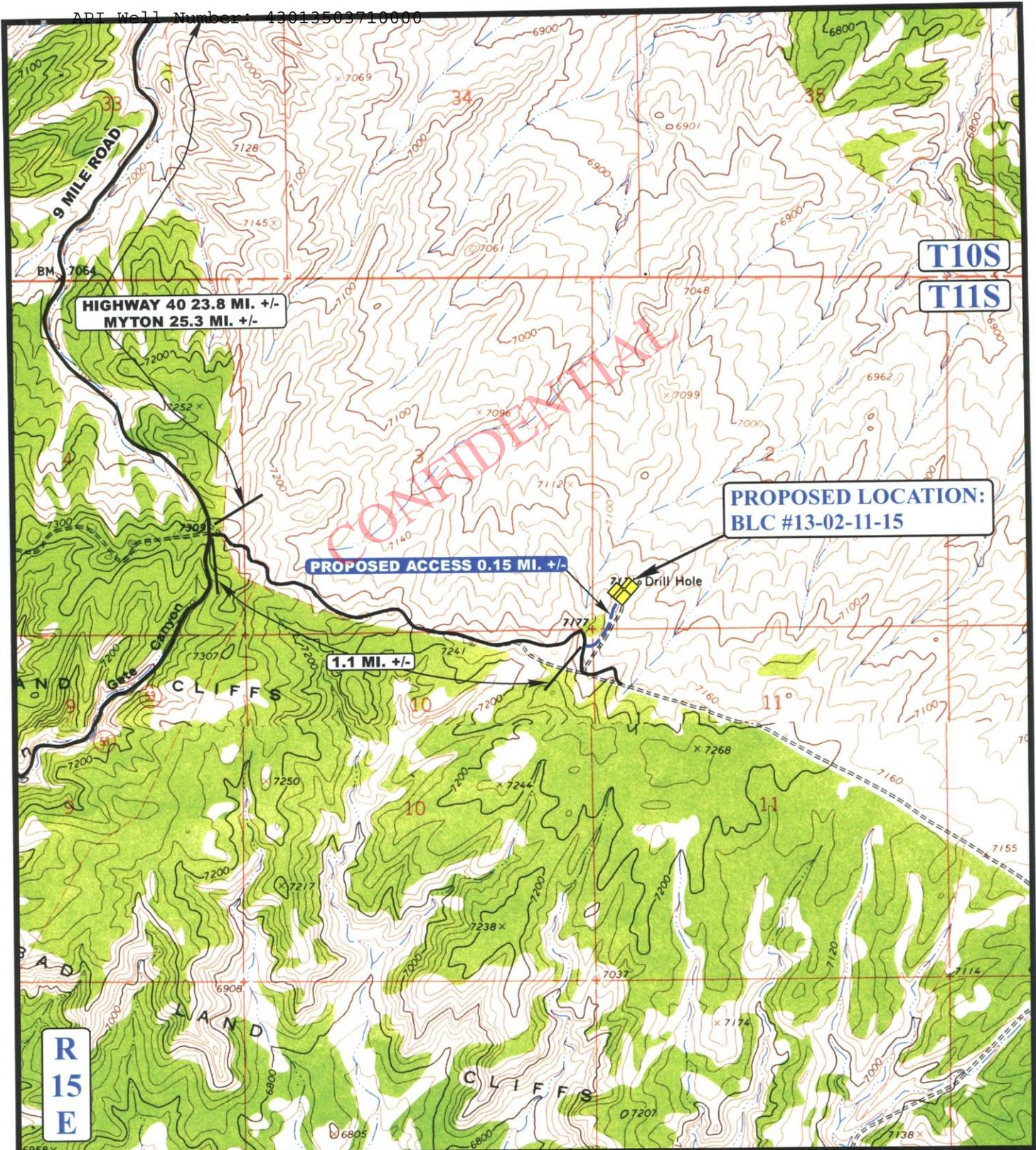
XTO ENERGY, INC.

BLC #13-02-11-15
SECTION 2, T11S, R15E, S.L.B.&M.
585' FSL 463' FWL

UEIS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP
MONTH 02 DAY 23 YEAR 10
SCALE: 1:100,000 DRAWN BY: J.H. REVISED: 00-00-00





LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



XTO ENERGY, INC.

BLC #13-02-11-15
 SECTION 2, T11S, R15E, S.L.B.&M.
 585' FSL 463' FWL



Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 02 23 10
MAP MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.H. REV: 03-31-10 Z.L.





**PROPOSED LOCATION:
BLC #13-02-11-15**

**MIAMI STATE
#513-1
Unit hole**

**GATE CANYON FED
#41-10**

T10S

T11S

**R
15
E**

LEGEND:

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



XTO ENERGY, INC.

**BLC #13-02-11-15
SECTION 2, T11S, R15E, S.L.B.&M.
585' FSL 463' FWL**



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

02	23	10
MONTH	DAY	YEAR

SCALE: 1" = 2000'

DRAWN BY: J.H.

REVISED: 00-00-00



XTO ENERGY, INC.

TYPICAL RIG LAYOUT FOR

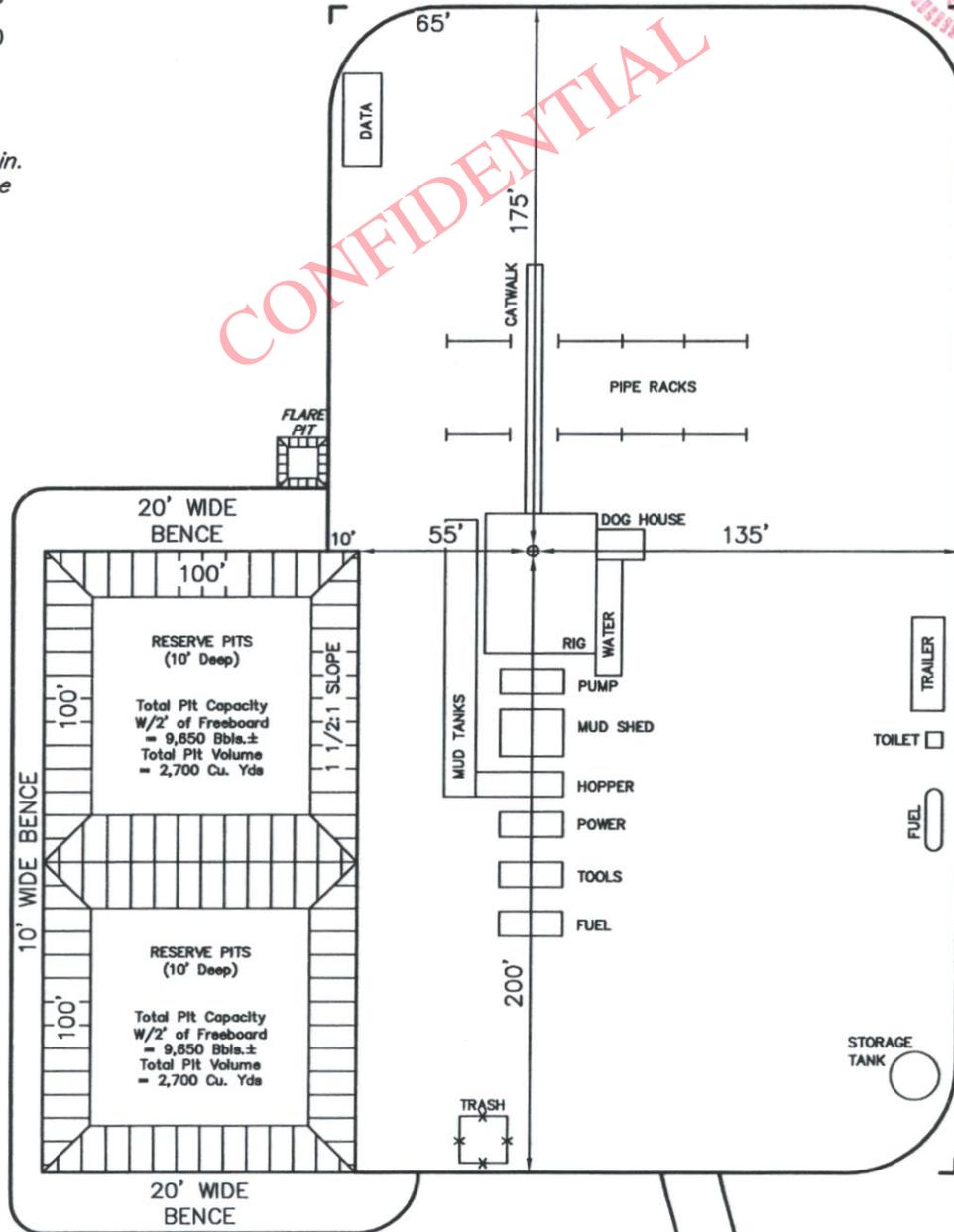
BLC #13-02-11-15
SECTION 2, T11S, R15E, S.L.B.&M.
585' FSL 463' FWL

FIGURE #3



SCALE: 1" = 60'
DATE: 02-19-10
DRAWN BY: C.C.

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

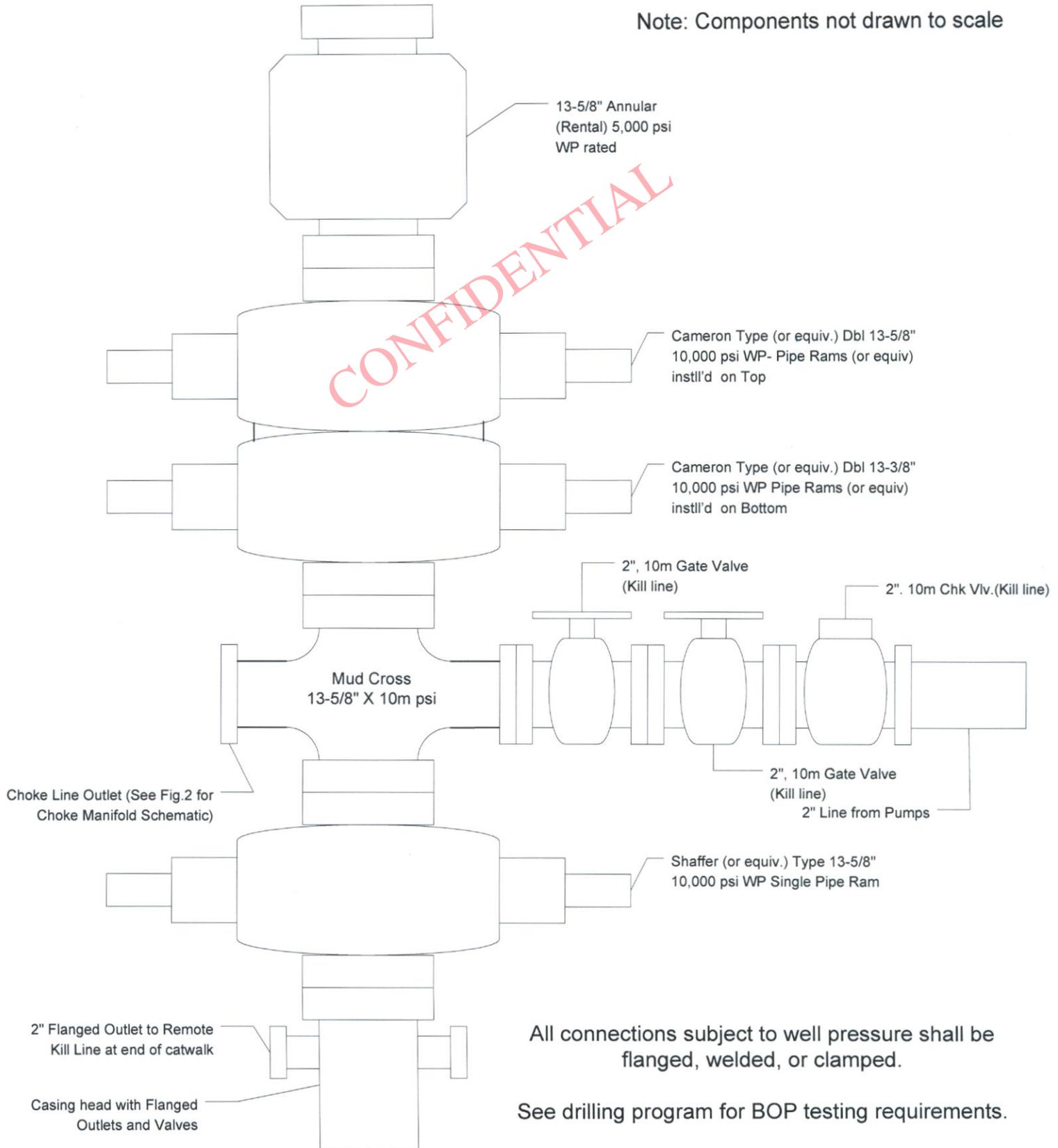


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Access Road

Note: Components not drawn to scale

CONFIDENTIAL

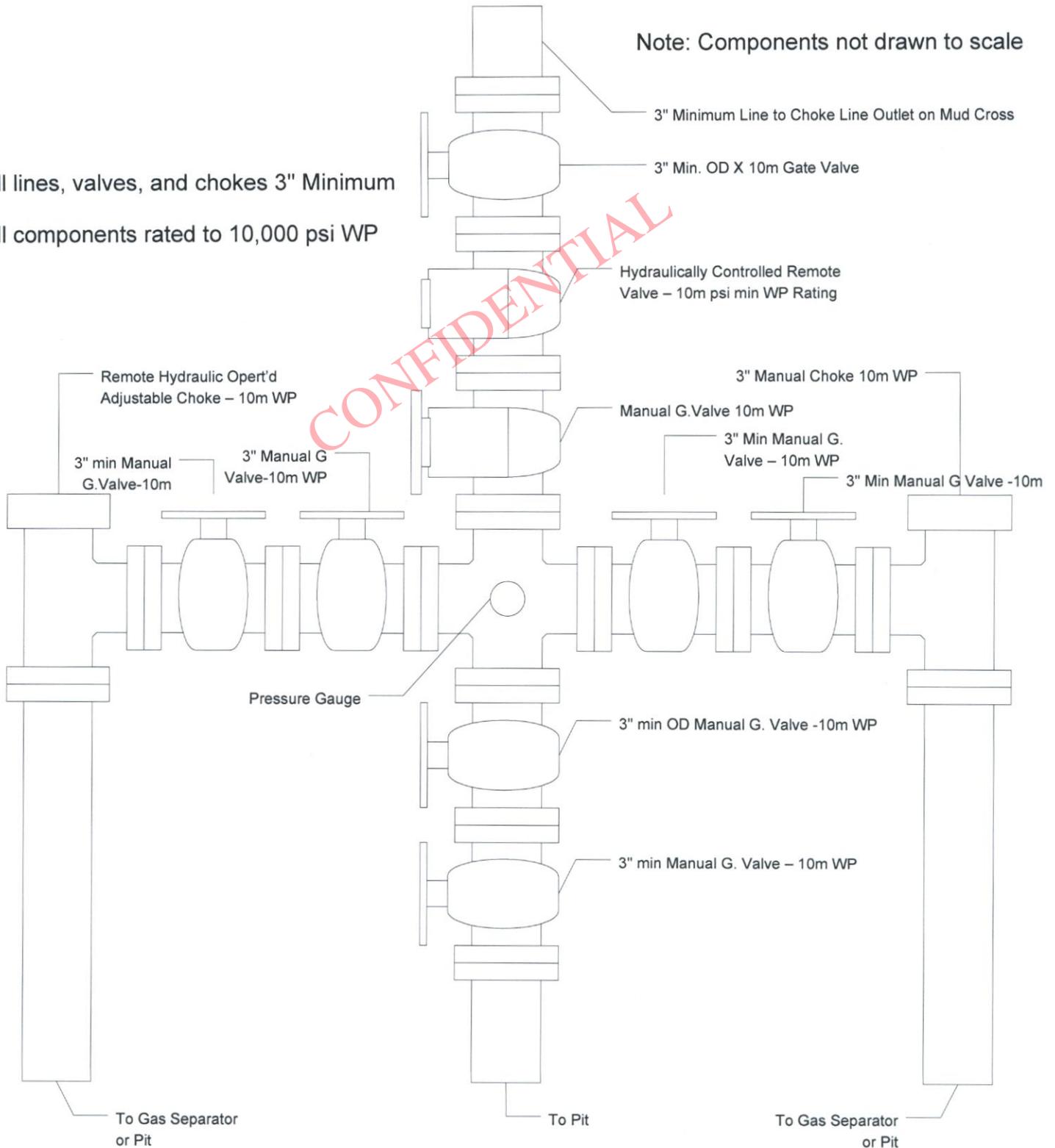


All connections subject to well pressure shall be flanged, welded, or clamped.

See drilling program for BOP testing requirements.

Note: Components not drawn to scale

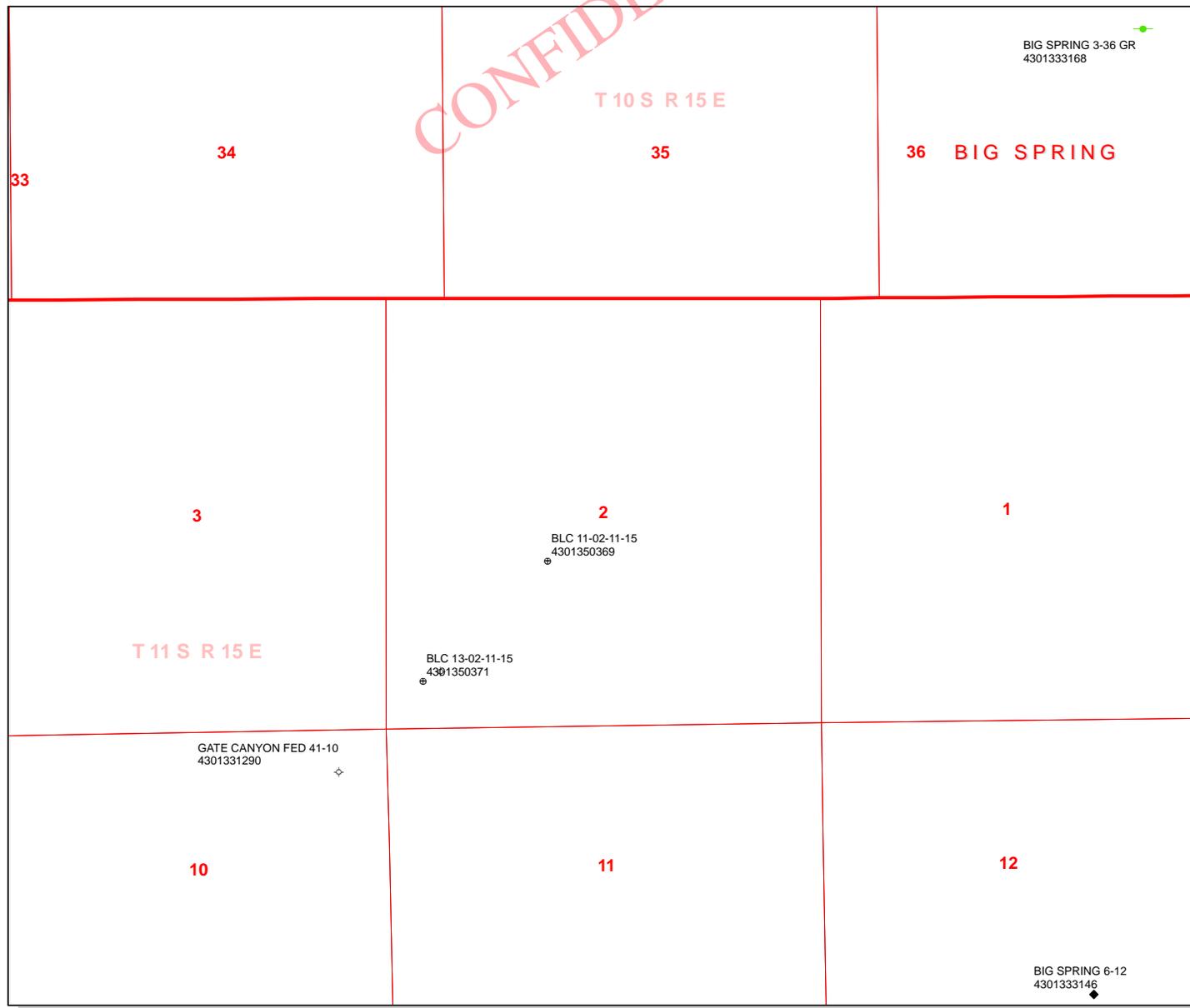
All lines, valves, and chokes 3" Minimum
All components rated to 10,000 psi WP



All connections subject to well pressure shall be flanged, welded, or clamped.

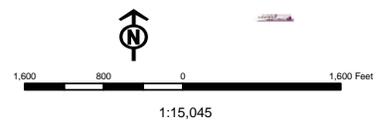
See drilling program for BOP testing requirements.

CONFIDENTIAL



API Number: 4301350371
Well Name: BLC 13-02-11-15
Township 11.0 S Range 15.0 E Section 2
Meridian: SLBM
 Operator: XTO ENERGY INC
 Map Prepared:
 Map Produced by Diana Mason

- | Fields | Wells Query |
|---------------|------------------------------------|
| Sections | ✕ -call other values- |
| Township | |
| Status | |
| ◆ | APD - Approved Permit |
| ○ | DRL - Spudded (Drilling Commenced) |
| ⚡ | GIW - Gas Injection |
| ⚡ | GS - Gas Storage |
| × | LA - Location Abandoned |
| ⊕ | LOC - New Location |
| ⊖ | OPS - Operation Suspended |
| ⊖ | PA - Plugged Abandoned |
| ⚡ | PGW - Producing Gas Well |
| ● | POW - Producing Oil Well |
| ⊖ | RET - Returned APD |
| ⚡ | SGW - Shut-in Gas Well |
| ⚡ | SOW - Shut-in Oil Well |
| ⚡ | TA - Temp. Abandoned |
| ○ | TW - Test Well |
| ⚡ | WDW - Water Disposal |
| ⚡ | WW - Water Injection Well |
| ● | WSW - Water Supply Well |





Well Number: 43013503710000

Office of the Governor
PUBLIC LANDS POLICY COORDINATION

JOHN HARJA
Director

State of Utah

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

June 6, 2010

Diana Mason
Petroleum Specialist
Department of Natural Resources, Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

CONFIDENTIAL

Subject: Application for Permit to Drill XTO Energy Inc. BLC 13-02-11-15
RDCC Project No. 21080

Dear Ms. Mason:

The State of Utah, through the Public Lands Policy Coordination Office (PLPCO), has reviewed this project. Utah Code (Section 63J-4-601, *et. seq.*) designates PLPCO as the entity responsible to coordinate the review of technical and policy actions that may affect the physical resources of the state, and to facilitate the exchange of information on those actions among federal, state, and local government agencies. As part of this process, PLPCO makes use of the Resource Development Coordinating Committee (RDCC). The RDCC includes representatives from the state agencies that are generally involved or impacted by public lands management.

Division of Air Quality

The proposed well drilling project may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board. If any compressor or pump stations are constructed at the site a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to R307-401: Permit: Notice of Intent and Approval Order, of the Utah Air Quality Rules. A copy of the rules can be found at www.rules.utah.gov/publicat/code/r307/r307.htm.

The Utah Division of Air Quality (DAQ) encourages the use of Best Management Processes in protecting air quality in Utah. We recommend emission standards for stationary reciprocating internal combustion engines. These standards are 2 g/bhp-hr for engines less than 300 HP and 1 g/bhp-hr for engines over 300 HP. DAQ encourages the Trust Land Administration to impose these emission standards as lease conditions for all new and relocated engines, and as conditions of approval for all new applications for permits to drill.

API Well Number: 43013503710000

The proposed project is subject to R307-205-5: Fugitive Dust, of the Utah Air Quality Rules, due to the fugitive dust that will be generated during the excavation of the roadway for the project and possibly the pad (based on pad size). These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules can be found at www.rules.utah.gov/publicat/code/r307/r307.htm.

The State of Utah appreciates the opportunity to review this proposal and we look forward to working with you on future projects. Please direct any other written questions regarding this correspondence to the Public Lands Policy Coordination Office at the address below, or call Judy Edwards at (801) 537-9023.

Sincerely,

A handwritten signature in black ink, appearing to read "John Harja".

John Harja
Director

Well Name	XTO ENERGY INC BLC 13-02-11-15 43013503710000			
String	Cond	Surf	Prod	
Casing Size(")	13.375	9.625	7.000	
Setting Depth (TVD)	500	5000	16850	
Previous Shoe Setting Depth (TVD)	40	500	5000	
Max Mud Weight (ppg)	8.4	8.4	12.5	
BOPE Proposed (psi)	500	10000	10000	
Casing Internal Yield (psi)	1730	5750	12460	
Operators Max Anticipated Pressure (psi)	10075		11.5	

Calculations	Cond String	13.375	"
Max BHP (psi)	$.052 * \text{Setting Depth} * \text{MW} =$	218	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	158	YES air drill
MASP (Gas/Mud) (psi)	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	108	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	117	NO OK
Required Casing/BOPE Test Pressure=		500	psi
*Max Pressure Allowed @ Previous Casing Shoe=		40	psi *Assumes 1psi/ft frac gradient

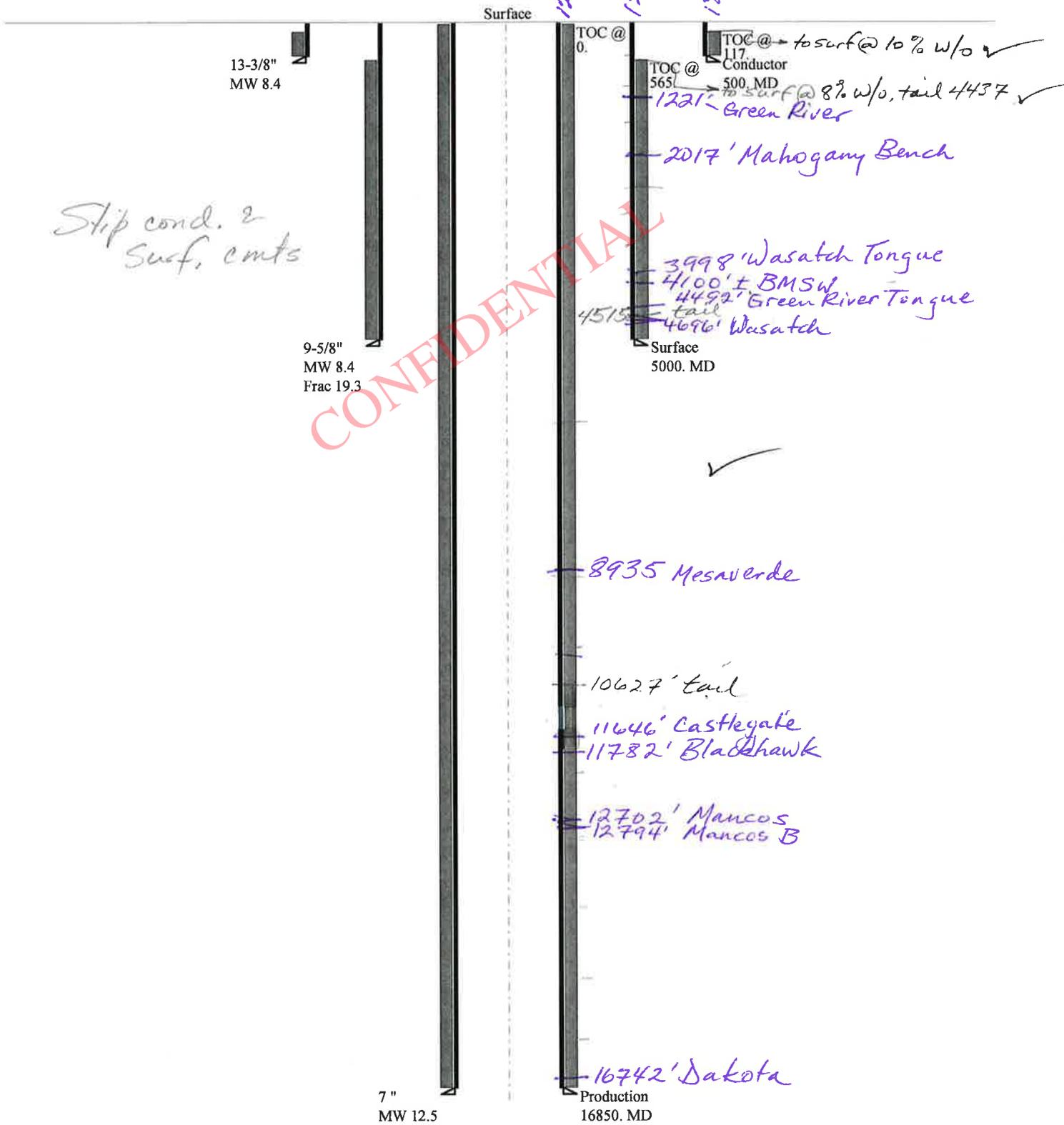
Calculations	Surf String	9.625	"
Max BHP (psi)	$.052 * \text{Setting Depth} * \text{MW} =$	2184	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	1584	YES
MASP (Gas/Mud) (psi)	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	1084	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	1194	NO Reasonable
Required Casing/BOPE Test Pressure=		4025	psi
*Max Pressure Allowed @ Previous Casing Shoe=		500	psi *Assumes 1psi/ft frac gradient

Calculations	Prod String	7.000	"
Max BHP (psi)	$.052 * \text{Setting Depth} * \text{MW} =$	10953	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	8931	YES
MASP (Gas/Mud) (psi)	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	7246	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	8346	NO Reasonable
Required Casing/BOPE Test Pressure=		8722	psi
*Max Pressure Allowed @ Previous Casing Shoe=		5000	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	$.052 * \text{Setting Depth} * \text{MW} =$		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$		NO
MASP (Gas/Mud) (psi)	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

43013503710000 BLC 13-02-11-15

Casing Schematic



Well name:	43013503710000 BLC 13-02-11-15		
Operator:	XTO ENERGY INC		
String type:	Conductor	Project ID:	43-013-50371
Location:	DUCHESNE COUNTY		

Design parameters:

Collapse

Mud weight: 8.400 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 74 °F
 Bottom hole temperature: 81 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: 117 ft

Burst

Max anticipated surface pressure: 158 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP 218 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.70 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Non-directional string.

Tension is based on air weight.
 Neutral point: 438 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	500	13.375	48.00	H-40	ST&C	500	500	12.59	6199
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	218	740	3.392	218	1730	7.93	24	322	13.42 J

Prepared by: Helen Sadik-Macdonald
 Div of Oil, Gas & Mining

Phone: 801 538-5357
 FAX: 801-359-3940

Date: June 23, 2010
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 500 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43013503710000 BLC 13-02-11-15		
Operator:	XTO ENERGY INC		
String type:	Surface	Project ID:	43-013-50371
Location:	DUCHESNE COUNTY		

Design parameters:

Collapse

Mud weight: 8.400 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 74 °F
 Bottom hole temperature: 144 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft
 Cement top: 565 ft

Burst

Max anticipated surface pressure: 3,900 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 5,000 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.70 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Tension is based on air weight.
 Neutral point: 4,375 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 16,850 ft
 Next mud weight: 12.500 ppg
 Next setting BHP: 10,942 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 5,000 ft
 Injection pressure: 5,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	5000	9.625	40.00	N-80	LT&C	5000	5000	8.75	63623
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	2182	3090	1.416	5000	5750	1.15	200	737	3.69 J

Prepared by: Helen Sadik-Macdonald
 Div of Oil, Gas & Mining

Phone: 801 538-5357
 FAX: 801-359-3940

Date: June 23, 2010
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 5000 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43013503710000 BLC 13-02-11-15		
Operator:	XTO ENERGY INC		
String type:	Production	Project ID:	43-013-50371
Location:	DUCHESNE COUNTY		

Design parameters:

Collapse

Mud weight: 12.500 ppg
 Internal fluid density: 2.330 ppg

Minimum design factors:

Collapse:

Design factor 1.125

Environment:

H2S considered? No
 Surface temperature: 74 °F
 Bottom hole temperature: 310 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Burst:

Design factor 1.00

Cement top: Surface

Burst

Max anticipated surface pressure: 7,235 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 10,942 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.60 (B)

Non-directional string.

Tension is based on buoyed weight.
 Neutral point: 13,664 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	16850	7	32.00	P-110	LT&C	16850	16850	6	208852
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	8902	10780	1.211	10942	12460	1.14	437.3	897	2.05 J

Prepared by: Helen Sadik-Macdonald
 Div of Oil, Gas & Mining

Phone: 801 538-5357
 FAX: 801-359-3940

Date: June 23, 2010
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 16850 ft, a mud weight of 12.5 ppg. An internal gradient of .121 psi/ft was used for collapse from TD. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

API Well Number: 43013503710000

From: Jim Davis
To: Bonner, Ed; Mason, Diana
CC: krista_wilson@xtoenergy.com
Date: 2/2/2011 8:37 AM
Subject: APD approval (1 for XTO)

The following APD had been approved by SITLA including arch and paleo clearance.

BLC 13-02-11-15 (4301350371) BLC 13-02-11-15
-Jim

Jim Davis
Utah Trust Lands Administration
jimdavis1@utah.gov
Phone: (801) 538-5156

CONFIDENTIAL

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator XTO ENERGY INC
Well Name BLC 13-02-11-15
API Number 43013503710000 **APD No** 2677 **Field/Unit** WILDCAT
Location: 1/4,1/4 SWSW **Sec** 2 **Tw** 11.0S **Rng** 15.0E 585 FSL 463 FWL
GPS Coord (UTM) 567647 4414599 **Surface Owner**

Participants

Floyd Bartlett (DOGM), Eden Fine (Permitting XTO), Misty Stelly (Environmental Specialist XTO), Jody Mecham (Construction, XTO), Kyla Vaughn (Permitting, XTO); Randy Fredrick (Chapman Construction); Jim Davis (SITLA); Ben Williams (UDWR).

Regional/Local Setting & Topography

The location is approximately 37 miles straight-line distance southwest of Roosevelt, UT. and 26.4 road miles southwest of Myton, UT.. Access to the site is by State of Utah, Duchesne County and existing or planned oilfield development roads. Approximately 0.15 miles of additional construction will be required. The general area is within the Bad Lands area of southern Duchesne County north of the Wells Draw and Gate Canyon Divide. Big Wash is the major drainage in the area. It is an ephemeral drainage running in a northeasterly direction toward the Green River a distance of several miles. No know springs or seeps are in the immediate area.

This specific site for the BLC 13-02-11-15 deep gas well is on a lateral narrow topped ridge which runs in a northeasterly direction leading from the main divide ridge to the south. Significant cut (up to 24 feet) will occur on the southwest side and reserve pit area. The excavation will be moved to the east, west and north to build the pad. A wide sagebrush covered swale exists on the southeast side which will be filled. No drainage problems occur, as the most of the drainage will be filled. A similar but narrower swale occurs on the northwest. It heads on the location and a diversion is not needed. Location corners 2, 6 and 8 are rounded to reduce the amount of fill in these areas. Terrain to the north of the site is rolling. The pad extends to the northeast onto a portion of an old PA location. It does not reach the previous wellhead. The selected site appears to be a suitable location for constructing a pad, drilling and operating a well and is the best site in the immediate area.

The pre-drill investigation of the surface was performed on May 27, 2010. Both the surface and the minerals are owned by S.I.T.L.A.

Surface Use Plan

Current Surface Use

- Grazing
- Recreational
- Wildlfe Habitat
- Deer Winter Range
- Existing Well Pad

New Road Miles	Well Pad	Src Const Material	Surface Formation
0.15	Width 300 Length 375	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Flora / Fauna

Cattle elk, deer, small mammals and birds.

Vegetation includes pinion, juniper, big sagebrush, stipa, curly mesquite, Indian ricegrass, sego lily, penstemon, loco weed, hordium jubatum, buckwheat,, poa, Indian paintbrush and spring annuals.

Soil Type and Characteristics

Surface soils are a moderately deep shaley sandy clay loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required? N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y **Paleo Potential Observed?** Y **Cultural Survey Run?** Y **Cultural Resources?**

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)	>200	0	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)		20	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)	10 to 20	5	
Affected Populations			
Presence Nearby Utility Conduits	Not Present	0	
Final Score		40	1 Sensitivity Level

Characteristics / Requirements

The planned reserve pit is 100' by 200' located within a cut area on the on the southwest side of the location. It is 10 feet deep with a 10-foot wide outer bench. Stability should not be a problem. A 16-mil liner is required.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

Floyd Bartlett
Evaluator

5/27/2010
Date / Time

Application for Permit to Drill

Statement of Basis

2/3/2011

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
2677	43013503710000	LOCKED	GW	S	No
Operator	XTO ENERGY INC		Surface Owner-APD		
Well Name	BLC 13-02-11-15		Unit		
Field	WILDCAT		Type of Work	DRILL	
Location	SWSW 2 11S 15E S 585 FSL 463 FWL GPS Coord (UTM) 567628E 4414590N				

Geologic Statement of Basis

XTO has proposed 500' of conductor and 5,000' of surface casing at the proposed location. Both are to be cemented to surface. The base of the moderately saline water is estimated to at approximately 4,100'. A search of Division of Water Rights records shows no water wells within a 10,000' radius of the proposed location. The surface formation at this location is the Green River Formation. This area can be considered a recharge area for aquifers in the Green River Formation. The Green River Formation is made up of interbedded sands, limestones and shales. The proposed casing and cementing program should adequately protect the recharge area and any useable sources of ground water.

Brad Hill
APD Evaluator

6/3/2010
Date / Time

Surface Statement of Basis

The location is approximately 37 miles straight-line distance southwest of Roosevelt, UT. and 26.4 road miles southwest of Myton, UT.. Access to the site is by State of Utah, Duchesne County and existing or planned oilfield development roads. Approximately 0.15 miles of additional construction will be required. The general area is within the Bad Lands area of southern Duchesne County north of the Wells Draw and Gate Canyon Divide. Big Wash is the major drainage in the area. It is an ephemeral drainage running in a northeasterly direction toward the Green River a distance of several miles. No know springs or seeps are in the immediate area.

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The pre-drill investigation of the surface was performed on May 27, 2010. Both the surface and the minerals are owned by S.I.T.L.A. Jim Davis of S.I.T.L.A attended the visit. He had no concerns and furnished XTO a seed mix to be used in reclamation of the site. Ben Williams of the UDWR also attended the pre-site. He said the area is classified as crucial winter habitat for elk and deer. He recommended a seasonal restriction from December 1 to April 15 for pad construction, drilling and other significant disturbances in the area. Mr. Davis of SITLA requested that XTO abide by this restriction but if for reasons felt they could not, to contact SITLA. The area is part of an old chaining that has been improved for livestock and big game forage. No other wildlife is expected to be significantly affected.

Application for Permit to Drill

Statement of Basis

2/3/2011

Utah Division of Oil, Gas and Mining

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Floyd Bartlett
Onsite Evaluator

5/27/2010
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

CONFIDENTIAL

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 5/24/2010

API NO. ASSIGNED: 43013503710000

WELL NAME: BLC 13-02-11-15

OPERATOR: XTO ENERGY INC (N2615)

PHONE NUMBER: 505 333-3664

CONTACT: Eden Fine

PROPOSED LOCATION: SWSW 02 110S 150E

Permit Tech Review:

SURFACE: 0585 FSL 0463 FWL

Engineering Review:

BOTTOM: 0585 FSL 0463 FWL

Geology Review:

COUNTY: DUCHESNE

LATITUDE: 39.88056

LONGITUDE: -110.20913

UTM SURF EASTINGS: 567628.00

NORTHINGS: 4414590.00

FIELD NAME: WILDCAT

LEASE TYPE: 3 - State

LEASE NUMBER: ML-51638

PROPOSED PRODUCING FORMATION(S): DAKOTA

SURFACE OWNER: 3 - State

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT**
- Bond:** STATE/FEE - 104312762
- Potash**
- Oil Shale 190-5**
- Oil Shale 190-3**
- Oil Shale 190-13**
- Water Permit:** Commercial Water
- RDCC Review:** 2011-02-02 00:00:00.0
- Fee Surface Agreement**
- Intent to Commingle**

Commingle Approved

LOCATION AND SITING:

- R649-2-3.**
 - Unit:**
 - R649-3-2. General**
 - R649-3-3. Exception**
 - Drilling Unit**
 - Board Cause No:** R649-3-2
 - Effective Date:**
 - Siting:**
 - R649-3-11. Directional Drill**
-

Comments: Presite Completed

Stipulations: 5 - Statement of Basis - bhill
8 - Cement to Surface -- 2 strings - ddoucet
21 - RDCC - dmason
23 - Spacing - dmason



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: BLC 13-02-11-15
API Well Number: 43013503710000
Lease Number: ML-51638
Surface Owner: STATE
Approval Date: 2/3/2011

Issued to:

XTO ENERGY INC, 382 Road 3100, Aztec, NM 87410

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2. The expected producing formation or pool is the DAKOTA Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

The Application for Permit to Drill has been forwarded to the Resource Development Coordinating Committee for review of this action. The operator will be required to comply with any applicable recommendations resulting from this review. (See attached)

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Cement volumes for the 9 5/8" and 13 3/8" casing strings shall be determined from actual hole diameters in order to place cement from the pipe setting depths back to the surface.

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:



For John Rogers
Associate Director, Oil & Gas



GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 14, 2012

XTO Energy Inc.
382 Road 3100
Aztec, NM 87410

Re: APD Rescinded – BLC 13-02-11-15, Sec. 2, T. 11S, R. 15E
Duchesne County, Utah API No. 43-013-50371

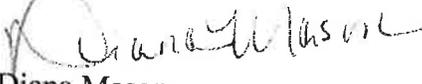
Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on February 3, 2011. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective June 14, 2012.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner

