

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: UTU-68525	6. SURFACE: Federal
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: XTO Energy, Inc.				9. WELL NAME and NUMBER: USA #18-7-11-23	
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. B CITY Farmington STATE NM ZIP 87401			PHONE NUMBER: (505) 324-1090	10. FIELD AND POOL, OR WILDCAT: Ferron Sand <i>Buzzard Bend</i>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2191' FSL x 1775' FWL in Sec 11, T18S, R7E AT PROPOSED PRODUCING ZONE: same				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 11 18S 7E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approx 3.7 miles northwest of Orangeville, Utah				12. COUNTY: Emery	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 2100'		16. NUMBER OF ACRES IN LEASE 2186.57		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160 acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 2650'		19. PROPOSED DEPTH: 3,683		20. BOND DESCRIPTION: UTB-000138	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6451' Ground Elevation		22. APPROXIMATE DATE WORK WILL START: 4/16/2006		23. ESTIMATED DURATION: 2 weeks	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
12-1/4"	8-5/8"	J-55	24#	300	Type III	225 +/- sacks	1.39cuft/sx	14.5ppg
7-7/8"	5-1/2"	J-55	15.5#	3,683	Class G	425 +/- sacks	1.62cuft/sx	14.2 ppg

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAN OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Kyla Vaughan TITLE Regulatory Compliance Tech

SIGNATURE *Kyla Vaughan* DATE 1/13/06

(This space for State use only)

API NUMBER ASSIGNED: 43-015-30640

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 01-31-06
By: *[Signature]*

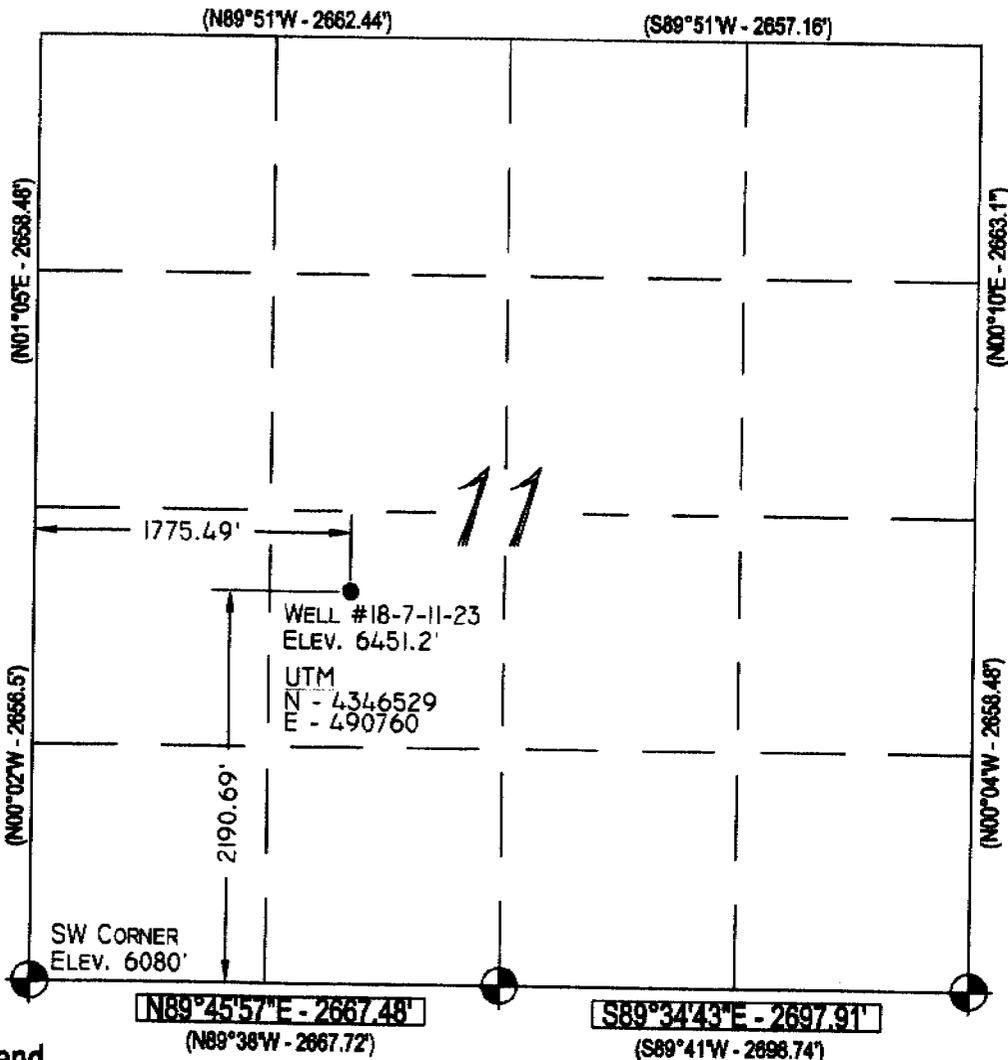
cc: SITLA
RECEIVED
JAN 19 2006
DIV. OF OIL, GAS & MINING

(11/2001) **Federal Approval of this Action is Necessary**

(See Instructions on Reverse Side)

Range 7 East

Township 18 South



Legend

- Drill Hole Location
- ⊕ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Rock Pile
- () GLO
- ▭ GPS Measured

NOTES:

1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

LAT / LONG
39°16'12" N
111°06'26" W

Location:

The well location was determined using a Trimble 4700 GPS survey grade unit.

Basis of Bearing:

The Basis of Bearing is GPS Measured.

GLO Bearing:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:

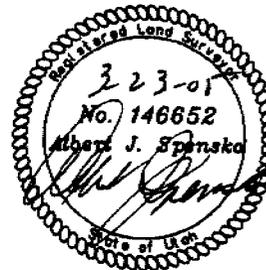
Basis of Elevation of 6080.00' being at the Southwest Section Corner of Section 11, Township 18 South, Range 7 East, Salt Lake Base and Meridian, as shown on the Red Point Quadrangle 7.5 minute series map.

Description of Location:

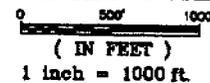
Proposed Drill Hole located in the NE1/4 SW1/4 of Section 11, T18S, R7E, S.L.B.&M., being 2190.69' North and 1775.49' East from the Southwest Corner of Section 11, T18S, R7E, Salt Lake Base & Meridian.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



GRAPHIC SCALE



REVISION: 3/21/05



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230
Huntington, Utah 84326
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonrsv.net



Well USA #18-7-11-23
Section 11, T18S, R7E, S.L.B.&M.
Emery County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date 3/1/05
	Scale 1" = 1000'
Sheet 1 of 4	Job No. 1630

Bureau of Land Management Application for Permit to Drill Surface Use Plan

Company: XTO Energy Inc.
Well No. USA 18-7-11-23
Location: Sec. 11, T18S, R07E
Federal Lease No. UTU - 68525

THIRTEEN 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: **See Exhibit "A"**.
 - b. Location of proposed well in relation to town or other reference point: **The well location is approximately 3.7 miles northwest of Orangeville, UT. From Orangeville, go North on Hwy 29 towards Hwy 57. Go .8 miles past intersection w/Hwy 57 then turn North for .7 miles to location.**
 - c. Contact the County Road Department for use of county roads. The use of Emery County roads will require an encroachment permit from the Emery County Road Department. **No permit will be required.**
 - d. Plans for improvement and/or maintenance of existing roads: **None**
 - e. Other:
2. Planned Access Roads:
 - a. Location (centerline): **Starting from a point along an existing road in the SE/SE of Sec 3, T18S, R07E.**
 - b. Length of new access to be constructed: **Approximately 4,685' of new access will be constructed in order to gain safe access to the wellpad. See Exhibit "B"**
 - 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.**
 - 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.**
 - h. Surface materials: **Only native materials will be used if additional construction is required. If necessary, gravel or rock may be purchased**

and used to improve road conditions and travel.

- i. Drainage (crowning, ditching, culverts, etc): **Roads will be re-crowned and bar ditches, if necessary, will be located along either side. 18-24" dia (or as required) culverts will be installed as necessary.**
- j. Cattleguards: **No cattle guards are planned at this time. Cattle guards will be specified in the stipulations if necessary.**
- k. 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**
- l. Other:

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by BLM in advance.

If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligations determined by the BLM.

If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Field Office Manager will be notified so that temporary drainage control can be installed along the access road.

- 3. Location of Existing Wells -on a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: **See Exhibit "C"**
- 4. Location of Production Facilities:
 - a On-site facilities: **Typical on-site facilities will consist of a wellhead, gas and water flow lines, artificial lifting system (if necessary), wellhead compression (if necessary), gas/water separator (2 phase), gas measurement and water measurement equipment, and a heated enclosure/building for weather and environmental protection. All 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 and/or chemical 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: **Off-site facilities are typically located at the CDP station and usually include central compression, gas processing, separation, tanks, pits, electronics, gas measurement and a produced water disposal (SWD) well.**
- c. Pipelines: **The well will be produced into a gas pipeline and water pipeline (sizes to be determined) and transported to existing pipelines. The pipeline will not follow the access road on this site. The pipeline will travel south from the location to the tie in point at Compressor Station#2. Approximately 3,305' of pipeline. See Exhibit "B" for the proposed pipeline route.**
- d. Powerlines: **The powerline will be buried and will follow the same ROW as the water and gas pipelines.**

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): **Water will be purchased from a commercial water source and trucked via third party to the location over approved access roads.**

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): **All construction material will be purchased from private landowners or from a commercial gravel/materials pit.**

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 pit will typically be lined with a synthetic material, ±12 mils in thickness. The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. The amount of time the pit may remain open will typically be specified by the COA's in the APD. Once dry, the pit liner will be cut and removed at the mud line and the pit will be covered and buried in 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 form 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.

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 "D & E".

All equipment and vehicles that will be used to drill and complete this well will remain within the boundaries of the approved wellpad. Any equipment and or vehicles park or stored off of the location will be considered trespassing on federal lands and will NOT be tolerated.

Materials obtained from the construction of location, like topsoil and vegetation will be stock piled as indicated and permitted by the approved APD. The stock piles themselves may be outside the approved boundaries of the wellpad.

10. Plans for Restoration of the Surface:

The top 6 inches of topsoil material will be removed from the location and stockpiled separately on: **Adjacent Land or as specified by the approved APD.**

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

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 90-120 days after completion of the well.

Before any dirt work to restore the location takes place, the reserve pit must be ready for burial.

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

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

All disturbed areas will be re-contoured 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 roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between September and November, or at a time specified by the BLM and or state. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

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

If necessary, an abandonment marker will be one of the following, as specified by BLM:

- 1) at least four feet above ground level,
- 2) at restored ground level, or
- 3) below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

Additional requirements: **None**

11. Surface and Mineral Ownership: **Both the surface and the minerals are property of the United States Federal Government and are managed by the Bureau of Land Management: 82 East Dogwood Avenue, Moab, Utah, 84532, 435-259-2106.**

12. Other Information:

- a. **Archeological Concerns: A BLM approved contractor will submit the appropriate reports to the agency as required. Special stipulations will be included in the COA's of the approved APD.**

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the BLM Field Office. Within five (5) working days, the BLM will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
- a time frame for the BLM to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the BLM are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the BLM will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The BLM will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the BLM that the required mitigation has been completed, the operator will then be allowed to resume construction.

b. Threatened and Endangered Species Concerns: **A BLM approved contractor will submit the appropriate reports to the agency as required. Special stipulation will be included in the COA's of the approved APD.**

1). Please see Exhibit "F" for the plant survey.

c. Wildlife Seasonal Restrictions: **Current wildlife restrictions and closure dates are specified in the BLM's Environmental Impact Statement.**

d. **The Drilling Program is attached. See Exhibit "G".**

13. Lessee's or Operator's Representative and Certification

Representative:

Permitting & Compliance:

Kyla Vaughan
Regulatory Compliance
XTO Energy Inc.
2700 Farmington Avenue, Bldg K, Suite 1
Farmington NM 87401
505-324-1090

Drilling & Completions:

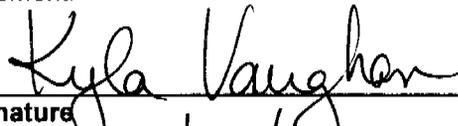
Gary Hancock
Drilling Engineer
XTO Energy Inc.
2700 Farmington Avenue, Bldg K, Suite 1
Farmington NM 87401
505-324-1090

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by **XTO Energy Inc.** and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided by **XTO Energy Inc.** This statement is subject to the provisions of 18 U.S.C. § 1001 for the filing of a false statement.

Signature

Date


1/13/06

XTO ENERGY INC.

USA 18-7-11-23

APD Data

January 13, 2006

Location: 2191' FSL x 1775' FWL Sec 11, T18S, R7E County: Emery State: Utah

GREATEST PROJECTED TD: 3683'
APPROX GR ELEV: 6451'

OBJECTIVE: Ferron
Est KB ELEV: 6463' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 300'	300' to 3683'
HOLE SIZE	12.25"	7.875"
MUD TYPE	Air Drill	LSND / Gel Chemical
WEIGHT	NA	8.40 - 8.60
VISCOSITY	NA	45-60
WATER LOSS	NC	8-10

Remarks:

Air drill to TD unless excessive water flow is encountered then switch to water based mud. If mud is required, 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.

The blooie line will be approximately 100' in length and will extend in a straight line from below the rotating head as indicated in the BOP schematic. An automatic spark-type igniter 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 gases.

Dedusting if necessary will be accomplished with a small pump, waterline, and spray nipple positioned near the end of the blooie line to provide a continuous spray of water. It is not planned to have any standby fluid on location; however, if it is necessary to fill the hole with fluid, produced Ferron coal water is readily available and can be trucked to location as needed.

Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.

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:

Surface Casing: 8.625" casing to be set at $\pm 300'$ in a 12-1/4" air drilled hole.

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'-300'	300'	24.0#	J-55	ST&C	1370	2950	244	8.097	7.972	10.210	21.99	33.89

EXHIBIT G

Production Casing: 5.5" casing to be set at TD ($\pm 3665'$) in 7-7/8" hole.

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'-3683	3683'	15.5#	J-55	LT&C	4910	5320	247	4.892	4.767	3.00	3.25	3.96

3. **WELLHEAD:**

- A. Casing Head: Larkin Fig 92 (or equivalent), 10" nominal, 2,000 psig WP (4,000 psig test) with 8-5/8" 8rnd thread on bottom and 10-3/4" 8rnd thread on top.
- B. Tubing Head: Larkin Fig 612 (or equivalent), 5,000 psig WP (5,000 psig test), 5-1/2" SOW (or 8rnd female thread) on bottom, 7-1/16" 5,000# flange on top w/2 - 3" LPOs.

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 $\pm 300'$ in 12-1/4" hole.

225 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 310 ft³, 150% excess of calculated annular volume to 300'.

- B. Production: 5.5", 15.5#, J-55 (or K-55), LT&C casing to be set at $\pm 3683'$ in 7.875" hole.

± 425 sx of Class G with additives (LCM, extenders, dispersant, thixotropic, fluid loss) mixed at 14.2 ppg, 1.62 ft³/sk.

Total estimated slurry volume for the 5-1/2" production casing is 961 ft³.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 50%. It will be attempted to circulate cement to the surface.

5. **LOGGING PROGRAM:**

- A. Mud Logger: The mud logger will come on at 300' 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 (if wet), compensated neutron, density, GR, caliper, SP (if wet) and Pe fr/TD to the bottom of the surface csg.

6. **FORMATION TOPS:**

EXHIBIT G

Est. KB Elevation: 6463'

<u>FORMATION</u>	<u>SUB-SEA</u>	<u>WELL DEPTH</u>
T/ Upper Ferron Sandstone	3245	3218
T/ Coal Zone	3185	3278
B / Coal Zone	3085	3378
T/ Lower Ferron Sandstone	3080	3383
TOTAL DEPTH		3683

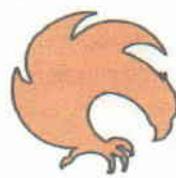
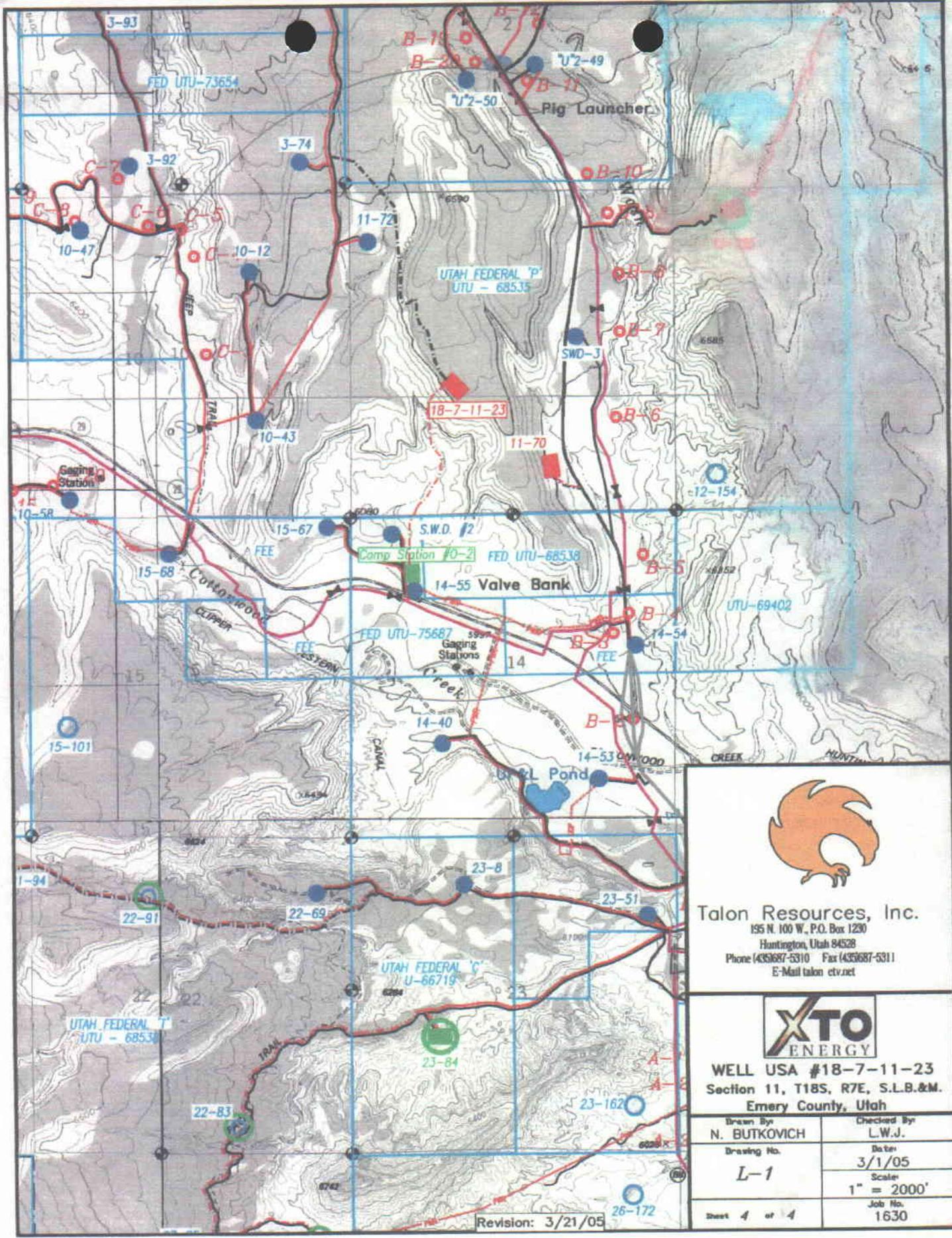
**** Maximum anticipated BHP should be <2,000 psig (<0.30 psi/ft) *****

7. COMPANY PERSONNEL:

Name	Title	Office Phone	Home Phone
Gary Hancock	Drilling Engineer	505-486-1201	505-486-1201
John Egelston	Drilling Engineer	505-564-6734	505-330-6902
Dennis Elrod	Drilling foreman	505-486-6460	505-326-2024
Red Meek	Project Geologist	817-885-2800	817-427-2475
Barry Voigt	Reservoir Engineer	817-885-2462	817-540-2092

JWE
1/13/06

EXHIBIT G



Talon Resources, Inc.
 195 N. 100 W., P.O. Box 1290
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon ctv.net



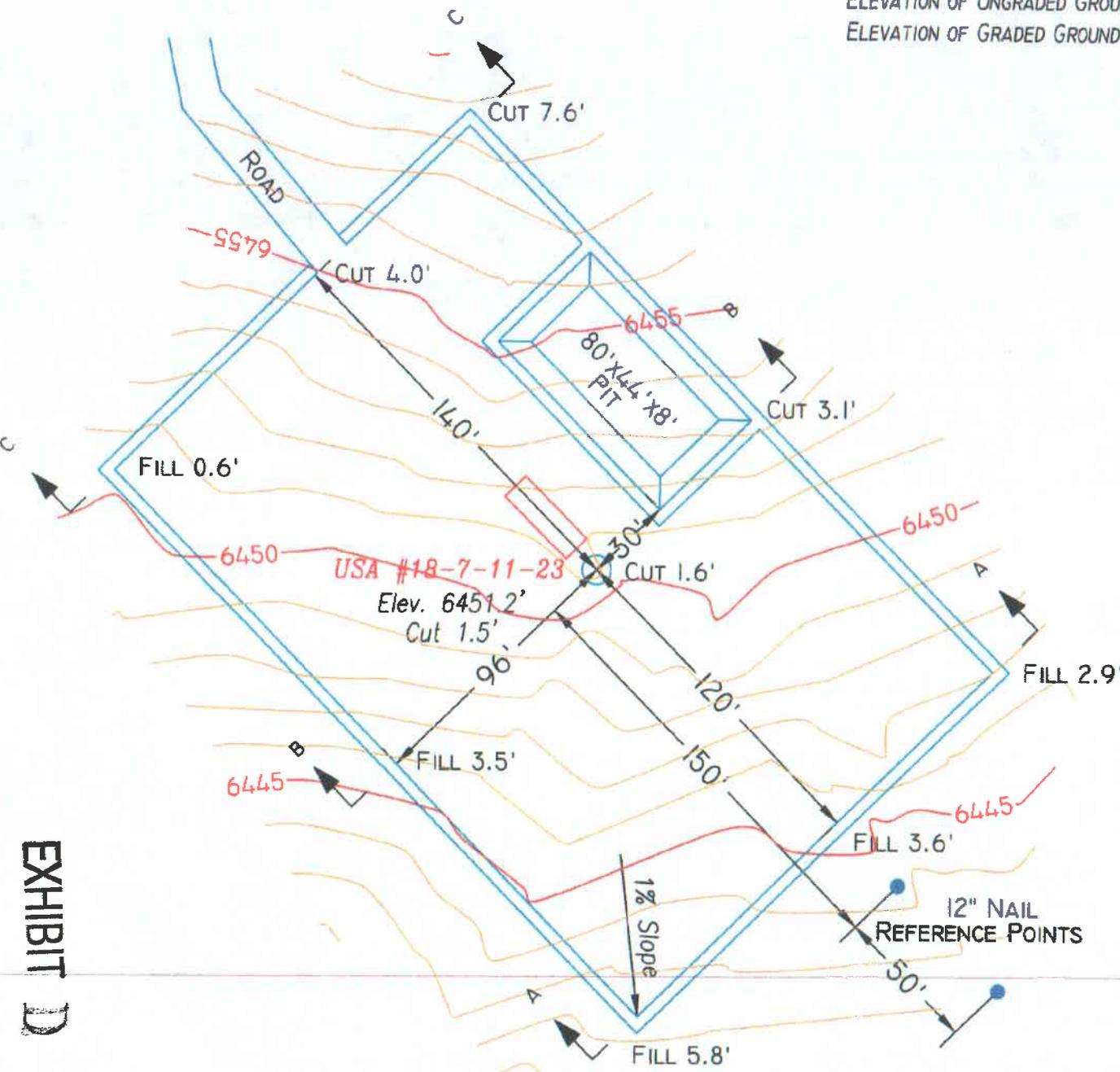
WELL USA #18-7-11-23
 Section 11, T18S, R7E, S.L.B.&M.
 Emery County, Utah

Drawn By N. BUTKOVICH	Checked By L.W.J.
Drawing No. L-1	Date 3/1/05
	Scale 1" = 2000'
Sheet 4 of 4	Job No. 1630

Revision: 3/21/05

EXHIBIT B

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6451.2'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 6449.7'



TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonvetv.net

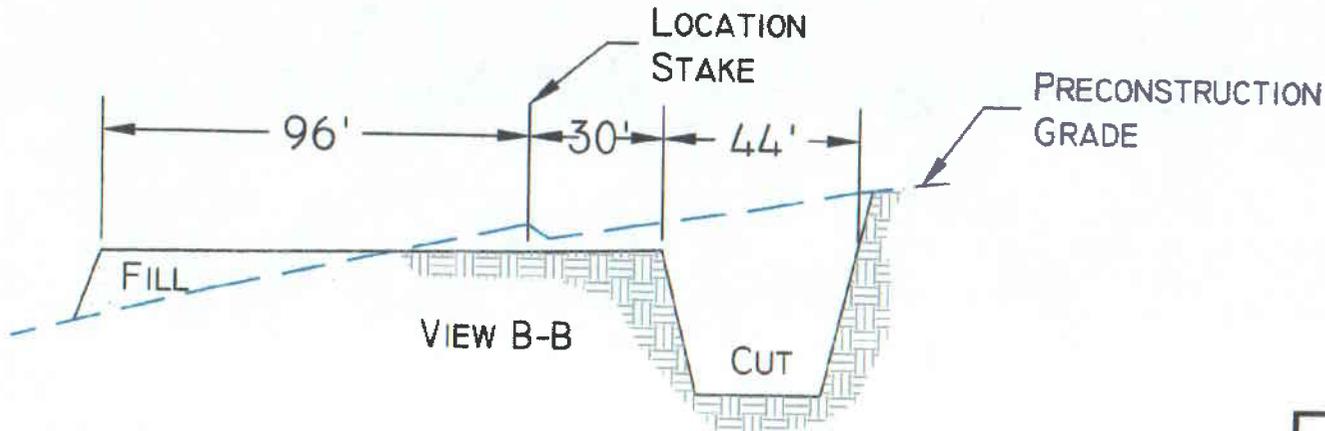
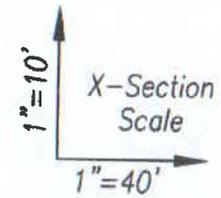
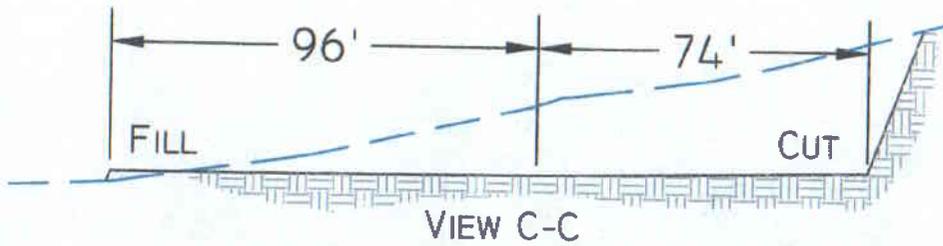


LOCATION LAYOUT
 Section 11, T18S, R7E, S.L.B.&M.
 WELL USA #18-7-11-23

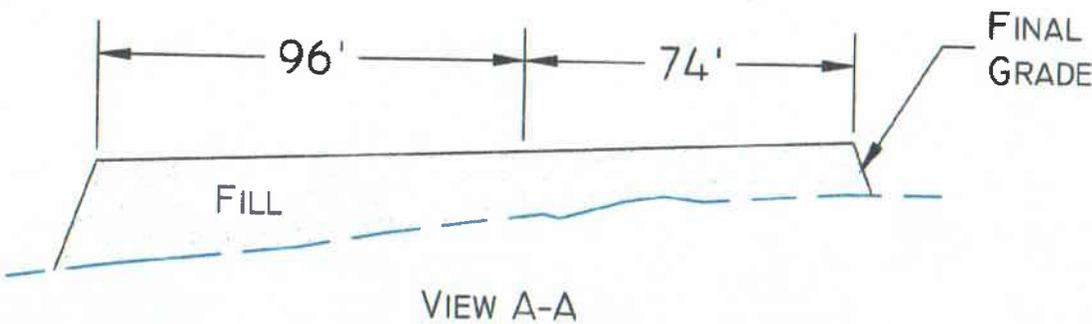
Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. A-2	Date: 3/1/05
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 1630

REVISION: 3/21/05

EXHIBIT D



SLOPE = 1 1/2 : 1
(EXCEPT PIT)
PIT SLOPE = 1 : 1



EXHIBIT

APPROXIMATE YARDAGES

CUT

(6") TOPSOIL STRIPPING = 820 CU. YDS.

REMAINING LOCATION = 2,325 CU. YDS.

(INCLUDING TOPSOIL STRIPPING)

TOTAL CUT (INCLUDING PIT) = 3,175 CU. YDS.

TOTAL FILL = 2,220 CU. YDS.

TALON RESOURCES, INC
195 North 100 West P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonretv.net

TYPICAL CROSS SECTION
Section 11, T18S, R7E, S.L.B.&M.
WELL USA #18-7-11-23

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 3/1/05
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 1630

REVISION: 3/21/05

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/19/2006

API NO. ASSIGNED: 43-015-30640

WELL NAME: USA 18-7-11-23

OPERATOR: XTO ENERGY INC (N2615)

PHONE NUMBER: 505-324-1090

CONTACT: KYLA VAUGHN

PROPOSED LOCATION:

NESW 11 180S 070E
 SURFACE: 2191 FSL 1775 FWL
 BOTTOM: 2191 FSL 1775 FWL
 COUNTY: EMERY
 LATITUDE: 39.26988 LONGITUDE: -111.1073
 UTM SURF EASTINGS: 490744 NORTHINGS: 4346523
 FIELD NAME: BUZZARD BENCH (132)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-68525

PROPOSED FORMATION: FRSD

SURFACE OWNER: 1 - Federal

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UTB-000138)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. Municipal)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

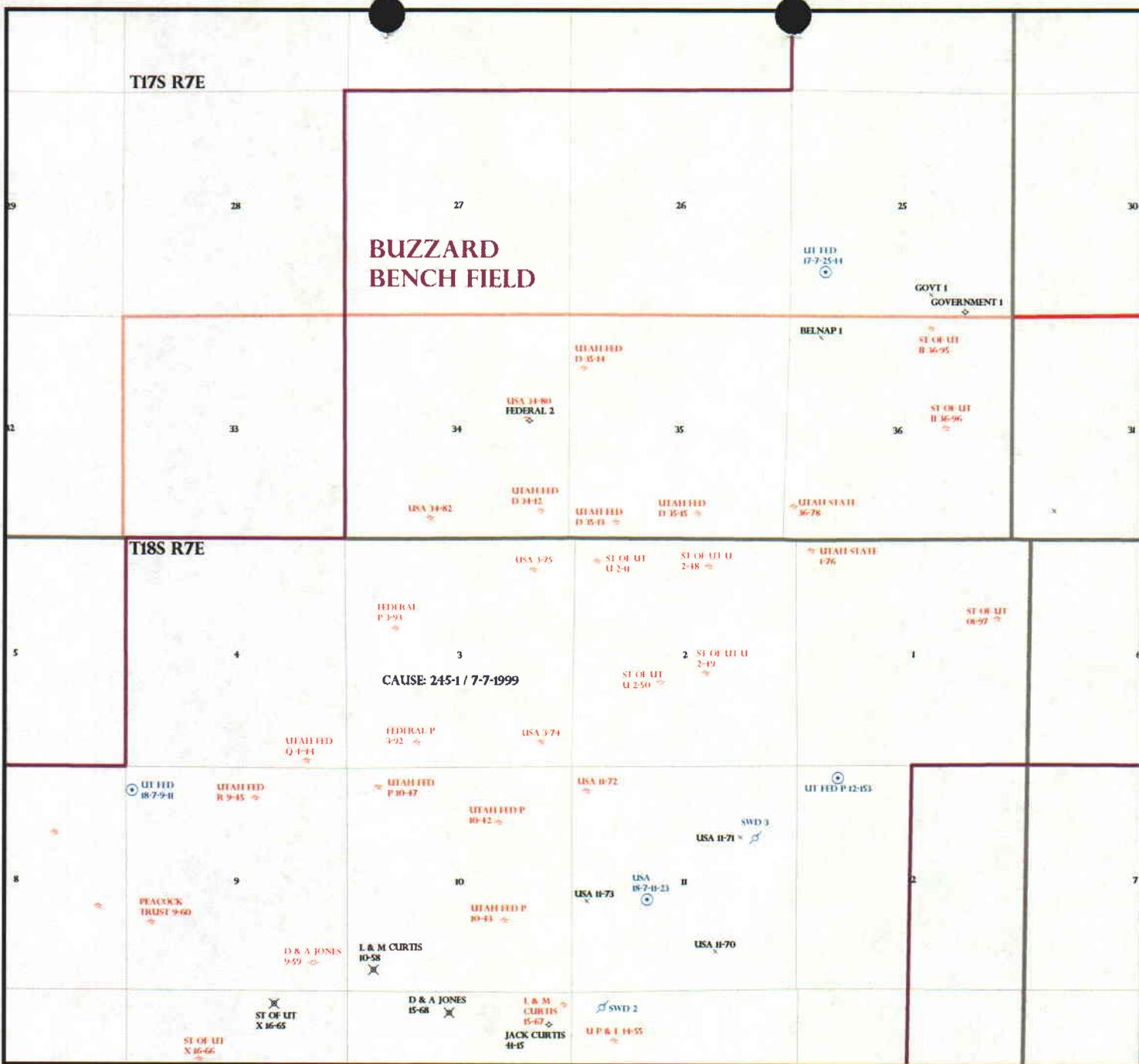
LOCATION AND SITING:

- R649-2-3.
- Unit: _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 245-1
Eff Date: 7-7-99
Siting: 460' from outer edge of 920' fr other wells.
- R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

Federal Approval



OPERATOR: XTO ENERGY INC (N2165)

SEC: 9,11 T. 18S R. 7E

FIELD: BUZZARD BENCH (132)

COUNTY: EMERY

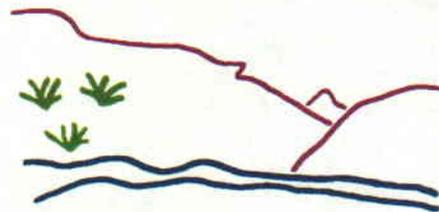
CAUSE: 245-1 / 7-7-1999

- Field Status**
- ABANDONED
 - ACTIVE
 - COMBINED
 - INACTIVE
 - PROPOSED
 - STORAGE
 - TERMINATED

- Unit Status**
- EXPLORATORY
 - GAS STORAGE
 - NF PP OIL
 - NF SECONDARY
 - PENDING
 - PI OIL
 - PP GAS
 - PP GEOTHERML
 - PP OIL
 - SECONDARY
 - TERMINATED

Wells Status

- ✱ GAS INJECTION
- ✱ GAS STORAGE
- ✱ LOCATION ABANDONED
- ⊙ NEW LOCATION
- ✱ PLUGGED & ABANDONED
- ✱ PRODUCING GAS
- ✱ PRODUCING OIL
- ✱ SHUT-IN GAS
- ✱ SHUT-IN OIL
- ✱ TEMP. ABANDONED
- ⊙ TEST WELL
- ⊙ WATER INJECTION
- ⊙ WATER SUPPLY
- ⊙ WATER DISPOSAL
- ⊙ DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 20-JANUARY-2006



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

January 31, 2006

XTO Energy, Inc.
2700 Farmington Ave. Building K, Ste. 1
Farmington, NM 87401

Re: USA 18-7-11-23 Well, 2191' FSL, 1775' FWL, NE SW, Sec. 11, T. 18 South,
R. 7 East, Emery County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

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. The API identification number assigned to this well is 43-015-30640.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Emery County Assessor
Bureau of Land Management, Moab District Office

Operator: XTO Energy, Inc.
Well Name & Number USA 18-7-11-23
API Number: 43-015-30640
Lease: UTU-68525

Location: NE SW Sec. 11 T. 18 South R. 7 East

Conditions of Approval

1. 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.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-68525	
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A	
2. Name of Operator XIO Energy Inc.		7. Unit or CA Agreement Name and No. N/A	
3a. Address 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM		8. Lease Name and Well No. USA #18-7-11-23	
3b. Phone No. (include area code) 505-324-1090		9. API Well No. 4301530640	
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 2191' FSL x 1775' FWL in Sec 11, T18S, R7E At proposed prod. zone SAME		10. Field and Pool, or Exploratory Ferron Sandstone	
14. Distance in miles and direction from nearest town or post office* Approx 3.7 miles northwest of Orangeville, Utah		11. Sec., T., R., M., or Blk. and Survey or Area Sec 11, T18S, R7E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 2100'		12. County or Parish Emery	
16. No. of Acres in lease 2186.57		13. State Utah	
17. Spacing Unit dedicated to this well 160 acres		20. BLM/BIA Bond No. on file UTB-000138	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2650'		19. Proposed Depth 3683'	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6451' Ground Elevation		22. Approximate date work will start* April 16, 2006	
		23. Estimated duration 2 weeks	

24. Attachments

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

- | | |
|--|--|
| <ol style="list-style-type: none"> Well plat certified by a registered surveyor. A Drilling Plan A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | <ol style="list-style-type: none"> Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). Operator certification. Such other site specific information and/or plans as may be required by the authorized officer. |
|--|--|

25. Signature <i>Kyla Vaughan</i>	Name (Printed/Typed) Kyla Vaughan	Date 01/13/06
Accepted by the Utah Division of Oil, Gas and Mining		
FOR RECORD ONLY		
Approved by (Signature) <i>/s/ A. Lynn Jackson</i>	Name (Printed/Typed) A. Lynn Jackson	Date 5/2/06
Title Regulatory Compliance Tech	Office Division of Resources Moab Field Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

RECEIVED
MOAB FIELD OFFICE
2006 JAN 20

CONDITIONS OF APPROVAL ATTACHED

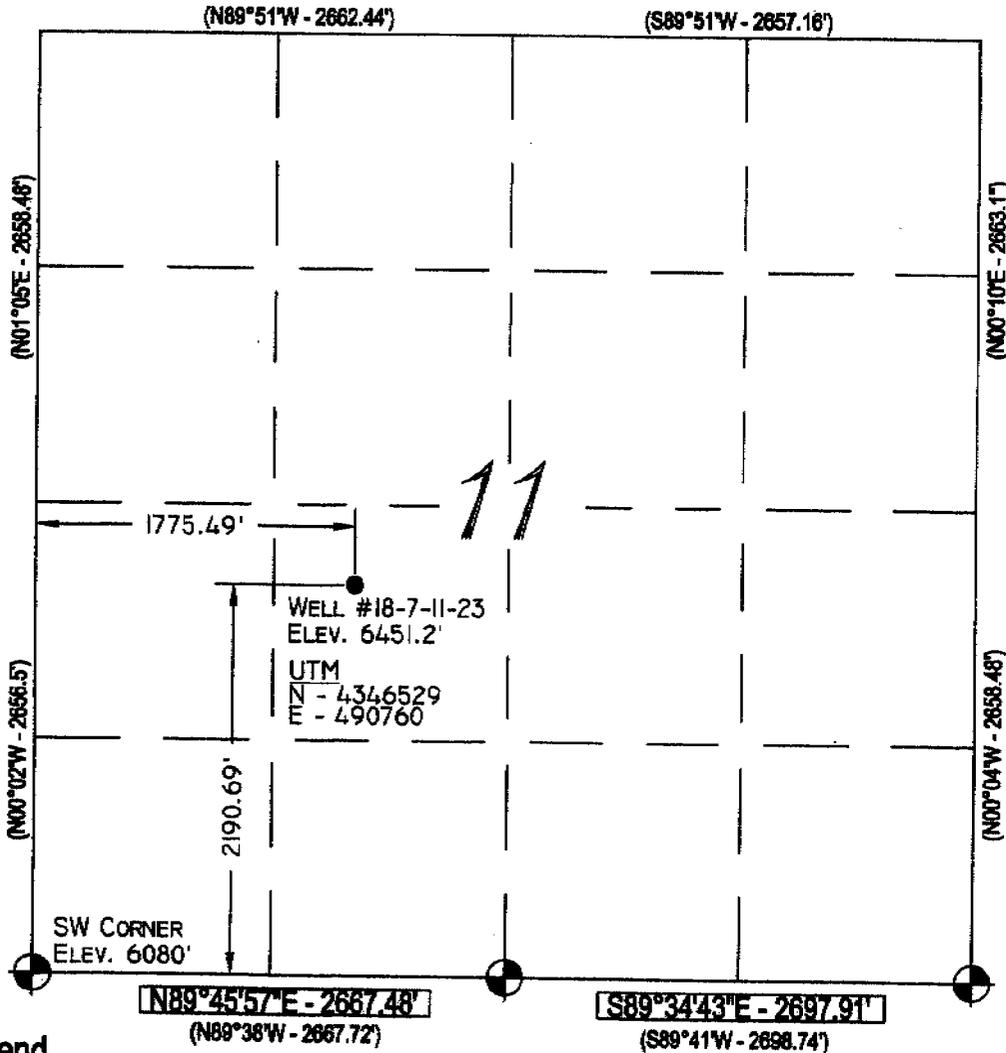
cc: Moab BLM
Price BLM

RECEIVED
MAY 05 2006

DIV. OF OIL, GAS & MINING

Range 7 East

Township 18 South



Location:

The well location was determined using a Trimble 4700 GPS survey grade unit.

Basis of Bearing:

The Basis of Bearing is GPS Measured.

GLO Bearing:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:

Basis of Elevation of 6080.00' being at the Southwest Section Corner of Section 11, Township 18 South, Range 7 East, Salt Lake Base and Meridian, as shown on the Red Point Quadrangle 7.5 minute series map.

Description of Location:

Proposed Drill Hole located in the NE1/4 SW1/4 of Section 11, T18S, R7E, S.L.B.&M., being 2190.69' North and 1775.49' East from the Southwest Corner of Section 11, T18S, R7E, Salt Lake Base & Meridian.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230
Huntington, Utah 84328
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonres@netv.net



Well USA #18-7-11-23
Section 11, T18S, R7E, S.L.B.&M.
Emery County, Utah

Legend

- Drill Hole Location
- ⊙ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Rock Pile
- () GLO
- GPS Measured

NOTES:

1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

LAT / LONG
39°16'12" N
111°06'26" W

GRAPHIC SCALE

0 500' 1000'
(IN FEET)
1 inch = 1000 ft.

REVISION: 3/21/05

Drawn By N. BUTKOVICH	Checked By L.W.J./A.J.S.
Drawing No. A-1	Date 3/1/05
	Scale 1" = 1000'
Sheet 1 of 4	Job No. 1630

XTO Energy, Inc.
USA 18-7-11-23
Lease U-68525
NE/SW Section 11, T18S, R7E
Emery County, Utah

A COMPLETE COPY OF THIS PERMIT SHALL BE KEPT ON LOCATION from the beginning of site construction through well completion, and shall be available to contractors to ensure compliance.

CONDITIONS OF APPROVAL

Approval of this application 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.

Be advised that XTO Energy, Inc. is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by **UTB000138** (Principal – XTO Energy, Inc.) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors.

A. DRILLING PROGRAM

1. The proposed 2M BOPE is adequate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2. A rotating head is required equipment for air drilling operations.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOG M) is required before conducting any surface disturbing activities.
3. If cement behind the production casing does not circulate to surface, a cement bond log (CBL) or other appropriate tool for determining top-of-cement, shall be run and shall be submitted to BLM.

18-7-11-23

SURFACE USE

1. The following appendices are attached for your reference. They are to be followed as conditions of approval:
 - Table A-1, Seed Mixture for Green Strip Areas
 - Table A-2, Seed Mixture for Final Reclamation, Pinyon-Juniper Areas
 - EMP 16 & 17, Winter Seasonal Restriction on Critical & High Priority Winter Range
 - EMP 21: Surface Disturbance mitigation for critical and high priority winter range
2. Within six months of installation, surface structures shall be painted in the following flat, earth tone color: Olive Black (5W A 20-6). This Fuller O'Brien color is for reference only. Any brand of paint may be used provided the colors match. Any facilities that must be painted to comply with OSHA standards are exempt.
3. Best Management Practices and the BLM Price Field Office Hydrologic Modification Standards will be implemented.
4. The companies Spill Prevention, Containment, and Cleanup Plan shall be followed and a copy submitted to the authorized officer.
5. Dust shall be controlled during all phases of project implementation through the use of water or approved dust suppressants.
6. XTO shall avoid clearing trees in a straight line and maintain the irregular shaped areas of the access road and mitigation project as designed.
7. Control of non-native, invasive species (noxious weeds) will be in accordance with the Federal Noxious Weed Act, the Utah Noxious Weed Act (R68-9), and County Noxious Weed Control Plans. Control of non-native, invasive species will be completed on all disturbed sites associated with the development and final reclamation of well pads and pipelines. The use of herbicides will be approved through a pesticide use proposal (PUP) submitted to the BLM prior to herbicide application.
8. The Companies will provide georeferenced spatial data depicting as-built locations of all facilities, wells, roads, pipelines, power lines, and other related facilities to the BLM by November 1 of each year until completion of project construction activities has occurred.
9. Reserve pits will be adequately fenced during and after drilling operations until pit is reclaimed so as to effectively keep out wildlife and livestock. Adequate fencing, in lieu of more stringent requirements by the surface owner, is defined as follows:

10. Construction materials will consist of steel or wood posts. Three or four strand wire (smooth or barbed) fence or hog panel (16-foot length by 50-inch height) or plastic snow fence must be used with connectors such as fence staples, quick-connect clips, hog rings, hose clamps, twisted wire, etc. Electric fences will not be allowed.
11. Construction standards: Posts shall be firmly set in ground. If wire is used, it must be taut and evenly spaced, from ground level to top wire, to effectively keep out animals. Hog panels must be tied securely into posts and one another using fence staples, clamps, etc. Plastic snow fencing must be taut and sturdy. Fence must be at least 2-feet from edge of pit. 3 sides fenced before beginning drilling, the fourth side fenced immediately upon completion of drilling and prior to rig release. Fence must be left up and maintained in adequate condition until pit is closed.
12. The reserve pit will be oriented to prevent collection of surface runoff. After the drilling rig is removed, the operator may need to construct a trench on the uphill side of the reserve pit to divert surface drainage around it. If constructed, the trench will be left intact until the pit is closed.
13. The reserve pit will be lined with an impermeable liner if permeable subsurface material is encountered. An impermeable liner is any liner having a permeability less than 10^{-7} cm/sec. The liner will be installed so that it will not leak and will be chemically compatible with all substances that may be put in the pit. Liners made of any man-made synthetic material will be of sufficient strength and thickness to withstand normal installation and pit use. In gravelly or rocky soils, a suitable bedding material such as sand will be used prior to installing the liner.
14. The reserve pit will be constructed so that at least half of its total volume is in solid cut material (below natural ground level).
15. The reserve pit shall have 2 foot of freeboard maintained at all times to prevent overflow of fluids.
16. Operator shall contact the Price BLM Office at least forty-eight hours prior to the anticipated start of any reclamation activities. This would include the reclamation of the reserve pit. The BLM may require and schedule a pre-reclamation conference with the operator prior to the operator commencing reclamation activities. The operator and the operator's contractor, or agents involved with reclamation activities associated with the project, shall attend this conference to review the plan for the interim reclamation or final reclamation of drill pads, roads, and pipeline corridors.
17. A screen of trees shall be left on the west side of the pad. Trees to be left are to be flagged prior to pad construction.
18. Operator shall use construction methods to minimize side cast of materials during construction of the access road due to the proximity to the Joe's Valley road. This could include use of a track hoe and dozer combination during road construction. Other methods may be used as appropriate to minimize side cast of material.

GENERAL CONSTRUCTION

1. Operator shall contact the Price BLM Office at least forty-eight hours prior to the anticipated start of construction and/or any surface disturbing activities. The BLM may require and schedule a preconstruction conference with the operator prior to the operator commencing construction and/or surface disturbing activities. The operator and the operator's contractor, or agents involved with construction and/or any surface disturbing activities associated with the project, shall attend this conference to review the Conditions of Approval and plan of development. The operator's inspector will be designated at the pre-drill conference, and is to be given an approved copy of all maps, permits and conditions of approval before the start of construction. The BLM will also designate a representative for the project at the preconstruction conference.
2. The operator shall designate a representative(s) who shall have the authority to act upon and to implement instructions from the BLM. The operator's representative shall be available for communication with the BLM within a reasonable time when construction or other surface disturbing activities are underway.
3. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the operator, or any person working on his behalf, on public land is to be immediately reported to the Price BLM Office. The operator will suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Price BLM Office. An evaluation of the discovery will be made by the BLM to determine appropriate actions to prevent the loss of significant cultural or scientific values. The operator is responsible for the cost of evaluation of any site found during construction. The BLM will determine what mitigation is necessary.
4. 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 Price BLM Office prior to use.
5. The operator must provide a trash cage for the collection and containment of all trash. The trash shall be disposed in an authorized landfill. The location and access roads shall be kept litter free.
6. Vegetation removal necessitated by construction shall be confined to the limits of actual construction. Removed vegetation will be stockpiled for use in reclamation or removed from the construction site at the direction of the BLM.
7. Prior to surface disturbance, topsoil is to be separately removed and segregated from other material. Topsoil depth will be decided onsite by BLM. If the topsoil is less than 6 inches, a 6-inch layer that includes the A horizon and the unconsolidated material immediately below the A horizon shall be removed and the mixture segregated and

redistributed as the surface soil layer.

Generally topsoil shall be stored within the pad site or adjacent to access roads. The company in consultation with BLM shall determine stockpile locations and dimensions at the onsite. If the topsoil stockpiles will not be redistributed for a period in excess of one (1) year, the stockpiles are to be seeded with seed mixture Pinyon-Juniper (see attached).

ROAD and PIPELINE CONSTRUCTION

8. Operator shall provide an inspector under the direction of a registered professional engineer (PE) at all times during road construction.
9. Road construction or routine maintenance activities are to be performed during periods when the soil can adequately support construction equipment. If such equipment creates ruts more than 6 inches deep, the soil is deemed too wet to adequately support construction equipment.
10. The operator is responsible for maintenance of all roads authorized through the lease or a right-of-way. Construction and maintenance shall comply with Class II or III Road Standards as described in BLM Manual Section 9113 and the Moab District Road Standards, except as modified by BLM. Maintenance may include but is not limited to grading, applying gravel, snow removal, ditch cleaning, and headcut restoration/prevention.
11. Topsoil from access roads and pipelines are to be wind rowed along the uphill side of the road or stored in an approved manner. When the road and pipeline is rehabilitated, this soil will then be used as a top coating for the seed bed.
12. Erosion-control structures such as water bars, diversion channels, and terraces will be constructed to divert water and reduce soil erosion on the disturbed area. Road ditch turnouts shall be equipped with energy dissipators as needed to avoid erosion. Where roads interrupt overland sheet-flow and convert this runoff to channel flow, ditch turnouts shall be designed to reconvert channel flow to sheet flow. Rock energy dissipators and gravel dispersion fans may be used, or any other design which would accomplish the desired reconversion of flow regime. As necessary cut banks, road drainages, and road crossings shall be armored or otherwise engineered to prevent headcutting.

PAD CONSTRUCTION

13. During the construction of the drill pad, suitable topsoil material is to be stripped and conserved in a stockpile on the pad. If stockpiles are to remain for more than a year, they shall be seeded with the seed mixture Pinyon-Juniper (see attached).
14. Generally, drill pads are to be designed to prevent overland flow of water from entering or leaving the site. The pad is to be sloped to drain spills and water into the reserve pit.

The drill pad shall be designed to disperse diverted overland flow and to regulate flow velocity so as to prevent or minimize erosion. Well pad diversion outlets shall be equipped with rock energy brakes and gravel-bedded dispersion fans.

REHABILITATION PROCEDURES

Site Preparation

15. The entire roadbed should be obliterated and brought back to the approximate original contour. Drainage control is to be reestablished as necessary. All areas affected by road construction are to be recontoured to blend in with the existing topography. All berms are to be removed unless determined to be beneficial by BLM. In recontouring the disturbed areas, care should be taken to not disturb additional vegetation.

Seedbed Preparation

16. An adequate seedbed should be prepared for all sites to be seeded. Areas to be revegetated should be chiseled or disked to a depth of at least 12 inches unless restrained by bedrock.
17. Ripping of fill materials should be completed by a bulldozer equipped with single or a twin set of ripper shanks. Ripping should be done on 4-foot centers to a depth of 12 inches. The process should be repeated until the compacted area is loose and friable, then shall be followed by final grading. Seedbed preparation will be considered complete when the soil surface is completely roughened and the number of rocks (if present) on the site is sufficient to cause the site to match the surrounding terrain.
18. After final grading, the stockpiled topsoil shall be spread evenly across the disturbed area.

Fertilization

19. Commercial fertilizer with a formula of 16-16-8 is to be applied at a rate of 200 pounds per acre to the site. The rate may be adjusted depending on soil.
20. Fertilizer is to be applied not more than 48 hours before seeding, and shall be cultivated into the upper 3 inches of soil.
21. Fertilizer is to be broadcast over the soil using hand-operated "cyclone-type" seeders or rotary broadcast equipment attached to construction or revegetation machinery as appropriate to slope. All equipment should be equipped with a metering device. Fertilizer application is to take place before the final seeding preparation treatment. Fertilizer broadcasting operations should not be conducted when wind velocities would interfere with even distribution of the material.

Mulching

22. When it is time to reclaim this location, the Price BLM Office will determine whether it will be necessary to use mulch in the reclamation process. The type of mulch should meet the following requirements: Wood cellulose fiber shall be natural or cooked, shall disperse readily in water, and shall be nontoxic. Mulch shall be thermally produced and air dried. The homogeneous slurry or mixture shall be capable of application with power spray equipment. A colored dye that is noninjurious to plant growth may be used when specified. Wood cellulose fiber is to be packaged in new, labeled containers. A minimum application of 1500 pounds per acre shall be applied. A suitable tackifier shall be applied with the mulch at a rate of 60 to 80 pounds per acre.

An alternative method of mulching on small sites would be the application of straw or hay mulch at a rate of 2000 pounds per acre. Hay or straw shall be certified weed free. Following the application of straw or hay, crimping shall occur to ensure retention.

Reseeding

23. All disturbed areas are to be seeded with the seed mixture required by the BLM. The seed mixture(s) shall be planted in the fall of the year (Sept-Nov), in the amounts specified in pounds of pure live seed (PLS)/acre. There shall be no noxious weed seed in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within 12 months prior to planting. Commercial seed will be either certified or registered seed. The seed mixture container shall be tagged in accordance with State law(s) and available for inspection by the BLM. Seed is to be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area. (Smaller/heavier seeds tend to drop to the bottom of the drill and are planted first. Appropriate measures should be taken to ensure this does not occur.) Where drilling is not possible, seed is to be broadcast and the area raked or chained to cover the seed. Woody species with seeds that are too large for the drill will be broadcast. When broadcasting the seed, the pounds per acre noted below are to be increased by 50 percent. Reseeding may be required if a satisfactory stand is not established to the surface rights owner's specifications. Evaluation of the seeding's success will not be made before completion of the second growing season after the vegetation becomes established. The Price BLM Office is to be notified a minimum of seven days before seeding a project.
24. The disturbed areas for the road and pipeline must be seeded in the fall of the year, immediately after the topsoil is replaced. The prescribed seed mixture is Pinyon-Juniper (see attached).

General

25. Prior to the use of insecticides, herbicides, fungicides, rodenticides and other similar substances, the operator must obtain from BLM, approval of a written plan. The plan must describe the type and quantity of material to be used, the pest to be controlled, the method of application, the location for storage and disposal of containers, and other information that BLM may require. A pesticide may be used only in accordance with its registered uses and within other agency limitations. Pesticides must not be permanently stored on public lands.

The following seed mixture would be planted along service road borrow ditches, around the edges of drill pads with a production well, and surrounding other production and maintenance facilities. The purpose for this is to provide a "green strip" buffer to minimize fire hazards and prevent invasion and establishment of noxious weeds in areas that will receive continued disturbance for the life of these areas.

Table A-1

Common Plant Name	Scientific Name	Pounds per acre (PLS)
Forage kochia	<i>Kochia prostrata</i>	2
Wyoming big sagebrush	<i>Artemisia tridentata wyomingensis</i> var. Gordon Creek	1
Douglas low rabbitbrush	<i>Chrysothamnus viscidiflorus</i>	1
TOTAL		4

The following seed mixture is for the area that would receive final reclamation. Areas would be planted to protect them from soil erosion and to restore forage production.

Table A-2

Common Plant Name	Scientific Name	Pounds per acre (PLS) ¹
Pinyon Juniper Areas		
<i>Grasses</i>		
Thickspike wheatgrass	<i>Elymus lanceolatus</i>	1.5
Intermediate wheatgrass	<i>Elytrigia intermedia</i>	1.5
Squirreltail	<i>Elymus elymoides</i>	2
Crested wheatgrass	<i>Agropyron desertorum</i>	2
<i>Forbs</i>		
Lewis flax	<i>Linum perenne lewisii</i>	1
Palmer penstemon	<i>Penstemon palmerii</i>	1
<i>Shrubs</i>		
Forage kochia	<i>Kochia prostrata</i>	2
Fourwing saltbrush	<i>Atriplex canescense</i>	2
Wyoming big sagebrush	<i>Artemesia tridentata wyomingensis</i> var. Gordon Creek	1
Antelope bitterbrush	<i>Purshia tridentata</i>	1
TOTAL		15

1. Seeding rate is listed as pounds per acre of pure live seed (PLS) drilled. Rate is increased by 50 percent if broadcast seeded.

Formula: pure live seed (PLS) = % seed purity x % seed germination

FERRON NATURAL GAS PROJECT AREA

PROPONENT: _____

WELL #: _____

EPM 16 & 17: WINTER SEASONAL RESTRICTION (DECEMBER 1 to APRIL 15) ON CRUCIAL AND HIGH PRIORITY WINTER RANGE.

Pg 1 of 1

Restrictions on Construction Phase Activity: Prohibit construction phase activity, described below, on big game high value and critical winter range during the period (December 1 - April 15) without regard for land ownership.

This condition would not apply to normal maintenance and operation of producing wells, described below. On nonfederal lands (where the federal government does not have either surface or subsurface ownership) the Companies would be allowed to conduct construction phase activity if needed to avoid breach of contract or loss of lease rights. In the event construction phase activity proceeds into the winter closure period on non federal interest lands, Companies would make available appropriate documentation to UDWR, upon request.

Construction Phase Activity: Construction phase activity is considered to include all work associated with initial drilling and construction of facilities through completion, including installation of pumping equipment, connection with ancillary facilities and tie-in with pipelines necessary for product delivery.

Companies would not be allowed to initiate construction activity unless it is reasonable to believe that such work can be finished to a logical stopping point prior to December 1 of that year. Specific activities considered to be covered by the seasonal closure include all heavy equipment operation including but not limited to the following:

- Mobilization/Demobilization or operation of heavy equipment (crawler tractor, front end loader, backhoe, road grader, etc.)
- Construction activity (road construction or upgrading, pad, pipeline, powerline, ancillary facilities, etc.),
- Drilling activity (Operator would not propose or initiate drilling activity if the project could not reasonably be expected to be finished to a logical stopping point by the December 1 date of that year.)
- Seismic operation, detonation of explosives

This seasonal closure would not apply to reconnaissance, survey/design and/or flagging of project work or other similar activity not requiring actions listed for heavy equipment operation.

Production Phase: A well is considered to be in production phase when the well and ancillary facilities are completed to the point that they are capable of producing and delivering product for sale. It is noted that heavy equipment operation may be necessary in the performance of maintenance and operation of producing wells.

Restriction on Non Emergency Workover Operations: The Companies will schedule non-emergency workover operations (defined below) on big game crucial and high value winter range outside the December 1 to April 15 date of the seasonal closure.

Non-emergency Workover Operations: Workover operations to correct or reverse a gradual loss of production over time (loss of production of 20 percent or less over a 60 day period) is considered to be routine or non-emergency workover operations and would not be permitted during the December 1 to April 15 time frame.

Emergency Workover Operations: Emergency work over operations are defined as downhole equipment failure problems or workover operation necessary to avoid shut in of the well or to avoid an immediate safety or environmental problem. Loss of production greater than 20 percent within a 60 day period is indicative of pump failure and will be treated as an emergency workover operation. The Companies will submit Sundry notices to BLM within five days of the emergency workover operations between December 1 and April 15.

FERRON NATURAL GAS PROJECT AREA

PROPONENT: _____ WELL #: _____

EPM 21: SURFACE DISTURBANCE MITIGATION FOR CRITICAL AND HIGH PRIORITY WINTER RANGE

Pg. 1 of 1

The subject permit application is proposed within critical and high priority winter range (FEIS) and subject to EPM 21 requiring acre for acre mitigation for surface disturbance on critical winter range. The following condition comes from a cooperative agreement between the Texaco, Anadarko, Chandler (Companies), BLM-Price Field Office, the Utah Division of Wildlife Resources and the National Fish and Wildlife Foundation. The Companies agreed to the following:

1. Contribute \$1,301.26 (1998 dollars) for each Federal interest well (Federal surface and or subsurface ownership) permitted and drilled by the Companies (or on behalf of Companies by its contractor) on big game critical winter range as depicted in the FEIS Ferron Natural Gas Project Area. (Wells meeting the above criteria for which payment will be required, will be referred to as "subject wells".) This contribution will be adjusted annually for inflation based on the Consumer Price Index (CPI), see Section II.C.6. for the reference source used for the determination of the CPI and the date in which this annual adjustment will go into effect.

Since this mitigation program is designed to address impacts of all big game critical winter range surface disturbance (roads, well pads, pipelines, etc.), contributions will be required regardless of the success or failure of the subject well to produce.

- a. The recorded date for spudding for each subject well (the first boring of a hole during the drilling of a well) will serve as the reference date triggering the requirement for the mitigation contribution.
- b. Contributions will be submitted (in the form of an Company check, cashiers check or wire transfer) directly to the National Fish and Wildlife Foundation by the 1st of August and February for all subject wells spudded in the preceding six months as reported by the Bureau.
- c. All contributions will be made payable to the "National Fish and Wildlife Foundation re, Proj 99-270" and reference the "Ferron Natural Gas Wildlife Habitat Impact Mitigation Fund".

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Notify the Price Field Office at least 48-hours prior to commencing construction of location.

Spud- Notify the Price Field Office 24-hours prior to spudding. Submit written notification of spud (Sundry Notice, Form 3160-5) to the Moab Field Office within 24-hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports that describe the progress and status of the well shall be submitted to the Moab Field Office on a weekly basis. This report may be in any format customarily used by the operator.

Oil and Gas Operations Reports (OGORs)- Production from this well shall be reported to Minerals Management Service (MMS) on a monthly basis.

Sundry Notices- Any modification to the proposed drilling program shall be submitted to the Moab Field Office on a Sundry Notice (Form 3160-5). Regulations at 43 CFR 3162.3-2 describe which operations require prior approval, and which require notification.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, immediately notify the Price Field Office, and work that might disturb the cultural resources shall cease.

First Production- A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Price Field Office.

Notify the Moab Field Office when the well is placed into production. Initial notification may be verbal, but must be confirmed in writing within five business days. Please include the date production started, the producing formation and production volumes.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, a *Well Completion or Recompletion Report and Log* (Form 3160-4) shall be submitted to the Moab Field Office within thirty-days after completion of the well. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered to be shut-in until the gas can be captured or until approval to continue the venting/flaring pursuant to NTL-4A is granted. Compensation shall be due for gas that is vented/flared without approval.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order No.7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling of production prior to the sales measurement point. The term "commingling" describes both the combining of production from different geologic zones and/or combining production from different leases or agreement areas.

Plugging and Abandonment- If the well is a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Sundry Notice, Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Price Field Office or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Mary Maddux (435-636-3668) or Walton Willis (435-636-3662) of the BLM Price Field Office for the following:

48 hours prior to constructing location (Maddux);

1 day prior to spudding (Willis);

50 feet prior to reaching the surface casing setting depth (Willis);

If the person at the above number cannot be reached, notify the BLM Moab Field Office at 435-259-2100.

Well abandonment operations require 24-hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained from:

Eric Jones, Petroleum Engineer

Office: 435-259-2117

Home: 435-259-2214

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-68525
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: USA 18-07-11-23
2. NAME OF OPERATOR: XTO ENERGY INC.		9. API NUMBER: 4301530640
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		10. FIELD AND POOL, OR WILDCAT: FERRON SANDSTONE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2191' FSL & 1776' FWL COUNTY: EMERY QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 11 08S 07E STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: MONTHLY REPORT
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Attached is an activity period for this well from May 1 - June 21, 2006.

NAME (PLEASE PRINT) HOLLY C. PERKINS	TITLE REGULATORY COMPLIANCE TECH
SIGNATURE <i>Holly C. Perkins</i>	DATE 6/21/2006

(This space for State use only)

RECEIVED
JUN 26 2006
DIV. OF OIL, GAS & MINING

Farmington Well Workover Report

USA

Well # 18-07-11-23

Objective: Drill & Complete**First Report:** 06/01/2006**AFE:** 504861

6/1/06 Notified Mary Maddux (BLM, Price, Utah), Walton Willis (BLM, Price, Utah), on 5/17/06 regarding pending construction. Built new loc, acc road & res pit. Lnd res pit. Notified Mary Maddux (BLM, Price, Utah), Walton Willis (BLM, Price, Utah) on 5/31/06 regarding conductor csg. Susp rpts pending further activity.

6/8/06 Contd report for AFE #504861 drill and complete. MI equip. SDFN.

6/9/06 Contt report for AFE#504861 drill and complete. Std fusing 600' of 12" SDR/11 poly gas line. SDFN.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: XTO ENERGY INC. Operator Account Number: N 2615
Address: 2700 FARMINGTON AVE K #1
city FARMINGTON
state NM zip 87401 Phone Number: (505) 324-1090

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4301530639	UTAH FEDERAL 18-7 ⁹ -11	NWNW	9	18S	7E	EMERY
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	15465	5/5/06		6/29/06	
Comments: well spudded 5/5/06 <i>FRSD</i>						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
4301530640	USA 18-7-11-23	NESW	11	18S	7E	EMERY
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	15466	6/1/06		6/29/06	
Comments: well spudded 6/1/06 <i>FRSD</i>						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
4301530641	UTAH FEDERAL 17-7-35-42	SENE	35	17S	7E	EMERY
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	15467	5/31/06		6/29/06	
Comments: well spudded 5/31/06 <i>FRSD</i>						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

HOLLY C. PERKINS

Name (Please Print)

Signature

Regulatory Compliance Tech

Title

6/29/2006

Date

(5/2000)

RECEIVED

JUN 29 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-68525
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: USA 18-7-11-23	
2. NAME OF OPERATOR: XTO ENERGY INC.		9. API NUMBER: 4301530640
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K <small>CITY</small> Farmington <small>STATE</small> NM <small>ZIP</small> 87401	PHONE NUMBER: (505) 324-1090	10. FIELD AND POOL, OR WILDCAT: FERRON SANDSTONE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2191' FSL & 1775' FWL		COUNTY: EMERY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 11 18S 7E		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 7/15/2006	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

After evaluating the cementing program from the summer and fall of 2005, XTO proposes to change the cementing program based on the bond logs from last year's wells. It has been determined that irrespective of the amount of cement that has been pumped the height of the cement top in the bond log corresponds to a 1000 psi hydrostatic load assessed from the shoe. After determining this, XTO has pumped several cement jobs and found that using 40% excess on both the lead and the tail gives the correct volume of cement to achieve this hydrostatic limit without pumping excessive amounts of cement into the productive formations. Please see the attachment for exact cement volumes and slurry types as calculated based on the estimated tops.

Verbal approval to proceed was given on July 13, 2006 to John Egelston, Drilling Engineer, XTO Energy Inc. by Eric Jones, Petroleum Engineer with the Bureau of Land Management in Moab, UT.

APPROVED BY OPERATOR
8-8-06

NAME (PLEASE PRINT) HOLLY C. PERKINS	TITLE REGULATORY COMPLIANCE TECH
SIGNATURE <i>Holly C. Perkins</i>	DATE 7/13/2006

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining

Federal Approval Of This
Action Is Necessary

RECEIVED
JUL 26 2006
DIV. OF OIL, GAS & MINING

Date: **7/28/06**
D. K. [Signature] (See Instructions on Reverse Side)

(5/2000)



Well Name: USA 18-7-11-23

Location: 2191' FSL & 1775' FWL, Sec. 11, T18S, R7E

County: Emery County

State: Utah

Upper Ferron SS (est):

3218

Surface Casing Detail

Type:	Type V cement (or equivalent) containing 1% CaCl, 1/4 pps Flocele and 10% Cal_Seal		
Percent Excess:	200.00%	Lead Density (ppg):	14.20
Calc'd Volume (Bbls):	53.7	Lead Yield (cuft/sk):	1.61
Calc'd Volume (cuft):	301.4		
Lead Volume (sxs):	187.2		

Production Casing Detail

String	Casing Type	Weight	OD	ID	Depth	Open Hole
Surface	9.625 J-55 36	36.00	9 5/8	8.921	300.0	12 1/4
Longstring	7 J-55 23	23.00	7	6.366	3683.0	8 3/4

Float Equipment

Cement Tops

Desc.	Depth	Hyd. Head	Stage 1 Top:	1997
Float Insert	3638.0	Lead: 502.75	Stage 2 Top:	2918
Float Shoe	3683.0	Tail: 497.25		

Spacer Description

Type:	10 bbls chem wash + 5 bbls scavenger slurry	
Volume (bbls):	15	Density (ppg): 9.00

Lead Description

Type:	CBM Light Weight Cement with 10 pps Gilsonite and 1/4 pps celloflake		
Percent Excess:	40.00%	Lead Density (ppg):	10.50
Calc'd Volume (Bbls):	34.5	Lead Yield (cuft/sk):	4.14
Calc'd Volume (cuft):	193.8	Lead Mix Water (gal/sk):	27.53
Lead Volume (sxs):	47.0	Mix Water (bbls):	30.8

Tail Description

Type:	CBM Light Weight Cement with 10 pps Gilsonite and 1/4 pps celloflake		
Percent Excess:	40.00%	Tail Density (ppg):	12.5
Calc'd Volume (Bbls):	30.44592	Tail Yield (cuft/sk):	2.25
Calc'd Volume (cuft):	170.9484	Tail Mix Water (gal/sk):	12.12
Tail Volume (sxs):	76	Mix Water (bbls):	21.9

Displacement Description

Type:	Fresh Water	
Calc'd Volume (Bbls):	144.96	Density (ppg): 8.40

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-68525
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2191' FSL & 1775' FWL COUNTY: EMERY		8. WELL NAME and NUMBER: USA #18-7-11-23
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 11 18S 7E STATE: UTAH		9. API NUMBER: 4301530640
		10. FIELD AND POOL, OR WILDCAT: FERRON SANDSTONE

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

XTO Energy Inc. spudded well 6/1/2006, 10 am., Drilled 17" hole to 60'. Set 41' of 13 3/8" csg & set @ 41'. Cmt w/6 cuyds Redi-Mix cmt. Drilled 11" hole & ran 9 jts 9 5/8", 36# J-55 casing. Set @ 313'. Ct'd w/175 sx Class G Cmt.

TD reached on 8/1/2006 @ 1151'.

NAME (PLEASE PRINT) <u>HOLLY C. PERKINS</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE <u><i>Holly C. Perkins</i></u>	DATE <u>8/4/2006</u>

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AUG 07 2006

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-68525

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
USA 18-7-11-23

2. NAME OF OPERATOR:
XTO ENERGY INC.

9. API NUMBER:
4301530640

3. ADDRESS OF OPERATOR:
2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401

PHONE NUMBER:
(505) 324-1090

10. FIELD AND POOL, OR WILDCAT:
FERRON SANDSTONE

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **2191' FWL & 1775' FWL** COUNTY: **EMERY**
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NESW 11 18S 7E** STATE: **UTAH**

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>8/15/2006</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
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	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>RUN DV TOOL</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
XTO Energy Inc. received verbal approval from Eric at the Utah BLM to run a DV tool in the longstring of this new drill. Depth will be approximately 2000'. XTO will attempt to circulate 140 sx of 11.5 ppg CBM Lite from 2000' to surface.

COPIES SENT TO OPERATOR
Date: 10/24/06
By: RM

NAME (PLEASE PRINT) HOLLY C. PERKINS TITLE REGULATORY COMPLIANCE TECH
SIGNATURE Holly C Perkins DATE 8/10/2006

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining

Federal Approval Of This
Action Is Necessary

Date: 8/24/06
By: [Signature]

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-68525
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: USA 18-7-11-23	
2. NAME OF OPERATOR: XTO ENERGY INC.	9. API NUMBER: 4301530640	
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401	PHONE NUMBER: (505) 324-1090	10. FIELD AND POOL, OR WILDCAT: FERRON SANDSTONE
4. LOCATION OF WELL		
FOOTAGES AT SURFACE: 2191' FSL & 1775' FWL		COUNTY: EMERY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 11 18S 7E S		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 10/26/2006	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: MONTHLY REPORT
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Attached is the monthly activity report from 9/30/2006 to 10/26/2006 FOR THIS WELL

NAME (PLEASE PRINT) HOLLY C. PERKINS	TITLE REGULATORY COMPLIANCE TECH
SIGNATURE <i>Holly C. Perkins</i>	DATE 10/26/2006

(This space for State use only)

RECEIVED
OCT 31 2006
DIV. OF OIL, GAS & MINING

Farmington Morning Report

Thursday, October 26, 2006

Date	Description	Sales Volume	Comment
10/24/06	El Paso	86,053 MCF	LP 135 psig
10/24/06	Western Gas	3,067 MCF	LP 282 psig
10/24/06	Williams	29,750 MCF	LP 119 psig
10/24/06	Durango	62,721 MCF	LP 311 psig
10/24/06	Raton	45,457 MCF	LP 1,192 psig
10/24/06	Utah	19,711 MCF	LP 499 psig
10/24/06	Fuel Estimated	17,222 MCF	
10/24/06	TOTAL	263,981MCF	

USA	Well # 18-07-11-23	FC	Emery, UT
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Objective: Drill & Complete

AFE: 504861

1st Rept: 06/01/2006

10/4/06 Cont rpt for AFE # 504861 to D & C Ferron Coal well. Fr/9-27-06 to 10-4-06. MIRU Bobby Higgins WS Rig #1. SICP 0 psig. ND frac vlv. NU BOP. PU 6-1/8" cone bit & bit sub. TIH w/BHA & 59 jts 2-7/8", 6.50#, J-55, EUE, 8rd tbg. Tgd DV tl @ 1,932'. RU pwr swivel. Estb circion w/wtr & DO DV tl. RD pwr swivel. TIH w/51 addl jts 2-7/8" tbg to PBDT @ 3,622' (No fill). Circ hole cln w/100 BFW. TOH w/110 jts tbg & LD bit. SWI. SDFN.

DWC: \$6,369 CWC: \$914,034 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

10/5/06 SITP 0 psig, SICP 0 psig. PT 7" csg to 1,000 w/10 BFW for 10". Tstd ok. Rlsd press. SI branded head press 40 psig. Bd press. MIRU Bran-Dex WL. RIH w/3-1/2" csg gun & perf 3 sqz holes @ 3,200'. POH & LD perf gun. RDMO WL trk. Ppd 40 BFW dwn csg thru sqz holes & EIR of 3 BPM w/ann vlv opn & flwg w/no rets. TIH w/7" CICR, winged setting tl & 96 jts 2-7/8" tbg. Set CICR @ 3,146'. MIRU Halliburton cmt pmp trk. PT TCA to 500 psig. EIR of 3 BPM @ 450 psig dwn tbg w/35 BFW. Ppd 12 BFW w/10% CaCl, 4 BFW, 12 bbl FloChek (sodium silicate sol'n), 4 BFW. Mixed cmt & sqzd well w/175 sks class 'G' 50/50 poz cmt (14.4 lbs/gal, 1.33 yield) w/10% CalSeal, 2% CaCl, 4 lbs/sk Gilsonite & 0.3% halad-344 wtr loss adds. Inital pmp press of 73 psig @ 2.6 BPM. Displ cmt w/18 BFW @ 3.5 & 210 psig. Stung out of retainer & RC w/30 BFW w/rets of cln wtr. RD Halliburton. SWI. SDFN. Received verbal approval of remedial sqz wrk fr/Eric Jones Utah BLM 10:00 a.m. 10/3/06 & Mark Jones Utah O.G. & M. 1:00 p.m. 10/4/06.

DWC: \$28,421 CWC: \$942,455 DMC: \$0 CMC: \$0

USA #18-07-11-23	<=continued=>	FC	Emery, UT
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Rig: Bobby Higgins WS #1

10/6/06 SITP 0 psig, SICP 0 psig. MIRU Halliburton cmt pmp trk. PT TCA to 500 psig. EIR of 3 BPM @ 500 psig dwn tbg w/25 BFW. Ppd 20 BFW w/diamond seal. Ppd 12 bbl w/10% CaCl wtr followed by 3.5 BFW. Mixed cmt & sqzd well w/200 sks class 'G' 50/50 poz cmt (14.2 lbs/gal, 1.64 yield) w/10% CalSeal, 2% CaCl, 6 lbs/sk Gilsonite & .5% halad-324 wtr loss adds. Inital pmp press 118 psig @ 3.5 BPM. Displ cmt w/18 BFW @ 1.25 BPM w/well on vac. Stung out of retainer & RC cln w/30 BFW. SDF 2 hrs WOC. Ppd 5 BFW @ 3 BPM & 85 psig. Mixed cmt & sqzd well w/100 sks class 'G' 50/50 poz cmt (14.2 lbs/gal, 1.64 yield) w/10% CalSeal, 2% CaCl, 6 lbs/sk Gilsonite & .5% halad-324 wtr loss adds. Inital pmp press 120 psig @ 3.5 BPM. Displ cmt w/18 BFW @ 1.25 BPM w/well on vac. Stung out of retainer & RC cln w/30 BFW. Mixed cmt & sqzd well w/100 sks class 'G' 50/50 poz cmt (14.2 lbs/gal, 1.64 yield) w/10% CalSeal, 2% CaCl, 6 lbs/sk Gilsonite & .5% halad-324 wtr loss adds. Inital pmp press 123 psig @ 3.5 BPM. Displ cmt w/18 BFW @ 1.25 BPM w/well on vac. Stung out of retainer & RC cln w/38 BFW. RD Halliburton. SWI. SDFN.

DWC: \$30,963 CWC: \$973,418 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

10/7/06 SDFD due to bad wthr & road conds.

DWC: \$5,205 CWC: \$978,623 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

10/8/06 SITP 0 psig, SICP 0 psig. MIRU Halliburton cmt pmp trk. TIH w/1 jt tbg & stung into CICR. PT TCA to 500 psig. EIR of 3 BPM @ 57 psig dwn tbg w/10 BFW. Ppd 20 BFW w/diamond seal. Ppd 22 bbl BFW displacement. SD. Wait 30 min. Mixed cmt & sqzd well w/150 sks class V cmt (14.2 lbs/gal, 1.64 yield) w/10% Cal-Seal, 2% CaCl, 6 lbs/sk Gilsonite & .5% halad-322 wtr loss adds. Inital pmp press 100 psig @ 2.0 BPM. Displ cmt w/22 BFW @ .7 BPM. (Had mechanical BD w/Halliburton pmp truck). Unable to mix & pmp remaining cmt on loc due to Halliburton BD. Stung out of retainer & RC cln w/38 BFW w/rig pmp. RD Halliburton. SWI. SDFWE.

DWC: \$29,500 CWC: \$1,008,123 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

USA #18-07-11-23	<=continued=>	FC	Emery, UT
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10/10/06 SITP 0 psig, SICP 0 psig, SIBH 0 psig MIRU Halliburton cmt pmp trk. TIH w/1 jt tbg & stung into CICR. Tbg went on vac. PT TCA to 500 psig. Ppd 20 bbl gel pill w/diamond seal @ 3.5 bpm, 38 psig. Ppd 18 BFW displacement. SD. Wait 30 min. Mixed cmt & sqzd well w/150 sks class V cmt (14.2 lbs/gal, 1.64 yield 43.8 bbl slurry) w/10% Cal-Seal, 2% CaCl, 6 lbs/sk Gilsonite & .5% halad-322 wtr loss adds. Inital pmp press 33 psig @ 2.0 BPM. SD Halliburton pmp. Gravity displ cmt w/22 BFW @ 1.5 BPM. Stung out of retainer & RC cln w/30 BFW. SDF 2 hrs WOC. Stung into CICR. PT TCA to 500 psig. Ppd 20 bbl gel pill w/diamond seal @ 3.0 bpm, 33 psig. Ppd 18 BFW displacement. SD. Wait 1 hr. Mixed cmt & sqzd well w/125 sks class 'G' cmt w/2% CaCl (15.6 lbs/gal, 1.20 yield 26.7 bbl slurry). Inital pmp press 30 psig @ 3.5 BPM. SD Halliburton pmp. Gravity displ cmt w/15 BFW @ 2.5 BPM. Stung out of retainer & RC cln w/30 BFW. Had gd cmt rets. RDMO Halliburton. TOH w/(2', 6') x 2-7/8" tbg subs & 95 jts 2-7/8" 6.50# J-55 EUE 8rd tbg. LD CICR setting tl. SWI. SDFN. RD Halliburton. SWI. SDFN.

DWC: \$34,177 CWC: \$1,042,300 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

10/11/06 SICP 0 psig, SIBH 0 psig. PU 6-1/8" cone bit, bit sub, xo, 6 - 3-1/2" spiral DC's & tbg xo. TIH w/BHA & 90 jts of 2-7/8" tbg. Tgd CICR @ 3,134'. RU pwr swivel & estb circ. DO CICR & 20' of cmt fr/3,134' - 3,157' (Drill 7-1/2 hrs on CICR). Circ well cln. RD swivel. TOH w/6 jts tbg. SWI. SDFN.

DWC: \$6,050 CWC: \$1,048,350 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

10/12/06 SITP 0 psig SICP 0 psig, SIBH 0 psig. TIH w/6 jts tbg. RU pwr swivel & estb circ. Cont DO 43' of cmt fr/3,157' - 3,200' w/2 jts tbg. Lost circ @ 3,200'. (Sqz holes @ 3,200'). RD swivel. TIH w/15 jts tbg. Tag 3' of fill @ 3',619'. TOH w/105 jts 2-7/8" tbg, 6 spiral DC's & 6-1/8" bit. MIRU Bran-DEX WL. Run GR/CCL/CBL fr/3,608' to Surf. Log showed gd cmt bond fr/3,608' to 3,200' TOC & no cmt fr/3,200' to surf. LD logging tls. RU pmp & lines. EIR dwn 7" csg w/75 BFW @ 4 BPM & 200 psig. Had lt blow on Bradenhead while ppg dwn 7" csg & for 10 min after ppg. SWI. SDFN.

DWC: \$9,590 CWC: \$1,057,940 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

USA #18-07-11-23	<=continued=>	FC	Emery, UT
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10/13/06 SICP 0 psig, SIBH 10 psig. BD BH. TIH w/Halliburton 7" EZ-DRILL CICR, setting tl, 94 jts 2-7/8" 6.50# J-55 EUE 8rd tbg, 8' x 2-7/8" tbg sub & 1jt tbg. Set CICR @ 3,130'. Load TCA w/60 BFW w/rig pmp. MIRU Halliburton cmt pmp trk. PT lines to 4000 psig, tst gd. PT tbg w/5 BFW to 3000 psig, tst gd. PT TCA to 500 psig, tst gd. Stung out of CICR. Stung back into & opned CICR. Tbg went on vac. Press TCA to 500 psig & SI anululus. Ppd a 20 bbl gel pill w/diamond seal @ 3.5 bpm. Mixed cmt & sqzd well w/80 sks class V cmt (14.2 lbs/gal, 1.64 yield 24 bbl slurry) w/10% Cal-Seal, 2% CaCl, 6 lbs/sk Gilsonite & .5% halad-322 wtr loss adds. Inital pmp press 45 psig @ 1.5 BPM. Displ cmt w/15 BFW @ .5 BPM. Stung out of retainer w/3 bbls cmt left in tbg. RC cln w/30 BFW. Had gd cmt rets. RDMO Halliburton. TOH w/1 jt tbg, 8' x 2-7/8" tbg sub & 95 jts 2-7/8" tbg. LD CICR setting tl. PU new 6-1/8" cone bit, bit sub, xo, 6 - 3-1/2" spiral DC's & tbg xo. TIH w/BHA & 90 jts of 2-7/8" tbg. SWI. SDFN.

DWC: \$23,614 CWC: \$1,081,554 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

10/14/06 SITP 0 psig SICP 0 psig, SIBH 5 psig. TIH w/1 jt of 2-7/8" 6.50# J-55 EUE 8rd tbg. Tgd cmt @ 3,126'. RU pwr swivel & estb circ. DO 4' of cmt abv CICR @ 3,130', CICR & 43' of cmt below CICR to 3,175'. Drld 5 hrs on CICR. Drlg green cmt @ 3,175'. Circ well cln. RD pwr swivel. TOH w/2 jts tbg. Had hd cmt abv & 6' below CICR. Cmt gradually got softer fr/3,138' to 3,175'. SWI. SDFN. WO cmt to set.

DWC: \$5,400 CWC: \$1,086,954 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

10/15/06 SITP 0 psig SICP 0 psig, SIBH 4 psig. TIH w/2 jts of 2-7/8" tbg. RU pwr swivel & estb circion .DO cmt fr/ 3,175' to 3,200'. Circ well cln. RD pwr swivel. TIH to 3,619' (3' fill). TOH w/105 jts 2-7/8" tbg, xo, 6 - 3-1/2" spiral DC's, xo & 6-1/8" bit. MIRU Bran-DEX WL. Run GR/CCL/CBL fr/3,608' to surf. Log showed gd cmt bond fr/3,608' to 3,200' TOC & no cmt fr/3,200' to surf. LD logging tls. RIH w/4" slick Csg Gun. Perf Ferron Coal w/3 JSPF 120 deg ph @ 3,285' - 3,288', 3,295 - 3,299', 3,318' - 3,320', 3,357' - 3,360', 3,363' - 3,366' & w/1 JSPF @ 3,381', 3,385', 3,389', 3,393' & 3,397' (50 holes, Titan EXP-3323-322T chrgrs 22.7 gm, .41" dia,). All dpts correlated w/Sclumberger CNL/GR log Dated 8-14-06. POH. LD csg gun. RDMO Bran-Dex WLU. TIH w/24' x 7" Halliburton frac lnr, 8' x 2-7/8" tbg sub, CCL & 78 jts 2-7/8" tbg. Set lnr w/btm @ 3,256' top @ 3,200'. TOH w/78 jts tbg & CCL & 8' tbg sub. ND BOP. NU frac vlv. SWI. SDFWE.

DWC: \$15,000 CWC: \$1,101,954 DMC: \$0 CMC: \$0

USA #18-07-11-23	<=continued=>	FC	Emery, UT
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Rig: Bobby Higgins WS #1

10/17/06 SICP 0 psig, SIBH 5 psig. NU BOP on frac valve. TIH w/Halliburton frac lnr setting tl & 98 jts 2-7/8" tbg. Rlsd frac lnr & PUH 12'. Set lnr w/btm cups @ 3,210', top cups @ 3,189'. TOH w/98 jts tbg & setting tl. ND BOP. SWI. SDFN.

DWC: \$3,950 cwc: \$1,105,904 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

10/18/06 SICP 0 psig. SIBH 4 psig. BD BH. Left BD opned throughout frac job to mon for comm btw perms & abv TOC. MIRU Halliburton frac crew. Ac Ferron Coal perms fr/3,285' - 3,397' dwn 7" csg w/2,000 gals 15% HCL at 61 BPM & 1,800 psig. Form BD @ 55 bpm & 1,450 psig. Frac Ferron Coal perms fr/3,285' - 3,397' w/70,718 gals FR-56 slickwater. 135,997 gals 20# Delta 140 frac fld carrying 155,749 lbs 20/40 Brady sd, & 210,096 lbs 16/30 Brady sd. Frac Gradient 0.43. Flshd w/5,396 gals frac G slickwater, 3 bbls short. Sd Conc 0.3 - 5.69 ppg. All sd coated w/sd wedge NT. ISIP 0 psig. ATP 1,092 psig. AIR 60.6 bpm. Max TP 2,351 psig. Max IR 62.40 bpm. Max sd conc 5.69 ppg. 5,098 BLWTR. RDMO Halliburton. ND frac vlv. NU BOP. TIH w/Halliburton frac lnr setting tl & 98 jts 2-7/8" 6.50# J-55 EUE 8rd tbg. Rlsd frac lnr. TOH w98 jts 2-7/8" tbg. LD frac lnr setting tl & frac lnr. TIH to 3,620' w/6-1/8" cone bit, bit sub, 2-7/8" SN & 111 jts 2-7/8" tbg. No addl fill. (PBSD 3,622'). TOH w/111 jts 2-7/8" tbg. LD 6-1/8" bit & bit sub. TIH w/2-7/8" NC, 2-7/8" SN & 104 jts 2-7/8" tbg. EOT @ 3,419'. SWI. SDFN.

DWC: \$308,262 cwc: \$1,414,166 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

10/19/06 SITP 0 psig. SICP 0 psig. TIH w/7 jts tbg. Tgd no addl fill @ 3,620'. TOH w/7 jts tbg. EOT @ 3,419'. Ferron perms @ 3,285' - 3,397'. RU swb tls. BFL @ 2,900' FS. S. 0 BO, 78 BLW, 37 runs, 4-1/2 hrs, FFL @ 3,100' FS. SICP incr'd to 18 psig. Fld smpls on runs 1 - 15 showed dirty wtr w/tr sd. Runs 16 - 37 showed cln wtr w/lt tr sd. RD swb tls. TIH w/7 jts 2-7/8" tbg. Tgd 2' of addl fill @ 3,618'. (Ttl fill 2'). TOH w/7 jts 2-7/8" tbg. EOT @ 3,419'. SWI. SDFN. 5,020 BLWTR.

DWC: \$5,887 cwc: \$1,420,053 DMC: \$0 CMC: \$0

Swab Zone: Ferron

Event Desc: Swab Report Top Interval: 3,285 Bottom Interval: 3,397

Time	Swab Runs	Casing Psig	Tubing Psig	Beg FL	BBLs Rec	Comments
11:00	1	0	0	2,900	2.50	BFL @ 2,900`.
11:20	35	0	0	3,000	74.50	
16:30	1	0	0	3,100	1.00	FFL @ 3,100`.
				Ttl Bbls:	78.00	

USA #18-07-11-23	<=continued=>	FC	Emery, UT
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Rig: Bobby Higgins WS #1

10/20/06 SITP 0 psig. SICP 16 psig. SIBH 0 psig. TIH w/7 jts tbg. Tag no addl fill @ 3,618'. TOH w/7 jts tbg. EOT @ 3,419'. Ferron perms @ 3,285' - 3,397'. RU swb tls. BFL @ 3,000' FS. S. 0 BO, 168 BLW, 72 runs, 9 hrs, FFL @ 3,100' FS. SICP incr'd to 27 psig. Fld smpls on runs 1 - 72 showed cln wtr w/lt tr sd. RD swb tls. TIH w/7 jts 2-7/8" tbg. Tgd no of addl fill @ 3,618'. (Ttl fill 2'). TOH w/7 jts 2-7/8" tbg. EOT @ 3,419'. SWI. SDFN. 4,852 BLWTR.

DWC: \$5,737 CWC: \$1,425,790 DMC: \$0 CMC: \$0

Swab Zone: Ferron

Event Desc:	Swab Report	Top Interval: 3,285	Bottom Interval: 3,397			
Time	Swab Runs	Casing Psig	Tubing Psig	Beg FL	BBLs Rec	Comments
07:30	1	16	0	3,000	2.50	BFL @ 3,000`.
07:40	70	16	0	3,000	163.50	
16:25	1	27	0	3,100	2.00	FFL @ 3,100`.
Ttl Bbls: 168.00						

Rig: Bobby Higgins WS #1

10/21/06 SITP 0 psig. SICP 0 psig. SIBH 0 psig. TOH & LD 104 jts 2-7/8" work string. PU & TIH w/ 2-7/8" tbg collar & 106 jts 2-7/8" 6.50#, J-55, EUE, 8rd new tbg fr/XTO stk. TOH w/14 jts 2-7/8" tbg. EOT @ 3,047'. SWI. SDFWE. 4,852 BLWTR.

DWC: \$4,768 CWC: \$1,430,558 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

10/24/06 Rig on standby. WO ESP equip.

DWC: \$1,800 CWC: \$1,432,358 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

10/25/06 SITP 200 psig. SICP 200 psig. BD well. Ferron Coal perms 3,285 - 3,397'. MIRU Tefteller SLU to run Protechnics logging tls. RIH w/2.347" GR to 3,480'. Unable to wk tls dwn hole. POH w/GR. RD SL. TIH w/19 jts 2-7/8" tbg to 3,618'. TOH w/19 jts tbg. EOT @ 3,047'. RU SL. RIH w/GR to 3,565'. POH LD GR. Run Protechnics SpectraScan log fr/3,557' - 3,000'. POH. LD logging tls. RDMO SLU. TOH w/92 jts 2-7/8" tbg. SWI. SWFN.

DWC: \$13,961 CWC: \$1,446,319 DMC: \$0 CMC: \$0

Rig: Bobby Higgins WS #1

USA #18-07-11-23	<=continued=>	FC	Emery, UT
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10/26/06 SICP 90 psig. BD csg. PU Centrlift 133 HP, 2205 Volt, 37 amp, Model KMHG new motor (SN 10277193), motor seal model GSB3-FER-SSCV-SB-PFSN, (SN 10241460) new, 68 stage, P23 model 538 PSSD new pmp (SN 10262516), (ttl length of pump & mtr 10.1'), 8' x 2-7/8" tbg sub, 2 jts 2-7/8" tbg & 2-7/8" equalizing sub. TIH w/pmp BHA & 103 jts of 2-7/8", J-55, 6.5#, EUE, 8rd tbg. (#4 CPNR cbl banded to tbg w/2 bands per jt). ND BOP. Ld tbg in Centrlift WH w/EOP @ 3,501.06'. Ferron Coal perms @ 3,285' - 3,397'. PBD @ 3,622'. Surface equip not ready. SWI. RDMO BHWS rig #1. SDFN.

DWC: \$96,472 CWC: \$1,542,791 DMC: \$0 CMC: \$0

Tubing Location: Lower

ZONE 1 Desc: Ferron TopPerf: 3,285.00 BtmPerf: 3,397.00 OH: No

Qty	Type	Description	Cond	Top Depth	Btm Depth	Length
103	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	12.00	3,416.50	3,404.50'
1	Tubing	2-7/8" Equilizing sub	New	3,416.50	3,417.15	0.65'
2	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	3,417.15	3,482.96	65.81'
1	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing Sub	New	3,482.96	3,490.96	8.00'
1	manual	Pmp & Motor	New	3,490.96	3,501.06	10.10'
Total						3,489.06'
KB Corr						12.00'
Landed @						3,501.06'

EMERY

USA 18-7-11-23

LOCATION: Sec 11, T18S, R7E
CONTRACTOR: United Drilling, 32
WI %:
AFE#: 504861
API#: 43015306400000
DATE FIRST RPT: 6/2/2006

DATE: 6/2/2006
OPERATION: WOC
DFS: 0.83 Footage Made: 41 Measured Depth: 41
MW: VISC:
WOB: RPM:
DMC: CMC: DWC: 50,000.00 CWC: 50,000.00
TIME DIST: (24.00) MIRU LEON ROSS #27. SPUD NOTIFICATION TO WALTON WILLIS W/BLM. SPUD @ 10:00 AM 6/01/06, DRLD 17' HOLE TO 60' W. AIR FOAM. LARGE BOULDERS & CAVING MADE HOLE DRILLING DIFFICULT. SET 41' OF 13 3/8" @ 41' GL. CMT W/ 6 CU/YRDS REDDIMIX CMT OUTSIDE & FILL HOLE. PU 12 1/4" AIR TLS. WOC. SDFN..

DATE: 6/3/2006
OPERATION: WORT
DFS: 1.83 Footage Made: 272 Measured Depth: 313
MW: VISC:
WOB: RPM:
DMC: CMC: DWC: 23,911.00 CWC: 73,911.00
TIME DIST: (24.00) Drilled 12-1/4" hole to 320' surf ID. Blew clean. RU & run surf csg as follows: 9-5/8" bull nose GS, 9-5/8" shoe it winsert fit, 6 Jts 9-5/8", 36#, J-55, ST&C csg to 312.51' GL. Fit @ 268.09' GL. Cent csg w/4 bow sprg cents. RDMO Leon Ross. Halliburton unavailable. Will cmt 6-5-06. SDFWE..

DATE: 6/6/2006
OPERATION: WORT
DFS: 4.83 Footage Made: 0 Measured Depth: 313
MW: VISC:
WOB: RPM:
DMC: CMC: DWC: 35,375.00 CWC: 109,286.00
TIME DIST: (24.00) Repair Ross rig on loc. MIRU Halliburton. Cmt'd surf csg w/175 sx Cls G cmt w/2% CaCl2 & 1/4 pps Flocele. (Density 15.6 ppg, Yld 1.15). Displ w/21 BFW. Bumped plug to 450 psig. Circ 5 bbls cmt to surf. Fit didn't hld. SWI. RDMO Halliburton. Notified Walton Willis w/BLM, who declined to witness cmt job. Drld R&M hole. RDMO Leon Ross Rig #27. Susp rpt pending further activity..

DATE: 6/24/2006
OPERATION: Run WL surv on surf
DFS: 22.83 Footage Made: 0 Measured Depth: 313
MW: VISC:
WOB: RPM:
DMC: CMC: DWC: CWC: 109,286.00
TIME DIST: (24.00) RU WL. Run WLS: 3/4 deg @ 232'. RD WL.

DATE: 7/26/2006
OPERATION: MOL & RU
DFS: 55.42 Footage Made: 0 Measured Depth: 313
MW: VISC:
WOB: RPM:
DMC: CMC: DWC: 65,500.00 CWC: 174,786.00
TIME DIST: (14.00) MOL & RU.

DATE: 7/27/2006
OPERATION: MOL & RU. Repair Rig Brakes
DFS: 56.42 Footage Made: 0 Measured Depth: 313
MW: VISC:
WOB: RPM:
DMC: CMC: DWC: 20,900.00 CWC: 195,686.00
TIME DIST: (13.00) MOL & RU. Repair Rig Brakes.

DATE: 7/28/2006
OPERATION: RU & NU BOP
DFS: 57.42 Footage Made: 0 Measured Depth: 313

MW: **VISC:**
WOB: **RPM:**
DMC: **CMC:** **DWC:** 30,400.00 **CWC:** 226,086.00
TIME DIST: (6.00) NU BOP Stack & Fabricated Flow Line For Gas Buster. (7.00) RU Pumps, Pits, Air Package, etc..

DATE: 7/30/2006
OPERATION: Test BOP & RU Gas Buster
DFS: 58.83 **Footage Made:** 0 **Measured Depth:** 313
MW: **VISC:**
WOB: **RPM:**
DMC: **CMC:** **DWC:** 23,450.00 **CWC:** 249,536.00
TIME DIST: (3.00) Welder Work On Flow Line For Gas Buster. (5.00) Test BOP Stack to 3000 psi (high) & 250 psi (low). Test casing to 1000 psi. Closing Unit function test. Everything test good. (14.00) Fabricate flow line for Gas Buster. (0.50) RU By Pass Manifold for air drilling. (3.00) Start Drilling Mouse Hole. Motor Locked Up. WO Motor.

DATE: 7/31/2006
OPERATION: WO motor. Drill Rat & Mouse holes. DO Cement
DFS: 59.83 **Footage Made:** 8 **Measured Depth:** 308
MW: **VISC:**
WOB: 20 **RPM:** 57
DMC: **CMC:** **DWC:** 29,800.00 **CWC:** 279,336.00
TIME DIST: (7.00) WO Motor. (1.00) PU New Motor. Make Up Bit. (10.00) Drill Rat & Mouse Holes. (2.00) PU DC's & Bit. Blow Well. Tag Cement @ 267'. (0.50) Survey @ 267'. 1/4 Degree. (1.50) DO Cement. (0.50) Drig 300-308. (0.50) Survey @ 277'. 1/4 degree.

DATE: 8/1/2006
OPERATION: Air Drilling
DFS: 60.83 **Footage Made:** 843 **Measured Depth:** 1,151
MW: **VISC:**
WOB: 30 **RPM:** 57
DMC: **CMC:** **DWC:** 20,400.00 **CWC:** 299,736.00
TIME DIST: (8.50) Air Drilling. (0.50) Survey @ 612'. 1/2 degree. Function Test BOP. (2.50) Air Drilling. (0.50) Work on Flow Line. (4.50) Air Drilling. (1.00) Work on Flow Line. (3.00) Air Drilling. (0.50) Survey @ 1115'. 1 1/4 degrees. (3.00) Hit Water Flow @ 1132'. Tried to mist drill. Making too much water (20-25 bbls per hr). TOOH & Start Mixing Mud.

DATE: 8/2/2006
OPERATION: Tripping & Mixing Mud
DFS: 61.83 **Footage Made:** **Measured Depth:**
MW: 8.4 **VISC:** 49
WOB: 30 **RPM:** 57
DMC: 3,928.00 **CMC:** 3,928.00 **DWC:** 25,200.00 **CWC:** 324,936.00
TIME DIST: (0.50) TOOH. (11.50) Mix Mud & Work on Steel Mud Pit Lines. (1.00) Mix Mud. (3.00) TIH with DC's. Loaded hole. Started losing fluid. (5.50) Mix Mud (20% LCM). (1.50) Load Hole with 20 % LCM & Trip to bottom (1151'). (1.00) Plugged Bit. TOOH.

DATE: 8/3/2006
OPERATION: Drilling
DFS: 62.83 **Footage Made:** 306 **Measured Depth:** 1,492
MW: 8.7 **VISC:** 45
WOB: 30 **RPM:** 57
DMC: 392 **CMC:** 4,320.00 **DWC:** 25,200.00 **CWC:** 350,136.00
TIME DIST: (3.00) T.O.H. for plugged bit.. (2.00) T.I.H. and break circulation. (3.50) Drilling from 1186' to 1209'. (0.50) Service Rig and perform B.O.P. Function test. (14.50) Drilling formation from 1209' to 1492'. (0.50) Run survey at 1460' @ 2 3/4 degree.

DATE: 8/4/2006
OPERATION: Tripping in Hole W/Mud Motor
DFS: 63.83 **Footage Made:** 115 **Measured Depth:** 1,607
MW: 8.7 **VISC:** 45
WOB: 15 **RPM:** 80
DMC: **CMC:** 4,320.00 **DWC:** 22,700.00 **CWC:** 372,836.00

TIME DIST: (8.25) Drilling from 1492' to 1556'. (0.50) Survey at 1523' @ 2 3/4 degree. Rig service, B.O.P. function test. (4.75) Drilling from 1556' to 1592'. (0.50) Survey at 1586' @ 2 degrees. (3.50) Drilling from 1592' to 1607'. (1.00) Circulate hole to trip for mud motor. (2.00) Trip out of hole for mud motor.. (2.00) Wait on mud Motor. (1.50) Pick up mud motor and trip in hole.

DATE: 8/5/2006

OPERATION: Drilling

DFS: 64.83 **Footage Made:** 145 **Measured Depth:** 1,752

MW: 9.1 **VISC:** 40

WOB: 15 **RPM:** 130

DMC: **CMC:** 4,320.00 **DWC:** 24,419.00 **CWC:** 397,255.00

TIME DIST: (1.00) Finish Tripping in hole with motor. (1.00) Drilling from 1607 to 1617. (0.50) Survey at 1586' @ 2 1/4 degree, performed B.O.P. function test and rig service. (5.75) Drilling from 1617' to 1680'. (0.25) Survey at 1649' @ 2 1/2 degree. (6.00) Drilling from 1680' to 1743'. (6.00) Hold safety meeting, check mud pumps, Trip out of hole for washed out pipe.. (2.50) Trip in hole and break circulation. (1.00) Drilling from 1743' to 1752'.

DATE: 8/6/2006

OPERATION: Drilling

DFS: 65.83 **Footage Made:** 294 **Measured Depth:** 2,046

MW: 9.2 **VISC:** 38

WOB: 15 **RPM:** 130

DMC: 498.5 **CMC:** 4,818.50 **DWC:** 30,613.00 **CWC:** 427,868.00

TIME DIST: (1.75) Drilling from 1752' to 1774'. (0.75) Survey at 1743' @ 2 1/2 degree. (6.75) Drilling from 1774' to 1868'. (0.25) Survey at 1837' @ 2 degree. (7.00) Drilling from 1868' to 1962'. (0.50) Survey at 1931' @ 2 degree. (7.00) Drilling from 1962' to 2046'.

DATE: 8/7/2006

OPERATION: Drilling

DFS: 66.83 **Footage Made:** 130 **Measured Depth:** 2,176

MW: 9.2 **VISC:** 40

WOB: 15 **RPM:** 30

DMC: 472.5 **CMC:** 5,291.00 **DWC:** 22,400.00 **CWC:** 450,268.00

TIME DIST: (0.50) Drilling from 2046' to 2056'. (0.50) Survey at 2025' @ 2 degree. (2.50) Drilling from 2056' to 2088'. (0.25) Service rig and perform B.O.P. function test. (4.75) Drilling from 2088' to 2133'. (0.50) Circulate hole for bit trip. (1.25) Start trip for bit, work tight spot, pump 50 bbl sweep. (3.00) Finish trip for bit, one cone on bit locked up. (1.75) Change out rubbers on pump #2, replace rubbers on pistons of pump #1. (4.00) Trip in hole. (0.75) Ream last 60' to bottom. (1.50) Drilling from 2133' to 2150. (0.50) Survey at 2119' @ 2 3/4 degree. (2.25) Drilling from 2150' to 2176'.

DATE: 8/8/2006

OPERATION: Drilling

DFS: 67.83 **Footage Made:** 169 **Measured Depth:** 2,345

MW: 9.2 **VISC:** 43

WOB: 15 **RPM:** 30

DMC: 1,288.50 **CMC:** 6,579.50 **DWC:** 23,307.00 **CWC:** 473,575.00

TIME DIST: (8.50) Drilling from 2176' to 2245'. (0.75) Survey at 2213' @ 2 1/2 degree. (2.75) Drilling from 2245' to 2276'. (3.75) Reptace gaskets and valve seats in pump #1. (7.25) Drilling from 2276' to 2339'. (0.25) Survey at 2304' @ 2 degree. (0.75) Drilling from 2339' to 2345'.

DATE: 8/9/2006

OPERATION: Drilling

DFS: 68.83 **Footage Made:** 241 **Measured Depth:** 2,586

MW: 9.2 **VISC:** 45

WOB: 15 **RPM:** 30

DMC: **CMC:** 6,579.50 **DWC:** 25,210.00 **CWC:** 498,785.00

TIME DIST: (7.75) Drilling (ROP 11'). (0.50) Survey @ 2401. 1 1/2 degree. (9.75) Drilling. (0.50) Survey @ 2495. 1 1/4 degree. (5.50) Drilling.

DATE: 8/10/2006

OPERATION: Drilling & TOOH

DFS: 69.83 **Footage Made:** 258 **Measured Depth:** 2,844

MW: 9.4 **VISC:** 42

WOB: 35 **RPM:** 120

DMC: **CMC:** 6,579.50 **DWC:** 22,760.00 **CWC:** 521,545.00
TIME DIST: (3.75) Drilling. (0.50) Survey @ 2590'. 1 1/4 degree. (6.75) Drilling. (0.50) Survey @ 2684' 1 1/4 degree. (5.50) Drilling. (0.50) Survey @ 2778' 1 1/4 degree. (3.25) Drilling. Motor Out Working. (1.00) Pump Sweep & Circulate. (1.25) TOOH to LD Motor.

DATE: 8/11/2006
OPERATION: Tripping & Mix Mud & Drilling
DFS: 70.83 **Footage Made:** 106 **Measured Depth:** 2,950
MW: 9.1 **VISC:** 41
WOB: 35 **RPM:** 57
DMC: 1,927.00 **CMC:** 8,506.50 **DWC:** 30,550.00 **CWC:** 552,095.00
TIME DIST: (2.00) TOOH for bit. (0.50) LD Motor & PU new bit. (2.25) TIH. Tag @ 2530. PU Kelly. Would not Circulate. (0.75) TOOH to 1050. Lost circulation before @ 1134'. (4.00) Mix mud 20 % LCM. (0.50) TIH w/14 stands. Break Circulation. Full Returns. (3.25) TIH to 2527. Tight Spot. PU Kelly & Wash down to 2844. (8.75) Drilling.

DATE: 8/12/2006
OPERATION: Drilling
DFS: 71.83 **Footage Made:** 236 **Measured Depth:** 3,186
MW: 9.2 **VISC:** 42
WOB: 38 **RPM:** 57
DMC: 397.5 **CMC:** 8,904.00 **DWC:** 20,750.00 **CWC:** 572,845.00
TIME DIST: (0.75) Drilling. (0.75) Survey @ 2935' 1 degree. (16.00) Drilling. (0.50) Survey @ 3091' 1 degree. (6.00) Drilling.

DATE: 8/13/2006
OPERATION: Drilling, Mix Mud & LCM & Trip
DFS: 72.83 **Footage Made:** 28 **Measured Depth:** 3,214
MW: 9.1 **VISC:** 55
WOB: 38 **RPM:** 57
DMC: **CMC:** 8,904.00 **DWC:** 23,150.00 **CWC:** 595,995.00
TIME DIST: (2.00) Drilling. (0.50) Lost circulation. TOOH w/15 stands. (3.00) Mix Mud. 20% LCM. (0.50) Pump Pill. Full Returns. (0.50) TIH. Tight Spot @ 2872'. PU Kelly. Plugged Bit. (3.25) TOOH. (0.75) Service Rig. BOP Drill. Unplug Bit. Bit Was Plugged at the throat. (0.50) TIH w/DC's. (3.50) Safety Meeting. Continue TIH. Tag @ 3092'. (0.50) Wash down to 3214'. Lost Circulation Immediately. (3.00) TOOH. (1.75) RU Air Equipment. Company Geologist worried about formation taking too much fluid. Will unload hole & mist drill to TD.. (3.25) Stage in hole. every 500'. No significant fluid until 2200'..

DATE: 8/14/2006
OPERATION: Mist Drilling
DFS: 73.83 **Footage Made:** 348 **Measured Depth:** 3,411
MW: **VISC:**
WOB: 35 **RPM:** 57 **DWC:** 34,700.00 **CWC:** 630,695.00
DMC: **CMC:** 8,904.00
TIME DIST: (2.25) Stage in hole to 3217 unloading @ 1994' w/500 psi & @ 3217 w/850 psi. (1.50) Air mist drilling. Formation making about 30 bbls H2O per hr.. (0.50) Replace Rotating Head Rubber. (4.50) Air mist drilling. Formation making more water. ROP slowed to 10' per hr and became very inconsistent.. (0.25) Circulate hole & Rig Service. (2.00) TOOH to check bit. (1.50) WO bit. (2.00) TIH to 2000'. Unload hole. (2.00) TIH. Tag fill @ 3390. PU Kelly to wash down. (0.75) Wash down to 3411'. (6.75) Air mist drilling.

DATE: 8/15/2006
OPERATION: Drilling, Logging, Tripping & Washing
DFS: 74.83 **Footage Made:** 126 **Measured Depth:** 3,688
MW: **VISC:**
WOB: 35 **RPM:** 57 **DWC:** 39,000.00 **CWC:** 669,695.00
DMC: **CMC:** 8,904.00
TIME DIST: (3.00) Mist Drilling. (0.25) Circulate w/shale treat & polymer. (2.00) TOOH for logs. (0.50) WO loggers. (1.50) RU Loggers. (4.75) Log well. 1st run platform express tagged fill @ 3650. 2nd run (FMI) wouldn't go. Hit bridge @ 3127'. (3.50) TIH. Tag @ 3342'. 345' of fill. (1.00) LD 11 Jts DP in order to run stands. (5.75) Wash 345' of fill to 3688'.. (0.25) Circulate w/ polymer & shale treat. (1.50) LD DP.

DATE: 8/16/2006
OPERATION: Run Casing & Cement. Rig Down
DFS: 75.83 **Footage Made:** 0 **Measured Depth:** 3,688
MW: **VISC:**

WOB:

RPM:

DMC:

CMC:

8,904.00

DWC:

114,366.00

CWC:

784,061.00

TIME DIST:

(3.00) TOOH LD DP. (1.50) XO BOP Rams. (4.25) Run 81 jts 7" casing set @ 3669. (2.75) RU Cementers & Cement 1st Stage. Cement w/45 sx CBM Lite 10.5 lbs/gal (Lead) & 95 Sx CBM Lite 13.5 lbs/gal (Tail) Open DV Tool And circulate H2O @ 1/3 bbl per minute for 1 hr. Bumped Plug @ 750 psi. Float held. (2.00) Pump 2nd Stage. Cement w/ 145 sx CBM Lite 11.5 lbs/gal. Did Not Circulate either stage. Bumped plug @ 1600 psi. Tool held. (4.00) ND BOP & Set Slips. (7.00) Start Rigging Down.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-68525
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: USA 18-7-11-23
2. NAME OF OPERATOR: XTO ENERGY INC.		9. API NUMBER: 4301530640
3. ADDRESS OF OPERATOR: 2700 Farmington, Bldg K-1 CITY Farmington STATE NM ZIP 87401		10. FIELD AND POOL, OR WILDCAT: FERRON SANDSTONE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2191' FSL & 1775' FWL		COUNTY: EMERY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 11 18S 07E		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 10/9/2006	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: REMEDIAL CEMENT
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
XTO Energy Inc. rcv'd verbal approval of remedial sqz work fr/Eric Jones, Utah BLM, 10 am, 10/3/06 & Mark Stevens, DOGM, 1:00 pm, 10/4/06. XTO performed the following work:

MIRU WLU. RIH csg & perf 3 sqz holes @ 3200'. Ppd 40 BFW dwn csg thru sqz holes & EIR of 3 BPM w/ann vlv open & flowing w/no returns. Set 7" CICR @ 3146'. Ppd 12 BFW w/10% CaCl, 4 BFW, 12 bbls FloChek. Mixed cement & squeezed well w/175 sx Class G 50/50 Poz cement (14.4 lbs/gal, 1.33 yield) w/10% CalSeal, 2% CaCl, 4 lbs/sx Gilsonite & 0.3% Halad-344 wtr loss adds. Displ cmt w/18 BFW. Stung out of retainer & RC w/30 BFW. Ppd 12 bbls w/10% CaCl wtr. Mixed cmt & sqzd well w/200 sx Class G 50/50 poz cmt (14.2 lbs/gal, 1.64 yield) w/10% CalSeal, 2% CaCl, 6 lbs/sx Gilsonite & .5% halad-324 wtr loss adds. Displ cmt w/18 BFW. Stung out of retainer & RC cln w/30 BFW. Ppd 5 BFW. Mixed cmt & sqzd well w/100 sx Class G 50/50/ poz cmt (14.2 lbs/gal, 1.64 yield) w/10% CalSeal, 2% CaCl, 6 lbs/sx Gilsonite & .5% Halad-324 wtr loss adds. Displ cmt w/18 BFW. Stung out of retainer & RC cln w/30 BFW. Mixed cmt & sqzd well w/100 sx Class G 50/50 poz cmt (14.2 lbs/gal, 1.64 yield) w/10% CalSeal, 2% CaCl, 6 lbs/sx Gilsonite & .5% Halad-324 wtr loss adds. Displ cmt w/18 BFW. Stung out of retainer & RC cln. Mixed cmt & sqzd well w/150 sx Class V cmt (14.2 lbs/gal, 1.64 yield) w/10% Cal-Seal, 2% CaCl, 6 lbs/sx Gilsonite & .5% Halad-322 wtr loss adds. Displ cmt w/22 BFW. Stung out of retainer & RC cln. Ppd 20 bbls gel pill w/diamond seal @ 3.5 bpm. Mixed cmt & sqzd well w/150 sx Class V cmt (14.2 lbs/gal, 1.64 yield, 43.8 bbls slurry) w/10% CalSeal, 2% CaCl, 6 lbs/sx gilonsite & .5% Halad-322 wtr loss adds. Stung out of retainer. Stung into CICR. Mixed cmt & sqzd well w/125 sx Class G cmt w/2% CaCl (15.6 lbs/gal, 1.20 yield, 26.7 lbs slurry. Stung out of retainer. Had good cement rets.

NAME (PLEASE PRINT) HOLLY C. PERKINS	TITLE REGULATORY COMPLIANCE TECH
SIGNATURE	DATE 11/15/2006

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-68525
1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME
2. NAME OF OPERATOR: XTO Energy Inc.		8. WELL NAME and NUMBER: USA 18-7-11-23
3. ADDRESS OF OPERATOR: 2700 Farmington Ave K1 CITY Farmington STATE NM ZIP 87401		9. API NUMBER: 4301530640
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2191' FSL & 1775' FWL AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:		10 FIELD AND POOL, OR WLD CAT FERRON COAL
		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 11 18S 7E
		12. COUNTY EMERY
		13. STATE UTAH

14. DATE SPUDDED: 6/1/2006	15. DATE T.D. REACHED: 8/15/2006	16. DATE COMPLETED: 11/8/2006	ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): 6451' GR
18. TOTAL DEPTH: MD 3,688 TVD	19. PLUG BACK T.D.: MD 3,623 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *		21. DEPTH BRIDGE MD PLUG SET: TVD
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) GR/CCL/CBL/CNL			23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
17"	13 3/8 J55	37#		41		RM 150		0	0
12 1/4"	9 5/8 J55	36#		313		G 175		0	0
8 3/4"	7 J55	26#		3,669		CBM 285		0	0

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8	3,501							

26. PRODUCING INTERVALS					27. PERFORATION RECORD				
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A) FERRON COAL	3,285	3,397			3,285 3,397	0.41"	50	Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
3285' - 3397'	Acidized w/2000 gals 15% HCl acid. Frac'd w/70,718 gals FR-56 slickwater, 135,997 gals 20# Delta 140 frac fluid carrying 155,749# 20/40 Brady sand and 210,096# 16/30 Brady sand. All sand coated w/Sandwedge NT.

29. ENCLOSED ATTACHMENTS: <input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION <input type="checkbox"/> GEOLOGIC REPORT <input type="checkbox"/> CORE ANALYSIS <input type="checkbox"/> DST REPORT <input type="checkbox"/> OTHER: _____ <input type="checkbox"/> DIRECTIONAL SURVEY	30. WELL STATUS: <p align="center" style="font-size: 2em;">P</p> RECEIVED
--	---

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 11-8-06		TEST DATE:		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 40	WATER - BBL: 927	PROD. METHOD: PPG
CHOKE SIZE: N/A	TBG. PRESS. 105	CSG. PRESS. 100	API GRAVITY 0.61	BTU - GAS 958	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 40	WATER - BBL: 927	INTERVAL STATUS:

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

TO BE SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				MANCOS MARKER	3.053
				UPPER FERRON SS	3.217
				LOWER FERRON SS	3.379
				TUNUNK SHALE	3.628

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) HOLLY C. PERKINS TITLE REGULATORY COMPLIANCE TECH
 SIGNATURE *Holly C. Perkins* DATE 11/15/2006

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
 Fax: 801-359-3940

4301530690

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals

5. LEASE DESIGNATION AND SERIAL NUMBER.

UTU-73965

6. IF INDIAN, ALLOTTEE OR TRIBE NAME.

7. UNIT or CA AGREEMENT NAME.

8. WELL NAME and NUMBER.

LM LEMMON #10-01

9. API NUMBER:

Various (see attached)

10. FIELD AND POOL, OR WILDCAT:

FERRON SANDSTONE

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
XTO ENERGY INC.

3. ADDRESS OF OPERATOR:
2700 Farmington, Bldg K-1 Farmington STATE NM ZIP 87401

PHONE NUMBER:
(505) 324-1090

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 660' FSK & 792' FEL

COUNTY: EMERY

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN SESE 10 17S 08E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start 1/1/2004	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12 DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

XTO Energy Inc. acquired wells from Chevron/Texaco on August 1, 2004. Chevron/Texaco failed to file a Notice of Intent to surface commingle these wells and XTO Energy Inc. was unaware until recently that nothing had been filed. We are including with this application for surace commingle a list of the wells in Emery County and a spreadsheet showing production figures for these wells. Each well has its own meter then runs through a central delivery point where allocations are made.

XTO Energy Inc. is requesting approval for the commingle of these wells as well as off-lease measurement. As wells are drilled, additional sundries will be submitted to add to our surface commingle.

COPY SENT TO OPERATOR
Date: 6-12-07
Initials: DM

NAME (PLEASE PRINT) HOLLY C. PERKINS

TITLE REGULATORY COMPLIANCE TECH

SIGNATURE *Holly C. Perkins*

DATE 5/15/2007

This space for State use only

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 5/11/07
BY: *[Signature]*

Federal Approval Of This
Action Is Necessary

RECEIVED
MAY 18 2007

DIV. OF OIL, GAS & MINING

Utah Wells Surface Commingled at Huntington CDP

Well Name	API #	Status	Lease
American West Group 15-128	43-015-30484	Shut In	State
Conover 14-171	43-015-30529	Producing	State
Gardner Trust 16-121	43-015-30478	Producing	State
Lemmon LM 10-01	43-015-30242	Producing	Federal
Malone 14-131	43-015-30556	Producing	State
Rowley 08-111	43-015-30486	Producing	State
Seeley 08-112	43-015-30495	Producing	State
Seeley Farms 09-117	43-015-30501	Producing	State
State of Utah 16-8-31-12D	43-015-30608	Producing	State
State of Utah 16-8-31-32DX	43-015-30634	Producing	State
State of Utah 16-8-31-44D	43-015-30606	Producing	State
State of Utah 16-8-32-43	43-015-30566	Producing	State
State of Utah 17-8-15-14	43-015-30622	Producing	State
State of Utah 17-8-15-33	43-015-30561	Producing	State
State of Utah 17-8-17-32	43-015-30672	Producing	State
State of Utah 17-8-18-12	43-015-30626	Producing	State
State of Utah 17-8-18-24	43-015-30678	Producing	State
State of Utah 17-8-18-31	43-015-30671	Producing	State
State of Utah 17-8-18-43	43-015-30670	Producing	State
State of Utah 17-8-20-22	43-015-30623	Producing	State
State of Utah 17-8-21-33	43-015-30679	Producing	State
State of Utah 17-8-21-41	43-015-30631	Producing	State
State of Utah 17-8-22-14	43-015-30676	Producing	State
State of Utah 17-8-22-21	43-015-30624	Producing	State
State of Utah 17-8-28-12X	43-015-30699	Producing	State
State of Utah 17-8-3-11X	43-015-30635	Producing	State
State of Utah 17-8-4-21	43-015-30620	Producing	State
State of Utah 17-8-5-42R	43-015-30686	Producing	State
State of Utah 17-8-7-34	43-015-30621	Producing	State
State of Utah 17-8-8-14	43-015-30673	Producing	State
State of Utah 36-138	43-015-30550	Producing	State
State of Utah 36-139	43-015-30530	Producing	State
State of Utah AA 07-105	43-015-30497	Producing	State
State of Utah AA 07-106	43-015-30396	Producing	State
State of Utah AA 07-146	43-015-30569	Producing	State
State of Utah BB 04-116	43-015-30503	Producing	State
State of Utah BB 05-107	43-015-30479	Producing	State
State of Utah BB 05-108	43-015-30480	Producing	State
State of Utah BB 05-109	43-015-30481	P&A	State
State of Utah BB 05-110	43-015-30482	Producing	State
State of Utah BB 08-113	43-015-30496	Shut In	State
State of Utah BB 09-119	43-015-30437	Producing	State
State of Utah BB 09-120	43-015-30444	Producing	State
State of Utah CC 03-161	43-015-30552	Producing	State
State of Utah CC 10-123	43-015-30454	Producing	State
State of Utah CC 10-124	43-015-30438	Producing	State
State of Utah FF 10-125	43-015-30458	Producing	State
State of Utah FF 11-129	43-015-30459	Producing	State
State of Utah FF 11-130	43-015-30462	Shut In	State

Utah Wells Surface Commingled at Huntington CDP

State of Utah FO 02-186	43-015-30533	Producing	State
State of Utah FO 02-188	43-015-30553	Producing	State
State of Utah GG 03-122	43-015-30499	Producing	State
State of Utah GG 04-115	43-015-30504	Producing	State
State of Utah HH 03-133	43-015-30500	Producing	State
State of Utah II 36-95	43-015-30509	Producing	State
State of Utah II 36-96	43-01530508	Shut In	State
State of Utah KK 32-144	43-015-30567	Producing	State
State of Utah QQ 31-201	43-015-30592	Producing	State
State of Utah SS 22-165	43-015-30520	Producing	State
State of Utah T 36-10	43-015-30268	Producing	State
State of Utah T 36-100	43-015-30506	Producing	State
UP&L 06-102	43-015-30441	Producing	State
UP&L 06-103	43-015-30483	Producing	State
UP&L 06-104	43-015-30442	Producing	State
UP&L Federal 01-101	43-015-30511	Producing	Federal
Utah Federal 01-205D	43-015-30589	Producing	Federal
* Utah Federal 16-7-35-21	43-015-30602	Producing	Federal
* Utah Federal 16-7-35-32	43-015-30603	Producing	Federal
x Utah Federal 17-7-12-22D	43-015-30605	Producing	Federal
Utah Federal 17-7-12-24D	43-015-30604	Producing	Federal
+ Utah Federal 17-7-12-42	43-015-30591	Producing	Federal
Utah Federal 17-7-12-43	43-015-30601	Producing	Federal
Utah Federal 17-7-3-41D	43-015-30697	Producing	Federal
Utah Federal KK 01-140	43-015-30507	Producing	Federal
Utah Federal KK 01-141	43-015-30559	Producing	Federal
Utah Federal M 06-25	43-015-30292	Producing	Federal
WH Leonard 15-127	43-015-30485	Producing	State
Wm S Ivie 09-118	43-015-30443	Producing	State
Zion's Federal 35-135R	43-015-30521	Producing	Federal
+ Zion's Federal 17-7-2-11	43-015-30590	Producing	Federal
Zion's Federal 35-137	43-015-30587	Producing	Federal

Utah Wells Surface Commingled at Orangeville CDP

Well Name	API #	Status	Lease	Notes
Curtis D&D 14-54	43-015-30319	Shut In	Federal	
Curtis L&M 10-58	43-015-30310	Shut In	Federal	
Curtis L&M 15-67	43-015-30325	Producing	Federal	
Federal A 18-7-26-12	43-015-30445	Producing	Federal	
Federal A 26-02	43-015-30244	Shut In	Federal	
Federal A 26-04	43-015-30246	Shut In	Federal	
Federal A 34-07	43-015-30249	Producing	Federal	
Federal A 35-05	43-015-30248	Producing	Federal	
Federal A 35-06	43-015-30247	Producing	Federal	
Federal A 35-89	43-015-30446	Producing	Federal	
Federal B 21-03	43-015-30243	Shut In	Federal	
Federal C 18-7-23-23R	43-015-30629	Producing	Federal	
Federal C 23-08	43-015-30245	Producing	Federal	
Federal P 03-92	43-015-30448	Producing	Federal	
Federal P 03-93	43-015-30449	Producing	Federal	
Federal T 18-07-22-34	43-015-30452	Producing	Federal	
Federal T 22-69	43-015-30451	Producing	Federal	
Federal T 27-87	43-015-30456	P&A	Federal	
Ferron St 4-36-18-7	43-015-30253	Producing	Federal	Operator: Merrion Oil & Gas
Jensen AL 27-09	43-015-30259	Shut In	State	
Jones D&A 09-59	43-015-30329	Producing	Federal	
Jones D&A 15-68	43-015-30318	Shut In	State	
Klinkhammer 1	43-015-30610	Shut In	Federal	Operator: Merrion Oil & Gas
Norris RG 14-40	43-015-30324	Producing	Federal	
Peacock 07-64	43-015-30327	Producing	Federal	
Peacock P&K 08-62	43-015-30320	Producing	Federal	
Peacock Trust 08-61	43-015-30326	Producing	Federal	
Peacock Trust 08-63	43-015-30328	Producing	Federal	
Peacock Trust 09-60	43-015-30321	Producing	Federal	
State of Utah 01-97	43-015-30498	Producing	State	
State of Utah 17-7-36-33R	43-015-30687	Producing	State	
State of Utah 17-8-19-11D	43-015-30695	P&A	State	
State of Utah 18-7-2-33R	43-015-30674	Producing	State	
State of Utah DD 31-98	43-015-30439	Producing	State	
State of Utah II 36-95	43-015-30509	Producing	State	
State of Utah II 36-96	43-015-30508	P&A	State	
State of Utah U 02-11	43-015-30270	Producing	State	
State of Utah U 02-48	43-015-30306	Producing	State	
State of Utah U 02-49	43-015-30309	P&A	State	
State of Utah U 02-50	43-015-30308	Producing	State	
State of Utah X 16-65	43-015-30312	Shut In	State	
State of Utah X 16-66	43-015-30311	Producing	State	
UP&L 14-53	43-015-30313	Producing	State	
UP&L 14-55	43-015-30314	Producing	Federal	
UP&L 23-51	43-015-30315	Producing	Federal	
UP&L 24-57	43-015-30316	Producing	State	
USA 03-74	43-015-30383	Producing	Federal	

Utah Wells Surface Commingled at Orangeville CDP

USA 03-75	43-015-30384	Producing	Federal
USA 11-72	43-015-30387	Producing	Federal
USA 18-7-11-23	43-015-30640	Producing	State
USA 34-80	43-015-30389	Shut In	Federal
USA 34-82	43-015-30390	Producing	Federal
Utah Federal 17-7-35-42	43-015-30641	Drilling	Federal
Utah Federal 18-7-27-44R	43-015-30628	Producing	Federal
Utah Federal 18-7-9-11	43-015-30639	Producing	Federal
Utah Federal D 34-12	43-015-30282	Producing	Federal
Utah Federal D 35-13	43-015-30285	Producing	Federal
Utah Federal D 35-14	43-015-30286	Producing	Federal
Utah Federal D 35-15	43-015-30287	Producing	Federal
Utah Federal H 06-21	43-015-30294	TA	Federal
Utah Federal P 10-42	43-015-30276	Producing	Federal
Utah Federal P 10-43	43-015-30277	Producing	Federal
Utah Federal P 10-47	43-015-30258	Producing	Federal
Utah Federal Q 04-44	43-015-30280	Producing	Federal
Utah Federal R 09-45	43-015-30275	Producing	Federal
Utah Federal S 08-46	43-015-30274	Producing	Federal
Utah State 01-76	43-015-30381	Producing	State
Utah State 36-78	43-015-30382	Producing	State

Apr-05

Region Wells

WELL No.	Days On	MONTHLY WATER PRODUCTION	FIELD ESTIMATED PRODUCTION										ALLOCATED SALES	Lsa Use Gas (m) 21c	Actual		VENTED GAS	ADJ	FIELD PRODUCTION		
			Coastal Statement	PROD %	FIELD EST. PROD	Gas	Lse Use Gas	Vented CO2	Vented Gas	VENIED GAS	ADJ	FIELD ESTIMATED SALES			Vented CO2	Vented Gas					
			435	1478	0.00488716	1479	45	36	98	1708	1708	179	1299	1246	81	98	1708	98	179	1425	
	10-01	30	2667	18292	0.06048442	18298	45	447	1708	1708	2200	16095	15424	492	1708	1708	1708	2200	17624		
	M08-25	30	723	16969	0.05610978	16975	45	414	2280	2280	2739	14236	14308	459	2280	2280	2280	2739	17047		
	H06-21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
	07-106	30	879	5052	0.01673803	5064	49	124	789	789	958	4106	4268	169	789	789	789	958	5226		
	09-119	30	85	725	0.0024009	726	45	18	108	108	171	656	612	53	108	108	108	171	783		
	10-124	30	129	951	0.00314458	951	45	23	38	38	116	645	602	68	38	38	38	116	908		
	06-102	30	823	20112	0.06650244	20119	45	491	2219	2219	2755	17354	16959	536	2219	2219	2219	2755	19714		
	06-104	30	803	12922	0.04272795	12925	45	315	2156	2156	2516	10410	10895	350	2156	2156	2156	2516	13412		
	09-118	30	163	797	0.00263536	797	45	19	100	100	164	633	672	64	100	100	100	164	836		
	09-120	30	314	899	0.00297264	899	45	22	80	80	47	752	758	67	80	80	80	47	905		
	18-7-23-23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
	17-8-15-33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
	10-123	30	261	1348	0.0044573	1348	45	33	89	89	167	1182	1137	78	89	89	89	167	1304		
	10-125	30	286	536	0.00177234	538	45	13	32	32	90	446	452	58	32	32	32	90	542		
	11-129	29	0	396	0.00130942	396	44	10	16	16	59	327	334	53	16	16	16	59	403		
	11-130	30	1847	182	0.00053557	162	45	4	7	7	56	106	137	49	7	7	7	56	193		
	16-121	30	276	757	0.0025031	757	45	18	42	42	105	652	638	63	42	42	42	105	743		
	05-107	29	242	8230	0.02721336	8233	44	201	1397	1397	1641	6591	6940	244	1397	1397	1397	1641	8581		
	05-108	30	611	4934	0.01631479	4936	45	120	830	830	995	3940	4160	165	830	830	830	995	5155		
	05-109	30	113	1252	0.00413987	1252	45	31	133	133	209	1044	1056	76	133	133	133	209	1285		
	05-110	30	3	1462	0.00483426	1463	45	36	194	194	275	1189	1233	81	194	194	194	275	1508		
	05-103	30	946	9133	0.03019922	9136	45	223	1241	1241	1509	7627	7701	268	1241	1241	1241	1509	9210		
	15-125	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
	15-127	30	1452	3530	0.01167232	3531	45	88	226	226	357	3174	2977	131	226	226	226	357	3334		
	08-111	29	145	1513	0.00500289	1514	44	37	203	203	283	1230	1276	80	203	203	203	283	1559		
	08-112	30	118	1326	0.00438456	1325	45	32	143	143	220	1106	1118	77	143	143	143	220	1338		
	08-113	30	0	756	0.00249979	756	45	18	108	108	171	585	637	63	108	108	108	171	808		
	07-105	30	909	6760	0.02235265	6782	45	165	1197	1197	1407	5355	5700	210	1197	1197	1197	1407	7107		
	03-122	30	0	456	0.00150781	456	45	11	30	30	85	370	385	56	30	30	30	85	471		
	03-133	30	102	331	0.00109449	331	45	8	18	18	71	260	279	53	18	18	18	71	350		
	09-117	30	37	546	0.00312805	546	45	23	136	136	123	480	508	60	136	136	136	123	1002		
	04-116	30	114	603	0.00199388	603	45	15	63	63	204	742	798	68	63	63	63	204	631		
	04-115	30	258	1185	0.00392163	1186	45	29	130	130	204	982	1000	74	130	130	130	204	1204		
	136-100	30	3714	34839	0.11519881	34851	45	851	5000	5000	5896	28955	29376	896	5000	5000	5000	5896	35272		
	01-140	30	1566	4065	0.01344135	4066	45	99	482	482	606	3460	3428	144	482	482	482	606	4034		
	01-101	30	1199	24478	0.08093906	24486	45	596	2937	2937	3580	20907	20640	643	2937	2937	2937	3580	24220		
	22-165	30	1690	4630	0.01530956	4632	45	113	162	162	320	4312	4312	158	162	162	162	320	4224		
	35-135R	30	4133	1501	0.00496321	1502	0	37	142	142	179	1323	1266	37	142	142	142	179	1445		
	14-171	30	3033	4645	0.01535918	4647	45	113	163	163	321	4325	3917	158	163	163	163	321	4238		
	36-139	30	734	9013	0.02980243	9016	45	220	1062	1062	1327	7689	7800	256	1062	1062	1062	1327	8927		
	02-186	30	193	575	0.0019013	575	45	14	42	42	101	474	485	59	42	42	42	101	586		
	36-138	30	655	5299	0.0175217	5301	45	129	396	396	570	4730	4468	174	396	396	396	570	5038		
	03-161	30	61	558	0.00184509	558	45	14	45	45	113	811	778	68	45	45	45	113	578		
	02-188	30	176	923	0.003052	923	45	23	45	45	164	1804	1659	93	45	45	45	164	1823		
	14-131	30	793	1967	0.00650409	1968	45	46	71	71	164	1804	1827	99	71	71	71	164	2244		
	01-141	30	59	2208	0.00730098	2209	45	54	283	283	392	25047	26466	811	283	283	283	392	32817		
	32-144	30	3738	31387	0.10378441	31398	45	766	5540	5540	6351	2156	2327	57	538	538	538	605	2932		
	07-145	30	672	2760	0.00912523	2761	0	67	538	538	605	2156	2327	57	538	538	538	605	11352		
	35-137	30	1356	11613	0.0383995	11617	0	284	1276	1276	1560	10057	9792	284	1276	1276	1276	1560	2564		
	01-205D	30	4123	2659	0.00879226	2660	0	55	257	257	322	2338	2242	65	257	257	257	322	3558		
	31-201	30	1581	35480	0.11731834	35492	0	866	4755	4755	5621	29871	29917	866	4755	4755	4755	5621	30331		
			43726	302425		302529	1930	5	7383	38990	38990	48303	5	254225	255009	93	12	38990	36990	48302	30331

BTU

104 SALES MTR

255006

Oil Wells

Oil Wells	Days On	MONTHLY WATER PRODUCTION	FIELD ESTIMATED PRODUCTION										ACTUAL ALLOCATED SALES					TOTAL ADJ	FIELD PRODUCTION			
			Costal Statement	PROD %	FIELD EST PROD	irr Gas	Lse Use Gas	Vented Gas	Vented Gas	VENTED GAS	ADJ (f)	FIELD ESTIMATED SALES	ALLOCATED SALES	Lse Use (g)	Vented CO2	Vented Gas	TOTAL VENTED					
B21-03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
A26-02	25	86	490	0.00165775	490	39	13	15	15	15	67	423	432	52	15	0	0	15	67	491	8780	
C23-08	30	3432	9140	0.00092205	9,140	45	236	437	437	718	8,422	8,062	281	437	0	0	437	718	8,422	8,422	8,780	
A25-04	15	0	68	0.00023005	68	23	2	2	2	26	42	60	24	2	0	0	2	26	42	68	86	
A35-06	30	141	29098	0.00844307	29,098	45	750	1,706	1,706	2,501	26,597	25,665	795	1,706	0	0	1,706	2,501	26,597	28,166		
A35-05	16	700	289	0.00097773	289	27	7	7	7	41	248	255	34	7	0	0	7	41	248	268		
A34-07	30	2845	5383	0.01821153	5,383	45	39	361	361	545	4,838	4,748	184	361	0	0	361	545	4,838	5,293		
P10-47	30	734	139	0.00047028	139	210	4	6	6	220	81	123	214	6	0	0	6	220	81	343		
NAME PROB	A27-09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	U02-11	30	50211	0.05173154	15,291	45	394	1,255	1,255	1,694	13,597	13,487	439	1,255	0	0	1,255	1,694	13,597	15,191		
	S06-46	29	1	0.00175586	519	203	13	230	230	446	73	458	216	230	0	0	230	446	73	904		
	R09-45	30	36	0.00150212	444	210	11	102	102	323	121	392	221	102	0	0	102	323	121	715		
	P10-42	29	7609	0.0027708	819	44	21	144	144	208	810	722	65	144	0	0	144	208	810	931		
	P10-43	30	3050	0.00204681	605	45	16	61	61	22	483	534	61	61	0	0	61	22	483	659		
	Q04-44	16	5442	0.0002402	71	12	2	11	11	125	54	63	114	11	0	0	11	125	54	188		
	D34-12	24	2583	0.00497862	1,471	36	38	126	126	200	1,271	1,297	74	126	0	0	126	200	1,271	1,497		
	D35-13	30	142110	0.00303131	396	45	23	349	349	417	479	790	68	349	0	0	349	417	479	1,207		
	D35-14	24	647	0.00099126	293	36	8	57	57	101	192	258	44	57	0	0	57	101	192	359		
	D35-15	30	1830	0.007071811	20,903	45	539	1,326	1,326	1,910	18,993	18,436	584	1,326	0	0	1,326	1,910	18,993	20,346		
	H06-21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	U02-48	26	7527	0.00781509	2,310	42	60	148	148	280	2,080	2,037	102	148	0	0	148	280	2,080	2,287		
	U02-50	30	706	0.00914457	2,703	45	70	165	165	250	2,423	2,384	15	165	0	0	165	250	2,423	2,664		
	U02-49	15	173	0.00117395	347	23	9	18	18	48	298	305	31	18	0	0	18	48	298	355		
	X16-66	28	307	0.00090112	290	42	7	38	38	87	203	256	49	38	0	0	38	87	203	343		
	X16-65	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
	14-53	30	298	0.00279787	827	45	21	50	50	116	711	729	66	50	0	0	50	116	711	845		
	14-55	30	9023	0.041965343	124,042	90	3,196	7,739	7,739	11,025	113,017	109,405	3,266	7,739	0	0	7,739	11,025	113,017	120,430		
	*4-55A	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
	23-51	30	175	0.00091007	269	45	7	9	9	61	208	237	52	9	0	0	9	61	208	298		
	24-57	30	294	0.00230393	581	45	18	22	22	85	595	601	63	22	0	0	22	85	595	686		
	15-68	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
	14-54	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
CK	08-62	29	23	0.00166113	491	44	13	179	179	235	256	433	56	179	0	0	179	235	256	586		
RUST	09-60	29	1445	0.00363351	1,074	44	28	294	294	365	709	947	71	294	0	0	294	365	709	1,312		
	14-40	30	4320	0.0091379	2,701	45	70	154	154	269	2,432	2,382	115	154	0	0	154	269	2,432	2,851		
	15-67	26	1202	0.000883	251	39	7	14	14	60	201	230	46	14	0	0	14	60	201	290		
	08-61	30	478	0.03189301	9,427	45	243	528	528	816	8,611	8,315	288	528	0	0	528	816	8,611	9,131		
RUST	07-64	30	1092	0.00560589	1,557	45	43	495	495	583	1,074	1,461	88	495	0	0	495	583	1,074	2,044		
	08-63	30	264	0.00559574	1,554	45	43	495	495	583	1,074	1,459	88	495	0	0	495	583	1,074	2,324		
	09-59	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
	01-76	30	3108	0.01684612	4,980	45	128	326	326	499	4,481	4,392	173	326	0	0	326	499	4,481	4,891		
	35-78	30	903	0.01962907	5,802	45	150	380	380	575	5,227	5,117	195	380	0	0	380	575	5,227	5,622		
	03-74	27	24620	0.00448268	1,325	41	34	30	30	105	1,220	1,169	75	30	0	0	30	105	1,220	1,274		
	03-75	30	5879	0.01487235	4,395	45	113	299	299	457	3,939	3,877	158	299	0	0	299	457	3,939	4,334		
	11-72	30	45297	0.00311927	922	45	24	177	177	246	676	813	69	177	0	0	177	246	676	1,059		
	34-80	15	44	0.0003823	113	24	3	21	21	48	65	100	27	21	0	0	21	48	65	148		
	34-82	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
	31-98	30	10	0.00501384	1,482	45	38	133	133	216	1,266	1,307	83	133	0	0	133	216	1,266	1,523		
	A35-89	30	9902	0.011774398	34,803	45	897	2,021	2,021	2,963	31,840	30,696	942	2,021	0	0	2,021	2,963	31,840	33,659		
	P03-92	30	1184	0.00299748	886	45	23	89	89	157	729	781	68	89	0	0	89	157	729	936		
	P03-93	28	9434	0.00218552	646	42	17	96	96	155	491	570	59	96	0	0	96	155	491	725		
	T22-69	30	320	0.00382297	1,130	45	29	58	58	86	460	482	59	58	0	0	58	86	460	1,129		
	T27-87	30	574	0.0018472	546	45	14	27	27	86	460	482	59	27	0	0	27	86	460	568		
	01-97	30	0	0.00403949	1,194	0	31	73	73	104	1,090	1,053	31	73	0	0	73	104	1,090	1,157		
	36-95	30	61	0.00159008	470	0	12	49	49	61	409	415	12	49	0	0	49	61	409	476		
	36-95	30	1803	0.00426276	1,260	0	32	130	130	162	1,098	1,111	32	130	0	0	130	162	1,098	1,273		
MERRION GAS WELLS																						
hammer		29	10537	0.0016273	481	0	12	15	15	27	454	424	12	15	0	0	15	27	454	451		
ai	4-36-16-7	30	985	0.0016679	493	0	0	28	28	28	465	435	0	28	0	0	28	28	465	463		
PIPELINE			853007	285582	285,582	2,428	7,504	20,777	20,777	20,777	30,528	264,753	260,703	10,043	20,777	0	0	20,777	30,528	264,753	281,535	
										BTU	102	SALES MTR	260704	SALES LESS MERRION WELLS							259,844	

LE VALUES FROM CASUAL STATEMENT

20777

SALES DIFFERENCE

8575

JC137 G

0

7604

2448

0

974

31803

295582

2448

7604

0

Id statement + memo

G

395211

597033

597137

4379

14975

59724

59724

59724

79077

518060

514853

19355

58724

59724

59724

79079

593932

OCT 12 2004

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:
Various Leases

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
See attached list

9. API NUMBER:
Multiple

10. FIELD AND POOL, OR WILDCAT:
Buzzard Bench

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
XTO ENERGY INC. *N2615*

3. ADDRESS OF OPERATOR:
2700 Farmington Bldg K, Sul *City* Farmington STATE NM ZIP 87401 PHONE NUMBER: (505) 324-1090

4. LOCATION OF WELL
FOOTAGES AT SURFACE: COUNTY: Emery
OTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Effective August 1, 2004, the operator changed from Chevron U.S.A. Inc. to XTO ENERGY INC. for all wells on the attached list.

BLM #579173

State and Fee Bond #104312762

RECEIVED
MAY 18 2007
DIV. OF OIL, GAS & MINING

Kenneth W. Jackson
Kenneth W. Jackson Regulatory Specialist ChevronTexaco for Chevron U.S.A. Inc. *N0210*

NAME (PLEASE PRINT) James L. Death TITLE Vice President-Land

SIGNATURE James L. Death DATE 8/16/04

(This space for State use only)

APPROVED 9/30/2004

Earlene Russell
Earlene Russell, Engineering Technician

(5/2000) (See Instructions on Reverse Side)

RECEIVED
SEP 28 2004
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>CONFIDENTIAL</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-67532
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1815' FNL & 897' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 26 18S 07E		8. WELL NAME and NUMBER: FEDERAL A 18-7-26 #12
		9. API NUMBER: 4301530445
		10. FIELD AND POOL, OR WILDCAT: BUZZARD BENCH ABO
		COUNTY: EMERY
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>SURFACE</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>COMMINGLE</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
XTO Energy Inc. proposes to surface commingle the following two wells into our Orangeville CDP:
Federal A 18-7-26 #12; Sec 26-T18S-R07E; 1815' FNL & 897' FWL; 43-015-30445; UTU-67532; Buzzard Bench
Federal T 18-7-22 #34; Sec 22-T18S-R07E; 539' FSL & 1831' FEL; 43-015-30452; UTU-68535; Buzzard Bench
Both of these wells have their own wellhead allocation meter. Both wells will have the sales point or custody transfer at the Orangeville System.

COPY SENT TO OPERATOR
Date: 7-11-05
Initials: CHO

NAME (PLEASE PRINT) <u>HOLLY C. PERKINS</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE <u>Holly C. Perkins</u>	DATE <u>6/23/2005</u>

(This space for State use only)

Accepted by the Utah Division of Oil, Gas and Mining
Date: 7/8/05
By: Dustin Ducet

Federal Approval Of This Action Is Necessary
(See Instructions on Reverse Side)

RECEIVED
JUN 29 2005
DIV. OF OIL, GAS & MINING

Dustin Ducet??

WELLS FROM COASTAL STATEMENT

	0	302425			
	38990				
	104	104			
	256029				
s Check #	0				
s Check #2	0			0	
	7383			7383	0
	1931		1930.5		
	0				
	304437	302529	1930.5	7383	0

Records Clean-up

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-68525

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
USA 18-7-11-23

2. NAME OF OPERATOR:
XTO ENERGY INC.

9. API NUMBER:
4301530640

3. ADDRESS OF OPERATOR:
382 CR 3100 CITY AZTEC STATE NM ZIP 87410

PHONE NUMBER:
(505) 333-3100

10. FIELD AND POOL, OR WILDCAT:
BUZZ BENCH / FERRON SS

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2191' FSL & 1775' FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 11 18S 7E S

COUNTY: EMERY
STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/9/2006	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: 1ST DELIVERY
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
XTO Energy Inc. 1st Delivered gas sales on this well to Questar via XTO's OV CDP @ 10:30 a.m. on 11/08/2006. IFR of 110 MCFPD.

NAME (PLEASE PRINT) DOLENA JOHNSON TITLE OFFICE CLERK
SIGNATURE *Dolena Johnson* DATE 5/7/2008

(This space for State use only)

RECEIVED
MAY 09 2008
DIV. OF OIL & GAS MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

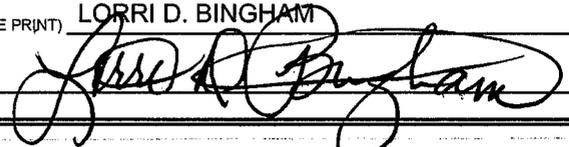
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: MULTIPLE		8. WELL NAME and NUMBER: MULTIPLE USA 18-7-11-23
PHONE NUMBER: (505) 333-3100		9. API NUMBER: MULTIPLE 43 DIS 30640
10. FIELD AND POOL, OR WILDCAT: 18S 7E 11		10. FIELD AND POOL, OR WILDCAT:
COUNTY: EMERY		
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: SURFACE COMMINGLE
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

XTO Energy Inc. applied for surface commingle on the attached list of wells on 7/5/07 and State of UT DOGM approval was received on 7/13/07. Due to the rejection of the Federal application, XTO would like to withdraw the commingling application and subsequent work will not be done.

NAME (PLEASE PRINT) <u>LORRI D. BINGHAM</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE 	DATE <u>9/23/2008</u>

(This space for State use only)

RECEIVED
SEP 29 2008

Utah Wells Surface Commingled at Orangeville CDP

USA 03-75	43-015-30384	Producing	Federal	
USA 11-72	43-015-30387	Producing	Federal	
USA 18-7-11-23	43-015-30640	Producing	State	
USA 34-80	43-015-30389	Shut In	Federal	
USA 34-82	43-015-30390	Producing	Federal	
Utah Federal 17-7-35-42	43-015-30641	Drilling	Federal	
Utah Federal 18-7-27-44R	43-015-30628	Producing	Federal	
Utah Federal 18-7-9-11	43-015-30639	Producing	Federal	
Utah Federal D 34-12	43-015-30282	Producing	Federal	
Utah Federal D 35-13	43-015-30285	Producing	Federal	
Utah Federal D 35-14	43-015-30286	Producing	Federal	
Utah Federal D 35-15	43-015-30287	Producing	Federal	
Utah Federal H 06-21	43-015-30294	TA	Federal	
Utah Federal P 10-42	43-015-30276	Producing	Federal	
Utah Federal P 10-43	43-015-30277	Producing	Federal	
Utah Federal P 10-47	43-015-30258	Producing	Federal	
Utah Federal Q 04-44	43-015-30280	Producing	Federal	
Utah Federal R 09-45	43-015-30275	Producing	Federal	
Utah Federal S 08-46	43-015-30274	Producing	Federal	
Utah State 01-76	43-015-30381	Producing	State	
Utah State 36-78	43-015-30382	Producing	State	