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:	6. SURFACE:
ML-47217	State

1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐

7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A

B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☑ MULTIPLE ZONE ☐

8. UNIT or CA AGREEMENT NAME: N/A

2. NAME OF OPERATOR: XTO ENERGY INC.

9. WELL NAME and NUMBER: State of Utah 16-8-32-23D

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

PHONE NUMBER: (505) 333-3100

10. FIELD AND POOL, OR WILDCAT: Ferron Coal / Buzzard Bench

4. LOCATION OF WELL (FOOTAGES) 495394X 4359307Y 39.385111 -111.053450

AT SURFACE: 1401' FSL x 1107' FWL

AT PROPOSED PRODUCING ZONE: 1980' FSL x 1980' FWL (NESW) 4956594 4359482Y 39.386689 -111.050402

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 32 16S 8E S

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 8 miles Northwest of Huntington, Utah

12. COUNTY: EMERY

13. STATE: UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
685'	319.4	unspaced
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	**19. PROPOSED DEPTH:**	**20. BOND DESCRIPTION:**
1600'	4,445	UTB000138
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	**22. APPROXIMATE DATE WORK WILL START:**	**23. ESTIMATED DURATION:**
6619' Ground Elevation	5/6/2008	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			
14.75"	10.75"	J-55	40.5#	300	Type V	+/- 207 sx	1.61 ft3/sx	14.2 ppg
8.75"	5.5"	J-55	15.5#	4,445	CMB light wt - lead	+/- 77 sx	4.15 ft/3 sx	10.5 ppg
8.75"	5.5"	J-55	15.5#	4,445	CBM light wt-tail	+/- 152 sx	1.81 ft3/sx	13.5 ppg

25. **ATTACHMENTS**

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

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER

☐ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

☑ COMPLETE DRILLING PLAN

☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Kyla Vaughan TITLE Regulatory Compliance

SIGNATURE Kyla Vaughan DATE 2/5/2008

(This space for State use only)

API NUMBER ASSIGNED: 43-015-30741

Approved by the Utah Division of Oil, Gas and Mining

APPROVAL:

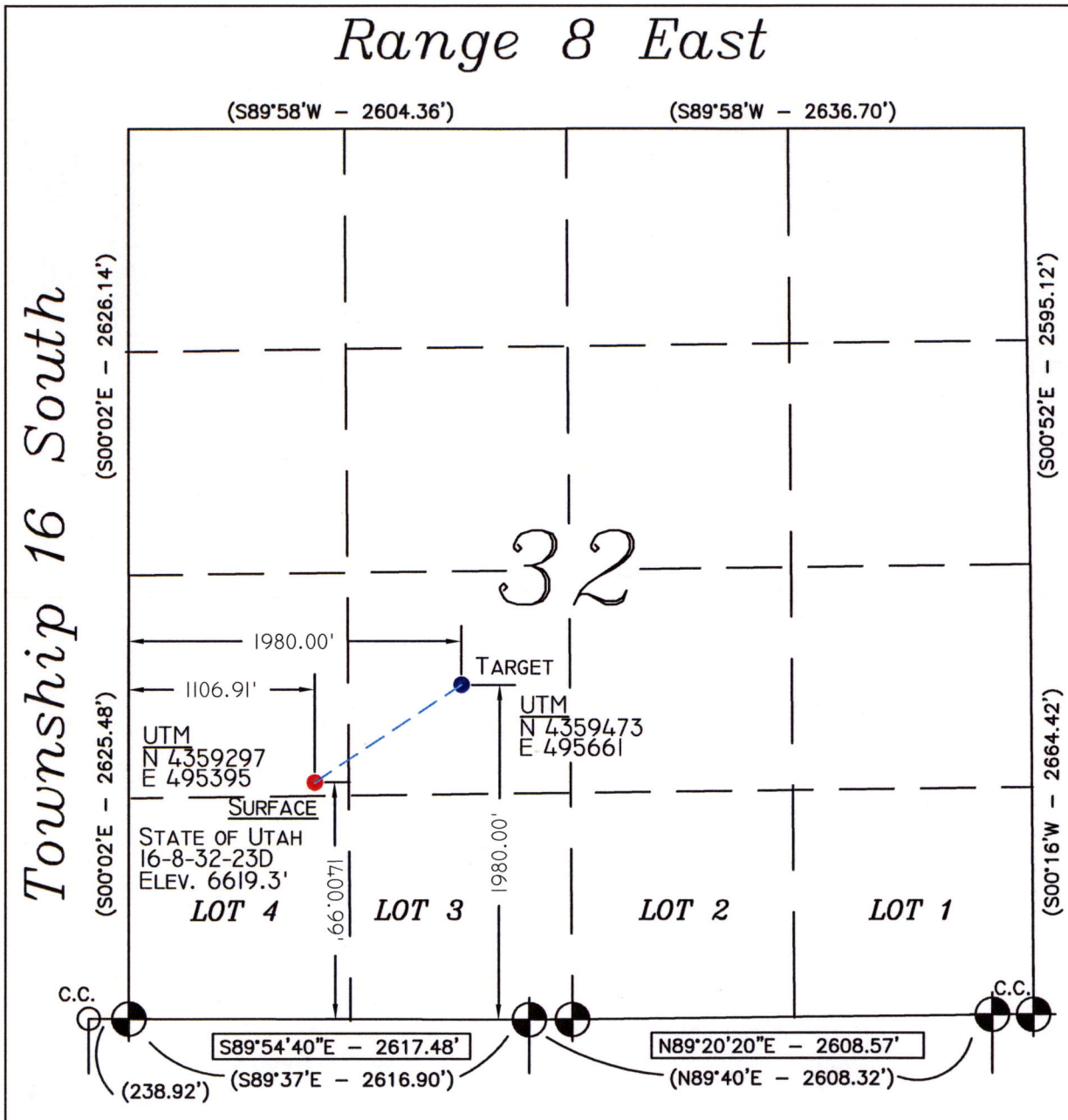
Date: 07-31-08

By:

(See Instructions on Reverse Side)

RECEIVED
FEB 11 2008
DIV. OF OIL, GAS & MINING

(11/2001)



Location:
The well location was determined using a Trimble 5700 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 6395.0' being at the Southeast Section corner of Section 36, Township 16 South, Range 7 East, Salt Lake Base & Meridian, as shown on the Hiawatha Quadrangle 7.5 Minute Series Map.

Description of Location:
Surface
Proposed Drill Hole located in NW/4 SW/4 of Section 32, T16S, R8E, S.L.B.&M., being North 1400.99' from South Line and East 1106.91' from West Line of Section 32, T16S, R8E, Salt Lake Base & Meridian.

Target
Proposed Target located in NE/4 SW/4 of Section 32, T16S, R8E, S.L.B.&M., being North 1980.00' from South Line and East 1980.00' from West Line of Section 32, T16S, R8E, 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.

Registered Professional Land Surveyor
11/26/07
No. 146652
Albert J. Spensko
State of 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.

SURFACE	TARGET
LAT / LONG	LAT / LONG
39°23'06.083" N	39°23'11.797" N
111°03'12.493" W	111°03'01.378" W

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

TALON RESOURCES, INC.
615 North 400 East P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonsetv.net

XTO ENERGY

STATE OF UTAH 16-8-32-23D
Section 32, T16S, R8E, S.L.B.&M.
Emery County, Utah

Drawn By:	Checked By:
N. BUTKOVICH	L.W.J./A.J.S.
Drawing No.	Date:
A-1	11/14/07
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 3176-A

XTO ENERGY

February 5, 2008

State of Utah
Division of Oil, Gas & Mining
PO Box 145801
Salt Lake City UT 84114-5801

RE: Directional Drilling R649-3-11
State of Utah 16-8-32-23D 1401' FSL x 1107' FWL (surface)
1980' FSL x 1980' FWL (bottomhole)
Sec 32, T16S, R8E, SLB&M, Emery County, Utah

To Whom It May Concern:

Pursuant to the filing of XTO Energy Inc. Application of Permit to Drill regarding the above referenced well on February 5, 2008, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to the Exception to Location and Siting of Wells.

- XTO Energy Inc. is permitting this well as a directional drill well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, XTO will be able to utilize the existing road and pipelines along with the use of an existing well pad in the area.

- Furthermore, the location of this well and its wellbore is no closer than 460 feet from the unit boundary or an uncommitted Federal or un-leased tract with the Unit Area. XTO Energy Inc. is the sole owner within 460 feet of the entire directional wellbore.

Therefore, based on the above stated information XTO Energy Inc. requests the permit be granted pursuant to R649-3-11.

Regards,

Kyla Vaughan
Regulatory Compliance

Application for Permit to Drill
Surface Use Plan

Company: XTO Energy, Inc
Well No: State of Utah 16-8-32-23D
Location: 1401' FSL & 1107' FWL, Section 32, T16S, R8E

Thirteen Point Surface Use Plan

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

1. Existing Roads

   a. Proposed route to location: The proposed route to location is shown on Exhibit "A" and is from the Hiawatha Quadrangle 7.5 minute series USGS quadrangle map.

   b. Location of proposed well in relation to town or other reference point: From Huntington, Utah go west on Hwy 31 6.2 miles and turn right on County Road 303. Stay right and continue 1.0 miles to intersection and turn left. Go 0.4 miles to the proposed access road. Well location is North 0.1 miles.

   c. Contact the County Road Department for use of County Roads: County road permits will be reviewed and submitted if required.

   d. Plans for improvement and/or maintenance of existing roads: All existing roads within 1 mile of the drill site are shown on Exhibit "B". All roads that will be used to the well location will be maintained to their current conditions are better.

   e. Other Comments: None

2. Planned Access Roads

   a. Location of Access Road: Starting from a point along an existing road in the SW/4 of Section 32, T16S, R8E.

   b. Length of New Road: 575' of road will need to be constructed to access this location.

   c. Length of Existing Road to Upgrade: No existing roads should need upgrades to access this location.

   d. Maximum Disturbed Width: Typically new access roads require up to 60' of disturbed width which includes ROW for gas and water pipe lines and electric service.

   e. Travel Width of Access Road: 25' or less.

f. Maximum Grade after Construction: Maximum grades will not exceed 10% after construction.

g. Turnouts Planned: 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 maybe 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 on either side. 18"-24" culverts will be installed as necessary.

j. Cattle Guards: No cattle guards are planned at this time. If necessary, cattle guards will be specified in the stipulations.

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:

    i. Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by the State of Utah in Advance.

    ii. 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.

    iii. 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 the 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.

    iv. 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 State of Utah 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 State of Utah.

    v. If the well is not productive, the access road wil 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:

    a. 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: This well shares a wellpad with the proposed State of Utah 18-8-31-43D. See Exhibit "B".

4. Location of Production Facilities:

    a. On-Site facilities: Typical on-site facilities will consist of a wellhead, gas flow line, water flow line, artificial lifting system (pumping unit), 2 phase separator, gas measurement, water measurement, electronics, a heated enclosure/building for weather and environmental protection and chemical injection equipment (as required). All production and measurement shall conform to the provisions of 43 CFR § 3162.7 and Onshore Oil and Gas Order No. 4, if applicable.

    b. All permanent (in place for six months or longer) structures constructed or installed on the well site location will be painted a flat, non reflective 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 complying with the Occupational Safety and Health Act (OSHA) may be excluded.

    c. Off-site facilities: Off-site facilities are located at the CDP station and include compression, processing, separation, tanks, pits, electronics, and produced water disposal (SWD) well.

    d. Pipelines: The well will be produced into gas and water pipelines (sizes to be determined) and transported to existing pipelines. See Exhibit "C" for the proposed pipeline route.

    e. Power lines: Power lines are located underground in the same ROW as the water and gas pipelines.

5. Location and Type of Water Supply:

    a. All water required for drilling will be purchased from local municipal water supply. If possible, currently produced coal well water may also be used after receiving any necessary permits. Water will be trucked to location by a third party trucking company who specializes in water hauling.

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

6. Source of Construction Material:

    a. 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 land owners or from a commercial gravel/materials pit. The use of materials will conform to 43 CFR § 3610.2-3, if applicable.

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

7. Methods of Handling Waste Disposal:

    a. 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 be located along the edge and within the boundaries of the designated well pad. The walls of the pit will be sloped at no greater than 2 to 1 and will be lined with a synthetic material of approximately 12 mills 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 pit will be fenced before drilling starts. The forth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. The amount of time the pit way remain open will typically be specified by the COA's. Once dry, the liner will be cut and removed at the mud line and the pit will be covered and buried in place.

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

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

    d. 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:

    a. No ancillary facilities will be required during the drilling or completion of the well.

9. Well Site Layout:

    a. Depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. See Exhibit "D" & "E".

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

c. Materials obtained from the construction of the 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 well pad.

10. Plans for Restoration of the Surface:

a. 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.

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

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

d. The reserve pit and that portion of the location not needed for production will be reclaimed 90-120 days after completion of the well.

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

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

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

h. All disturbed areas will be re-contoured to replicate the natural slope.

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

j. Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

k. Seed will 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.

l. The following seed mixture will be used: As specified conditions of approval.

m. If necessary, and abandonment marker will be one of the following, as specified by the State of Utah:

i. At least four feet above ground level,
ii. At restored ground level, or
iii. Below ground level.
iv. In any case the marker shall be inscribed with the following: operator name, lease number, well name and description (township, section, range, and either quarter-quarter or footages).

n. Additional requirements: None

11. Surface and Mineral Ownership:

    Both the Surface and the minerals are owned by the State of Utah.

12. Other Information:

    a. Archeological Concerns: An 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.

    b. 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 State of Utah Field Office. Within five (5) working days, the State of Utah will inform the operator as to:

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

    c. If the operator wishes, at any time, to relocate activities to avoid the expenses of mitigation and/or the delays associated with this process, the State 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 State of Utah will provide technical and procedural guidelines for the conduct of mitigation. Upon Verification from the State of Utah that the required mitigation has been completed, the operator will then be allowed to resume construction.

    d. Threatened and Endangered Species Concerns:

        i. An approved contractor will submit the appropriate reports as required. Special Stipulations will be included in the COA's of the approved APD.

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

13. The Drilling Program is attached: See Exhibit "F".

Operator Certification:

a. Permitting and Compliance:

Kyla Vaughan
Regulatory Compliance
XTO ENERGY INC.
382 CR 3100
AZTEC, NM 87410
505-333-3100

b. Drilling and Completions:

Brent Martin
XTO Energy Inc.
382 CR 3100
Aztec, NM 87410
505-333-3100

c. Certification:

I herby 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 preformed 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 provisions of 18 U.S.C. § 1001 for the filing of a false statement.

Signature: Kyla Vaughan 2/5/08
Kyla Vaughan

XTO Energy, Inc.

State of Utah 16-8-32-23D
Drilling Data for APD
February 5, 2008

Surface Location: 1401' FSL & 1107' FWL, Sec. 32, T16S, R8E
Bottomhole Location: 1980' FSL & 1980' FWL, Sec 32, T16S, R8E

Proposed TD: 4445'
Approximate Elevation: 6619'

Objective: Ferron Coal
KB Elevation: 6631'

1. Mud Program:

Interval	0'-300'	300'-4445'
Hole Size	14.75"	8.75"
Mud Type	Fresh Water/Spud Mud	Air/LSND/Gel Chemical
Weight	N/A	8.4-8.6
Viscosity	N/A	45-60
Water Loss	N/A	8-10

a. Drill surface with Fresh Water/Spud Mud. If aeration becomes necessary, nipple up 20" rotating head.

b. Air drill to TD using produced water for mist fluid unless excessive water flow (more than can be lifted using available booster capacity) is encountered.

   i. If the water flow is fresh, switch to fresh water based LSND/Gel Chemical mud.
   ii. If the water flow is R_w>0.35 mix mud using produced water.
   iii. 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.

c. 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 gasses.

d. If necessary, de-dusting 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.

EXHIBIT F

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

f. The BOP system will be consistent with API RP53 and Onshore Oil & Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment subject to pressure will be conducted before drilling the casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated daily. Annular preventers shall be inspected an operated weekly to ensure good mechanical working order. The inspections and tests shall be recorded in the drilling log and daily drilling report. See the attached BOP and choke manifold schematic.

2. Casing Program:

a. Surface Casing set @ 300' in a 14.75" hole.

10.75,40.5 #/ft, J-55, ST&C, New, (10.050" ID, 9.894" Drift)					
Collapse Press	Burst Press	Joint Strength	SF Collapse	SF Burst	SF Tension
1580	3130	420	11.780	23.330	34.570

b. Production Casing set @ 4445' in a 8.75" hole.

5.5", 15.5 #/ft, J-55, ST&C, New, (4.950" I.D., 4.825" Drift)					
Collapse Press	Burst Press	Joint Strength	SF Collapse	SF Burst	SF Tension
4040	4810	202	2.030	2.420	2.930

Safety Factors based on vertical wellbore conditions with hydrostatic of fresh water with no backup used to calculate burst and collapse. Tension based on hanging weight in air.

3. Well Heads:

a. Casing Head: Larkin Fig 92 (or equivalent), 11" nominal, 3,000 psig WP (6,000 psig test) with 10-3/4" 8rnd thread on bottom and 11" Flange. NU BOP and choke manifold (see attached schematic). Stack to consist of drilling spool with choke and kill lines, double rams with pipe rams on top, blind rams on bottom. Use cold water and test BOP to 250 psi low and 1,000 psi high. Record all tests on the IADC report. Inspect accumulator and closing unit to ensure that pre-charge pressures and oil levels are within API Specifications and report same on IADC report.

b. Tubing Head: Larkin Fig 612 (or equivalent), 5,000 psig WP (5,000 psig test), 5 ½" SOW (or API 8 rnd female thread) on bottom, 7 $^{1}/_{16}$" 5,000 psig flange on top with two 3" LPOs.

EXHIBIT F

4. Cement Program:

    a. Surface: 207 sx of Type V cement (or equivalent) containing 1% CaCl, ¼ pps Flocele, and 10% Cal_Seal mixed at 14.2 ppg and 1.61 ft^3/sk.

        i. Slurry Volume is 333 ft^3, 100% excess of calculated annular volume to 300'.

    b. Production:

        i. The production casing will be cemented using 2 (lead and tail) cement slurries. The lead cement (filler grade) volume will be calculated based on a maximum achievable top assuming formation pressure of 1,000 psi at the shoe. The tail cement will be calculated from TD to 300' above the Upper Ferron Sandstone as indicated on the formation tops table.

        ii. Lead Cement: 77 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 10.5 ppg and 4.15 ft^3/sk.

        iii. Tail Cement: 152 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 13.5 ppg and 1.81 ft^3/sk.

        iv. Slurry volume is 594 ft^3, 40% excess of calculated annular volume to 1,000 psi hydrostatic over formation pressure.

        v. If fresh water is encountered in the Emery Sandstone, a DV/ECP tool will be run 50' below the logged base of the Emery Sandstone and it will be attempted to circulate the filler grade cement as used in the lead to surface from above the ECP.

5. Logging Program

    a. Mud logger: The mud logger will come on after surface pipe is set and will remain until TD. The mud will be logged in 10' intervals.

    b. Run Array Induction (if wet), compensated neutron, density, GR, caliper, SP (if wet), and Pe from TD to the bottom of the surface casing.

EXHIBIT F

6. Formation Tops:

Formation	TVD
Top of Upper Ferron SS	3805
Top of Coal Zone	3888
Top of Lower Ferron SS	3970
Total Depth	4445

a. No known oil zones will be penetrated.

b. Gas bearing sandstones and coals will be penetrated from 3805' to 4445'.

c. No known fresh water zones will be penetrated. The gas bearing sandstones and coals may contain in-situ water.

d. No known mineral zones will be penetrated.

e. Any prospectively valuable minerals and all fresh water zones encountered during drill will be recorded, cased, and cemented (Please see contingency in cementing section). If possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to the appropriate agency.

f. Maximum anticipated bottomhole pressure is anticipated to be less than 1,500 psi.

g. No abnormal pressure, abnormal temperature, H2S, or other hazardous conditions are known to exist.

7. Company Personnel:

Name	Title	Office Phone	Mobile Phone
John Egelston	Drilling Engineer	505.564.6734	505.330.6902
Jerry Lacy	Drilling Superintendent	505.566.7914	505.320.6543
Joshua Stark	Project Geologist	817.885.2240	817.565.7158
Leonard West	Reservoir Engineer	817.885.2800	

EXHIBIT F

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

TESTING PROCEDURE

1. Test BOP after installation:
   Pressure test BOP to 200-300 psig (low pressure) for 10 min.
   Test BOP to Working Press or to 70% internal yield of surf csg (10 min) or which ever is less.
2. Test operation of (both) rams on every trip.
3. Check and record Accumulator pressure on every tour.
4. Re-pressure test BOP stack after changing out rams.
5. Have kelly cock valve with handle available.
6. Have safety valve and subs to fit all sizes of drill string on the rig floor and ready to go.

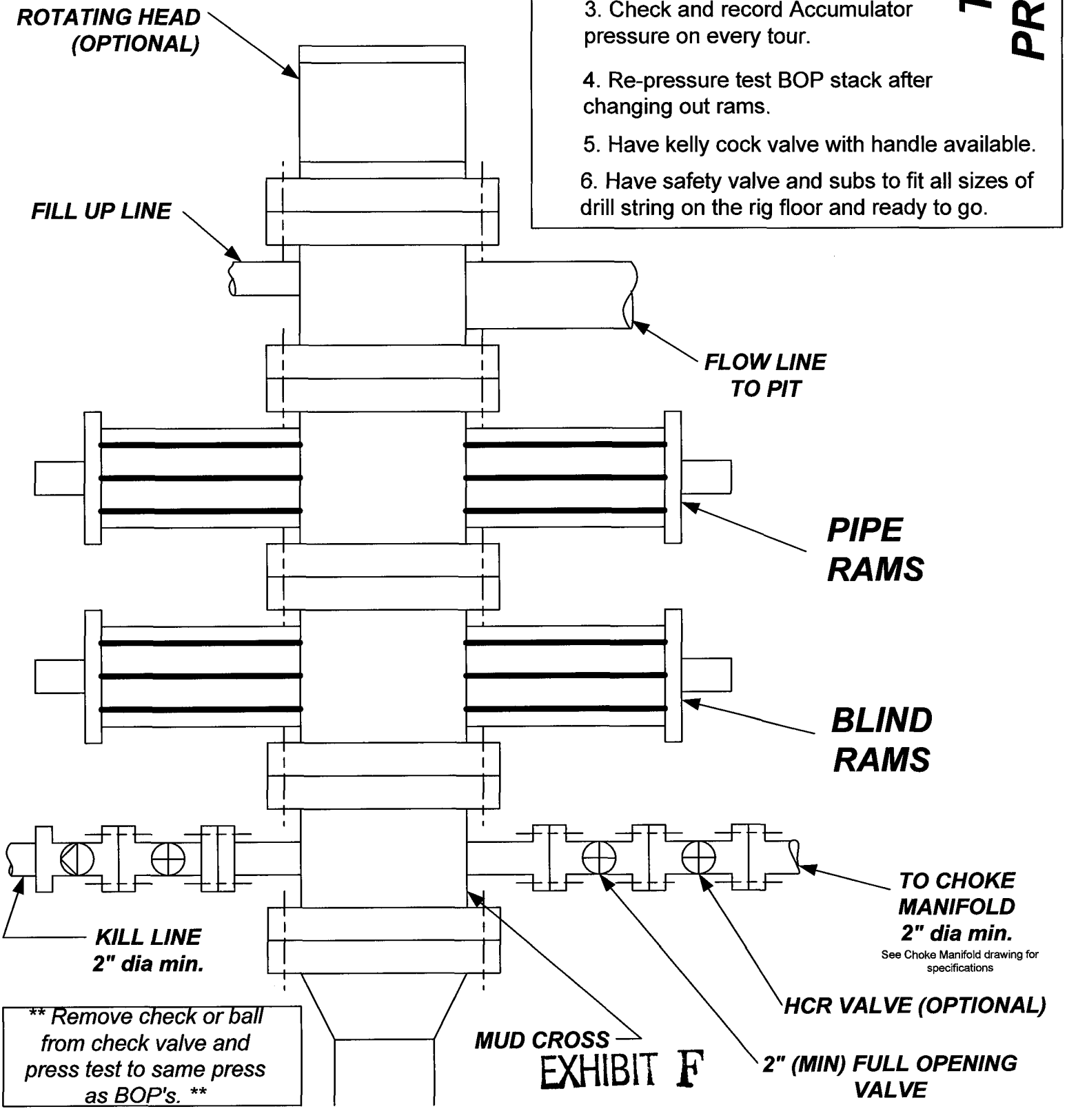
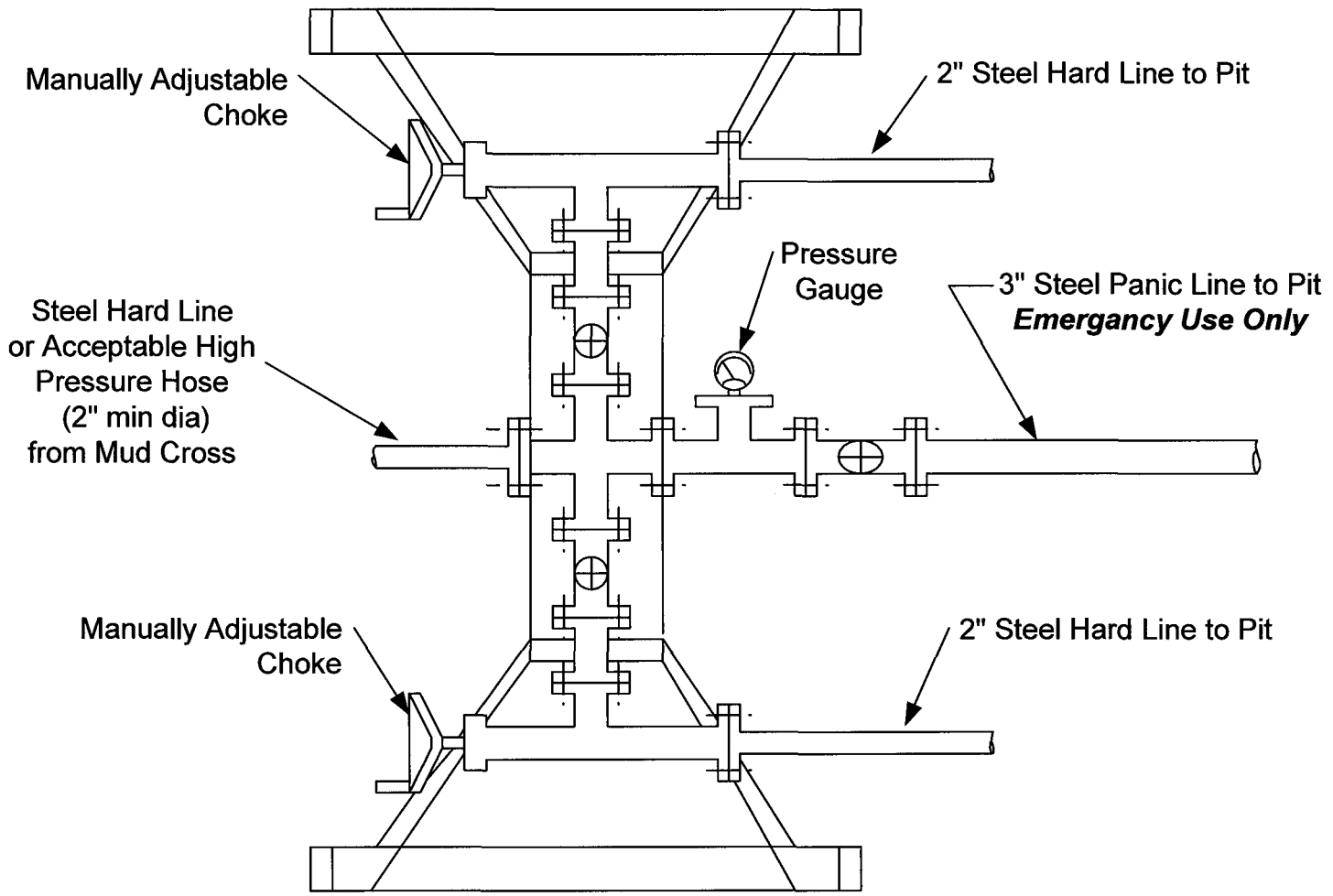


EXHIBIT F

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

TESTING PROCEDURE

1. Stake all lines from choke manifold to pit.
2. Pressure test choke manifold after installation.
3. Pressure test manifold at the same time with the BOP Stack. Test manifold to the same test pressures.



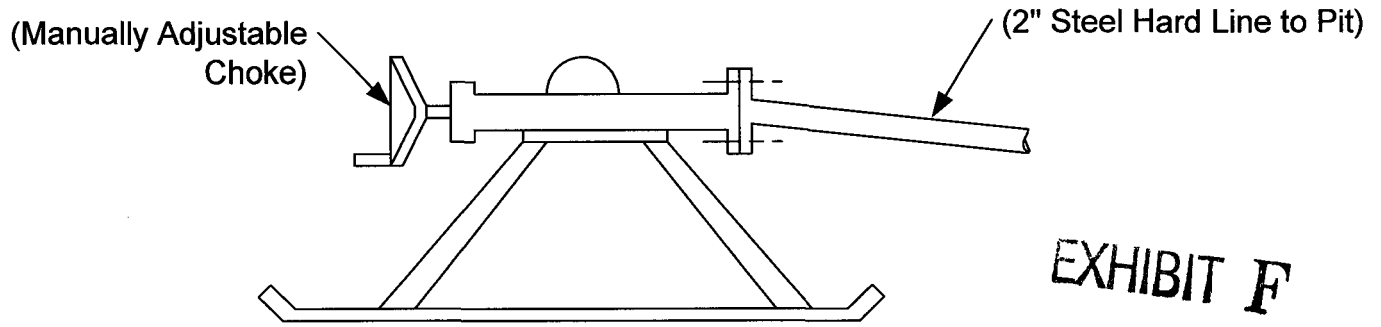


EXHIBIT F

XTO Energy

Utah Wells(NAD 27)
State of Utah 16-8-32-23D
State of Utah 16-8-32-23D
State of Utah 16-8-32-23D

Plan: Permitted Wellbore

Standard Planning Report

30 January, 2008

EXHIBIT F

XTO Energy, Inc.

Planning Report

Database:	EDM 2003.14 Single User Db	**Local Co-ordinate Reference:**	Well State of Utah 16-8-32-23D
Company:	XTO Energy	**TVD Reference:**	Rig KB @ 6633.0ft (14' RKB)
Project:	Utah Wells(NAD 27)	**MD Reference:**	Rig KB @ 6633.0ft (14' RKB)
Site:	State of Utah 16-8-32-23D	**North Reference:**	True
Well:	State of Utah 16-8-32-23D	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	State of Utah 16-8-32-23D		
Design:	Permitted Wellbore		

Project	Utah Wells(NAD 27), Emery Co. & Carbon Co., Utah, Ferron Coal Wells		
Map System:	US State Plane 1927 (Exact solution)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		Using Well Reference Point
Map Zone:	Utah South 4303		

Site	State of Utah 16-8-32-23D, T16S, R8E				
Site Position:		**Northing:**	990,257.56 ft	**Latitude:**	39° 23' 6.083 N
From:	Lat/Long	**Easting:**	2,126,262.21 ft	**Longitude:**	111° 3' 12.493 W
Position Uncertainty:	0.0 ft	**Slot Radius:**	"	**Grid Convergence:**	0.27 °

Well	State of Utah 16-8-32-23D, S-well to FCS					
Well Position	**+N/-S**	0.0 ft	**Northing:**	990,257.56 ft	**Latitude:**	39° 23' 6.083 N
	+E/-W	0.0 ft	**Easting:**	2,126,262.21 ft	**Longitude:**	111° 3' 12.493 W
Position Uncertainty		0.0 ft	**Wellhead Elevation:**	6,619.0 ft	**Ground Level:**	6,619.0 ft

Wellbore	State of Utah 16-8-32-23D			
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	IGRF200510	1/30/2008	12.01	65.14	52,106

Design	Permitted Wellbore			
Audit Notes:				
Version:	**Phase:**	PROTOTYPE	**Tie On Depth:**	0.0
Vertical Section:	**Depth From (TVD) (ft)**	**+N/-S (ft)**	**+E/-W (ft)**	**Direction (°)**
	0.0	0.0	0.0	56.48

Plan Sections

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
360.0	0.00	0.00	360.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,057.2	20.92	56.48	1,041.8	69.5	104.9	3.00	3.00	0.00	56.48	
3,285.4	20.92	56.48	3,123.2	508.8	768.1	0.00	0.00	0.00	0.00	
3,982.6	0.00	0.00	3,805.0	578.3	873.0	3.00	-3.00	0.00	180.00	State of Utah 16-8-32
4,447.6	0.00	0.00	4,270.0	578.3	873.0	0.00	0.00	0.00	0.00	

EXHIBIT F

Database:	EDM 2003.14 Single User Db	**Local Co-ordinate Reference:**	Well State of Utah 16-8-32-23D
Company:	XTO Energy	**TVD Reference:**	Rig KB @ 6633.0ft (14' RKB)
Project:	Utah Wells(NAD 27)	**MD Reference:**	Rig KB @ 6633.0ft (14' RKB)
Site:	State of Utah 16-8-32-23D	**North Reference:**	True
Well:	State of Utah 16-8-32-23D	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	State of Utah 16-8-32-23D		
Design:	Permitted Wellbore		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
10 3/4"									
360.0	0.00	0.00	360.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	1.20	56.48	400.0	0.2	0.3	0.4	3.00	3.00	0.00
500.0	4.20	56.48	499.9	2.8	4.3	5.1	3.00	3.00	0.00
600.0	7.20	56.48	599.4	8.3	12.6	15.1	3.00	3.00	0.00
656.2	8.89	56.48	655.0	12.7	19.1	22.9	3.00	3.00	0.00
Emery SS									
700.0	10.20	56.48	698.2	16.7	25.2	30.2	3.00	3.00	0.00
800.0	13.20	56.48	796.1	27.9	42.1	50.5	3.00	3.00	0.00
900.0	16.20	56.48	892.8	41.9	63.2	75.8	3.00	3.00	0.00
1,000.0	19.20	56.48	988.1	58.7	88.6	106.2	3.00	3.00	0.00
1,057.2	20.92	56.48	1,041.8	69.5	104.9	125.9	3.00	3.00	0.00
1,100.0	20.92	56.48	1,081.8	77.9	117.7	141.1	0.00	0.00	0.00
1,200.0	20.92	56.48	1,175.2	97.7	147.4	176.8	0.00	0.00	0.00
1,300.0	20.92	56.48	1,268.6	117.4	177.2	212.5	0.00	0.00	0.00
1,400.0	20.92	56.48	1,362.0	137.1	206.9	248.2	0.00	0.00	0.00
1,500.0	20.92	56.48	1,455.4	156.8	236.7	283.9	0.00	0.00	0.00
1,600.0	20.92	56.48	1,548.8	176.5	266.5	319.6	0.00	0.00	0.00
1,700.0	20.92	56.48	1,642.3	196.2	296.2	355.3	0.00	0.00	0.00
1,800.0	20.92	56.48	1,735.7	216.0	326.0	391.0	0.00	0.00	0.00
1,900.0	20.92	56.48	1,829.1	235.7	355.8	426.7	0.00	0.00	0.00
1,938.5	20.92	56.48	1,865.0	243.3	367.2	440.5	0.00	0.00	0.00
Lower Bluegate Shale									
2,000.0	20.92	56.48	1,922.5	255.4	385.5	462.4	0.00	0.00	0.00
2,100.0	20.92	56.48	2,015.9	275.1	415.3	498.1	0.00	0.00	0.00
2,200.0	20.92	56.48	2,109.3	294.8	445.0	533.8	0.00	0.00	0.00
2,300.0	20.92	56.48	2,202.7	314.5	474.8	569.5	0.00	0.00	0.00
2,400.0	20.92	56.48	2,296.1	334.3	504.6	605.3	0.00	0.00	0.00
2,500.0	20.92	56.48	2,389.5	354.0	534.3	641.0	0.00	0.00	0.00
2,600.0	20.92	56.48	2,482.9	373.7	564.1	676.7	0.00	0.00	0.00
2,700.0	20.92	56.48	2,576.4	393.4	593.9	712.4	0.00	0.00	0.00
2,800.0	20.92	56.48	2,669.8	413.1	623.6	748.1	0.00	0.00	0.00
2,900.0	20.92	56.48	2,763.2	432.8	653.4	783.8	0.00	0.00	0.00
3,000.0	20.92	56.48	2,856.6	452.6	683.2	819.5	0.00	0.00	0.00
3,100.0	20.92	56.48	2,950.0	472.3	712.9	855.2	0.00	0.00	0.00
3,200.0	20.92	56.48	3,043.4	492.0	742.7	890.9	0.00	0.00	0.00
3,285.4	20.92	56.48	3,123.2	508.8	768.1	921.3	0.00	0.00	0.00
3,300.0	20.48	56.48	3,136.8	511.7	772.4	926.5	3.00	-3.00	0.00
3,400.0	17.48	56.48	3,231.4	529.6	799.5	959.0	3.00	-3.00	0.00
3,500.0	14.48	56.48	3,327.5	544.8	822.5	986.6	3.00	-3.00	0.00
3,600.0	11.48	56.48	3,424.9	557.2	841.2	1,009.0	3.00	-3.00	0.00
3,700.0	8.48	56.48	3,523.4	566.8	855.6	1,026.3	3.00	-3.00	0.00
3,800.0	5.48	56.48	3,622.7	573.5	865.7	1,038.5	3.00	-3.00	0.00
3,900.0	2.48	56.48	3,722.4	577.4	871.5	1,045.4	3.00	-3.00	0.00
3,982.6	0.00	0.00	3,805.0	578.3	873.0	1,047.2	3.00	-3.00	0.00
Upper Ferron SS - State of Utah 16-8-32-23D -- Requested BHL									
4,000.0	0.00	0.00	3,822.4	578.3	873.0	1,047.2	0.00	0.00	0.00
4,100.0	0.00	0.00	3,922.4	578.3	873.0	1,047.2	0.00	0.00	0.00
4,147.6	0.00	0.00	3,970.0	578.3	873.0	1,047.2	0.00	0.00	0.00

EXHIBIT F

XTO Energy, Inc.

Planning Report

Database:	EDM 2003.14 Single User Db	**Local Co-ordinate Reference:**	Well State of Utah 16-8-32-23D
Company:	XTO Energy	**TVD Reference:**	Rig KB @ 6633.0ft (14' RKB)
Project:	Utah Wells(NAD 27)	**MD Reference:**	Rig KB @ 6633.0ft (14' RKB)
Site:	State of Utah 16-8-32-23D	**North Reference:**	True
Well:	State of Utah 16-8-32-23D	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	State of Utah 16-8-32-23D		
Design:	Permitted Wellbore		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
Lower Ferron SS									
4,200.0	0.00	0.00	4,022.4	578.3	873.0	1,047.2	0.00	0.00	0.00
4,300.0	0.00	0.00	4,122.4	578.3	873.0	1,047.2	0.00	0.00	0.00
4,357.6	0.00	0.00	4,180.0	578.3	873.0	1,047.2	0.00	0.00	0.00
Tununk Shale									
4,400.0	0.00	0.00	4,222.4	578.3	873.0	1,047.2	0.00	0.00	0.00
4,445.0	0.00	0.00	4,267.4	578.3	873.0	1,047.2	0.00	0.00	0.00
5 1/2"									
4,447.6	0.00	0.00	4,270.0	578.3	873.0	1,047.2	0.00	0.00	0.00

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
State of Utah 16-8-32-23 - plan hits target - Circle (radius 75.0)	0.00	0.00	3,805.0	578.3	873.0	990,840.07	2,127,132.45	39° 23' 11.797 N	111° 3' 1.378 W

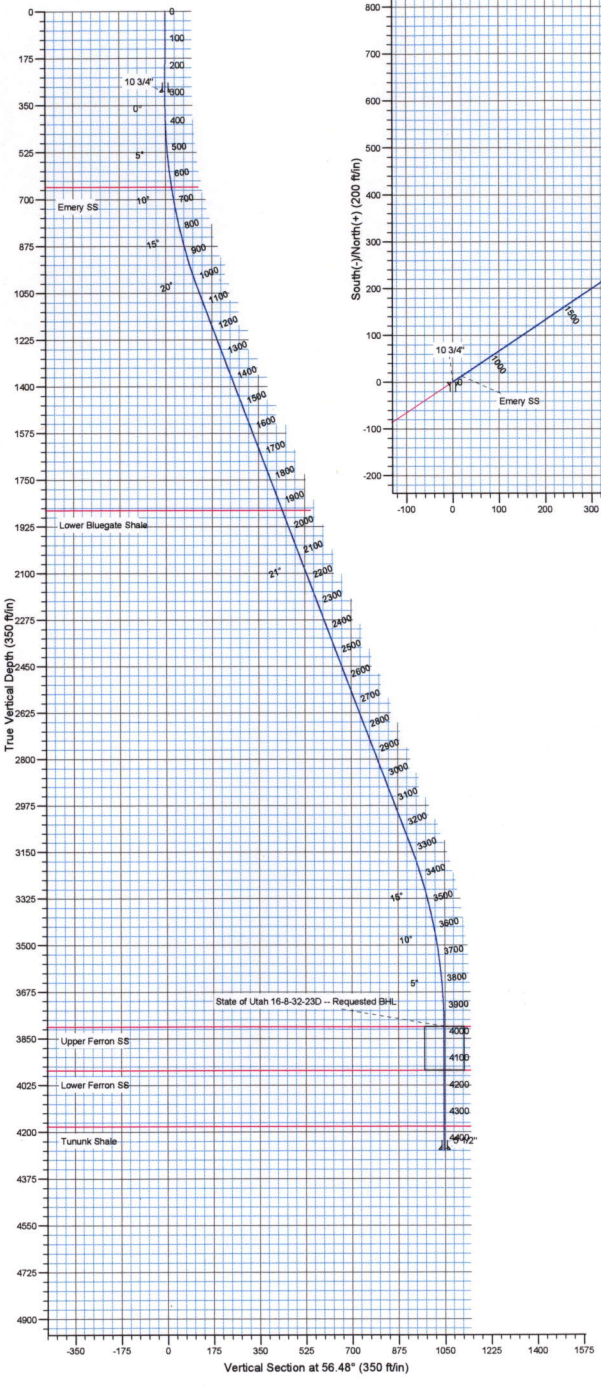
Casing Points

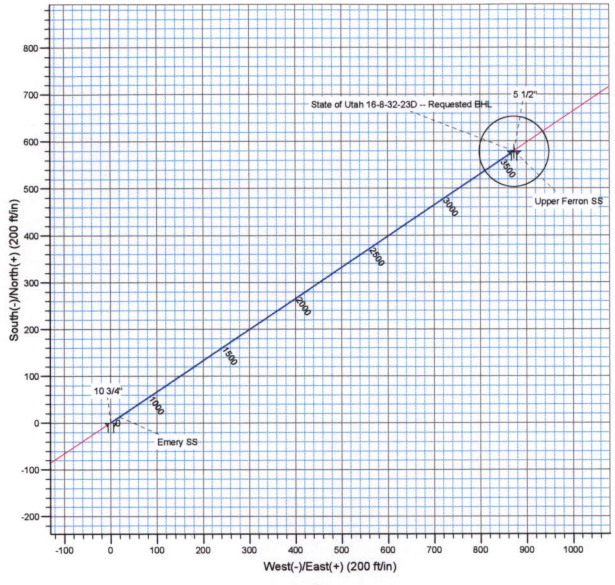
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (")	Hole Diameter (")
300.0	300.0	10 3/4"	10-3/4	14-3/4
4,445.0	4,267.4	5 1/2"	5-1/2	9-7/8

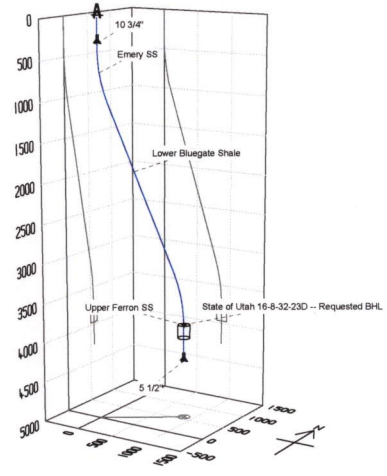
Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
656.2	655.0	Emery SS	Sandstone	0.00	
1,938.5	1,865.0	Lower Bluegate Shale	Shale	0.00	
3,982.6	3,805.0	Upper Ferron SS	Sandstone	0.00	
4,147.6	3,970.0	Lower Ferron SS	Sandstone	0.00	
4,357.6	4,180.0	Tununk Shale	Shale	0.00	

EXHIBIT F







XTO ENERGY

WELL DETAILS: State of Utah 16-8-32-23D

Ground Level: 6619.0

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.0	0.0	990257.56	2126262.21	39° 23' 6.083 N	111° 3' 12.493 W	

WELLBORE TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Shape
State of Utah 16-8-32-23D -- Requested BHL	3805.0	578.3	873.0	Circle (Radius: 75.0)

CASING DETAILS

TVD	MD	Name	Size
300.0	300.0	10 3/4"	10-3/4
4267.4	4445.0	5 1/2"	5-1/2

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
655.0	656.2	Emery SS
1865.0	1938.5	Lower Bluegate Shale
3805.0	3982.6	Upper Ferron SS
3970.0	4147.6	Lower Ferron SS
4180.0	4357.6	Tununk Shale

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	360.0	0.00	0.00	360.0	0.0	0.0	0.00	0.00	0.0	
3	1057.2	20.92	56.48	1041.8	69.5	104.9	3.00	56.48	125.9	
4	3285.4	20.92	56.48	3123.2	508.8	768.1	0.00	0.00	921.3	
5	3982.6	0.00	0.00	3805.0	578.3	873.0	3.00	180.00	1047.2	State of Utah 16-8-32-23D -- Requested BHL
6	4447.6	0.00	0.00	4270.0	578.3	873.0	0.00	0.00	1047.2	

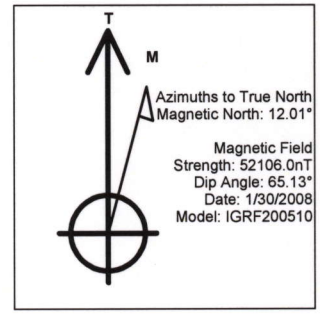


EXHIBIT F

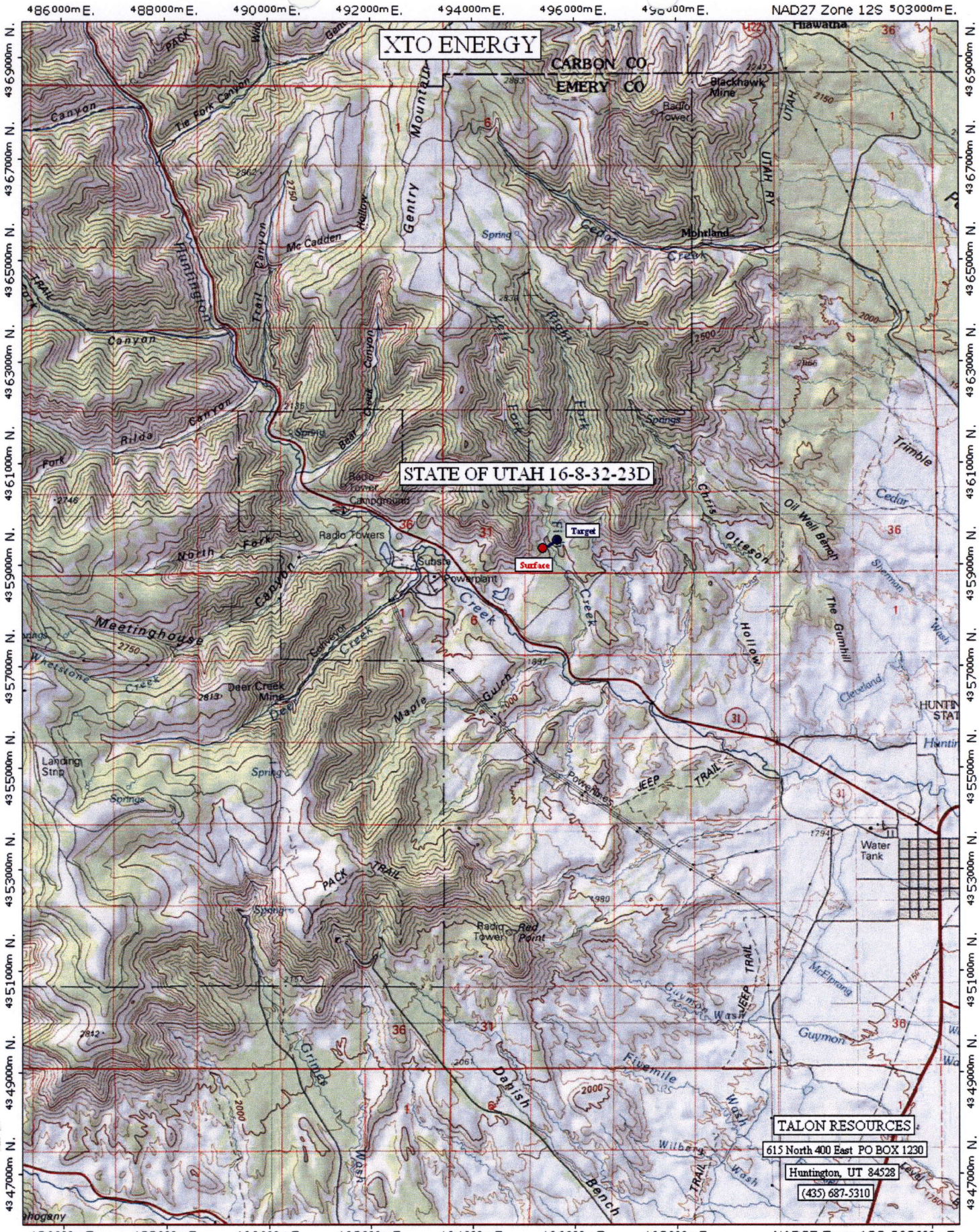
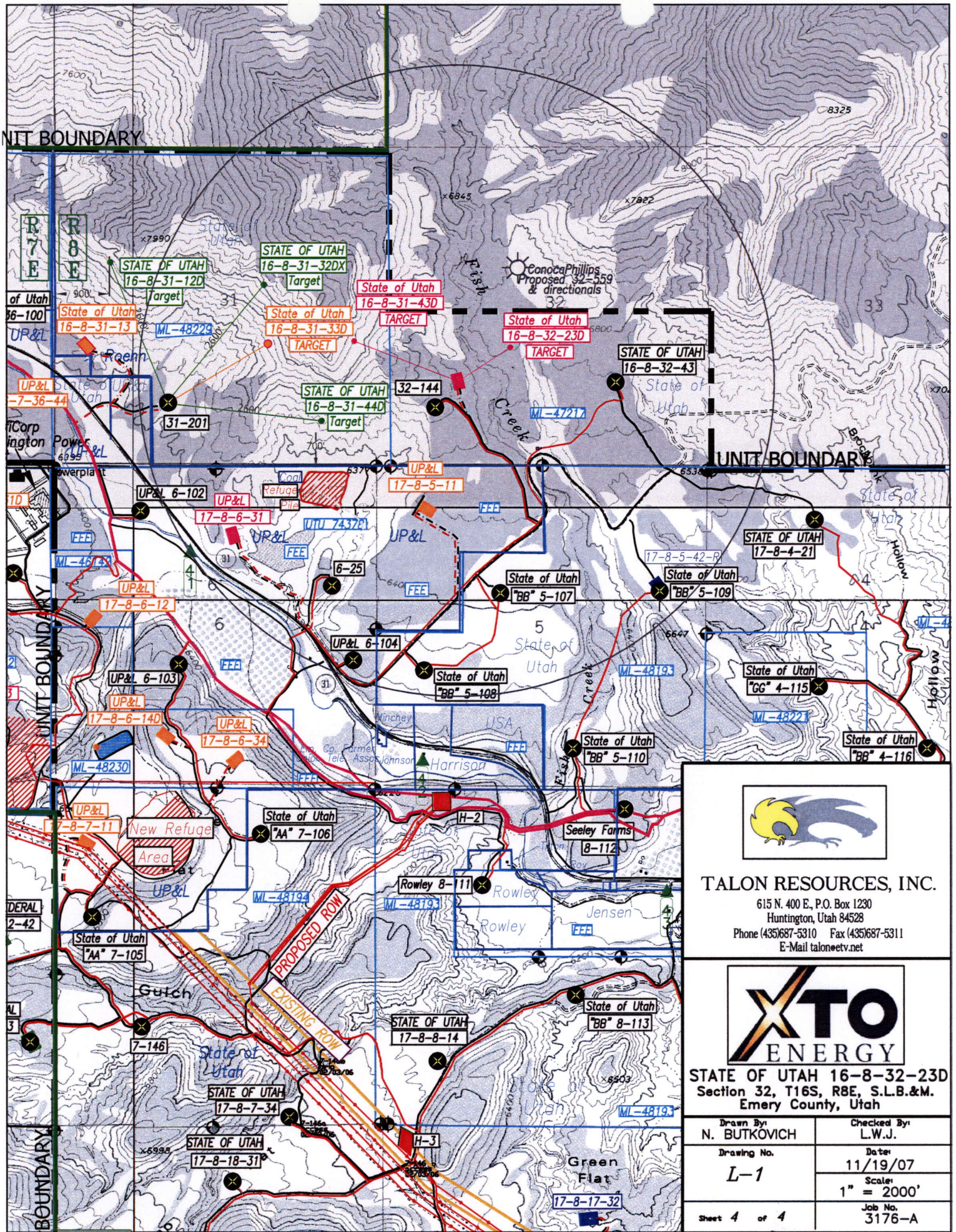

XTO ENERGY
CARBON CO
EMERY CO
STATE OF UTAH 16-8-32-23D
Target
Surface
TALON RESOURCES
615 North 400 East PO BOX 1230
Huntington, UT 84528
(435) 687-5310
NAD27 Zone 12S
Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)

EXHIBIT A



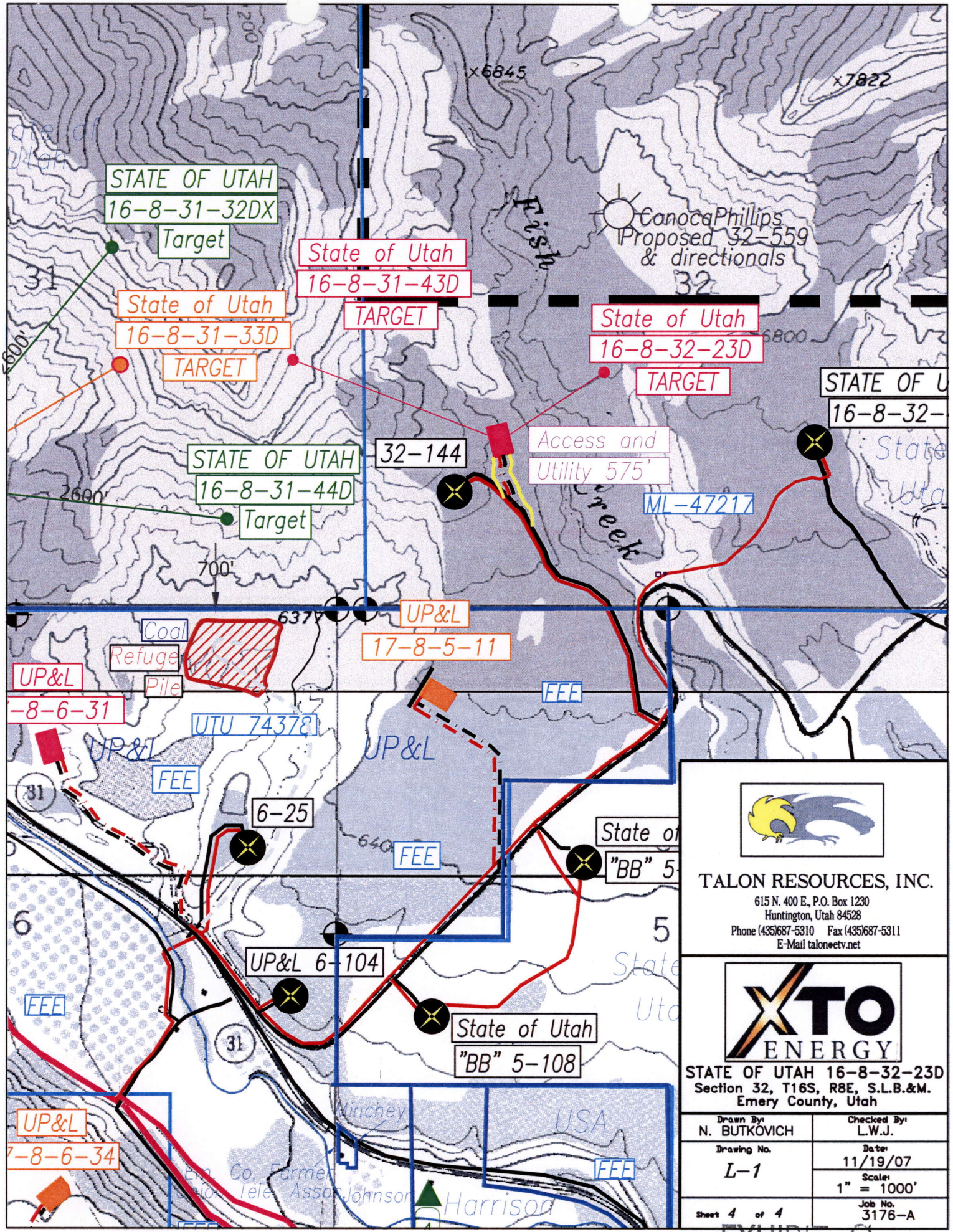
TALON RESOURCES, INC.
615 N. 400 E., P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonetv.net

XTO ENERGY

STATE OF UTAH 16-8-32-23D
Section 32, T16S, R8E, S.L.B.&M.
Emery County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. L-1	Date: 11/19/07
	Scale: 1" = 2000'
Sheet 4 of 4	Job No. 3176-A

EXHIBIT B



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E-Mail talonetv.net

XTO ENERGY

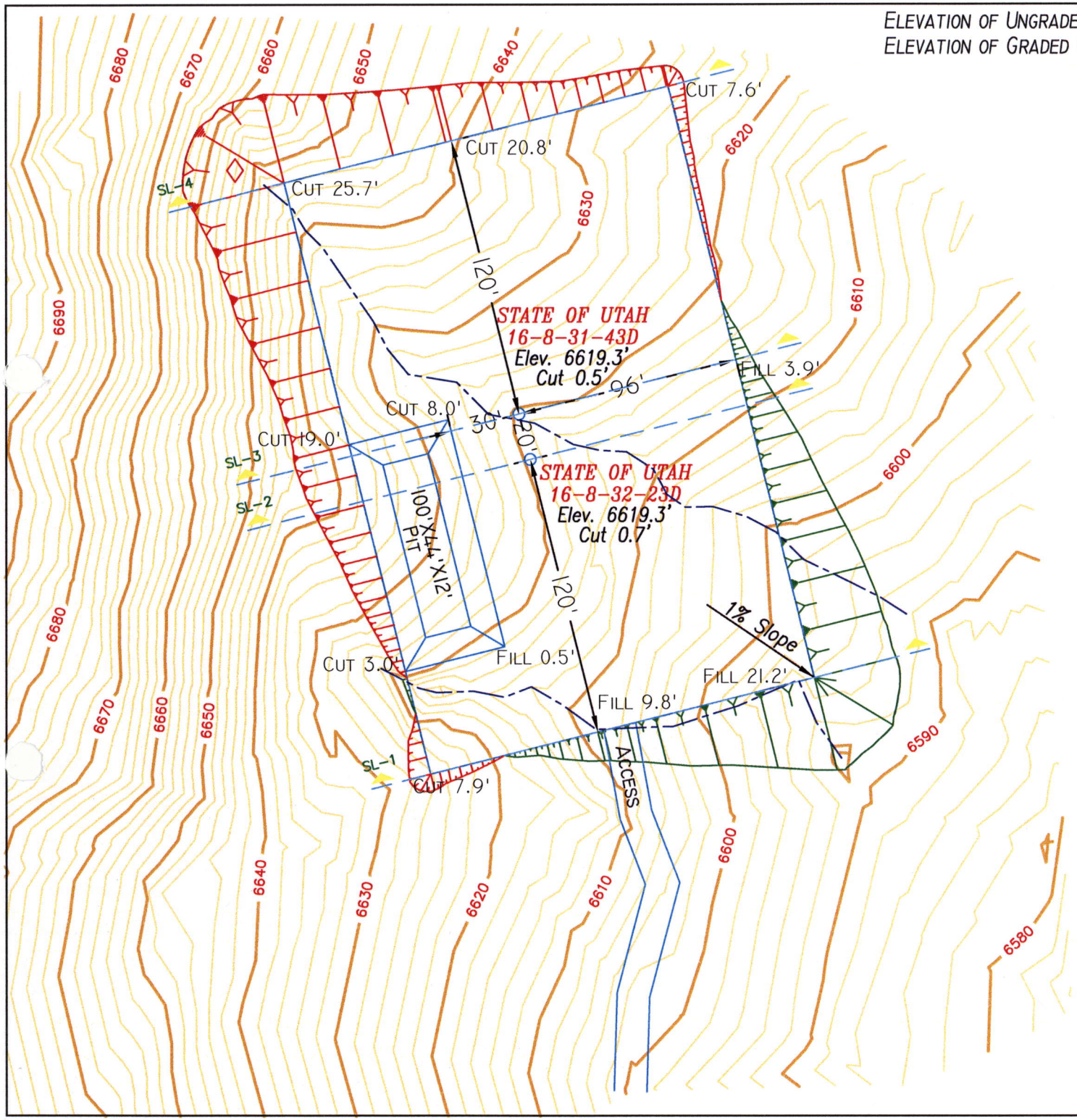
STATE OF UTAH 16-8-32-23D
Section 32, T16S, R8E, S.L.B.&M.
Emery County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. L-1	Date: 11/19/07
	Scale: 1" = 1000'
Sheet 4 of 4	Job No. 3176-A

EXHIBIT C

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6619.3'
ELEVATION OF GRADED GROUND AT LOCATION STAKE = 6618.6'

EXHIBIT D



TALON RESOURCES, INC.
615 North 400 East P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonsetv.net

XTO ENERGY

LOCATION LAYOUT
Section 32, T16S, R8E, S.L.B.&M.
STATE OF UTAH 16-8-32-23D

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. A-2	Date: 11/12/07
	Scale: 1" = 60'
Sheet 2 of 4	Job No. 3176-A

APPROXIMATE YARDAGES

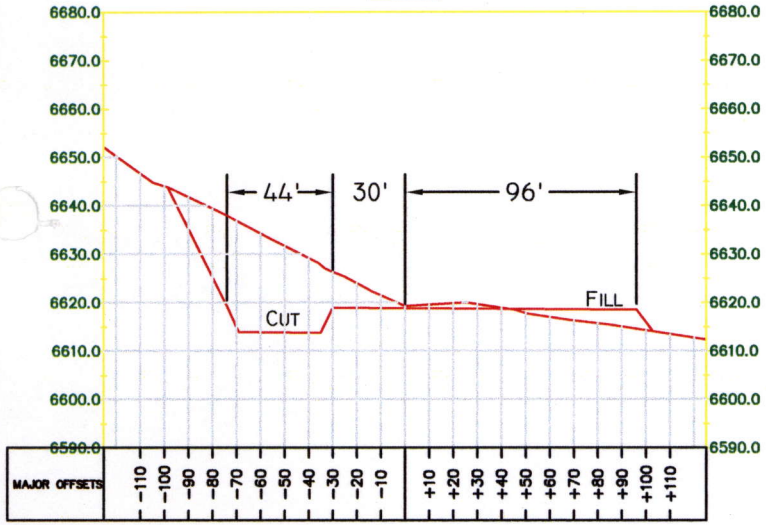
(6")TOPSOIL STRIPPING = 820 CU. YDS.

TOTAL CUT (INCLUDING PIT) = 14,905 CU. YDS.

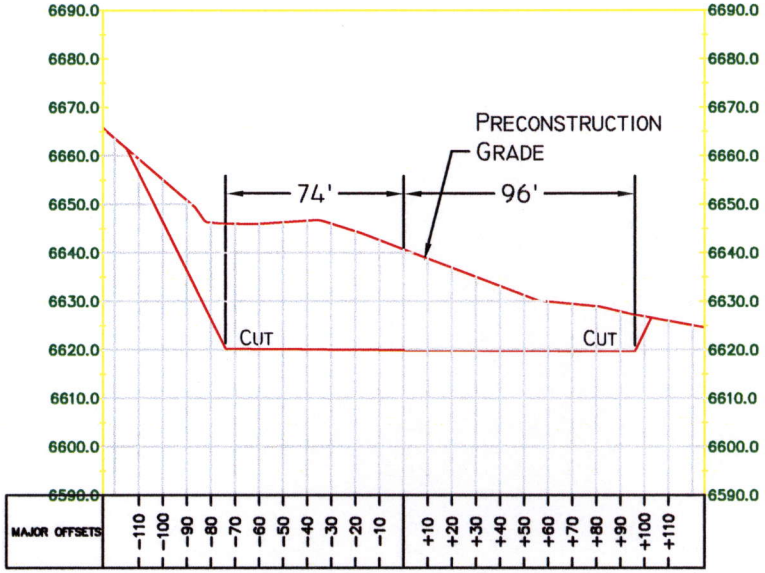
TOTAL FILL = 7,535 CU. YDS.

EXHIBIT E

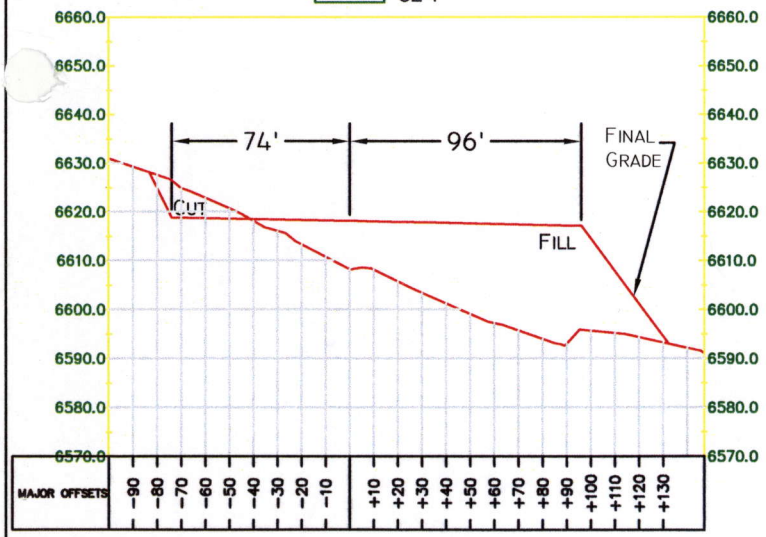
1+40.00 SL-3



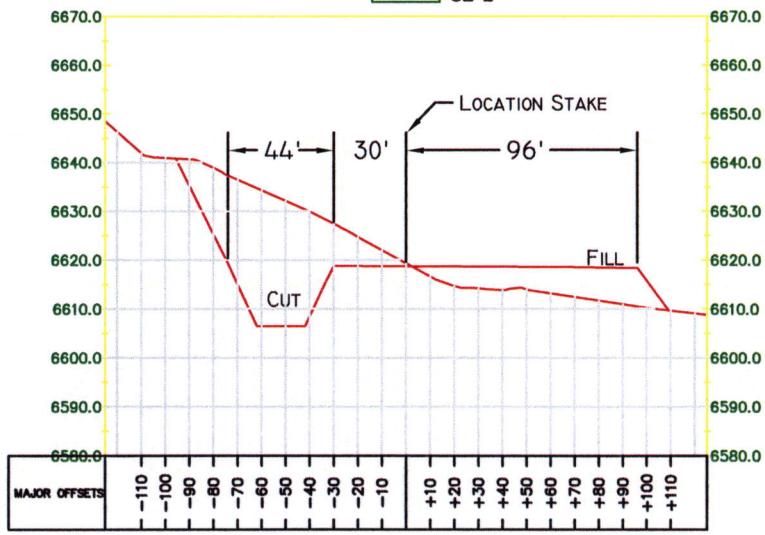
2+60.00 SL-4



0+00.00 SL-1



1+20.00 SL-2



CUT SLOPE = 1 : 1
FILL SLOPE = 1 1/2 : 1
PIT SLOPE = 1 : 1

1"=10' X-Section Scale
1"=20'

TALON RESOURCES, INC.
615 North 400 East P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talon etv.net

XTO ENERGY

TYPICAL CROSS SECTION
Section 32, T16S, R8E, S.L.B.&M.
STATE OF UTAH 16-8-32-23D

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 11/12/07
	Scale: 1" = 80'
Sheet 3 of 4	Job No. 3176-A

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/11/2008

API NO. ASSIGNED: 43-015-30741

WELL NAME: ST OF UT 16-8-32-23D

OPERATOR: XTO ENERGY INC (N2615)

PHONE NUMBER: 505-333-3100

CONTACT: KYLA VAUGHAN

PROPOSED LOCATION:

NWSW 32 160S 080E

NESW SURFACE: 1401 FSL 1107 FWL

BOTTOM: 1980 FSL 1980 FWL

COUNTY: EMERY

LATITUDE: 39.38511 LONGITUDE: -111.0535

UTM SURF EASTINGS: 495394 NORTHINGS: 4359307

FIELD NAME: BUZZARD BENCH (132)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DCD	4/15/08
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-47217

PROPOSED FORMATION: FRSD

SURFACE OWNER: 3 - State

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 104312762)

N Potash (Y/N)

N Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. MUNICIPAL)

N RDCC Review (Y/N)
(Date:)

N/A Fee Surf Agreement (Y/N)

N/A 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: 245-2

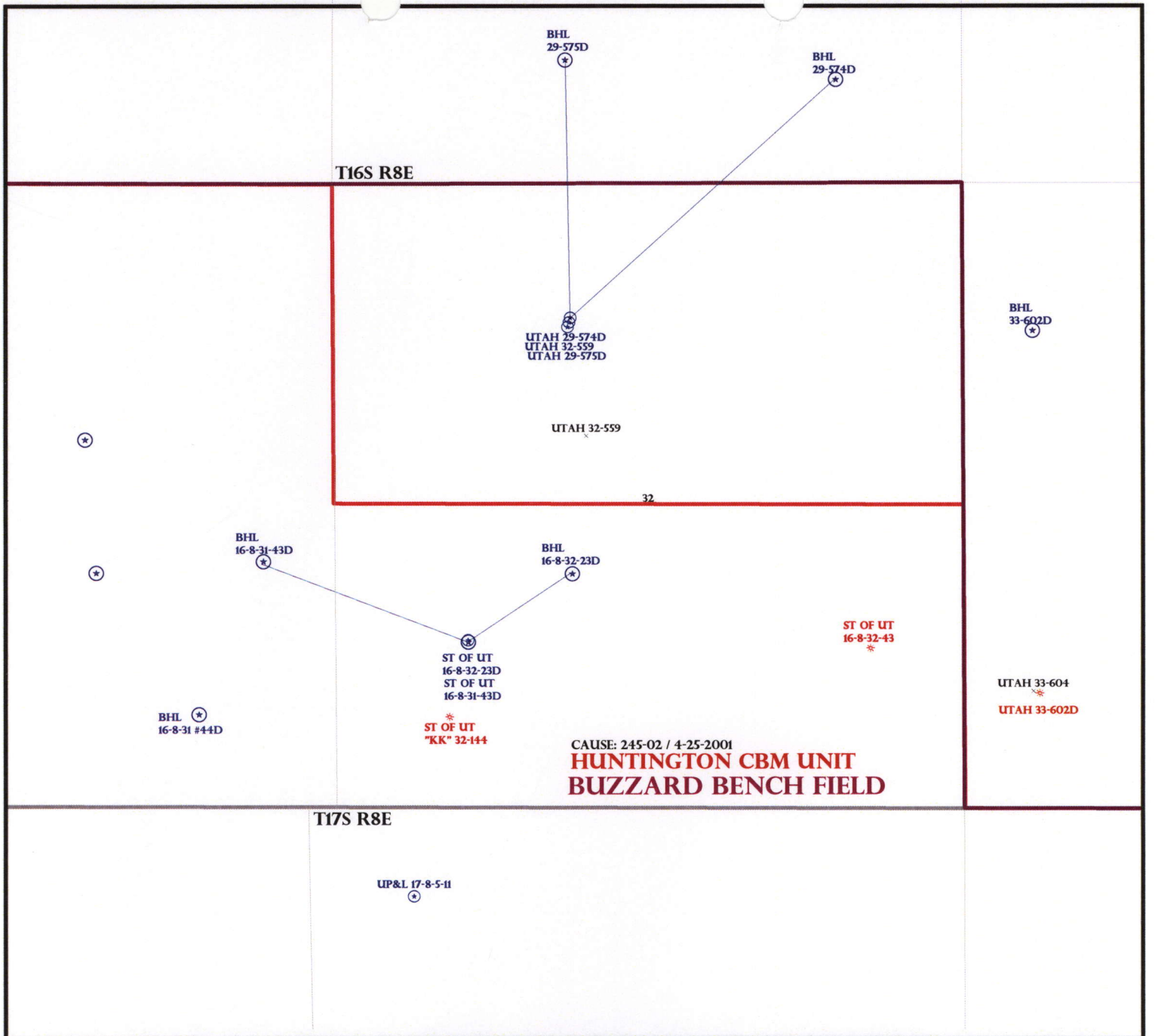
Eff Date: 4-25-01

Siting: 460' fr u lar & unbsd tract

✓ R649-3-11. Directional Drill

COMMENTS: Needs press (02-28-08)

STIPULATIONS: 1 - STATEMENT OF BASIS



OPERATOR: XTO ENERGY INC (N2615)

SEC: 32 T.16S R. 8E

FIELD: BUZZARD BENCH (132)

COUNTY: EMERY

CAUSE: 245-02 / 4-25-2001

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 DNR
OIL, GAS & MINING

N
W E
S

PREPARED BY: DIANA MASON
DATE: 21-FEBRUARY-2008

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
679	43-015-30741-00-00		GW	S	No

Operator XTO ENERGY INC **Surface Owner-APD**
Well Name ST OF UT 16-8-32-23D **Unit**
Field UNDESIGNATED **Type of Work**
Location NWSW 32 16S 8E S 1401 FSL 1107 FWL GPS Coord (UTM) 495394E 4359307N

Geologic Statement of Basis

Local outcrops dip under the Wasatch Plateau at about 6 degrees to the northwest. A moderately permeable soil is developed on fringe of Quaternary/Tertiary Pediment Mantle, which covers the Upper Part of the Blue Gate Member of the Mancos Shale at the proposed well location. No aquifers containing high quality ground water are likely in the strata that are likely to be penetrated by drilling in this area. An aquifer may develop in sandstones found in the sandy Upper and Lower units of the Emery Sandstone Member of the Mancos Shale. The proposed surface casing and cementing program should be sufficient to ensure the protection of any known ground water resources. The casing string and cement program should be extended if need be to protect any well-developed sands occuring in that Member as observed in this well or nearby drilling. A search of the Division of Water Rights records revealed that no underground water resources have been filed upon within a mile of the proposed location.

Chris Kierst — 3/18/2008
APD Evaluator — **Date / Time**

Surface Statement of Basis

On-site evaluation conducted February 28, 2008. In attendance: Bart Kettle-Division of Oil, Gas and Mining (DOGM), Ray Trujillo-XTO Energy, Kyla Vaughan-XTO Energy, Kevin Waller-XTO Energy, Damien Jones-NGO, Ray Peterson-Emery County, Jim Davis-Trust Lands Administration (SITLA), Allen Childs-Talon Resources and Kyle Beagley-Division of Wildlife Resources (DWR). Invited and choosing not to attend: Mike McCandless, Emery County.

DWR recommending mule deer and elk winter range stipulations be followed from December 1 to April 15 for the project site. SITLA supporting DWR's recommendations.

DOGM recommending that reserve pit contain a minimum of a 12 mil pit liner.

Bart Kettle — 2/28/2008
Onsite Evaluator — **Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator XTO ENERGY INC
Well Name ST OF UT 16-8-32-23D
API Number 43-015-30741-0 **APD No** 679 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 NWSW **Sec** 32 **Tw** 16S **Rng** 8E 1401 FSL 1107 FWL
GPS Coord (UTM) **Surface Owner**

Participants

Bart Kettle-DOGM, Ray Trujillo-XTO, Kyla Vaughan-XTO, Kevin Waller-XTO, Damien Jones-NGO, Ray Peterson-Emery County, Jim Davis-SITLA, Allen Childs-Talon.

Regional/Local Setting & Topography

Proposed project area is located ~10 mile northwest of Huntington, located in Emery County Utah. Project site is surrounded by a series of sharp sandstone ledges cut by deep canyons along the eastern rim of the Wasatch Plateau. Drainages flow into Huntington Creek within a mile and eventually to the Green River 60 miles away. Project site is located in a 12-14" precept zone part way up the eastern slope of the Wasatch Plateau. Regionally agriculture lands are located along the valley floor 5 miles to the east, and the top of the Wasatch Plateau is 5 miles to the west. With the exception of the Skyline drive portions of the Wasatch Plateau, regionally the climate is arid rangelands dominated by Salt Scrub shrub lands and Pinion/Juniper woodlands. Soils in the region are generally poorly developed, and moderate too highly erosive.

Surface Use Plan

Current Surface Use
Grazing
Wildlfe Habitat

New Road Miles	Well Pad		Src Const Material	Surface Formation
0.1	**Width** 170	**Length** 240		MNCS

Ancillary Facilities

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Flora:

Grass: Salina wild rye.
Forbs: Princes plume
Shrubs: Birch leaf mountain mahogany, black sage and Mormon tea.
Trees: Two needle pinion, Utah juniper.

Fauna: Listed as crucial elk and mule deer winter range, potential raptor habitat.

Soil Type and Characteristics

Gravelly sandy clay, many large sandstone fragments.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required Y

Berm Required? N

Erosion Sedimentation Control Required? N

Soils erosive in nature when disturbed, no mitigation recommended.

Paleo Survey Run? N **Paleo Potental Observed?** **Cultural Survey Run?** **Cultural Resources?**

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	300 to 1000	2
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	Low permeability	0
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	10 to 20	5
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
	Final Score	22 1 **Sensitivity Level**

Characteristics / Requirements

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 12 **Pit Underlayment Required?** N

Other Observations / Comments

DWR recommends that seasonal winter stipulations for elk and mule deer winter range be applied. Closure dates of December 1 to April 15.

SITLA supporting DWR's recommendations for winter range closures.

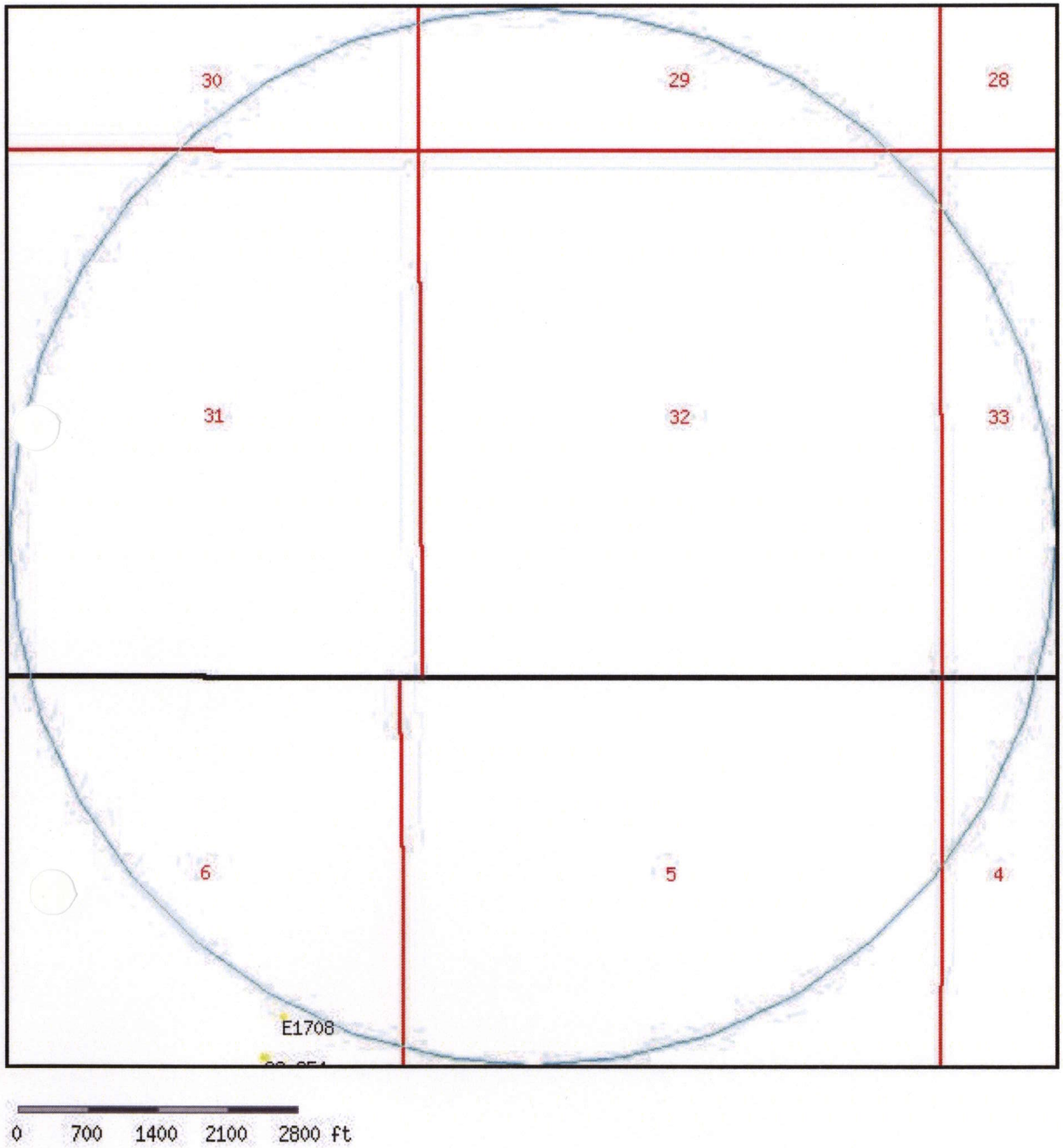
Emery County comments that road encroachment permit is already in place.

Bart Kettle	2/28/2008
Evaluator	**Date / Time**

WRPLAT Program Output Listing

Version: 2007.04.13.01 Rundate: 03/18/2008 03:11 PM

Radius search of 5280 feet from a point N1401 E1107 from the SW corner, section 32, Township 16S, Range 8E, SL b&m Criteria:wrtypes=W,C,E podtypes=S,U,Sp status=U,A,P usetypes=all



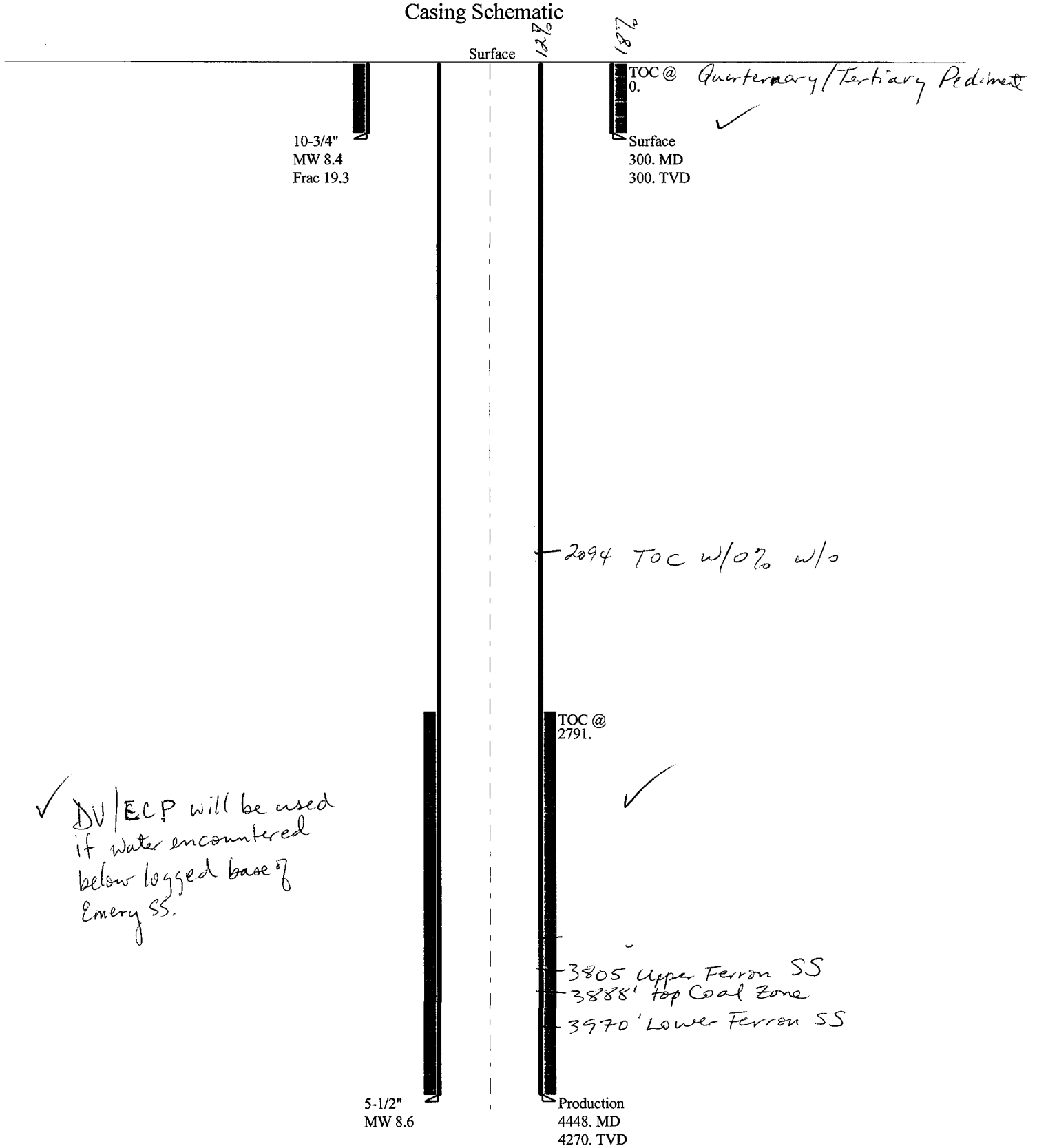
Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
93-1140	Surface		A	19220808	I	0.000	4000.000	HUNTINGTON-CLEVELAND IRRIGATION COMPANY
	N1572 W1466 SE 06 17S 8E SL							PO BOX 327
93-954	Surface		A	19620702	IS	75.000	0.000	USA BUREAU OF RECLAMATION -- PROVO AREA OFFICE
	N1565 W1430 SE 06 17S 8E SL							UPPER COLORADO REGION
E1708	Surface		A	19800915	IS	0.000	10.800	PACIFICORP DBA UTAH POWER & LIGHT COMPANY
	S700 W1220 E4 06 17S 8E SL							ATTN: CARLY BURTON

Natural Resources | Contact | Disclaimer | Privacy Policy | Accessibility Policy

2008-04 XTO ST of UT 16-8-32-23D

Casing Schematic



Well name:	**2008-04 XTO ST of UT 16-8-32-23D**
Operator:	**XTO Energy, Inc.**
String type:	Surface
Project ID:	43-015-30741
Location:	Emery County

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 264 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 300 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

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

Tension is based on air weight.
Neutral point: 263 ft

Environment:

H2S considered?	No
Surface temperature:	65 °F
Bottom hole temperature:	69 °F
Temperature gradient:	1.40 °F/100ft
Minimum section length:	185 ft
Cement top:	Surface

Non-directional string.

Re subsequent strings:

Next setting depth:	4,270 ft
Next mud weight:	8.600 ppg
Next setting BHP:	1,908 psi
Fracture mud wt:	19.250 ppg
Fracture depth:	300 ft
Injection pressure:	300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	300	10.75	40.50	J-55	ST&C	300	300	9.925	165.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	131	1580	12.069	300	3130	10.43	12	420	34.57 J

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

Phone: 810-538-5357

Date: April 8,2008
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 300 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**2008-04 XTO ST of UT 16-8-32-23D**
Operator:	**XTO Energy, Inc.**
String type:	Production
Project ID:	43-015-30741
Location:	Emery County

Design parameters:

Collapse
Mud weight: 8.600 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 968 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 1,908 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

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

Tension is based on air weight.
Neutral point: 3,892 ft

Environment:
H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 125 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 368 ft

Cement top: 2,791 ft

Directional well information:
Kick-off point 360 ft
Departure at shoe: 1047 ft
Maximum dogleg: 3 °/100ft
Inclination at shoe: 0 °

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	4448	5.5	15.50	J-55	ST&C	4270	4448	4.825	594.4

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1908	4040	2.118	1908	4810	2.52	66	202	3.05 J

Prepared by: Helen Sadik-Macdonald, Div of Oil,Gas & Minerals
Phone: 810-538-5357
Date: April 8,2008
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 4270 ft, a mud weight of 8.6 ppg The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.
Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Engineering responsibility for use of this design will be that of the purchaser.

BOPE REVIEW — XTO ST of UT 16-8-32-23D API 43-015-30741

INPUT

Well Name	XTO ST of UT 16-8-32-23D API 43-015-30741			
	String 1	String 2		
Casing Size (")	10 3/4	5 1/2		
Setting Depth (TVD)	300	4270		
Previous Shoe Setting Depth (TVD)		300		
Max Mud Weight (ppg)	8.4	8.6		
BOPE Proposed (psi)	500	2000		
Casing Internal Yield (psi)	3130	4810		
Operators Max Anticipated Pressure (psi)	1500	6.8 ppg		

Calculations	String 1	10 3/4 "	
Max BHP [psi]	.052*Setting Depth*MW =	131	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	95	YES Air drill to TD
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	65	YES
			***Can Full Expected Pressure Be Held At Previous Shoe?**
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	#VALUE!	#VALUE!
Required Casing/BOPE Test Pressure		300	psi
***Max Pressure Allowed @ Previous Casing Shoe =**		#VALUE!	psi

Calculations	String 2	5 1/2 "	
Max BHP [psi]	.052*Setting Depth*MW =	1910	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	1397	YES Air drill to TD ✓
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	970	YES
			***Can Full Expected Pressure Be Held At Previous Shoe?**
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	1036	← NO
Required Casing/BOPE Test Pressure		2000 psi	
***Max Pressure Allowed @ Previous Casing Shoe =**		300 psi	*Assumes 1psi/ft frac gradient

From: Jim Davis
To: Mason, Diana
Date: 7/30/2008 4:03 PM
Subject: SITLA APD approval 7/30/08

CC: Bonner, Ed; Garrison, LaVonne

The following wells have been approved by SITLA including arch and paleo clearance.

Operator	Well Name	API #
Kerr McGEE	NBU 921-26M2AS	4304740113
Kerr McGEE	NBU 922-32O1T	4304740116
Kerr McGEE	NBU 922-29J	4304740119
ConocoPhillips	Utah 17-1174	4300731418
EOG Res	NBU 672-25E	4304750028
XTO Energy	St of Ut 16-8-32-23D	4301530741
XTO Energy	St of Ut 16-8-31-43D	4301530742
Gasco Prod	Gate Cyn St 12-21-11-15	4301333858
Gasco Prod	State 42-32-9-19	4304739795
National Fuel	NFC Lindisfarne St 43-35	4304739852
EOG Resources	NBU 642-13E	4304750013
EOG Resources	NBU 640-13E	4304750014
EOG Resources	NBU 663-24E	4304750010
EOG Resources	NBU 661-24E	4304750011
Kerr McGEE	NBU 921-34MT	4304739402
Kerr McGEE	NBU 1022-25H	4304739033
Kerr McGEE	State 1022-25I	4304739034
Westport O&G	State 921-32N	4304737957
Westport O&G	State 921-32O	4304737958
EOG Resources	NBU 638-13E	4304750016

-Jim Davis

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 31, 2008

XTO Energy Inc.
382 CR 3100
Aztec, NM 87410

Re: State of Utah 16-8-32-23D Well, 1401' FSL, 1107' FWL, NW SW, Sec. 32, T. 16 South, R. 8 East, Bottom Location 1980' FSL, 1980' FWL, NE SW, Sec. 32, T. 16 South, R. 8 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 43-015-30741.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Emery County Assessor
SITLA

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

Operator: XTO Energy Inc.

Well Name & Number State of Utah 16-8-32-23D

API Number: 43-015-30741

Lease: ML-47217

Location:	NW SW	**Sec.** 32	**T.** 16 South	**R.** 8 East
Bottom Location:	NE SW	**Sec.** 32	**T.** 16 South	**R.** 8 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**

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

   - 24 hours prior to cementing or testing casing – contact Dan Jarvis
   - 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
   - 24 hours prior to spudding the well – contact Carol Daniels
   - Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
   - Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

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

   - Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
   - Any changes to the approved drilling plan – contact Dustin Doucet

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

   - Dan Jarvis at: (801) 538-5338 office (801) 942-0871 home
   - Carol Daniels at: (801) 538-5284 office
   - Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

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. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

API Well No: 43015307410000

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: ML-47217

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: ST OF UT 16-8-32-23D

2. NAME OF OPERATOR: XTO ENERGY INC

9. API NUMBER: 43015307410000

3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 87410

PHONE NUMBER: 505 333-3159 Ext

9. FIELD and POOL or WILDCAT: BUZZARD BENCH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1401 FSL 1107 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 32 Township: 16.0S Range: 08.0E Meridian: S

COUNTY: EMERY

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 7/21/2010	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

XTO hereby requests a one year extension of the State Permit for the referenced well.

Approved by the Utah Division of Oil, Gas and Mining

Date: August 04, 2009

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Eden Fine	505 333-3664	Permitting Clerk
SIGNATURE N/A		**DATE** 7/31/2009

RECEIVED July 31, 2009

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43015307410000

API: 43015307410000
Well Name: ST OF UT 16-8-32-23D
Location: 1401 FSL 1107 FWL QTR NWSW SEC 32 TWNP 160S RNG 080E MER S
Company Permit Issued to: XTO ENERGY INC
Date Original Permit Issued: 7/31/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- **If located on private land, has the ownership changed, if so, has the surface agreement been updated?** ○ **Yes** ◉ **No**
- **Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?** ○ **Yes** ◉ **No**
- **Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?** ○ **Yes** ◉ **No**
- **Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?** ○ **Yes** ◉ **No**
- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

Approved by the Utah Division of Oil, Gas and Mining

Signature: Eden Fine **Date:** 7/31/2009
Title: Permitting Clerk **Representing:** XTO ENERGY INC

Date: August 04, 2009
By: Dustin Doucet

RECEIVED July 31, 2009

API Well No: 43015307410000

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-47217

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.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
ST OF UT 16-8-32-23D

2. NAME OF OPERATOR:
XTO ENERGY INC

9. API NUMBER:
43015307410000

3. ADDRESS OF OPERATOR:
382 Road 3100 , Aztec, NM, 87410

PHONE NUMBER:
505 333-3159 Ext

9. FIELD and POOL or WILDCAT:
BUZZARD BENCH

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1401 FSL 1107 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 32 Township: 16.0S Range: 08.0E Meridian: S

COUNTY:
EMERY

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 7/31/2011	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

XTO hereby requests a one year extension on the State Permit for the referenced well.

Approved by the Utah Division of Oil, Gas and Mining

Date: August 02, 2010

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Eden Fine	505 333-3664	Permitting Clerk
SIGNATURE		**DATE**
N/A		7/30/2010

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources
Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43015307410000

API: 43015307410000
Well Name: ST OF UT 16-8-32-23D
Location: 1401 FSL 1107 FWL QTR NWSW SEC 32 TWNP 160S RNG 080E MER S
Company Permit Issued to: XTO ENERGY INC
Date Original Permit Issued: 7/31/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- **If located on private land, has the ownership changed, if so, has the surface agreement been updated?** ○ **Yes** ◉ **No**
- **Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?** ○ **Yes** ◉ **No**
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- **Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?** ○ **Yes** ◉ **No**
- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

Approved by the Utah Division of Oil, Gas and Mining

Signature: Eden Fine **Date:** 7/30/2010
Title: Permitting Clerk **Representing:** XTO ENERGY INC

Date: August 02, 2010
By: Dustin Doucet

RECEIVED July 30, 2010

GARY R. HERBERT
Governor
GREGORY S. BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

August 3, 2011

XTO Energy Inc.
382 Road 3100
Aztec, NM 87410

Re: APD Rescinded – ST of UT 16-8-32-23D, Sec. 32, T.16S, R. 8E
Emery County, Utah API No. 43-015-30741

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on July 7, 2008. On July 23, 2009 and July 22, 2010 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective August 3, 2011.

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

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114 -5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-47217

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.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
ST OF UT 16-8-32-23D

2. NAME OF OPERATOR:
XTO ENERGY INC

9. API NUMBER:
43015307410000

3. ADDRESS OF OPERATOR:
382 Road 3100 , Aztec, NM, 87410

PHONE NUMBER:
505 333-3145 Ext

9. FIELD and POOL or WILDCAT:
BUZZARD BENCH

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1401 FSL 1107 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 32 Township: 16.0S Range: 08.0E Meridian: S

COUNTY:
EMERY

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 6/18/2012	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	✓ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

XTO Energy Inc. received verbal approval on 06/14/2012, from Dan Jarvis, UDOGM Field Operations Manager, to begin reclamation of the well pad & access road. This well shares a pad with St of Ut 18-8-31-43D. The anticipated date for work to commence is: 06/18/2012.

Approved by the Utah Division of Oil, Gas and Mining

Date: July 10, 2012

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Barbara Nicol	505 333-3642	Regulatory Compliance Tech
SIGNATURE		**DATE**
N/A		6/14/2012

RECEIVED: Jun. 14, 2012

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-47217

SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER: ST OF UT 16-8-32-23D

2. NAME OF OPERATOR:
XTO ENERGY INC

9. API NUMBER: 43015307410000

3. ADDRESS OF OPERATOR:
382 Road 3100 , Aztec, NM, 87410

PHONE NUMBER: 505 333-3145 Ext

9. FIELD and POOL or WILDCAT: BUZZARD BENCH

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1401 FSL 1107 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 32 Township: 16.0S Range: 08.0E Meridian: S

COUNTY: EMERY

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 7/12/2012	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	✓ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

XTO Energy Inc. has reclaimed the well pad & access road on this location that was never drilled. Reclamation work as follows: 6/15/2012 through 7/12/2012: Nielson Construction reclaimed & recontoured location & access road & hauled out equipment. (Reseeding will be done in the fall). This well shares a pad with the State of Utah 16-8-31-43D.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
August 29, 2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Barbara Nicol	505 333-3642	Regulatory Compliance Tech
SIGNATURE		**DATE**
N/A		8/6/2012

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-47217

SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER: ST OF UT 16-8-32-23D

2. NAME OF OPERATOR:
XTO ENERGY INC

9. API NUMBER: 43015307410000

3. ADDRESS OF OPERATOR:
PO Box 6501 , Englewood, CO, 80155

PHONE NUMBER:
303 397-3727 Ext

9. FIELD and POOL or WILDCAT: BUZZARD BENCH

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1401 FSL 1107 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 32 Township: 16.0S Range: 08.0E Meridian: S

COUNTY: EMERY

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☑ SUBSEQUENT REPORT Date of Work Completion: 10/5/2012	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☑ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

XTO Energy Inc. has completed the final reclamation on this well pad as follows: 10/05/2012: Nielson Construction reseeded location & ROW with approved seed mix.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
September 27, 2013

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Barbara Nicol	303-397-3736	Regulatory Compliance Tech
SIGNATURE		**DATE**
N/A		8/12/2013

RECEIVED: Aug. 12, 2013