

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-75666	6. SURFACE: State
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: Utah Federal 17-7-13-32D	
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) 493556x 4354787y 39.344373 -111.074777				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 18 17S 8E S (surf) SENE 13 17S 8E S (BH)	
AT SURFACE: 2379' FNL x 554' FWL					
AT PROPOSED PRODUCING ZONE: 1430' FNL x 660' FEL					
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 8 miles West of Huntington, Utah				12. COUNTY: EMERY	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 660'		16. NUMBER OF ACRES IN LEASE: 2560		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: Lse basis	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 2800'		19. PROPOSED DEPTH: 4,750		20. BOND DESCRIPTION: UTB000138	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6940' Ground Elevation		22. APPROXIMATE DATE WORK WILL START: 8/1/2008		23. ESTIMATED DURATION: 2 weeks	

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	+/- 223 sx	1.61 ft3/sx	14.2 ppg
9.875"	5.5"	J-55	15.5#	4,750	CBM light wt-lead	+/- 109 sx	4.15 ft/3 sx	10.5 ppg
9.875"	5.5"	J-55	15.5#	4,725	CBM light wt-tail	+/- 242 sx	1.81 ft3/sx	13.5 ppg

ATTACHMENTS

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

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input type="checkbox"/> 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
SIGNATURE *Kyla Vaughan* DATE 4/3/2008

(This space for State use only)

API NUMBER ASSIGNED: 43-015-36749

Approved by the
**Utah Division of
Oil, Gas and Mining**
APPROVAL:

RECEIVED

APR 09 2008

DIV. OF OIL, GAS & MINING

Date: 08-12-08
(See Instructions on Reverse Side)

By: *[Signature]*

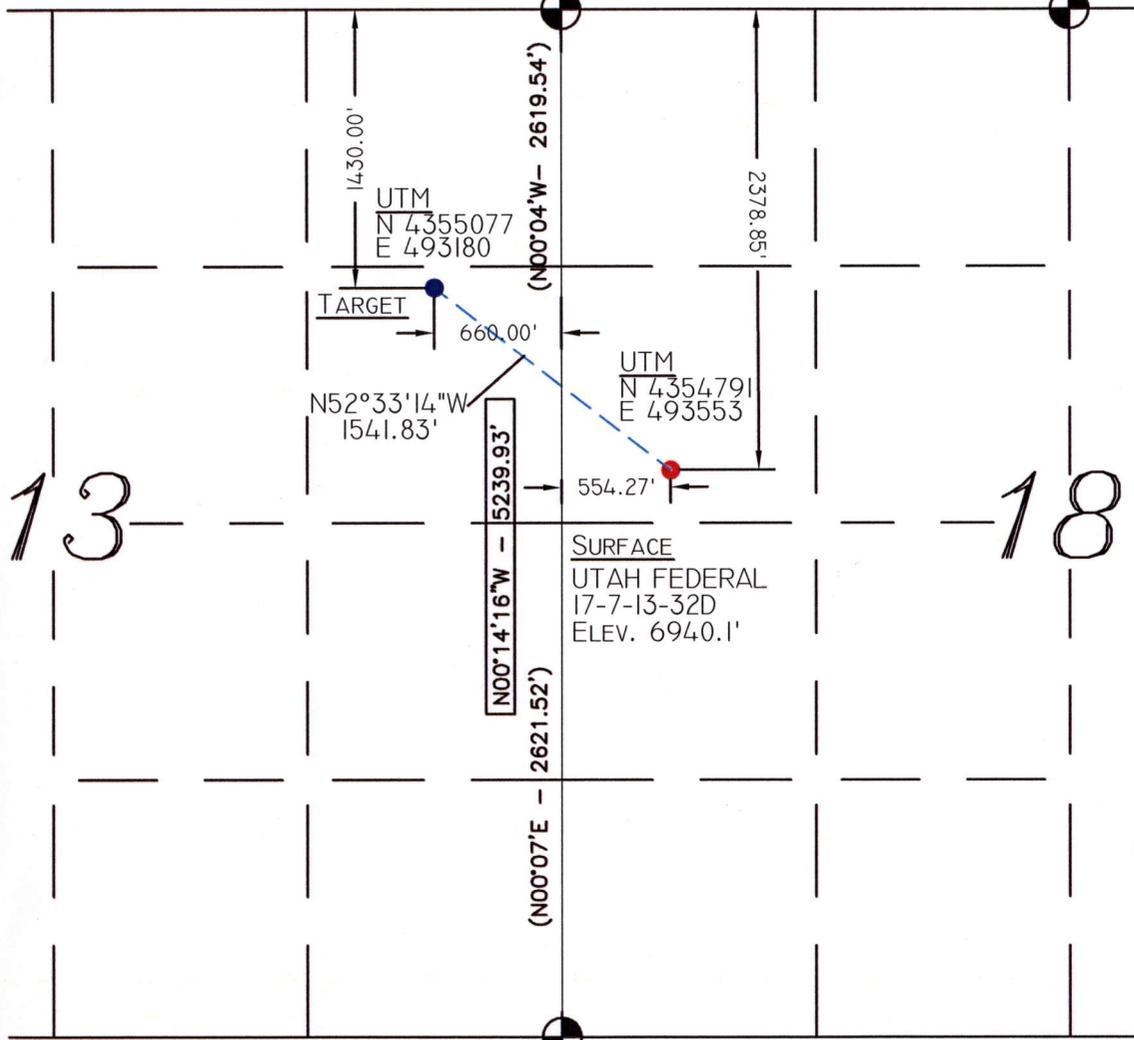
Township 17 South

Range 7 East

Range 8 East

(N89°07'E - 5363.82')

N88°49'51"E - 2602.14'



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 6508.0' being at the Northeast Section corner of Section 12, Township 17 South, Range 7 East, Salt Lake Base & Meridian, as shown on the Red Point Quadrangle 7.5 Minute Series Map.

Description of Location:

Surface Location

Proposed Drill Hole located in the SW/4 NW/4 of Section 18, T17S, R8E, S.L.B.&M., being South 2378.85' from North Line and East 554.27' from West Line of Section 18, T17S, R8E, Salt Lake Base & Meridian.

Target Location

Proposed Target located in the SE/4 NE/4 of Section 13, T17S, R7E, S.L.B.&M., being South 1430.00' from North Line and West 660.00' from East Line of Section 13, T17S, 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.

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



UTAH FEDERAL 17-7-13-32D
Section 18, T17S, R8E, S.L.B.&M.
Emery County, Utah

Drawn By N. BUTKOVICH	Checked By L.W.J./A.J.S.
Drawing No. A-1	Date: 4/29/05
	Scale: 1" = 1000'
Sheet 1 of 3	Job No. 3382

Legend

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

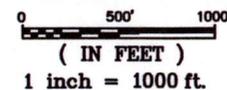
NOTES:

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

SURFACE	
LAT / LONG	
39°20'39.869" N	111°04'29.334" W

TARGET	
LAT / LONG	
39°20'49.136" N	111°04'44.927" W

GRAPHIC SCALE



REVISION: 2/6/08
REVISION: 6/12/06
REVISION: 5/5/05



April 4, 2008

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

RE: Directional Drilling R649-3-11
Utah Federal 17-7-13-32D

2379' FNL x 554' FWL (surface)
1430' FNL x 660' FEL (bottomhole)
Sec 18, T17S, 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 April 3, 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

RECEIVED
APR 07 2008
DIV. OF OIL, GAS & MINING

XTO Energy, Inc.

Utah Federal 17-7-13-32D

Drilling Data for APD

April 2, 2008

Surface Location: 2379' FNL & 554' FWL, Sec. 18, T17S, R8E

Bottomhole Location: 1430' FNL & 660' FEL, Sec. 13, T17S, R7E

Proposed TD: 4750'

Objective: Ferron Coal

Approximate Elevation: 6940'

KB Elevation: 6952'

1. Mud Program:

Interval	0'-300'	300'-4750'
Hole Size	14.75"	9.875"
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 D

- 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 and 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 @ 4750' in a 9.875" 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	1.900	2.260	2.740

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: Install WHI Fig 92 (or equivalent), 10-3/4" x 7" slip and seal, 2,000 psig WP (4,000 psig test) with 10-3/4" 8rd on bottom & 11-3/4" modified" 8rd thread on top. 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 1/2" SOW (or API 8 rnd female thread) on bottom, 7 1/16" 5,000 psig flange on top with two 3" LPOs.

EXHIBIT D

4. Cement Program:

- a. Surface: 223 sx of Type V cement (or equivalent) containing 1% CaCl₂, ¼ pps Flocele, and 10% Cal Seal mixed at 14.2 ppg and 1.61 ft³/sk.
 - i. Slurry Volume is 358 ft³, 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: 109 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 10.5 ppg and 4.15 ft³/sk.
 - iii. Tail Cement: 242 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 13.5 ppg and 1.81 ft³/sk.
 - iv. Slurry volume is 888 ft³, 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 D

6. Formation Tops:

Formation	Well Depth
Emery SS	735
Lower Bluegate Shale	2014
Top of Upper Ferron SS	4209
Top of Coal Zone	4329
Top of Lower Ferron SS	4448
Total Depth	4750

- a. No known oil zones will be penetrated.
- b. Gas bearing sandstones and coals will be penetrated from 4209' to 4750'.
- 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	505.333.3163	505.330.6902
Bobby Jackson	Drilling Superintendent	505.333.3224	505.486.4706
Joshua Stark	Project Geologist	817.885.2240	817.565.7158
Leonard West	Reservoir Engineer	817.885.2800	

EXHIBIT D

Application for Permit to Drill Surface Use Plan

Company: XTO Energy, Inc
Well No: Utah Federal 17-7-13-32D
Surface Location: 2379' FNL & 554' FWL, Section 18, T17S, R8E
Bottomhole Location: 1430' FNL & 660' FEL, Section 13, T17S, R7E

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 Red Point Quadrangle 7.5 minute series USGS quadrangle map.
- b. Location of proposed well in relation to town or other reference point: From Hunitington, UT on Hwy 10 go to 400 North. Go west 0.5 miles to County Road 307. Continue west on County Road 307 2.7 miles and turn left on well access road. Follow road up switchbacks 0.9 miles to T intersection south of power lines. Turn right at Tee and continue 1.3 miles. Continue north and west 1.4 miles to H-3 compressor station. Turn left on well access road and continue 1.2 miles to Tee intersection. Turn right onto existing access road and go 0.45 miles to existing State of Utah 17-8-18-12 well pad.
- c. Contact the County Road Department for use of County Roads: County road permits will be reviewed and submitted as 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 NW/4 of Section 18, T17S, R8E.
- b. Length of New Road: 0' of road will need to be constructed to access this location. On existing location State of Utah 17-8-18-12 well pad.
- c. Length of Existing Road to Upgrade: No existing roads should need upgrades 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 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:

- 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: 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. Pipelines will be utilized from the State of Utah 17-8-18-12.
- 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 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 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, location layout on a plat with a scale of at least 1"=50'. See Exhibit "C".
- 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, an 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:

The Surface is owned by the State of Utah and the Minerals are owned by the USDA Forest Service under the management of the Manti-La Sal National Forest: 599 Price River Drive, Price, Utah, 84501, 435-637-2817

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. Whether 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 "D.

14. BLM on-site was scheduled for March 27, 2008 with Nathan Sill-BLM, Jeffery Brown-BLM, Ray Jensen-BLM, Ray Peterson-Emery County, Parke Killpack-Nielsons, Allen Childs-Talon and Kevin Waller-XTO. Nathan Sill made the decision not to inspect this location, due to the fact the surface location was on state land.

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:

John Egleston
XTO Energy Inc.
382 CR 3100
Aztec, NM 87410
505-333-3100

c. 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 provisions of 18 U.S.C. § 1001 for the filing of a false statement.

Signature: Kyla Vaughan 4/3/08
Kyla Vaughan

XTO Energy

Utah Wells(NAD 27)

Utah Federal 17-7-13-32D

Utah Federal 17-7-13-32D

Utah Federal 17-7-13-32D

Plan: Permitted Wellbore

Standard Planning Report

07 March, 2008

EXHIBIT D

XTO Energy, Inc.
Planning Report

Database: EDM 2003.14 Single User Db
Company: XTO Energy
Project: Utah Wells(NAD 27)
Site: Utah Federal 17-7-13-32D
Well: Utah Federal 17-7-13-32D
Wellbore: Utah Federal 17-7-13-32D
Design: Permitted Wellbore

Local Co-ordinate Reference: Well Utah Federal 17-7-13-32D
TVD Reference: Rig KB @ 6952.0ft (Ellenburg)
MD Reference: Rig KB @ 6952.0ft (Ellenburg)
North Reference: True
Survey Calculation Method: Minimum Curvature

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	Utah Federal 17-7-13-32D, T17S, R7E				
Site Position:		Northing:	975,431.08 ft	Latitude:	39° 20' 39.869 N
From:	Lat/Long	Easting:	2,120,294.03 ft	Longitude:	111° 4' 29.334 W
Position Uncertainty:	0.0 ft	Slot Radius:	"	Grid Convergence:	0.26 °

Well	Utah Federal 17-7-13-32D, S-Well to FCS					
Well Position	+N/-S	0.0 ft	Northing:	975,431.08 ft	Latitude:	39° 20' 39.869 N
	+E/-W	0.0 ft	Easting:	2,120,294.03 ft	Longitude:	111° 4' 29.334 W
Position Uncertainty		0.0 ft	Wellhead Elevation:	6,940.0 ft	Ground Level:	6,940.0 ft

Wellbore	Utah Federal 17-7-13-32D				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	3/7/2008	11.99	65.09	52,068

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	307.43	

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	
400.0	0.00	0.00	400.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,348.9	28.47	307.43	1,310.4	140.4	-183.4	3.00	3.00	0.00	307.43	
3,660.1	28.47	307.43	3,342.0	809.9	-1,058.2	0.00	0.00	0.00	0.00	
4,275.6	10.00	307.43	3,920.8	932.7	-1,218.5	3.00	-3.00	0.00	180.00	
4,325.6	10.00	307.43	3,970.0	937.9	-1,225.4	0.00	0.00	0.00	0.00	Utah Federal 17-7-13-
4,752.1	10.00	307.43	4,390.0	983.0	-1,284.2	0.00	0.00	0.00	0.00	

EXHIBIT D

XTO Energy, Inc.

Planning Report

Database: EDM 2003.14 Single User Db
Company: XTO Energy
Project: Utah Wells(NAD 27)
Site: Utah Federal 17-7-13-32D
Well: Utah Federal 17-7-13-32D
Wellbore: Utah Federal 17-7-13-32D
Design: Permitted Wellbore

Local Co-ordinate Reference: Well Utah Federal 17-7-13-32D
TVD Reference: Rig KB @ 6952.0ft (Ellenburg)
MD Reference: Rig KB @ 6952.0ft (Ellenburg)
North Reference: True
Survey Calculation Method: Minimum Curvature

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"									
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	3.00	307.43	500.0	1.6	-2.1	2.6	3.00	3.00	0.00
600.0	6.00	307.43	599.6	6.4	-8.3	10.5	3.00	3.00	0.00
700.0	9.00	307.43	698.8	14.3	-18.7	23.5	3.00	3.00	0.00
736.7	10.10	307.43	735.0	18.0	-23.5	29.6	3.00	3.00	0.00
Emery SS									
800.0	12.00	307.43	797.1	25.4	-33.1	41.7	3.00	3.00	0.00
900.0	15.00	307.43	894.3	39.6	-51.7	65.1	3.00	3.00	0.00
1,000.0	18.00	307.43	990.2	58.8	-74.2	93.5	3.00	3.00	0.00
1,100.0	21.00	307.43	1,084.4	77.1	-100.7	126.9	3.00	3.00	0.00
1,200.0	24.00	307.43	1,176.8	100.4	-131.1	165.1	3.00	3.00	0.00
1,300.0	27.00	307.43	1,267.1	126.5	-165.3	208.2	3.00	3.00	0.00
1,348.9	28.47	307.43	1,310.4	140.4	-183.4	230.9	3.00	3.00	0.00
1,400.0	28.47	307.43	1,355.3	155.2	-202.7	255.3	0.00	0.00	0.00
1,500.0	28.47	307.43	1,443.2	184.1	-240.6	302.9	0.00	0.00	0.00
1,600.0	28.47	307.43	1,531.1	213.1	-278.4	350.6	0.00	0.00	0.00
1,700.0	28.47	307.43	1,619.0	242.1	-316.3	398.3	0.00	0.00	0.00
1,800.0	28.47	307.43	1,706.9	271.0	-354.1	445.9	0.00	0.00	0.00
1,900.0	28.47	307.43	1,794.8	300.0	-392.0	493.6	0.00	0.00	0.00
2,000.0	28.47	307.43	1,882.7	329.0	-429.8	541.3	0.00	0.00	0.00
2,014.0	28.47	307.43	1,895.0	333.0	-435.1	547.9	0.00	0.00	0.00
Lower Bluegate Shale									
2,100.0	28.47	307.43	1,970.6	358.0	-467.7	588.9	0.00	0.00	0.00
2,200.0	28.47	307.43	2,058.5	386.9	-505.5	636.6	0.00	0.00	0.00
2,300.0	28.47	307.43	2,146.4	415.9	-543.4	684.3	0.00	0.00	0.00
2,400.0	28.47	307.43	2,234.3	444.9	-581.2	731.9	0.00	0.00	0.00
2,500.0	28.47	307.43	2,322.3	473.8	-619.1	779.6	0.00	0.00	0.00
2,600.0	28.47	307.43	2,410.2	502.8	-656.9	827.3	0.00	0.00	0.00
2,700.0	28.47	307.43	2,498.1	531.8	-694.8	874.9	0.00	0.00	0.00
2,800.0	28.47	307.43	2,586.0	560.8	-732.6	922.6	0.00	0.00	0.00
2,900.0	28.47	307.43	2,673.9	589.7	-770.5	970.3	0.00	0.00	0.00
3,000.0	28.47	307.43	2,761.8	618.7	-808.3	1,017.9	0.00	0.00	0.00
3,100.0	28.47	307.43	2,849.7	647.7	-846.2	1,065.6	0.00	0.00	0.00
3,200.0	28.47	307.43	2,937.6	676.7	-884.0	1,113.3	0.00	0.00	0.00
3,300.0	28.47	307.43	3,025.5	705.6	-921.9	1,160.9	0.00	0.00	0.00
3,400.0	28.47	307.43	3,113.4	734.6	-959.7	1,208.6	0.00	0.00	0.00
3,500.0	28.47	307.43	3,201.3	763.6	-997.6	1,256.3	0.00	0.00	0.00
3,600.0	28.47	307.43	3,289.2	792.5	-1,035.4	1,303.9	0.00	0.00	0.00
3,660.1	28.47	307.43	3,342.0	809.9	-1,058.2	1,332.6	0.00	0.00	0.00
3,700.0	27.27	307.43	3,377.4	821.3	-1,073.0	1,351.2	3.00	-3.00	0.00
3,800.0	24.27	307.43	3,467.4	847.7	-1,107.5	1,394.7	3.00	-3.00	0.00
3,900.0	21.27	307.43	3,559.6	871.2	-1,138.2	1,433.4	3.00	-3.00	0.00
4,000.0	18.27	307.43	3,653.7	891.8	-1,165.1	1,467.2	3.00	-3.00	0.00
4,100.0	15.27	307.43	3,749.4	909.3	-1,188.0	1,496.1	3.00	-3.00	0.00
4,200.0	12.27	307.43	3,846.5	923.8	-1,206.9	1,519.9	3.00	-3.00	0.00
4,208.7	12.01	307.43	3,855.0	924.9	-1,208.4	1,521.7	3.00	-3.00	0.00
Upper Ferron SS									
4,275.6	10.00	307.43	3,920.8	932.7	-1,218.5	1,534.5	3.00	-3.00	0.00

EXHIBIT D

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Project: Utah Wells(NAD 27)
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Well: Utah Federal 17-7-13-32D
Wellbore: Utah Federal 17-7-13-32D
Design: Permitted Wellbore

Local Co-ordinate Reference: Well Utah Federal 17-7-13-32D
TVD Reference: Rig KB @ 6952.0ft (Ellenburg)
MD Reference: Rig KB @ 6952.0ft (Ellenburg)
North Reference: True
Survey Calculation Method: Minimum Curvature

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)
4,300.0	10.00	307.43	3,944.7	935.2	-1,221.9	1,538.7	0.00	0.00	0.00
4,325.6	10.00	307.43	3,970.0	937.9	-1,225.4	1,543.2	0.00	0.00	0.00
Utah Federal 17-7-13-32D -- Requested BHL									
4,400.0	10.00	307.43	4,043.2	945.8	-1,235.7	1,556.1	0.00	0.00	0.00
4,447.5	10.00	307.43	4,090.0	950.8	-1,242.2	1,564.3	0.00	0.00	0.00
Lower Ferron SS									
4,500.0	10.00	307.43	4,141.7	956.3	-1,249.4	1,573.4	0.00	0.00	0.00
4,600.0	10.00	307.43	4,240.2	966.9	-1,263.2	1,590.8	0.00	0.00	0.00
4,650.6	10.00	307.43	4,290.0	972.2	-1,270.2	1,599.6	0.00	0.00	0.00
Tununk Shale									
4,700.0	10.00	307.43	4,338.7	977.5	-1,277.0	1,608.2	0.00	0.00	0.00
4,750.0	10.00	307.43	4,387.9	982.7	-1,283.9	1,616.9	0.00	0.00	0.00
5 1/2"									
4,752.1	10.00	307.43	4,390.0	983.0	-1,284.2	1,617.2	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
Utah Federal 17-7-13-32 - plan hits target - Circle (radius 30.0)	0.00	0.00	3,970.0	937.9	-1,225.4	976,363.44	2,119,064.37	39° 20' 49.136 N	111° 4' 44.927 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
4,750.0	4,387.9	5 1/2"	5-1/2	9-7/8

Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
736.7	735.0	Emery SS	Sandstone	0.00	
2,014.0	1,895.0	Lower Bluegate Shale	Shale	0.00	
4,208.7	3,855.0	Upper Ferron SS	Sandstone	0.00	
4,447.5	4,090.0	Lower Ferron SS	Sandstone	0.00	
4,650.6	4,290.0	Tununk Shale	Shale	0.00	

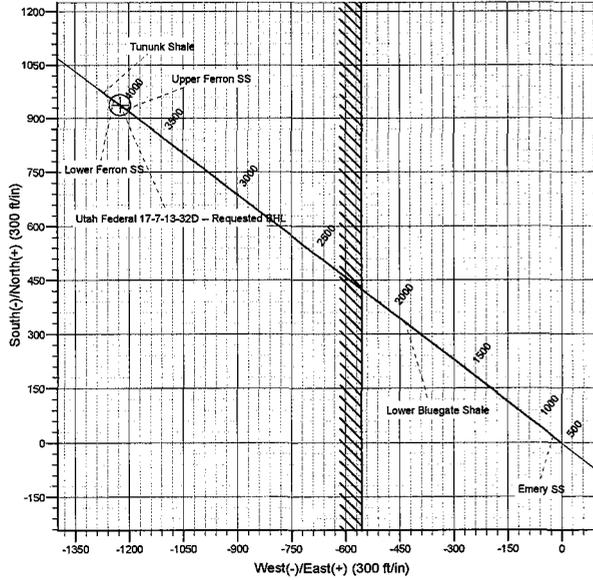
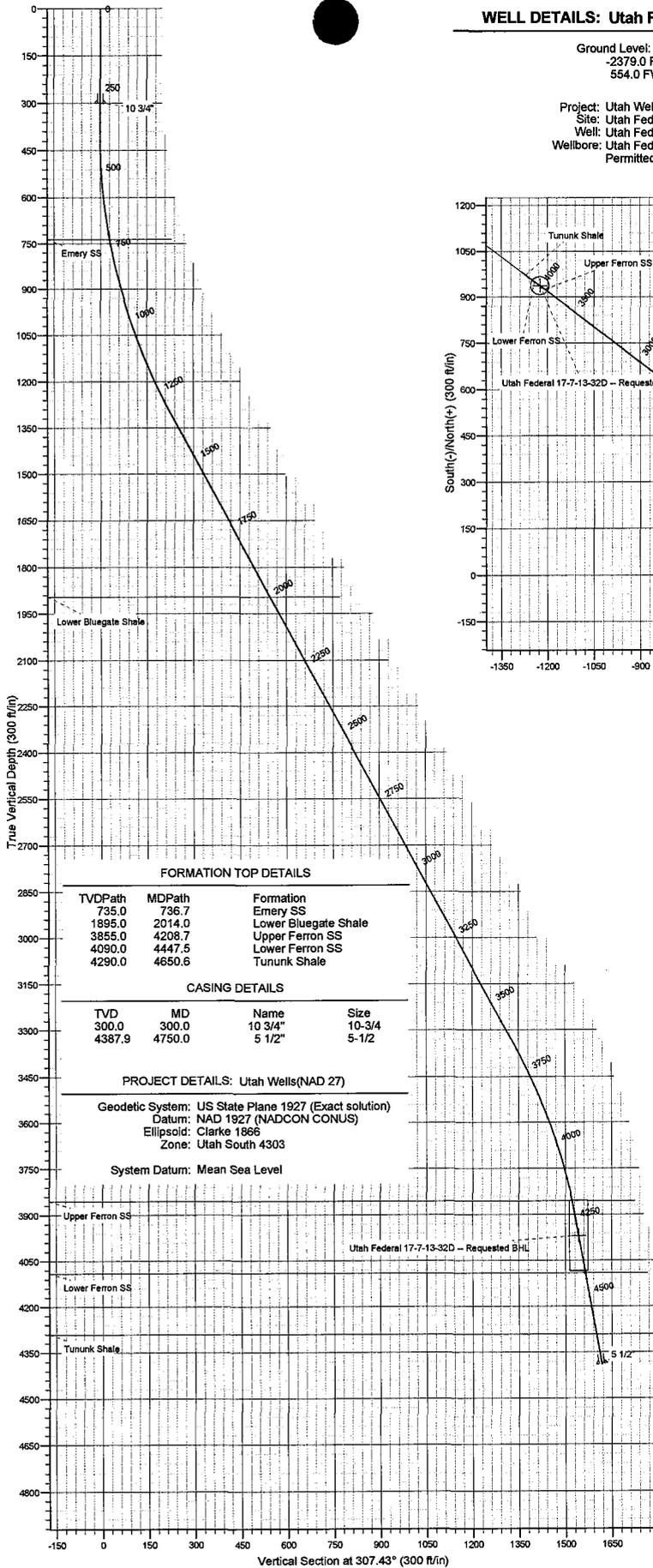
EXHIBIT D

WELL DETAILS: Utah Federal 17-7-13-32D

Ground Level: 6940.0
 -2379.0 FNL
 554.0 FWL



Project: Utah Wells(NAD 27)
 Site: Utah Federal 17-7-13-32D
 Well: Utah Federal 17-7-13-32D
 Wellbore: Utah Federal 17-7-13-32D
 Permitted Wellbore



FORMATION TOP DETAILS			
TVDPPath	MDPath	Formation	
735.0	736.7	Emery SS	
1895.0	2014.0	Lower Bluegate Shale	
3855.0	4208.7	Upper Ferron SS	
4090.0	4447.5	Lower Ferron SS	
4290.0	4650.6	Tununk Shale	

CASING DETAILS			
TVD	MD	Name	Size
300.0	300.0	10 3/4"	10-3/4
4387.9	4750.0	5 1/2"	5-1/2

PROJECT DETAILS: Utah Wells(NAD 27)

Geodetic System: US State Plane 1927 (Exact solution)
 Datum: NAD 1927 (NADCON CONUS)
 Ellipsoid: Clarke 1866
 Zone: Utah South 4303

System Datum: Mean Sea Level

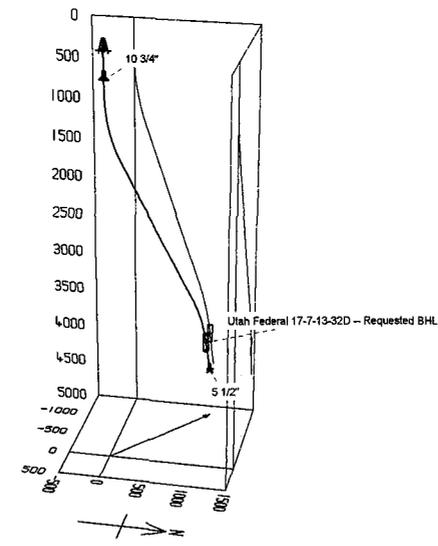
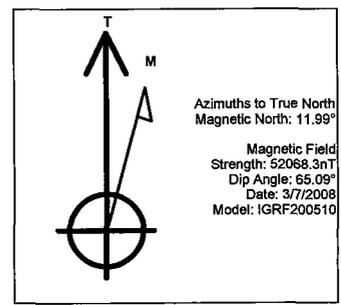
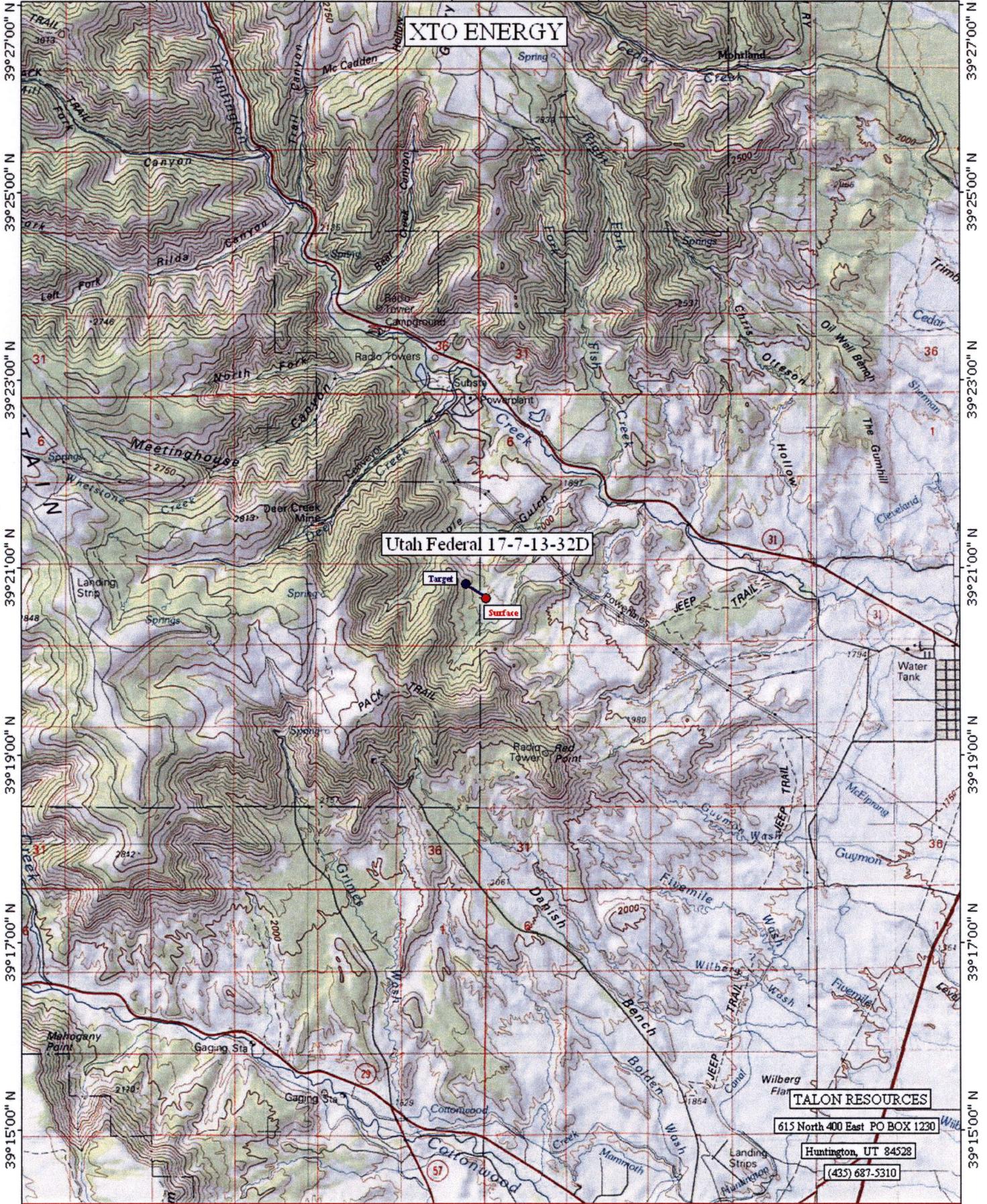


EXHIBIT D

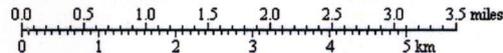


SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	400.0	0.00	0.00	400.0	0.0	0.0	0.00	0.00	0.0	
3	1348.9	28.47	307.43	1310.4	140.4	-183.4	3.00	307.43	230.9	
4	3660.1	28.47	307.43	3342.0	809.9	-1058.2	0.00	0.00	1332.6	
5	4275.6	10.00	307.43	3920.8	932.7	-1218.5	3.00	180.00	1534.5	
6	4325.6	10.00	307.43	3970.0	937.9	-1225.4	0.00	0.00	1543.2	Utah Federal 17-7-13-32D - Requested BHL
7	4752.1	10.00	307.43	4390.0	983.0	-1284.2	0.00	0.00	1617.2	

111°09'00" W 111°07'00" W 111°05'00" W 111°03'00" W 111°01'00" W WGS84 110°59'00" W

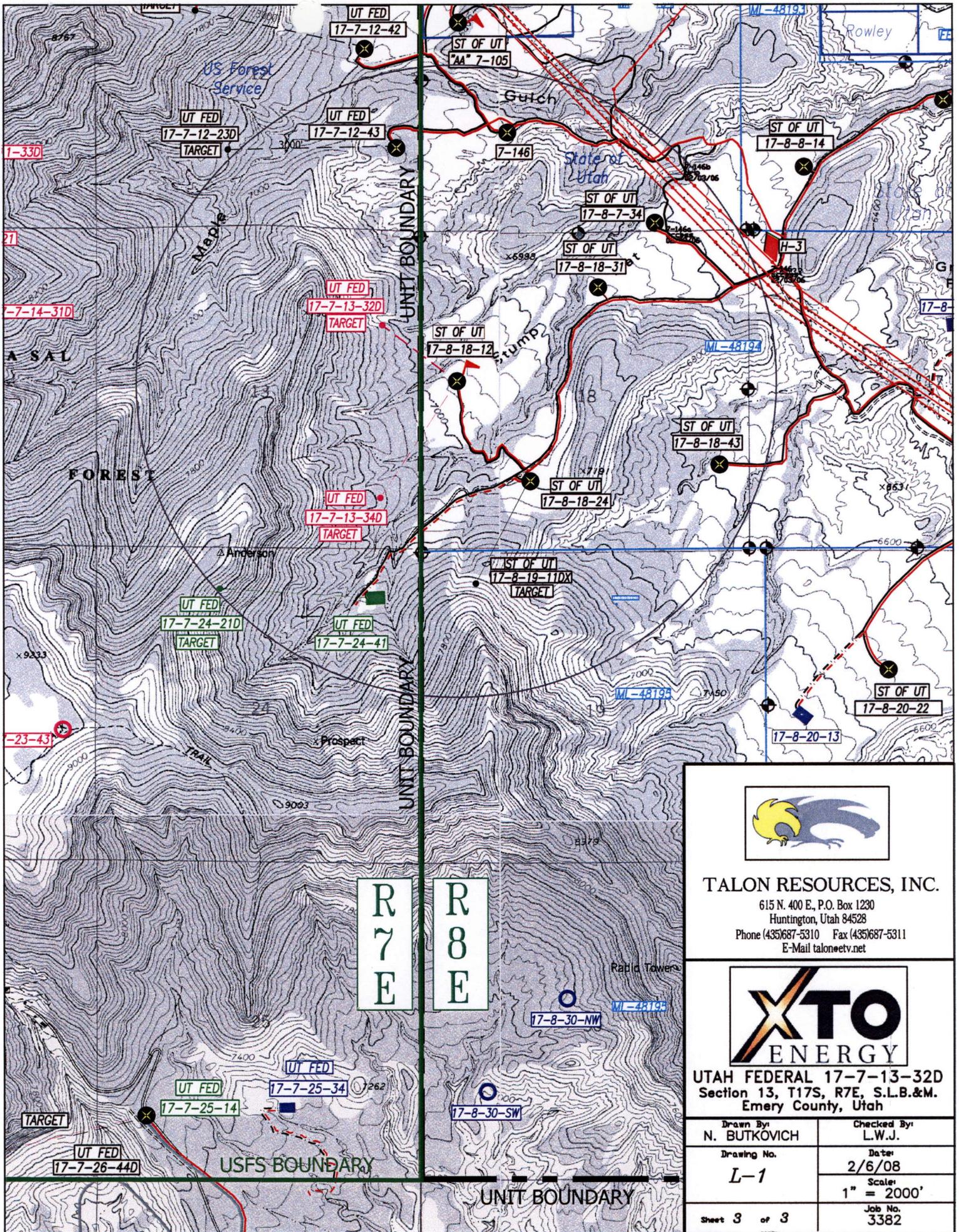


TN MN
12%



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



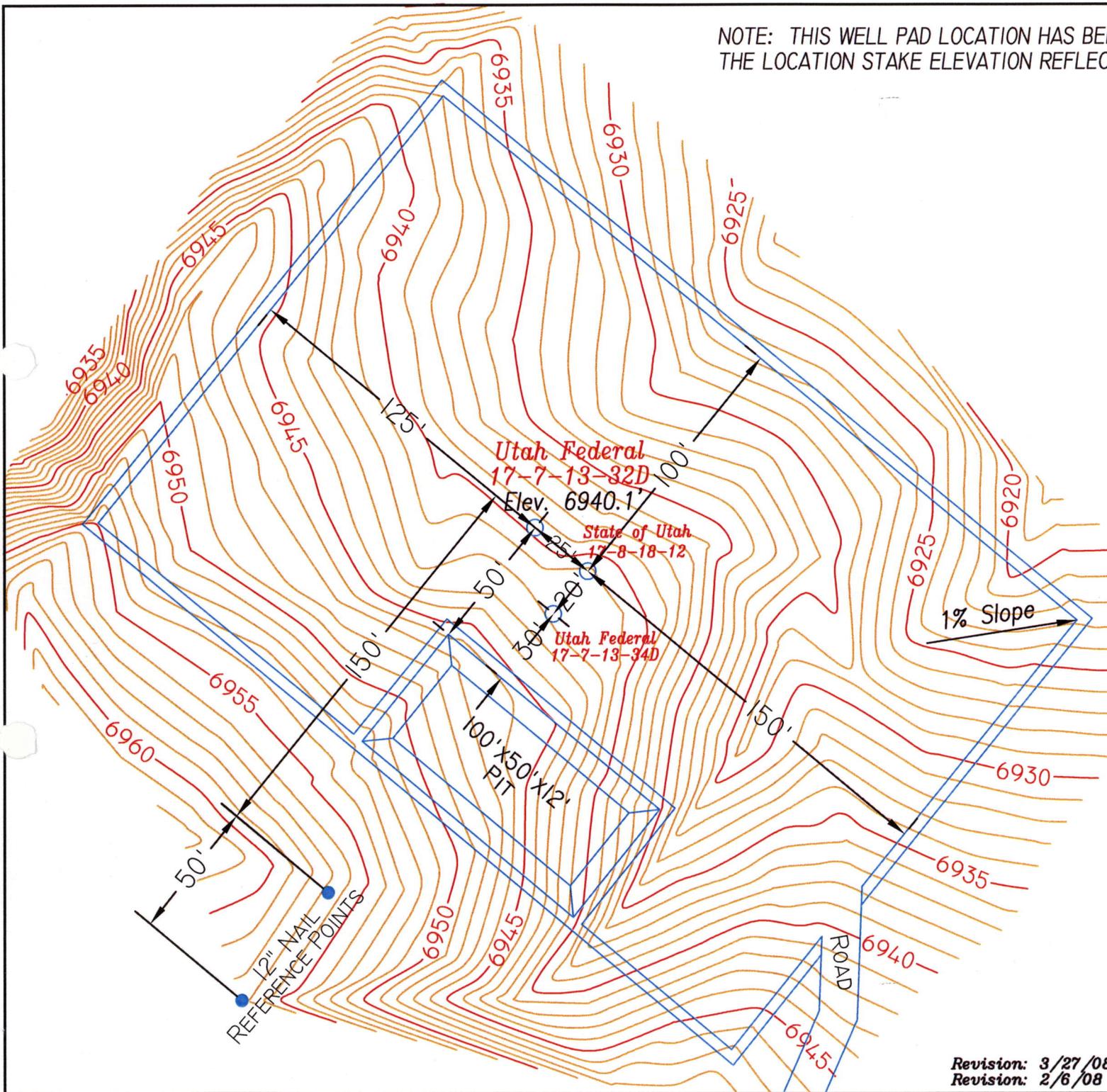
UTAH FEDERAL 17-7-13-32D
 Section 13, T17S, R7E, S.L.B.&M.
 Emery County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. L-1	Date: 2/6/08
	Scale: 1" = 2000'
Sheet 3 of 3	Job No. 3382

EXHIBIT B

NOTE: THIS WELL PAD LOCATION HAS BEEN BUILT.
 THE LOCATION STAKE ELEVATION REFLECTS THE ASBUILT ELEVATION.

EXHIBIT C



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



LOCATION LAYOUT
 Section 18, T17S, R8E, S.L.B.&M.
 UTAH FEDERAL 17-7-13-32D

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 07/10/06
	Scale: 1" = 50'
Sheet 2 of 3	Job No. 3382

Revision: 3/27/08
 Revision: 2/6/08

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.

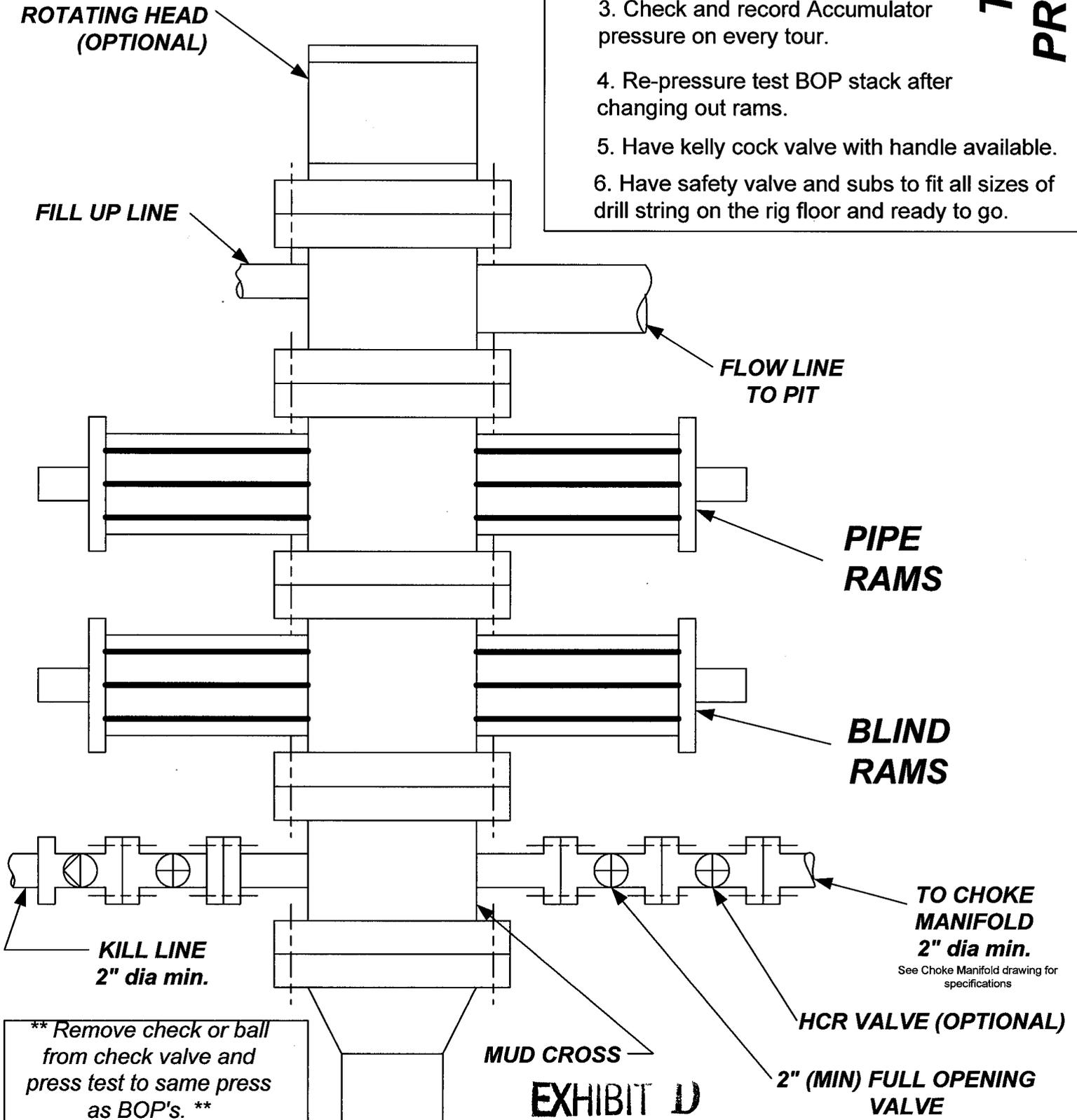


EXHIBIT D

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

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.

**TESTING
PROCEDURE**

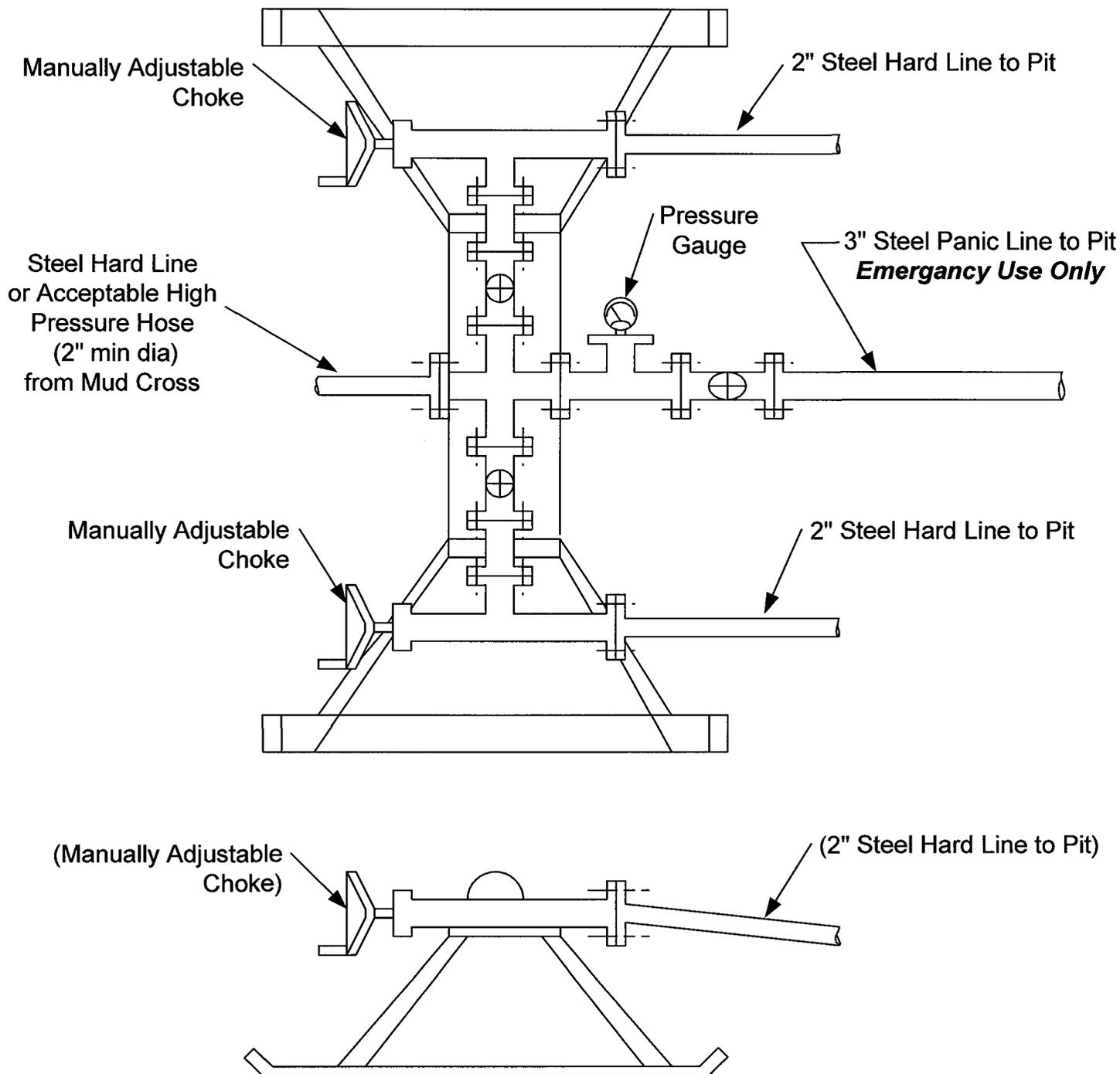


EXHIBIT D

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/09/2008

API NO. ASSIGNED: 43-015-30749

WELL NAME: UT FED 17-7-13-32D
 OPERATOR: XTO ENERGY INC (N2615)
 CONTACT: KYLA VAUGHAN

PHONE NUMBER: 505-333-3100

PROPOSED LOCATION:

SENE

SWNW 18 170S 080E
 SURFACE: 2379 FNL 0554 FWL
 BOTTOM: 1430 FNL 0660 FEL *Sec 13 RNE*
 COUNTY: EMERY
 LATITUDE: 39.34437 LONGITUDE: -111.0748
 UTM SURF EASTINGS: 493556 NORTHINGS: 4354787
 FIELD NAME: BUZZARD BENCH (132)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-75666
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: FRSD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UTB000138)
- 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:

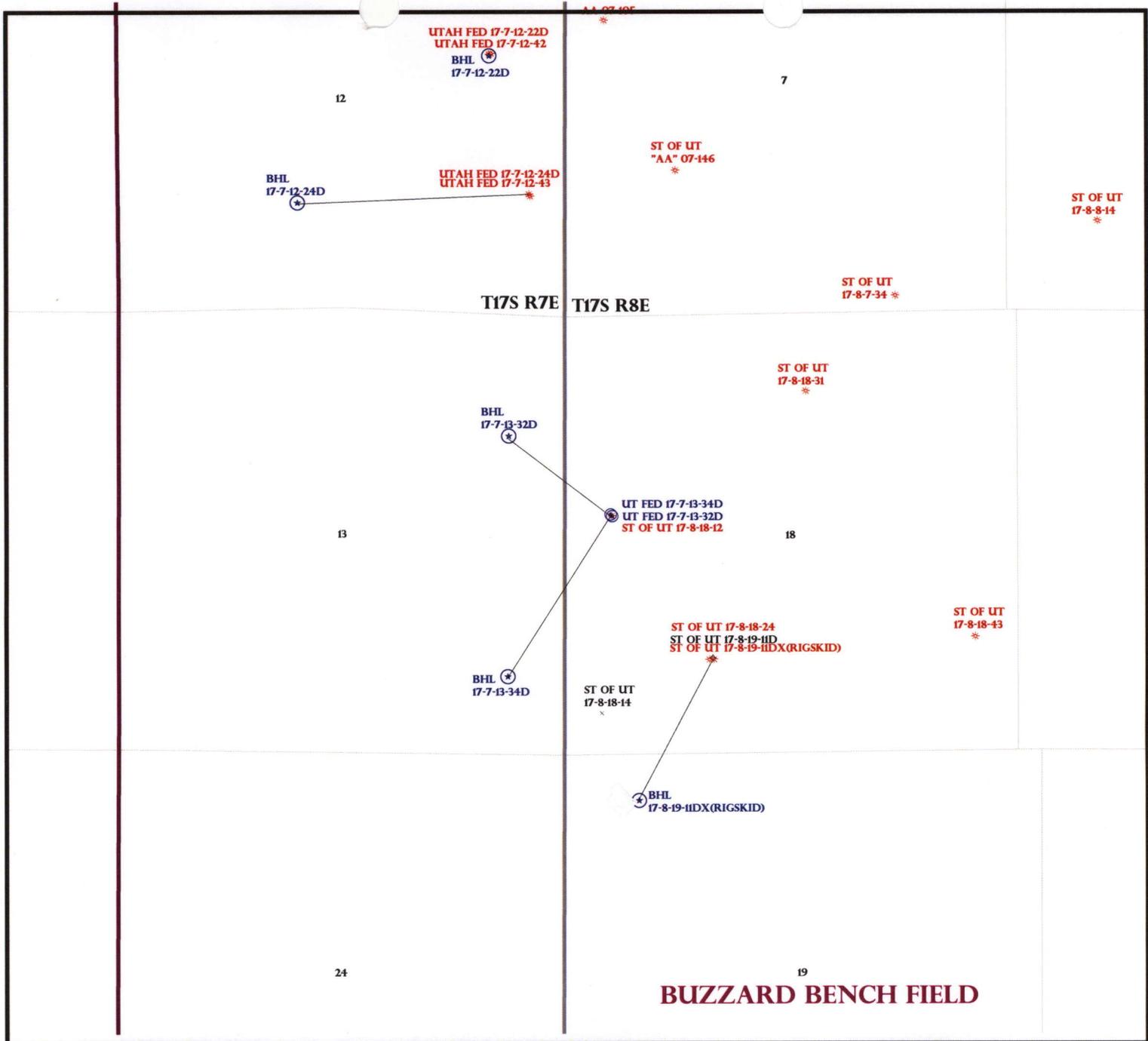
- R649-2-3.
- Unit: _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS:

Needs Permit (05-01-08)

STIPULATIONS:

- 1- Federal Approval*
- 2- Spacing Strip*
- 3- STATEMENT OF BASIS*



OPERATOR: XTO ENERGY INC (N2615)
 SEC: 18 T.17S R. 8E
 FIELD: BUZZARD BENCH (132)
 COUNTY: EMERY
 SPACING: R649-3-11 / DIRECTIONAL DRILLING



- 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



PREPARED BY: DIANA MASON
 DATE: 14-APRIL-2008

Application for Permit to Drill

Statement of Basis

5/15/2008

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
743	43-015-30749-00-00		GW	S	No
Operator	XTO ENERGY INC	Surface Owner-APD			
Well Name	UT FED 17-7-13-32D	Unit			
Field	UNDESIGNATED	Type of Work			
Location	SWNW 18 17S 8E S 2379 FNL 554 FWL GPS Coord (UTM) 493556E 4354787N				

Geologic Statement of Basis

The mineral rights for the proposed well are owned by the Federal Government. The BLM will be the agency responsible for evaluating and approving the drilling, casing and cementing programs.

Brad Hill
APD Evaluator

5/15/2008
Date / Time

Surface Statement of Basis

On-site evaluation conducted on May 1, 2008. In attendance: Bart Kettle-Division of Oil, Gas and Mining (DOGM), Kevin Waller-XTO, Parke Killpack-Nielson Construction, Mike McCandless-Emery County, Nathan Sill-BLM and Allen Childs-Talon Resources

As proposed, well will be drilled into federal minerals from the existing well pad of the St of Ut 17-8-18-12 located on Trust Lands Administration surface. Documentation has been filed and approved by Trust Lands Administration for proposed project.

Bart Kettle
Onsite Evaluator

5/1/2008
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 UT FED 17-7-13-32D
API Number 43-015-30749-0 **APD No** 743 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 SWNW **Sec** 18 **Tw** 17S **Rng** 8E 2379 FNL 554 FWL
GPS Coord (UTM) **Surface Owner**

Participants

Bart Kettle-Division of Oil, Gas and Mining (DOG M), Kevin Waller-XTO, Parke Killpack-Nielson Construction, Mike McCandless-Emery County, Nathan Sill-BLM and Allen Childs-Talon Resources

Regional/Local Setting & Topography

Proposed project area is ~8 miles west 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 one 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 3 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

Existing Well Pad

New Road

Miles	Well Pad	Length	Src Const Material	Surface Formation
	Width			

Ancillary Facilities

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

None, existing well pad.

Soil Type and Characteristics

Gray clay from decomposed Mancos shale

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? N Paleo Potential Observed? Cultural Survey Run? N Cultural Resources?

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	<300	20
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		30
		1 Sensitivity Level

Characteristics / Requirements

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

Other Observations / Comments

As proposed well will be drilled of the existing well pad of the ST of UT 17-8-18-12. As such no additional access road or well pad is proposed, reserve pit will be built at same location as previous reserve pit was built.

Bart Kettle
Evaluator

5/1/2008
Date / Time

From: Jim Davis
To: Mason, Diana
Date: 8/12/2008 9:18 AM
Subject: APDs Needing SITLA Approval KURT- READ THIS

CC: Higgins, Kurt

Diana,

Those came through Kurt Higgins in our surface group. He and I spoke about this a few days ago. The surface-use agreement (SULA 1462) is complete. I know SITLA has approved those two locations. Feel free to count this e-mail as SITLA's approval.

-Jim

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

>>> Diana Mason 8/12/2008 9:06 AM >>>

Hi Jim,

Im not showing we received a wells clearance for the two wells listed below. If you have the e-mail dated May 23rd would you mind sending it again?

Thank you,
Diana

>>> <Kelly.Small@xtoenergy.com> 8/12/2008 8:56 AM >>>

Diana,

SITLA said they signed off on the Utah Federal 17-7-13-32D & 17-7-13-34D May 23, 2008. Your original e-mail below shows these as waiting on SITLA approval.

Kelly K. Small
Regulatory Compliance Tech
382 CR 3100, Aztec, NM 87410
(505) 333-3145 Office
1-505-213-0546 eFax
kelly_small@xtoenergy.com

----- Forwarded by Kelly Small/FAR/CTOC on 08/12/2008 08:55 AM -----

"Kurt Higgins"
<khiggins@utah.gov>

v> To
<Kelly.Small@xtoenergy.com>
08/05/2008 03:47 PM cc

Subject
Re: Fw: APDs Needing SITLA Approval

Kelly,
UT Fed 17-7-13-32D and UT Fed 17-7-13-34D wells were approved by Trust

Lands Administration on May, 23, 2008. A fully executed copy of the lease was sent to Bill Manning on July 22, 2008. If you have any additional questions please let me know. Kurt

Kurt M. Higgins
Trust Lands Resource Specialist
School and Institutional
Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818

Phone: (801) 538-5100
Fax: (801) 355-0922
Email: khiggins@utah.gov

>>> <Kelly_Small@xtoenergy.com> 7/31/2008 9:45 AM >>>

Kurt,
Can you let me know the status for the below two wells? Please let me know if you need additional info from XTO. Thanks!

UT FED 17-7-13-34D - APD submitted 04/04. BLM Approval 6/10

State Surf/ Fed Min. Needs clearance from SITLA's surface group. Contact Kurt Higgins.

UT FED 17-7-13-32D - APD submitted 04/05. BLM Approval 6/10

State Surf/ Fed Min. Needs clearance from SITLA's surface group. Contact Kurt Higgins.

Kelly K. Small
Regulatory Compliance Tech
382 CR 3100, Aztec, NM 87410
(505) 333-3145 Office
1-505-213-0546 efax
kelly_small@xtoenergy.com

----- Forwarded by Kelly Small/FAR/CTOC on 07/31/2008 09:40 AM -----

"Jim Davis"
<jimdavis1@utah.gov>
ov>
07/31/2008 09:34 AM
To
"Kurt Higgins" <KHIGGINS@utah.gov>,
"Kristine Curry"
<KRISTINECURRY@utah.gov>,
<Kelly_Small@xtoenergy.com>
cc
"Diana Mason"
<DIANAWHITNEY@utah.gov>, "Ed
Bonner" <EDBONNER@utah.gov>,
<Kyla_Vaughan@xtoenergy.com>
Subject
Re: APDs Needing SITLA Approval

Kelly,

See my notes which I've just kind of written in BOLD into your e-mail below.

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

>>> <Kelly.Small@xtoenergy.com> 7/31/2008 8:45 AM >>>

Jim,

I was wondering if you could let me know the status of the following APDs? The State O&G show they are still waiting on SITLA approval. Please let me know if you are waiting on XTO for any information in order to sign off on the below wells. Thank You!

ST OF UT 16-8-32-23D - Talon e-mailed Paleo to SITLA 06/17

Clearance e-mail sent to DOGM yesterday (7/30/08)

ST OF UT 16-8-31-43D - Talon e-mailed Paleo to SITLA 06/17

Clearance e-mail sent to DOGM yesterday (7/30/08)

UT FED 17-7-13-34D - APD submitted 04/04. BLM Approval 6/10

State Surf/ Fed Min. Needs clearance from SITLA's surface group. Contact Kurt Higgins.

UT FED 17-7-13-32D - APD submitted 04/05. BLM Approval 6/10

State Surf/ Fed Min. Needs clearance from SITLA's surface group. Contact Kurt Higgins.

ST OF UT 18-7-2-13 -APD submitted 5/1. COOP Agreement with UDWR (Habitat

Treatment Project) signed by XTO & mailed (along with Compensatory Mitigation Payment) 07/25/08.

Paleo Done. Needs Arch- Kristine, do you need APD from me?

ST OF UT 17-7-36-13 - APD submitted 5/1. I believe this well also falls

under the above COOP Agreement (Habitat Treatment Project)

Needs Arch- Kristine, do you need APD from me?

I don't have the paleo- unless it was on the same report as the 18-7-2-13 and I missed it.

Kelly K. Small
Regulatory Compliance Tech
382 CR 3100, Aztec, NM 87410
(505) 333-3145 Office
1-505-213-0546 efax
kelly_small@xtoenergy.com

Kyla
Vaughan/FAR/CTOC

07/31/2008 07:21
AM

To
Kelly Small/FAR/CTOC@CTOC
cc

Subject
Fw: New APDs

Kyla Vaughan
Regulatory Compliance
505.333.3159 of
505.213.0544 fax
Kyla_Vaughan@xtoenergy.com

----- Forwarded by Kyla Vaughan/FAR/CTOC on 07/31/2008 07:21 AM -----

"Diana Mason"
<dianawhitney@utah.gov>
07/30/2008 09:30 AM
Subject
New APDs

To
<Kyla_Vaughan@xtoenergy.com>
cc

Hi Kyla,

Im trying to make room in my filing cabinet with the "NEW STATUS" APDs and was wondering if you could take a look at the list below and see if you can send in any additional information so I can get these approved. Thanks

Needs SITLAS approval
ST OF UT 16-8-32-23D, ST OF UT 16-8-31-43D, UT FED 17-7-13-34D, UT FED 17-7-13-32D, ST OF UT 18-7-2-13, ST OF UT 17-7-36-13

COPY

RECEIVED
NOA Form 3160-3 OFFICE
(February 2005)

2008 APR -7 AM 10:22

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

APPLICATION FOR PERMIT TO DRILL OR REENTER

5a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. ML-48194 (Surf) UTU-75666 (BH)
5b. Type of Well: <input type="checkbox"/> Oil Well <input 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 XTO ENERGY INC.		7. If Unit or CA Agreement, Name and No. N/A
3a. Address 382 CR 3100 AZTEC, NM 87410	3b. Phone No. (include area code) 505-33-3100	8. Lease Name and Well No. Utah Federal 17-7-13-32D
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 2379' FNL x 554' FWL SWNW At proposed prod. zone 1430' FNL x 660' FEL SENE		9. API Well No. 43-015-30749
14. Distance in miles and direction from nearest town or post office* Approximately 8 miles West of Huntington, Utah		10. Field and Pool, or Exploratory Ferron Sandstone
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660'	16. No. of acres in lease 2560	11. Sec., T. R. M. or Blk. and Survey or Area Sec 18, T17S, R8E (surf) 7E Sec 13, T17S, R8E (BH)
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2800'	19. Proposed Depth 4750'	12. County or Parish Emery
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6940' Ground Elevation	22. Approximate date work will start* 08/01/2008	13. State UT
17. Spacing Unit dedicated to this well Lse basis		
20. BLM/BIA Bond No. on file UTB-000138		
23. Estimated duration 2 weeks		

24. Attachments

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

- 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 must be filed with the appropriate Forest Service Office).
- 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 BLM.

25. Signature <i>Kyla Vaughan</i>	Name (Printed/Typed) Kyla Vaughan	Date 04/03/2008
Title Regulatory Compliance		

Approved By (Signature) <i>Michael Stewig</i>	Name (Printed/Typed) MICHAEL STEWIG	Date <i>6/16/08</i>
Title PRICE 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)

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

JUN 16 2008

DIV. OF OIL, GAS & MINING

UDOGM

Range 7 East

Range 8 East

(N89°07'E - 5363.82')

N88°49'51"E - 2602.14'

1430.00'

UTM
N 4355077
E 493180

TARGET

(N00°04'W - 2619.54')

2378.85'

N52°33'14"W
1541.83'

UTM
N 4354791
E 493553

N00°14'16"W - 5239.93'

554.27'

SURFACE
UTAH FEDERAL
17-7-13-32D
ELEV. 6940.1'

18

(N00°07'E - 2621.52')

(N89°47'E - 5398.80')

N89°14'33"E - 5380.55'

Township 17 South

13

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 6508.0' being at the Northeast Section corner of Section 12, Township 17 South, Range 7 East, Salt Lake Base & Meridian, as shown on the Red Point Quadrangle 7.5 Minute Series Map.

Description of Location:

Surface Location

Proposed Drill Hole located in the SW/4 NW/4 of Section 18, T17S, R8E, S.L.B.&M., being South 2378.85' from North Line and East 554.27' from West Line of Section 18, T17S, R8E, Salt Lake Base & Meridian.

Target Location

Proposed Target located in the SE/4 NE/4 of Section 13, T17S, R7E, S.L.B.&M., being South 1430.00' from North Line and West 660.00' from East Line of Section 13, T17S, 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.

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



UTAH FEDERAL 17-7-13-32D
Section 18, T17S, R8E, S.L.B.&M.
Emery County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 4/29/05
	Scale: 1" = 1000'
Sheet 1 of 3	Job No. 3382

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
LAT / LONG
39°20'39.869" N
111°04'29.334" W

TARGET
LAT / LONG
39°20'49.136" N
111°04'44.927" W

GRAPHIC SCALE

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

REVISION: 2/6/08
REVISION: 6/12/06
REVISION: 5/5/05

XTO Energy, Inc.

Utah Federal 17-7-13-32D

Lease, Surface: State of Utah

Bottom-hole: UTU-75666

Location, Surface: SW/NW Section 18, T17S, R8E

Bottom-hole: SE/NE Section 13, T17S, R7E

Emery County, Utah

A COMPLETE COPY OF THIS APPROVED PERMIT and Conditions of Approval shall be maintained on location during all construction and drilling operations, 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 two years from the date of approval. An extension of this permit will be considered only if a written request is received prior to APD expiration. 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. Failure to comply with the provisions of this permit, including applicable regulations, stipulations, and/or approval conditions, will be considered a violation subject to the enforcement provisions of 43 CFR Subpart 3163.

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 (DOGGM) is required before conducting any surface disturbing activities.
3. Due to topographic relief downslope of the surface location, and the possibility of water below the proposed surface casing depth, the surface casing shall be set at a minimum depth of 500 feet and shall be cemented to surface.
4. Should water be encountered below the surface casing shoe, it shall be isolated with cement.
5. When drilling with air, the requirements of Onshore Oil and Gas Order No. 2, part III, E, Special Drilling Operations, shall apply.
6. A cement bond log or other appropriate tool for assessing cement presence and competence shall be run on the production casing.
7. Drilling reports, which describe the activities of each day, shall be submitted to the BLM Moab Field Office on a weekly, or more frequent, basis. In addition to a daily summary of activities, drilling reports shall include the drilling fluid weight, details of casing and cement, water flows, lost circulation zones and any other information that would contribute to our understanding of drilling conditions. Drilling reports may be in any format customarily used by the operator, and they may be submitted by email.

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 spud. Submit written notification of spud (Sundry Notice, Form 3160-5) to the Price Field Office within 24-hours after spud, 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 Price 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 Price 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 Price 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 Price 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 Price 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 Price 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 Price 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 Price 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 Price 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 Price Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Sundry Notice, Form 3160-5) will be filed with the Price 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 Nathan Sill (435-636-3668), Don Stephens (435-636-3608), Walton Willis (435-636-3662) or Randy Knight (435-636-3615) of the BLM Price Field Office for the following:

- 48 hours prior to constructing location (Sill or Stephens);
- 1 day prior to spud (Willis or Knight);
- 1 day prior to reaching the surface casing setting depth (Willis or Knight);
- 1 day prior to testing BOPE (Willis or Knight)

If the person at the above number cannot be reached, notify the BLM Price Field Office at 435-636-3600.

Well abandonment operations require 24-hour advance notice and prior approval. In the case of newly drilled dry holes, please contact:

Mike Stiewig, Associate Field Manager, Price BLM, 435-636-3633

Attachment 1: Conditions of Approval

Utah Federal 17-7-13-32D

Utah Federal 17-7-13-34D

SURFACE USE

1. The following appendices are attached for your reference. They are to be followed as conditions of approval:
 - a. Appendix 1: Wildlife Seasonal Restriction and Surface Disturbance Mitigation Plan
 - b. Appendix 2: Seed Mixtures for Reclamation/Revegetation Areas
This well location is within crucial winter habitat for mule deer and elk and is therefore subject to the seasonal closure (December 1-April 15).
2. Any surface structures to remain on lease greater than six months shall be painted in the following flat, earth tone color: Olive Black (5W A 20-6) prior to installation. 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. 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.
7. 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.
8. 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:

- a. 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.
 - b. 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.
9. 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.
 10. The reserve pit will be lined with an impermeable liner. 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.
 11. The reserve pit will be constructed so that at least half of its total volume is in solid cut material (below natural ground level).
 12. The reserve pit shall have 2 foot of freeboard maintained at all times to prevent overflow of fluids.
 13. Reserve pits will be closed as soon as possible, but no later than 90 days from time of drilling/well completion, unless the BLM Authorized Officer grants an extension. Squeezing of pit fluids and cuttings is prohibited. Pits must be dry of fluids or the fluids must be removed via vac-truck or other environmentally acceptable method prior to backfilling, re-contouring and replacement of topsoil. Mud and cuttings left in pit must be buried at least 3-feet below re-contoured grade. The operator will be responsible for re-contouring any subsidence areas that develop from closing a pit before it is sufficiently dry.
 14. XTO will measure gas production on the well pad unless permission is granted for measurement at another place.

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 including reclamation. 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. 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 (see Appendix 2, Table A-1 and A-2).

PAD CONSTRUCTION

1. 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 (see Appendix 2, Table A-1 and A-2).
2. Generally, drill pads are to be designed to prevent overland flow of water from entering or leaving the site. The pad is to be designed to allow for zero runoff. 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

1. Upon completion of the well, all disturbed areas not needed for production facilities would be restored during the first growing season after completion. Overall, the pad for a well during production is expected to be about 60 percent of the size that was needed for drilling and completion.
2. Upon Final Reclamation 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

3. 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.
4. 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.
5. After final grading, the stockpiled topsoil shall be spread evenly across the disturbed area.

Fertilization

6. 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.
7. Fertilizer is to be applied not more than 48 hours before seeding, and shall be cultivated into the upper 3 inches of soil.
8. 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

9. 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.
 - a. 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

10. 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.

11. 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

12. 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.

Appendix 1: Wildlife Seasonal Restriction and Surface Disturbance Mitigation Plan

Ferron Natural Gas Project Area

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

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 non-federal 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 continues 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 workover 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.

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

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".

Appendix 2: Seed Mixtures for Reclamation/Revegetation

Table A-1: 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.

<u>Common Plant Name</u>	<u>Scientific Name</u>	<u>Pounds per acre (PLS)</u>
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

Table A-2: Seed mixture for Final Reclamation-Pinyon/Juniper Areas. 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.

<u>Common Plant Name</u>	<u>Scientific Name</u>	<u>Pounds per acre (PLS)</u>
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

Seeding rates are listed as pounds/acre of pure live seed (PLS) drilled. Rate is increased by 50 percent if broadcast seeded. (PLS = % seed purity x % seed germination)



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

August 12, 2008

XTO Energy Inc.
382 CR 3100
Aztec, NM 87410

Re: Utah Federal 17-7-13-32D Well, Surface Location 2379' FNL, 554' FWL, SW NW, Sec. 18, T. 17 South, R. 8 East, Bottom Location 1430' FNL, 660' FEL, SE NE, Sec. 13, T. 17 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 43-015-30749.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Emery County Assessor
Bureau of Land Management, Price Field Office
SITLA

Operator: XTO Energy Inc.
Well Name & Number Utah Federal 17-7-13-32D
API Number: 43-015-30749
Lease: UTU-75666

Surface Location: SW NW Sec. 18 T. 17 South R. 8 East
Bottom Location: SE NE Sec. 13 T. 17 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 Dustin Doucet at (801) 538-5281 (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. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. 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.

Page 2

43-015-30749

August 12, 2008

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

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-75668

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

N/A

7. UNIT or CA AGREEMENT NAME:

N/A

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 GAS WELL OTHER _____

8. WELL NAME and NUMBER:
UTAH FEDERAL #17-7-13-32D

2. NAME OF OPERATOR:
XTO ENERGY INC.

9. API NUMBER:
4301530749

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

PHONE NUMBER:
(505) 333-3100

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

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **2379' FNL & 554' FWL**

COUNTY: **EMERY**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SWSW 18 17S 8E**

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"/> 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"/> 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: NAME CHANGE
	<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. would like to change the name of the above well. The surface and bottom hole location has not changed. See attached plat.

New Name: UTAH FEDERAL 17-7-13-42D

NAME (PLEASE PRINT) **KELLY K. SMALL**

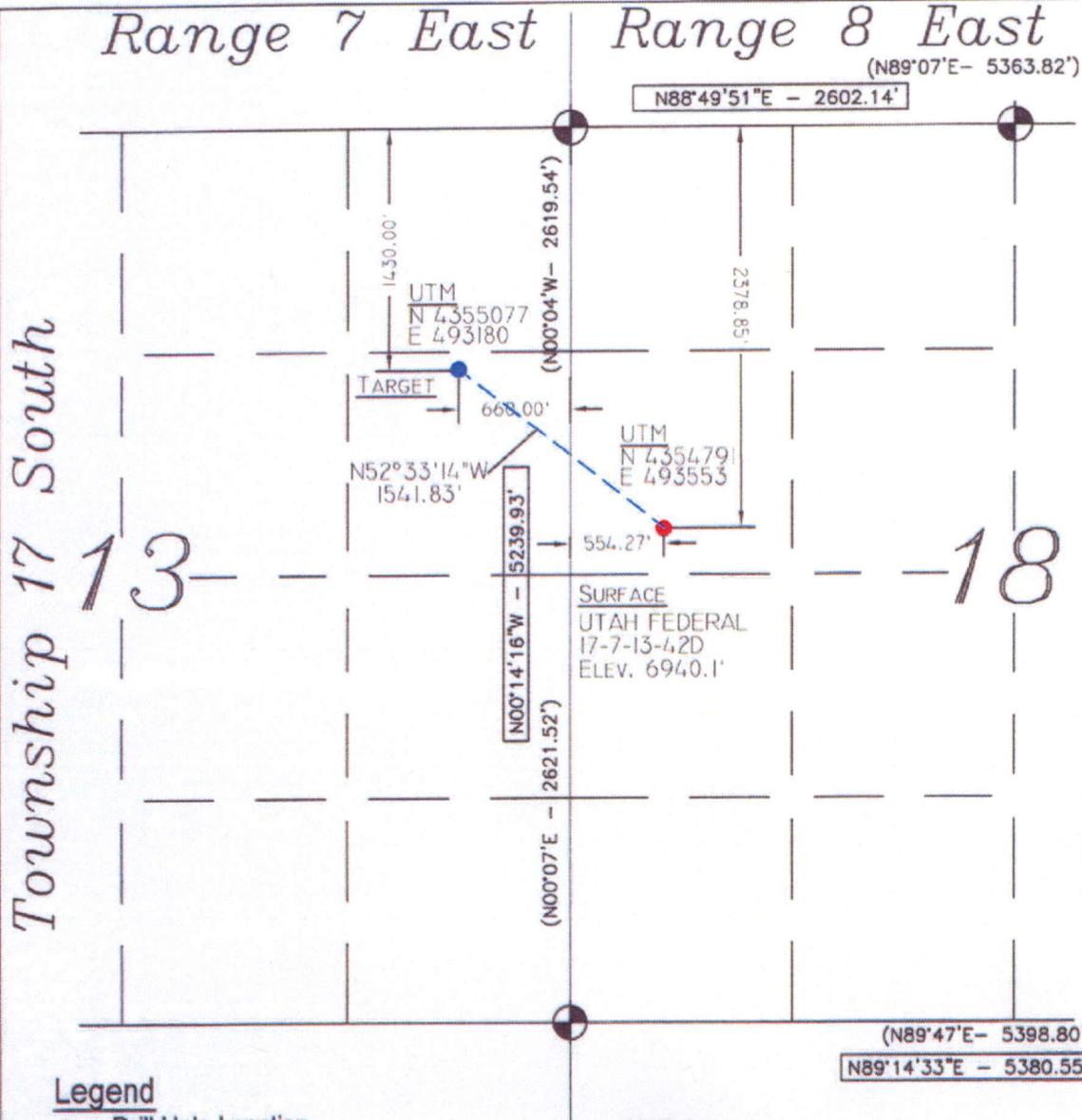
TITLE **Regulatory Compliance Tech**

SIGNATURE *Kelly K. Small*

DATE **8/26/2008**

(This space for State use only)

RECEIVED
SEP 02 2008



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 6508.0' being at the Northeast Section corner of Section 12, Township 17 South, Range 7 East, Salt Lake Base & Meridian, as shown on the Red Point Quadrangle 7.5 Minute Series Map.

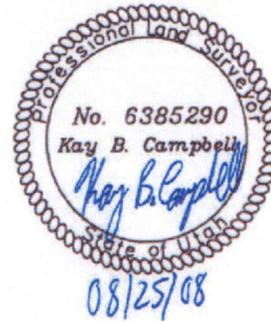
Description of Location:

Surface Location
Proposed Drill Hole located in the SW/4 NW/4 of Section 18, T17S, R8E, S.L.B.&M., being South 2378.85' from North Line and East 554.27' from West Line of Section 18, T17S, R8E, Salt Lake Base & Meridian.

Target Location
Proposed Target located in the SE/4 NE/4 of Section 13, T17S, R7E, S.L.B.&M., being South 1430.00' from North Line and West 668.00' from East Line of Section 13, T17S, R7E, Salt Lake Base & Meridian.

Surveyor's Certificate:

I, Kay B. Campbell, a Professional Land Surveyor, holding Certificate 6385290 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.
615 North 400 East P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonsetv.net

UTAH FEDERAL 17-7-13-42D
Section 18, T17S, R8E, S.L.B.&M.
Emery County, Utah

Drawn By N. BUTKOVICH	Checked By L.W.J./A.J.S.
Drawing No. A-1	Date 4/29/05
	Scale 1" = 1000'
Sheet 1 of 3	
Job No. 3382	

Legend

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

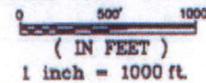
NOTES:

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

SURFACE	
LAT / LONG	
39°20'39.869" N	
111°04'29.334" W	

TARGET	
LAT / LONG	
39°20'49.136" N	
111°04'44.927" W	

GRAPHIC SCALE



REVISION: 8/25/08
REVISION: 2/6/08
REVISION: 6/12/06
REVISION: 5/5/05

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: UTU-75666
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2379' FNL x 554' FWL COUNTY: EMERY		8. WELL NAME and NUMBER: UTAH FEDERAL 17-7-13-42D
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 18 17S 8E STATE: UTAH		9. API NUMBER: 4301530749
		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 checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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: <u>NEW CASING</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>CEMENT DESIGN</u>

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

Please find attached the new casing and cementing design for moving the 10 3/4" surface shoe from 300' to 500' as per condition #3 under "Drilling Program" for BLM granted approval of permit to drill (06/10/2008).

XTO would also like to respectfully request an amendment in the initial production hole outside diameter from 9.875" to 8.75" for enhanced directional control of this deviated wellbore. All pertinent & affected areas are attached in the amended drilling program.

This well was previously Utah Federal 17-7-13-32D, the sundry for this "Name Change" was submitted on (08/26/2008).

COPY SENT TO OPERATOR

Date: 12.18.2008

Initials: KS

NAME (PLEASE PRINT) <u>JENNIFER M. HEMBRY</u>	TITLE <u>REGULATORY CLERK</u>
SIGNATURE <u>Jennifer M. Hembry</u>	DATE <u>12/1/2008</u>

(This space for State use only)

**Accepted by the
Utah Division of
Oil, Gas and Mining**

Date: 12/17/08
By: [Signature]

Federal Approval Of This
Action Is Necessary

(See Instructions on Reverse Side)

RECEIVED

DEC 03 2008

DIV. OF OIL, GAS & MINING

XTO Energy, Inc.

Utah Federal 17-7-13-42D

Drilling Data for APD

December 1, 2008

Surface Location: 2379' FNL & 554' FWL, Sec. 18, T17S, R8E

Bottomhole Location: 1430' FNL & 660' FEL, Sec. 13, T17S, R7E

Proposed TD: 4792' MD / 4400' TVD

Objective: Ferron Coal

Approximate Elevation: 6940'

KB Elevation: 6952'

1. Mud Program:

Interval	0'-500'	300'-4792'
Hole Size	14.75"	8.75"
Mud Type	Air/Fresh Water/Spud Mud	Air/LSND/Gel Chemical
Weight	N/A	8.4-8.6 if needed
Viscosity	N/A	45-60 if needed
Water Loss	N/A	8-10 if needed

2. Casing Program:

a. Surface Casing set @ 500' 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	7.295	14.452	20.741

b. Production Casing set @ 4792' MD/4400' TVD 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	2.120	2.524	2.720

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.

4. Cement Program:

a. Surface: 350 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 ft³/sk.

i. Slurry Volume is 563 ft³, 100% excess of calculated annular volume to 500'.

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DEC 03 2008

DIV. OF OIL, GAS & MINING

b. Production:

- ii. 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.
- iii. Lead Cement: 80 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 10.5 ppg and 4.15 ft³/sk.
- iv. Tail Cement: 165 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 13.5 ppg and 1.81 ft³/sk.
- v. Slurry volume is 631 ft³, 40% excess of calculated annular volume to 1,000 psi hydrostatic over formation pressure.
- vi. 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.

6. Formation Tops:

Formation	Well Depth (MD/KB)
Upper Bluegate Shale	OC
Emery SS	747
Lower Bluegate Shale	2013
Top of Upper Ferron SS	4251
Top of Lower Ferron SS	4490
Tununk Shale	4693
Total Depth	4792

- c. No known oil zones will be penetrated.
- d. Gas bearing sandstones and coals will be penetrated from 4251' to 4693' MD.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-75666
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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: UT FED 17-7-13-42D
------------------------------------	---

2. NAME OF OPERATOR: XTO ENERGY INC	9. API NUMBER: 43015307490000
---	---

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: 2379 FNL 0554 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNW Section: 18 Township: 17.0S 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		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/12/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER:

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

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

Approved by the Utah Division of Oil, Gas and Mining

Date: August 13, 2009

By:

NAME (PLEASE PRINT) Eden Fine	PHONE NUMBER 505 333-3664	TITLE Permitting Clerk
SIGNATURE N/A	DATE 8/11/2009	



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 43015307490000

API: 43015307490000

Well Name: UT FED 17-7-13-42D

Location: 2379 FNL 0554 FWL QTR SWNW SEC 18 TWNP 170S RNG 080E MER S

Company Permit Issued to: XTO ENERGY INC

Date Original Permit Issued: 8/12/2008

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: 8/11/2009 Title: Permitting Clerk Representing: XTO ENERGY INC

Date: August 13, 2009

By: [Signature]

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-75666
---	--

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: UT FED 17-7-13-42D
------------------------------------	---

2. NAME OF OPERATOR: XTO ENERGY INC	9. API NUMBER: 43015307490000
---	---

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: 2379 FNL 0554 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNW Section: 18 Township: 17.0S 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		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/12/2011 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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 23, 2010

By:

NAME (PLEASE PRINT) Eden Fine	PHONE NUMBER 505 333-3664	TITLE Permitting Clerk
SIGNATURE N/A	DATE 8/12/2010	



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 43015307490000

API: 43015307490000

Well Name: UT FED 17-7-13-42D

Location: 2379 FNL 0554 FWL QTR SWNW SEC 18 TWNP 170S RNG 080E MER S

Company Permit Issued to: XTO ENERGY INC

Date Original Permit Issued: 8/12/2008

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: 8/12/2010 Title: Permitting Clerk Representing: XTO ENERGY INC

Date: August 23, 2010

By: [Signature]

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
UTU-75666

6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

7. If Unit of CA/Agreement, Name and/or No.

2. Name of Operator
XTO ENERGY INC.

8. Well Name and No.
UT FED 17-7-13-42D

3a. Address
382 CR 3100 AZTEC, NM 87410

3b. Phone No. (include area code)
505-333-3100

9. API Well No.
4301530749

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2379 FNL 0554 FWL Qtr/Qtr: SWNW Section: 18 Township: 17.0S Range: 08.0E Meridian: S

10. Field and Pool or Exploratory Area
BUZZARD BENCH

11. Country or Parish, State
EMERY

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Extension</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

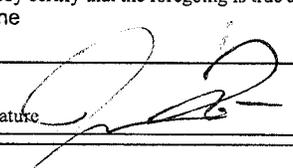
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

XTO hereby requests an extension on the Federal Permit for the referenced well.

APPROVED thru **JUN 09 2012**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Eden Fine

Title Permitting Clerk

Signature 

Date 08/11/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

SEP 09 2010

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

PRICE FIELD OFFICE

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.

RECEIVED

(Instructions on page 2)

COPY

SEP 23 2010

UDOGM

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-75666
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 Gas Well		8. WELL NAME and NUMBER: UT FED 17-7-13-42D
2. NAME OF OPERATOR: XTO ENERGY INC		9. API NUMBER: 43015307490000
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: 2379 FNL 0554 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNW Section: 18 Township: 17.0S 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	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/8/2012 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> APD EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER OTHER: <input style="width: 50px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
XTO Energy hereby requests a one (1) year extension of the State APD for the referenced well.		
<p style="color: red; font-weight: bold; margin: 0;">Approved by the Utah Division of Oil, Gas and Mining</p> <p style="color: red; font-weight: bold; margin: 0;">Date: <u>08/09/2011</u></p> <p style="color: red; font-weight: bold; margin: 0;">By: <u></u></p>		
NAME (PLEASE PRINT) Krista Wilson	PHONE NUMBER 505 333-3647	TITLE Permitting Tech
SIGNATURE N/A		DATE 8/8/2011



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 43015307490000

API: 43015307490000

Well Name: UT FED 17-7-13-42D

Location: 2379 FNL 0554 FWL QTR SWNW SEC 18 TWNP 170S RNG 080E MER S

Company Permit Issued to: XTO ENERGY INC

Date Original Permit Issued: 8/12/2008

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

Signature: Krista Wilson

Date: 8/8/2011

Title: Permitting Tech **Representing:** XTO ENERGY INC

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-75666
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: UT FED 17-7-13-42D
2. NAME OF OPERATOR: XTO ENERGY INC	9. API NUMBER: 43015307490000
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: 2379 FNL 0554 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNW Section: 18 Township: 17.0S 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		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 5/31/2013	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

XTO Energy requests a one (1) year extension of the State APD for the referenced well.

Approved by the Utah Division of Oil, Gas and Mining

Date: August 28, 2012

By:

NAME (PLEASE PRINT) Richard L. Redus	PHONE NUMBER 303 397-3712	TITLE Regulatory
SIGNATURE N/A	DATE 8/10/2012	



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 43015307490000

API: 43015307490000

Well Name: UT FED 17-7-13-42D

Location: 2379 FNL 0554 FWL QTR SWNW SEC 18 TWNP 170S RNG 080E MER S

Company Permit Issued to: XTO ENERGY INC

Date Original Permit Issued: 8/12/2008

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

Signature: Richard L. Redus

Date: 8/10/2012

Title: Regulatory

Representing: XTO ENERGY INC



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

October 15, 2013

XTO Energy Inc.
382 Road 3100
Aztec, NM 87410

43 015 30749
Ut Fed 17-7-13-42D
17S 8E 18

Re: APDs Rescinded for XTO Energy Inc., Uintah & Duchesne County

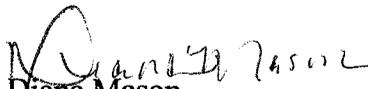
Ladies and Gentlemen:

Enclosed find the list of APDs that is being rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective October 15, 2013.

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

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

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal
SITLA, Ed Bonner

43-047-38419	LCU 16-10H
43-047-38420	LCU 5-11H
43-047-38422	LCU 13-11H
43-047-38423	LCU 15-11H
43-047-38424	LCU 16-11H
43-047-38421	LCU 10-11H
43-015-30758	UT FED 18-7-3-33
43-015-30759	UT FED 18-7-35-22D (State Surface)
43-047-40292	RBU 4-11F
43-047-40296	RBU 16-11F
43-047-40297	RBU 15-11F
43-015-30748	UT FED 17-7-13-44D (State Surface)
→ 43-015-30749	UT FED 17-7-13-42D (State Surface)



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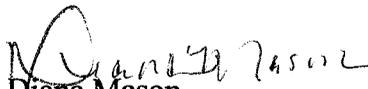
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