

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

FORM 3

AMENDED REPORT   
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>				5. MINERAL LEASE NO: <b>UTU-74823</b>	6. SURFACE: <b>Federal</b>
1A. TYPE OF WORK: <b>DRILL</b> <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>	
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: <b>N/A</b>	
2. NAME OF OPERATOR: <b>XTO ENERGY INC.</b>				9. WELL NAME and NUMBER: <b>Utah Federal 17-7-35-22</b>	
3. ADDRESS OF OPERATOR: <b>382 CR 3100</b> CITY <b>AZTEC</b> STATE <b>NM</b> ZIP <b>87410</b>			PHONE NUMBER: <b>(505) 333-3100</b>	10. FIELD AND POOL, OR WILDCAT: <b>Ferron Sanstone/Buzzard Benc</b>	
4. LOCATION OF WELL (FOOTAGES)  AT SURFACE: <b>2589' FNL x 1853' FWL</b> <b>490730X</b> <b>39.300582</b>  AT PROPOSED PRODUCING ZONE: <b>Same</b> <b>4349930Y</b> <b>-111.107508</b>				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SENW 35 17S 7E S</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>Approximately 6 miles Northwest of Orangeville, Utah</b>				12. COUNTY: <b>EMERY</b>	13. STATE: <b>UTAH</b>
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) <b>2691'</b>		16. NUMBER OF ACRES IN LEASE: <b>2277.95</b>		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: <b>Lse basis</b>	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) <b>2021'</b>		19. PROPOSED DEPTH: <b>4,415</b>		20. BOND DESCRIPTION: <b>UTB000138</b>	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): <b>6,776' Ground Elevation</b>		22. APPROXIMATE DATE WORK WILL START: <b>8/5/2008</b>		23. ESTIMATED DURATION: <b>2 weeks</b>	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
14.75"	10.75"	J-55	40.5#	300	Type V	+/- 223 sx	1.61 ft3/sx    14.2 ppg
8.75"	5.5	J-55	15.5#	4,415	CBM light wt-lead	+/-90 sx	4.15 ft/3 sx    10.5 ppg
8.75"	5.5"	J-55	15.5#	4,415	CBM light wt-tail	+/- 160 sx	1.81 ft3/sx    13.5 ppg

25. **ATTACHMENTS**

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

<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) Kelly K. Small                      TITLE Regulatory Compliance  
SIGNATURE *Kelly K. Small*                      DATE 6/4/2008

(This space for State use only)

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

API NUMBER ASSIGNED: 43-815-30754                      APPROVAL: \_\_\_\_\_

Date: 06-10-08  
By: *[Signature]*

**RECEIVED**  
**JUN 06 2008**  
DIV. OF OIL, GAS & MINING

Federal Approval of this Action is Necessary

(11/2001)

# Range 7 East

Township 11 South

(S89°59'W - 2637.36')

(S89°59'W - 2637.36')

(N00°02'E - 2639.34')

(N00°08'E - 2642.64')

(N00°01'22"E - 2638.19')

(N00°01'W - 2640.66')

(N00°14'W - 2623.50')

1853.20'  
CALC.

UTM  
N 4349926  
E 490728

2589.48'  
CALC.

UTAH FEDERAL  
17-7-35-22  
ELEV. 6775.7'

35

ELEV. 6687.0'

(N89°53'E - 2701.38')

(N89°53'E - 2576.64')

## Legend

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

## NOTES:

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

LAT / LONG  
39°13'01.957" N  
111°05'27.111" W

## Location:

The well location was determined using a Trimble 5700 GPS survey grade unit.

## Basis of Bearing:

The Basis of Bearing is GPS Measured.

## GLO Bearing:

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

## Basis of Elevation:

Basis of Elevation of 6687' being at the Northwest Section corner of Section 2, Township 18 South, Range 7 East, Salt Lake Base & Meridian, as shown on the Red Point Quadrangle 7.5 Minute Series Map.

## Description of Location:

Proposed Drill Hole located in the SE/4 NW/4 of Section 35, T17S, R7E, S.L.B.&M., being South 2589.48' from North Line and East 1853.20' from West Line of Section 35, T17S, R7E, Salt Lake Base and 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.

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UTAH FEDERAL 17-7-35-22  
Section 35, T17S, R7E, S.L.B.&M.  
Emery County, Utah

Drawn By N. BUTKOVICH	Checked By L.W.J./A.J.S
Drawing No. A-1	Date: 4/17/08
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 3434

## GRAPHIC SCALE

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

# XTO Energy, Inc.

Utah Federal 17-7-35-22

Drilling Data for APD

May 29, 2008

Surface Location: 2589' FNL & 1853' FWL, Sec. 35, T17S, R7E

Proposed TD: 4415'

Approximate Elevation: 6776'

Objective: Ferron Coal

KB Elevation: 6787'

## 1. Mud Program:

Interval	0'-300'	300'-4415'
Hole Size	12.25"	7.875"
Mud Type	Air/Mist	Air/LSND/Gel Chemical
Weight	N/A	8.4-8.6
Viscosity	N/A	45-60
Water Loss	N/A	8-10

- a. Air drill to TD using produced water for mist fluid unless excessive water flow is encountered then switch to water based mud. If mud is required, use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing.
- b. 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.
- c. 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.
- d. Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected.
- e. 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 12.25" hole.

9.625,36 #/ft, J-55, ST&C, New, ( 8.921" ID, 8.765" Drift)					
Collapse Press	Burst Press	Joint Strength	SF Collapse	SF Burst	SF Tension
2020	3520	394	15.060	26.240	36.480

- b. Production Casing set @ 4415' 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	2.113	2.515	2.952

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 Larkin Fig 92 (or equivalent), 10" nominal, 2,000 psig WP (4,000 psig test) with 9-5/8" 8rnd thread on bottom and 10-3/4" 8rnd 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.

4. Cement Program:

- a. Surface: 117 sx of Type V cement (or equivalent) containing 1% CaCl, 1/4 pps Flocele, and 10% Cal\_Seal mixed at 14.2 ppg and 1.61 ft<sup>3</sup>/sk.
- i. Slurry Volume is 188 ft<sup>3</sup>, 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: 50 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 10.5 ppg and 4.15 ft<sup>3</sup>/sk.
- iii. Tail Cement: 105 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 13.5 ppg and 1.81 ft<sup>3</sup>/sk.
- iv. Slurry volume is 398 ft<sup>3</sup>, 40% excess of calculated annular volume to 1,000 psi hydrostatic over formation pressure.

5. Logging Program

- a. Mud logger: The mud logger will come on after surface pipe is set (at about 2800') 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 Triple Combo from TD to the bottom of the surface casing.

6. Formation Tops:

Formation	Well Depth
Upper Bluegate Shale	Outcrops
Emery Sandstone	860
Lower Bluegate Shale	1965
Top of Upper Ferron SS	3940
Top of Lower Ferron SS	4115
Top of Tununk Shale	4285
Total Depth	4415

- a. No known oil zones will be penetrated.
- b. Gas bearing sandstones and coals will be penetrated from 3940' to 4415'.
- 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. 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:

<b>Name</b>	<b>Title</b>	<b>Office Phone</b>	<b>Mobile Phone</b>
John Egelston	Drilling Engineer	505.564.6734	505.330.6902
Brent Martin	Drilling Manager	505-333-3110	505.320.4074
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	

## Application for Permit to Drill Surface Use Plan

Company: XTO Energy, Inc  
Well No: Utah Federal 17-7-35-22  
Location: 2589' FNL & 1853' FWL, Section 35, 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 Orangeville, Utah: North on State Road 29 to overpass. Turn right (north) onto State Road 57. Continue north 3.1 miles to a gas field road. Turn right (east) on gas field road. Continue northeast 0.14 miles to T intersection. Turn right and cont 0.4 miles to location.
- c. Contact the County Road Department for use of County Roads: County road permits will be researched and submitted if required.
- d. Plans for improvement and/or maintenance of existing roads: All existing roads within 1 mile of the drill site are shown on Exhibit "B". All roads that will be used to the well location will be maintained to their current conditions or better.
- e. Other Comments: None

#### 2. Planned Access Roads

- a. Location of Access Road: Starting from a point along an existing road in the SW/4 of Section 35, T17S, R7E.
- b. Length of New Road: 1940' of road will need to be constructed to access this location.
- c. Length of Existing Road to Upgrade: No existing roads should need upgrades to access this location.
- d. Maximum Disturbed Width: Typically new access roads require up to 60' of disturbed width which includes ROW for gas and water pipe lines and electric service.
- e. Travel Width of Access Road: 25' or less.

- f. **Maximum Grade after Construction:** Maximum grades will not exceed 10% after construction.
- g. **Turnouts Planned:** No Turnouts are planned at this time.
- h. **Surface Materials:** Only native materials will be used if additional construction is required. If necessary, gravel or rock may be purchased and used to improve road conditions and travel.
- i. **Drainage (crowning, ditching, culverts, etc.):** Roads will be re-crowned and bar ditches, if necessary, will be located 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. See Exhibit "C" for the proposed pipeline route.
- e. Power lines: Power lines are located underground in the same ROW as the water and gas pipelines.

5. Location and Type of Water Supply:

- a. All water required for drilling will be purchased from local municipal water supply. If possible, currently produced coal well water may also be used after receiving any necessary permits. Water will be trucked to location by a third party trucking company who specializes in water hauling.
- b. Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of land.

6. Source of Construction Material:

- a. Pad construction material will be obtained from (if the source is Federally owned, show location on a map): All construction material will be purchased from private land owners or from a commercial gravel/materials pit. The use of materials will conform to 43 CFR § 3610.2-3, if applicable.
- b. The use of materials under State of Utah jurisdiction will conform to 43CFR § 3610.2-3, if applicable.

7. Methods of Handling Waste Disposal:

- a. Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc. The reserve pit will be located along the edge and within the boundaries of the designated well pad. The walls of the pit will be sloped at no greater than 2 to 1 and will be lined with a synthetic material of approximately 12 mills in thickness. The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. The amount of time the pit may remain open will typically be specified by the COA's. Once dry, the liner will be cut and removed at the mud line and the pit will be covered and buried in place.
- b. Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than the completion of drilling operations.
- c. Sewage from trailers and chemical portable toilets will be removed on a regular basis by a third party contractor and disposed of at an authorized sanitary waste facility.
- d. Any and all chemicals used during the drilling and completion of the well will be kept to a minimum and stored within the boundaries of the well pad. The third party chemical contractor will be responsible for containment and clean-up and removal of all spilled chemicals on location.

8. Ancillary Facilities:

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

9. Well Site Layout:

- a. Depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. See Exhibit "D" & "E".
- b. All equipment and vehicles that will be used to drill and complete this well will remain within the boundaries of the approved well pad. Any equipment and or vehicles parked or stored off the location will be considered trespassing on federal lands and will NOT be tolerated.

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

10. Plans for Restoration of the Surface:

- a. The top 6 inches of topsoil material will be removed from the location and stockpiled separately on Adjacent Land or as specified by the approved APD.
- b. Topsoil along the access road will be reserved in place adjacent to the road.
- c. Within 30-45 days after completion of well, all equipment that is not necessary for production shall be removed.
- d. The reserve pit and that portion of the location not needed for production will be reclaimed 90-120 days after completion of the well.
- e. Before any dirt work to restore the location takes place, the reserve pit must be ready for burial.
- f. All road surfacing will be removed prior to the rehabilitation of roads.
- g. Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.
- h. All disturbed areas will be re-contoured to replicate the natural slope.
- i. The stockpiled topsoil will be evenly distributed over the disturbed area.
- j. Prior to reseeded, 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 and minerals are owned by the Federal Government and are managed by the Bureau of Land Management: 125 South 600 West, Price, Utah, 84501, 435.636.3100.

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. Federal on-site took place on **February 27, 2008 with Nathan Sill-BLM, David Waller-BLM, David Watson-BLM, Jeffery Brown – BLM, Ray Jensen-BLM, Kyla Vaughan-XTO, Kevin Waller-XTO, Park Kilpack – Nielson Const, & Allen Childs (Talon).**

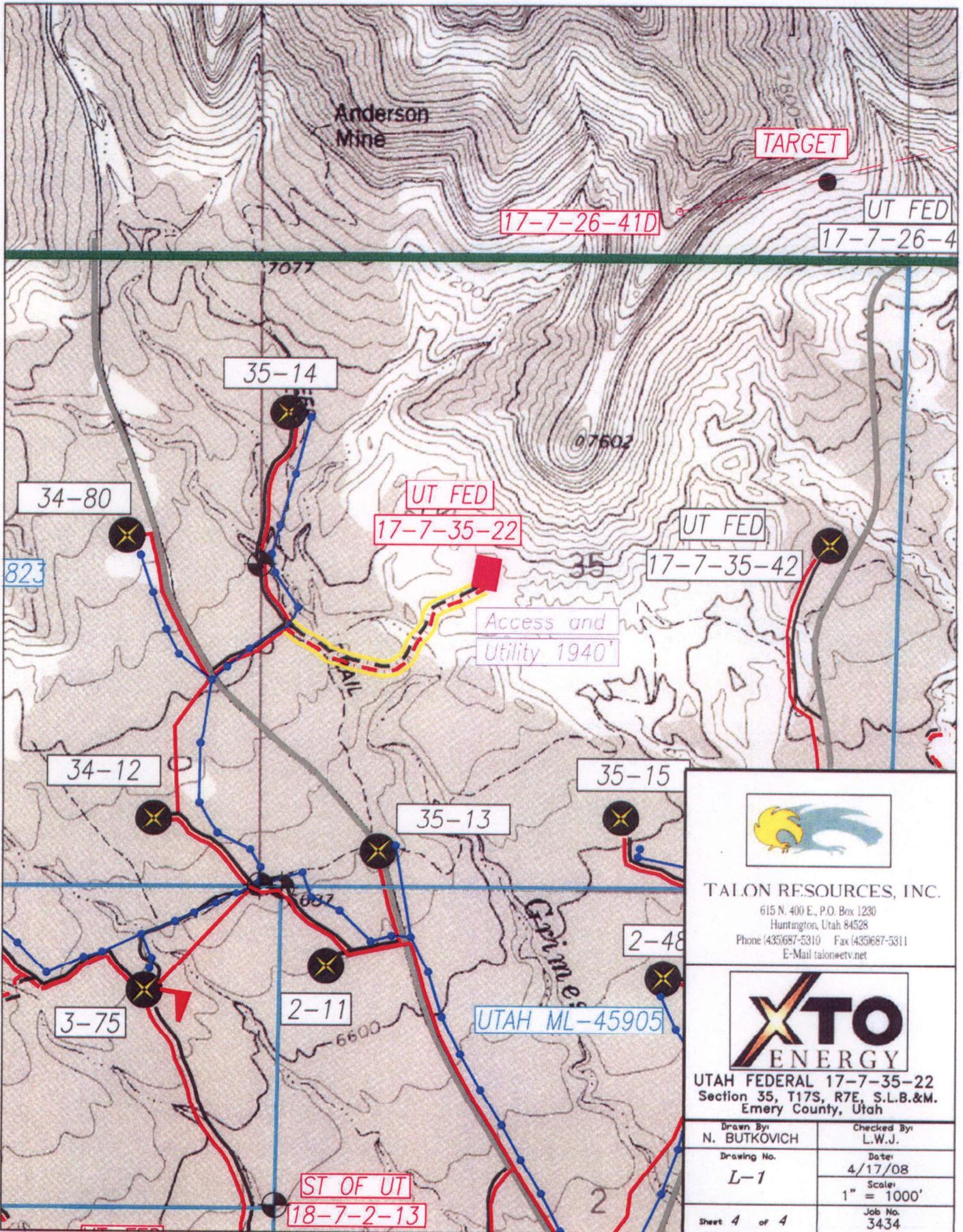


TN 12°

0.0 0.5 1.0 1.5 2.0 2.5 3.0 3.5 miles  
 0 1 2 3 4 5 km  
 Map created with TOPO! © 2003 National Geographic (www.nationalgeographic.com/topo)

EXHIBIT A



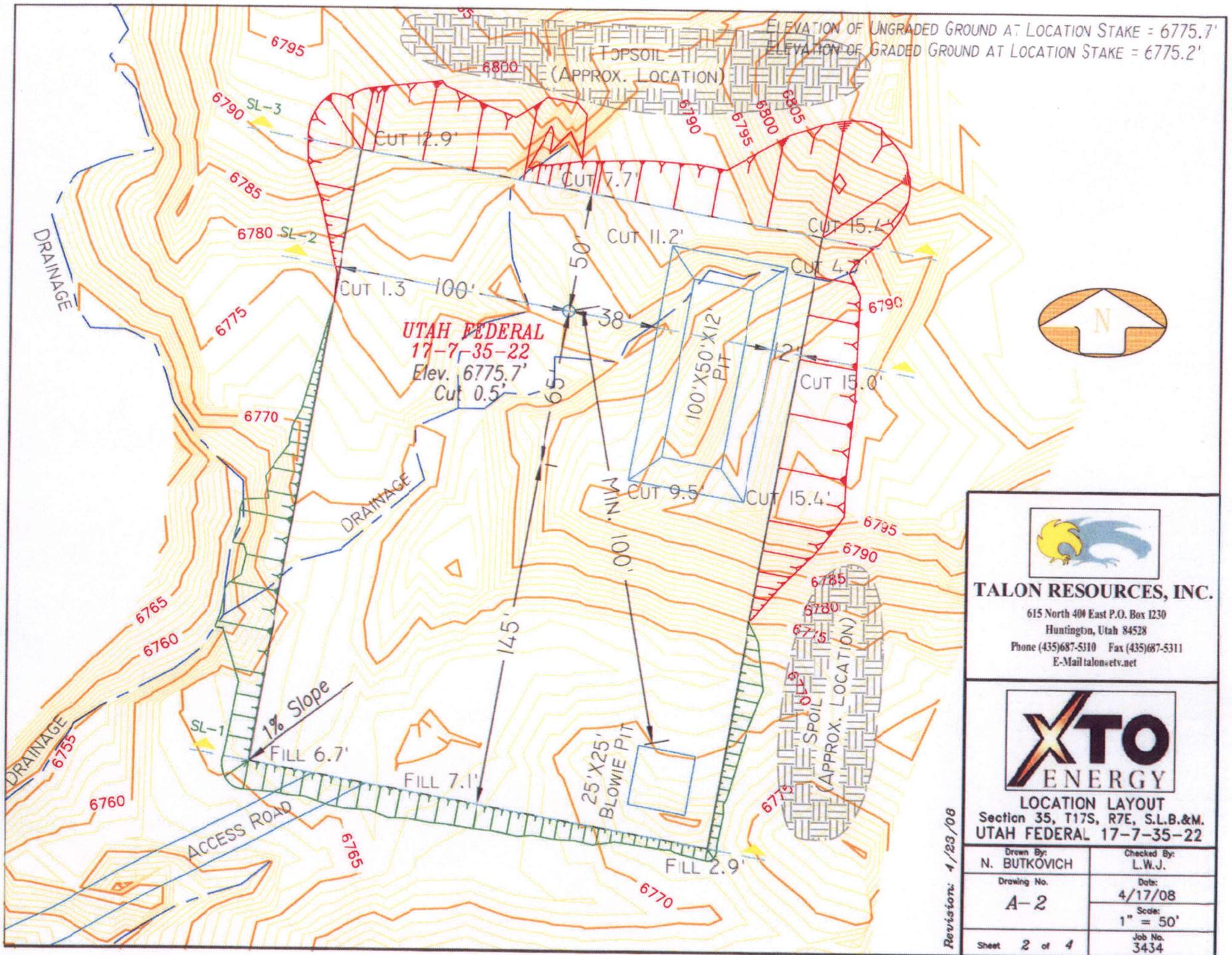


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 E-Mail talon@etv.net



UTAH FEDERAL 17-7-35-22  
 Section 35, T17S, R7E, S.L.B.&M.  
 Emery County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. L-1	Date: 4/17/08
	Scale: 1" = 1000'
Sheet 4 of 4	Job No. 3434



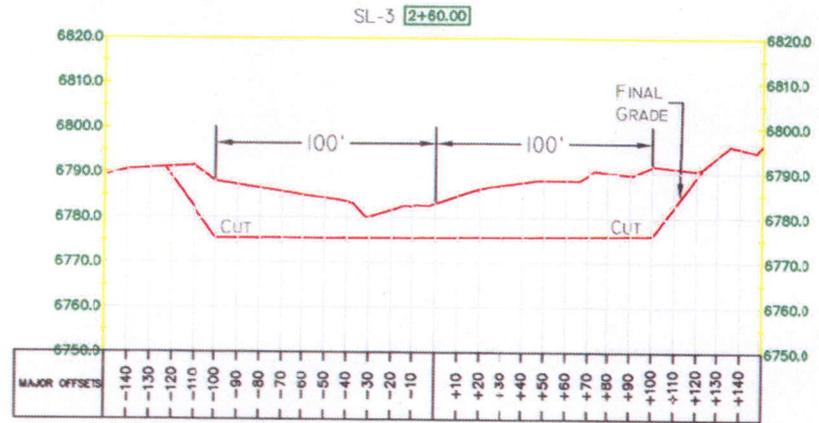
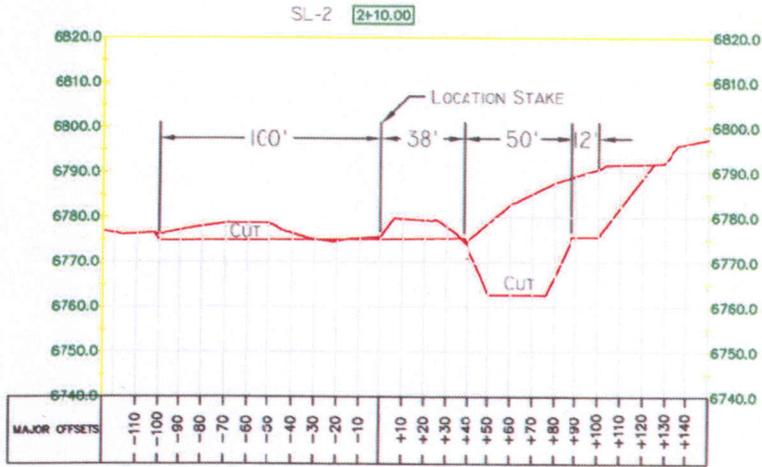
**TALON RESOURCES, INC.**  
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 E-Mail talon-etv.net

**XTO ENERGY**  
 LOCATION LAYOUT  
 Section 35, T17S, R7E, S.L.B.&M.  
 UTAH FEDERAL 17-7-35-22

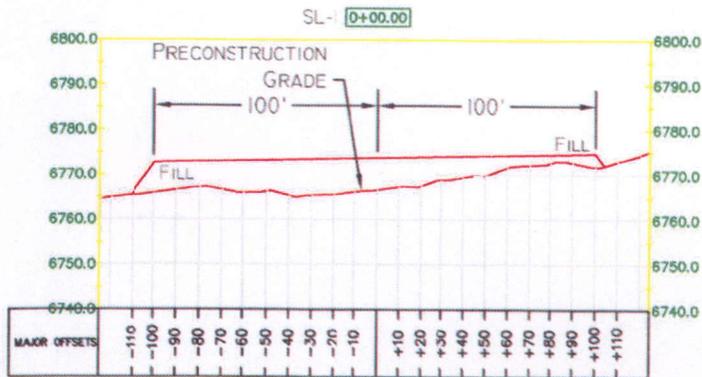
Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. A-2	Date: 4/17/08
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 3434

Revision: 4/23/08

EXHIBIT



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



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

APPROXIMATE YARDAGES

(6") TOPSOIL STRIPPING = 965 Cu. Yds.  
 TOTAL CUT (INCLUDING PIT) = 9,610 Cu. Yds.  
 TOTAL FILL = 5,400 Cu. Yds.



**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



**TYPICAL CROSS SECTION**  
 Section 35, T17S, R7E, S.L.B.&M.  
 UTAH FEDERAL 17-7-35-22

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. <b>C-1</b>	Date: 4/17/08
	Scale: 1" = 80'
Sheet 3 of 4	Job No. 3434

Operator Certification:

a. Permitting and Compliance:

Kelly Small  
Regulatory Compliance  
XTO Energy Inc.  
382 CR 3100  
Aztec NM 87410  
505-333-3100

b. Drilling and Completions:

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

c. Certification:

I hereby certify that, I or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; 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 in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or XTO Energy Inc., are responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 4th day of June, 2008.

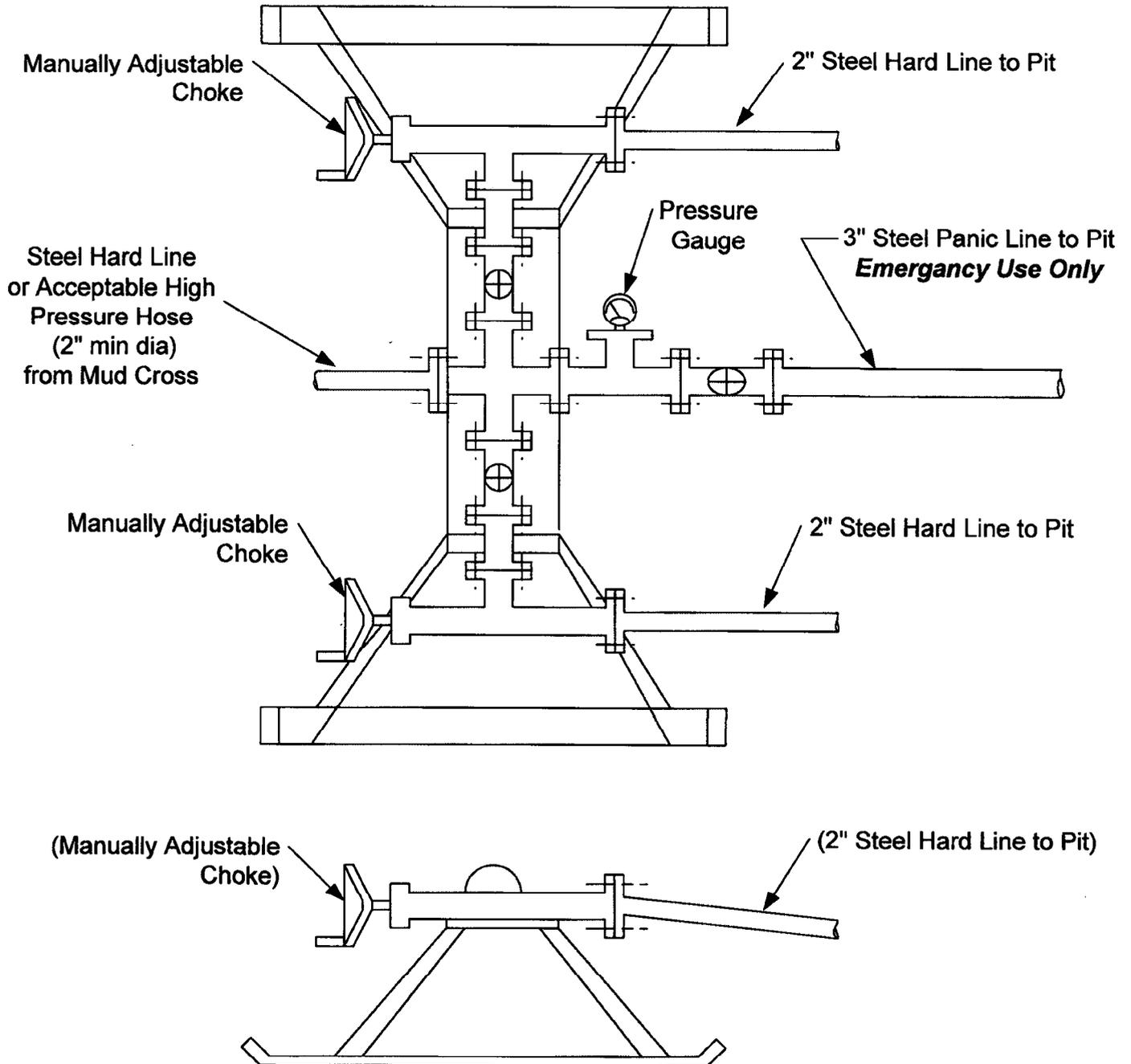
Signature: \_\_\_\_\_

*Kelly Small*  
Kelly Small

# CHOKES 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.

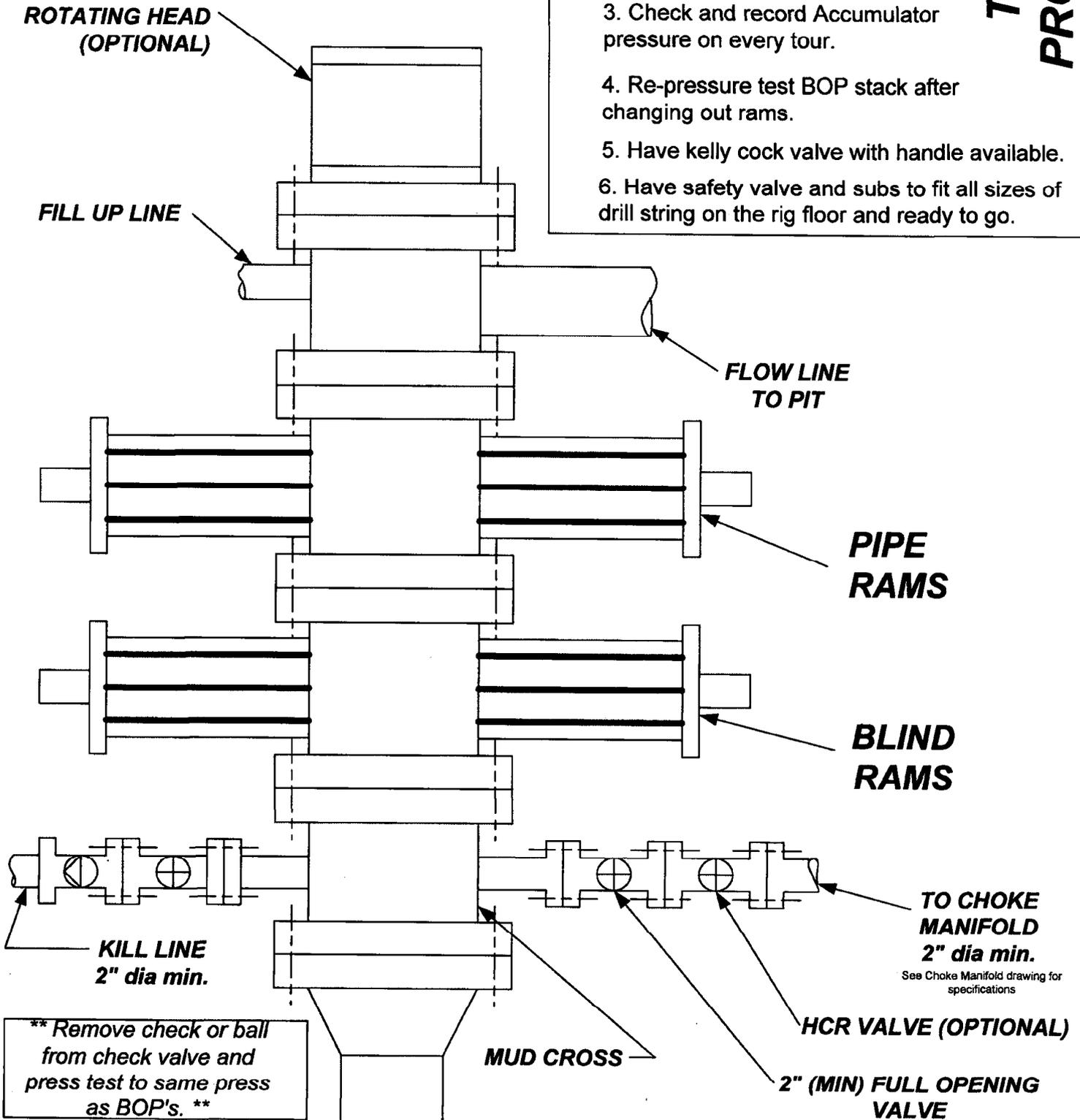
**TESTING  
PROCEDURE**



# 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.



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/06/2008

API NO. ASSIGNED: 43-015-30754

WELL NAME: UT FED 17-7-35-22

OPERATOR: XTO ENERGY INC ( N2615 )

PHONE NUMBER: 505-333-3100

CONTACT: KELLY SMALL

PROPOSED LOCATION:

SENW 35 170S 070E

SURFACE: 2589 FNL 1853 FWL

BOTTOM: 2589 FNL 1853 FWL

COUNTY: EMERY

LATITUDE: 39.30058 LONGITUDE: -111.1075

UTM SURF EASTINGS: 490730 NORTHINGS: 4349930

FIELD NAME: BUZZARD BENCH ( 132 )

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

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-74823

SURFACE OWNER: 1 - Federal

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)

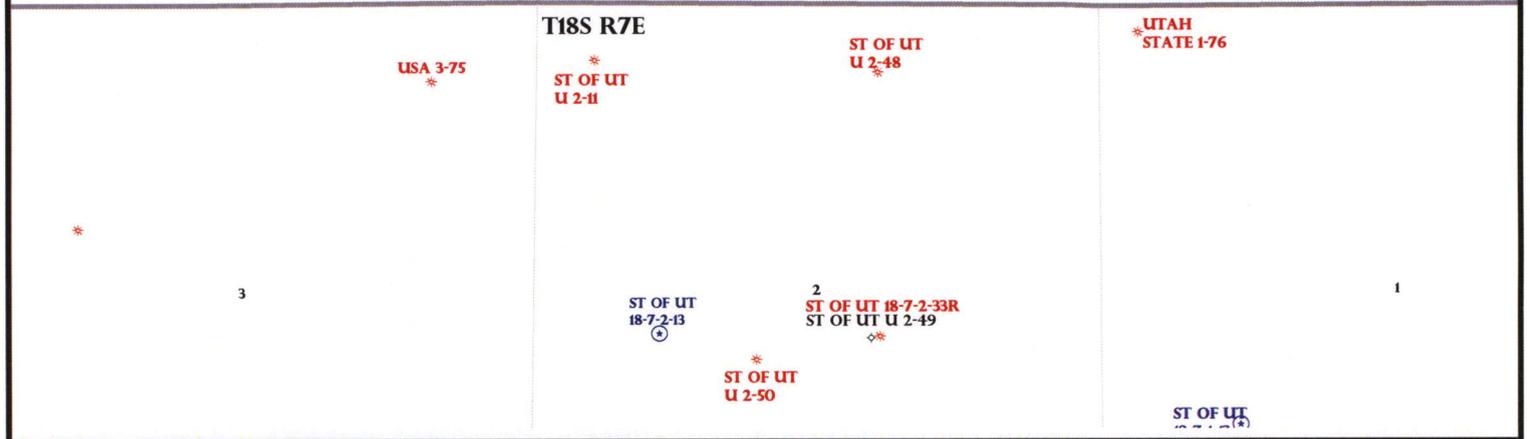
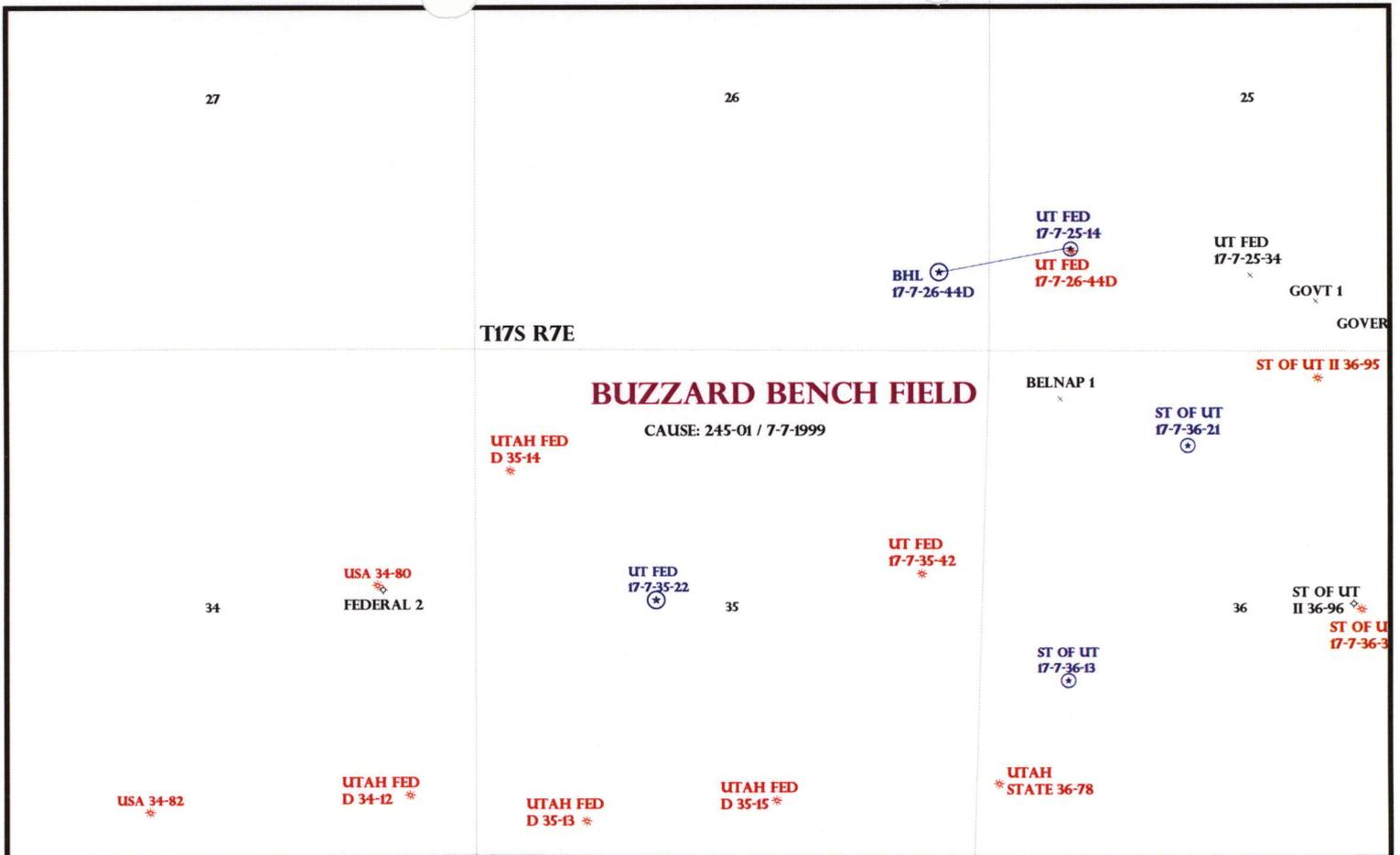
LOCATION AND SITING:

- 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: 245-01  
Eff Date: 7-7-1999  
Siting: 440' from boundary & 9920' from other wells
- R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

*1-Federal Approval*



OPERATOR: XTO ENERGY INC (N2615)

SEC: 35 T.17S R. 7E

FIELD: BUZZARD BENCH (132)

COUNTY: EMERY

CAUSE: 245-01 / 7-7-1999



- 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

- 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



PREPARED BY: DIANA MASON  
DATE: 09-JUNE-2008



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

June 10, 2008

XTO Energy Inc.  
382 CR 3100  
Aztec, NM 87410

Re: Utah Federal 17-7-35-22 Well, 2589' FNL, 1853' FWL, SE NW, Sec. 35, 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 43-015-30754.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

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



Operator: XTO Energy Inc.

Well Name & Number Utah Federal 17-7-35-22

API Number: 43-015-30754

Lease: UTU-74823

Location: SE NW                      Sec. 35              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 with 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 office      (801) 733-0983 home

3. Reporting Requirements

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

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

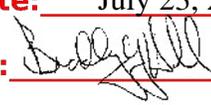
<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-74823
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> UT FED 17-7-35-22
<b>2. NAME OF OPERATOR:</b> XTO ENERGY INC	<b>9. API NUMBER:</b> 43015307540000
<b>3. ADDRESS OF OPERATOR:</b> 382 Road 3100 , Aztec, NM, 87410	<b>PHONE NUMBER:</b> 505 333-3159 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2589 FNL 1853 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENW Section: 35 Township: 17.0S Range: 07.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> BUZZARD BENCH  <b>COUNTY:</b> EMERY  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 6/10/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> 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"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> 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: _____

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**  
 XTO hereby requests a one year extension on state permit for the referenced well.

Approved by the  
 Utah Division of  
 Oil, Gas and Mining

Date: July 23, 2009  
 By: 

<b>NAME (PLEASE PRINT)</b> Eden Fine	<b>PHONE NUMBER</b> 505 333-3664	<b>TITLE</b> Permitting Clerk
<b>SIGNATURE</b> N/A		<b>DATE</b> 7/17/2009



**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 43015307540000**

**API:** 43015307540000

**Well Name:** UT FED 17-7-35-22

**Location:** 2589 FNL 1853 FWL QTR SENW SEC 35 TWNP 170S RNG 070E MER S

**Company Permit Issued to:** XTO ENERGY INC

**Date Original Permit Issued:** 6/10/2008

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

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

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

**Signature:** Eden Fine

**Date:** 7/17/2009

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

**Date:** July 23, 2009

**By:** 

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-74823
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<b>2. NAME OF OPERATOR:</b> XTO ENERGY INC	<b>9. API NUMBER:</b> 43015307540000
<b>3. ADDRESS OF OPERATOR:</b> 382 Road 3100 , Aztec, NM, 87410	<b>PHONE NUMBER:</b> 505 333-3159 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2589 FNL 1853 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENW Section: 35 Township: 17.0S Range: 07.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> BUZZARD BENCH  <b>COUNTY:</b> EMERY  <b>STATE:</b> UTAH

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

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<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 6/11/2011	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
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	<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: _____

**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:** June 23, 2010

**By:**

<b>NAME (PLEASE PRINT)</b> Eden Fine	<b>PHONE NUMBER</b> 505 333-3664	<b>TITLE</b> Permitting Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/17/2010	



**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 43015307540000**

**API:** 43015307540000

**Well Name:** UT FED 17-7-35-22

**Location:** 2589 FNL 1853 FWL QTR SENW SEC 35 TWNP 170S RNG 070E MER S

**Company Permit Issued to:** XTO ENERGY INC

**Date Original Permit Issued:** 6/10/2008

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.

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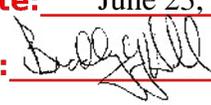
**Approved by the  
Utah Division of  
Oil, Gas and Mining**

**Signature:** Eden Fine

**Date:** 6/17/2010

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

**Date:** June 23, 2010

**By:** 

**RECEIVED** June 17, 2010

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-74823
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<b>3. ADDRESS OF OPERATOR:</b> 382 Road 3100 , Aztec, NM, 87410	<b>PHONE NUMBER:</b> 505 333-3159 Ext
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**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:** June 23, 2010

**By:**

<b>NAME (PLEASE PRINT)</b> Eden Fine	<b>PHONE NUMBER</b> 505 333-3664	<b>TITLE</b> Permitting Clerk
<b>SIGNATURE</b> N/A		<b>DATE</b> 6/17/2010



**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 43015307540000**

**API:** 43015307540000

**Well Name:** UT FED 17-7-35-22

**Location:** 2589 FNL 1853 FWL QTR SENW SEC 35 TWNP 170S RNG 070E MER S

**Company Permit Issued to:** XTO ENERGY INC

**Date Original Permit Issued:** 6/10/2008

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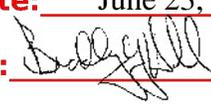
**Approved by the  
Utah Division of  
Oil, Gas and Mining**

**Signature:** Eden Fine

**Date:** 6/17/2010

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

**Date:** June 23, 2010

**By:** 

**RECEIVED** June 17, 2010

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-74823
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.		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
		<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> UT FED 17-7-35-22	
<b>2. NAME OF OPERATOR:</b> XTO ENERGY INC	<b>9. API NUMBER:</b> 43015307540000	
<b>3. ADDRESS OF OPERATOR:</b> 382 Road 3100 , Aztec, NM, 87410	<b>PHONE NUMBER:</b> 505 333-3159 Ext	<b>9. FIELD and POOL or WILDCAT:</b> BUZZARD BENCH
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2589 FNL 1853 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENW Section: 35 Township: 17.0S Range: 07.0E Meridian: S	<b>COUNTY:</b> EMERY	
		<b>STATE:</b> UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 6/1/2012  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> 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>06/06/2011</u></p> <p style="color: red; font-weight: bold; margin: 0;">By: <u></u></p>		
<b>NAME (PLEASE PRINT)</b> Krista Wilson	<b>PHONE NUMBER</b> 505 333-3647	<b>TITLE</b> Permitting Tech
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/1/2011	



**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 43015307540000**

**API:** 43015307540000

**Well Name:** UT FED 17-7-35-22

**Location:** 2589 FNL 1853 FWL QTR SENW SEC 35 TWNP 170S RNG 070E MER S

**Company Permit Issued to:** XTO ENERGY INC

**Date Original Permit Issued:** 6/10/2008

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:** 6/1/2011

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

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>	
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.	
<b>1. TYPE OF WELL</b> Gas Well	<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-74823
<b>2. NAME OF OPERATOR:</b> XTO ENERGY INC	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>3. ADDRESS OF OPERATOR:</b> 382 Road 3100 , Aztec, NM, 87410	<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>PHONE NUMBER:</b> 505 333-3145 Ext	<b>8. WELL NAME and NUMBER:</b> UT FED 17-7-35-22
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	<b>9. FIELD and POOL or WILDCAT:</b> BUZZARD BENCH
	<b>COUNTY:</b> EMERY
	<b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 4/30/2013	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> 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"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> 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"/> <b>APD EXTENSION</b>
	<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:** June 05, 2012

**By:**

<b>NAME (PLEASE PRINT)</b> Richard L. Redus	<b>PHONE NUMBER</b> 303 397-3712	<b>TITLE</b> Regulatory
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/4/2012	



**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 43015307540000**

API: 43015307540000

Well Name: UT FED 17-7-35-22

Location: 2589 FNL 1853 FWL QTR SENW SEC 35 TWP 170S RNG 070E MER S

Company Permit Issued to: XTO ENERGY INC

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- Is bonding still in place, which covers this proposed well?  Yes  No

Signature: Richard L. Redus

Date: 6/4/2012

Title: Regulatory

Representing: XTO ENERGY INC



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Green River District, Price Field Office  
125 South 600 West  
Price, UT 84501  
<http://www.blm.gov/ut/st/en/fo/price.html>

MAR 04 2014

RECEIVED

MAR 07 2014

IN REPLY REFER TO:  
3160 (UTG021)  
UTU-74823

DIV. OF OIL, GAS & MINING

CERTIFIED MAIL—RETURN RECEIPT REQUESTED  
#7011-0470-0002-7399-5065

XTO Energy Inc.  
810 Houston St. #2000  
Fort Worth, Texas 76102-6298

Re: Well No. Utah Federal 17-7-35-22  
SENW-Sec.35-T17S-R7E  
Emery County, Utah  
Lease No. UTU-74823

43 015 30754

To Whom It May Concern:

The application for permit to drill (APD) the above referenced well, submitted June 9, 2008, is being returned unapproved. In a letter dated December 20, 2013, the Bureau of Land Management, Price Field Office requested you contact us within 30 days if you were still interested in conducting drilling operations on the above mentioned well.

As of this date, BLM has not heard from you concerning this APD. If you intend to drill this location at a future date, a new APD must be submitted.

If you have any questions regarding this matter, please contact Leslie Peterson at (435) 636-3661.

Sincerely,

Ahmed Mohsen  
Associate Field Manager

Enclosure

cc:

Utah Division of Oil Gas and Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84116