

May 18, 2007

Mrs. Diana Mason  
State of Utah  
Division of Oil Gas and Mining  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

RE: Application for Permit to Drill—Dominion Exploration & Production, Inc.  
**AP #12-2J** – 1,786' FSL & 521' FWL, NW/4 SW/4,  
Section 2, T11S, R19E, SLB&M, Uintah County, Utah

Dear Mrs. Mason:

On behalf of Dominion Exploration & Production, Inc. (Dominion), Buys & Associates, Inc. respectfully submits the enclosed original and one copy of the Application for Permit to Drill (APD) for the above referenced State administered vertical well. Included with the APD is the following supplemental information:

Exhibit "A" - Survey plats, layouts and photos of the proposed well site;

Exhibit "B" - Proposed location maps with access and pipeline corridors;

Exhibit "C" - Production site layout;

Exhibit "D" - Drilling Plan;

Exhibit "E" - Surface Use Plan;

Exhibit "F" - Typical BOP and Choke Manifold diagram.

Please accept this letter as Dominion's, written request for confidential treatment of all information contained in and pertaining to this application.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Barbara Lester of Dominion at 405-749-5237 if you have any questions or need additional information.

Sincerely,

*Don Hamilton*

Don Hamilton  
Agent for Dominion

cc: Fluid Mineral Group, BLM—Vernal Field Office  
Barbara Lester, Dominion  
Ken Secrest, Dominion

**RECEIVED**

**MAY 22 2007**

**DIV. OF OIL, GAS & MINING**

**ORIGINAL**

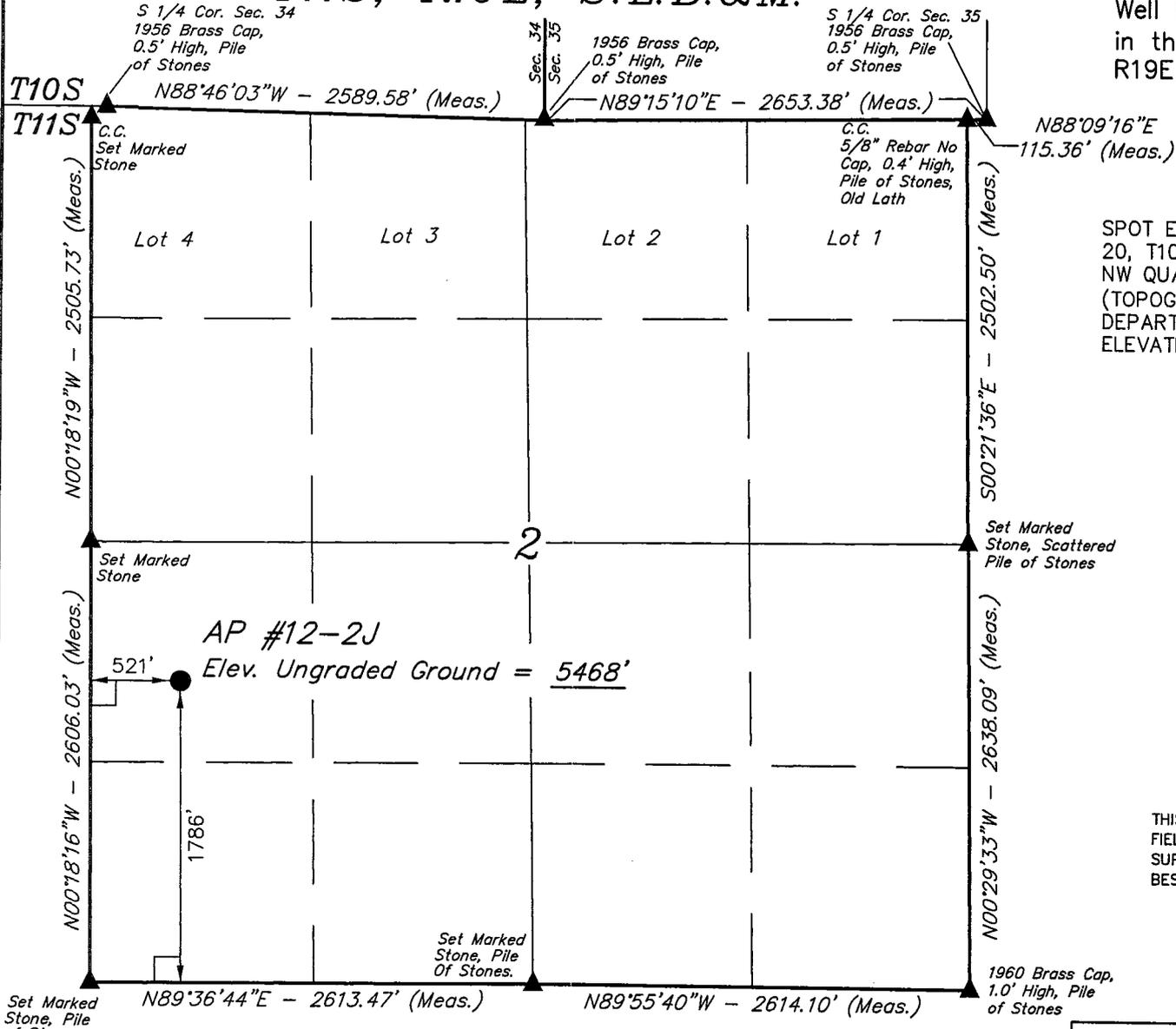
**CONFIDENTIAL**



# T11S, R19E, S.L.B.&M.

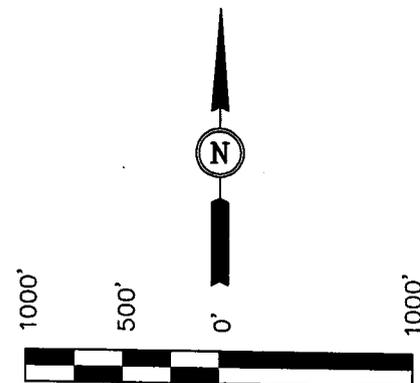
# DOMINION EXPLR. & PROD., INC.

Well location, AP #12-2J, located as shown in the NW 1/4 SW 1/4 of Section 2, T11S, R19E, S.L.B.&M. Uintah County, Utah.



## BASIS OF ELEVATION

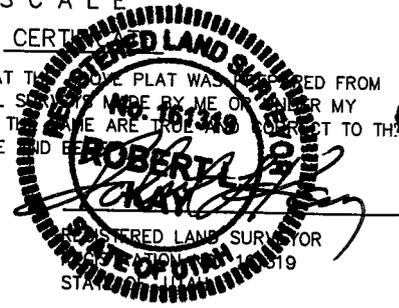
SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R19E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NW QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.



## SCALE

CERTIFICATE

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



## BASIS OF BEARINGS

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

(NAD 83)  
 LATITUDE = 39°53'13.40" (39.887056)  
 LONGITUDE = 109°45'59.69" (109.766581)  
 (NAD 27)  
 LATITUDE = 39°53'13.53" (39.887092)  
 LONGITUDE = 109°45'57.19" (109.765886)

## LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

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

SCALE 1" = 1000'	DATE SURVEYED: 5-4-06	DATE DRAWN: 5-5-06
PARTY J.W. J.K. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE DOMINION EXPLR. & PROD., INC.	

**DRILLING PLAN**

**APPROVAL OF OPERATIONS**

**Attachment for Permit to Drill**

**Name of Operator:** Dominion Exploration & Production  
**Address:** 14000 Quail Springs Parkway, Suite 600  
Oklahoma City, OK 73134  
**Well Location:** AP 12-2J  
1786' FSL & 521' FWL  
Section 2-11S-19E  
Uintah County, UT

1. GEOLOGIC SURFACE FORMATION Uintah

2. ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

<u>Formation</u>	<u>Depth</u>
Wasatch Tongue	3,765'
Uteland Limestone	4,105'
Wasatch	4,255'
Chapita Wells	5,135'
Uteland Buttes	6,275'
Mesaverde	7,070'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS

<u>Formation</u>	<u>Depth</u>	<u>Type</u>
Wasatch Tongue	3,765'	Oil
Uteland Limestone	4,105'	Oil
Wasatch	4,255'	Gas
Chapita Wells	5,135'	Gas
Uteland Buttes	6,275'	Gas
Mesaverde	7,070'	Gas

4. PROPOSED CASING PROGRAM

All casing used to drill this well will be new casing.

<u>Type</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Conn.</u>	<u>Top</u>	<u>Bottom</u>	<u>Hole</u>
Surface	8-5/8"	32.0 ppf	J-55	STC	0'	2,000'	12-1/4"
Production	5-1/2"	17.0 ppf	MAV-80	LTC	0'	9,500'	7-7/8"

Note: The drilled depth of the surface hole and the setting depth of the surface casing may vary from 1,700' to 2,000'. Should a lost circulation zone be encountered while drilling, casing will be set approximately 300' below the lost circulation zone. If no lost circulation zone is encountered, casing to be set at 2,000'±.

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

Surface hole: No BOPE will be utilized. Air foam mist, rotating head and diverter system will be utilized.

Production hole: Prior to drilling out the surface casing shoe, 3,000 psi or greater BOP equipment will be installed. The pipe rams will be operated at least once per day from surface to total depth. The blind rams will be tested once per day from surface to total depth if operations permit.

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## DRILLING PLAN

### APPROVAL OF OPERATIONS

A diagram of the planned BOP equipment for normal drilling operations in this area is attached. As denoted there will be two valves and one check valve on the kill line, two valves on the choke line, and two adjustable chokes on the manifold system. The BOP "stack" will consist of two BOP rams (1 pipe, 1 blind) and one annular type preventer, all rated to a minimum of 3,000 psi working pressure.

The BOP equipment will be pressure tested prior to drilling out surface casing shoe and anytime a new casing string is set. All test pressures will be maintained for fifteen (15) minutes without any significant pressure decrease. Clear water will be circulated into the BOP stack and lines prior to pressure testing. The following test pressures will be used as a minimum for various equipment items.

1.	Annular BOP	1,500 psi
2.	Ram type BOP	3,000 psi
3.	Kill line valves	3,000 psi
4.	Choke line valves and choke manifold valves	3,000 psi
5.	Chokes	3,000 psi
6.	Casing, casinghead & weld	1,500 psi
7.	Upper kelly cock and safety valve	3,000 psi
8.	Dart valve	3,000 psi

#### 6. MUD SYSTEMS

- An air or an air/mist system may be used to drill to drill the surface hole until water influx becomes too great.
- KCL mud system will be used to drill well.
- The mud system will be monitored manually/visually.

<u>Depths</u>	<u>Mud Weight (ppg)</u>	<u>Mud System</u>
0' – 2,000'	8.4	Air foam mist, rotating head and diverter
2,000' – 9,500'	8.6	Fresh water/2% KCL/KCL mud system

#### 7. BLOOIE LINE

- An automatic igniter will not be installed on blooie line. The blooie will have a constant ignition source.
- A "target tee" connection will be installed on blooie line for 90° change of directions for abrasion resistance.
- "Target tee" connections will be a minimum of 50' from wellhead.
- The blooie line discharge will be a minimum of 80' from the wellhead.

#### 8. AUXILIARY EQUIPMENT TO BE USED

- a. Kelly cock.
- b. Full opening valve with drill pipe connection will be kept on floor. Valve will be used when the kelly is not in string.

#### 9. TESTING, LOGGING, AND CORING PROGRAMS TO BE FOLLOWED

- A drillstem test in the Wasatch Tongue is possible.
- One electric line wire-log will be run from total depth to surface casing.
- The gamma ray will be left on to record from total depth to surface casing.
- Other log curves (resistivities, porosity, and caliper) will record from total depth to surface casing.
- A dipmeter, percussion cores, or rotary cores may be run over selected intervals.

#### 10. ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED

- Expected BHP 1,500–2,000 psi (lower than normal pressure gradient).
- No abnormal temperature or pressures are anticipated.
- The formations to be penetrated do not contain known H<sub>2</sub>S gas.

#### 11. WATER SUPPLY

- No water pipelines will be laid for this well.
- No water well will be drilled for this well.
- Drilling water for this will be hauled on the road(s) shown in Attachment No. 3.
- Water will be hauled from: Water Permit # 43-10447 Section 9, Township 8 South, Range 20 East

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**DRILLING PLAN**

**APPROVAL OF OPERATIONS**

**12. CEMENT SYSTEMS**

**a. Surface Cement:**

- Drill 12-1/4" hole to 2,000'±, run and cement 8-5/8" to surface (depth to vary based on depth of lost circulation zone).
- Pump 20 bbls lightly weighted water spacer followed by 5 bbls fresh water. Displace with any available water.
- Casing to be run with: a) guide shoe b) insert float c) three (3) centralizers, one on each of first 3 joints d) stop ring for plug one joint off bottom e) bottom three joints thread locked f) pump job with bottom plug only. Casing to be centralized with a total of 8 centralizers.
- Cement the casing annulus to surface. Top out jobs to be performed if needed. Depending to depth of top of cement in the annulus, a 1" tubing string may or may not be utilized.

*See revision later in file*

<u>Type</u>	<u>Sacks</u>	<u>Interval</u>	<u>Density</u>	<u>Yield</u>	<u>Hole</u>	<u>Cement</u>
					<u>Volume</u>	<u>Volume</u>
Lead	219	0'-1,500'	11.0 ppg	3.82 CFS	619 CF	836 CF
Tail	236	1,500'-2,000'	15.6 ppg	1.18 CFS	206 CF	279 CF
Top Out	100	0'-200'	15.6 ppg	1.18 CFS	87 CF	118 CF

Surface design volumes based on 35% excess of gauge hole.

**Lead Mix:** Halliburton Premium Plus V blend. Blend includes Class "G" cement, gel, salt, gilsonite.  
 Slurry yield: 3.82 cf/sack      Slurry weight: 11.00 #/gal.  
 Water requirement: 22.95 gal/sack

**Tail Mix:** Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 2% bwoc Calcium Chloride + 44.3% fresh water.  
 Slurry yield: 1.18 cf/sack      Slurry weight: 15.60 #/gal.  
 Water requirement: 5.2 gal/sack

**Top Out:** Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 2% bwoc Calcium Chloride + 44.3% fresh water.  
 Slurry yield: 1.18 cf/sack      Slurry weight: 15.60 #/gal.  
 Water requirement: 5.2 gal/sack

**c. Production Casing Cement:**

- Drill 7-7/8" hole to 9,500'±, run and cement 5 1/2".
- Pump 20 bbl Mud Clean II unweighted spacer, followed by 20 Bbls fresh H2O spacer.
- Displace with 2% KCL.
- Production casing to be centralized with 30 centralizers.

<u>Type</u>	<u>Sacks</u>	<u>Interval</u>	<u>Density</u>	<u>Yield</u>	<u>Hole</u>	<u>Cement</u>
					<u>Volume</u>	<u>Volume</u>
Lead	90	3,455'-4,255'	11.5 ppg	3.12 CFS	139 CF	277 CF
Tail	1040	4,255'-9,500'	13.0 ppg	1.75 CFS	909 CF	1817 CF

Production design volumes are estimates based on 35% excess of gauge hole. Actual volumes will be calculated from caliper log to bring lead cement to 800' above top of Wasatch + 15% excess, and tail cement to top of Wasatch + 15% excess.

**Lead Mix:** Halliburton Prem Plus V blend. Blend includes Class "G" cement, gel, salt, gilsonite, EX-1 and HR-7.  
 Slurry yield: 3.12 cf/sack      Slurry weight: 11.60 #/gal.  
 Water requirement: 17.71 gal/sack  
 Compressives @ 130°F: 157 psi after 24 hours

**Tail Mix:** Halliburton HLC blend (Prem Plus V/JB flyash). Blend includes Class "G" cement, KCL, EX-1, Halad 322, & HR-5.  
 Slurry yield: 1.75 cf/sack      Slurry weight: 13.00 #/gal.  
 Water requirement: 9.09 gal/sack  
 Compressives @ 165°F: 905 psi after 24 hours

**13. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS**

Starting Date: September 2, 2007  
 Duration: 14 Days

**SURFACE USE PLAN**  
**CONDITIONS OF APPROVAL**

*Attachment for Permit to Drill*

**Name of Operator:** Dominion Exploration & Production  
**Address:** 14000 Quail Springs Parkway, Suite 600  
Oklahoma City, OK 73134  
**Well Location:** AP 12-2J  
1,786' FSL & 521' FWL  
Section 2-11S-19E  
Uintah County, UT

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

A state onsite inspection is pending at this time.

1. Existing Roads:

- a. The proposed well site is located approximately 14.70 miles southwest of Ouray, UT.
- b. Directions to the proposed well site have been attached at the end of Exhibit B.
- c. The use of roads under State and County Road Department maintenance are necessary to access the Kings Canyon area. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
- d. All existing roads will be maintained and kept in good repair during all phases of operation.
- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- f. Since no improvements are anticipated to the State, County, Tribal or BLM access roads no topsoil striping will occur.
- g. An off-lease federal right-of-way is not anticipated for the access road or utility corridor since both are located within the existing state lease area.

2. Planned Access Roads:

- a. From the existing AP 5-2J access road, an access is proposed trending northwest approximately 440' to the proposed well site. The access consists of entirely new disturbance and crosses no significant drainages. A road design plan is not anticipated at this time.
- b. The proposed access road will consist of a 24' travel surface within a 30' disturbed area.
- c. SITLA approval to construct and utilize the proposed access road is requested with this application.
- d. A maximum grade of 10% will be maintained throughout the project with no cuts and fills required to access the well.
- e. No turnouts are proposed.
- f. No culverts and one low water crossing is anticipated. Adequate drainage structures will be incorporated into the road.
- g. No surfacing material will come from SITLA, Federal or Indian lands.
- h. No gates or cattle guards are anticipated at this time.
- i. Surface disturbance and vehicular travel will be limited to the approved location access road.
- j. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. (1989).
- k. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- a. Exhibit B has a map reflecting these wells within a one mile radius of the proposed well.

4. Location of Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Calsbad Canyon to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this location; it will be surrounded by a dike of

sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.

- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A gas pipeline is associated with this application and is being applied for at this time. The proposed gas pipeline corridor will leave the east side of the well site and traverse 470' east to the proposed AP 5-2J pipeline corridor.
- i. The new gas pipeline will be a 10" or less steel surface line within a 20' wide utility corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline construction. A new pipeline length of approximately 470' is associated with this well.
- j. Dominion intends on installing the pipeline on the surface by welding many joints into long lengths, dragging the long lengths into position and then completing a final welding pass to join the long lengths together. Dominion intends on connecting the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

- a. The location and type of water supply has been addressed as number 11 within the previous drilling plan information.

6. Source of Construction Material:

- a. The use of materials will conform to 43 CFR 3610.2-3.
- b. No construction materials will be removed from SITLA, Federal or Tribal lands.
- c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Drill cuttings will be contained and buried on site.
- c. The reserve pit will be located outboard of the location and along the south side of the pad.
- d. The reserve pit will be constructed so as not to leak, break, or allow any discharge.

- e. The reserve pit will be lined with 16 mil minimum thickness plastic nylon reinforced liner material. The liner will overlay a felt liner pad. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- g. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.
- h. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to the approved Uintah County Landfill near Vernal, Utah.
- i. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- j. After initial clean-up, a 400 bbl tank will be installed to contain produced waste water. This water will be transported from the tank to an approved Dominion disposal well for disposal.
- k. Produced water from the production well will be disposed of at the RBU 13-11F or RBU 16-19F disposal wells in accordance with Onshore Order #7.
- l. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- m. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:

- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.

9. Well Site Layout: (See Exhibit B)

- a. The well will be properly identified in accordance with 43 CFR 3162.6.
- b. Access to the well pad will be from the east.

- c. The pad and road designs are consistent with SITLA specification
- d. A pre-construction meeting with responsible company representative, contractors and the SITLA will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be construction-staked prior to this meeting.
- e. The pad has been staked at its maximum size as reflected on the location layout; however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
- f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
- h. Diversion ditches will be constructed as shown around the well site to prevent surface waters from entering the well site area.
- i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
- j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.
- k. Pits will remain fenced until site cleanup.
- l. The blooie line will be located at least 100 feet from the well head.
- m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface:

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the SITLA or the appropriate County Extension Office.
- c. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- d. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.
- e. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the SITLA and the BLM.

11. Surface and Mineral Ownership:

- a. Surface Ownership – State of Utah – under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.
- b. Mineral Ownership – State of Utah – under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.

12. Other Information:

- a. AIA Archaeological has conducted a Class III archeological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by AIA Archaeological.
- b. Alden Hamblin has conducted a paleontological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Alden Hamblin.
- c. No drainage crossings that require additional State or Federal approval are being crossed.
- d. No raptor habitat is known to exist within 1 mile of the proposed wellsite.

13. Operator's Representative and Certification

<u>Title</u>	<u>Name</u>	<u>Office Phone</u>
Company Representative (Roosevelt)	Ken Secret	1-435-722-4521
Company Representative (Oklahoma)	Barbara Lester	1-405-749-5237
Agent for Dominion	Don Hamilton	1-435-719-2018

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 exists; 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 Dominion Exploration & Production, 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 under Dominion's State and BLM bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Signature: Don Hamilton Date: 5-18-07

# DOMINION EXPLR. & PROD., INC.

AP #12-2J

SECTION 2, T11S, R19E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 2.1 MILES BEGINNING OF THE PROPOSED ACCESS FOR THE #5-2J TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 440' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 56.7 MILES.

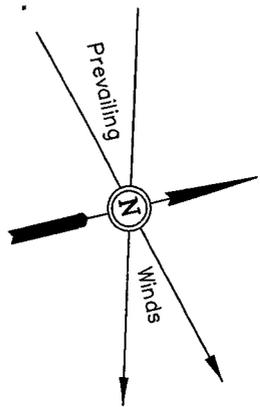
# MINION EXPLR. & PROD., INC.

## LOCATION LAYOUT FOR

AP #12-2J

SECTION 2, T11S, R19E, S.L.B.&M.

1786' FSL 521' FWL

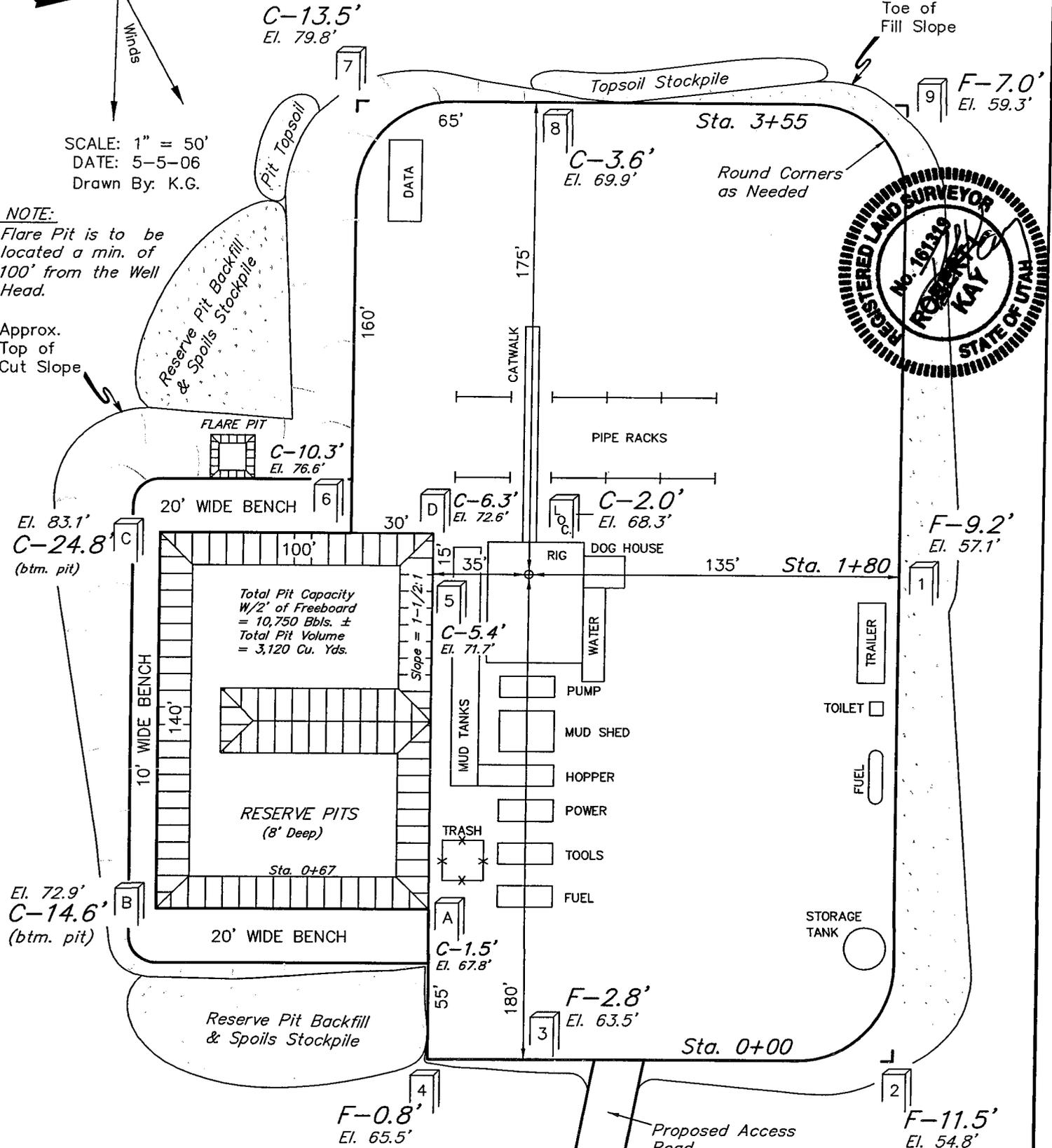


SCALE: 1" = 50'  
DATE: 5-5-06  
Drawn By: K.G.

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

Approx. Top of Cut Slope

Approx. Toe of Fill Slope



Total Pit Capacity  
W/2' of Freeboard  
= 10,750 Bbbls. ±  
Total Pit Volume  
= 3,120 Cu. Yds.

RESERVE PITS  
(8' Deep)

Reserve Pit Backfill  
& Spoils Stockpile

Elev. Ungraded Ground at Location Stake = 5468.3'  
Elev. Graded Ground at Location Stake = 5466.3'

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

MINION EXPLR. & PROD., INC.

TYPICAL CROSS SECTIONS FOR

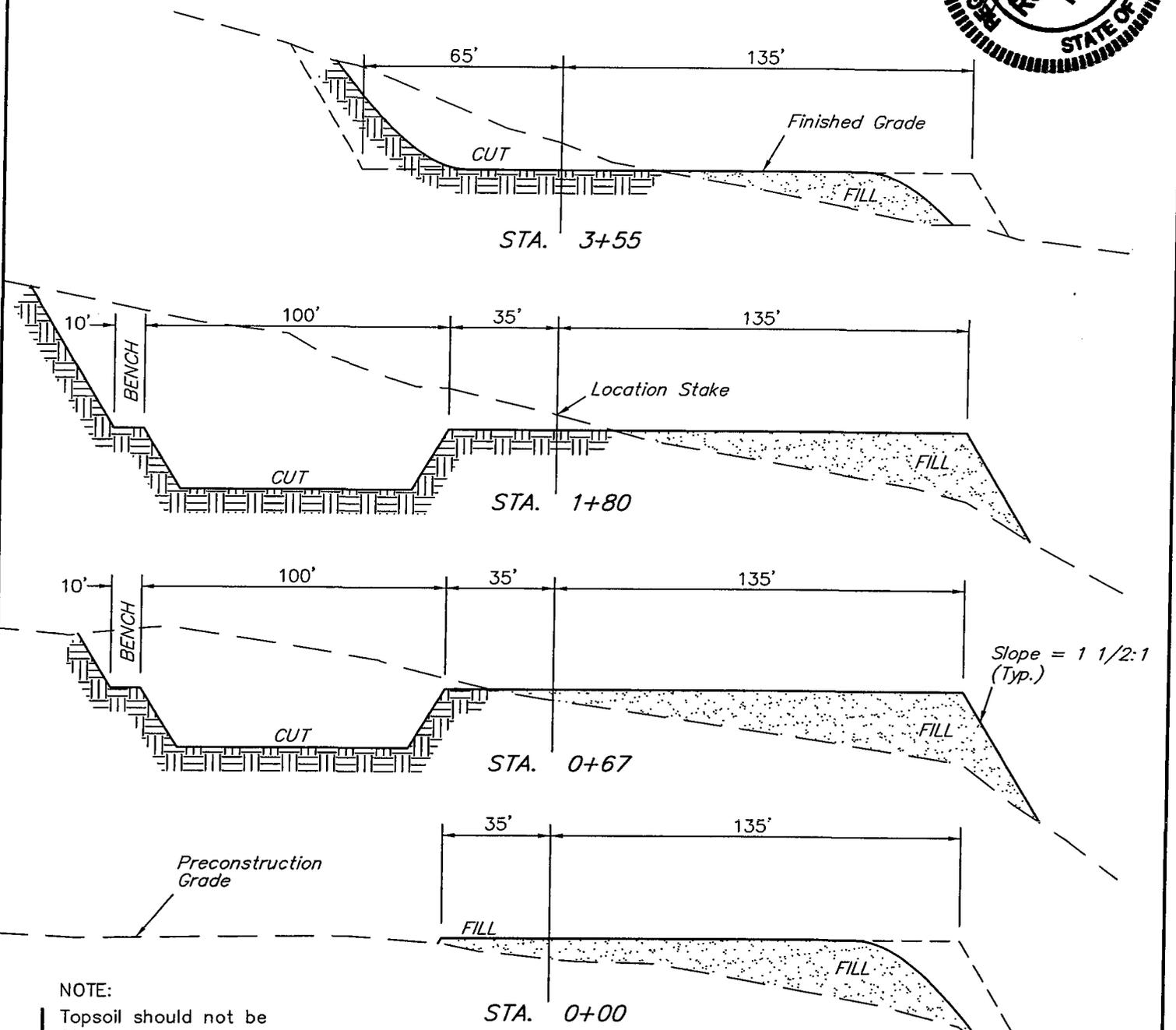
AP #12-2J

SECTION 2, T11S, R19E, S.L.B.&M.

1786' FSL 521' FWL



1" = 20'  
X-Section Scale  
1" = 50'  
DATE: 5-5-06  
Drawn By: K.G.



NOTE:

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

\* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 2,010 Cu. Yds.
Remaining Location	= 14,810 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 16,820 CU.YDS.</b>
<b>FILL</b>	<b>= 10,200 CU.YDS.</b>

EXCESS MATERIAL	= 6,620 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,570 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 3,050 Cu. Yds.

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

# DOMINION EXPLR. & PROD., INC.

AP #12-2J

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 2, T11S, R19E, S.L.B.&M.

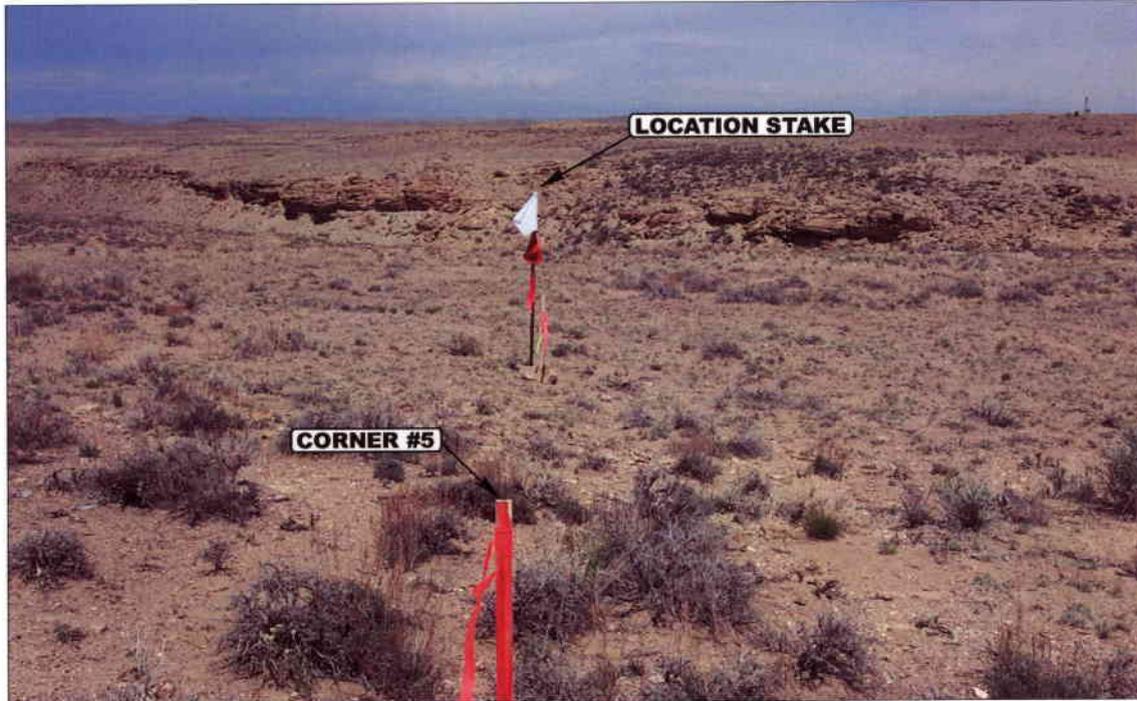


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

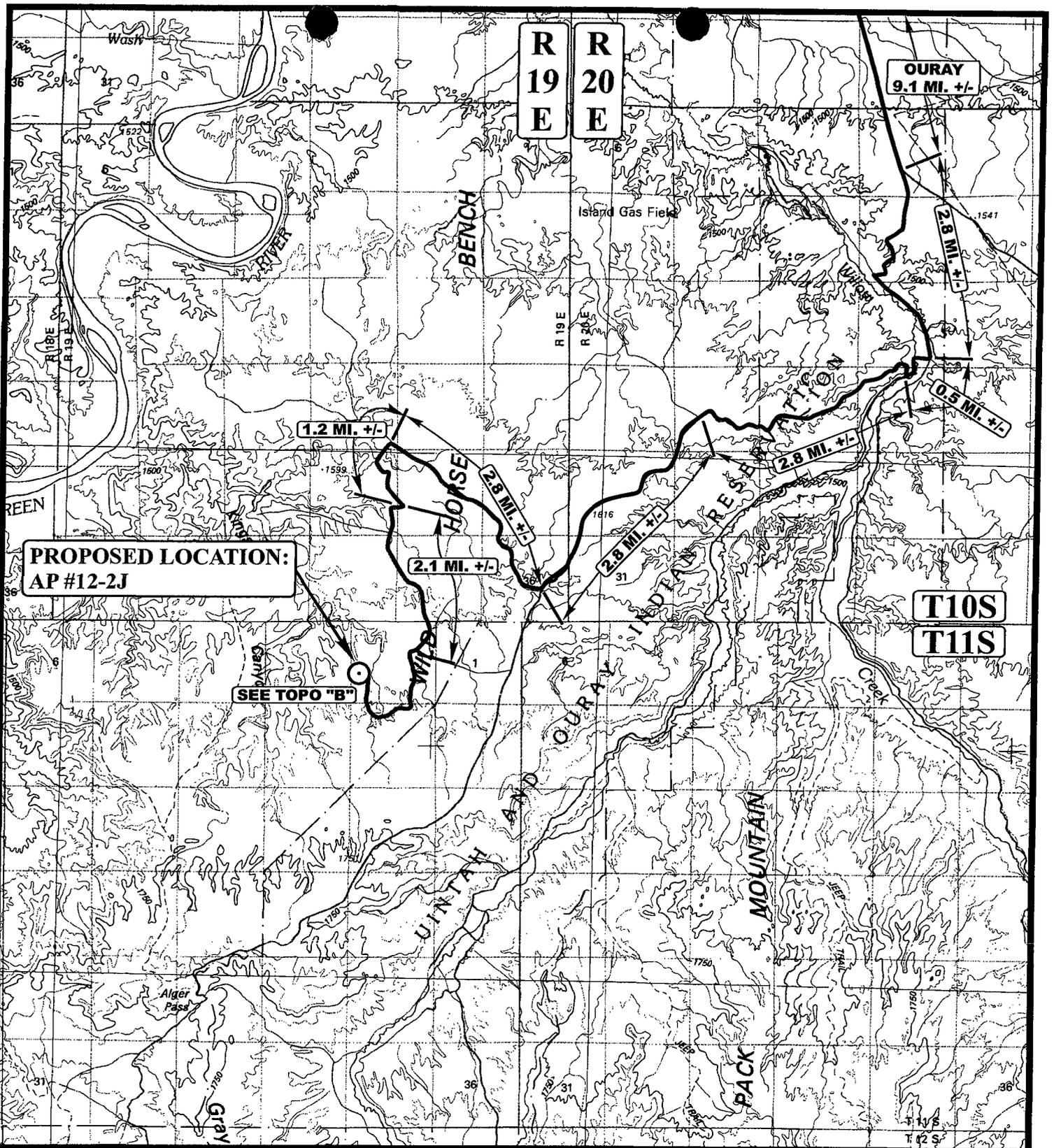
05 10 06  
MONTH DAY YEAR

PHOTO

TAKEN BY: J.W.

DRAWN BY: L.K.

REVISED: 00-00-00



**PROPOSED LOCATION:  
AP #12-2J**

**SEE TOPO "B"**

**LEGEND:**

○ PROPOSED LOCATION



**DOMINION EXPLR. & PROD., INC.**

AP #12-2J  
SECTION 2, T11S, R19E, S.L.B.&M.  
1786' FSL 521' FWL



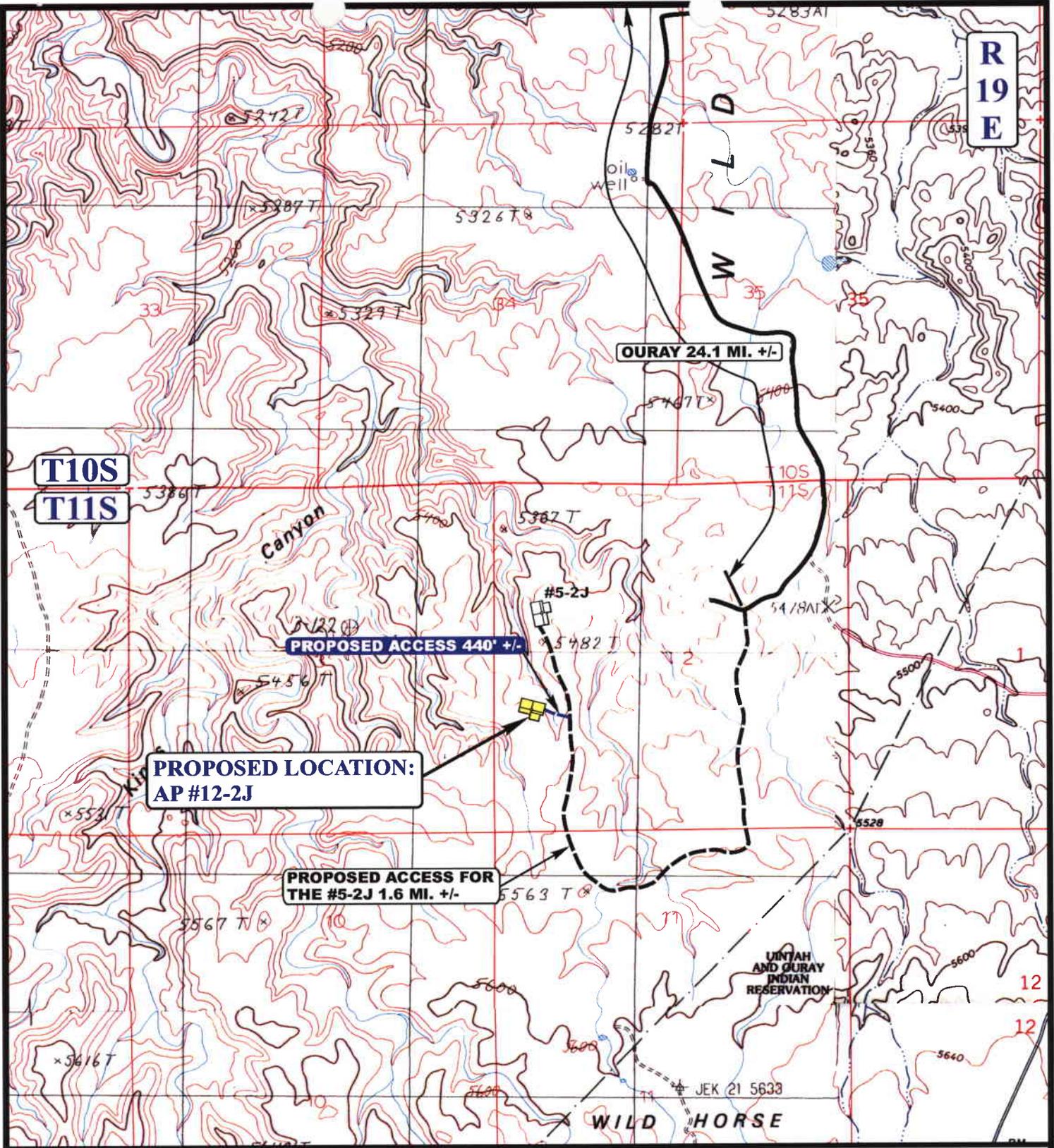
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**05 10 06**  
MONTH DAY YEAR

SCALE: 1:100,000 | DRAWN BY: L.K. | REVISED: 00-00-00





**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD

**DOMINION EXPLR. & PROD., INC.**

AP #12-2J  
 SECTION 2, T11S, R19E, S.L.B.&M.  
 1786' FSL 521' FWL

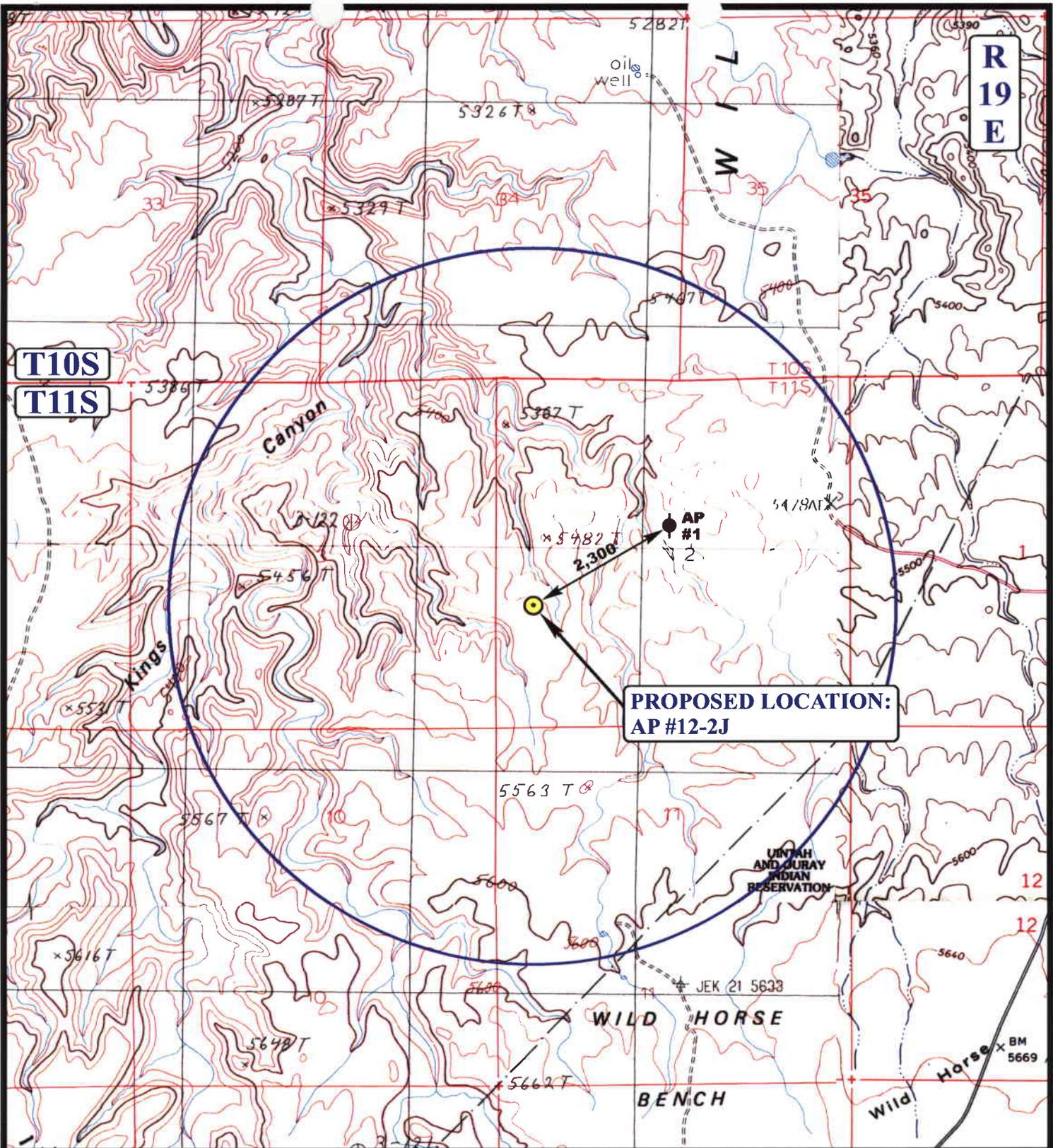


**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC MAP** 05 10 06  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00





**LEGEND:**

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

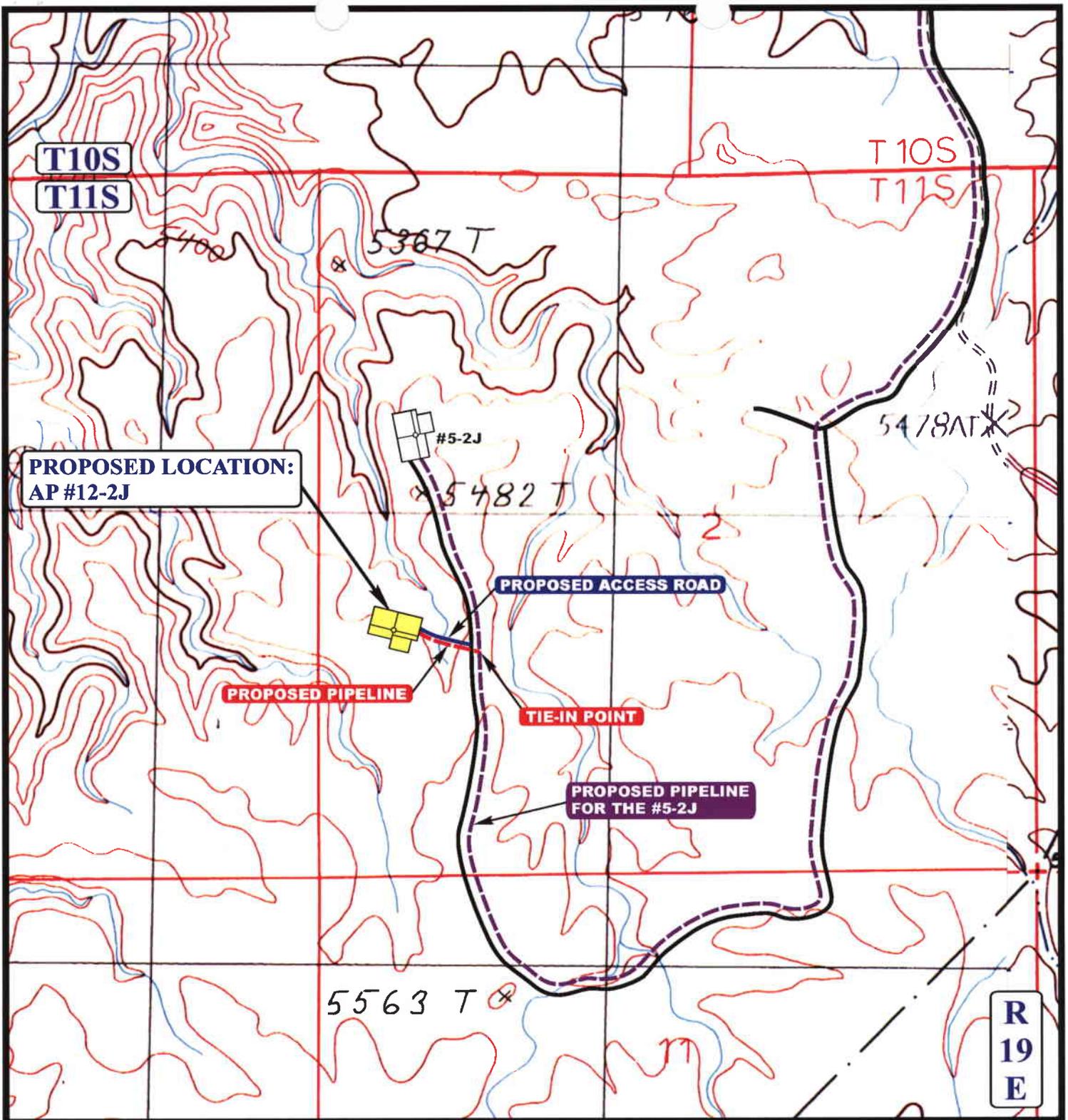
**DOMINION EXPLR. & PROD., INC.**

AP #12-2J  
 SECTION 2, T11S, R19E, S.L.B.&M.  
 1786' FSL 521' FWL

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

**TOPOGRAPHIC MAP** 05 10 06  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00





**APPROXIMATE TOTAL PIPELINE DISTANCE = 470' +/-**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)

**DOMINION EXPLR. & PROD., INC.**

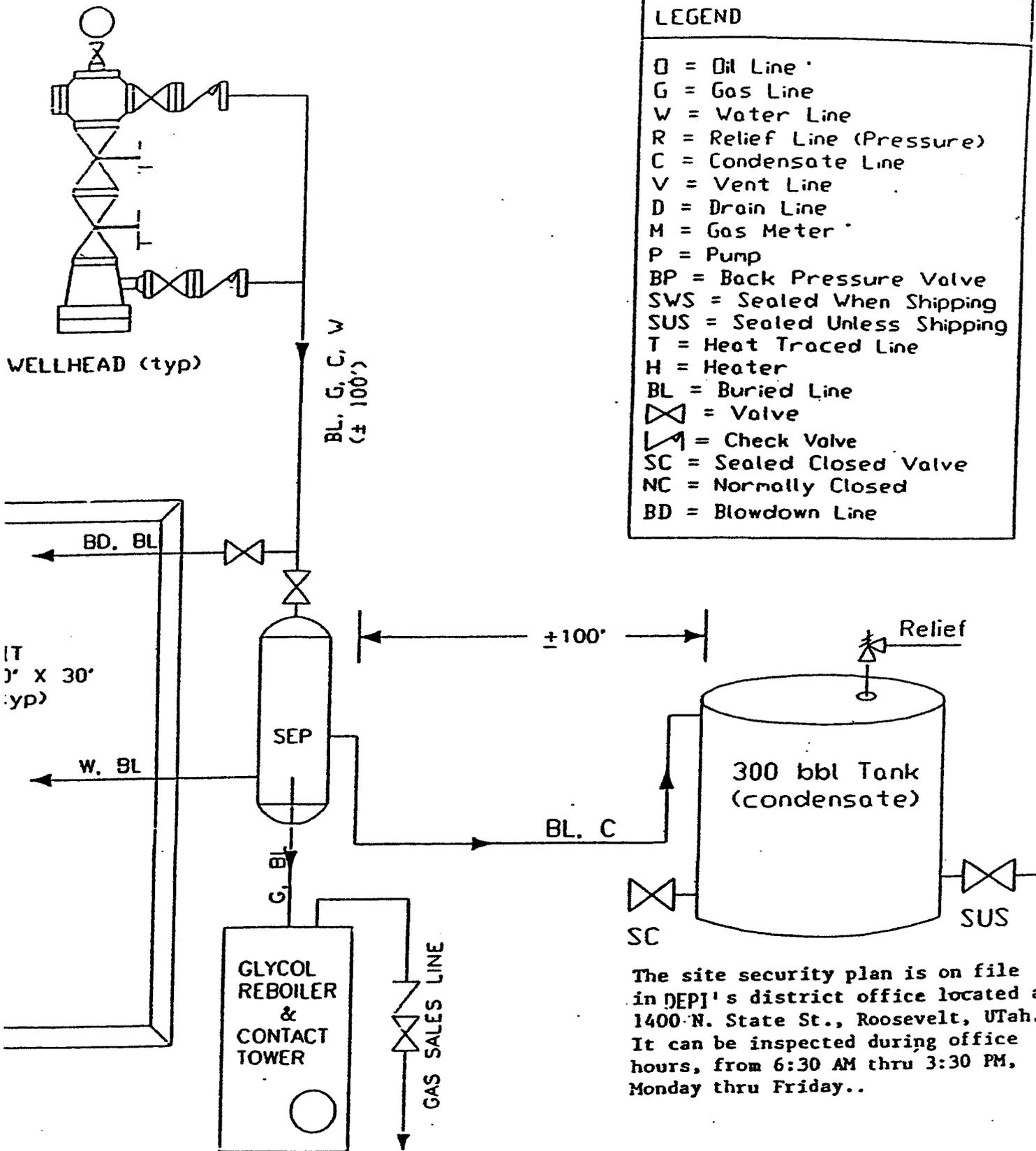
**AP #12-2J**  
**SECTION 2, T11S, R19E, S.L.B.&M.**  
**1786' FSL 521' FWL**



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

**TOPOGRAPHIC MAP** **05 10 06**  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00

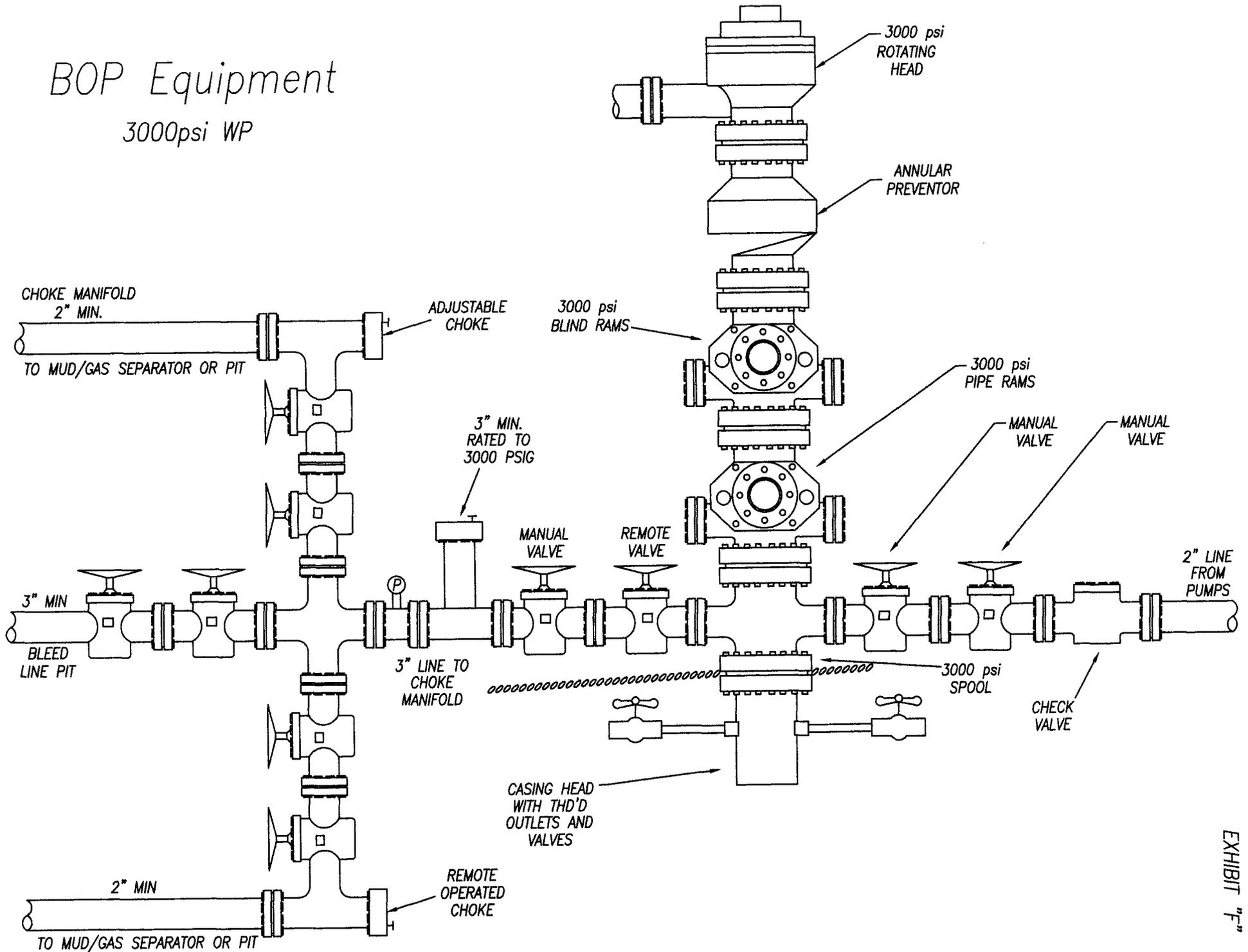




The site security plan is on file in DEPI's district office located at 1400 N. State St., Roosevelt, Utah. It can be inspected during office hours, from 6:30 AM thru 3:30 PM, Monday thru Friday..

# BOP Equipment

3000psi WP



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/22/2007

API NO. ASSIGNED: 43-047-39315

WELL NAME: AP 12-2J

OPERATOR: XTO Energy Inc. ( N2615 )

PHONE NUMBER: 405-749-5237

CONTACT: DON HAMILTON

PROPOSED LOCATION:

NWSW 02 110S 190E  
 SURFACE: 1786 FSL 0521 FWL  
 BOTTOM: 1786 FSL 0521 FWL  
 COUNTY: UINTAH  
 LATITUDE: 39.88712 LONGITUDE: -109.7659  
 UTM SURF EASTINGS: 605518 NORTHINGS: 4415748  
 FIELD NAME: UNDESIGNATED ( 2 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	<del>DWD</del> G/H	6/11/08
Geology		
Surface		

LEASE TYPE: 3 - State  
 LEASE NUMBER: ML-36213  
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: MVRD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]  
(No. 76563050600 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 43-10447 )
- 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 (04-03-08)

STIPULATIONS:

- 1- Spacing Slip
- 2- STATEMENT OF BASIS
- 3- Surface Casing Cement Slip

# NATURAL BUTTES FIELD

WH FED  
107-34

WH FED  
121-34 \*

WH FED  
108-34

WH FED  
109-35 \*

WH FED  
111-35

WH FED  
110-35

T10S R19E

T11S R19E

AP 3-2J

BHL  
2-2J

AP 2-2J

AP 1-2J \*

WH DIVIDE  
13-01

ALGER PASS UNIT  
TERMINATED

ALGER  
PASS FIELD

ALGER  
PASS 1

2

AP 5-2J

AP 8-2J \*

AP 11-2J

AP 10-2J

AP 9-2J \*

AP 12-2J

AP 15-2J \*

AP 13-2J

OPERATOR: DOMINION EXPL & PROD (N1095)

SEC: 2 T.11S R. 19E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

### Wells Status

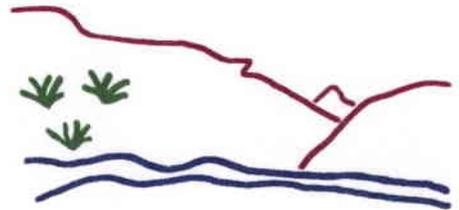
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

### 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



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON  
DATE: 22-MAY-2007

# Application for Permit to Drill

## Statement of Basis

4/10/2008

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
437	43-047-39315-00-00		GW	S	No
<b>Operator</b>	DOMINION EXPL & PROD INC		<b>Surface Owner-APD</b>		
<b>Well Name</b>	AP 12-2J	<b>Unit</b>			
<b>Field</b>	UNDESIGNATED	<b>Type of Work</b>			
<b>Location</b>	NWSW 2 11S 19E S FL FL GPS Coord (UTM) 605518E 4415748N				

### Geologic Statement of Basis

XTO proposes to set 2,000 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 4,000 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of section 2. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed surface casing should adequately protect any near surface aquifers. The production string cement should be brought up above the base of the moderately saline water to prevent it from mixing with fresher waters up hole.

Brad Hill  
APD Evaluator

4/9/2008  
Date / Time

### Surface Statement of Basis

The general area is the upper Kings Canyon drainage of Wild Horse Bench located approximately 25.7 road miles southwest of Ouray, Utah. Wild Horse Bench is a large open flat area with somewhat steep and frequent side-draws draining to the west toward the Green River and the northeast toward Willow Creek. No seeps, springs or streams are known to exist in the area. An occasional pond constructed to furnish water for livestock exists. The Uintah and Ouray Indian Reservation is to the east. The location is accessed by existing Uintah County or oilfield development roads to within 440 feet of the pad, which will require new construction across an open bench.

The AP 12-2J proposed gas well location is on the northeast slope of a gentle to moderately sloping ridge which begins at the edge of a broad bench to the south and extends northerly to the near the edge of a incised draw. This draw becomes very rugged and deep as it runs to the northwest toward the Green River. The Green River is 4-5 miles down drainage. Drainages in the area are rimmed with exposed sandstone bedrock. Location corners 2,1 and 9, the north side of the pad, end on a bench before the slope reaches the steep draw. The reserve pit is on the south side of the pad in an area of cut. Small gentle swales intersect the pad and will be cut or filled during construction, requiring no diversions around the completed pad. The site has a fair native desert shrub-grass vegetation cover with open spaces protected by a brown rock pavement. Surface run-off is light.

Both the surface and minerals are owned by SITLA. Mr. Jim Davis represented SITLA at the pre-site. He had no concerns regarding the proposed location. The site appears to be a suitable location for constructing a pad, drilling and operating a well and the only suitable site in the immediate area.

Ben Williams representing the UDWR stated the area is classified as yearlong critical habitat for antelope but water not forage is the factor limiting the growth of the herd. It is also classified as limited value yearlong habitat for deer and elk. He did not recommend any restrictions for any of these species. He furnished Jim Davis of SITLA and Ken Secrest of XTO copies of his evaluation and a recommended seed mix to be used when the site is re-vegetated.

Floyd Bartlett  
Onsite Evaluator

4/3/2008  
Date / Time

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# Application for Permit to Drill

## Statement of Basis

4/10/2008

Utah Division of Oil, Gas and Mining

Page 2

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### Conditions of Approval / Application for Permit to Drill

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

# ON-SITE PREDRILL EVALUATION

## Utah Division of Oil, Gas and Mining

**Operator** DOMINION EXPL & PROD INC  
**Well Name** AP 12-2J  
**API Number** 43-047-39315-0      **APD No** 437      **Field/Unit** UNDESIGNATED  
**Location:** 1/4,1/4 NWSW      **Sec** 2      **Tw** 11S      **Rng** 19E      **FL** FL  
**GPS Coord (UTM)**      **Surface Owner**

### Participants

Floyd Bartlett (DOGM), Jim Davis (SITLA), Ken Secrist, and Zander McIntire (XTO Energy, INC.), Ben Williams (UDWR), Brandon Bowthorpe (U.E.L.S.), Billy McClure (LaRose Construction), Randy Jackson (Jackson Construction)

### Regional/Local Setting & Topography

The general area is the upper Kings Canyon drainage of Wild Horse Bench located approximately 25.7 road miles southwest of Ouray, Utah. Wild Horse Bench is a large open flat area with somewhat steep and frequent side-draws draining to the west toward the Green River and the northeast toward Willow Creek. No seeps, springs or streams are known to exist in the area. An occasional pond constructed to furnish water for livestock exists. The Uintah and Ouray Indian Reservation is to the east. The location is accessed by existing Uintah County or oilfield development roads to within 440 feet of the pad, which will require new construction across an open bench.

The AP 12-2J proposed gas well location is on the northeast slope of a gentle to moderately sloping ridge which begins at the edge of a broad bench to the south and extends northerly to the near the edge of a incised draw. This draw becomes very rugged and deep as it runs to the northwest toward the Green River. The Green River is 4-5 miles down drainage. Drainages in the area are rimmed with exposed sandstone bedrock. Location corners 2,1 and 9, the north side of the pad, end on a bench before the slope reaches the steep draw. The reserve pit is on the south side of the pad in an area of cut. Small gentle swales intersect the pad and will be cut or filled during construction, requiring no diversions around the completed pad. The site has a fair native desert shrub-grass vegetation cover with open spaces protected by a brown rock pavement. Surface run-off is light.

Both the surface and minerals are owned by SITLA. Mr. Jim Davis represented SITLA at the pre-site. He had no concerns regarding the proposed location. The site appears to be a suitable location for constructing a pad, drilling and operating a well and the only suitable site in the immediate area.

### Surface Use Plan

#### **Current Surface Use**

Grazing  
Recreational  
Wildlfe Habitat

#### **New Road**

Miles	Well Pad	Src Const Material	Surface Formation
0.1	Width 280      Length 355	Onsite	UNTA

**Ancillary Facilities** N

### Waste Management Plan Adequate?

### Environmental Parameters

**Affected Floodplains and/or Wetland** N

#### **Flora / Fauna**

desert shrub-grass vegetation

**Soil Type and Characteristics**

sandy silt protected by a brown rock pavement

**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?**

**Paleo Potential Observed?** N

**Cultural Survey Run?**

**Cultural Resources?** N

**Reserve Pit**

**Site-Specific Factors**

**Site Ranking**

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

**Characteristics / Requirements**

100' x 140' x 8' deep located in an area of cut on the southeast side of the location. Sensitivity level 1. Liner and sub felt are both required.

**Closed Loop Mud Required?** N

**Liner Required?** Y

**Liner Thickness** 16

**Pit Underlayment Required?** Y

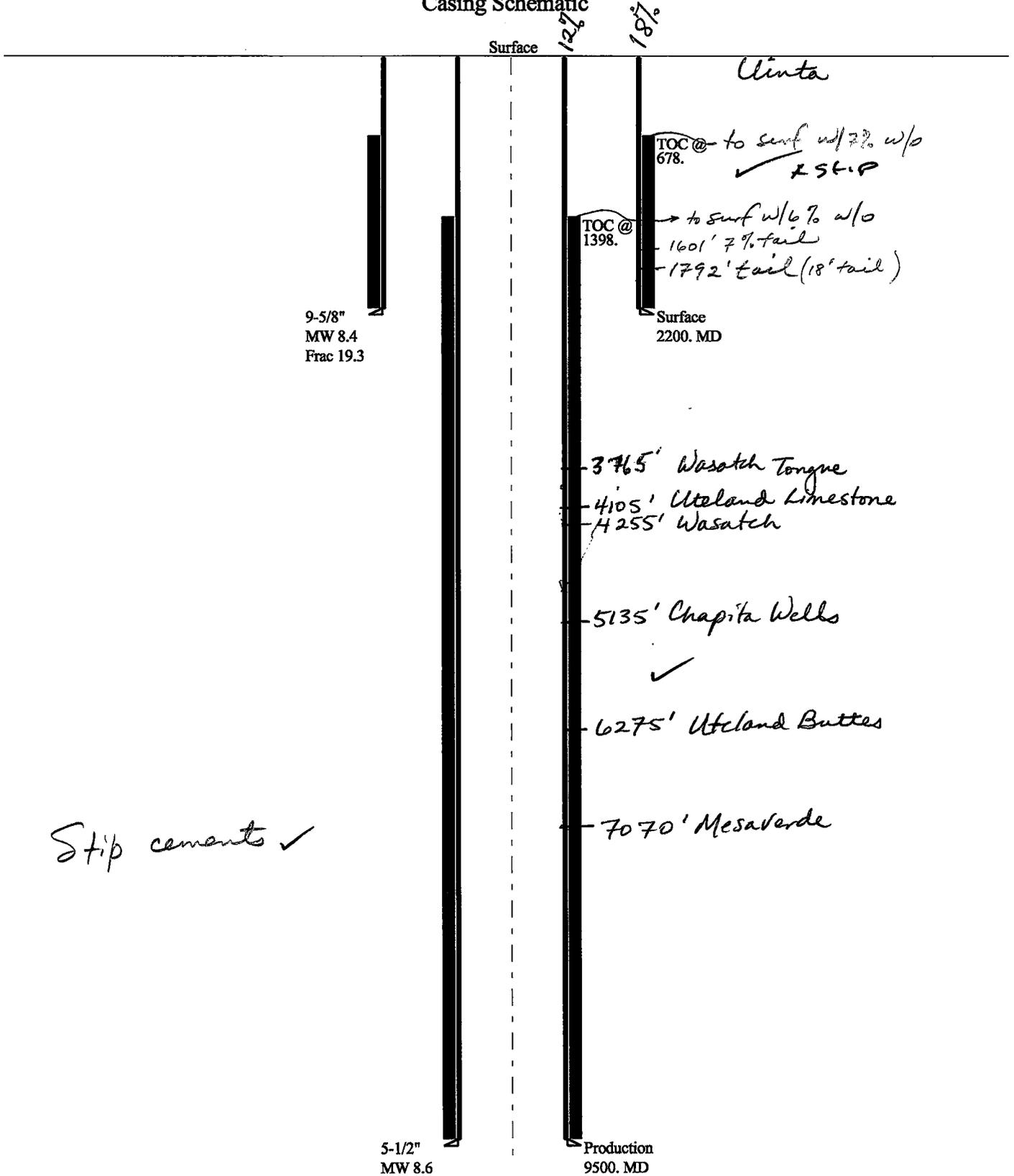
**Other Observations / Comments**

Floyd Bartlett  
Evaluator

4/3/2008  
Date / Time

2008-06 XTO AP 12-2J

Casing Schematic



Stip cements ✓

Well name:

**2008-06 XTO AP 12-2J**

Operator: **XTO Energy, Inc.**

String type: Surface

Project ID:

43-047-39315

Location: Uintah Co.

**Design parameters:**

**Collapse**

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

**Burst**

Max anticipated surface pressure: 1,936 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP: 2,200 psi

No backup mud specified.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Tension:**

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

Tension is based on air weight.

Neutral point: 1,927 ft

**Environment:**

H2S considered? No  
Surface temperature: 65 °F  
Bottom hole temperature: 96 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 185 ft

Cement top: 678 ft

**Non-directional string.**

**Re subsequent strings:**

Next setting depth: 9,500 ft  
Next mud weight: 8.600 ppg  
Next setting BHP: 4,244 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 2,200 ft  
Injection pressure: 2,200 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2200	9.625	36.00	J-55	ST&C	2200	2200	8.796	954.9
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	960	2020	2.104	2200	3520	1.60	79	394	4.97 J

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

Phone: 810-538-5357

Date: June 5, 2008  
Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 2200 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

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

Well name:

**2008-06 XTO AP 12-2J**

Operator: **XTO Energy, Inc.**

String type: Production

Project ID:

43-047-39315

Location: Uintah Co.

**Design parameters:**

**Collapse**

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

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Environment:**

H2S considered? No  
Surface temperature: 65 °F  
Bottom hole temperature: 198 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 368 ft

**Burst:**

Design factor 1.00

Cement top: 1,398 ft

**Burst**

Max anticipated surface pressure: 2,154 psi  
Internal gradient: 0.220 psi/ft  
Calculated BHP 4,244 psi

No backup mud specified.

**Tension:**

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

**Non-directional string.**

Tension is based on air weight.  
Neutral point: 8,261 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	9500	5.5	17.00	Mav-80	LT&C	9500	9500	4.767	1240
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4244	6290	1.482	4244	7740	1.82	162	273	1.69 B

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

Phone: 810-538-5357

Date: June 5, 2008  
Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 9500 ft, a mud weight of 8.6 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

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

**BOPE REVIEW**

**XTO AP 12-2J API 43-047-39315**

INPUT		XTO AP 12-2J API 43-047-39315	
Well Name	String 1	String 2	
Casing Size (")	9 5/8	5 1/2	
Setting Depth (TVD)	2200	9500	
Previous Shoe Setting Depth (TVD)	40	2200	
Max Mud Weight (ppg)	8.4	8.6	
BOPE Proposed (psi)	0	3000	
Casing Internal Yield (psi)	3520	7740	
Operators Max Anticipated Pressure (psi)	2000	4.0 ppg	??

Calculations	String 1	9 5/8 "	
Max BHP [psi]	.052*Setting Depth*MW =	961	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	697	NO
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	477	NO → Reasonable
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	486	← NO Reasonable Depth
Required Casing/BOPE Test Pressure		2200 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		40 psi	*Assumes 1psi/ft frac gradient

Calculations	String 2	5 1/2 "	
Max BHP [psi]	.052*Setting Depth*MW =	4248	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	3108	NO
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	2158	YES ✓
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	2642	← NO OK.
Required Casing/BOPE Test Pressure		3000 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		2200 psi	*Assumes 1psi/ft frac gradient

**From:** Ed Bonner  
**To:** Mason, Diana  
**Date:** 7/11/2007 12:32 PM  
**Subject:** Well Clearance

**CC:** Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

The following wells have been given cultural resources clearance by the Trust Lands Cultural Resources Group:

Delta Petroleum Corporation

Greentown State 36-42S (API 43 019 31518)  
Greentown State 36-24S (API 43 019 31519)  
Greentown State 36-33S (API 43 019 31520)  
Greentown State 36-13S (API 43 019 31521)  
Greentown State 36-22S (API 43 019 31523)  
Greentown State 36-31S (API 43 019 31524)

Dominion Exploration & Production, Inc  
AP 12-2J (API 43 047 39315)

Tidewater Oil & Gas Company, LLC

Cactus Rose 16-11-2118 (API 43 019 31546)

A stipulation must be added to the APD approval letter stating that final access to the location will swing to the north on consolidated material, remain out of the filled in livestock pond, and not cut into or interfere with the retention dam.

If you have any questions regarding this matter please give me a call.

**Division of Oil, Gas and Mining**  
**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. DJJ
2. CDW

**X - Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

7/1/2007

<b>FROM: (Old Operator):</b> N1095-Dominion Exploration & Production, Inc 14000 Quail Springs Parkway, Suite 600 Oklahoma City, OK 73134  Phone: 1 (405) 749-1300	<b>TO: (New Operator):</b> N2615-XTO Energy Inc 810 Houston St Fort Worth, TX 76102  Phone: 1 (817) 870-2800
--	---

**CA No.**

**Unit:**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/6/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/6/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 8/6/2007
- Is the new operator registered in the State of Utah: \_\_\_\_\_ Business Number: 5655506-0143
- If **NO**, the operator was contacted on: \_\_\_\_\_
- (R649-9-2) Waste Management Plan has been received on: IN PLACE
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: \_\_\_\_\_
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: \_\_\_\_\_
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: \_\_\_\_\_

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 9/27/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/27/2007
- Bond information entered in RBDMS on: 9/27/2007
- Fee/State wells attached to bond in RBDMS on: 9/27/2007
- Injection Projects to new operator in RBDMS on: 9/27/2007
- Receipt of Acceptance of Drilling Procedures for APD/New on: 9/27/2007

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: UTB000138
- Indian well(s) covered by Bond Number: n/a
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 104312762
- The **FORMER** operator has requested a release of liability from their bond on: 1/23/2008  
The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: \_\_\_\_\_

**COMMENTS:**

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: XTO Energy Inc. <i>N2615</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 810 Houston Street CITY Fort Worth STATE TX ZIP 76102		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: SEE ATTACHED		8. WELL NAME and NUMBER: SEE ATTACHED
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER: SEE ATTACHED
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Effective July 1, 2007, XTO Energy Inc. has purchased the wells listed on the attachment from:

Dominion Exploration & Production, Inc. *N1095*  
14000 Quail Springs Parkway, Suite 600  
Oklahoma City, OK 73134

*James D. Abercrombie* (405) 749-1300  
James D. Abercrombie  
Sr. Vice President, General Manager - Western Business Unit

Please be advised that XTO Energy Inc. is considered to be the operator on the attached list and is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage is provided by Nationwide BLM Bond #104312750 and Department of Natural Resources Bond #104312762.

NAME (PLEASE PRINT) Edwin S. Ryan, Jr. TITLE Sr. Vice President - Land Administration  
SIGNATURE *Edwin S. Ryan, Jr.* DATE 7/31/2007

(This space for State use only)

APPROVED 91271107  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(5/2000)

(See Instructions on Reverse Side)

**RECEIVED**  
**AUG 06 2007**  
DIV. OF OIL, GAS & MINING

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

**Request to Transfer Application or Permit to Drill**

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	SEE ATTACHED LIST
API number:	
Location:	Qtr-Qtr:                      Section:                      Township                      Range
Company that filed original application:	DOMINION E&P
Date original permit was issued:	
Company that permit was issued to:	DOMINION E&P

Check one	Desired Action:
<input type="checkbox"/>	Transfer pending (unapproved) Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property as permitted, 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.	Yes	No
If located on private land, has the ownership changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If so, has the surface agreement been updated?	<input type="checkbox"/>	<input type="checkbox"/>
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>104312762</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) HOLLY C. PERKINS                      Title REGULATORY COMPLIANCE TECH  
 Signature *Holly C. Perkins*                      Date 08/27/2007  
 Representing (company name) XTO ENERGY INC.

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

**AUG 30 2007**

N1095 DOMINION E and P, INC. to N2615 XTO ENERGY, INC.

api	well_name	qtr	qtr	sec	twp	rng	lease_num	entity	Lease	well	stat
4303930028	SKYLINE U 14-28	SESW		28	140S	060E	UTU-77262		Federal	GW	APD
4303930029	SKYLINE U 8-7	SENE		07	150S	060E	UTU-78415		Federal	GW	APD
4304737195	KC 6-33E	SENW		33	100S	190E	UTU-49522		Federal	OW	APD
4304737196	KC 9-33E	NESE		33	100S	190E	UTU-49522		Federal	OW	APD
4304737197	KC 11-33E	NESW		33	100S	190E	UTU-49522		Federal	OW	APD
4304738075	LCU 7-9H	NWSE		09	110S	200E	UTU-76265		Federal	GW	APD
4304738689	RBU 15-8E	NENE		17	100S	190E	U-013766		Federal	GW	APD
4304738783	KC 14-33E	SESW		33	100S	190E	UTU-49522		Federal	GW	APD
4304738868	LOVE 12-20G	NWSW		20	110S	210E	UTU-076040		Federal	GW	APD
4304738889	KC 9-31E	NESE		31	100S	190E	UTU-81719		Federal	GW	APD
4304738890	KC 13-31E	SWSW		31	100S	190E	UTU-81719		Federal	GW	APD
4304738891	KC 12-33E	NWSW		33	100S	190E	UTU-49522		Federal	GW	APD
4304738948	KC 14-31E	SESW		31	100S	190E	UTU-081719		Federal	GW	APD
4304738949	KC 3-33E	NENW		33	100S	190E	UTU-49522		Federal	GW	APD
4304739051	KC 15-31E	SWSE		31	100S	190E	UTU-81719		Federal	GW	APD
4304739068	KC 7-33E	SWNE		33	100S	190E	UTU-49522		Federal	GW	APD
4304739069	KC 13-33E	SWSW		33	100S	190E	UTU-49522		Federal	GW	APD
4304739070	KC 15-33E	SWSE		33	100S	190E	UTU-49522		Federal	GW	APD
4304739415	WHB 4-5H	NWNW		05	110S	200E	UTU-39223		Federal	GW	APD
4304739416	WHB 12-5H	NWSW		05	110S	200E	UTU-39223		Federal	GW	APD
4304739417	WHB 13-5H	SWSW		05	110S	200E	UTU-39223		Federal	GW	APD
4304739440	WHB 4-8H	NWNW		08	110S	200E	UTU-39223		Federal	GW	APD
4304739441	WHB 5-5H	NWNW		05	110S	200E	UTU-39223		Federal	GW	APD
4304738262	KINGS CYN 9-32E	NESE		32	100S	190E	ML-047059		State	GW	APD
4304738342	LCU 12-12H	NWSW		12	110S	200E	FEE		Fee	GW	APD
4304738378	KINGS CYN 11-32E	NESW		32	100S	190E	ML-047059		State	GW	APD
4304738690	KINGS CYN 11-36D	NESW		36	100S	180E	ML-47058		State	GW	NEW
4304738779	KC 5-36D	SWNW		36	100S	180E	ML-47058		State	GW	APD
4304738781	KC 6-32E	SENW		32	100S	190E	ML-47059		State	GW	APD
4304738782	KC 15-32E	NWSE		32	100S	190E	ML-047059		State	GW	APD
4304738786	AP 11-2J	NESW		02	110S	190E	ML-36213		State	GW	APD
4304738787	AP 13-2J	SWSW		02	110S	190E	ML-36213		State	GW	APD
4304738950	KC 13-32E	SESW		32	100S	190E	ML-047059		State	GW	APD
4304739218	KC 14-32E	SESW		32	100S	190E	ML-047059		State	GW	APD
4304739219	KC 16-32E	SESE		32	100S	190E	ML-047059		State	GW	APD
4304739222	LCU 14-12H	SESW		12	110S	200E	FEE		Fee	GW	APD
4304739315	AP 12-2J	NWSW		02	110S	190E	ML-36213		State	GW	NEW

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>ML-36213</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.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: <b>XTO ENERGY INC.</b>		8. WELL NAME and NUMBER: <b>AP 12-2J</b>
3. ADDRESS OF OPERATOR: <b>382 CR 3100</b> CITY <b>AZTEC</b> STATE <b>NM</b> ZIP <b>87410</b>		9. API NUMBER: <b>4304739315</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1786' FSL &amp; 521' FWL</b>		10. FIELD AND POOL, OR WILDCAT: <b>UNDESIGNATED</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 2 11S 19E S</b>		COUNTY: <b>UINTAH</b>
		STATE: <b>UTAH</b>

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 checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
**XTO Energy Inc. proposes to make changes to the drilling program per the attached document.**

NAME (PLEASE PRINT) <u>DOLENA JOHNSON</u>	TITLE <u>OFFICE CLERK</u>
SIGNATURE <u><i>Dolena Johnson</i></u>	DATE <u>6/2/2008</u>

(This space for State use only)

**RECEIVED**  
**JUN 04 2008**

DIV. OF OIL, GAS & MINING

**XTO ENERGY INC.**

**AP 12-2J**

**APD Data**

**June 2, 2008**

**2. CASING PROGRAM:**

Surface Casing: 9.625" casing set at 2200' in a 12.25" hole filled with 8.4 ppg mud

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-2200'	2200'	36#	J-55	ST&C	2020	3.66	394	8.921	8.765	2.10	3.66	4.97

**4. CEMENT PROGRAM:**

A. Surface: 9.625", 36#, J-55, ST&C casing to be set at 2200' in 12.25" hole.

LEAD:

±185 sx of Type V cement (or equivalent) typically containing accelerator and LCM mixed at 11.0 ppg, 3.82 cu. ft./sk.

TAIL:

225 sx of Class G (or equivalent) typically containing accelerator and LCM mixed at 15.8 ppg, 1.15 cu. ft./sk.

*Total estimated slurry volume for the 9.625" surface casing is 956.5 ft<sup>3</sup>. Slurry includes 35% excess of calculated open hole annular volume to 2200'.*



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 16, 2008

XTO Energy Inc.  
382 CR 3100  
Aztec, NM 87410

Re: AP 12-2J Well, 1786' FSL, 521' FWL, NW SW, Sec. 2, T. 11 South, R. 19 East,  
Uintah 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 43-047-39315.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
SITLA



Operator: XTO Energy Inc.  
Well Name & Number AP 12-2J  
API Number: 43-047-39315  
Lease: ML-36213

Location: NW SW                      Sec. 2                      T. 11 South                      R. 19 East

### Conditions of Approval

#### 1. General

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

#### 2. Notification Requirements

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

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

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

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

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

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

#### 3. Reporting Requirements

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

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. 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. Surface casing shall be cemented to the surface.

<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> ML-36213
<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> AP 12-2J
<b>2. NAME OF OPERATOR:</b> XTO ENERGY INC	<b>9. API NUMBER:</b> 43047393150000
<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> 1786 FSL 0521 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 02 Township: 11.0S Range: 19.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> ALGER PASS  <b>COUNTY:</b> UINTAH  <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: 6/16/2010	<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 the State permit for the referenced well.

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

**Date:** August 13, 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> 8/13/2009



**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 43047393150000**

**API:** 43047393150000

**Well Name:** AP 12-2J

**Location:** 1786 FSL 0521 FWL QTR NWSW SEC 02 TWP 110S RNG 190E MER S

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

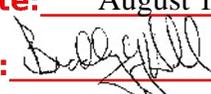
**Date Original Permit Issued:** 6/16/2008

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:** 8/13/2009  
**Title:** Permitting Clerk **Representing:** XTO ENERGY INC

**Date:** August 13, 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> ML-36213
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**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: 6/16/2011	<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"/> 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:** July 13, 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 43047393150000**

**API:** 43047393150000

**Well Name:** AP 12-2J

**Location:** 1786 FSL 0521 FWL QTR NWSW SEC 02 TWP 110S RNG 190E MER S

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

**Date Original Permit Issued:** 6/16/2008

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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:** July 13, 2010

**By:** 

**RECEIVED** June 17, 2010



GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

June 29, 2011

XTO Energy Inc.  
382 Road 3100  
Aztec, NM 87410

Re: APD Rescinded – AP 12-2J, Sec. 2 T. 11S, R. 19E  
Uintah County, Utah API No. 43-047-39315

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on June 16, 2008. On August 13, 2009 and July 13, 2010, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective June 29, 2011.

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

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

Sincerely,

Diana Mason  
Environmental Scientist

cc: Well File  
SITLA, Ed Bonner