

December 21, 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—XTO Energy, Inc.

KC 10-32E

*Surface Location: 1,290' FSL & 2,053' FEL, SW/4 SE/4,
Target Location: 2,000' FSL & 1,900' FEL, NW/4 SE/4,
Section 32, T10S, R19E, SLB&M, Uintah County, Utah*

Dear Diana;

On behalf of XTO Energy, Inc. Buys & Associates, Inc. respectfully submits the enclosed original and one copy of the Application for Permit to Drill (APD) for the above referenced SITLA surface and mineral directional well. request for exception to spacing (R649-3-11) is hereby requested based on topography since the well is located within 460' of the drilling unit boundary. XTO Energy, Inc. is the only owner and operator within 460' of the proposed well and all points along the intended well bore path. 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 utility corridors;
- Exhibit "C" - Production site layout;
- Exhibit "D" - Directional Drilling Plan with Directional Drilling Report;
- Exhibit "E" - Surface Use Plan with APD Certification;
- Exhibit "F" - Typical BOP and Choke Manifold diagram;
- Exhibit "G" - Cultural and Paleontological Clearance Reports.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Ken Secrest of XTO Energy, Inc. at 435-722-4521 if you have any questions or need additional information.

Sincerely,

Don Hamilton

Don Hamilton
Agent for XTO Energy, Inc.

cc: Fluid Mineral Group, BLM—Vernal Field Office
Ken Secrest, XTO Energy, Inc.

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DIV. OF OIL, GAS & MINING

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ML-47059	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: XTO Energy, Inc.				9. WELL NAME and NUMBER: KC 10-32E	
3. ADDRESS OF OPERATOR: P.O. Box 1360 Roosevelt UT 84066			PHONE NUMBER: (435) 722-4521	10. FIELD AND POOL, OR WILDCAT: undesignated	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1,290' FSL & 2,053' FEL, SW/4 SE/4, AT PROPOSED PRODUCING ZONE: 2,000' FSL & 1,900' FEL, NW/4 SE/4,				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 32 10S 19E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 14.63 miles southwest of Ouray, Utah				12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1,290'		16. NUMBER OF ACRES IN LEASE: 560		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 25'		19. PROPOSED DEPTH: 10,090		20. BOND DESCRIPTION: 104312 762	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5,365' ungraded ground		22. APPROXIMATE DATE WORK WILL START: 2/15/2008		23. ESTIMATED DURATION: 14 days	

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' Cond.	40	
12-1/4"	9-5/8" J-55 ST 36#	2,256	see Drilling Plan
7-7/8"	5-1/2" N-80 LT 17#	10,090	see Drilling Plan
			(10,000' TVD)

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) Don Hamilton TITLE Agent for XTO Energy, Inc.
SIGNATURE Don Hamilton DATE 6/11/2008

(This space for State use only)

API NUMBER ASSIGNED: 43-047-39893

Approved by the
Utah Division of
Oil, Gas and Mining
(See Instructions on Reverse Side)

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DIV. OF OIL, GAS & MINING

Date: 07-07-08

By: [Signature]

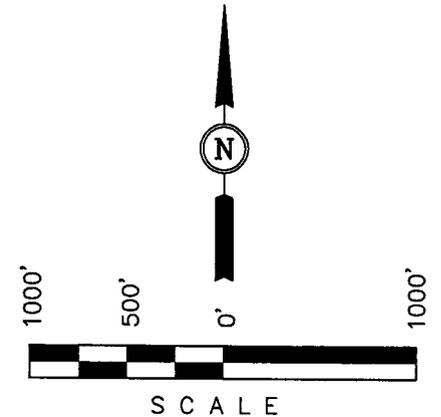
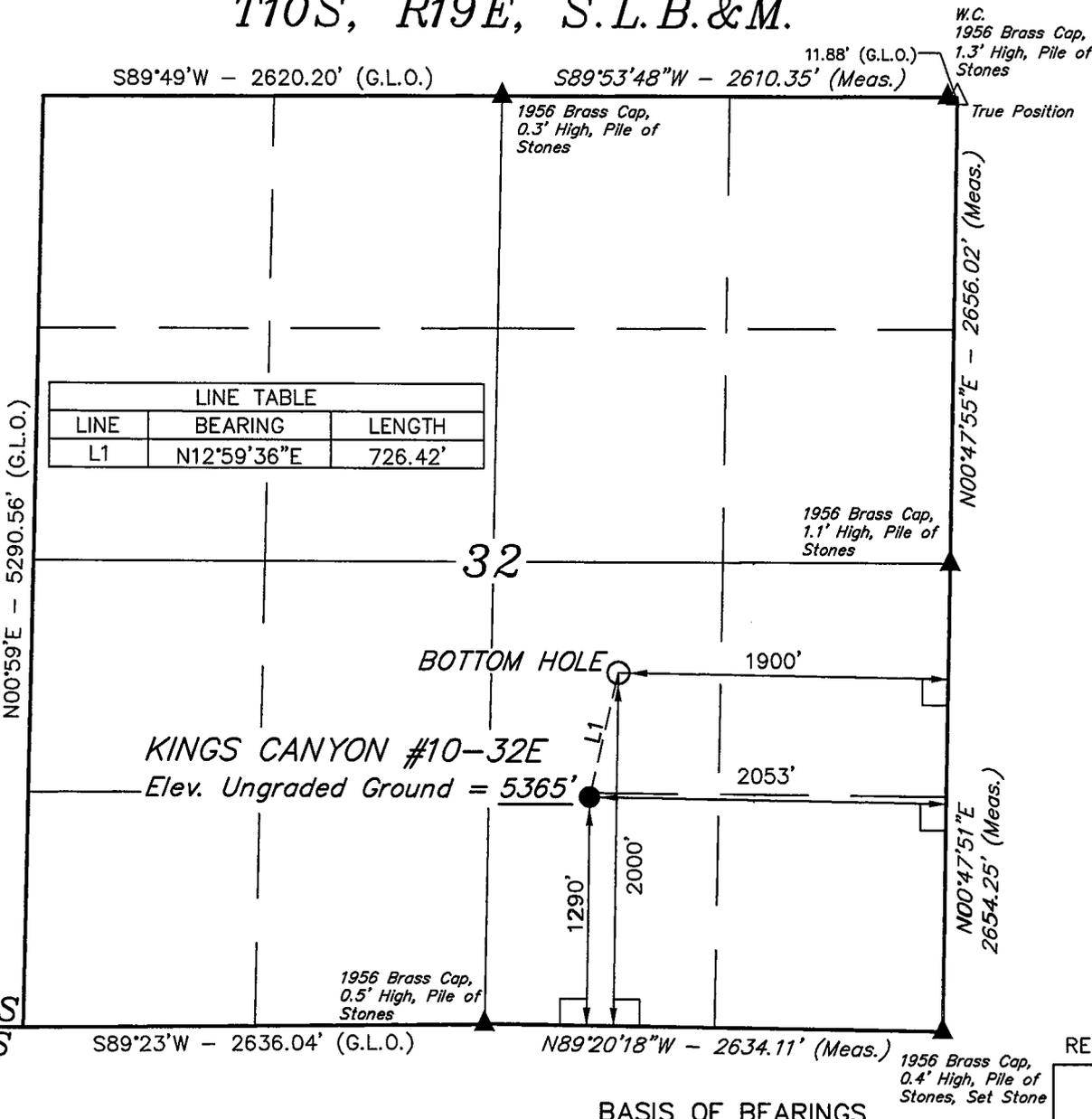
T10S, R19E, S.L.B.&M.

XTO ENERGY, INC.

Well location, KINGS CANYON #10-32E, located as shown in the SW 1/4 SE 1/4 of Section 32, T10S, R19E, S.L.B.&M., Uintah County Utah.

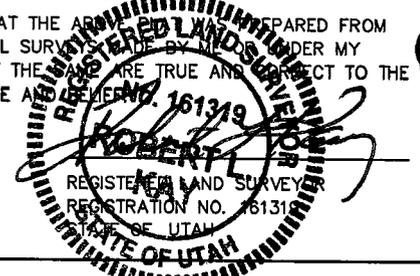
BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R20E, 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.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PREPARED FROM FIELD NOTES OF ACTUAL SURVEY UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



REVISED: 11-26-07

BASIS OF BEARINGS

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

(NAD 83)

LATITUDE = 39°53'59.39" (39.899831)
 LONGITUDE = 109°48'12.71" (109.803531)

(NAD 27)

LATITUDE = 39°53'59.52" (39.899867)
 LONGITUDE = 109°48'10.20" (109.802833)

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: 05-19-06	DATE DRAWN: 05-24-06
PARTY B.B. T.A. A.S. L.K.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE XTO ENERGY, INC.	

XTO ENERGY INC.

KC 10-32E

APD Data

May 30, 2008

Location: 1290' FSL & 2053' FEL, Sec. 32, T10S, R19E County: Uintah

State: Utah

Bottomhole Location: 2000' FSL & 1900' FEL, Sec. 32, T10S, R19E

GREATEST PROJECTED TD: 10090' MD/ 10000' TVD
APPROX GR ELEV: 5365'

OBJECTIVE: Wasatch/Mesaverde
Est KB ELEV: 5379' (14' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 2256'	2256' to 10090'
HOLE SIZE	12.25"	7.875"
MUD TYPE	FW/Spud Mud	KCl Based LSND / Gel Chemical
WEIGHT	8.80	8.6-9.2
VISCOSITY	NC	30-60
WATER LOSS	NC	8-15

Remarks: Use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing purposes. The mud system will be monitored visually/manually.

2. CASING PROGRAM:

Surface Casing: 9.625" casing set at ±2256'MD/2200'TVD in a 12.25" hole filled with 8.8 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'-2256'	2256'	36#	J-55	ST&C	2020	3520	394	8.921	8.765	2.57	4.47	4.85

Production Casing: 5.5" casing set at ±10090'MD/10000'TVD in a 7.875" hole filled with 9.20 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'-10090'	10090'	17#	N-80	LT&C	6280	7740	348	4.892	4.767	1.66	2.05	2.03

Collapse and burst loads calculated at TVD with 0.1 psi/ft gas gradient back up.

3. WELLHEAD:

- A. Casing Head: Larkin Fig 92 (or equivalent), 9" nominal, 2,000 psig WP (4,000 psig test) with 9-5/8" 8rnd thread on bottom (or slip-on, weld-on) and 11-3/4" 8rnd thread on top.
- B. Tubing Head: Larkin Fig 612 (or equivalent), 6.456" nominal, 5,000 psig WP, 5-1/2" 8rnd female thread on bottom (or slip-on, weld-on), 8-5/8" 8rnd thread on top.

4. CEMENT PROGRAM:

- A. Surface: 9.625", 36#, J-55 (or equiv.), ST&C casing to be set at ±2256' in 12.25" hole.

LEAD:

±223 sx of Premium Plus V Blend. (Type V/Poz/Gel) or equivalent, with dispersant, fluid loss accelerator, & LCM mixed at 11.0 ppg, 3.82 ft³/sk, 22.95 gal wtr/sx.

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TAIL:

350 sx Class G or equivalent cement with bonding additive, LCM, dispersant, & fluid loss mixed at 15.6 ppg, 1.2 cuft/sx

Total estimated slurry volume for the 9.625" surface casing is 1270.6 ft³. Slurry includes 75% excess of calculated open hole annular volume to 2256'.

B. Production: 5.5", 17#, N-80 (or equiv.), LT&C casing to be set at ±10090' in 7.875" hole.

LEAD:

±357 sx of Premium Plus V Blend. (Type V/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 11.6 ppg, 3.10 ft³/sk, 17.71 gal wtr/sx.

TAIL:

400 sx Class G or equivalent cement with poz, bonding additive, LCM, dispersant, & fluid loss mixed at 13.0 ppg, 1.49 cuft/sx, 9.09 gal/sx.

Total estimated slurry volume for the 5.5" production casing is 1701.2 ft³. Slurry includes 15% excess of calculated open hole annular volume.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 15% or greater excess. The cement is designed to circulate on surface casing string. The production casing is designed for 1756' top of cement..

5. LOGGING PROGRAM:

- A. Mud Logger: The mud logger will come on at intermediate casing point and will remain on the hole until TD. The mud will be logged in 10' intervals.
- B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (10090') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (10090') to 2256'. Run Gamma Ray to surface.

6. FORMATION TOPS:

Please see attached directional plan.

7. ANTICIPATED OIL, GAS, & WATER ZONES:

A.

Formation	Expected Fluids	TV Depth Top
Wasatch Tongue	Oil/Gas/Water	3,854
Green River Tongue	Oil/Gas/Water	4,194
Wasatch*	Gas/Water	4,334
Chapita Wells*	Gas/Water	5,224
Uteland Buttes	Gas/Water	6,584
Mesaverde*	Gas/Water	7,459
Castlegate	Gas/Water	N/A

- B. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.
- C. There are no known potential sources of H₂S.

D. The bottomhole pressure is anticipated to be between 4200 psi and 4600 psi.

8. **BOP EQUIPMENT:**

Surface will not utilize a bop stack.

Production hole will be drilled with a 3000 psi BOP stack.

Minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double ram with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed:
- b. whenever any seal subject to test pressure is broken
- c. following related repairs: and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) shall be held open or the ball removed.

Annular preventers (if used) shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No.2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Test pressures for BOP equipment are as follows:

- Annular BOP -- 1500 psi
- Ram type BOP -- 3000 psi

Kill line valves -- 3000 psi
Choke line valves and choke manifold valves -- 3000 psi
Chokes -- 3000 psi
Casing, casinghead & weld -- 1500 psi
Upper kelly cock and safety valve -- 3000 psi
Dart valve -- 3000 psi

Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The BLM in Vernal, UT shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.
- b. A choke line and a kill line are to be properly installed.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.
- e. See attached BOP & Choke manifold diagrams.

9. **COMPANY PERSONNEL:**

<u>Name</u>	<u>Title</u>	<u>Office Phone</u>	<u>Home Phone</u>
John Egelston	Drilling Engineer	505-333-3163	505-330-6902
Bobby Jackson	Drilling Superintendent	505-333-3224	505-486-4706
Glen Christiansen	Project Geologist	817-885-2800	

XTO Energy

Natural Buttes Wells(NAD83)

KC 10-32E

KC 10-32E

KC 10-32E

Plan: Sundry'd Wellbore

Standard Planning Report

28 May, 2008

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Well Name: KC 10-32E

San Juan Division
Drilling Department

Calculation Method: Minimum Curvature
Geodetic Datum: North American Datum 1983
Lat: 39° 53' 59.392 N
Long: 109° 48' 12.712 W



Azimuths to True North
Magnetic North: 11.62°

Magnetic Field
Strength: 52601.2nT
Dip Angle: 65.82°
Date: 12/4/2007
Model: IGRF200510

SECTION DETAILS

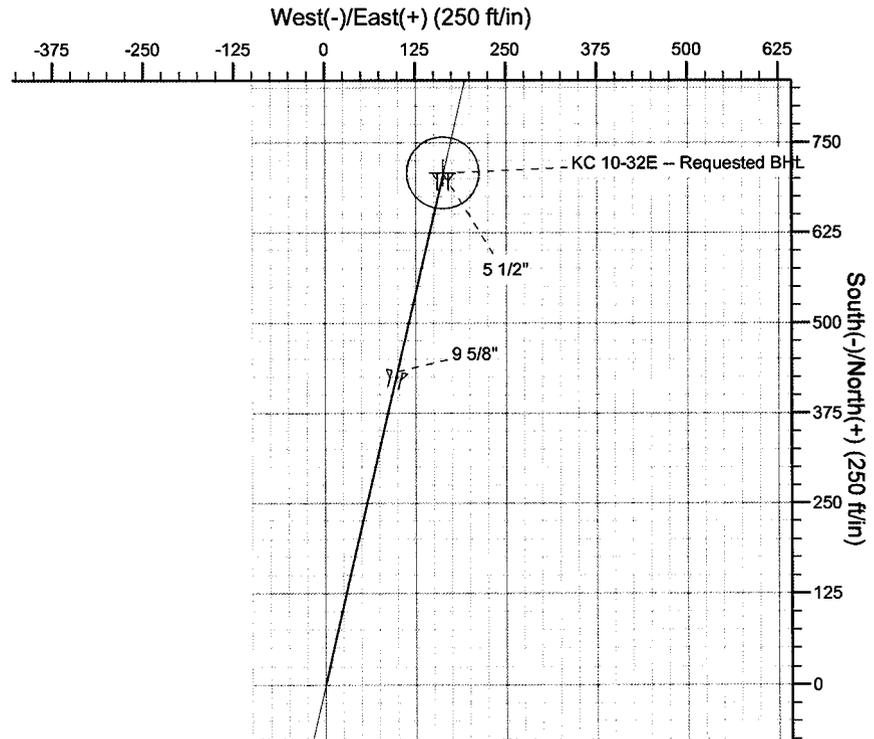
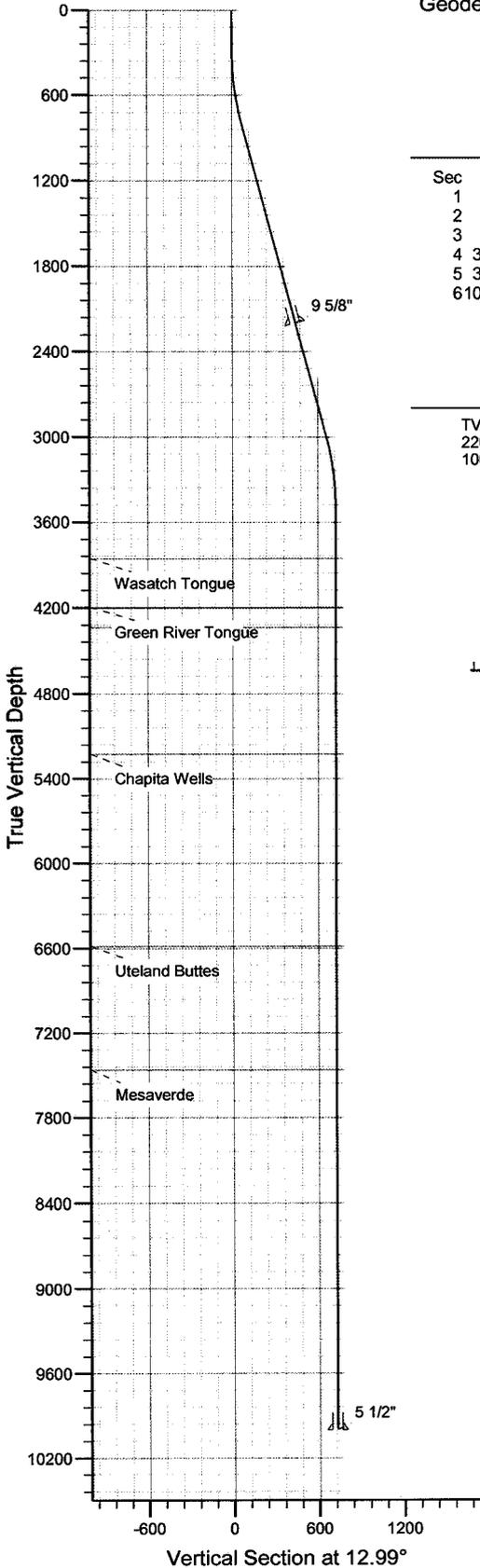
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	300.0	0.00	0.00	300.0	0.0	0.0	0.00	0.00	0.0	
3	803.0	15.09	12.99	797.2	64.2	14.8	3.00	12.99	65.9	
4	3087.4	15.09	12.99	3002.8	643.7	148.5	0.00	0.00	660.6	
5	3590.4	0.00	0.00	3500.0	707.8	163.3	3.00	180.00	726.4	KC 10-32E -- Requested BHL
6	10090.4	0.00	0.00	10000.0	707.8	163.3	0.00	0.00	726.4	

CASING DETAILS

TVD	MD	Name	Size
2200.0	2255.9	9 5/8"	9-5/8
10000.0	10090.4	5 1/2"	5-1/2

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
3854.0	3944.4	Wasatch Tongue
4194.0	4284.4	Green River Tongue
4334.0	4424.4	Wasatch
5224.0	5314.4	Chapita Wells
6584.0	6674.4	Uteland Buttes
7459.0	7549.4	Mesaverde



XTO Energy, Inc.

Planning Report

Database: EDM 2003.14 Single User Db
Company: XTO Energy
Project: Natural Buttes Wells(NAD83)
Site: KC 10-32E
Well: KC 10-32E
Wellbore: KC 10-32E
Design: Sundry'd Wellbore

Local Co-ordinate Reference: Well KC 10-32E
TVD Reference: Rig KB @ 5379.0ft (Frontier #6)
MD Reference: Rig KB @ 5379.0ft (Frontier #6)
North Reference: True
Survey Calculation Method: Minimum Curvature

Project	Natural Buttes Wells(NAD83), Vernal, UT		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		Using Well Reference Point
Map Zone:	Utah Northern Zone		

Site	KC 10-32E, T10S, R19E				
Site Position:		Northing:	3,127,534.25 ft	Latitude:	39° 53' 59.392 N
From:	Lat/Long	Easting:	2,116,478.42 ft	Longitude:	109° 48' 12.712 W
Position Uncertainty:	0.0 ft	Slot Radius:	"	Grid Convergence:	1.12 °

Well	KC 10-32E, S-Well to Wasatch/Mesaverde					
Well Position	+N/-S	0.0 ft	Northing:	3,127,534.25 ft	Latitude:	39° 53' 59.392 N
	+E/-W	0.0 ft	Easting:	2,116,478.42 ft	Longitude:	109° 48' 12.712 W
Position Uncertainty		0.0 ft	Wellhead Elevation:	5,365.0 ft	Ground Level:	5,365.0 ft

Wellbore	KC 10-32E				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	12/4/2007	11.62	65.82	52,601

Design	Sundry'd Wellbore				
Audit Notes:					
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.0	
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction	
	(ft)	(ft)	(ft)	(°)	
	0.0	0.0	0.0	12.99	

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
300.0	0.00	0.00	300.0	0.0	0.0	0.00	0.00	0.00	0.00	
803.0	15.09	12.99	797.2	64.2	14.8	3.00	3.00	0.00	12.99	
3,087.4	15.09	12.99	3,002.8	643.7	148.5	0.00	0.00	0.00	0.00	
3,590.4	0.00	0.00	3,500.0	707.8	163.3	3.00	-3.00	0.00	180.00	KC 10-32E – Request
10,090.4	0.00	0.00	10,000.0	707.8	163.3	0.00	0.00	0.00	0.00	

XTO Energy, Inc.

Planning Report

Database: EDM 2003.14 Single User Db
Company: XTO Energy
Project: Natural Buttes Wells(NAD83)
Site: KC 10-32E
Well: KC 10-32E
Wellbore: KC 10-32E
Design: Sundry'd Wellbore

Local Co-ordinate Reference: Well KC 10-32E
TVD Reference: Rig KB @ 5379.0ft (Frontier #6)
MD Reference: Rig KB @ 5379.0ft (Frontier #6)
North Reference: True
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	3.00	12.99	400.0	2.6	0.6	2.6	3.00	3.00	0.00
500.0	6.00	12.99	499.6	10.2	2.4	10.5	3.00	3.00	0.00
600.0	9.00	12.99	598.8	22.9	5.3	23.5	3.00	3.00	0.00
700.0	12.00	12.99	697.1	40.7	9.4	41.7	3.00	3.00	0.00
803.0	15.09	12.99	797.2	64.2	14.8	65.9	3.00	3.00	0.00
900.0	15.09	12.99	890.9	88.8	20.5	91.1	0.00	0.00	0.00
1,000.0	15.09	12.99	987.4	114.1	26.3	117.1	0.00	0.00	0.00
1,100.0	15.09	12.99	1,084.0	139.5	32.2	143.2	0.00	0.00	0.00
1,200.0	15.09	12.99	1,180.5	164.9	38.0	169.2	0.00	0.00	0.00
1,300.0	15.09	12.99	1,277.1	190.2	43.9	195.2	0.00	0.00	0.00
1,400.0	15.09	12.99	1,373.6	215.6	49.7	221.3	0.00	0.00	0.00
1,500.0	15.09	12.99	1,470.2	241.0	55.6	247.3	0.00	0.00	0.00
1,600.0	15.09	12.99	1,566.7	266.4	61.4	273.3	0.00	0.00	0.00
1,700.0	15.09	12.99	1,663.3	291.7	67.3	299.4	0.00	0.00	0.00
1,800.0	15.09	12.99	1,759.8	317.1	73.1	325.4	0.00	0.00	0.00
1,900.0	15.09	12.99	1,856.4	342.5	79.0	351.4	0.00	0.00	0.00
2,000.0	15.09	12.99	1,952.9	367.8	84.9	377.5	0.00	0.00	0.00
2,100.0	15.09	12.99	2,049.5	393.2	90.7	403.5	0.00	0.00	0.00
2,200.0	15.09	12.99	2,146.0	418.6	96.6	429.5	0.00	0.00	0.00
2,255.9	15.09	12.99	2,200.0	432.7	99.8	444.1	0.00	0.00	0.00
9 5/8"									
2,300.0	15.09	12.99	2,242.6	443.9	102.4	455.6	0.00	0.00	0.00
2,400.0	15.09	12.99	2,339.1	469.3	108.3	481.6	0.00	0.00	0.00
2,500.0	15.09	12.99	2,435.7	494.7	114.1	507.7	0.00	0.00	0.00
2,600.0	15.09	12.99	2,532.2	520.0	120.0	533.7	0.00	0.00	0.00
2,700.0	15.09	12.99	2,628.8	545.4	125.8	559.7	0.00	0.00	0.00
2,800.0	15.09	12.99	2,725.3	570.8	131.7	585.8	0.00	0.00	0.00
2,900.0	15.09	12.99	2,821.9	596.1	137.5	611.8	0.00	0.00	0.00
3,000.0	15.09	12.99	2,918.4	621.5	143.4	637.8	0.00	0.00	0.00
3,087.4	15.09	12.99	3,002.8	643.7	148.5	660.6	0.00	0.00	0.00
3,100.0	14.71	12.99	3,015.0	646.8	149.2	663.8	3.00	-3.00	0.00
3,200.0	11.71	12.99	3,112.4	669.1	154.3	686.7	3.00	-3.00	0.00
3,300.0	8.71	12.99	3,210.8	686.4	158.3	704.4	3.00	-3.00	0.00
3,400.0	5.71	12.99	3,310.0	698.6	161.2	716.9	3.00	-3.00	0.00
3,500.0	2.71	12.99	3,409.7	705.7	162.8	724.3	3.00	-3.00	0.00
3,590.4	0.00	0.00	3,500.0	707.8	163.3	726.4	3.00	-3.00	0.00
KC 10-32E -- Requested BHL									
3,600.0	0.00	0.00	3,509.6	707.8	163.3	726.4	0.00	0.00	0.00
3,700.0	0.00	0.00	3,609.6	707.8	163.3	726.4	0.00	0.00	0.00
3,800.0	0.00	0.00	3,709.6	707.8	163.3	726.4	0.00	0.00	0.00
3,900.0	0.00	0.00	3,809.6	707.8	163.3	726.4	0.00	0.00	0.00
3,944.4	0.00	0.00	3,854.0	707.8	163.3	726.4	0.00	0.00	0.00
Wasatch Tongue									
4,000.0	0.00	0.00	3,909.6	707.8	163.3	726.4	0.00	0.00	0.00
4,100.0	0.00	0.00	4,009.6	707.8	163.3	726.4	0.00	0.00	0.00
4,200.0	0.00	0.00	4,109.6	707.8	163.3	726.4	0.00	0.00	0.00
4,284.4	0.00	0.00	4,194.0	707.8	163.3	726.4	0.00	0.00	0.00
Green River Tongue									
4,300.0	0.00	0.00	4,209.6	707.8	163.3	726.4	0.00	0.00	0.00

XTO Energy, Inc.

Planning Report

Database: EDM 2003.14 Single User Db
Company: XTO Energy
Project: Natural Buttes Wells(NAD83)
Site: KC 10-32E
Well: KC 10-32E
Wellbore: KC 10-32E
Design: Sundry'd Wellbore

Local Co-ordinate Reference: Well KC 10-32E
TVD Reference: Rig KB @ 5379.0ft (Frontier #6)
MD Reference: Rig KB @ 5379.0ft (Frontier #6)
North Reference: True
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
4,400.0	0.00	0.00	4,309.6	707.8	163.3	726.4	0.00	0.00	0.00
4,424.4	0.00	0.00	4,334.0	707.8	163.3	726.4	0.00	0.00	0.00
Wasatch									
4,500.0	0.00	0.00	4,409.6	707.8	163.3	726.4	0.00	0.00	0.00
4,600.0	0.00	0.00	4,509.6	707.8	163.3	726.4	0.00	0.00	0.00
4,700.0	0.00	0.00	4,609.6	707.8	163.3	726.4	0.00	0.00	0.00
4,800.0	0.00	0.00	4,709.6	707.8	163.3	726.4	0.00	0.00	0.00
4,900.0	0.00	0.00	4,809.6	707.8	163.3	726.4	0.00	0.00	0.00
5,000.0	0.00	0.00	4,909.6	707.8	163.3	726.4	0.00	0.00	0.00
5,100.0	0.00	0.00	5,009.6	707.8	163.3	726.4	0.00	0.00	0.00
5,200.0	0.00	0.00	5,109.6	707.8	163.3	726.4	0.00	0.00	0.00
5,300.0	0.00	0.00	5,209.6	707.8	163.3	726.4	0.00	0.00	0.00
5,314.4	0.00	0.00	5,224.0	707.8	163.3	726.4	0.00	0.00	0.00
Chapita Wells									
5,400.0	0.00	0.00	5,309.6	707.8	163.3	726.4	0.00	0.00	0.00
5,500.0	0.00	0.00	5,409.6	707.8	163.3	726.4	0.00	0.00	0.00
5,600.0	0.00	0.00	5,509.6	707.8	163.3	726.4	0.00	0.00	0.00
5,700.0	0.00	0.00	5,609.6	707.8	163.3	726.4	0.00	0.00	0.00
5,800.0	0.00	0.00	5,709.6	707.8	163.3	726.4	0.00	0.00	0.00
5,900.0	0.00	0.00	5,809.6	707.8	163.3	726.4	0.00	0.00	0.00
6,000.0	0.00	0.00	5,909.6	707.8	163.3	726.4	0.00	0.00	0.00
6,100.0	0.00	0.00	6,009.6	707.8	163.3	726.4	0.00	0.00	0.00
6,200.0	0.00	0.00	6,109.6	707.8	163.3	726.4	0.00	0.00	0.00
6,300.0	0.00	0.00	6,209.6	707.8	163.3	726.4	0.00	0.00	0.00
6,400.0	0.00	0.00	6,309.6	707.8	163.3	726.4	0.00	0.00	0.00
6,500.0	0.00	0.00	6,409.6	707.8	163.3	726.4	0.00	0.00	0.00
6,600.0	0.00	0.00	6,509.6	707.8	163.3	726.4	0.00	0.00	0.00
6,674.4	0.00	0.00	6,584.0	707.8	163.3	726.4	0.00	0.00	0.00
Uteland Buttes									
6,700.0	0.00	0.00	6,609.6	707.8	163.3	726.4	0.00	0.00	0.00
6,800.0	0.00	0.00	6,709.6	707.8	163.3	726.4	0.00	0.00	0.00
6,900.0	0.00	0.00	6,809.6	707.8	163.3	726.4	0.00	0.00	0.00
7,000.0	0.00	0.00	6,909.6	707.8	163.3	726.4	0.00	0.00	0.00
7,100.0	0.00	0.00	7,009.6	707.8	163.3	726.4	0.00	0.00	0.00
7,200.0	0.00	0.00	7,109.6	707.8	163.3	726.4	0.00	0.00	0.00
7,300.0	0.00	0.00	7,209.6	707.8	163.3	726.4	0.00	0.00	0.00
7,400.0	0.00	0.00	7,309.6	707.8	163.3	726.4	0.00	0.00	0.00
7,500.0	0.00	0.00	7,409.6	707.8	163.3	726.4	0.00	0.00	0.00
7,549.4	0.00	0.00	7,459.0	707.8	163.3	726.4	0.00	0.00	0.00
Mesaverde									
7,600.0	0.00	0.00	7,509.6	707.8	163.3	726.4	0.00	0.00	0.00
7,700.0	0.00	0.00	7,609.6	707.8	163.3	726.4	0.00	0.00	0.00
7,800.0	0.00	0.00	7,709.6	707.8	163.3	726.4	0.00	0.00	0.00
7,900.0	0.00	0.00	7,809.6	707.8	163.3	726.4	0.00	0.00	0.00
8,000.0	0.00	0.00	7,909.6	707.8	163.3	726.4	0.00	0.00	0.00
8,100.0	0.00	0.00	8,009.6	707.8	163.3	726.4	0.00	0.00	0.00
8,200.0	0.00	0.00	8,109.6	707.8	163.3	726.4	0.00	0.00	0.00
8,300.0	0.00	0.00	8,209.6	707.8	163.3	726.4	0.00	0.00	0.00
8,400.0	0.00	0.00	8,309.6	707.8	163.3	726.4	0.00	0.00	0.00
8,500.0	0.00	0.00	8,409.6	707.8	163.3	726.4	0.00	0.00	0.00
8,600.0	0.00	0.00	8,509.6	707.8	163.3	726.4	0.00	0.00	0.00
8,700.0	0.00	0.00	8,609.6	707.8	163.3	726.4	0.00	0.00	0.00
8,800.0	0.00	0.00	8,709.6	707.8	163.3	726.4	0.00	0.00	0.00

XTO Energy, Inc.
Planning Report

Database: EDM 2003.14 Single User Db
Company: XTO Energy
Project: Natural Buttes Wells(NAD83)
Site: KC 10-32E
Well: KC 10-32E
Wellbore: KC 10-32E
Design: Sundry'd Wellbore

Local Co-ordinate Reference: Well KC 10-32E
TVD Reference: Rig KB @ 5379.0ft (Frontier #6)
MD Reference: Rig KB @ 5379.0ft (Frontier #6)
North Reference: True
Survey Calculation Method: Minimum Curvature

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
8,900.0	0.00	0.00	8,809.6	707.8	163.3	726.4	0.00	0.00	0.00	
9,000.0	0.00	0.00	8,909.6	707.8	163.3	726.4	0.00	0.00	0.00	
9,100.0	0.00	0.00	9,009.6	707.8	163.3	726.4	0.00	0.00	0.00	
9,200.0	0.00	0.00	9,109.6	707.8	163.3	726.4	0.00	0.00	0.00	
9,300.0	0.00	0.00	9,209.6	707.8	163.3	726.4	0.00	0.00	0.00	
9,400.0	0.00	0.00	9,309.6	707.8	163.3	726.4	0.00	0.00	0.00	
9,500.0	0.00	0.00	9,409.6	707.8	163.3	726.4	0.00	0.00	0.00	
9,600.0	0.00	0.00	9,509.6	707.8	163.3	726.4	0.00	0.00	0.00	
9,700.0	0.00	0.00	9,609.6	707.8	163.3	726.4	0.00	0.00	0.00	
9,800.0	0.00	0.00	9,709.6	707.8	163.3	726.4	0.00	0.00	0.00	
9,900.0	0.00	0.00	9,809.6	707.8	163.3	726.4	0.00	0.00	0.00	
10,000.0	0.00	0.00	9,909.6	707.8	163.3	726.4	0.00	0.00	0.00	
10,090.4	0.00	0.00	10,000.0	707.8	163.3	726.4	0.00	0.00	0.00	
5 1/2"										

Targets										
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude	
KC 10-32E – Requested	0.00	0.00	3,500.0	707.8	163.3	3,128,245.13	2,116,627.86	39° 54' 6.385 N	109° 48' 10.617 W	
- hit/miss target										
- Shape										
- Circle (radius 50.0)										

Casing Points							
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (")	Hole Diameter (")			
2,255.9	2,200.0	9 5/8"	9-5/8	12-1/4			
10,090.4	10,000.0	5 1/2"	5-1/2	7-7/8			

Formations							
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)		
3,944.4	3,854.0	Wasatch Tongue		0.00			
4,284.4	4,194.0	Green River Tongue		0.00			
4,424.4	4,334.0	Wasatch		0.00			
5,314.4	5,224.0	Chapita Wells		0.00			
6,674.4	6,584.0	Uteland Buttes		0.00			
7,549.4	7,459.0	Mesaverde		0.00			

SURFACE USE PLAN

CONDITIONS OF APPROVAL

Name of Operator: XTO Energy, Inc.
Address: P.O. Box 1360; 978 North Crescent
Roosevelt, Utah 84066
Well Location: KC 10-32E
Surface Location: 1,290' FSL & 2,053' FEL, SW/4 SE/4,
Target Location: 2,000' FSL & 1,900' FEL, NW/4 SE/4,
Section 32, T10S, R19E, SLB&M, Uintah County, Utah

The surface owner or surface owner representative and dirt contractor will be provided with an approved copy of the surface use plan of operations and approved conditions of approval before initiating construction.

The onsite inspection for the referenced well was previously completed on November 29, 2007.

An off-lease federal right-of-way is necessary prior to any construction outside of Section 32.

1. Location of Existing Roads:

- a. The proposed well site is located approximately 14.63 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 needed for the off-lease portion (Section 33) of the access and pipeline corridor since both are located outside the existing state lease boundary.**

2. New or Reconstructed Access Roads:

- a. From the proposed KC 14-32E access road an access is proposed trending northeast approximately 100' 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 since the access road is only 100' long and adequate site distance exists in all directions.
- f. No culverts or low-water crossings are necessary. Adequate drainage structures will be incorporated into the road.
- g. No surfacing material will come from 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 Existing and/or Proposed Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Desert Brown /Carlsbad 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 lease, 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 pipeline corridor containing a single steel gas pipeline and a single steel or poly pipe water pipeline is associated with this application and is being applied for at this time. The proposed pipeline corridor will leave the west side of the well site and traverse 140' southwest to the proposed KC 14-32E pipeline corridor.
- i. The gas pipeline will be a 12" or less buried line and the water pipeline will be a 12" or less buried line within a 75' wide disturbed pipeline corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline corridor construction. A new buried pipeline corridor length of approximately 140' is associated with this well.
- j. An existing pipeline corridor upgrade is proposed from the proposed KC 14-32E tie-in location to the east section line of Section 32 along the existing pipeline route.
- k. The gas pipeline will be a 12" or less buried line and the water pipeline will be a 12" or less buried line within a single trench and within a 75' wide disturbed pipeline corridor. The use of the existing well site and access roads will facilitate the staging of the pipeline corridor upgrade. An upgrade to a 75' wide buried pipeline corridor of approximately 6,800' is associated with this application.
- l. The proposed pipeline and pipeline upgrade are contained within SITLA surface.
- m. XTO Energy, Inc. intends to bury the pipeline where possible and connect the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

- a. No water supply pipelines will be laid for this well.
- b. No water well will be drilled for this well.
- c. Drilling water for this will be hauled on the road(s) shown in Exhibit "B".
- d. Water will be hauled from one of the following sources:
 - o Water Permit # 43-10447, Section 33, T8S, R20E;
 - o Water Permit #43-2189, Section 33, T8S, R20E;
 - o Water Permit #49-2158, Section 33, T8S, R20E;
 - o Water Permit #49-2262, Section 33, T8S, R20E;
 - o Water Permit #49-1645, Section 5, T9S, R22E;
 - o Water Permit #43-9077, Section 32, T6S, R20E;
 - o Tribal Resolution 06-183, Section 22, T10S, R20E;

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 Ute Tribal or BLM lands.
- c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste:

- 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 only if rock is encountered during excavation. 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 XTO Energy, Inc. 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.
- b. No camps, airstrips or staging areas are proposed with 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 southwest.
- 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; 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 (Interim Reclamation and Final Reclamation):

- 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. 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 re-contoured to the approximate natural contours.

- c. Following Best Management Practices the interim reclamation will be completed within 90 days of completion of the well to reestablish vegetation, reduce dust and erosion and compliment the visual resources of the area.
 - a. All equipment and debris will be removed from the area proposed for interim reclamation and the pit area will be backfilled and re-contoured.
 - b. The area outside of the rig anchors and other disturbed areas not needed for the operation of the well will be re-contoured to blend with the surrounding area and reseeded as prescribed by the SITLA.
 - c. Reclaimed areas receiving incidental disturbance during the life of the producing well will be re-contoured and reseeded as soon as practical.
- d. 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. On SITLA administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- e. Prior to final abandonment of 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. The SITLA recommended seed mix will be detailed within their approval documents.

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. Operators Contact Information:

Title	Name	Office Phone	Mobile Phone	e-mail
Company Rep.	Ken Secrest	435-722-4521	435-828-1450	Ken_Secrest@xtoenergy.com
Agent	Don Hamilton	435-719-2018	435-719-2018	starpoint@etv.net

- b. AIA Archaeological has conducted a Class III archeological survey. A copy of the report is attached and has also been submitted under separate cover to the appropriate agencies by AIA Archaeological.
- c. Alden Hamblin has conducted a paleontological survey. A copy of the report is attached and has also been submitted under separate cover to the appropriate agencies by Alden Hamblin.
- d. **An off-lease federal right-of-way is necessary prior to any construction outside of state section 32.**

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 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 the company I represent, am responsible for the operations conducted under this application and that bond coverage is provided under XTO Energy, Inc's SITLA bond 104312-762. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 21st day of December, 2007.

Don Hamilton

Don Hamilton -- Agent for XTO Energy, Inc.
2580 Creekview Road
Moab, Utah 84532

435-719-2018
starpoint@etv.net

Dominion Exploration & Production, Inc.
Kings Canyon #10-32E: A Cultural
Resource Inventory for a well
its access and pipeline,
Uintah County, Utah.

By
James A. Truesdale

James A. Truesdale
Principal Investigator

Prepared For
Dominion Exploration & Production, Inc.
1400 State Street
P.O. Box 1360
Roosevelt, Utah
84066

Prepared By
AN INDEPENDENT ARCHAEOLOGIST
P.O.Box 153
Laramie, Wyoming
82073

Utah Project # U-06-AY-445(s)

September 5, 2006

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Introduction

An Independent Archaeologist (AIA) was contacted by a representative of Dominion Exploration & Production, Inc., to conduct a cultural resources investigation of the proposed Kings Canyon #10-32E well, its access and pipeline. The location of the project area is the NW/SE 1/4 of Section 32, T10S, R19E Uintah County, Utah (Figure 1).

The proposed Kings Canyon #10-32E well's centerstake footage (Surface location) is 2146' FSL, 2026' FWL. The proposed Kings Canyon #10-32E well's centerstake Universal Transverse Mercator (UTM) centroid coordinate is Zone 12, North American Datum (NAD) 83, 06/02/ mE 44/17/318.77 mN \pm 5m.

From an existing oil and gas field service road and pipeline, the proposed access and pipeline trend west 6000 feet (1829.26 m) to the proposed KC #10-32E well pad.

The land is administered by the United States, Utah Bureau of Land Management, Vernal District Office, Book Cliffs Resource Area. A total of 37.52 acres (10 block, 27.52 linear) was surveyed. The fieldwork was conducted on July 12, 2006 by AIA archaeologists James Truesdale and CJ Truesdale. All the field notes and maps are located in the AIA office in Laramie, Wyoming.

File Search

A file search was conducted by the Office of the Utah Division of State History (UDSH), Antiquities Section, Records Division on April 11, 2006. An additional file search was conducted at the Vernal BLM office in March of 2006 by the authors. An update of AIA's USGS 7.5'/1985 Moon Bottom quadrangle map from the UDSH's Moon Bottom quadrangle base map occurred on November 8, 2003 and again on February 3, 2004. No projects and/or cultural materials (sites, isolates) have been previously recorded in the immediate project area.

Environment

Physiographically, the project is located in the Kings Canyon area west of the Wild Horse Bench in the Uinta Basin, 16 miles south of Ouray, Utah. The Uinta Basin is structurally the lowest part of the Colorado Plateau geographical province (Thornbury 1965:425). The Uinta Basin is a large, relatively flat, bowl shaped, east-west asymmetrical syncline near the base of the Uinta Mountains. The topography is characteristic of sloping surfaces

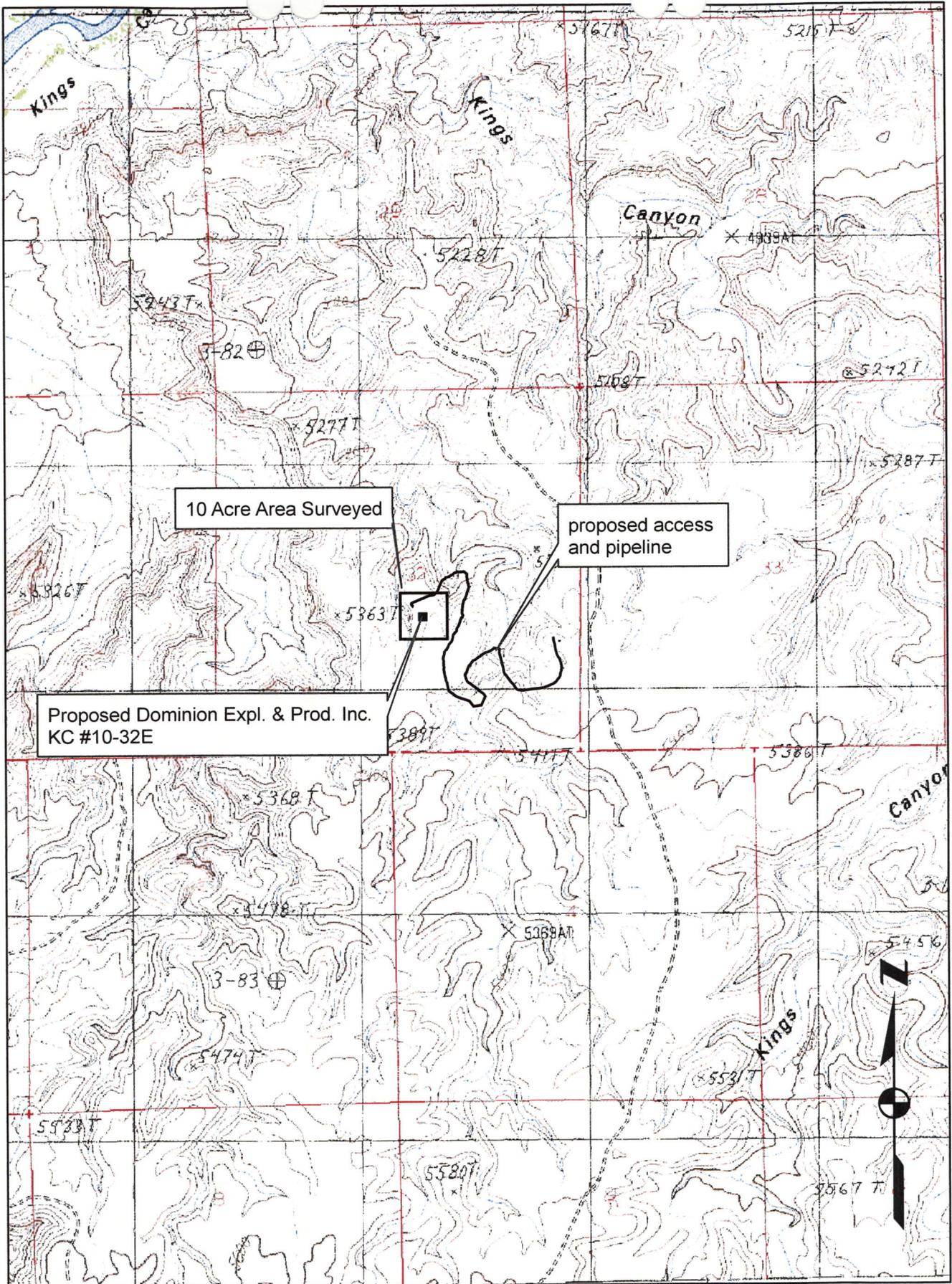


Figure 1. Location of the proposed Dominion Expl & Prod. Inc., Kings Canyon #10-32E well, its access, and pipeline on USGS 7/5' /1964 Quadrangle map Moon Bottom, Duchesne County, Utah.

that incline northward and are mainly dip slopes on the harder layers of Green River and Uinta Formations (Stokes 1986). A thick section of more than 9000 feet (2743.9 m) of early Tertiary rocks are exposed (Childs 1950). These rocks are mainly Paleocene and Eocene in age and consist of sandstone, clay and shale lacustrine, fluvial, and deltaic continental deposits, most famous of which are the lacustrine Green River Beds.

The immediate project area is situated on high desert hills and benches about 2 miles southeast of the Green River on the west side of Kings Canyon. The area is characterized as having steep ridges and/or buttes of thick Uinta Formation sandstone, with layers of clays and shales. The hills, ridges and buttes are dissected by several steep ephemeral drainage washes with wide flat alluvial plains. Portions of the desert hardpan and bedrock are covered with various sizes of residual angular to tabular pieces of eroding sandstone, clay and shale. Many of the higher hills and ridges exhibit ancient terrace (pediment) surfaces containing pebble and cobble gravel. Some of these pebbles and cobbles exhibit a dark brown to black desert varnish (patination). In addition, many of the hills and ridge slopes are covered with aeolian sand that may reach a depth of 100 to 150 cm.

Vegetation in the Kings Canyon area is characteristic of a low sagebrush community with saltbush and greasewood. Species observed in the project area include; big sagebrush (Artemesia tridentata), shadscale (Atriplex confertifolia), saltbush (Atriplex nuttallii), rabbitbrush (Chrysothamnus viscidiflorus), winterfat (Eurotia lanata), greasewood (Sarcobatus baileyi), wild buckwheat, (Eriogonum ovalifolium), desert trumpet (Eriogonum inflatum), Indian rice grass (Oryzopsis hymenoides), western wheatgrass (Agropyron smithii), spiked wheatgrass (Agropyron sp.), crested wheatgrass (Agropyron cristatum), June grass (Koeleria cristata), cheat grass (Bromus tectorum), needleandthread (Hesperostipa comata), Sego Lilly (Calochortus nuttallii), desert globemallow (Bromus tectorum), lupine (Lupinus sp.), larkspur (Delphinium sp.), Indian paintbrush (Castilleja chromosa), desert daisy (Xylorhiza nuttallii), desert pincushion (Chaenactis stevioides), peppergrass (Lepidium perfoliatum), scalloped phacelia (Phacelia intergrifoliana), birdsage evening primrose (Oenothera deltoides), Yellow bee plant (Cleome lutea), Russian thistle (Salsola kali), Russian knapweed (Centaurea repens), wild garlic (Allium canadense), Tansy mustard (Descurainia incisa), Juniper (Juniperus scopulorum) and prickly pear cactus (Opuntia sp.). In addition, a riparian community dominated by cottonwood (Populus sp.), willow (Salix sp.), and salt cedar (tamarix) can be found along the Green River located approximately 2 miles northwest.

Kings Canyon #10-32E

The proposed KC #10-32E well pad is situated a top and eastern edge of a large broad south to north trending (Figure 2). The well pad location is part of a larger upland bench system of ridges and drainages that drain northeast into Kings Canyon which ultimately feeds into the Green River 2 miles to the northwest. The sediments on the well location are colluvial in nature. These colluvial deposits consist of shallow (≤ 5 cm), poorly sorted, moderately compacted, tan to light brown, sandy clay loam, mixed with smaller angular pieces of sandstone, clay and shale (Figure 3). Vegetation consists of low sagebrush, rabbitbrush, saltbush, greasewood, bunchgrasses (wheatgrass, cheat grass, Indian rice-grass), desert globemallow, barrel and prickly pear cactus. The proposed well location is 5325 feet (1623.4 m) AMSL.

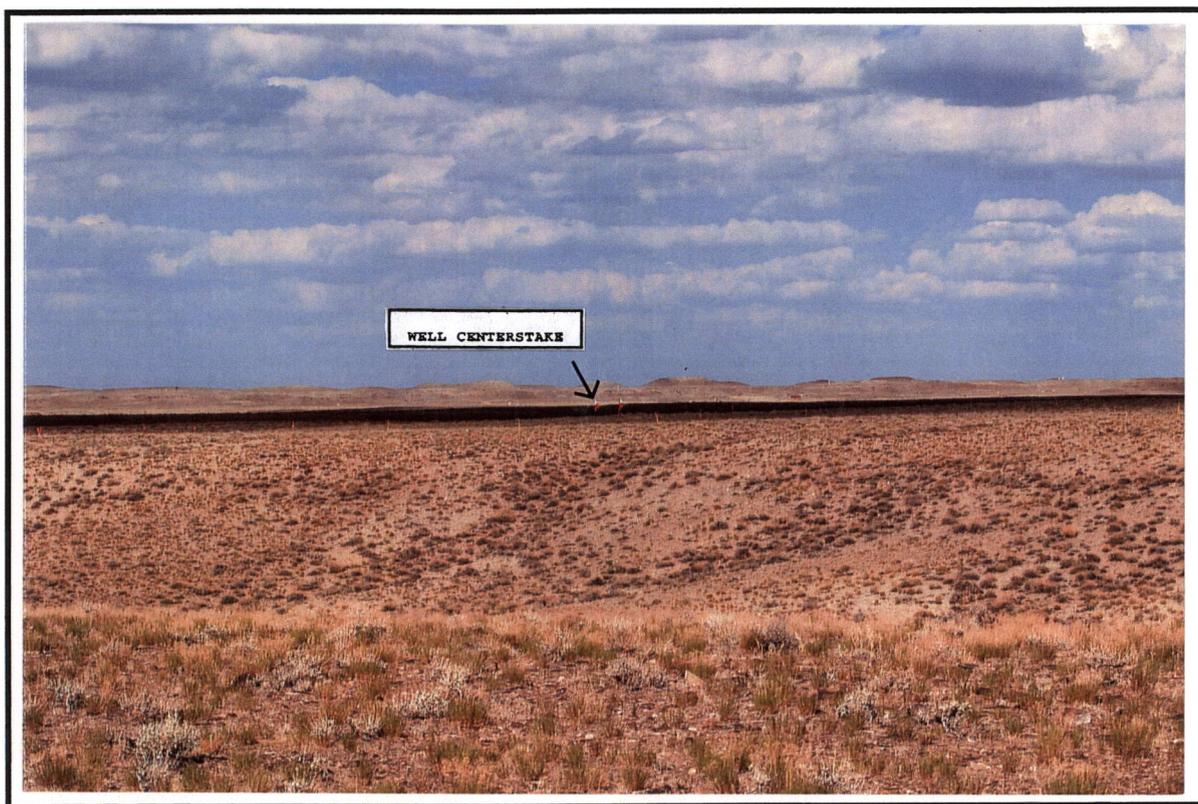


Figure 2. View to northeast of proposed Kings Canyon #10-32E well centerstake and well pad area.

From an existing oil and gas field service road the proposed access and pipeline trend 6000 feet (1829.26 m) west to the proposed well pad. The proposed access and pipeline begin at an existing oil and gas field service road and pipeline, and parallel each other. From the existing road and pipeline the access and pipeline follow the contour of a sequence of small ridges to a

point where it trends down and ultimately crosses an extremely steep canyon drainage, and begins to ascend up the eastern talus slope of a large south to north trending ridge. Once at the top of the ridge the access and pipeline turn southwest and continue across a large broad flat to the proposed well pad. Sediments along the access and pipeline consist of a shallow (<20 cm), poorly sorted, loosely compacted colluvium. These colluvial deposits overlie sandstone, clay and shale bedrock that are exposed and eroding from the steep ridge slope to the east of the well pad. Vegetation along the access and pipeline is sparse and consists of low sagebrush, greasewood, rabbitbrush, saltbush, desert globemallow, bunchgrasses (wheatgrass, cheat grass, Indian rice-grass), and prickly pear cactus.



Figure 3. View of colluvial sediments on and surrounding the proposed Kings Canyon #10-32E well pad.

Field Methods

A total of 10 acres was surveyed around the centerstake of the proposed Kings Canyon #10-32E well location to allow for relocation of the pad if necessary. The survey was accomplished by walking transects spaced no more than 15 meters apart. The proposed access and pipeline parallel each other. Each of these linear corridors surveyed is 6000 feet (1829.26 m) long and 100 feet (30.4 m) wide, 13.76 acres. Thus, 27.52 linear acres was

surveyed.

Geologic landforms (rock shelters, alcoves, ridge tops and saddles) and areas of subsurface exposure (ant hills, blowouts, rodent holes and burrow, eroding slopes and cutbacks) were examined with special care in order to locate cultural resources (sites, isolates) and possibly help assess a site's sedimentary integrity and potential for the presence and/or absence of buried intact cultural deposits. All exposures of sandstone cliff faces, alcoves or rock shelters, and talus slopes were surveyed.

When cultural materials are discovered, a more thorough survey of the immediate vicinity is conducted in order to locate any associated artifacts and to determine the horizontal extent (surface area) of the site. If no other artifacts are located during the search then the initial artifact was recorded as an isolated find. At times, isolated formal tools (typical end scrapers, projectile points) were drawn and measured. The isolate was then described and its location plotted on a U.S.G.S. topographic map and UTM coordinates are recorded.

When sites are found an Intermountain Antiquities Computer System (IMACS) form was used to record the site. At all sites, selected topographic features, site boundaries, stone tools and cultural features (hearths, foundations, trash dumps and trails) are mapped. Sites were mapped with a Brunton compass, Trimble Geophysical 3 and/or Garmin E-Trex GPS units, and pacing off distances from a mapping station (datum, PVC with aluminum tag). All debitage is inventoried using standard recording techniques (Truesdale et al 1995:7) according to material type, basic flake type, and so on. Selected (mostly complete) stone tools and projectile points are drawn and measured. All features (rockart panel(s), hearths, foundations, trash dumps and trails) are measured and described, while selected features are either drawn or photographed.

Site location data is recorded by a Trimble GeoExplorer 3 Global Positioning System (GPS) and Garmin GPS III Plus and/or a E-Trex GPS. Site elevation and Universal Transverse Mercator (UTM) grid data, its Estimated Position Error (EPE) and Dilution of Precision (DOP) were recorded. Using the GPS data, the site location was then placed on a USGS 7.5' quadrangle map.

Results

A total of 37.52 (10 block, 27.52 linear) acres were surveyed for cultural resources by AIA within and around the proposed Dominion Exploration & Production, Inc. Kings Canyon #10-32E well, and along its access and pipeline. No cultural resources (sites, isolates) were recorded during the survey for the proposed KC #10-32E well, its access and pipeline.

A moderate scatter of modern trash (plastic bottles, sanitary food cans, miscellaneous metal, wire, green, brown and clear glass bottles and bottle fragments, foam insulation, etc.) can be found on and surrounding the existing roads in the Kings Canyon area.

Recommendations

A total of 37.52 (10 block, 27.52 linear) acres were surveyed for cultural resources by AIA within and around the proposed Dominion Exploration & Production, Inc. Kings Canyon #10-32E well, and along its access and pipeline. No cultural resources (sites, isolates) were recorded during the survey for the proposed Kings Canyon #10-32E well or along its access and pipeline.

A moderate scatter of modern trash (plastic bottles, sanitary food cans, miscellaneous metal, wire, green, brown and clear glass bottles and bottle fragments, foam insulation, etc.) can be found on and surrounding the existing roads in the Kings Canyon area.

Sediments on and surrounding the proposed well pad, and along its access and pipeline are shallow. Therefore, the possibility of buried and/or intact cultural materials on the proposed well pad or along its access and pipeline is low. No cultural resources (historic properties, isolates) were recorded during the survey for the proposed KC #10-32E well, its access and pipeline. Therefore, no additional archaeological work is necessary and clearance is recommended for the construction of the Kings Canyon #10-32E well pad, its access, and pipeline.

REFERENCES CITED

Childs, O.E.

1950 Geologic history of the Uinta Basin, Utah Geological and Mineralogical Survey. Guidebook to the Geology of Utah, No. 5:49-59.

Stokes, William D.

1986 Geology of Utah. Contributions by the Utah Museum of Natural History, and the Utah Geological and Mineral Survey Department of Natural Resources. Utah Museum of Natural History, Occasional Papers, No. 6.

Thornbury, William D.

1965 Regional Geomorphology of the United States. John Wiley & Sons, Inc.

Truesdale, James A., Kathleen E Hiatt, and Clifford Duncan

1995 Cultural Resource Inventory of the Proposed Ouray Gravel Pit Location, Uintah-Ouray Ute Reservation, Uintah County, Utah. Report prepared for U & W Construction, Ft. Duchesne, Utah by AIA, Laramie, Wyoming.

PALEONTOLOGY EVALUATION SHEET

PROJECT: (150) Dominion Well **Kings Canyon #10-32E** (with KC#15-32E)

LOCATION: Nineteen miles south of Ouray, Utah. Section 32, SW SE, T10S, R19E, Uintah County, Utah.

OWNERSHIP: PRIV[] STATE[X] BLM[] USFS[] NPS[] IND[] MIL[] OTHER[]

DATE: June 20, 2006

GEOLOGY/TOPOGRAPHY: Uinta Formation, lower part, Eocene Age. Long road in from the east across a canyon. Area of high relief, steep canyons but with flat benches. Location on the flat bench and the surface is all bench top cover of rock fragments and sand/silt.

PALEONTOLOGY SURVEY: YES [] NO Survey [X] PARTIAL Survey []

SURVEY RESULTS: Invertebrate [] Plant [] Vertebrate [] Trace [] No Fossils Found [X]

PALEONTOLOGY SENSITIVITY: HIGH [] MEDIUM [] LOW [X] (PROJECT SPECIFIC)

MITGATION RECOMMENDATIONS: NONE [X] OTHER [] (SEE BELOW)

There is always some potential for finding significant fossils when working in the Uinta Formation. If significant vertebrate fossils (mammals, crocodiles, complete turtle shells, etc.) are encountered during construction, work should stop in that area and a paleontologist should be contacted to evaluate the material discovered.

PALEONTOLOGIST: Alden H. Hamblin

*A.H. Hamblin Paleontological Consulting, 3793 N. Minersville Highway, Cedar City, Utah 84720 (435) 867-8355
Utah State Paleontological Permit # 04-339, BLM paleontological Resources Permit # UT-S-05-02,
Ute Tribe Access Permits – 03/31/06 & 09/30/06. Utah Professional Geologist License – 5223011-2250.*

XTO ENERGY, INC.
KINGS CANYON #15-32E & #10-32E
SECTION 32, T10S, R19E, S.L.B.&M.

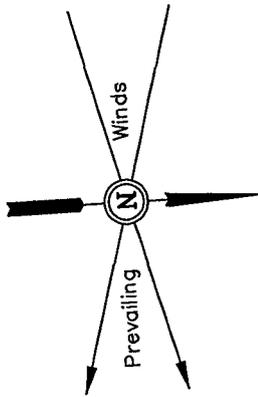
PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON 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 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 5.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #16-32E TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 350' TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #14-32E TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, THEN SOUTHWESTERLY, THEN NORTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 100' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 62.1 MILES.

XTO ENERGY, INC.

LOCATION LAYOUT FOR

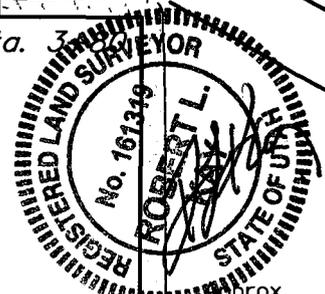
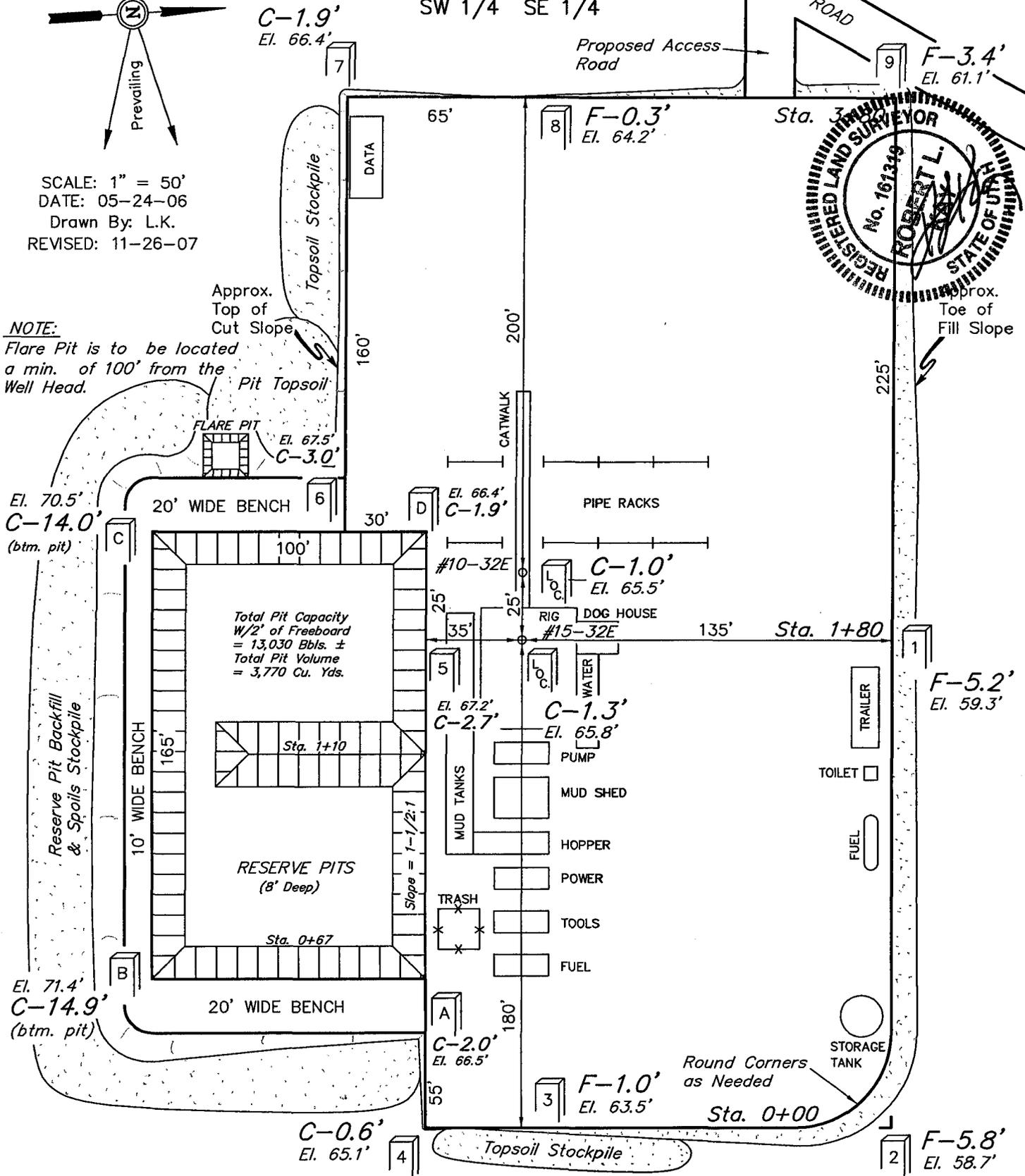
KINGS CANYON #15-32E & #10-32E
SECTION 32, T10S, R19E, S.L.B.&M.
SW 1/4 SE 1/4



SCALE: 1" = 50'
DATE: 05-24-06
Drawn By: L.K.
REVISED: 11-26-07

NOTE:

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



Elev. Ungraded Ground at #15-32E Location Stake = 5365.8'
Elev. Graded Ground at #15-32E Location Stake = 5364.5'

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

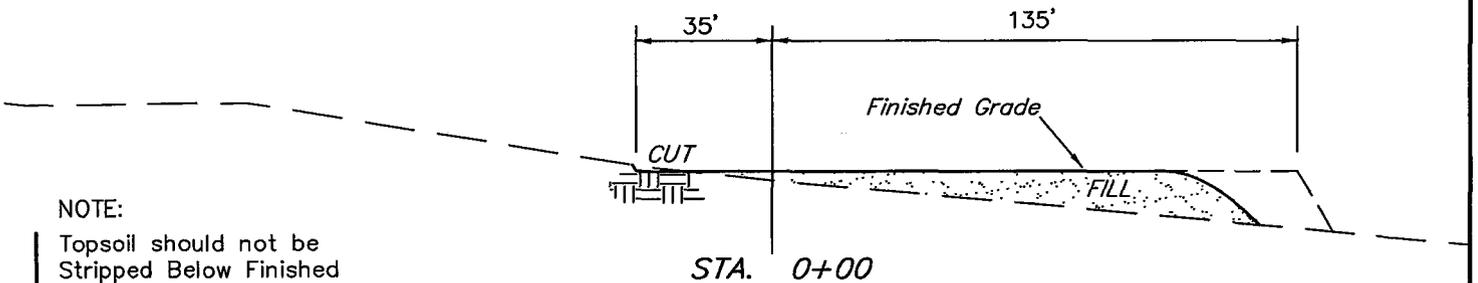
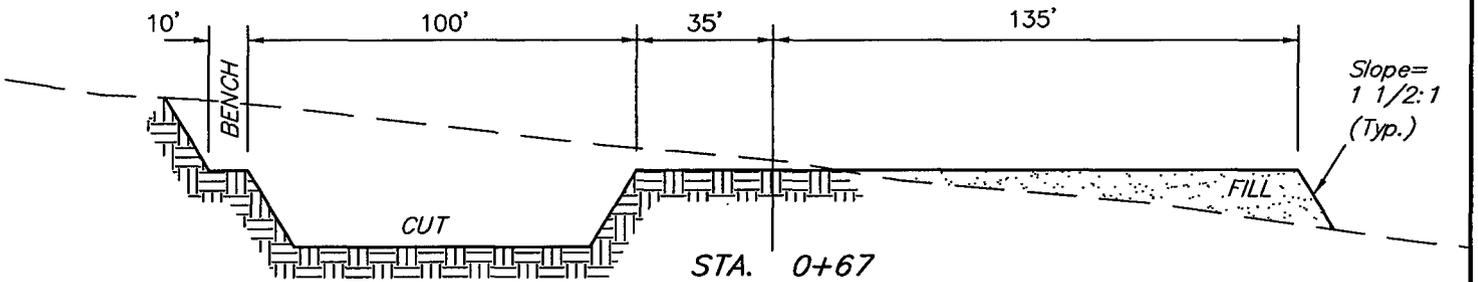
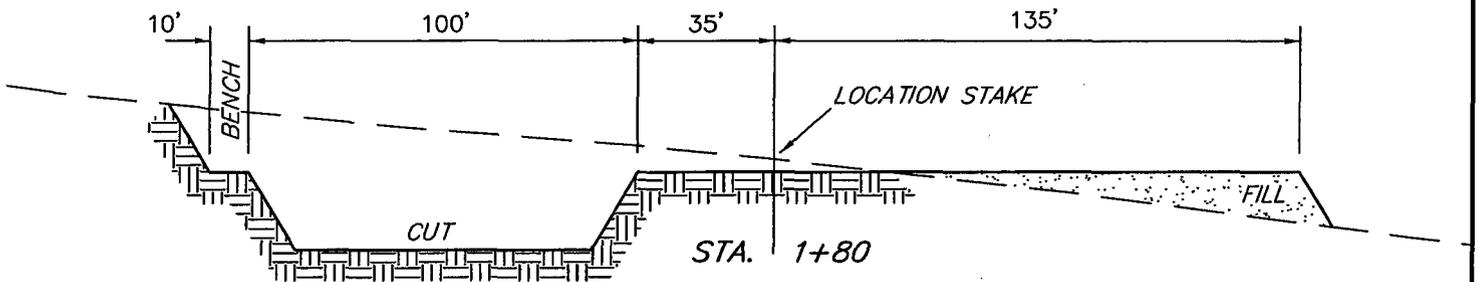
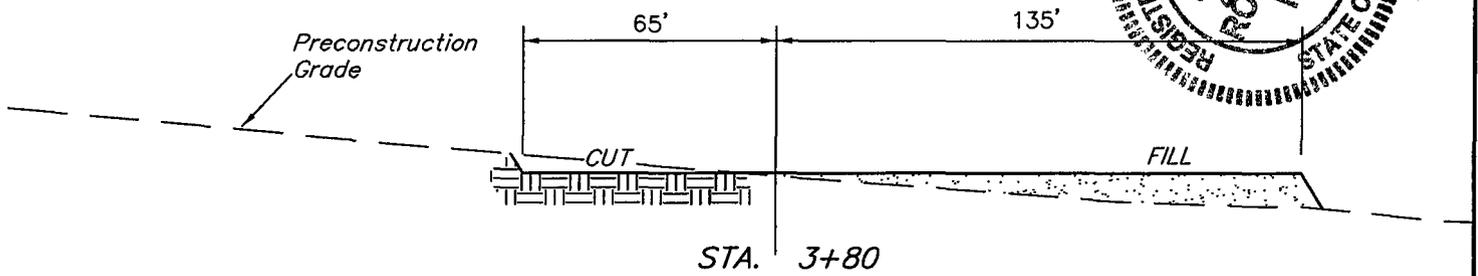
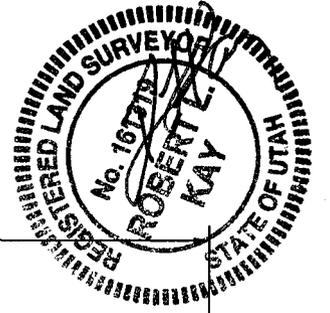
XTO ENERGY, INC.

TYPICAL CROSS SECTIONS FOR

KINGS CANYON #15-32E & #10-32E
SECTION 32, T10S, R19E, S.L.B.&M.
SW 1/4 SE 1/4

1" = 20'
X-Section Scale
1" = 50'

DATE: 05-24-06
Drawn By: L.K.
REVISED: 11-26-07



NOTE:

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

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,900 Cu. Yds.
Remaining Location	= 8,190 Cu. Yds.
TOTAL CUT	= 10,090 CU.YDS.
FILL	= 6,300 CU.YDS.

*** NOTE:**

FILL QUANTITY INCLUDES 5% FOR COMPACTION

EXCESS MATERIAL	= 3,790 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,790 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

XTO ENERGY, INC.
KINGS CANYON #15-32E & #10-32E
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 32, T10S, R19E, S.L.B.&M.

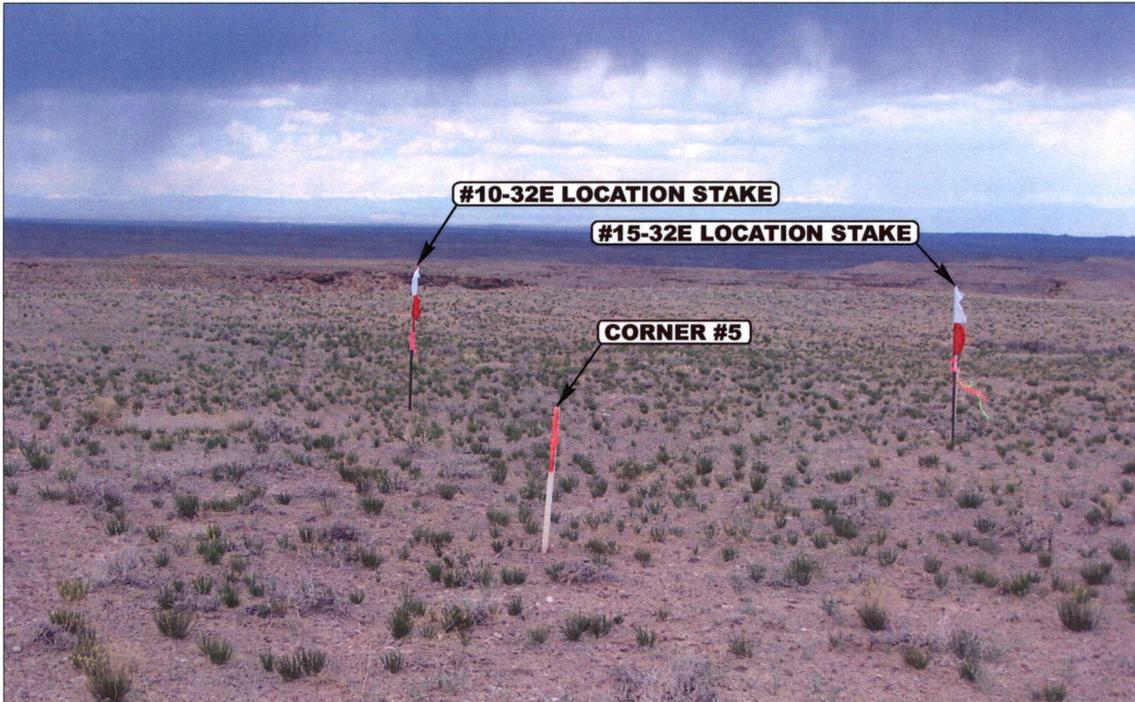


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

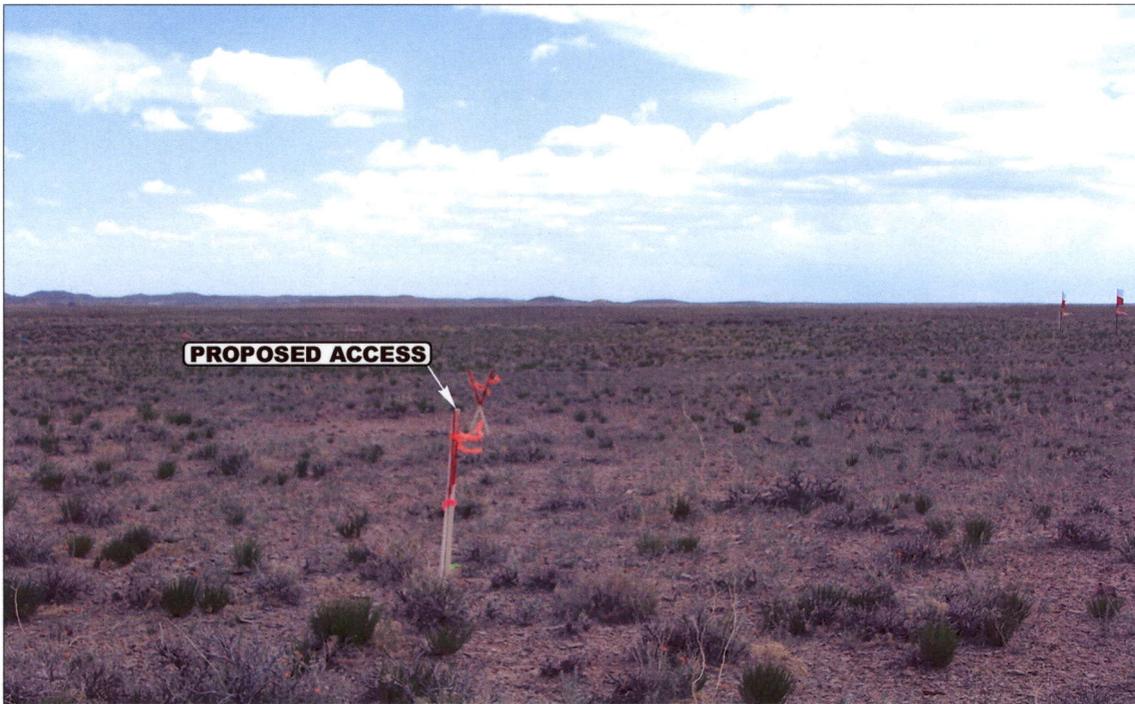


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

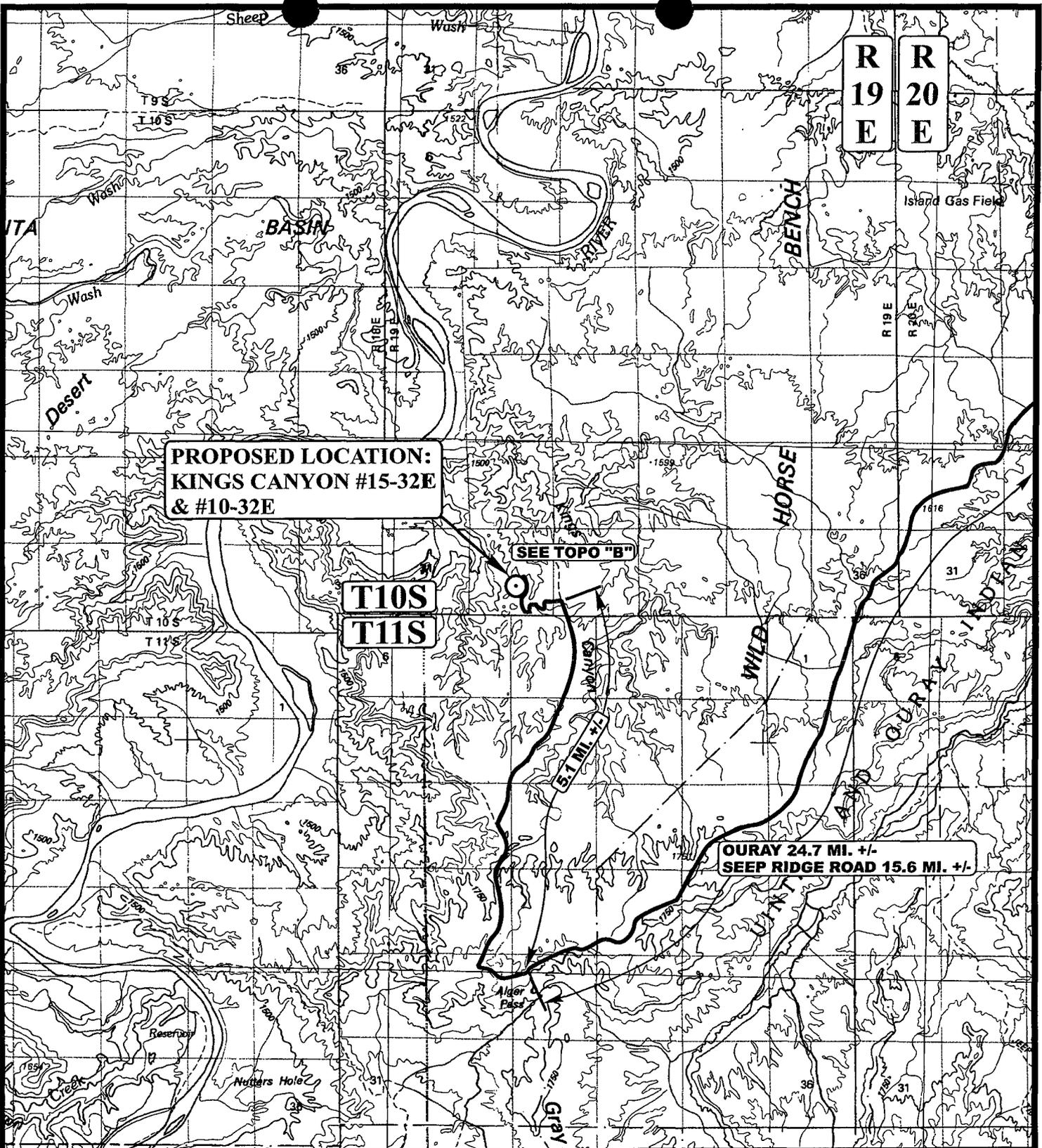
CAMERA ANGLE: EASTERLY



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

- Since 1964 -

LOCATION PHOTOS	05 MONTH	26 DAY	06 YEAR	PHOTO
TAKEN BY: T.A.	DRAWN BY: C.H.		REV: 11-27-07 C.C.	



LEGEND:

○ PROPOSED LOCATION



U E L I S
 Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

XTO ENERGY, INC.

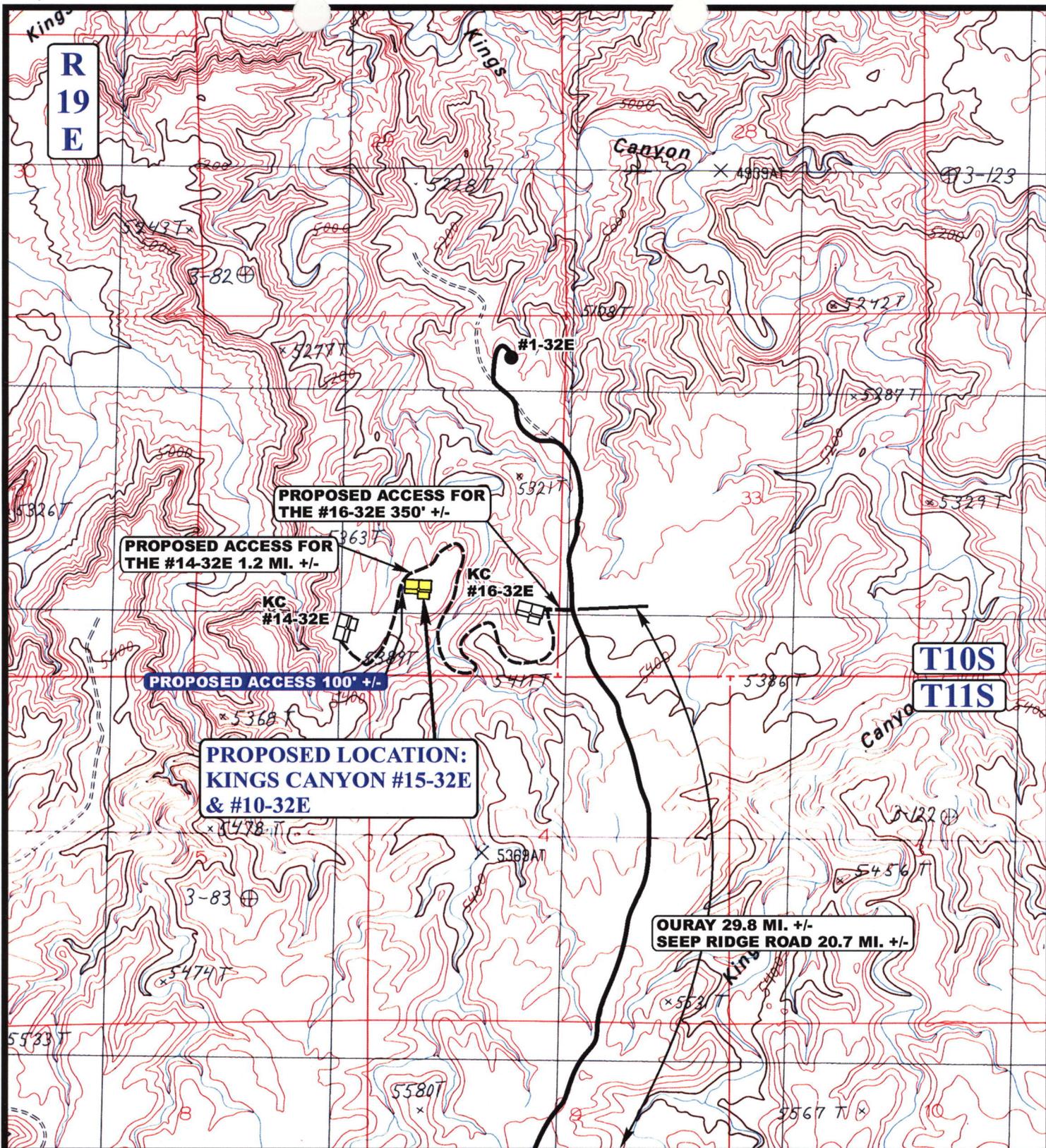
KINGS CANYON #15-32E & #10-32E
SECTION 32, T10S, R19E, S.L.B.&M.
SW 1/4 SE 1/4

TOPOGRAPHIC
MAP

05 26 06
 MONTH DAY YEAR

SCALE: 1:100,000 | DRAWN BY: C.H. | REV: 11-27-07 C.C.





LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



XTO ENERGY, INC.

**KINGS CANYON #15-32E & #10-32E
SECTION 32, T10S, R19E, S.L.B.&M.
SW 1/4 SE 1/4**

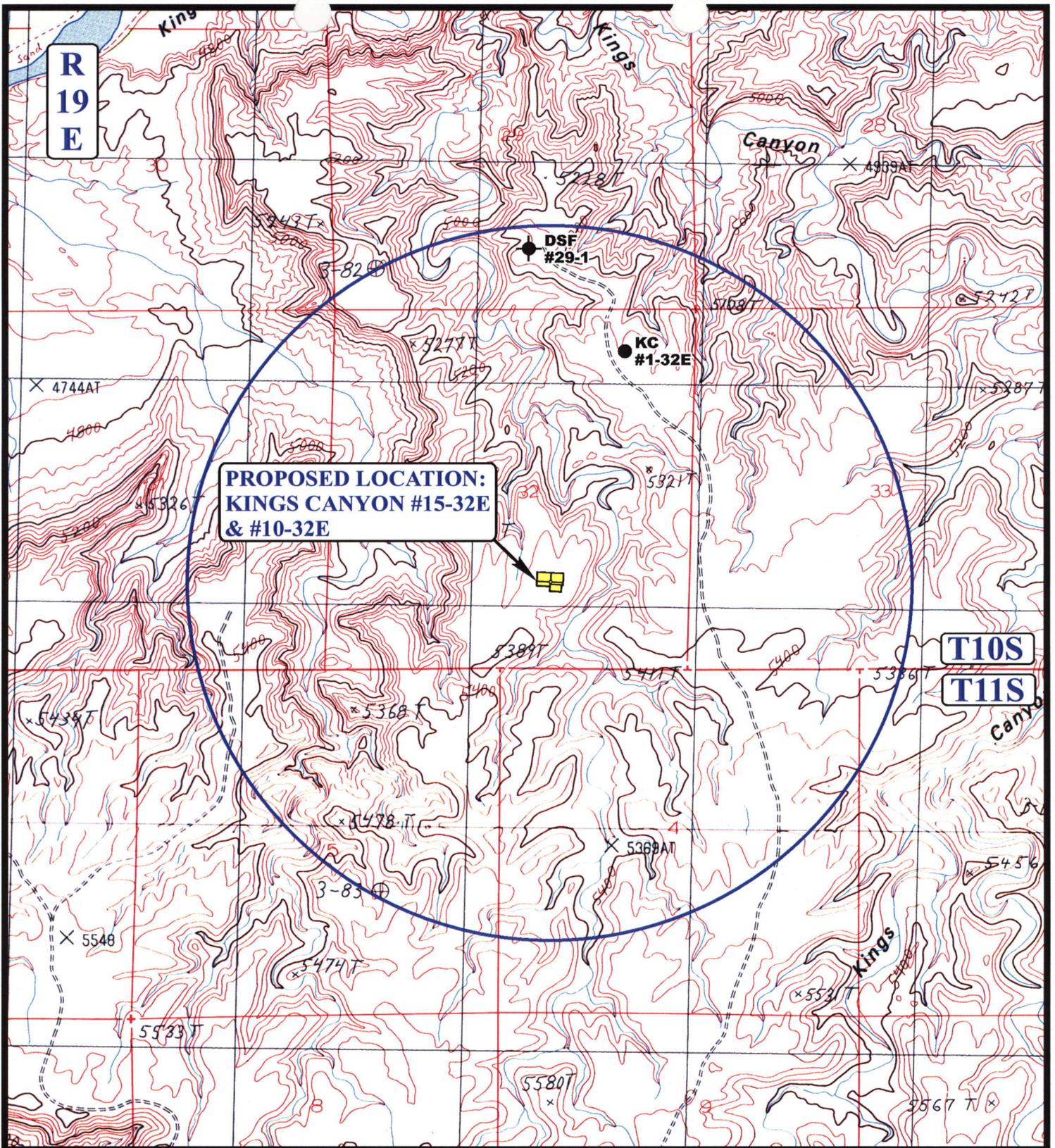


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 05 26 06
MAP MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.H. REV: 11-27-07 C.C.





**PROPOSED LOCATION:
KINGS CANYON #15-32E
& #10-32E**

LEGEND:

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

XTO ENERGY, INC.

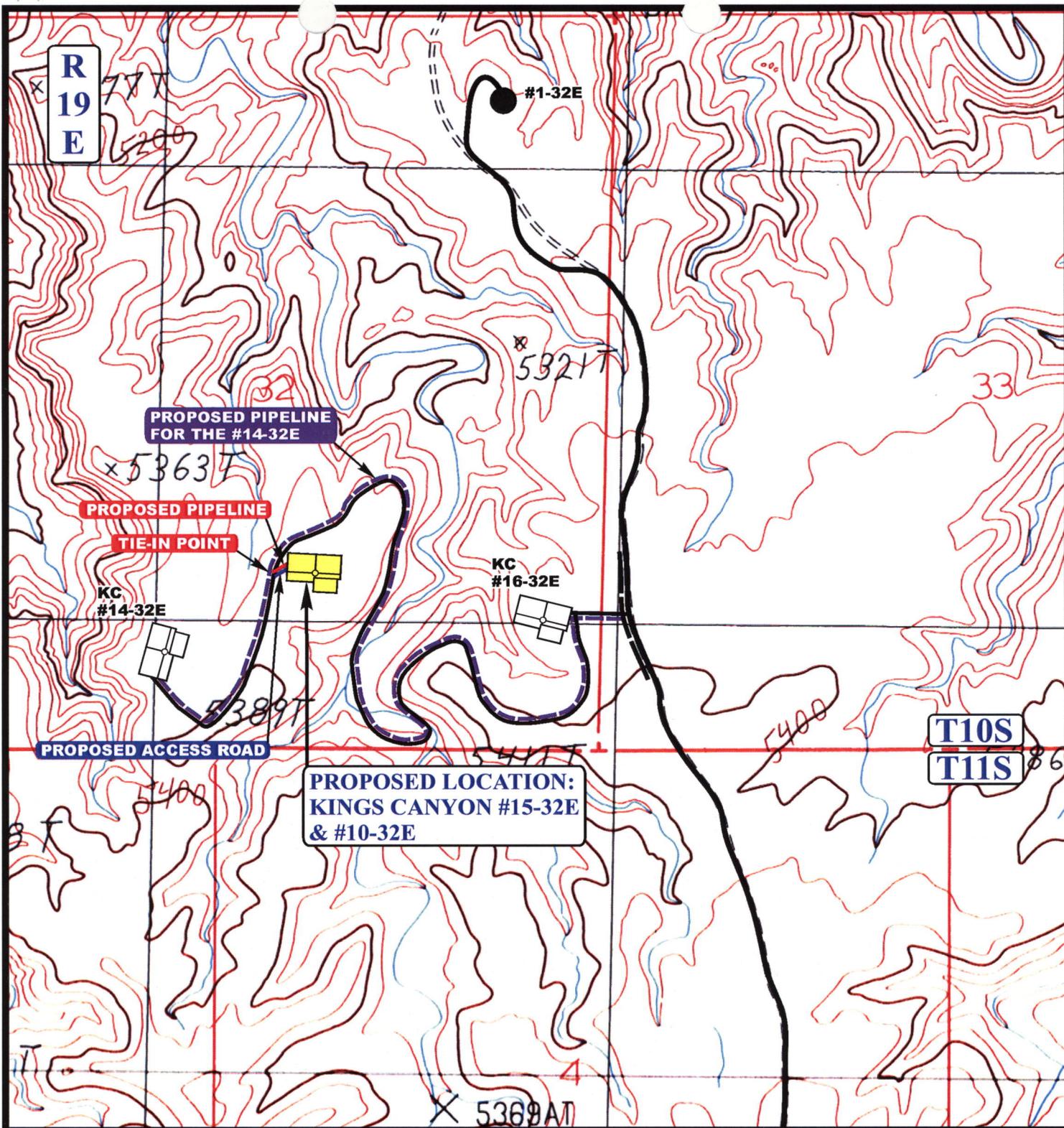
**KINGS CANYON #15-32E & #10-32E
SECTION 32, T10S, R19E, S.L.B.&M.
SW 1/4 SE 1/4**



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

TOPOGRAPHIC MAP 05 26 06
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.H. REV: 11-27-07 C.C.





APPROXIMATE TOTAL PIPELINE DISTANCE = 140' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- - - - - EXISTING PIPELINE
- - - - - PROPOSED PIPELINE

XTO ENERGY, INC.

**KINGS CANYON #15-32E & #10-32E
SECTION 32, T10S, R19E, S.L.B.&M.
SW 1/4 SE 1/4**

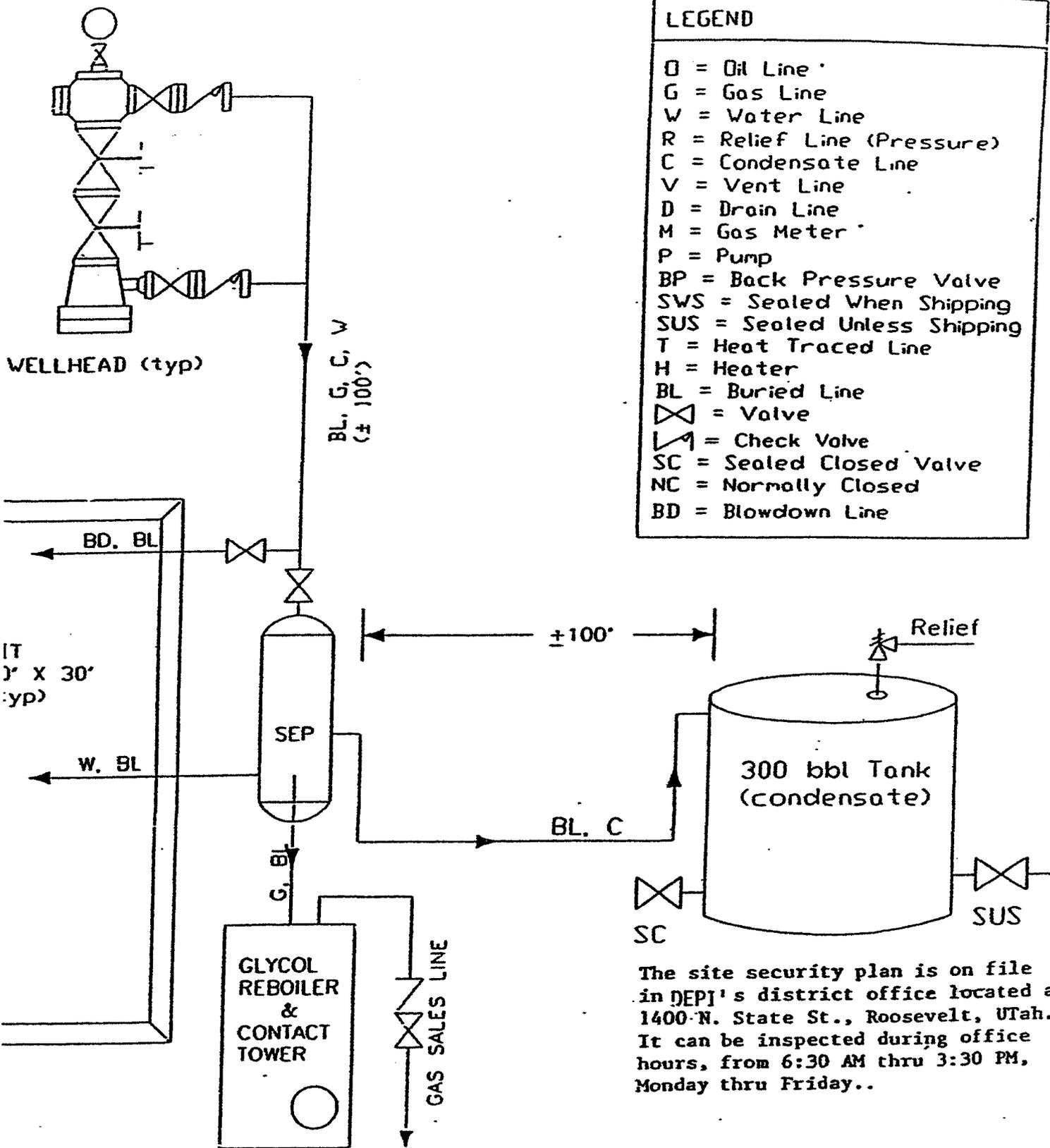


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP **05 26 06**
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.H. REV: 11-27-07 C.C.





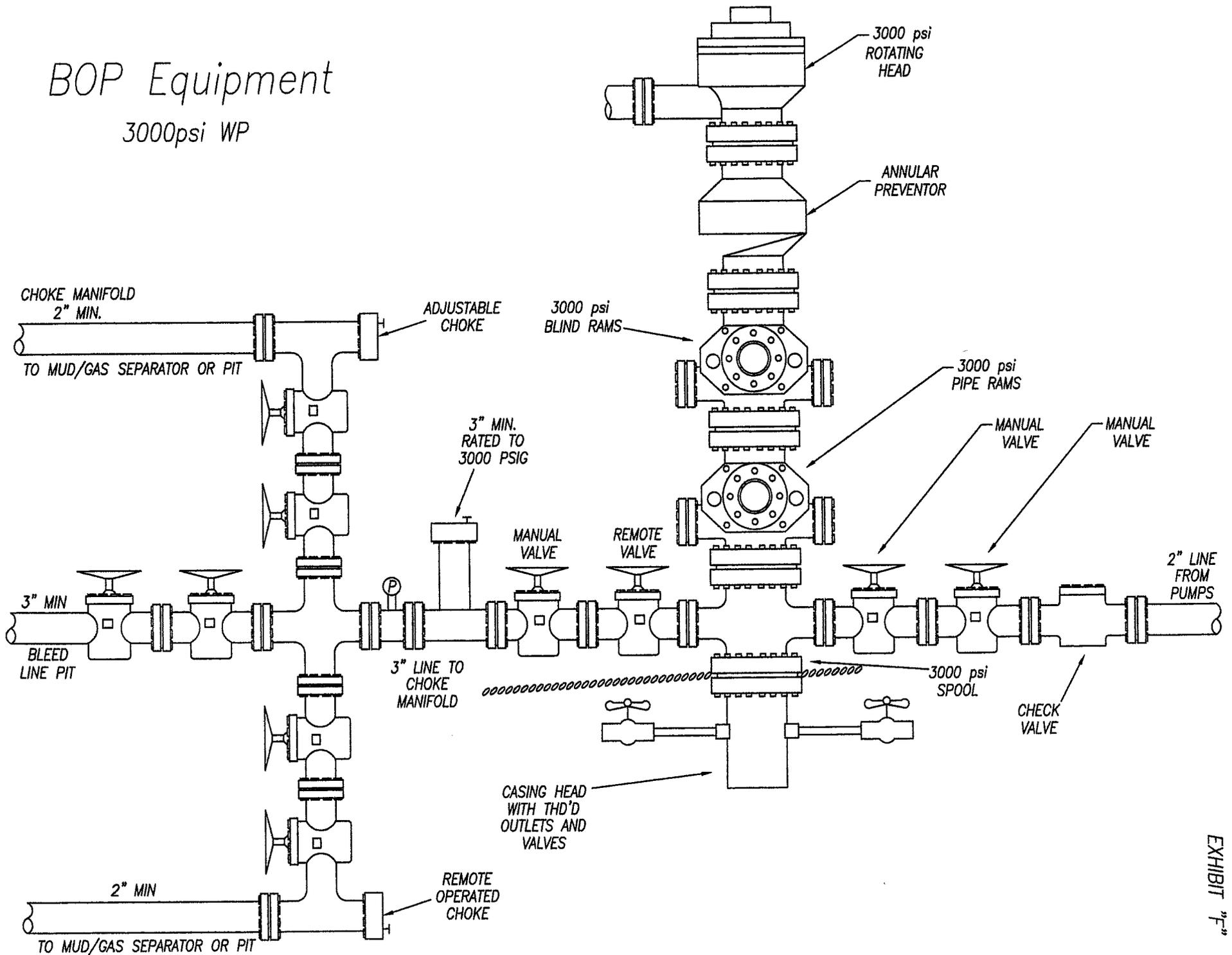
LEGEND

- O = Oil Line
- G = Gas Line
- W = Water Line
- R = Relief Line (Pressure)
- C = Condensate Line
- V = Vent Line
- D = Drain Line
- M = Gas Meter
- P = Pump
- BP = Back Pressure Valve
- SWS = Sealed When Shipping
- SUS = Sealed Unless Shipping
- T = Heat Traced Line
- H = Heater
- BL = Buried Line
- ⊗ = Valve
- ↗ = Check Valve
- SC = Sealed Closed Valve
- NC = Normally Closed
- BD = Blowdown Line

The site security plan is on file in DEP'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: 12/24/2007

API NO. ASSIGNED: 43-047-39893

WELL NAME: KC 10-32E
 OPERATOR: XTO ENERGY INC (N2615)
 CONTACT: DON HAMILTON

PHONE NUMBER: 435-722-4521

PROPOSED LOCATION:
 SWSE 32 100S 190E
 SURFACE: 1290 FSL 2053 FEL
 BOTTOM: 2000 FSL 1900 FEL
 COUNTY: UINTAH
 LATITUDE: 39.89976 LONGITUDE: -109.8029
 UTM SURF EASTINGS: 602342 NORTHINGS: 4417108
 FIELD NAME: UNDESIGNATED (2)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DND	6/30/08
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-47059
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 104312762)
- 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 Prev G (04-03-08)

STIPULATIONS: 1- Spacing Strip
2- STATEMENT OF BASIS
3- Surface Csg Curt Strip

T10S R19E

NATURAL BUTTES FIELD

KINGS CYN
2-32E
BHL 2-32E
KINGS*
CANYON 1-32E

KC 8-32E
*

KC 6-32E

32

KINGS CYN
11-32E

BHL
10-32E

KINGS
CYN 9-32E

LAND
#3

BHL
13-32E

KC 14-32E
KC 13-32E

KC 10-32E
KC 15-32E

BHL
15-32E

KC 16-32E

KC 13-33E

T11S R19E

OPERATOR: XTO ENERGY INC (N2615)

SEC: 32 T.10S R. 19E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

SPACING: R649-3-11 / DIRECTIONAL DRILLING



OIL, GAS & MINING



PREPARED BY: DIANA MASON
DATE: 03-JANUARY-2008

Field Status	
	ABANDONED
	ACTIVE
	COMBINED
	INACTIVE
	PROPOSED
	STORAGE
	TERMINATED

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

Wells Status

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

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
658	43-047-39893-00-00		GW	S	No
Operator	XTO ENERGY INC	Surface Owner-APD			
Well Name	KC 10-32E	Unit			
Field	UNDESIGNATED	Type of Work			
Location	SWSE 32 10S 19E S	FL FL	GPS Coord (UTM) 602342E	4417108N	

Geologic Statement of Basis

XTO proposes to set 500 feet of surface casing cemented to the surface. An intermediate string is to be set at 3,500 feet. This will add additional isolation of the base of the moderately saline ground water. The base of the moderately saline water is estimated at 4,400 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. 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 Casing and cement program should adequately protect usable ground water.

Brad Hill
APD Evaluator

4/9/2008
Date / Time

Surface Statement of Basis

The general area is the Kings Canyon drainage of Wild Horse Bench located approximately 29.8 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 1.2 miles of the pad, which will require new construction across some difficult steep terrain.

The KC 10-32 and KC 15-32 proposed gas wells are directional wells to be drilled from the same pad. The Permit for the KC 15-32 well has already been approved. The location is near the end of a large long bench that breaks off into a deep drainage to the north. Only a moderate amount of cut and fill will be required for pad construction. A swale on the upper portion of the location will be filled. No diversions are needed around the completed pad. The drainage to the north joins Kings Canyon. The Green River is approximately 3 1/2 miles down drainage. The site has a sparse native desert shrub-grass vegetation cover. 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 best 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

Application for Permit to Drill

Statement of Basis

Utah Division of Oil, Gas and Mining

4/10/2008

Page 2

Conditions of Approval / Application for Permit to Drill

Category	Condition
----------	-----------

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 XTO ENERGY INC
Well Name KC 10-32E
API Number 43-047-39893-0 **APD No** 658 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 SWSE **Sec** 32 **Tw** 10S **Rng** 19E **FL** FL
GPS Coord (UTM) 602347 4417122 **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 Kings Canyon drainage of Wild Horse Bench located approximately 29.8 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 1.2 miles of the pad, which will require new construction across some difficult steep terrain.

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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 best site in the immediate area.

Surface Use Plan

Current Surface Use

Grazing
Recreational
Wildlife Habitat

New Road

Miles	Well Pad		Src Const Material	Surface Formation
1.2	Width 280	Length 380	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Antelope, deer, elk, buffalo, coyotes, rabbits and miscellaneous small mammals and birds.

Big sage, broom snakeweed, curly mesquite, shadscale, prickly pear, curly mesquite, Indian ricegrass, halogeton, bud

sage, horsebrush and annual mustard.

Soil Type and Characteristics

Moderately deep sandy loam surface. Some surface rock

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?

Cultural Survey Run?

Cultural Resources?

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	<300	20
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	10 to 20	5
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0

Final Score 40 1 **Sensitivity Level**

Characteristics / Requirements

A 100' x 165' x 8' deep preserve pit will be located in an area of cut on the southeast side of the location. Sensitivity level 1. A liner and sub felt are both required

Closed Loop Mud Required? N **Liner Required?** N **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

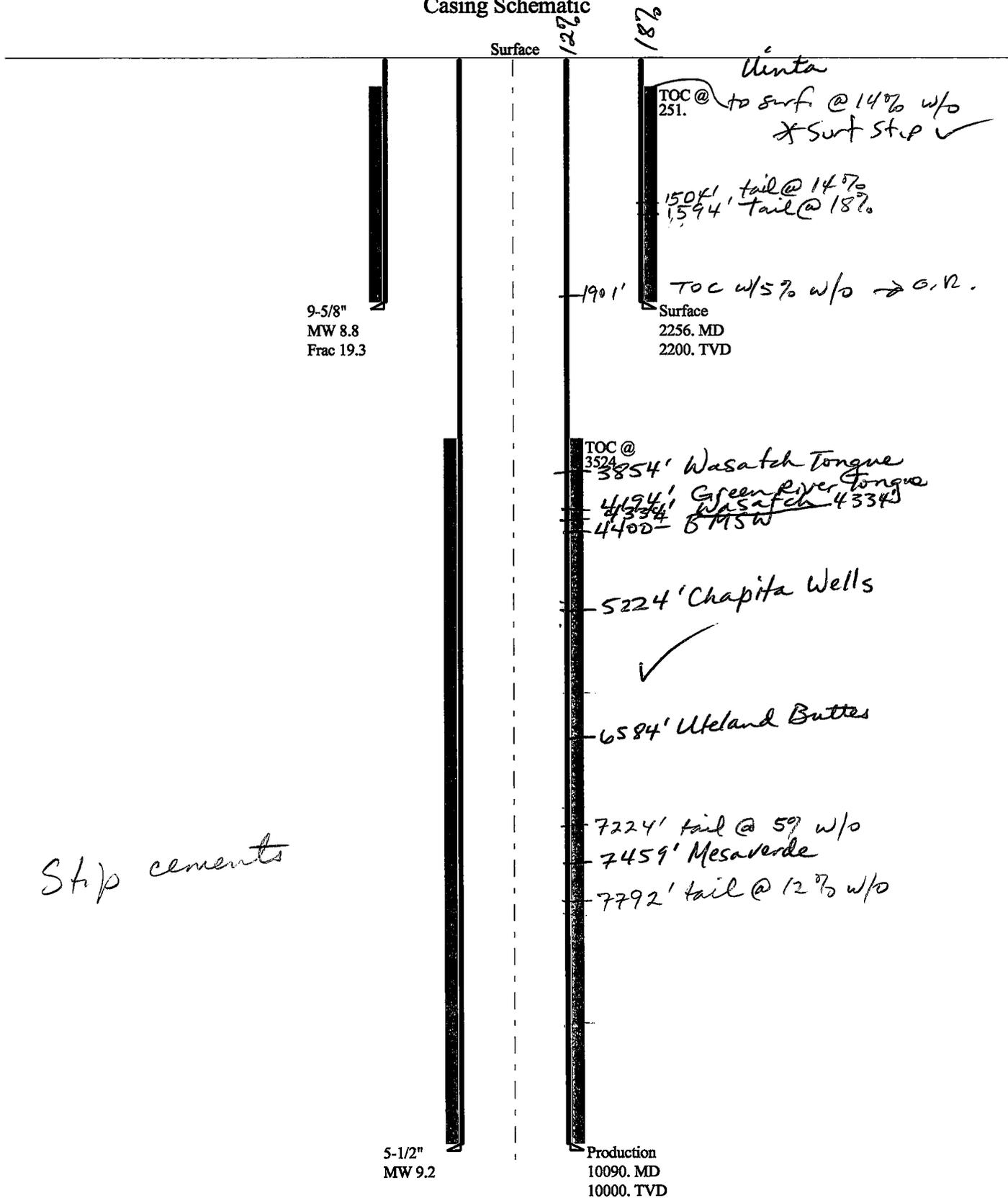
KC 15-32 was onsite on 11/29/2006. Permt has been approved. ATV's were used to reach the site.

Floyd Bartlett
Evaluator

4/3/2008
Date / Time

2008-06 XTO KC 10-32D

Casing Schematic



9-5/8"
MW 8.8
Frac 19.3

5-1/2"
MW 9.2

TOC @
251.

Uinta

to surf @ 14% w/o
*Surf Stop ✓

150ft tail @ 14%
1594' tail @ 18%

1901' TOC w/5% w/o -> G.R.

Surface
2256. MD
2200. TVD

TOC @
3524'

Wasatch Tongue

4194' Green River Tongue

4334' Wasatch 4334'

4400' BMSW

5224' Chapita Wells ✓

6584' Uteland Buttes

7224' tail @ 5% w/o

7459' Mesaverde

7792' tail @ 12% w/o

Production
10090. MD
10000. TVD

Stop cements

Well name:

2008-06 XTO KC 10-32DOperator: **XTO Energy, Inc.**

String type: Surface

Project ID:

43-047-39893

Location: Uintah Co.

Design parameters:**Collapse**Mud weight: 8.800 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: 1,959 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: 251 ft

Directional well information:Kick-off point 300 ft
Departure at shoe: 444 ft
Maximum dogleg: 3 °/100ft
Inclination at shoe: 15.09 °**Re subsequent strings:**Next setting depth: 10,000 ft
Next mud weight: 9.200 ppg
Next setting BHP: 4,779 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	2256	9.625	36.00	J-55	ST&C	2200	2256	8.796	979.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1006	2020	2.008	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 4, 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 8.8 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

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

Well name:

2008-06 XTO KC 10-32D

Operator: XTO Energy, Inc.

String type: Production

Project ID:

43-047-39893

Location: Uintah Co.

Design parameters:

Collapse

Mud weight: 9.200 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 205 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 368 ft
Cement top: 3,524 ft

Burst

Max anticipated surface pressure: 2,579 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 4,779 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)

Tension is based on air weight.
Neutral point: 8,695 ft

Directional well information:

Kick-off point 300 ft
Departure at shoe: 726 ft
Maximum dogleg: 3 °/100ft
Inclination at shoe: 0 °

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	10090	5.5	17.00	N-80	LT&C	10000	10090	4.767	1317
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	4779	6290	1.316	4779	7740	1.62	170	348	2.05 J

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

Phone: 810-538-5357

Date: June 4, 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 10000 ft, a mud weight of 9.2 ppg. The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.
Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

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

BOPE REVIEW

XTO KC 10-32D API 43-047-39893

INPUT

Well Name

XTO KC 10-32D API 43-047-39893	
String 1	String 2
Casing Size (")	9 5/8
Setting Depth (TVD)	2200
Previous Shoe Setting Depth (TVD)	40
Max Mud Weight (ppg)	8.8
BOPE Proposed (psi)	0
Casing Internal Yield (psi)	3520
Operators Max Anticipated Pressure (psi)	4600

Calculations

		String 1	9 5/8 "	
Max BHP [psi]	.052*Setting Depth*MW =		1007	
				BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =		743	NO
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =		523	NO
				*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =		532	← NO → <i>No expected pressure</i>
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 =		4784	
				BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =		3584	NO
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =		2584	YES ✓
				*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =		3068	← NO
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: 2/1/2008 3:01 PM
Subject: Well Clearance

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Jarvis, Dan

The following wells have been given cultural resources and paleontological resources clearance by the Trust Lands Administration:

EOG Resources, Inc

CWU 1032-32 (API 43 047 50024)

CWU 952-32 (API 43 047 50025)

XTO Energy, Inc

LCU 15-2H (API 43 047 39887)

LCU 4-2H (API 43 047 39888)

LCU 2-2H (API 43 047 39889)

KC 6-36D (API 43 047 39890)

KC 7-36D (API 43 047 39891)

KC 8-36D (API 43 047 39892)

KC 10-32E (API 43 047 39893)

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



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 7, 2008

XTO Energy, Inc.
P O Box 1360
Roosevelt, UT 84066

Re: KC 10-32E Well, 1290' FSL, 2053' FEL, SW SE, Sec. 32, T. 10 South, R. 19 East,
Bottom Location 2000' FSL, 1900' FEL, NW SE, Sec. 32, T. 10 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 43-047-39893.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

Operator: XTO Energy, Inc.
Well Name & Number KC 10-32E
API Number: 43-047-39893
Lease: ML-47059

Location: SW SE Sec. 32 T. 10 South R. 19 East
Bottom Location: NW SE Sec. 32 T. 10 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. Surface casing shall be cemented to the surface.
7. 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.
8. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47059
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
		7. UNIT or CA AGREEMENT NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: KC 10-32E
2. NAME OF OPERATOR: XTO Energy, Inc.		9. API NUMBER: 4304739893
3. ADDRESS OF OPERATOR: P.O. Box 1360 Roosevelt UT 84066		10. FIELD AND POOL, OR WILDCAT: undesigned
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,290' FSL & 2,053' FEL, QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 32 10S 19E S		COUNTY: Uintah 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Pipeline Change</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

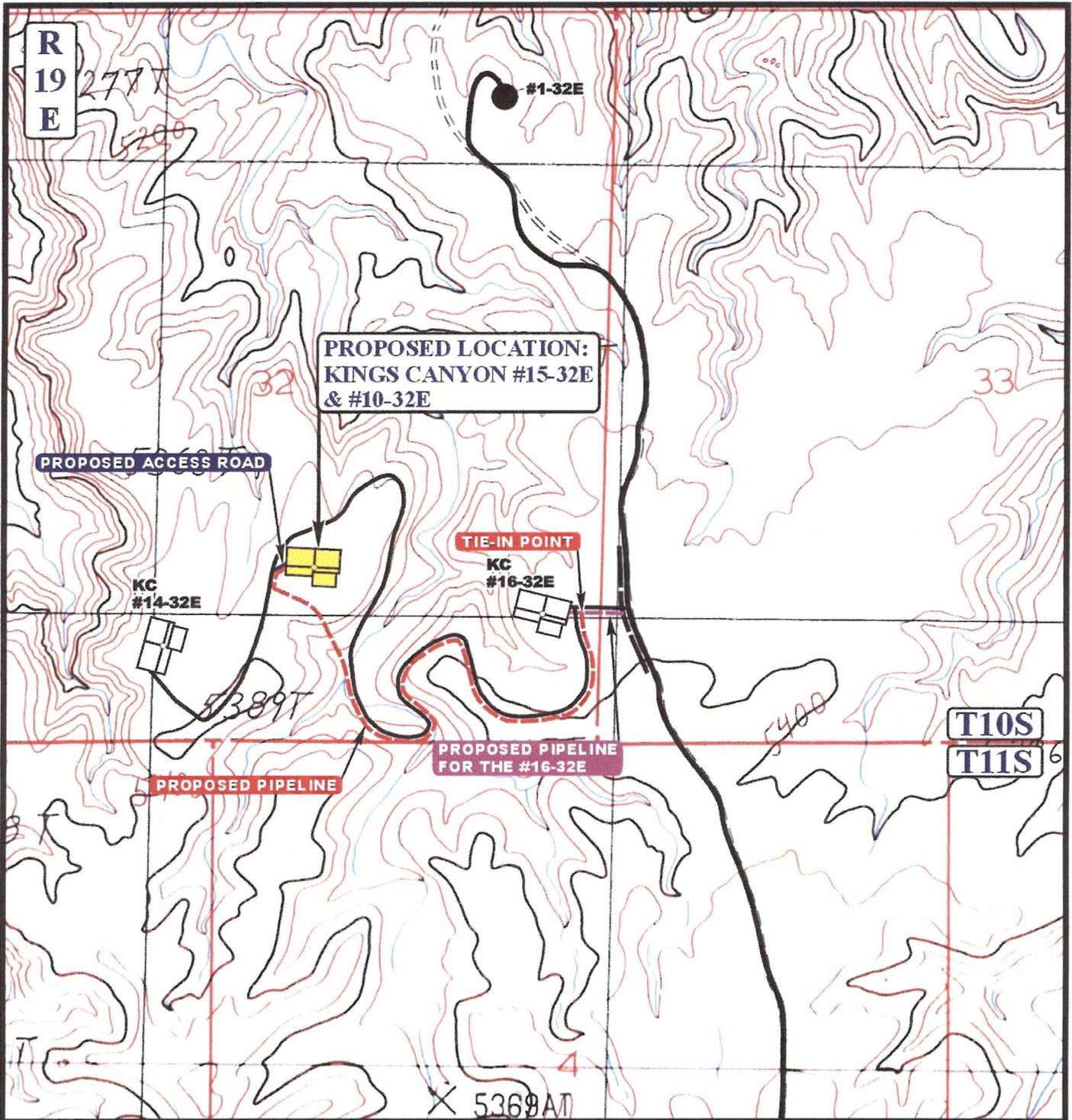
XTO Energy, Inc. requests permission to change the previously approved and not constructed KC 10-32E pipeline corridor to a cross-country 12" buried pipeline corridor along a shorter route as shown on the attached maps. The pipeline corridor would contain a single 12" or less buried gas pipeline within a single trench and result in a shorter route with less surface disturbance than the route approved. The proposed route has previously been field reviewed by SITLA, DOGM and XTO personnel and was preliminarily accepted. The 12" or less buried pipeline will be constructed within a 75' wide corridor and fits within previous cultural and paleontological clearance survey work which has been attached to this request for your review and files. This request is only to change the approved pipeline segment with no access or well sites changes proposed. The project is located within the above referenced lands and as further depicted on the attached maps. The proposed change and operation of the pipeline is necessary to facilitate the ongoing production from ML-47059. Additionally, it is necessary for the further expansion of the Kings Canyon production area.

FILE COPY

NAME (PLEASE PRINT) <u>Don Hamilton</u>	TITLE <u>Agent for XTO Energy, Inc.</u>
SIGNATURE <u>Don Hamilton</u>	DATE <u>7/30/2008</u>

(This space for State use only)

RECEIVED
AUG 04 2008



APPROXIMATE TOTAL PIPELINE DISTANCE = 4,956' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE



XTO ENERGY, INC.

KINGS CANYON #15-32E & #10-32E
SECTION 32, T10S, R19E, S.L.B.&M.
SW 1/4 SE 1/4



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

TOPOGRAPHIC 05 26 06
MAP MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.H. REV: 07-28-08 Z.L.



XTO Energy, Inc.
Kings Canyon #15-32E and #10-32E: A Cultural
Resource Inventory for a
Pipeline Re-route,
Uintah County, Utah.

By
James A. Truesdale
And
CJ Truesdale

James A. Truesdale
Principal Investigator

Prepared For
XTO Energy, Inc.
1400 State Street
P.O. Box 1360
Roosevelt, Utah
84066

Prepared By
AN INDEPENDENT ARCHAEOLOGIST
P.O.Box 153
Laramie, Wyoming
82073

Utah Project # U-08-AY-0457(s)

June 9, 2008

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List of Figures

Figure 1. Location of the Dominion Exploration & Production Inc. Kings Canyon (KC) #15-32E and 10-32E wells proposed pipeline re-route on 7.5'/1985 USGS quadrangle map Moon Bottom, Uintah County, Utah. - - - - - 2

Introduction

An Independent Archaeologist (AIA) was contacted by a representative of XTO Energy, Inc., to conduct a cultural resources investigation of the Kings Canyon #15-32E and #10-32E wells proposed pipeline re-route. The location of the project area is the NW/SE 1/4 of Section 32, T10S, R19E Uintah County, Utah (Figure 1).

The proposed Kings Canyon pipeline re-route trends northwest to southeast for 785 feet (239.32 m). The Kings Canyon #10-32E and #15-32E wells were surveyed by AIA in July of 2006 (Truesdale, 2006). No cultural resources were located during this past project.

The land is administered by the Utah School Institutional Trust Land Administration (SITLA). A total of 1.83 acres (0 block, 1.83 linear) were surveyed. The fieldwork was conducted on May 29, 2008 by AIA archaeologists James Truesdale and CJ Truesdale. All the field notes and maps are located in the AIA office in Laramie, Wyoming.

File Search

A file search was conducted by the Office of the Utah Division of State History (UDSH), Antiquities Section, Records Division on May 28, 2008. This search resulted in nine previous projects, U-01-AY-0123, U-04-AY-0514, U-04-AY-0574, U-05-AY-0221, U-06-AY-0444, U-06-AY-0445, U-91-MM-0618, U-91-PD-0063, U-94-MM-0256 and two sites 42UN005411 and 42UN005412. The Utah SHPO Records Division files search also indicated that two sites (42UN5411 and 42UN5412) had been previously recorded in Section 32 T10S R19E. Neither of these sites are located near the present project area.

In addition, a Review of AIA records produced that there were nine previously conducted projects U-06-AY-446(s), U-06-AY-442(s), U-06-AY-450(s), U-06-AY-444(s), U-06-AY-445(s), U-06-AY-443(s), U-06-AY-448(s), U-06-AY-443(s), U-06-AY-446(s), in the immediate project area. An update of AIA's USGS 7.5'/1985 Moon Bottom quadrangle map from the UDSH's Moon Bottom quadrangle base map occurred on November 8, 2003 and again on February 3, 2004

Environment

Physiographically, the project is located in the Kings Canyon area west of the Wild Horse Bench in the Uinta Basin, 16 miles south of Ouray, Utah. The Uinta Basin is structurally the lowest part of the Colorado Plateau geographical province (Thornbury, 1965:425). The Uinta Basin is a large, relatively flat, bowl shaped, east-west asymmetrical syncline near the base of the Uinta

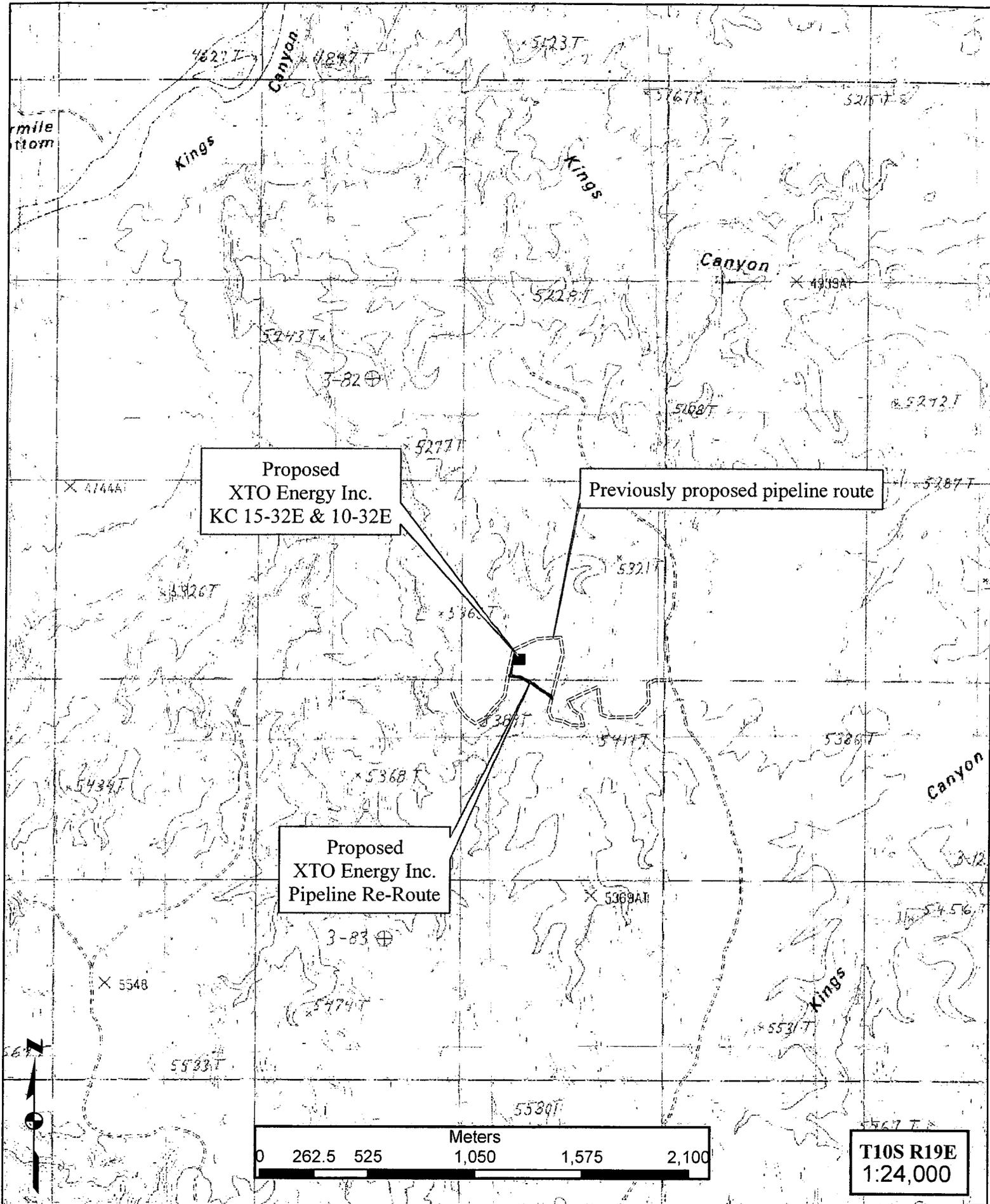


Figure 1. Location of the proposed XTO Energy, Inc KC #15-32E and 10-32E Pipeline re-route on USGS 7.5' Quadrangle map Moon Bottom, 1968, Uintah County, Utah.

mountains. The topography is characteristic of sloping surfaces that incline northward and are mainly dip slopes on the harder layers of Green River and Uinta Formations (Stokes, 1986). A thick section of more than 9000 feet (2743.9 m) of early Tertiary rocks are exposed (Childs, 1950). These rocks are mainly Paleocene and Eocene in age and consist of sandstone, clay and shale lacustrine, fluvial, and deltaic continental deposits, most famous of which are the lacustrine Green River Beds.

The immediate project area is situated on high desert hills and benches about 2 miles southeast of the Green River on the west side of Kings Canyon. The area is characterized as having steep ridges and/or buttes of thick Uinta Formation sandstone, with layers of clays and shales. The hills, ridges and buttes are dissected by several steep ephemeral drainage washes with wide flat alluvial plains. Portions of the desert hardpan and bedrock are covered with various sizes of residual angular to tabular pieces of eroding sandstone, clay and shale. Many of the higher hills and ridges exhibit ancient terrace (pediment) surfaces containing pebble and cobble gravel. Some of these pebbles and cobbles exhibit a dark brown to black desert varnish (patination). In addition, many of the hills and ridge slopes are covered with aeolian sand that may reach a depth of 100 to 150 cm.

Vegetation in the Kings Canyon area is characteristic of a low sagebrush community with saltbush and greasewood. Species observed in the project area include; big sagebrush (Artemisia tridentata), shadscale (Atriplex confertifolia), saltbush (Atriplex nuttallii), rabbitbrush (Chrysothamnus viscidiflorus), winterfat (Eurotia lanata), greasewood (Sarcobatus baileyi), wild buckwheat, (Eriogonum ovalifolium), desert trumpet (Eriogonum inflatum), Indian rice grass (Oryzopsis hymenoides), western wheatgrass (Agropyron smithii), spiked wheatgrass (Agropyron sp.), crested wheatgrass (Agropyron cristatum), June grass (Koeleria cristata), cheat grass (Bromus tectorum), needleandthread (Hesperostipa comata), Sego Lilly (Calochortus nuttallii), desert globemallow (Bromus tectorum), lupine (Lupinus sp.), larkspur (Delphinium sp.), Indian paintbrush (Castilleja chromosa), desert daisy (Xylorhiza nuttallii), desert pincushion (Chaenactis stevioides), peppergrass (Lepidium perfoliatum), scalloped phacelia (Phacelia intergrifolia), birdsage evening primrose (Oenothera deltoides), Yellow bee plant (Cleome lutea), Russian thistle (Salsola kali), Russian knapweed (Centaurea repens), wild garlic (Allium canadense), Tansy mustard (Descurainia incisa), Juniper (Juniperus scopulorum) and prickly pear cactus (Opuntia sp.). In addition, a riparian community dominated by cottonwood (Populus sp.), willow (Salix sp.), and salt cedar (tamarix) can be found along the Green River located approximately 2 miles northwest.

Kings Canyon #15-32E and #10-32E Pipeline Re-route

As mentioned earlier the proposed Kings Canyon pipeline re-route trends northwest to southeast for 785 feet (239.32 m). The Kings Canyon #10-32E and #15-32E wells were surveyed by AIA in July of 2006 (Truesdale, 2006). No cultural resources were located during this project.

The Kings Canyon #15-32E and #10-32E well pad is situated on the top and eastern edge of a large broad south to north trending ridge. The well pad location is part of a larger upland bench system of ridges and drainages that drain northeast into Kings Canyon and ultimately feed into the Green River 2 miles to the northwest.

The proposed pipeline reroute leaves the well pad and trends south then turns southeast across the top of the large ridge before dropping off of a steep cliff and down to a ephemeral drainage and an existing pipeline. The sediments along the proposed re-route are colluvial in nature. These colluvial deposits consist of shallow (≤ 5 cm), poorly sorted, moderately compacted, tan to light brown, sandy clay loam, mixed with smaller angular pieces of sandstone, clay and shale (Figure 3). Vegetation consists of low sagebrush, rabbitbrush, saltbush, greasewood, bunchgrasses (wheatgrass, cheat grass, Indian ricegrass), desert globemallow, barrel and prickly pear cactus. The KC #15-32E and #10-32E well location is 5325 feet (1623.4 m) AMSL.

Field Methods

A total of 1.83 acres (0 block, 1.83 linear) were surveyed along the proposed re-route location to allow for relocation of the pipeline if necessary. The survey was accomplished by walking transects spaced no more than 15 meters apart on either side of the staked pipeline centerline. The pipeline corridor surveyed is 785 feet (239.32 m) long and 100 feet (30.4 m) wide, 1.83 linear acres

Geologic landforms (rock shelters, alcoves, ridge tops and saddles) and areas of subsurface exposure (ant hills, blowouts, rodent holes and burrow, eroding slopes and cutbacks) were examined with special care in order to locate cultural resources (sites, isolates) and possibly help assess a site's sedimentary integrity and potential for the presence and/or absence of buried intact cultural deposits. All exposures of sandstone cliff faces, alcoves or rock shelters, and talus slopes were surveyed.

When cultural materials are discovered, a more thorough survey of the immediate vicinity is conducted in order to locate any associated artifacts and to determine the horizontal extent

(surface area) of the site. If no other artifacts are located during the search then the initial artifact was recorded as an isolated find. At times, isolated formal tools (typical end scrapers, projectile points) were drawn and measured. The isolate was then described and its location plotted on a U.S.G.S. topographic map and UTM coordinates are recorded.

When sites are found an Intermountain Antiquities Computer System (IMACS) form was used to record the site. At all sites, selected topographic features, site boundaries, stone tools and cultural features (hearths, foundations, trash dumps and trails) are mapped. Sites were mapped with a Brunton compass, Trimble Geophysical 3 and/or Garmin E-Trex GPS units, and pacing off distances from a mapping station (datum, PVC with aluminum tag). All debitage is inventoried using standard recording techniques (Truesdale et al 1995:7) according to material type, basic flake type, and so on. Selected (mostly complete) stone tools and projectile points are drawn and measured. All features (rockart panel(s), hearths, foundations, trash dumps and trails) are measured and described, while selected features are either drawn or photographed.

Site location data is recorded by a Trimble GeoExplorer 3 and Geo XH Global Positioning System (GPS). Site elevation and Universal Transverse Mercator (UTM) grid data and Dilution of Precision (DOP) were recorded. Using the GPS data, the site location was then placed on a USGS 7.5' quadrangle map using ArcInfo 9.2.

Results

A total of 1.83 (0 block, 1.83 linear) acres were surveyed for cultural resources by AIA along the XTO Energy, Inc.'s Kings Canyon #15-32E and #10-32E wells proposed pipeline re-route. No cultural resources (sites, isolates) were recorded during the survey for the KC #15-32E and #10-32E wells proposed pipeline re-route.

A moderate scatter of modern trash (plastic bottles, sanitary food cans, miscellaneous metal, wire, green, brown and clear glass bottles and bottle fragments, foam insulation, etc.) can be found on and surrounding the existing roads in the Kings Canyon area.

Recommendations

A total of 1.83 (0 block, 1.83 linear) acres were surveyed for cultural resources by AIA along the XTO Energy, Inc.'s Kings Canyon #15-32E and #10-32E wells proposed pipeline re-route. No cultural resources (sites, isolates) were recorded during the survey for the Kings Canyon #15-32E and #10-32E wells proposed pipeline re-route.

A moderate scatter of modern trash (plastic bottles, sanitary food cans, miscellaneous metal, wire, green, brown and clear glass bottles and bottle fragments, foam insulation, etc.) can be found on and surrounding the existing roads in the Kings Canyon area.

Sediments on and surrounding along the proposed pipeline are shallow. Therefore, the possibility of buried and/or intact cultural materials along the proposed pipeline is low. No cultural resources (historic properties, isolates) were recorded during the survey for the Kings Canyon #15-32E and #10-32E well's proposed pipeline re-route.

Therefore, no additional archaeological work is necessary and clearance is recommended for the construction of the Kings Canyon #15-32E and #10-32E wells pipeline re-route.

REFERENCES CITED

Childs, O.E.

- 1950 Geologic history of the Uinta Basin, Utah Geological and Mineralogical Survey. Guidebook to the Geology of Utah, No. 5:49-59.

Stokes, William D.

- 1986 Geology of Utah. Contributions by the Utah Museum of Natural History, and the Utah Geological and Mineral Survey Department of Natural Resources. Utah Museum of Natural History, Occasional Papers, No. 6.

Thornbury, William D.

- 1965 Regional Geomorphology of the United States. John Wiley & Sons, Inc.

Truesdale, James A.

- 2006 Dominion Exploration & Production, Inc. Kings Canyon #15-32E: A Cultural Resource Inventory for a well its access and pipeline, Uintah County, Utah. Report prepared for Dominion Expl. & Prod. Inc. by AIA. Manuscript on file at the AIA office in Laramie, Wyoming.

Truesdale, James A., Kathleen E Hiatt, and Clifford Duncan

- 1995 Cultural Resource Inventory of the Proposed Ouray Gravel Pit Location, Uintah-Ouray Ute Reservation, Uintah County, Utah. Report prepared for U & W Construction, Ft. Duchesne, Utah by AIA, Laramie, Wyoming.

PALEONTOLOGY EVALUATION SHEET

PROJECT: XTO Energy, Inc. – Kings Canyon Pipeline Re-route in Section 32 10S, 19E.

LOCATION: Fourteen miles southwest of Ouray, Uintah County, Utah. Section 32, T10S, R19E, S.L.B.&M.

OWNERSHIP: PRIV[] STATE[] BLM[X] USFS[] NPS[] IND[] MIL[] OTHER[]

DATE: June 3, 2008

GEOLOGY/TOPOGRAPHY: Rock outcrops in this area are the lower part of Uinta Formation, Eocene age. The new route diverges from the proposed access road and runs northwest up over a hill onto the bench to two wells. The hill is composed of rocks of the lower part of the Uinta Formation. The bench top has a cover of rock fragments and sand.

PALEONTOLOGY SURVEY: YES [X] NO Survey [] PARTIAL Survey []
Pedestrian Survey of Uinta Formation rock exposures along the pipeline route.

SURVEY RESULTS: Invertebrate [] Plant [] Vertebrate [] Trace [] No Fossils Found [X]

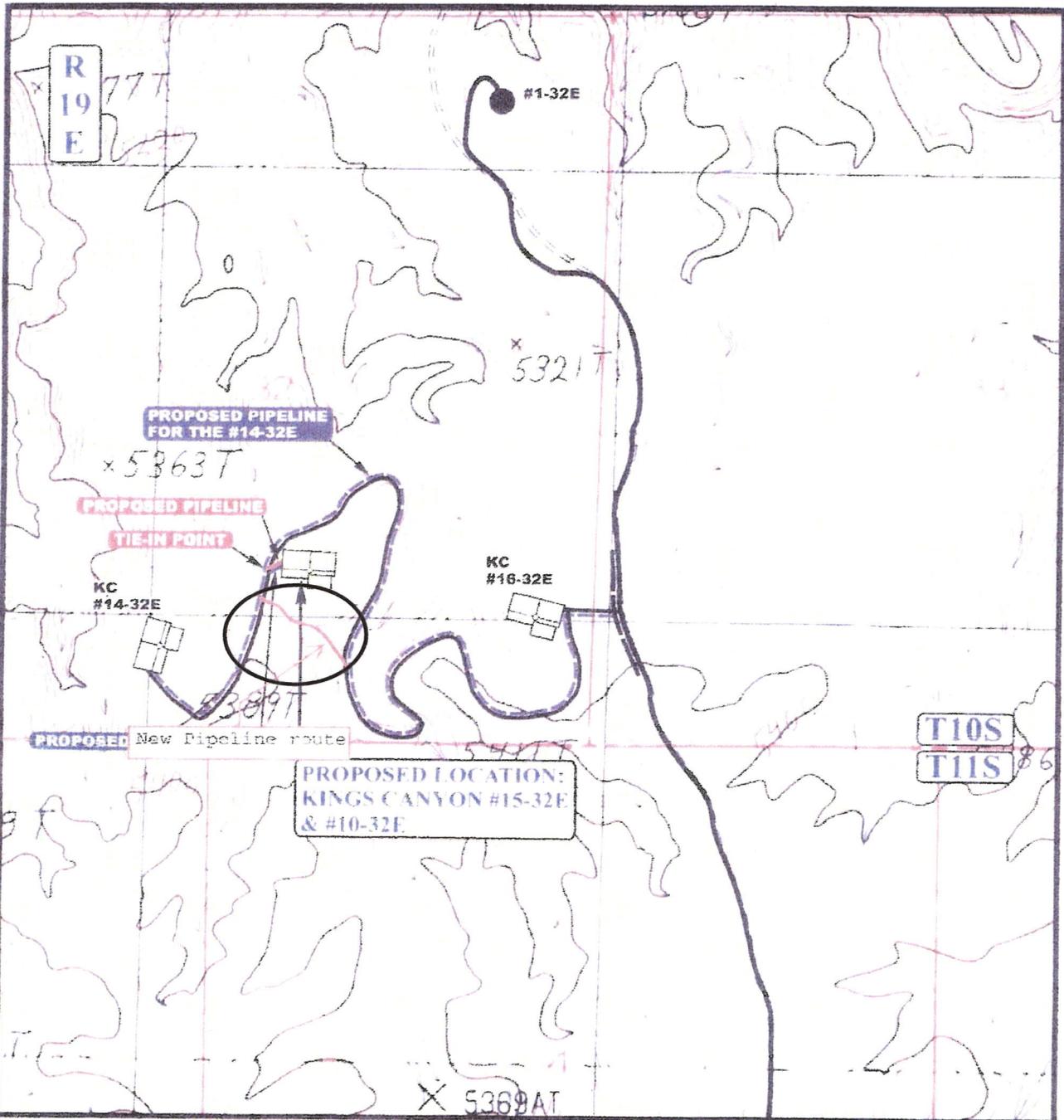
PALEONTOLOGY SENSITIVITY: HIGH [] MEDIUM [] LOW [X] (PROJECT SPECIFIC)

MITIGATION RECOMMENDATIONS: NONE [X] OTHER [] (SEE BELOW)

There is always some potential for discovery of significant paleontological resources in the Uinta Formation. If significant vertebrate fossils (mammals, crocodiles, complete turtle shells, etc.) are encountered during construction, work should stop in that area and a paleontologist should be contacted to evaluate the material discovered.

PALEONTOLOGIST: Alden H. Hamblin

A.H. Hamblin Paleontological Consulting, 3793 N. Minersville Highway, Cedar City, Utah 84720 (435) 867-8355
Utah State Paleontological Permit # 07-355, BLM paleontological Resources Permit # UT08-003C, Ute Indian Tribe Access Permit, 2/22/08 to 9/30/08, Utah Professional Geologist License – 5223011-2250.



APPROXIMATE TOTAL PIPELINE DISTANCE 140'

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE



XTO ENERGY, INC.

KINGS CANYON #15-32E & #10-32E
 SECTION 32, T10S, R19E, S.L.B.&M.
 SW 1/4 SE 1/4



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

TOPOGRAPHIC MAP	05	26	06
	MONTH	DAY	YEAR
SCALE: 1" = 1000'	DRAWN BY: C.H.	REV: 11-27-07 C.C.	



STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47059
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: KC 10-32E
2. NAME OF OPERATOR: XTO ENERGY INC	9. API NUMBER: 43047398930000
3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 87410	PHONE NUMBER: 505 333-3159 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1290 FSL 2053 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 32 Township: 10.0S Range: 19.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

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

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

Approved by the Utah Division of Oil, Gas and Mining

Date: July 23, 2009

By:

NAME (PLEASE PRINT) Eden Fine	PHONE NUMBER 505 333-3664	TITLE Permitting Clerk
SIGNATURE N/A	DATE 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 43047398930000

API: 43047398930000

Well Name: KC 10-32E

Location: 1290 FSL 2053 FEL QTR SWSE SEC 32 TWP 100S RNG 190E MER S

Company Permit Issued to: XTO ENERGY INC

Date Original Permit Issued: 7/7/2008

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

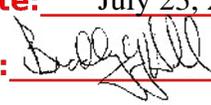
**Approved by the
Utah Division of
Oil, Gas and Mining**

Signature: Eden Fine

Date: 7/17/2009

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

Date: July 23, 2009

By: 

RECEIVED July 17, 2009

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47059
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: KC 10-32E
2. NAME OF OPERATOR: XTO ENERGY INC	9. API NUMBER: 43047398930000
3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 87410	PHONE NUMBER: 505 333-3159 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1290 FSL 2053 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 32 Township: 10.0S Range: 19.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

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

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 22, 2010

By:

NAME (PLEASE PRINT) Eden Fine	PHONE NUMBER 505 333-3664	TITLE Permitting Clerk
SIGNATURE N/A		DATE 7/14/2010



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 43047398930000

API: 43047398930000

Well Name: KC 10-32E

Location: 1290 FSL 2053 FEL QTR SWSE SEC 32 TWP 100S RNG 190E MER S

Company Permit Issued to: XTO ENERGY INC

Date Original Permit Issued: 7/7/2008

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: 7/14/2010

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

Date: July 22, 2010

By: 



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 3, 2011

XTO Energy Inc.
382 Road 3100
Aztec, NM 87410

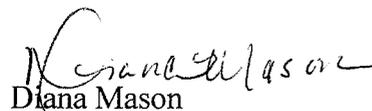
Re: APD Rescinded – KC 10-32E, Sec. 32, T.10S, R. 19E
Uintah County, Utah API No. 43-047-39893

Ladies and Gentlemen:

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

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

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner