

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

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

5. Lease Serial No.  
I-22-IND-2759

6. If Indian, Allottee or Tribe Name  
SOUTHERN UTE

7. If Unit or CA Agreement, Name and No.  
COC 065449

8. Lease Name and Well No.  
HOCKER #3-35

9. API Well No.

1a. Type of work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☐ Gas Well ☒ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator XTO ENERGY INC

3a. Address 382 ROAD 3100  
AZTEC, NM 87410

3b. Phone No. (include area code)  
505-333-3145

10. Field and Pool, or Exploratory  
IGNACIO BLANCO FRUITLAND COAL

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*

At surface 1,000' FSL & 1,216' FEL

At proposed prod. zone 1,630' FSL & 855' FEL, 1,782' FSL & 774' FEL (BHL)

11. Sec., T. R. M. or Blk. and Survey or Area  
SESE SEC. 35, T33N, R7W, N.M.P.M.

14. Distance in miles and direction from nearest town or post office\*  
APROX 4.5 MILES SOUTHEAST OF IGNACIO, CO

12. County or Parish  
LA PLATA

13. State  
CO

15. Distance from proposed\* 774'  
location to nearest  
property or lease line, ft.  
(Also to nearest drig. unit line, if any)

16. No. of acres in lease  
480

17. Spacing Unit dedicated to this well  
E/2 320

18. Distance from proposed location\* 765'  
to nearest well, drilling, completed,  
applied for, on this lease, ft.

19. Proposed Depth  
3,002' MD

20. BLM/BIA Bond No. on file  
104312789

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
6,316' GL

22. Approximate date work will start\*  
07/30/2011

23. Estimated duration  
2 WEEKS

**24. Attachments**

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

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the  
SUPO must be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see  
Item 20 above).

5. Operator certification

6. Such other site specific information and/or plans as may be required by the  
BLM.

25. Signature



Name (Printed Typed)

Kelly K. Kardos

Date

05/17/2011

Title

Sr. Permitting Tech

Approved by (Signature)

Name (Printed Typed)

Date

Title

Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

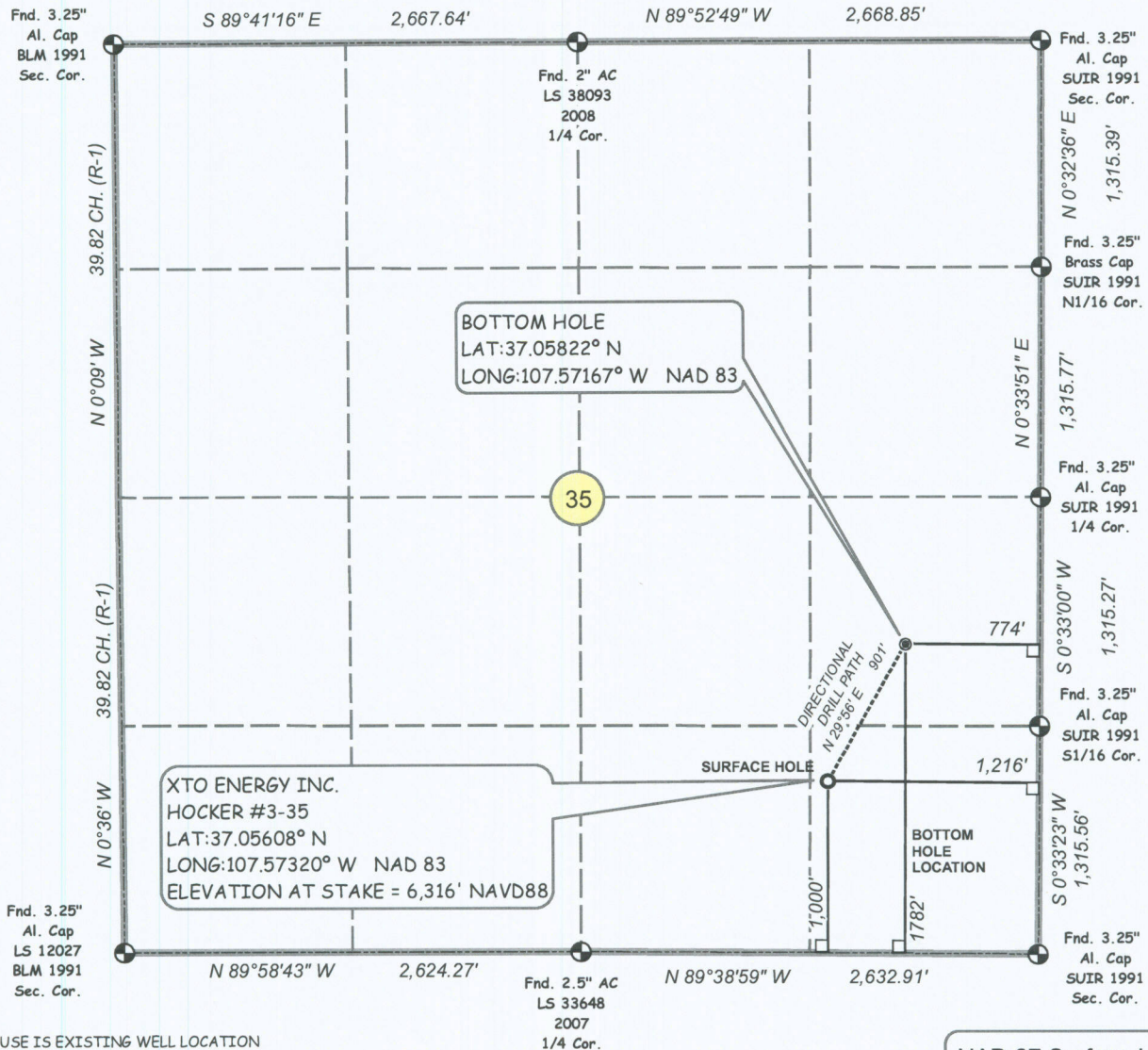
\*(Instructions on page 2)

**XTO ENERGY INC.  
HOCKER #3-35**

**SURFACE HOLE: 1000' FSL, 1,216' FEL  
BOTTOM HOLE LOCATION: 1,782' FSL, 774' FEL,  
SECTION 35, T-33-N, R-07-W, N.M.P.M.,  
LA PLATA COUNTY, COLORADO  
LAT:37.05608° N LONG:107.57320° W NAD 83  
ELEVATION AT STAKE = 6,316' NAVD88**

**Legend**

- NEWBHL
- SURFACE LOCATION
- DRILL PATH
- 90° TIE
- ===== SECTION
- QUARTER; SIXTEENTH



**NOTES:**

1. SURFACE USE IS EXISTING WELL LOCATION AND AGRICULTURAL.
2. SEE ATTACHED ADDENDUM FOR IMPROVEMENTS, AND PROPERTY LINES WITHIN 200' OF BORE.
3. DATE OF SURVEY 9/15/08
4. BASIS OF ELEVATION = NAVD88 AS PREDICTED BY GEOID03.
5. GPS POSTIONS COLLECTED AT PDOP VALUE OF 6 OR LESS.
6. LOCATION OFFSETS TO SECTION LINE MEASURED AT 90° TO SECTION LINE.
7. (R-1) INDICATES DIMENSION FROM RECORD MEASUREMENT BLM PLAT AUG. 16, 1995.
- ALL OTHER DIMENSIONS FIELD MEASURED.

**THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY DIRECT SUPERVISION AND THAT SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.**

**DAVID ALEXANDER JOHNSON LICENSE NO. 33648 DATE  
STATE OF COLORADO**

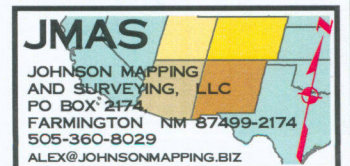


**NAD 27 Surface Location  
LAT:37.05607° N  
LONG:107.57259° W**

1 inch equals 1,000 feet



7/14/10 XTO031 SD.MXD



# XTO ENERGY INC.

Hocker #3-35

APD Data

May 13, 2011

Location: 1000' FSL x 1216' FEL Sec 35, T33N, R07W County: LaPlata

State: CO

Bottomhole Location: 1782' FSL x 774' FEL Sec 35, T33N, R07W

GREATEST PROJECTED TD: 3002' MD, 2800 TVD

APPROX GR ELEV: 6316'

OBJECTIVE: Fruitland Coal

Est KB ELEV: 6328' (12' AGL)

Please note attached directional program.

## 1. MUD PROGRAM:

INTERVAL	0' to 225'	225' to 3002'
HOLE SIZE	12.25"	7.875"
MUD TYPE	FW/Spud Mud	FW/Polymer
WEIGHT	8.6-9.0	8.4-9.2
VISCOSITY	28-32	28-32
WATER LOSS	NC	NC

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.

## 2. CASING PROGRAM:

Surface Casing: 8.625" casing to be set at  $\pm$  225' in a 12-1/4" hole filled with 8.50 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'-225'	225'	24.0#	J-55	ST&C	1370	2950	244	8.097	7.972	13.78	29.66	45.19

Production Casing: 5.5" casing to be set at TD ( $\pm$ 3002') in 7-7/8" hole filled with 9.20ppg 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'-3002	3002'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	3.01	3.59	4.34

Note: Safety factors are calculated based on a 9.2 ppg mwe with no backup using measured depth assumed to be in a vertical wellbore.

## 3. WELLHEAD:

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

**4. CEMENT PROGRAM (Slurry design may change slightly, but the plan is to circulate cement to surface on both casing strings):**

A. Surface: 8.625", 24.0#, J-55, ST&C casing to be set at  $\pm 225'$  in 12-1/4" hole.

134 sx of Type III cement (or equivalent) typically containing accelerator and LCM, mixed at 14.5 ppg, 1.39 ft<sup>3</sup>/sk, & 6.70 gal wtr/sk.

*Total slurry volume is 186 ft<sup>3</sup>, 100% excess of calculated annular volume to 225'.*

B. Production: 5.5", 15.5#, J-55 (or K-55), ST&C casing to be set at  $\pm 3002'$  in 7.875" hole.

LEAD:

$\pm 280$  sx of Premium Lite HS (Type III/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 12.5 ppg, 2.01 ft<sup>3</sup>/sk, 10.55 gal wtr/sx.

TAIL:

$\pm 100$  sx Type III or equivalent cement with bonding additive, LCM, dispersant, & fluid loss mixed at 14.2 ppg, 1.54 cuft/sx, 8.00 gal/sx.

*Total estimated slurry volume for the 5-1/2" production casing is 717 ft<sup>3</sup>.*

*Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 40%. It will be attempted to circulate cement to the surface.*

**5. LOGGING PROGRAM:**

A. Mud Logger: If requested by Fort Worth Geology, the mud logger will come on after setting surface casing 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 (3002') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (3002') to the projected top of the Fruitland Formation.

C. Coring and Drill stem Testing: No operations are planned for this site.

**6. FORMATION TOPS:**

Est. KB Elevation: 6328'

FORMATION	Sub-Sea	TVD
Nacimiento Formation	Surface	Surface
Animas Formation		
Ojo Alamo SS	5191	1137
Kirtland Shale	5097	1231
Farmington SS		
Fruitland Formation	4247	2081
Upper Fruitland Coal	3993	2335
Middle Fruitland Coal*	3940	2388
Pictured Cliffs Tongue	3844	2484
Lower Fruitland Coal**	3648	2680
Pictured Cliffs SS	3636	2692
TD		

\* Primary Objective

\*\* Secondary Objective



\*\*\*\* Maximum anticipated BHP should be <1,500 psig \*\*\*\*

\*\*\*\* Target formations will be Fracture Stimulated. \*\*\*\*

**7. ANTICIPATED OIL, GAS, & WATER ZONES:**

A.

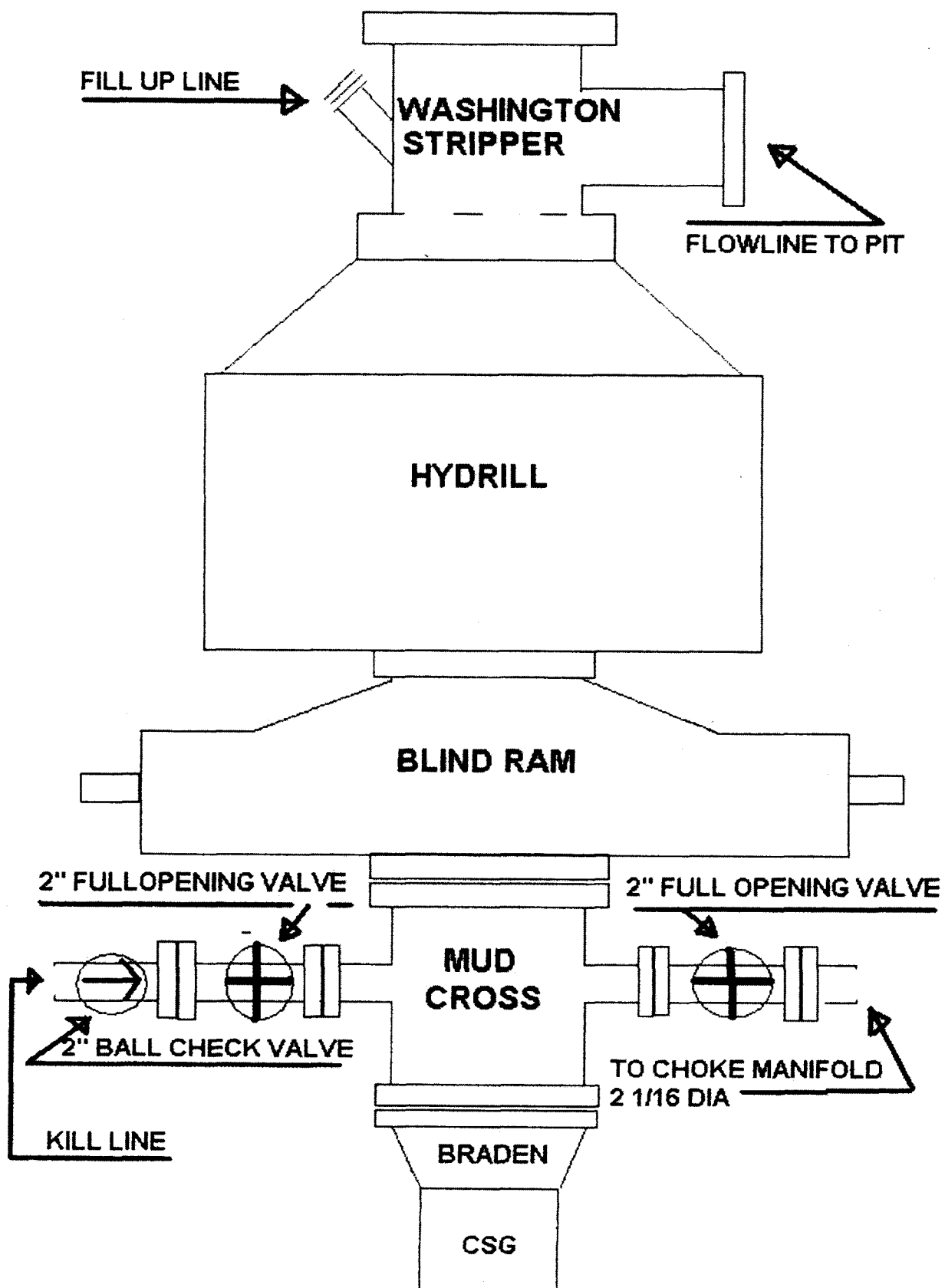
Formation	Expected Fluids	Well Depth TVD
Nacimiento Formation	Water	Surface
Animas Formation	Water	
Ojo Alamo SS	Water	1137
Kirtland Shale	Water	1231
Farmington SS	Water	
Fruitland Formation	Water	2081
Upper Fruitland Coal	Gas	2335
Middle Fruitland Coal	Gas	2388
Pictured Cliffs Tongue	Gas	2484
Lower Fruitland Coal	Gas	2680
Pictured Cliffs SS	Gas	2692

- A. All anticipated Appreciable Water Zones will be covered by surface casing.
- 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. H<sub>2</sub>S is not anticipated at this site.

**8. COMPANY PERSONNEL:**

Name	Title	Office Phone	Home Phone
Justin Niederhofer	Drilling Engineer	505-333-3199	505-320-0158
Bobby Jackson	Drilling Superintendent	505-333-3224	505-486-4706
Brian Henthorne	Project Geologist	817-885-2800	N/A

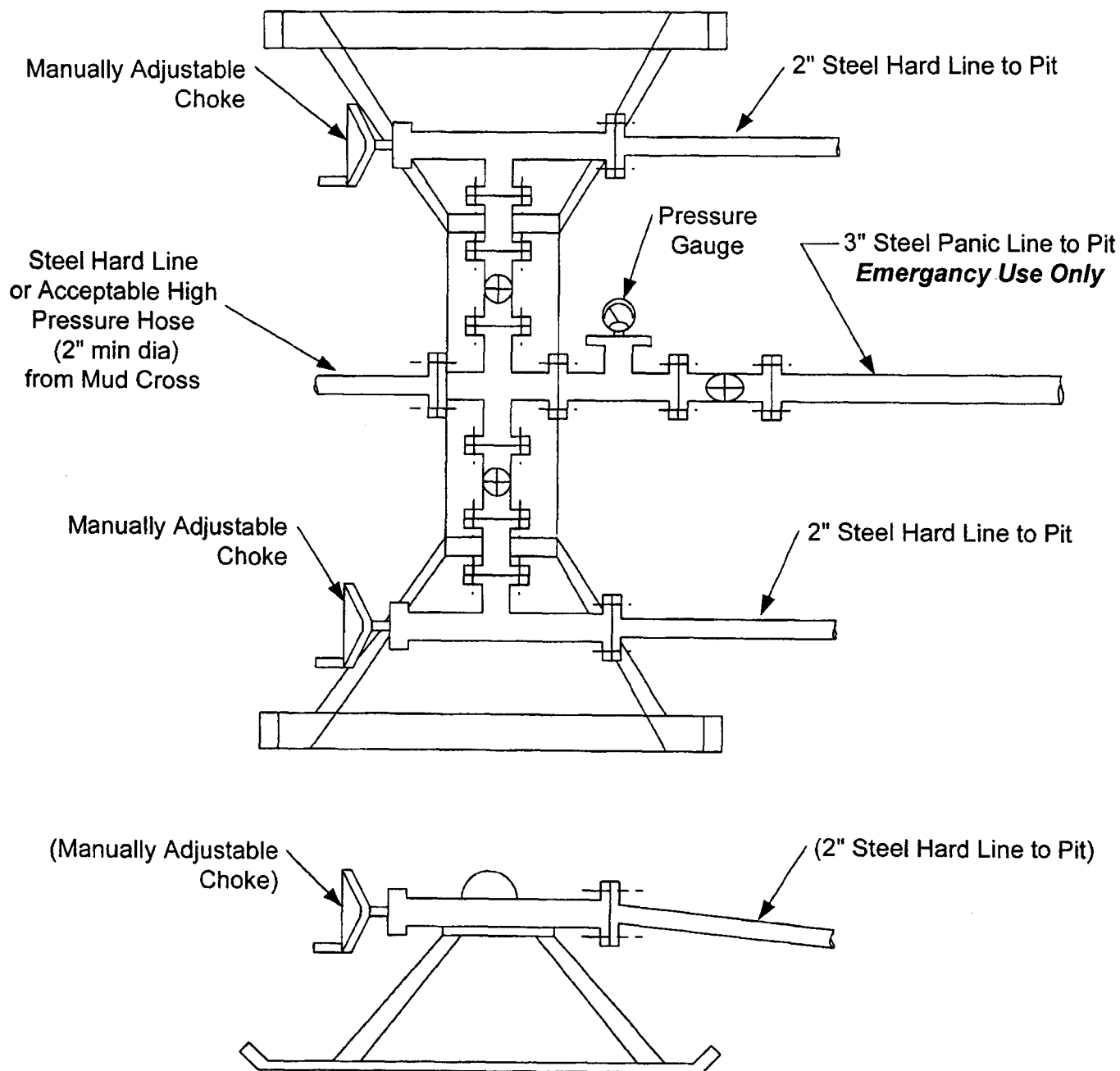
JDN  
5/13/11



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

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

## **TESTING PROCEDURE**



# **XTO Energy**

**LaPlata County Directionals**

**Hocker #3-35**

**Hocker #3-35**

**Hocker #3-35**

**Plan: Permitted Wellbore**

## **Standard Planning Report**

**15 March, 2011**

# XTO Energy Inc.

## Planning Report

<b>Database:</b>	EDM	<b>Local Co-ordinate Reference:</b>	Well Hocker #3-35
<b>Company:</b>	XTO Energy	<b>TVD Reference:</b>	Rig KB @ 6328.0ft (Aztec 507)
<b>Project:</b>	LaPlata County Directionals	<b>MD Reference:</b>	Rig KB @ 6328.0ft (Aztec 507)
<b>Site:</b>	Hocker #3-35	<b>North Reference:</b>	True
<b>Well:</b>	Hocker #3-35	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Hocker #3-35		
<b>Design:</b>	Permitted Wellbore		

<b>Project</b>	LaPlata County Directionals, LaPlata County, Colorado, Directional Fruitland Coal Wells		
<b>Map System:</b>	US State Plane 1983	<b>System Datum:</b>	Mean Sea Level
<b>Geo Datum:</b>	North American Datum 1983		Using Well Reference Point
<b>Map Zone:</b>	Colorado Southern Zone		

Site		Hocker #3-35, 33N, 7W			
Site Position:		Northing:	1,148,508.33 ft	Latitude:	37° 3' 21.888 N
From:	Lat/Long	Easting:	2,395,030.58 ft	Longitude:	107° 34' 23.520 W
Position Uncertainty:	0.0 ft	Slot Radius:	"	Grid Convergence:	-1.27 °

Well	Hocker #3-35, S-well to top of FC					
Well Position	+N/-S	0.0 ft	Northing:	1,148,508.33 ft	Latitude:	37° 3' 21.888 N
	+E/-W	0.0 ft	Easting:	2,395,030.58 ft	Longitude:	107° 34' 23.520 W
Position Uncertainty		0.0 ft	Wellhead Elevation:	6,316.0 ft	Ground Level:	6,316.0 ft

<b>Wellbore</b>	Hocker #3-35				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF200510	12/31/2009	10.02	63.82	51,116

<b>Design</b>	Permitted Wellbore			
<b>Audit Notes:</b>				
<b>Version:</b>	<b>Phase:</b>	PROTOTYPE	<b>Tie On Depth:</b>	0.0
<b>Vertical Section:</b>	<b>Depth From (TVD)</b>	<b>+N/-S (ft)</b>	<b>+E/-W (ft)</b>	<b>Direction (°)</b>
	0.0	0.0	0.0	29.81

<b>Plan Sections</b>										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
360.0	0.00	0.00	360.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,526.7	35.00	29.81	1,455.5	299.7	171.7	3.00	3.00	0.00	29.81	
1,838.7	35.00	29.81	1,711.0	455.0	260.7	0.00	0.00	0.00	0.00	
2,672.0	10.00	29.81	2,474.8	729.5	418.0	3.00	-3.00	0.00	180.00	
3,002.2	10.00	29.81	2,800.0	779.2	446.5	0.00	0.00	0.00	0.00	Proposed BHL -- Hock



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<b>Site:</b>	Hocker #3-35	<b>North Reference:</b>	True
<b>Well:</b>	Hocker #3-35	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Hocker #3-35		
<b>Design:</b>	Permitted Wellbore		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
225.0	0.00	0.00	225.0	0.0	0.0	0.0	0.00	0.00	0.00
8 5/8"									
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
360.0	0.00	0.00	360.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	1.20	29.81	400.0	0.4	0.2	0.4	3.00	3.00	0.00
500.0	4.20	29.81	499.9	4.5	2.5	5.1	3.00	3.00	0.00
600.0	7.20	29.81	599.4	13.1	7.5	15.1	3.00	3.00	0.00
700.0	10.20	29.81	698.2	26.2	15.0	30.2	3.00	3.00	0.00
800.0	13.20	29.81	796.1	43.8	25.1	50.5	3.00	3.00	0.00
900.0	16.20	29.81	892.8	65.8	37.7	75.8	3.00	3.00	0.00
1,000.0	19.20	29.81	988.1	92.2	52.8	106.2	3.00	3.00	0.00
1,100.0	22.20	29.81	1,081.6	122.8	70.4	141.6	3.00	3.00	0.00
1,160.2	24.01	29.81	1,137.0	143.3	82.1	165.2	3.00	3.00	0.00
Ojo Alamo SS									
1,200.0	25.20	29.81	1,173.2	157.7	90.4	181.8	3.00	3.00	0.00
1,264.4	27.13	29.81	1,231.0	182.4	104.5	210.2	3.00	3.00	0.00
Kirtland Shale									
1,300.0	28.20	29.81	1,262.5	196.7	112.7	226.7	3.00	3.00	0.00
1,400.0	31.20	29.81	1,349.4	239.7	137.3	276.2	3.00	3.00	0.00
1,500.0	34.20	29.81	1,433.5	286.5	164.2	330.3	3.00	3.00	0.00
1,526.7	35.00	29.81	1,455.5	299.7	171.7	345.4	3.00	3.00	0.00
1,600.0	35.00	29.81	1,515.5	336.2	192.6	387.5	0.00	0.00	0.00
1,700.0	35.00	29.81	1,597.4	385.9	221.1	444.8	0.00	0.00	0.00
1,800.0	35.00	29.81	1,679.4	435.7	249.7	502.2	0.00	0.00	0.00
1,838.7	35.00	29.81	1,711.0	455.0	260.7	524.4	0.00	0.00	0.00
1,900.0	33.16	29.81	1,761.8	484.8	277.8	558.7	3.00	-3.00	0.00
2,000.0	30.16	29.81	1,846.9	530.3	303.9	611.2	3.00	-3.00	0.00
2,100.0	27.16	29.81	1,934.7	571.9	327.7	659.2	3.00	-3.00	0.00
2,200.0	24.16	29.81	2,024.8	609.5	349.2	702.5	3.00	-3.00	0.00
2,261.2	22.33	29.81	2,081.0	630.4	361.2	726.6	3.00	-3.00	0.00
Fruitland Formation									
2,300.0	21.16	29.81	2,117.1	642.9	368.4	741.0	3.00	-3.00	0.00
2,400.0	18.16	29.81	2,211.2	672.1	385.1	774.6	3.00	-3.00	0.00
2,500.0	15.16	29.81	2,307.0	697.0	399.4	803.3	3.00	-3.00	0.00
2,528.9	14.29	29.81	2,335.0	703.4	403.0	810.6	3.00	-3.00	0.00
Upper Fruitland Coal									
2,583.4	12.66	29.81	2,388.0	714.4	409.3	823.3	3.00	-3.00	0.00
Middle Fruitland Coal									
2,600.0	12.16	29.81	2,404.2	717.5	411.1	826.9	3.00	-3.00	0.00
2,672.0	10.00	29.81	2,474.8	729.5	418.0	840.7	3.00	-3.00	0.00
2,681.3	10.00	29.81	2,484.0	730.9	418.8	842.3	0.00	0.00	0.00
Pictured Cliffs Tongue									
2,700.0	10.00	29.81	2,502.4	733.7	420.4	845.6	0.00	0.00	0.00
2,800.0	10.00	29.81	2,600.9	748.8	429.0	863.0	0.00	0.00	0.00
2,880.3	10.00	29.81	2,680.0	760.9	436.0	876.9	0.00	0.00	0.00
Lower Fruitland Coal									
2,892.5	10.00	29.81	2,692.0	762.7	437.0	879.0	0.00	0.00	0.00
Pictured Cliffs SS									
2,900.0	10.00	29.81	2,699.4	763.8	437.7	880.3	0.00	0.00	0.00
3,002.2	10.00	29.81	2,800.0	779.2	446.5	898.1	0.00	0.00	0.00

# XTO Energy Inc.

## Planning Report

<b>Database:</b>	EDM	<b>Local Co-ordinate Reference:</b>	Well Hocker #3-35
<b>Company:</b>	XTO Energy	<b>TVD Reference:</b>	Rig KB @ 6328.0ft (Aztec 507)
<b>Project:</b>	LaPlata County Directionals	<b>MD Reference:</b>	Rig KB @ 6328.0ft (Aztec 507)
<b>Site:</b>	Hocker #3-35	<b>North Reference:</b>	True
<b>Well:</b>	Hocker #3-35	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Hocker #3-35		
<b>Design:</b>	Permitted Wellbore		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5 1/2"									

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
- hit/miss target									
- Shape									
Proposed BHL -- Hocker	0.00	0.00	2,800.0	779.2	446.5	1,149,277.44	2,395,494.25	37° 3' 29.592 N	107° 34' 18.012 W
- plan hits target									
- Point									

Casing Points					
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (")	Hole Diameter (")	
3,002.2	2,800.0	5 1/2"	5-1/2	7-7/8	
225.0	225.0	8 5/8"	8-5/8	12-1/4	

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
1,160.2	1,137.0	Ojo Alamo SS		0.00		
1,264.4	1,231.0	Kirtland Shale		0.00		
2,261.2	2,081.0	Fruitland Formation		0.00		
2,528.9	2,335.0	Upper Fruitland Coal		0.00		
2,583.4	2,388.0	Middle Fruitland Coal		0.00		
2,681.3	2,484.0	Pictured Cliffs Tongue		0.00		
2,880.3	2,680.0	Lower Fruitland Coal		0.00		
2,892.5	2,692.0	Pictured Cliffs SS		0.00		



**Well Name: Hocker #3-35**

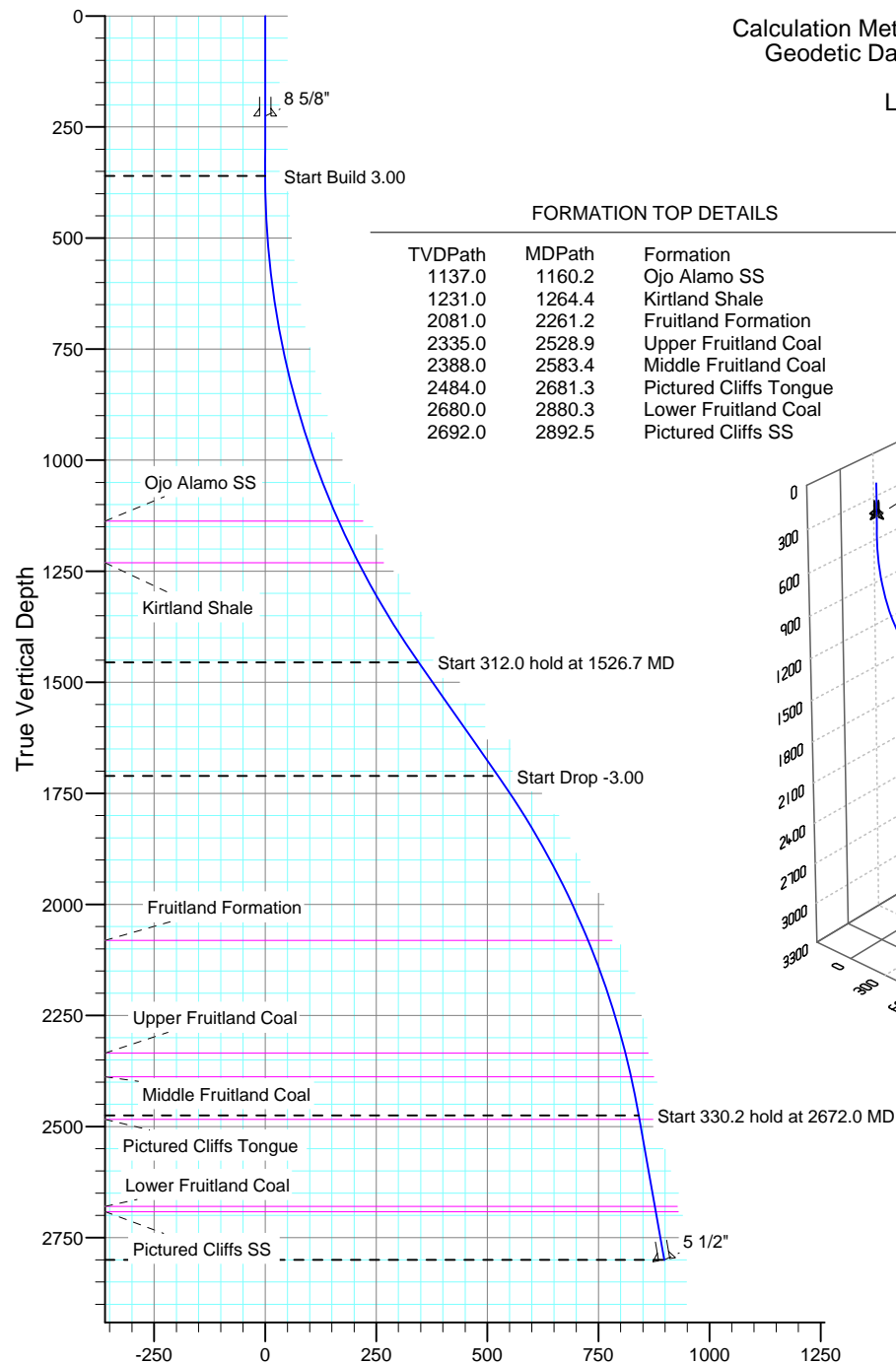
San Juan Division  
Drilling Department

Calculation Method: Minimum Curvature  
Geodetic Datum: North American Datum 1983  
Lat: 37° 3' 21.888 N  
Long: 107° 34' 23.520 W



Azimuths to True North  
Magnetic North: 10.02°

Magnetic Field  
Strength: 51116.4snT  
Dip Angle: 63.82°  
Date: 12/31/2009  
Model: IGRF200510



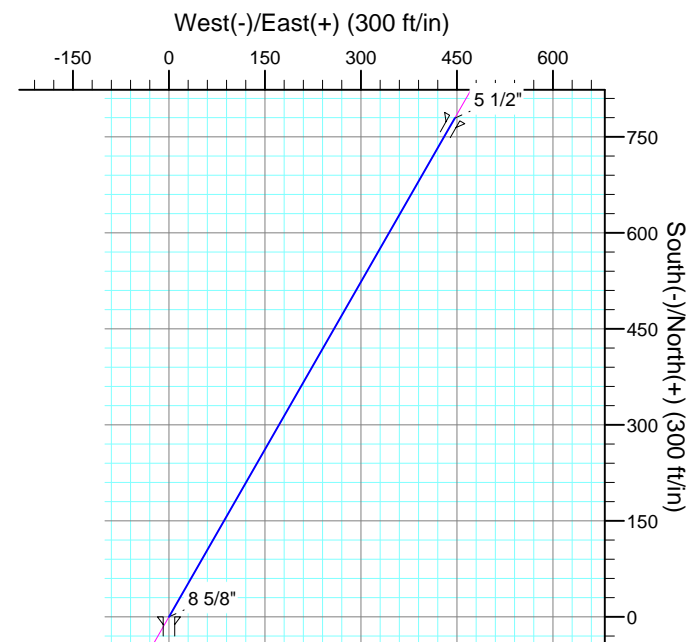
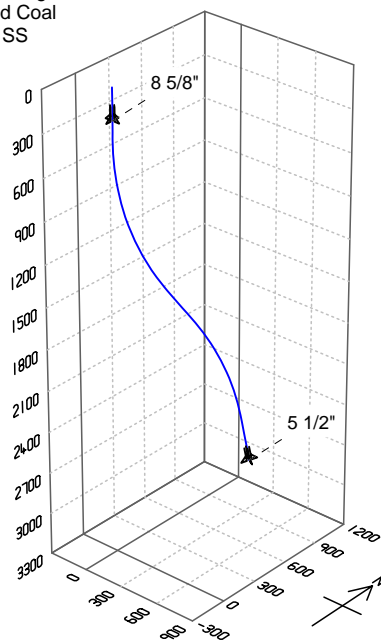
Vertical Section at 29.81°

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
1137.0	1160.2	Ojo Alamo SS
1231.0	1264.4	Kirtland Shale
2081.0	2261.2	Fruitland Formation
2335.0	2528.9	Upper Fruitland Coal
2388.0	2583.4	Middle Fruitland Coal
2484.0	2681.3	Pictured Cliffs Tongue
2680.0	2880.3	Lower Fruitland Coal
2692.0	2892.5	Pictured Cliffs SS

CASING DETAILS

TVD	MD	Name	Size
225.0	225.0	8 5/8"	8-5/8
2800.0	3002.2	5 1/2"	5-1/2



SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	360.0	0.00	0.00	360.0	0.0	0.0	0.00	0.00	0.0	
3	1526.7	35.00	29.81	1455.5	299.7	171.7	3.00	29.81	345.4	
4	1838.7	35.00	29.81	1711.0	455.0	260.7	0.00	0.00	524.4	
5	2672.0	10.00	29.81	2474.8	729.5	418.0	3.00	180.00	840.7	
6	3002.2	10.00	29.81	2800.0	779.2	446.5	0.00	0.00	898.1	Proposed BHL -- Hocker #3-35

## SURFACE USE PLAN

**XTO Energy Inc.  
HOCKER #3-35  
1,000' FSL x 1,216' FEL  
Section 35, T33N, R7W  
La Plata County, Colorado**

### TWELVE POINT SURFACE USE PLAN

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

1. Existing Roads:

- a. Proposed route to location is shown on the USGS quadrangle map:  
**See Exhibit "A".**
- b. Location of proposed well in relation to town or other reference point:  
**From the intersection of HWY 172 and HWY 151, in Ignacio, CO, head east on Hwy 151 3.4 miles. Turn right onto CR 324 2.0 miles. Turn left onto CR 321 1.8 miles. Turn right onto field road by house 0.6 miles to existing Ute Govt A 1R location.**
- c. All existing roads within 1 mile of the drill site are shown on Exhibit "A". **If necessary, all existing roads that will be used for access to the well location will be maintained to their current condition or better unless BLM approval or consent is given to upgrade the existing road(s).**

2. Planned Access Roads:

- a. Location (centerline): **Starting from a point along an existing road in the SE/4 of Sec 35, T33N, R7W.**
- b. Length of new access to be constructed: **None. This well will be drilled on an existing location. See Exhibit "A"**
- c. Length of existing roads to be upgraded: **None**
- d. Maximum total disturbed width: **Typically both existing roads and new access roads require up to 40' of disturbed width in order to obtain a 20' driving surface.**
- e. Maximum travel surface width: **25' or less**
- f. Maximum grades: **Maximum grades will not exceed 10% after construction.**
- g. Turnouts: **No turnouts are planned at this time. Turnouts may be specified in the approved APD.**
- h. Surface materials: **Only native materials will be used during construction. If necessary, gravel or rock maybe purchased and used to improve road conditions and travel.**

- i. Drainage (crowning, ditching, culverts, etc): **Roads will be crowned and bar ditches will be located along either side. 18-24" dia CMP culverts will be installed as necessary.**
- j. Cattleguards: **The existing cattleguard on the SUIT fence line shall be removed and a metal panel gate will be installed in its place. This stipulation will be included in the SUIT COAs of the approved APD**
- k. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- l. Length of new and/or existing roads which lie outside the lease or unit boundary for which a BLM/state/fee right-of-way is required: **None**
- m. Other: **See general information below.**

Surface disturbance and vehicular travel will be limited to the approved location and access road only. Any additional surface area needed must be approved by BLM in advance.

If any additional right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligations as determined by the BLM.

If the well is productive, the access road will be rehabilitated as needed and brought to Resource (Class III) Road Standards within a time period specified by the BLM. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Field Office Manager will be notified so that temporary drainage control can be installed along the access road.

- 3. Location of Existing Wells within a one mile radius of the proposed well:  
**See Exhibit "B" for existing wells and offset water wells.**
- 4. Location of Production Facilities:
  - a. On-site facilities: **Typical on-site facilities will consist of a wellhead, flow lines (typ 3" dia.), artificial lifting system (if necessary), wellhead compression (if necessary), gas/oil/water separator (3 phase), gas measurement and water measurement equipment, and a heated enclosure/building for weather and environmental protection. The tank battery, if necessary will typically be constructed and surrounded by a berm of sufficient capacity to contain 1½ times the storage capacity of the largest tank(s). The tanks typically necessary**



for the production of this well will be 2 – 400 bbl steel, above ground tank for produced water. All loading lines and valves for these tanks will be placed inside the berm surrounding the tank battery. All oil/condensate production and measurement shall conform to the provisions of 43 CFR § 3162.7 and Onshore Oil and Gas Order No. 4, if applicable. Other on-site equipment and system may include methanol injection and winter weather protection.

All permanent (in place for six months or longer) structures constructed or installed on the well site location will be painted a flat, nonreflective color to match the standard environmental colors, as specified by the COA's in the APD. All facilities will be painted within six months of installation. Facilities required by comply with the Occupational Safety and Health Act (OSHA) may be excluded.

- b. Off-site facilities: **Off-site facilities are typically located at the CDP station and usually include central compression, gas processing, separation, tanks, pits, electronics, gas measurement and possibly a produced water disposal (SWD) well.**
- c. Pipelines: **The well will be produced into a 4" steel gas pipeline and transported to either an existing pipeline ROW (3<sup>rd</sup> party transporter) or gas gathering facility. See Exhibit "C" for the proposed pipeline route.**
- d. Powerlines: **There are no plans to include powerlines in this application. In the event power is required, a ROW application will be submitted to the appropriate agencies.**

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): **Water will be purchased from a commercial water source and trucked via third party to the location over approved access roads.**

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

6. Source of Construction Material:

Pad construction material will be obtained from (if the material source is Federally owned, a map will be included showing the location of the material): **All construction material will be purchased from private landowners and or from a commercial gravel/materials pit. All material will be trucked to location via third party trucking using only approved access roads.**

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

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

**Drill fluid will be maintained in a closed loop mud system and may be reused for drilling activities on the next location or disposed of at an approved Waste Disposal Facility. The dry drill cuttings will be disposed of at Bondad Landfill. A reserve pit will not be utilized.**

Trash must 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.

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

Any and all chemicals used during the drilling and completion of the well will be kept to a minimum and stored within the boundaries of the well pad. The third party chemical contractor will be responsible for containment and clean-up and removal of all spilled chemicals on location.

8. Ancillary Facilities: No ancillary facilities will be required during the drilling or completion of the well.

9. Well Site Layout -depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. **See Exhibit "D"**.

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

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

10. Plans for Restoration of the Surface: (Interim Reclamation and Final Reclamation)

The stripped topsoil (generally 6-8") shall be stockpiled separately and clearly marked for interim reclamation. Where soil is placed over Temporary Use Areas care will be taken so as not to disturb topsoil.

Topsoil along the access road will be salvaged where available during construction and re-spread to the greatest degree practical on cut slopes, fill slopes and borrow ditches prior to seeding.

On pre-existing well pads, repairs will be made to erosion gullies on cut and fill slopes.

A field wide storm water management plan has been developed and site specific best management practices will be utilized as appropriate. Site specific storm water plan: **See Exhibit "E"**.

The operator will control non-native, invasive species (noxious weeds) in accordance with the Federal Noxious Weed Act. Control of non-native, invasive species will be completed on all disturbed sites associated with the development and final reclamation of well pads, access roads and pipelines.

#### Interim Reclamation

The well pad will be contoured to blend with the surrounding natural landscape. All topsoil shall be evenly spread on over the disturbed area. Re-seeding of the site will be conducted using a BIA approved weed-free seed mix **as specified in the approved APD. See Exhibit "F"**.

#### Final Reclamation

Upon final abandonment, reclamation will be conducted as stipulated in the original

conditions of approval contained in the approved APD. An identifying above ground abandonment marker shall be inscribed with the following: operator name, lease number, well name and number, plugging date and surveyed description (township, range, section and either quarter-quarter or footages).

Additional requirements: **If required shall be included in the COA's of the approved APD.**

11. Surface and Mineral Ownership:

***Surface Ownership (well location and lands crossed to access location):***

Jess Leroy & Glenda E. Hocker, PO Box 627, Ignacio, CO 81137.

Memorandum of Surface Use Agreement: **See Exhibit "G".**

Southern Ute Mineral Tribe, PO Box 737, Ignacio, CO 81137

\*A right-of-way application has been submitted to the SUIT.

***Minerals:***

Southern Ute Mineral Tribe, PO Box 737, Ignacio, CO 81137

12. Other Information:

- a. Archeological Concerns: **A BLM approved contractor has submitted the appropriate reports to the agency as required. Special stipulations will be included in the COA's of the approved APD.**

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the appropriate BLM Field Office for further instructions.

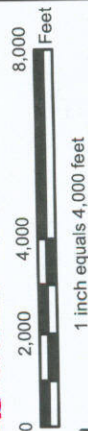
- b. Threatened and Endangered Species Concerns: **A BLM approved contractor has submitted the appropriate reports to the agencies as required. Special stipulation will be included in the COA's of the approved APD.**

- c. Wildlife Seasonal Restrictions: **Current wildlife restrictions and closure dates, if applicable, will be specified in the approved APD.**

- d. **On-site took place on August 11, 2010 - Dave Swanson (BLM), Kelly Kardos, Ben Schmidt, Bob Percell, Paul Lerhman, Mike Simon, Mark Neitzel (XTO), Dave Fosdeck (JMAS), Nancy Eisenhauer, Amanda Kuenzi (SWCA), Ed Trahan, Germain Ewing, Deb Koenig (SUIT).**



XTO ENERGY INC.  
 HOCKER #3-35  
 LAT: 37.05608° N  
 LONG: 107.57320° W NAD 83  
 ELEVATION AT STAKE = 6,316' NAVD88



1 inch equals 4,000 feet



JMAS

JOHNSON: MAPPING  
AND SURVEYING, L  
PO BOX 2174,  
FARMINGTON NM 8

10-03-08

XT00031 VICINITY MAP.MXD





***Surface Ownership (well location):***

Jess Leroy & Glenda E. Hocker, PO Box 627, Ignacio, CO 81137.

***Surface Ownership (lands crossed to access location):***

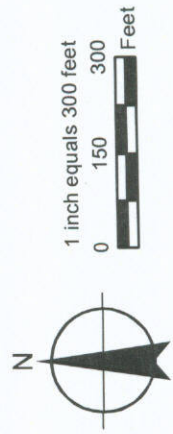
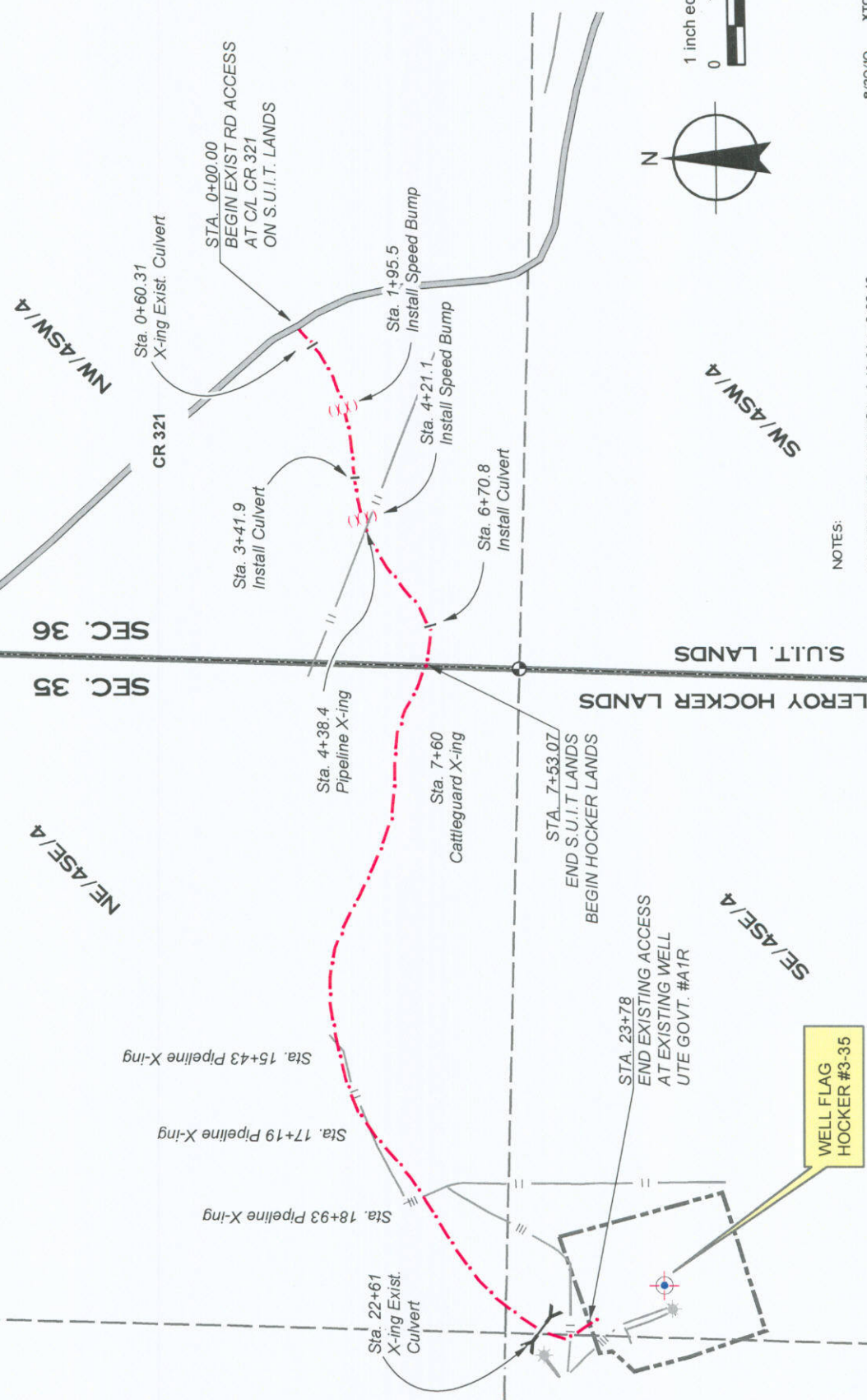
Southern Ute Mineral Tribe, PO Box 737, Ignacio, CO 81137

Jess Leroy & Glenda E. Hocker, PO Box 627, Ignacio, CO 81137.

EXHIBIT **A**



**BLM SUBMITTAL - ACCESS PLAN**  
**XTO ENERGY INC. HOCKER #3-35**  
**NW/4SW/4 SECTION 36, SE/4 SECTION 35**  
**T-33-N, R-07-W, N.M.P.M.,**  
**LA PLATA COUNTY, COLORADO**



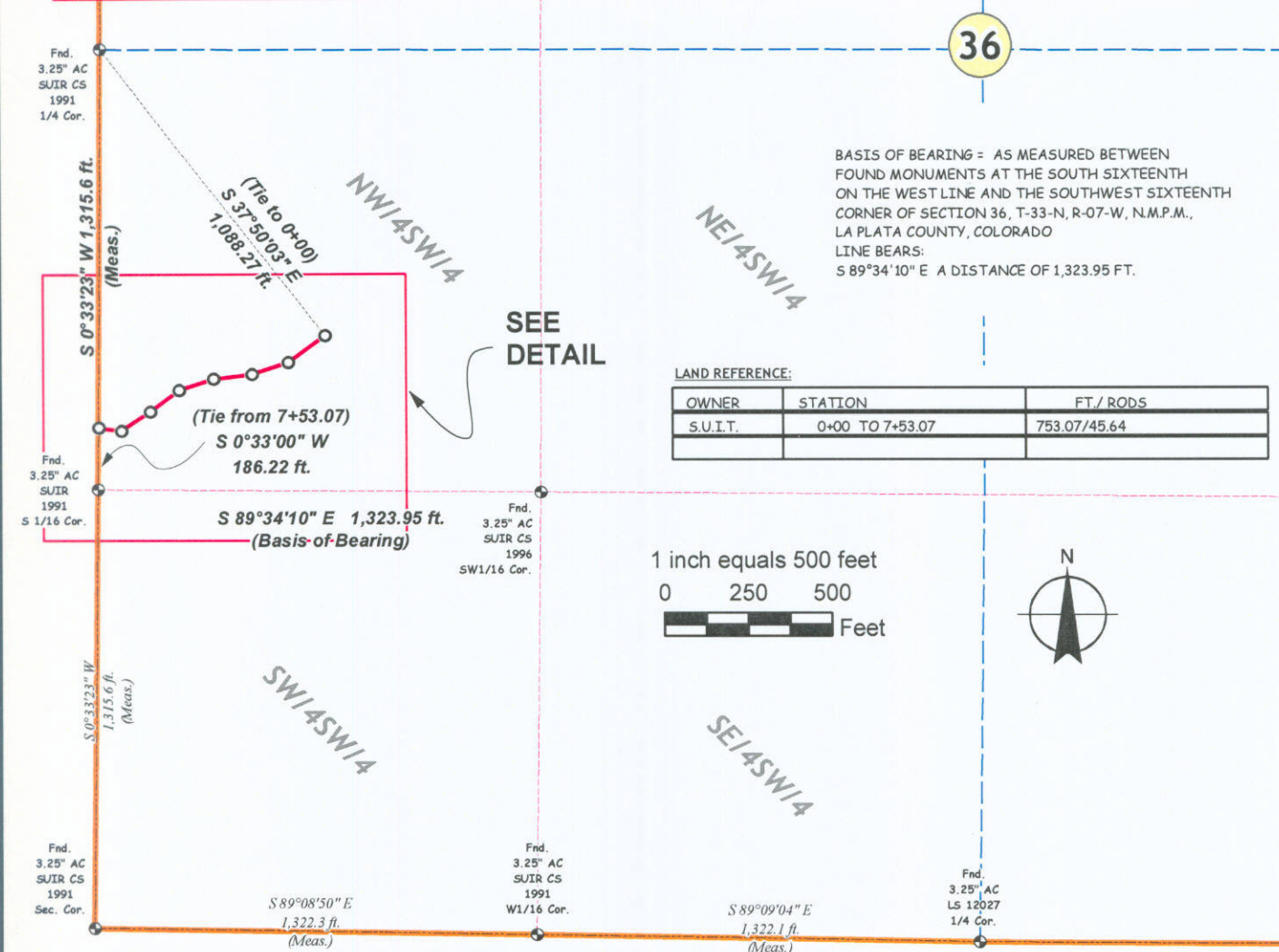
- NOTES:**
- 1-DATE OF FIELD SURVEY 3-13-06 to 8-20-10
  - 2-THE LOCATIONS OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE. ACTUAL LOCATIONS OF UNDERGROUND UTILITIES SHOULD BE FIELD VERIFIED PRIOR TO CONSTRUCTION.
  - 3- SPEED BUMP AND CULVERT LOCATIONS ESTABLISHED PER ONSITE MEETING 8-11-10

**JMAS**  
 JOHNSON MAPPING  
 AND SURVEYING, LLC  
 PO BOX 2174  
 FARMINGTON, NM 87499-2174  
 505-360-8029  
 ALEX@JOHNSONMAPPING.BIZ

8/20/10 XTO031 BLM ACCESS.MXD



NW/4SW/4 SECTION 36, T-33-N, R-07-W, N.M.P.M.,  
LA PLATA COUNTY, COLORADO



**JMAS**

JOHNSON MAPPING AND SURVEYING, LLC  
 PO BOX 2174,  
 FARMINGTON NM 87499-2174  
 JOHNSON@JOHNSONMAPPING.BIZ



**XTO ENERGY INC.: HOCKER #3-35  
EXISTING ROAD SURVEY ON S.U.I.T. LANDS**

NW/4SW/4 SECTION 36, T-33-N, R-07-W, N.M.P.M.,  
LA PLATA COUNTY, COLORADO

**Centerline Description**

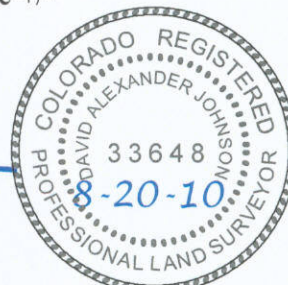
An easement, 20 feet in width, located in the Northwest Quarter of the Southwest Quarter of Section 36, Township 33 North, Range 7 West, of the New Mexico Principal Meridian, La Plata County, State of Colorado, being more particularly described by the following centerline:

**BEGINNING** at a point located in said Northwest Quarter of the Southwest Quarter, which bears S 37°50'03" E a distance of 1,088.27 feet, from a 3.25" Aluminum Cap found for the West Quarter Corner of said Section 36, said point being the at the of the centerline of La Plata County Road 321 and the centerline of an existing gravel road,

<b>THENCE</b>	S 54°19'20" W	a distance of	134.31	feet along the center of said gravel road,
<b>THENCE</b>	S 72°32'09" W	a distance of	114.71	feet along the center of said gravel road,
<b>THENCE</b>	S 82°55'56" W	a distance of	115.04	feet along the center of said gravel road,
<b>THENCE</b>	S 72°03'50" W	a distance of	108.76	feet along the center of said gravel road,
<b>THENCE</b>	S 54°07'08" W	a distance of	108.06	feet along the center of said gravel road,
<b>THENCE</b>	S 56°56'18" W	a distance of	103.30	feet along the center of said gravel road,
<b>THENCE</b>	N 81°08'45" W	a distance of	68.89	feet along the center of said gravel road,

to a point along the West Line of said Northwest Quarter of the Southwest Quarter which is the **POINT OF ENDING** for this description, from which a 3.25" Aluminum Cap found for the South Sixteenth Corner along the West Line of said Section 36 bears S 0°33'00" W a distance of 186.22 feet.

**CONTAINING:** 753.07 feet, 45.64 rods and 0.35 acre +/-



DAVID ALEXANDER JOHNSON, L.S. NO. 33648

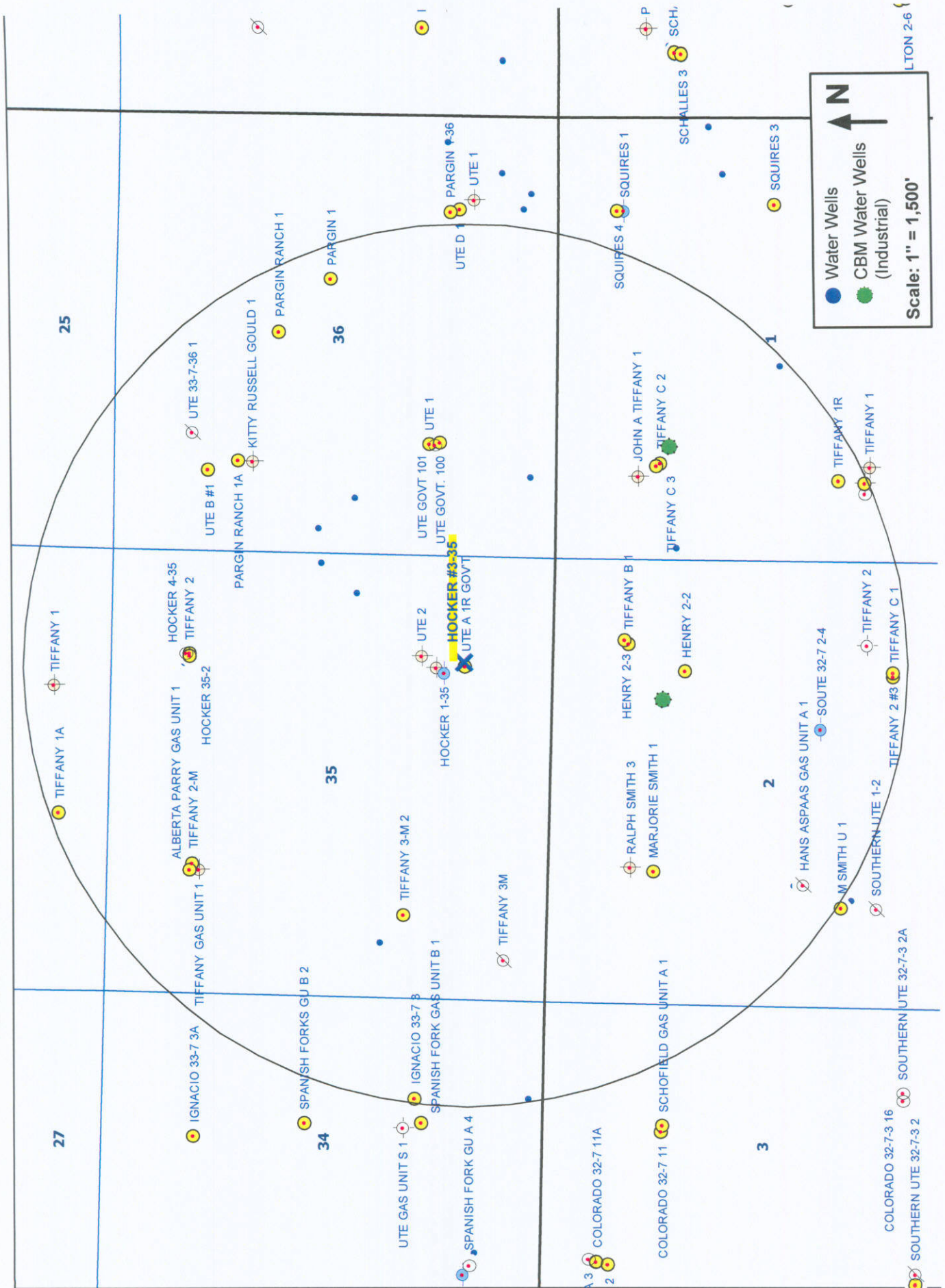
DATE

**BASIS OF BEARINGS** between found monuments at the South Sixteenth corner along the West Line and the Southwest 1/16 corner of Section 36, T33N, R7W, N.M.P.M., La Plata County, Colorado. Line bears S89°34'10"E, a distance of 1,323.95 feet as measured by GPS.

Ref. Drawing: XTO031 ACCESS P1.mxd

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7/7/2010 11:32 AM

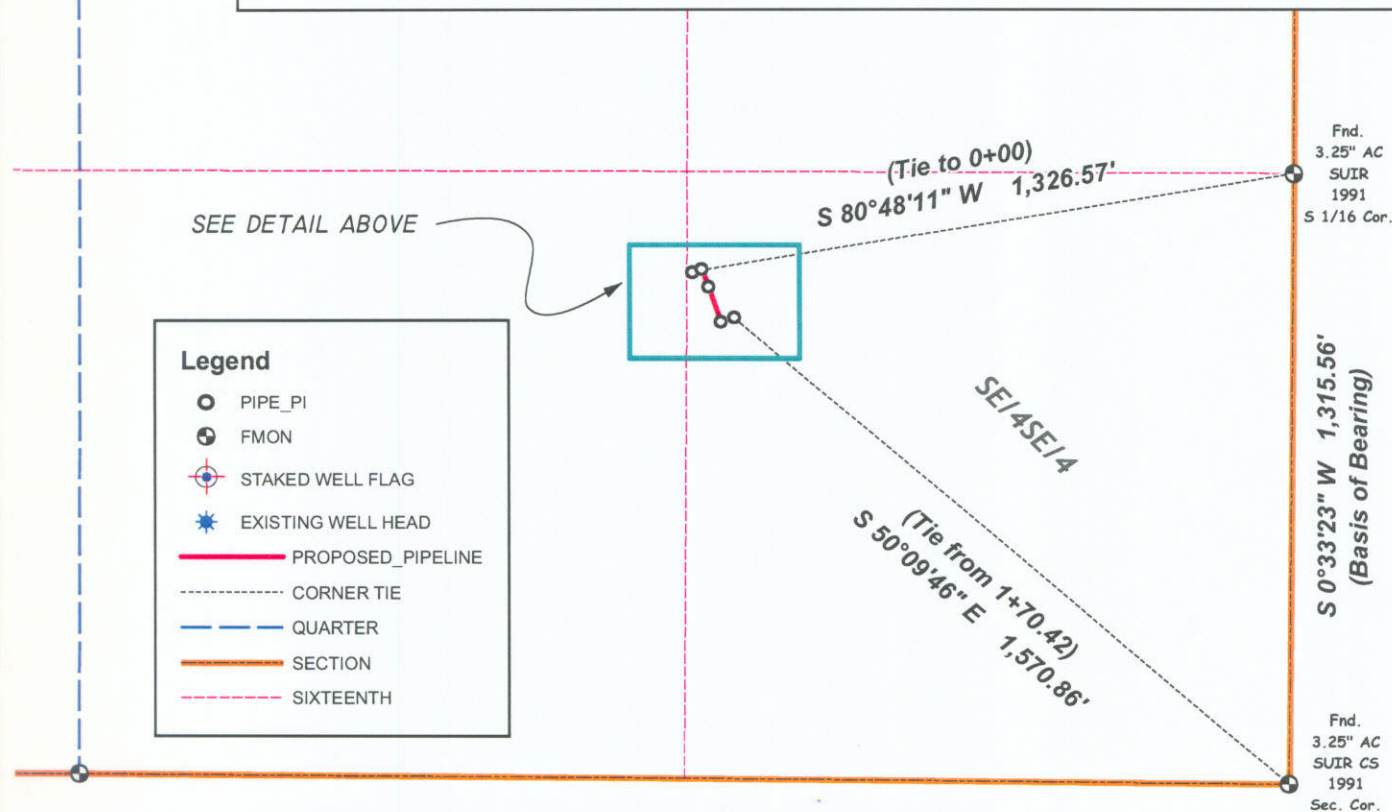
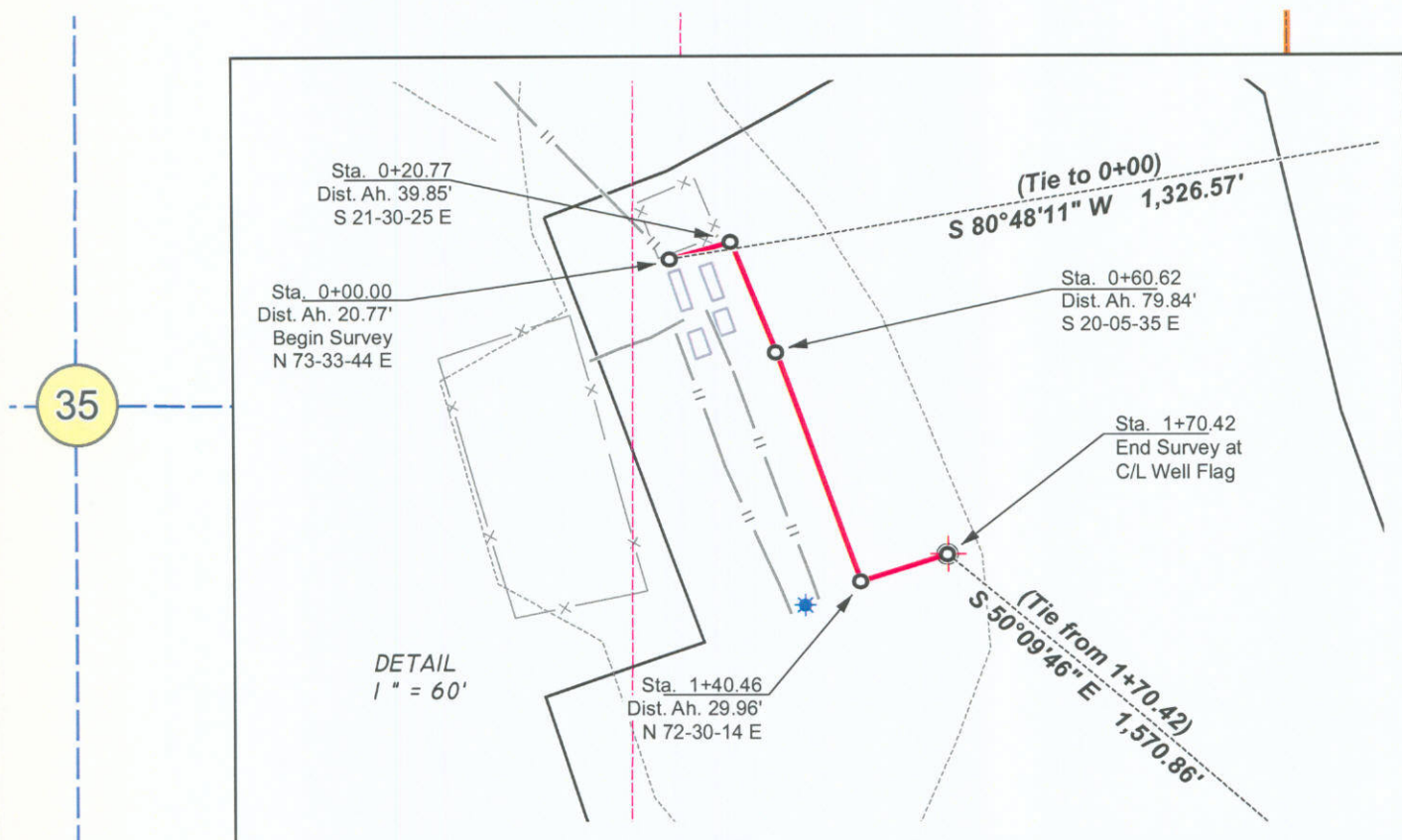
# EXISTING WELLS & WATER WELLS WITHIN 1 MILE






## SURVEY

SE/4SE/4 SECTION 35, T-33-N, R-07-W, N.M.P.M.,  
LA PLATA COUNTY, COLORADO



1 inch equals 400 feet

0      200      400

 Feet

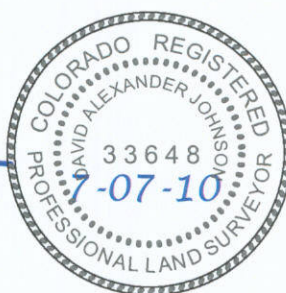
NOTES:  
1. DATE OF SURVEY 4/27/10

2. THE LOCATIONS OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE, ACTUAL LOCATIONS OF UNDERGROUND UTILITIES MUST BE FIELD VERIFIED PRIOR TO CONSTRUCTION.

BASIS OF BEARING = AS MEASURED BETWEEN  
FOUND MONUMENTS AT THE SOUTH SIXTEENTH  
CORNER ON THE EAST LINE AND THE SOUTHEAST  
CORNER OF SECTION 35, T-33-N, R-7-W, N.M.P.M.,  
LA PLATA COUNTY, COLORADO  
LINE BEARS:  
S 0° 33' 23" W A DISTANCE OF 1.315.56'

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY DIRECT SUPERVISION AND THAT SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

DAVID ALEXANDER JOHNSON LICENSE NO. 33648 DATE  
STATE OF COLORADO



7/7/10 XTOO31 PIPE01.MXD

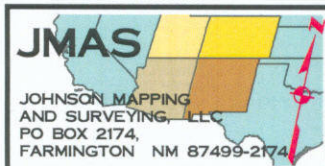


EXHIBIT C



**XTO ENERGY INC. - HOCKER #3-35  
PROPOSED GAS AND WATER PIPELINE**

**LEGAL DESCRIPTION**

**SE/4SE/4 SECTION 35, T-33-N, R-07-W, N.M.P.M.,  
LA PLATA COUNTY, COLORADO**

**Centerline Description**

An easement, 40 feet in width, located in the Southeast Quarter of the Southeast Quarter of Section 35, Township 33 North, Range 7 West, of the New Mexico Principal Meridian, La Plata County, State of Colorado, being more particularly described by the following centerline:

**BEGINNING** at a point located in said Southeast Quarter of the Southeast Quarter, which bears S 80°48'11" W a distance of 1,326.57 feet, from a 3.25" Aluminum Cap found for the South Sixteenth Corner on the East Line of said Section 35, said point being on an existing gathering pipeline,

<b>THENCE</b>	N 73°33'44" E	a distance of	20.77 feet,
<b>THENCE</b>	S 21°30'25" E	a distance of	39.85 feet,
<b>THENCE</b>	S 20°05'35" E	a distance of	79.84 feet,
<b>THENCE</b>	N 72°30'14" E	a distance of	29.96 feet,

to a Well stake set for the Hocker #3-35, said point being the **POINT OF ENDING** for this description, and from which a 3.25" Aluminum Cap found for the Southeast Corner of said Section 35 bears S 50°09'46" E a distance of 1,570.86 feet.

**CONTAINING:** 170.42 feet, 10.33 rods and 0.16 acre +/-



DAVID ALEXANDER JOHNSON, L.S. NO. 33648

DATE

**BASIS OF BEARINGS:** As measured between found monuments at the South Sixteenth Corner on the East line and the Southeast Corner of Section 35, T-33-N, R-7-W, N.M.P.M., La Plata County, Colorado. Line Bears: S 0°33'23" W a distance of 1,315.56'

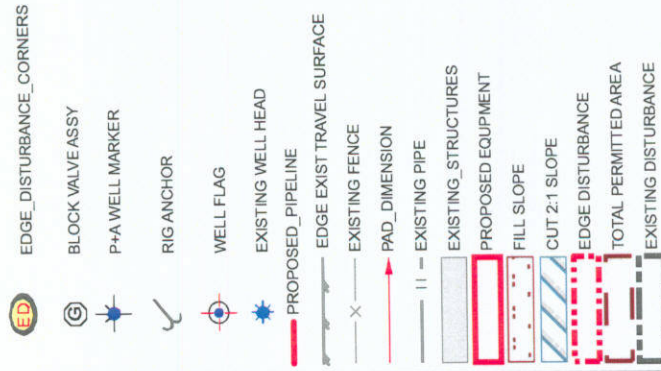
Ref. Drawing: 6/3/10 XTO031 PIPE01.mxd

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6/3/2010 3:14 PM



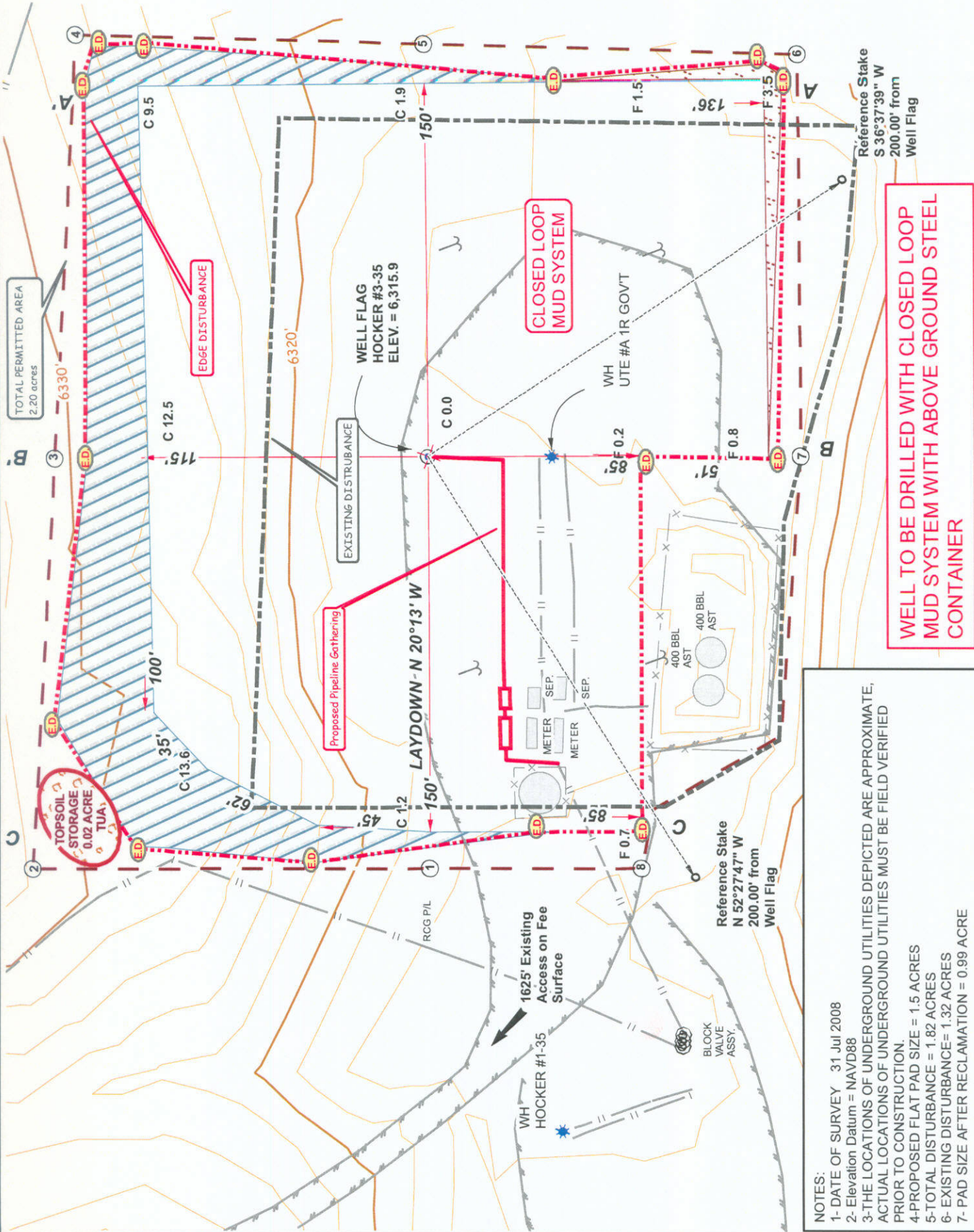
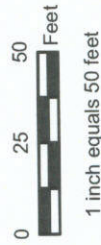
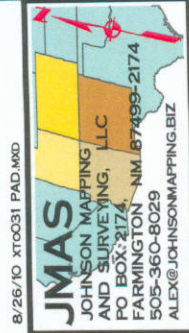
**BLM SUBMITTAL - PAD DIAGRAM**  
**XTO ENERGY INC. HOCKER #3-35**  
**SURFACE HOLE: 1000' FSL, 1,216,' FEL**  
**SECTION 35, T-33-N, R-07-W, N.M.P.M.,**  
**LA PLATA COUNTY, COLORADO**

**LEGEND**



**NAD 83**  
**LAT:37.05608° N**  
**LONG:107.57320° W**

**NAD 27**  
**LAT:37.05607° N**  
**LONG:107.57259° W**



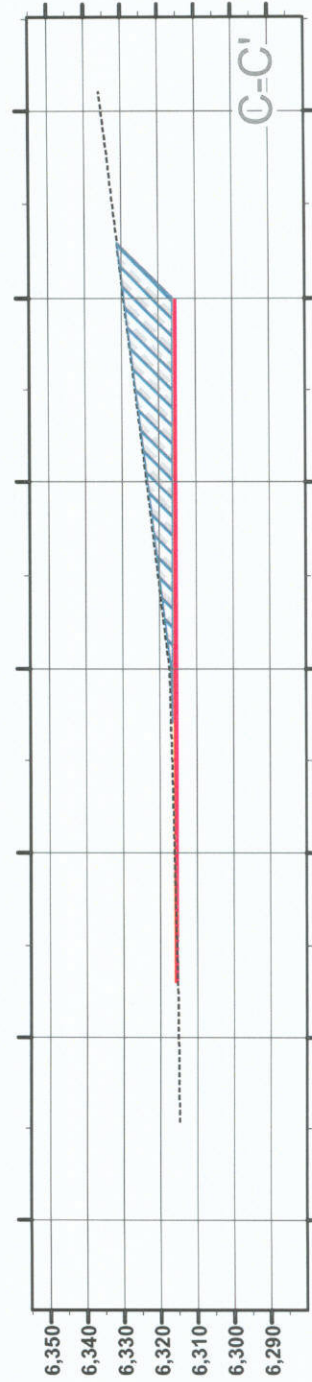
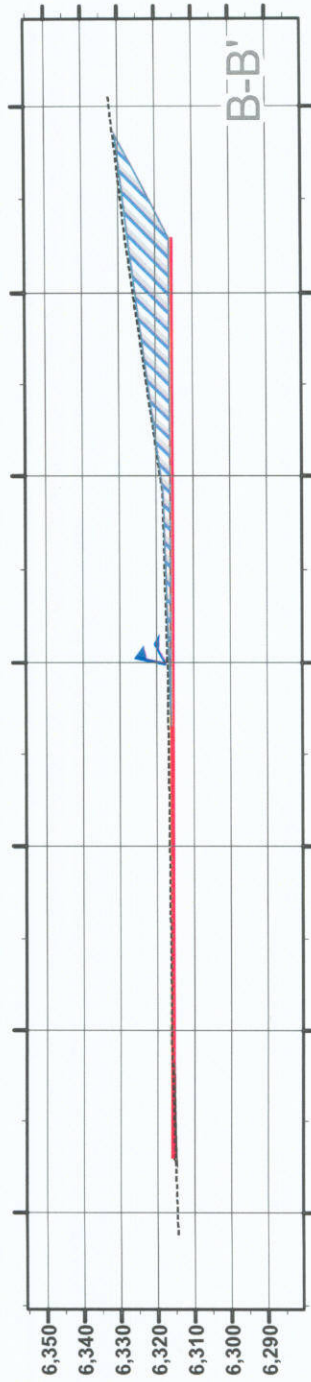
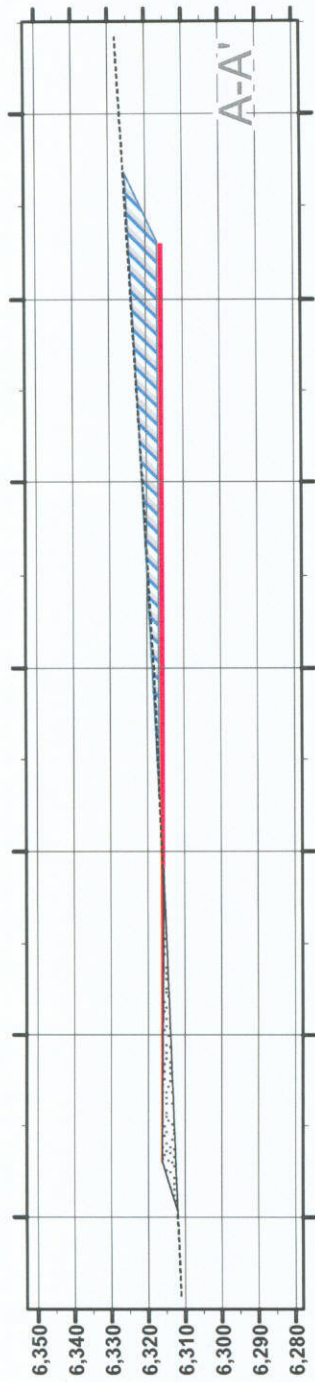
**WELL TO BE DRILLED WITH CLOSED LOOP MUD SYSTEM WITH ABOVE GROUND STEEL CONTAINER**

- NOTES:**
- 1- DATE OF SURVEY 31 Jul 2008
  - 2- Elevation Datum = NAVD88
  - 3- THE LOCATIONS OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE; ACTUAL LOCATIONS OF UNDERGROUND UTILITIES MUST BE FIELD VERIFIED PRIOR TO CONSTRUCTION.
  - 4- PROPOSED FLAT PAD SIZE = 1.5 ACRES
  - 5- TOTAL DISTURBANCE = 1.82 ACRES
  - 6- EXISTING DISTURBANCE = 1.32 ACRES
  - 7- PAD SIZE AFTER RECLAMATION = 0.99 ACRE



CUT AND FILL X-SECTIONS  
 XTO ENERGY INC. HOCKER #3-35  
 SURFACE HOLE: 1000' FSL, 1,216' FEL  
 SECTION 35, T-33-N, R-07-W, N.M.P.M.,  
 LA PLATA COUNTY, COLORADO

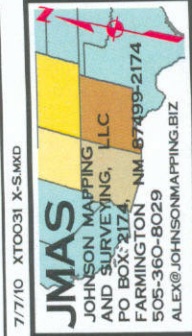
PROPOSED PAD CROSS SECTIONS  
 X-SECTION PROFILES - 1 inch equals 50 feet



NAD 83  
 LAT: 37.05608° N  
 LONG: 107.57320° W

NAD 27  
 LAT: 37.05607° N  
 LONG: 107.57259° W

NOTES:  
 - DATE OF SURVEY 31 Jul 2008  
 - Elevation Datum = NAVD88  
 - THE LOCATIONS OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE,  
 ACTUAL LOCATIONS OF UNDERGROUND UTILITIES MUST BE FIELD VERIFIED  
 PRIOR TO CONSTRUCTION.





BLM SUBMITTAL - GRADING AND DRAINAGE PLAN  
 XTO ENERGY INC. HOCKER #3-35  
 SURFACE HOLE: 1000' FSL, 1,216' FEL  
 SECTION 35, T-33-N, R-07-W, N.M.P.M.,  
 LA PLATA COUNTY, COLORADO

LEGEND

SLOPE DIRECTION

8" DIKE W/ EXCELSIOR

CONVEYANCE CHANNEL

PROPOSED PIPELINE

EDGE EXIST TRAVEL SURFACE

EXISTING FENCE

PAD\_DIMENSION

EXISTING PIPE

FILL SLOPE

CUT 2:1 SLOPE

EDGE DISTURBANCE

TOTAL PERMITTED AREA

EXISTING DISTURBANCE

EXISTING\_STRUCTURES

PROPOSED EQUIPMENT



1 inch equals 50 feet



8-19-10

XTO031 GRADING AND DRAINAGE PLAN.MXD

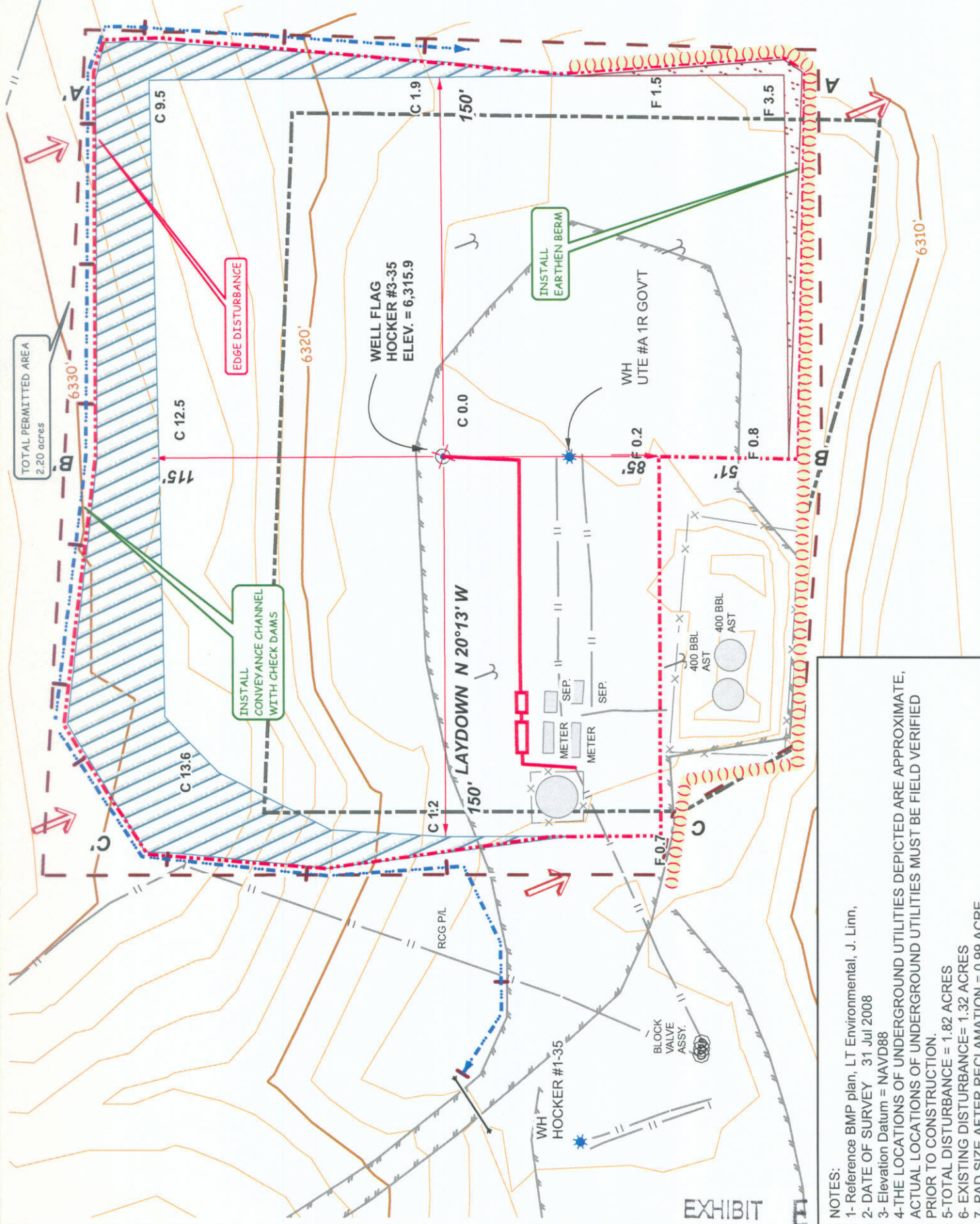
JMAS

JOHNSON MAPPING AND SURVEYING, LLC

PO BOX 2174 FARMINGTON, NM 87499-2174

505-360-8029

ALEX@JOHNSONMAPPING.BIZ



- NOTES:
- 1- Reference BMP plan, LT Environmental, J. Linn,
  - 2- DATE OF SURVEY 31 Jul 2008
  - 3- Elevation Datum = NAVD88
  - 4- THE LOCATIONS OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE, ACTUAL LOCATIONS OF UNDERGROUND UTILITIES MUST BE FIELD VERIFIED PRIOR TO CONSTRUCTION.
  - 5- TOTAL DISTURBANCE = 1.82 ACRES
  - 6- EXISTING DISTURBANCE = 1.32 ACRES
  - 7- PAD SIZE AFTER RECLAMATION = 0.99 ACRE

EXHIBIT



BLM SUBMITTAL - RECLAIMED PAD DIAGRAM  
 XTO ENERGY INC. HOCKER #3-35  
 SURFACE HOLE: 1000' FSL, 1,216, ' FEL  
 SECTION 35, T-33-N, R-07-W, N.M.P.M.,  
 LA PLATA COUNTY, COLORADO

LEGEND

- PROPOSED PIPELINE
- BLOCK VALVE ASSY
- P+A WELL MARKER
- RIG ANCHOR
- WF353
- EXISTING WELL HEAD
- EDGE EXIST TRAVEL SURFACE
- EXISTING FENCE
- PAD\_DIMENSION
- EXISTING PIPE
- EXISTING STRUCTURES
- PROPOSED EQUIPMENT
- AREA TO BE RECLAIMED
- RECLAIMED PAD AREA
- FILL SLOPE
- CUT 2:1 SLOPE
- EDGE DISTURBANCE
- TOTAL PERMITTED AREA
- EXISTING DISTURBANCE

NAD 83  
 LAT:37.05608° N  
 LONG:107.57320° W

NAD 27  
 LAT:37.05607° N  
 LONG:107.57259° W

8/19/10

XTO031 RECLAIM.MXD

JMAS

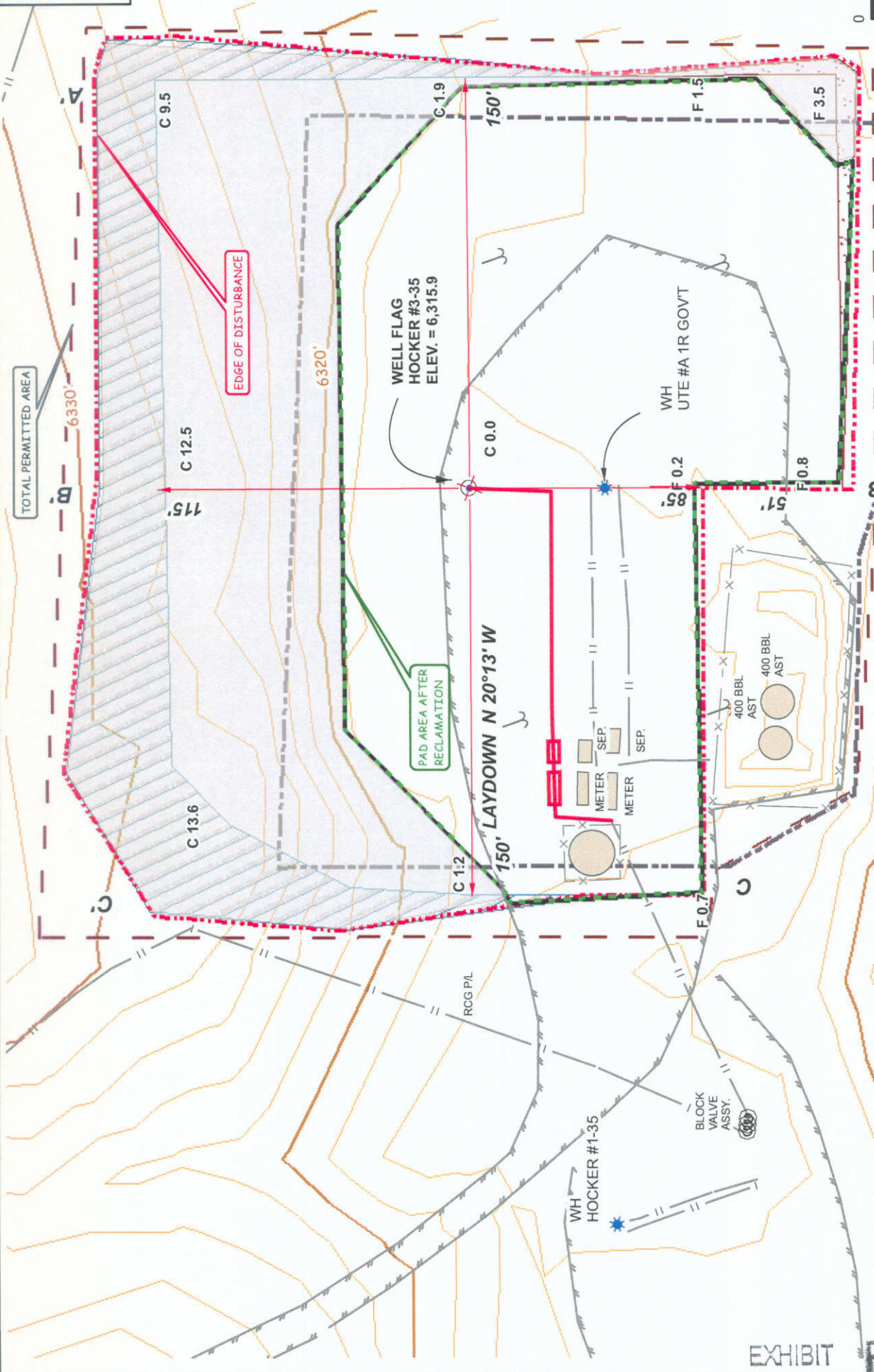
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EXHIBIT



## MEMORANDUM OF SURFACE USE AGREEMENT

(Hocker #3-35 from the UTE #A 1R Government Well Location)

This MEMORANDUM OF SURFACE USE AGREEMENT ("Memorandum") is provided by XTO Energy Inc., a Delaware Corporation, the address of which is 810 Houston Street, Fort Worth, TX 76102-6298 ("XTO or "Operator), and Jess Leroy Hocker and Glenda E. Hocker, whose address is P. O. Box 627, Ignacio, Colorado 81137 ("Surface Owner").

Notice is hereby given that XTO and Surface Owner have entered in a Surface Use Agreement dated the 9<sup>TH</sup> of MARCH, 2011, concerning a proposed gas well known as the Hocker #3-35 (the "Additional Well") to be located on the well pad of an existing gas well known as the UTE #A 1R Government (the "Existing Well") or reasonable expansion or modification thereof. Both wells are or will be located on the below described property and will be or have been drilled pursuant to underlying oil and gas lease(s) and applicable permits. Under the Surface Use Agreement, Surface Owner and Operator have agreed to certain specific matters in connection with XTO's right to use the surface estate of the following property:

The East ½ of Section 35, Township 33 North, Range 07 West, N.M.P.M., being more particularly described under that certain Quit Claim Deed dated May 6, 2010, recorded May 7, 2010, Reception No. 1013836, La Plata County, Colorado

This memorandum constitutes notice to all interested parties of the existence of the Surface Use Agreement. Furthermore, any successor or assign of either XTO or Surface Owner shall be bound by the terms and conditions of the Surface Use Agreement. In the event that any party acquires any rights or interests in the surface estate of the Property, such rights or interests shall be subject to the terms and conditions set forth in the Surface Use Agreement. For more information, contact either XTO or Surface Owner.

Under Colorado Oil and Gas Conservation Commission (the "COGCC") Notice and Consultation Rules 305.e, 305.e(1)(A), 305.e(7), 306.a. and 306.a(3), Surface Owner acknowledges and agrees that Operator has complied with all notice and consultation requirements of COGCC Rules 305 and 306. The 305.e(7) Waiver being only applicable to planned drilling and completion activities under the aforementioned Surface Use Agreement. XTO in compliance with COGCC Rules shall provide Surface Owner Notice as required for all subsequent activities. Surface Owner also waives the right to receive notices under the La Plata County Code including, but not limited to, Section 90-77 of said Code.

### SURFACE OWNER:

By: Jess Leroy Hocker  
Jess Leroy Hocker

Date: MARCH 9<sup>TH</sup>, 2011

By: Glenda E. Hocker  
Glenda E. Hocker

Date: MARCH 9<sup>TH</sup>, 2011

### OPERATOR:

XTO Energy Inc., a Delaware corporation

By: Edwin S. Ryan, Jr.

Name: Edwin S. Ryan, Jr. *msk*

Title: Senior Vice President – Land Administration



ACKNOWLEDGEMENTS

STATE OF Colorado )  
COUNTY OF LA PLATA ) ss.

This instrument was acknowledged before me this 9<sup>th</sup> day of MARCH,  
2011 by Jess Leroy Hocker and Glenda E. Hocker, personally known to me.

WITNESS my hand and official seal.

Mike Simone (SEAL)  
Notary Public  
MAY 4, 2014  
My Commission Expires



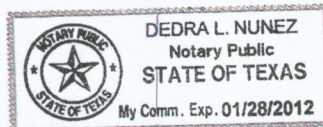
My Commission Expires 5-11-14

STATE OF TEXAS )  
COUNTY OF TARRANT ) ss.

This instrument was acknowledged before me on the 22<sup>nd</sup> day of MARCH, 2011 by Edwin S. Ryan, Jr., Senior Vice President  
– Land Administration of XTO Energy Inc., a Delaware corporation, on behalf of said  
corporation.

WITNESS my hand and official seal.

Dedra L. Nunez (SEAL)  
Notary Public  
Jan 28 2012  
My Commission Expires



Operator Certification:

a. Permitting and Compliance:

Kelly Kardos  
Sr. Permitting Tech.  
XTO Energy Inc.  
382 CR 3100  
Aztec NM 87410  
505-333-3100

b. Drilling and Completions:

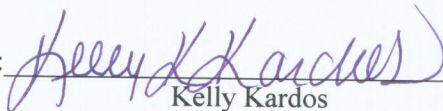
Justin Niederhofer  
XTO Energy Inc.  
382 CR 3100  
Aztec, NM 87410  
505-333-3100

c. Certification:

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

Executed this **16th** day of **May 2011**.

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

  
Kelly Kardos