Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
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District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

WELL API NO. 30-045-30788

5. Indicate Type of Lease STATE [x] FEE [ ]

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name: ASHCROFT SWD

1. Type of Well: Oil Well [ ] Gas Well [x] Other

8. Well No. #1

2. Name of Operator XTO Energy Inc.

9. Pool name or Wildcat ENTRADA

3. Address of Operator 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401

4. Well Location

Unit Letter B : 998 feet from the NORTH line and 2114 feet from the EST line

Section 26 Township 29N Range 11W NMPM County SAN JUAN

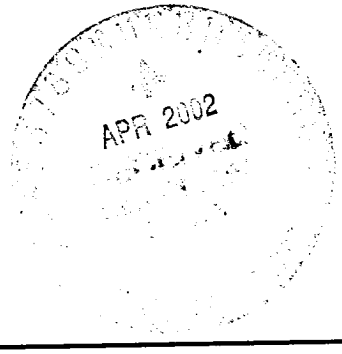
10. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 5440' GR 5,452' RKB

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[ ]	MULTIPLE COMPLETION	[ ]	CASING TEST AND CEMENT JOB	[ ]		
OTHER:	[ ]			OTHER: Press test 7" prod csg			[x]

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

04/07/02: Pressure tested 7" production casing to 1,000 psig for 30". Held OK.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Ray Martin TITLE Operations Engineer DATE 4/11/02

Type or print name Ray Martin Telephone No. 505-324-1090

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

Submit 3 Copies To Appropriate District Office
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WELL API NO. 30-045-30788

5. Indicate Type of Lease STATE [x] FEE [ ]

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Unit Letter B : 998 feet from the NORTH line and 2114 feet from the EST line

Section 26 Township 29N Range 11W NMPM County SAN JUAN

10. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 5440' GR 5,452' RKB

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TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[ ]	MULTIPLE COMPLETION	[ ]	CASING TEST AND CEMENT JOB	[ ]		
OTHER: Step Rate Test	[x]			OTHER:			[ ]

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

XTO Energy, Inc. plans to run a Step Rate Test on 04/15/02. The procedure, wellbore diagram and well history are attached.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Ray Martin TITLE Operations Engineer DATE 4/11/02

Type or print name Ray Martin Telephone No. 505-324-1090

(This space for State use)

APPROVED BY Charlie Perrin TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE APR 11 2002

Conditions of approval, if any:

ASHCROFT SWD #1
ENTRADA STEP RATE TEST
SEC 26B, T29N, R10W
SAN JUAN CO., NM

1. TIH w/7" pkr, SN, ± 6,500' 3-1/2" tbg.

2. Set pkr @ ±6,500'.

3. Press tst tbg/csg annulus to 1,000 psig.

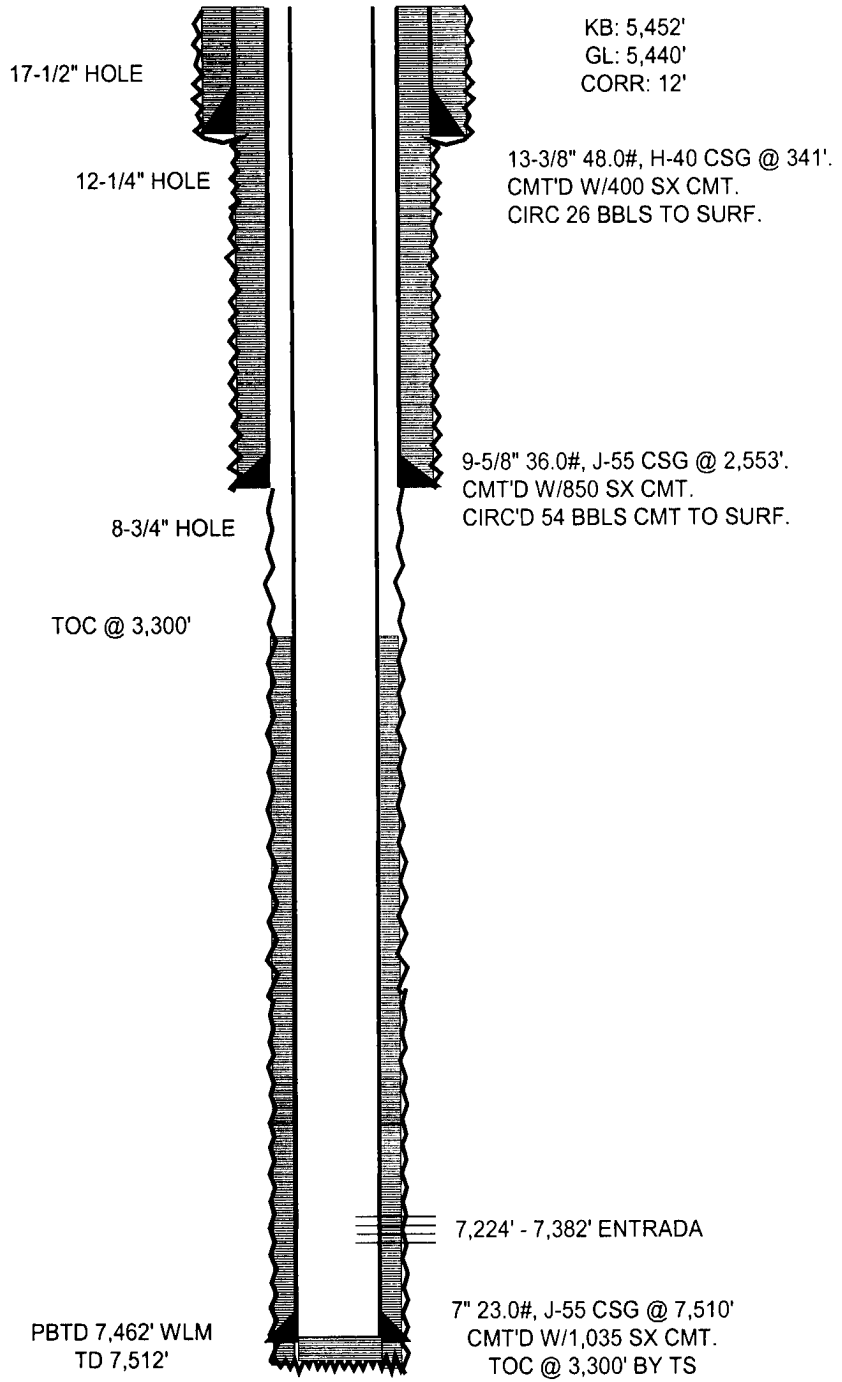
4. SWI 24 hrs. Notify Aztec OCD office of Step Rate tst. See attached OCD guidelines for step rate tst.

5. Install full opening 10,000 psig 3-1/2" frac valve on tbg & 5,000 psig ppg tee on frac valve.

6. MIRU Tefteller Inc SL ut. RIH w/tandum 10,000 psig BHP bombs to 7,270'. Entrada perfs 7,224'-7,382'.

7. MIRU American Energy to run step rate test on well. Start ppg at as slow a stable rate as pmp trk can pmp. Try for initial rate step @ 0.25 BPM must have three rate stops below frac pt & 3 rate stops above frac point (max rate increment is 0.5 BPM unless approved by OCD rep.). Pump each step until rate & press stabilize (minimum 15" unless approved by OCD rep.). Record time, inj rate, inj press, inj vol, bradenhead press, 9-5/8" x 13-3/8" csg annulus annulus, 7" x 9-5/8" csg annulus press & TCA press. RDMO American Energy.

8. POH w/BHP bombs. RDMO SL unit. Remove ppg tee on frac vlv.



ASHCROFT SWD #1

WELLBORE DIAGRAM

DATA

LOCATION: 998' FNL & 2,114' FEL, UNIT B, SEC 26, T29N, R11W
COUNTY/STATE: SAN JUAN CO., NM
FIELD: ENTRADA
FORMATION: ENTRADA
API#: 30-045-30788 **XTO WELL #:** 72320
SPUD DATE: 12/19/01 **COMPLETION DATE:** NA
IP: NA
PRODUCTION METHOD: NA
PROD TUBING: NA
PERFS: 7,224' – 7,312' & 7,330' – 7,382' 4 JSPF (TTL 560 0.43" HOLES)

HISTORY

12/20/01 BEARCAT DRLG CO. RIG #2 SPUDDED HOLE FOR XTO ENERGY, CO. ON 12/19/01.
12/21/01 BIT #1 DRLD 9-7/8" PILOT HOLE THROUGH BOULDERS TO 165'. BIT #2 DRLD 12-1/4" PILOT HOLE THROUGH BOULDERS TO 165'. BIT #3 STD DRLG 17-1/2" HOLE.
12/22/01 DRLD 17-1/2" HOLE TO 341'. SET 13-3/8", 48.0#, H-40 CSG @ 341'. CMT'D W/400 SX TYPE III CMT W/3% $CaCl_2$ + 1 /4#/SX CELLOFLAKE. MIXED @ 14.6 PPG & 1.41 CU FT/SX. CIRC 26 BBLS CMT TO SURF.
12/27/01 DRLD 12-1/4" HOLE TO 555'. HIT 50 BPH WTR FLOW.
12/28/01 DRLD 12-1/4" HOLE TO 1,062'. KO FLWG GAS & WTR ON BIT TRIP @ 1,062'. WEIGHTED UP MUD TO 11.9 PPG.
01/04/02 DRLD 12-1/4" HOLE TO 2,556'. SET 9-5/8" 36.0#, J-55, STC CSG @ 2,553'. BJ SERVICES CMT'D W/500 SX PREMIUM LITE FM CMT (65/35/6) W/2% KCL & 1/4 #/SX CELLOFLAKE LEAD SLURRY (MIXED @ 12.5 PPG, 1.96 CUFT/SX YIELD) FOLLOWED BY 350 SX TYPE III CMT W/3% $CaCl_2$ & 1/4 #/SX CELLOFLAKE TAIL SLURRY (MIXED @ 14.5 PPG, 1.41 CU FT/SX YIELD). CIRC 54 BBLS CMT TO SURF.
01/11/02 DRLD 8-3/4" HOLE TO 5,534'. LOST CIRC. MIXED MUD & LCM. RE-GAINED CIRC.
01/15/02 DRLD 8-3/4" HOLE TO 6,610'. LOST CIRC. MIXED MUD & LCM. RE-GAINED CIRC.
01/20/02 TD 8-3/4" HOLE @ 7,512' ON 01/19/02. SCHLUMBERGER RAN OPENHOLE LOGS: PLATFORM EXPRESS AI/CAL/GR/SP & TLD/CN/Pe & MICRO LOG. FMI LOG.
01/22/02 SET 7", 23#, J-55 CSG @ 7,510'. BJ SERVICES CMT'D W/835 SX PREMIUM LITE FM CEMENT (65/35/6) W/2% KCl, 1/4 #/SX CELLOFLAKE, 0.6% CD-32, 0.5% FL-52 & 4% PHENOSEAL (MIXED @ 11.9 PPG & 2.23 CUFT/SX) LEAD SLURRY FOLLOWED BY 200 SX CLASS H CEMENT W/2% KCl, 0.6% FL-62,1/4 #/SX CELLOFLAKE & 4% PHENOSEAL (MIXED @ 15.6 PPG & 1.21 CUFT/SX.) TAIL SLURRY. DID NOT CIRC CMT TO SURF. REL RIG 01/22/02. TOC @ 3,300' BY TEMP SURVEY.
04/07/02 PRESS TSTD 7" PROD CSG TO 1,000 PSIG FOR 30". HELD OK.
04/09/02 COMPUTALOG RAN GR/CCL LOG FR/7,462' (WLM PBTD) - 7,050'. PERF'D ENTRADA 4 JSPF FR/7,382'-7,330' (TTL 208 - 0.43" HOLES).
04/10/02 TIH W/PKR TO 7,394'. SPOTTED 250 GALS 7-1/2% HCL ACID ACROSS PERFS. PUH & SET PKR @ 7,108'. BD ENTRADA PERFS @ 2,653 PSIG. EIR W/WTR 2.6 BPM @ 1,750 PSIG. PPD 10 BW. SD. ISIP 1,400 PSIG. ACIDIZED ENTRADA PERFS FR/7,330'-82' W/1,450 GALS 7-1/2% HCL ACID. AIR 7.3 BPM. ATP 3,500 PSIG. ISDP 1,550 PSIG. 15" SIP 1,226 PSIG.

04/11/02 SET 7" RBP @ 7,320'. PRESS TSTD RBP & CSG TO 1,580 PSIG FOR 30". HELD OK. COMPUTALOG PERFD ENTRADA 4 JSPF FR/7,312' – 7,224' (TTL 352 0.43" HOLES).

Guidelines for conducting step-rate tests

The operator must submit a written procedure and rig-up diagram to the OCD at least 24 hours before starting the test. The procedure will contain the following information:

A description of the mechanical configuration of the well.
The history of injection pressures and volumes.
The history of any fracture treatments and pressures especially ISIP.

A bottom hole pressure recorder will be required for wells deeper than 2000' and injection rates greater than 1 BPM.

A pressure gauge and recorder of the appropriate range will be used during the test.

Wells currently injecting must be shut-in at least 24 hours before the test unless the shut-in pressures indicate that the well has not adequately stablized and a longer time is necessary.

Starting pump rates and pressures must be lower than the current rates and pressures if the well is currently injecting and there must be at least 3 steps below the .2psi/ft gradient and 3 steps above the breakover point. Wells that are not fractured should not be tested at pressures that exceed the fracture gradient.

Pumping equipment must be able to pump at the rates and pressures needed for the test.

Rate changes will be .5bpm or smaller unless the OCD witness determines that bigger rate changes are necessary due to small incremental increases in pressure.

Each step will be at least 15 minutes in duration unless otherwise determined by the OCD. Step duration must not be changed during the test.

The operator must have enough water on hand for the test.

The casing and bradenhead pressures will be monitored during the test.

All wellhead equipment must be rated for the anticipated pressures.