Form 3169-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires March 31, 2007

5. Lease Serial No.

SHL-NM0556859-A BHL-NM10776 6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS	_
Do not use this form for proposals to drill or to re-enter an D ADTO	

abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side 891014168B Type of Well 8. Well Name and No. X Oil Well Other Gas Well #41H Nash Unit 2. Name of Operator XIO Energy Inc. API Well No. 3b Phone No. (include area code) 3a. Address 30-015-37165 200 N. Loraine, Ste. 800 Midland, TX 79701 432-620-4318 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M, or Survey Description) Nash Draw - Brushy Canyon 2456' FSL & 1674' FWL, Sec 12, T-23S, R-29E, (K) 11. County or Parish, State 2358' FNL & 2341' FWL, Sec 1, T-23S, R-29E, (F) Eddy County 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) Water Shut-Off Notice of Intent Deepen Alter Casing Fracture Treat Reclamation Well Integrity Subsequent Report Casing Repair New Construction Recomplete Other Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Water Disposal Plug Back 13. Describe Proposed or Completed Operation (clearly state all pertunent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.) 07/12/2012: MIRU 07/13/2012: POOH w/tbq & 4 - DN1750 ESP pumps. 07/17/2012: NU 4" 10KI valve. 07/18/2012: Set plug @ 10,006'. Perfd @ 9900-9903' (18 shots), est inj rate @ 9.7 BPM. Wait on frac crew. 07/18/2012: RIH, pmpd dwn 3.66" Halliburton composite plug, perf gun & WL. Correlated w/seal assy & pkrs. Set plug @ 10,006'. L&T plug 500 psg. PUH w/gun & perf'd @ 9900-9903', 18 shots. 07/26/2012: RU Halliburton frac & WL. L&T TCA w/1BFW to 1500 psig & monitor thru job. RU 10K lubricator. RIH w/2.5" perforating guns, 10 guns & WL. Correlated depth w/liner hanger @ 7156. Pmpd quns dwn w/50bbls of treated PW @ 16bpm. Stage #10 frac Deltra fr 10,032-9753'. Stage #11 perf'd @ 9625 & frac fr 9753-9479. Stage #12 perf'd @ 9348' & frac fr 9479 to 9200. Stage #13 perf'd @ 9066-9049' & frac fr 9200-8915'. POOH w/WL & BHA. RIH w/3.66" OD Smith Copperhead BP, 2.5" perf guns, 8 qums & WL. Correlated depth w/liner hanger @ 7156'. Pmpd plug dwn w/43bbls of treated PW @ 16bpm. Set plug @ 8900'. L&T plug to 500 psi. Perf @ 8780'. Stage #14 frac fr 8915-8628'. Stage #15 perf @ 8493 & frac fr 8628-8341'. Stage #16 perf @ 8208 & frac fr 8341-8057. Stage #17 perf'd @ 7938 & frac fr 8057-7802. Stage #18 perf @ 7679 & frac fr 7802-7538. Frac 9 Brushy intervals w/15,857 bbls of treated PW & 675,000lbs of 20/40 mesh Super LC sq (RC-20/40) dwn 4.5" tbg @ 25bpm, 6500 psi. >>> Con't on Attachment <<< I hereby certify that the foregoing is true and correct Name (Printed/Typed) Accepted for rec NMOCD Stephanie Rabadue Regulatory Analyst

THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by Title Date Conditions of approval, if any, are attached. Approval of this notice 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

Date

09/18/2012

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

SAIRESDAD FIELD OFFICE