

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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

RM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter and
Abandoned well. Use Form 3160-3 (APD) for such proposals

SUBMIT IN TRIPLICATE – Other instructions on page 2.

5. Lease Serial No.
SHL: NM 0556859-A BHL: NM 0554221

6. If Indian, Allottee or Tribe Name

RECEIVED

JAN 21 2010

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
NASH UNIT #39H

NMOC D ARTESIA

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

XTO ENERGY INC

9. API Well No.

30-015-36951

3. Address

200 N. LORAIN ST., STE. 800
MIDLAND, TX 79701

3b. Phone No. (include area Code)

432-682-8873 / 432-620-6749

10. Field and Pool or Exploratory Area

NASH DRAW – BRUSHY CANYON

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SHL: 2415' FSL & 1645' FWL Section 12 T23S, R29E, (K)

BHL: 500' FNL & 1575' FWL Section 11, T23S, R29E, (C)

11. County or Parish, State

EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☒ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other _____

13. Describe Proposed or Completed Operation Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directional or recompleting horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attached the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleting in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

BLM BOND #: UTB 000138

1/8/10: Change of Operations – Contingency plan for cementing 7" casing thru DV tool @ 5500' (+/-).

Based on our experiences from drilling the Nash Unit #40H, XTO Energy Inc is recommending a "Cementing Contingency Plan" for the 7" casing thru the DV Tool @ 5500' (+/-).

Contingent Proposal – if some partial or lost returns are encountered while drilling the 8-3/4" hole, or small losses are encountered while cementing the 7" 1st stage that A.) After opening the DV tool & circulating that the initial slurry pumped thru DV tool be only an estimated amount to fill annulus f/5500' to approx. 3800' (base of estimated inj interval). B.) The cement volume would be 100sx (12.8ppg, 1.92 cuft/sx, comp strength – 12 hr 444psi 24hr 755psi) followed by 150sx (14.8ppg, 1.33 cuft/sx, comp strength – 12hr 1404psi 24hr 1909psi). C.) We would allow cmt to set for 6 hrs, then would RU to 7" x 9-5/8" annulus & pmp 500sx of the 12.8ppg slurry w/50sx 14.8ppg cap down annulus to fill annulus & squeeze off "water flow".

While drilling 8-3/4" hole on the Nash Unit #40H to the KOP @ 6100' and then the curve to 7237' (7" csg pt), we encountered 20 BPH water flow w/9.6ppg wt brine, as we continued to drill to 7" csg landing point, small fluid losses were encountered. The 7" csg was run, 1st stage slurries around shoe was pumped w/some small fluid losses at end of job. DV tool was opened, circ for 6 hrs, began 2nd stage slurries, about halfway thru operation, partial lost returns encountered. During NU BOP, 7" x 9-5/8" annulus began flowing wtr (suspected flow due to area injection well @ interval of 3200' – 3800'). We let annulus flow continuously until we pumped 580sx of 12.8pppg w/50sx of 14.8ppg cap. The annulus was left shut in for 48 hrs then opened – no pressure, no flow.

1/8/10: Change surface Csg depth f/280'/285' to 300' based on experience from drilling the Nash Unit #40H.

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed) SORINA L. FLORES

Title DRILLING TECH

Signature

Date 1/9/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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

Office

APPROVED

JAN 15 2010
Is/ Chris WallsBUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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 an official of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

**Nash Unit #39H
30-015-36951
XTO Energy
January 15, 2010
Conditions of Approval**

- 1. Attempt to establish injection rate down annulus, if injection rate cannot be established submit alternate plans to BLM.**
- 2. Operator is to verify top of cement. If cement does not come to surface, contact the appropriate BLM office.**
- 3. Subsequent Sundry is required.**

CRW 011510