Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO 1004-0137 Expires July 31, 2010

Lease Serial No.

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

MAR 22 2012

NMSF-077383A 6 If Indian, Allottee or Tribe Name

abandoned well. Use Form 3160-3 (APD) for such proposal simington Field Office Bureau of Land Managemen. 7. If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on page 2 NMNM-73958 (DAKOTA) Type of Well 8. Well Name and No. Oil Well X Gas Well Other KUTZ FEDERAL #12E 2 Name of Operator XIO ENERGY INC. 9. API Well No. 3a. Address 3b. Phone No (include area code) 30-045-29779 505-333-3204 382 CR 3100 AZTEC, NM 87410 10. Field and Pool, or Exploratory Area Location of Well (Footage, Sec, T, R, M, or Survey Description) BASIN DAKOTA 970' FNL 1000' FWL NWNW SEC. 21 (D) -T28N-R10W N.M.P.M. 11 County or Parish, State 12 CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION X Notice of Intent Acidize Production (Start/Resume) Water Shut-Off Alter Casing Fracture Trea Reclamation Well Integrity Subsequent Report Casing Repair New Construction Recomplete Other OAP DK & Change Plans Plug and Abandon Temporarily Abandon RC BASIN MANCOS/ Final Abandonment Notice Convert to Injection Plug Back Water Disposal OTERO CHACRA 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 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.) XTO Energy Inc. proposes to open additional pay in the Basin Dakota formation & recomplete to the Basin Mancos and the Otero Chacra formations per the attached procedure. Please also see the attached C102 plats for the Mancos & Chacra, WB Diagram & formation tops. An application to DHC will be submitted separately. XTO Energy Inc. will DHC only after the application has been approved and have DHC order. E'ISIO "AIQ "SNOD TIO KCAD WHK 58.1.7 Keac-107A, Meet 19.15.16.10 Reas Rement I hereby certify that the foregoing is true and correct Name (Printed/Typed) BARBARA NICOI Title REGULATORY COMPLIANCE TECHNICIAN Signature Date 3/21/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE Title Date MAR 2 3 2012 Original Signed: Stephen Mason Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that Office

the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person to work and villfully 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

Approved by

District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 South First, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico RECEIVEI

Energy, Minerals & Natural Resources Department

Form C-102 Revised October 12, 2005

OIL CONSERVATION DIVISIONAR 22 Submit to Appropriate District Office 1220 South St. Francis Dr.

Farmington Field Office Santa Fe, NM 87505 ∃ureau of Land Managem_{દા}.

AMENDED REPORT

Fee Lease - 3 Copies

State Lease - 4 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number			² Pool Code		³ Pool Name				
30-045-29779 97232					BASIN MANCOS				
ode				⁵ Property	Name			6 Well Number	
022756				KUTZ FE	DERAL			12E	
0.				8 Operator	Name			⁹ Elevation	
	XTO Energy. Inc.							5934'	
				¹⁰ Surface I	ocation				
Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
21	28-N	10-W		970'	NORTH	1000'	WEST	SAN JUAN	
		11Bott	om Hole	Location If	Different Fron	n Surface			
Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County	
¹³ Joint or	Infill 14 Co	onsolidation	Code 15 Or	der No.	. ,				
	O45-297 ode 6 oo. Section 21	O45-29779 ode 6 6 0. Section Township 21 28-N Section Township	Section Township Range 21 28-N 10-W Township Range	Section Township Range Lot Idn	11 12 13 14 15 16 16 17 17 17 18 18 19 19 19 19 19 19	045-29779 0de 6 KUTZ FEDERAL 0. 8 Operator Name XTO Energy. Inc. 10 Surface Location Section Township Range Lot Idn Feet from the North/South line 21 28-N 10-W 970' NORTH 11 Bottom Hole Location If Different From Section Township Range Lot Idn Feet from the North/South line	97232 BASIN MAN ode 6 KUTZ FEDERAL o. Section Township Range Lot Idn Feet from the P70' NORTH 1000' 11Bottom Hole Location If Different From Surface Section Township Range Lot Idn Feet from the North/South line Feet from the P70' NORTH 1000' 11Bottom Hole Location If Different From Surface Section Township Range Lot Idn Feet from the North/South line Feet from the Feet	045-29779 97232 BASIN MANCOS Section Township Range Lot Idn Feet from the Port North/South line Feet from the Port Surface Section Township Range Lot Idn Feet from the North/South line Feet from the Surface Location 11 Bottom Hole Location If Different From Surface Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line Port North/South Ine Feet from the East/West line Feet from the Surface	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

1000'			17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true & complete to the best of my knowledge & belief and that this organization either owns a working interest or unleased inneral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division
			Printed Name BARBARA NICOL Title
	2	1	REGULATORY COMP TECH Date 03/21/2012
BASIN	MANCOS	SANTA FE, NEW MEXICO	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true & correct to the best of my belief.
		B.L.MMAILROUM 2012 M9 S SAN 2:09	6/23/1984 Date of Survey Original Survey Signed By: John A. Vukonich 14831 Certificate Number

State of New Mexico ECEWET

District I 1625 N. French Dr., Hobbs, NM 88240 District 11

811 South First, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

Energy, Minerals & Natural Resources Department

Revised October 12, 2005

OIL CONSERVATION DIVISION 22 2018 Lease 3 Conics

Fee Lease - 3 Copies State Lease - 4 Copies

Form C-102

1220 South St. Francis Dr.
Santa Fe, NM 87505 Farmington Field Office Sureau of Land Managemen.

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number ² Pool Code					³ Pool Name					
30-	-045-297	'79		82329		OTERO CHACRA				
⁴ Property Code				5 Property	Name			⁶ Well Number		
02275	56	KUTZ				DERAL			12E	
7OGRID	No.				⁸ Operator	Name			⁹ Elevation	
5380			XTO Energy. Inc.						5934'	
					¹⁰ Surface I	ocation				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	21	28-N	10-W		970'	NORTH	1000'	WEST	SAN JUAN	
			¹¹ Bott	om Hole	Location If	Different Fron	n Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
SAME										
12 Dedicated Acres	12 Dedicated Acres 3 Joint or Infill 4 Consolidation Code 5 Order No.									
CH ⁻ 160 acres	:									
NO ALLOW	NO ALLOWADLE WILL BE ASSIGNED TO THIS COMBLETION INTH. ALL INTERESTS HAVE DEEN CONSOLIDATED OR A NON									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true & complete to the best of my knowledge & belief and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division
	Signiflure Printed Name BARBARA NICOL
1	REGULATORY COMP TECH
	03/21/2012 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true &
STATE OFFICE NATA FE, NEW MEXICO	correct to the best of my belief 6/23/1984
·	Date of Survey Original Survey Signed By
RECEIVED 3.L.MMAILFOOM	John A. Vukonich 14831 Certificate Number
	RECEIVED 3.1.MMAILFOOM 12.MAR 28 PM 2: 09 STATE OFFI; SANTA FE, NEW MEXICO



www.peloton.com

XTO - Wellbore Diagram

Well Name: Kutz Federal 12E API/UWI E/W Dist (ft) N/S Dist (ft) N/S Ref Field Name County State 30045297790000 1.000 0 **FWL** 9700 T28N-R10W-S21 **New Mexico FNL** Basin Dakota San Juan Well Configuration Type XTO ID B Orig KB Elev (ft) Gr Elev (ft) KB-Grd (ft) Spud Date PBTD (All) (ftKB) Total Depth (ftKB) Method Of Production Flowing Vertical 71718 .5,946.00 5,934.00 12.00 7/1/1999 Original Hole - 6747.0 6,800.0 Well Config Vertical - Original Hole, 3/21/2012 :59 AM Zones fKB fiKB Top (ftKB) Zone Btm (ftKB) Incl (MD) Schematic - Actual (TVD) 6,631 0 6,634.C Dakota Casing Strings OD (in) Wt (lbs/ft) String Grade Top Connection Set Depth (ftK Surface 8 5/8 24.00 J-55 ST&C 308.0 String Grade Set Depth (ftK Casing Description OD (in) Wt (|bs/ft) Top Connection 12 4 1/2 Production 10.50 J-55 ST&C 6,799.0 Item Description Grade Bottom (ftKB) OD (in) Wt (lbs/ft) Top (ftKB) 3,103 0 3,105.0 DV Tool 4 1/2 Cement Туре 308 Production Casing Cement casing Production, 6,799 0ftKB Comment Description Туре String Surface, 308.0ftKB Surface Casing Cement casing Perforations Hole 3,103 Shot Dens Diamet Phasing Curr Date Top (ftKB) Btm (ftKB) (shots/ft) (in) Status Zone 6,631 0 6,634 0 4.0 Dakota Tubing Strings Run Date Set Depth (ftKB) 3,105 **Tubing - Production** 6/23/2009 6,623.9 **Tubing Components** OD (in) (ibs/ Thread Btm (ftKB) Item Description Model Gra Len (ft) Top (ftKB) Tubing T&C 2 3/8 4.70 J-55 8RD 6,610.40 12.0 6,622.4 6,622 Upset EUE Seat Nipple 2 3/8 8RD 1 10 6,622.4 6,623 5 EUE Notched Collar 2 3/8 8RD 0.40 6,623.5 6,623.9 6,623 EUE Rods Run Date String Length (ft) Set Depth (ftKB) Rod Description 6,624 **Rod Components** Item Description OD (in) Grade Top (ftKB) Btm (ftKB) Stimulations & Treatments
Frac Start Date | Top Perf (ft | Bottom ATP (psi) V (slurry) (Total Prop AIR (b. MTP (psi) ISIP (psi) 6,631 Comment Top (MD) 6,631, Des Dakota ϖ 6,634 PBTD, 6,747 6,747 6,799 TD, 6,800 6,800

Page 1/1

Report Printed: 3/21/2012

37. SUMMARYOF POROUSZONES: (Showall important ones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth intervaltested, cushionused, time tool open, flowing and shut-inpressures, and recoveries):

38.

GEOLOGIC MARKERS

PORMATION	TOP	воттом	DESCRIPTION, CONTENTS, ETC.		Т	тор	
				NAME	MEAS DEPTH	TRUE VERT. DEPTH	
Dakota	6,352	6,654'	Oil & Gas	Fruitland Fm.	1,722	1.722	
				Pictured Cliffs	1,993	1,993'	
				Chacra SS.	2,965	2.965'	
				Mesaverde	3,540	3.540	
				Gallup	5,492'	5,492	
				Dakota	6,352'	6,352'	
						<u>.</u>	
	i -						
•							
			•				
TATE BEFRICE , FE, NEW MEXIC	2 ATHAS						
18 28 PM 2: 1	2012 HI						
1-MALEGOM	1, 1.8						

WFL_	
TJF	

Kutz Federal #12E Sec 21, T 28 N, R 10 W San Juan County, New Mexico

Frac the Dakota, Mancos, and Chacra, and PWOP

SURF CSG: 8-5/8", 24#, J-55, STC CSG @ 308'. CIRC CMT TO SURF.

PROD CSG: 4-1/2", 10.5#, J-55, ST&C CSG @ 6,799'. DV TL @ 3,103'. PBTD @ 6,747'.

CAPACITY = 0.0159 BBLS/FT (0.0895 CUFT/FT). BURST = 4,790 PSI (TREATING @ 80% = 3,832 PSI)

CEMENT: 1ST STAGE W/ 500 SX CL "B", DID NOT CIRC TO SURF. 2ND STAGE W/

600 SX CL "B". CIRC TO SURF.

PERFS: BURRO CANYON:

FR/6,631'-34' W/4 SPF.

Workover Procedure

- 1) Install and test rig anchors. Comply with all New Mexico OCD, BLM and XTO safety rules and regulations. Conduct safety meeting for all personnel on location. MIRU daylight pulling unit.
- 2) MI 3 400 bbl frac tanks and 1 flow back tank. Fill the frac tanks with 2% KCL water. Note: Have frac company run preliminary fluid quality tests and add biocide.
- 3) ND WH. NU BOP and test the BOP.
- 4) TOH w/tbg and BHA.
- 5) Round trip a 3-7/8" bit and 4-1/2" casing scraper to 6,620'.
- 6) TIH and set a 4-1/2" CICR @ 6,620'. Sting into CICR and pump 12 sxs cmt below CICR. (Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield) Sting out and circulate tbg clean. TOH w/ tbg.
- 7) ND BOP. NU frac valve.
- 8) Perf the Dakota with 3-1/8" csg gun with 2 JSPF (Titan EXP-3323-361T, 22.7 gm, 0.36" dia., 35.63" pene, 34 holes) or equivalent performance charges. POH with csg gun.

Dakota Perfs							
6,523'	6,438'						
6,482'	6,459'	6,381'					
6,480'	6,457'	6,379'					
6,477'	6,453'	6,360'					
6,473'	6,445'	6,356'					
6,468'	6,440'						

B.L.M.-MAILROOM

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- 9) MIRU frac equipment. BD perfs with fresh water and EIR. Acidize Dakota perfs with 1,500 gals of 15% NEFE HCl acid (FE control, surf & CL additives) and 51 1.1 SG Bioballs @ 12 BPM. Flush with 4,480 gals 2% KCl water (3 bbls over flush). Record ISIP, 5", and 10" SIPs. Wait 30 minutes for Bioballs to dissolve.
- 10) Frac Dakota perfs fr/6,523'-6,356' down casing at 30 BPM. Pump 70Q N2 XL foam Delta 200 fluid w/98,750# 20/40 BASF proppant followed by 26,250# 20/40 BASF proppant coated with Expedite Lite. Flush with 4,120 gals (2 bbls short of top perf). Est. TP 3,380 psig. Pump frac @ 30 BPM. Max TP @ 3,800 psig. Frac schedule:

	Dakota Frac Schedule								
Stage	ВРМ	Fluid	Foam Vol.	Clean Vol. (gal)	Prop	Cum. Prop			
Water	5	2% KCI Water	-	500	-	-			
Acid	12	15% HCL Acid	-	1,500	-	-			
Flush	12	2% KCI Water	-	4,480	-	-			
Pad	30	70Q XL foam	8,100	2,400	-	-			
0.5 ppg	30	70Q XL foam	9,600	2,900	4,800# 20/40	4,800# 20/40			
1 ppg	30	70Q XL foam	9,600	2,900	9,600# 20/40	14,400# 20/40			
2 ppg	30	70Q XL foam	10,800	3,200	21,600# 20/40	36,000# 20/40			
3 ppg	30	70Q XL foam	8,400	2,500	25,250# 20/40	61,250# 20/40			
4 ppg	30	70Q XL foam	9,375	2,800	37,500# 20/41	98,750# 20/40			
4 ppg	30	70Q XL foam	6,500	2,000	26,250# 20/40 w/ Expedite Lite	125,000# 20/40			
Flush	30	2% KCI Water		4,120	-				
Total	62	2,375 gals Delta-R		29,300	125,000	# 20/40			

Record ISIP & 5" SIP.

- 11) Install flowback manifold. Flowback well through a choke manifold to flowback tank. Start with an 8/64" choke. Increase choke size as appropriate.
- 12) ND frac valve. NU BOP.
- 13) MIRU AFU. TIH w/3-7/8" bit, bit sub, and 2-3/8" tubing. CO to CICR (6,620'). Circulate wellbore clean. TOH w/tbg & bit.
- 14) Run an IP test for 2 hours.
- 15) TIH with tubing & BHA as follows:
 - a) 1 2-3/8" jt w/ 1/2" vent hole located 1' from top (open ended)
 - b) 2-3/8" (1.78" ID) API SN
 - c) 8 2-3/8" its
 - d) 1-4-1/2" Baker TAC
 - e) ± 197 jts 2-3/8" tubing to surface, EOT @ 6,575', SN @ 6,545', TAC @ $\pm 6,300$ '
- 16) ND BOP. NU WH.



- 17) TIH with rod assembly as follows:
 - 2" X 1-1/4" X 16' X 2' RWAC pump
 - 3/4" X 4' Guided rod sub w/ mold-on guides
 - 3/4" 21,000lb HF shear tool
 - 6 1-1/4" API K sinker bars with stabilizer rods
 - 28 3/4" API D Molded Guide Rods w/ T-couplings
 - 230-3/4" API D Rods w/ T-couplings
 - 1-1/4" X 22' Polished Rod w/ 10' liner
- 18) Space out pump with spacer subs. Load tubing and long stroke with rig to ensure pump action. HWO.
- 19) RDMO PU.
- 20) Set a used Lufkin C-160-200-74 pumping unit with an Arrow C-96 engine (or equivalent) & cement base.
- 21) Set unit in long crank hole & sheave motor so it will pump @ 4 x 74" spm.
- 22) Set counter weights (4 3CRO) 7.9" from max.
- 23) Gauge tanks. Shoot FL and run dynamometer during pumping unit startup. Start well pumping at 4 SPM and 74" SL for 24 hours. Check fluid level and tank gauges.
- 24) Report pre and post start up data to Derick Lucas
- 25) **This well be tested for 45 days before moving to the next zone.**
- 26) MI 6 400 bbl frac tanks and 1 flow back tank. Fill the frac tanks with 2% KCL water. Note: Have frac company run preliminary fluid quality tests and add biocide.
- 27) TOH w/ rods and pump. ND WH. NU BOP and test the BOP.
- 28) TOH w/tbg and BHA.
- 29) Round trip a 3-7/8" bit and 4-1/2" casing scraper to 6,000'.
- 30) TIH and set a CBP at 6,000'.
- 31) Perf Mancos with 3-1/8" csg gun at 1 JSPF (Titan EXP-3323-361T, 22.7 gm, 0.36" dia., 35.63" pene, 34 holes) or equivalent performance charges. POH with csg gun

	Mancos Perforations								
5,835'	5,804'	5,781'	5,738'	5,678'	5,641'				
5,832'	5,800'	5,777'	5,737'	5,676'	5,510'				
5,827'	5,796'	5,753'	5,730'	5,674'	5,500'				
5,823'	5,795'	5,749'	5,728'	5,647'	5,493'				
5,819'	5,789'	5,746'	5,695'	5,645'					
5,815'	5,782'	5,744'	5,690'	5,643'					

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Kutz Federal #12E 3/21/2012

- 32) ND BOP. NU 5K frac valve.
- 33) MIRU frac equipment. BD perfs with fresh water and EIR. Acidize Mancos perfs with 2,250 gals of 15% NEFE HCl acid (FE control, surf & CL additives) and 51 1.1 SG Bioballs at 10 BPM. Flush with 3,980 gals 2% KCl water (2 bbls over flush). Record ISIP, 5", and 10" SIPs. Wait 30 minutes for Bioballs to dissolve.
- 34) Frac Mancos perfs fr/5,835'-5,493' down casing at 30 BPM. Pump 65Q N2 foam XL Delta 140 fluid w/180,000# 20/40 BASF proppant followed by 45,000# 20/40 BASF coated with Expedite Lite. Flush with 3,580 gals (2 bbls short of top perf). Est. TP 3,000 psig. Pump frac @ 30 BPM. Max TP @ 3,800 psig. Frac schedule:

	Mancos Frac Schedule									
			Foam	Clean Vol.						
Stage	BPM	Fluid	Vol.	(gal)	Prop	Cum. Prop				
Water	5	2% KCI Water		500	-					
Acid	10	15% HCL Acid		2,250	-	-				
Flush	10_	2% KCI Water		3,980						
Pad	30	65Q XL foam	27,375	9,580	-					
0.5 ppg	30	65Q XL foam	45,000	15,750	22,500# 20/40	22,500# 20/40				
1 ppg	30	65Q XL foam	22,500	7,875	22,500# 20/40	45,000# 20/40				
2 ppg	30	65Q XL foam	28,125	9,845	56,250# 20/40	101,250# 20/40				
3 ppg	30	65Q XL foam	26,250	9,190	78,750# 20/40	180,000# 20/40				
			1		45,000# 20/40					
3 ppg	30	65Q XL foam	15,000	5,250	w/ Expedite Lite	225,000# 20/40				
Flush	30	65Q XL foam	-	3,580	-					
Total	Total 159,375 gals Delta-R			67,800	225,000	# 20/40				

Record ISIP & 5" SIP.

- 35) Install flowback manifold. Flowback well through a choke manifold to flowback tank. Start with an 8/64" choke. Increase choke size as appropriate.
- 36) ND frac valve. NU BOP.
- 37) MIRU AFU. TIH w/3-7/8" bit, bit sub, and 2-3/8" tubing. CO to CBP (6,000'). Circulate wellbore clean. TOH w/tbg & bit.
- 38) Run an IP test for 2 hours.
- 39) TIH with tubing & BHA as follows:
 - a) 1 2-3/8" jt w/ 1/2" vent hole located 1' from top (open ended)
 - b) 2-3/8" (1.78" ID) API SN
 - c) 14 2-3/8" jts
 - d) 1-4-1/2" Baker TAC
 - e) ± 170 jts 2-3/8" tubing to surface, EOT @ 5,905', SN @ 5,875', TAC @ $\pm 5,450$

B.L.M. - MAILROOM

2012 MAR 28 PM 2: 30

STATE OFFICE
SANTA FF. NEW MEXICO

3/21/2012

Kutz Federal #12E

- 40) ND BOP. NU WH.
- 41) TIH with rod assembly as follows:
 - 2" X 1-1/4" X 16' X 2' RWAC pump
 - 3/4" X 4' Guided rod sub w/ mold-on guides
 - 3/4" 21,000lb HF shear tool
 - 6 1-1/4" API K sinker bars with stabilizer rods
 - 28 3/4" API D Molded Guide Rods w/ T-couplings
 - 201-3/4" API D Rods w/ T-couplings
 - 1-1/4" X 22' Polished Rod w/ 10' liner
- 42) Space out pump with spacer subs. Load tubing and long stroke with rig to ensure pump action. HWO.
- 43) RDMO PU.
- 44) Sheave motor so it will pump @ 4 x 74" spm.
- 45) Set counter weights (4 3CRO) 16.2" from max.
- 46) Gauge tanks. Shoot FL and run dynamometer during pumping unit startup. Start well pumping at 4 SPM and 74" SL for 24 hours. Check fluid level and tank gauges.
- 47) Report pre and post start up data to Derick Lucas.
- 48) **This well be tested for 45 days before moving to the next zone.**
- 49) MI 3 400 bbl frac tanks and 1 flow back tank. Fill the frac tanks with 2% KCL water. Note: Have frac company run preliminary fluid quality tests and add biocide.
- 50) TOH w/ rods and pump. ND WH. NU BOP and test the BOP.
- 51) TOH w/tbg and BHA.
- 52) Round trip a 3-7/8" bit and 4-1/2" casing scraper to 3,300'.
- 53) TIH with a 4-1/2" CBP and set at 3,300'. TOH with tbg.
- 54) Perf the Chacra with 3-1/8" csg gun with 3 JSPF (Titan EXP-3323-361T, 22.7 gm, 0.36" dia., 35.63" pene, 62 holes) or equivalent performance charges. POH with csg gun.

Chacra Perfs						
PERF	PERF					
3,096'-3,086'	2,994'-2,984'					

55) ND BOP. NU frac valve.

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- 56) MIRU frac equipment. BD perfs with fresh water and EIR. Acidize the Chacra perfs with 1,250 gals of 15% NEFE HCl acid (FE control, surf & CL additives) and 93 1.1 SG Bioballs @ 12 BPM down casing. Flush with 2,200 gals fresh water (3 bbls over flush). Record ISIP, 5", and 10" SIPs. Wait 30 minutes for Bioballs to dissolve.
- 57) Frac the Chacra perfs fr/3,096'-2,984' down casing at 30 BPM. Pump 70Q N2 XL foam Delta 140 fluid w/68,000# 20/40 BASF proppant followed by 12,000# 20/40 BASF proppant coated with Expedite Lite. Flush with 1,975 gals (2 bbls short of top perf). Est. TP 2,100 psig. Pump frac @ 30 BPM. Max TP @ 3,800 psig. Frac schedule:

Chacra Frac Schedule								
1			Foam					
Stage	BPM	Fluid	Vol.	Clean Vol. (gal)	Prop	Cum. Prop		
Water	5	2% KCI Water	_	500	-	-		
Acid	12	15% HCL Acid	-	1,250	-	-		
Flush	12	2% KCI Water	-	2,200	-	-		
Pad	30	70Q XL foam	9,720	2,900	-	-		
0 5 ppg	30	70Q XL foam	16,000	4,800	8,000# 20/40	8,000# 20/40		
1 ppg	30	70Q XL foam	8,000	2,400	8,000# 20/40	16,000# 20/40		
2 ppg	30	70Q XL foam	10,000	3,000	20,000# 20/40	36,000# 20/40		
3 ppg	30	70Q XL foam	10,600	3,180	32,000# 20/40	68,000# 20/40		
					12,000# 20/40 w/			
3 ppg	30	70Q XL foam	4,000	1,200	Expedite Lite	80,000# 20/40		
Flush	30	2% KCI Water	-	1,975	-	-		
Total	58	3,320 gals Delta-R		23,450	80,000#	[‡] 20/40		

Record ISIP & 5" SIP.

- 58) Install flowback manifold. Flowback well through a choke manifold to flowback tank. Start with an 8/64" choke. Increase choke size as appropriate.
- 59) ND frac valve. NU BOP.
- 60) MIRU AFU. TIH w/3-7/8" bit, bit sub, and 2-3/8" tubing. CO to CBP (3,300'). Circulate wellbore clean. TOH w/tbg & bit.
- 61) Run an IP test for 2 hours.
- 62) TIH with tubing & BHA as follows:
 - a) 1 2-3/8" jt w/ 1/2" vent hole located 1' from top (open ended)
 - b) 2-3/8" (1.78" ID) API SN
 - c) 7 2-3/8" jts
 - d) 1-4-1/2" Baker TAC
 - e) +92 jts 2-3/8" tubing to surface, EOT @ 3,180', SN @ 3,150', TAC @ +2,950'.
- 63) ND BOP. NU WH.

- 64) TIH with rod assembly as follows:
 - 2" X 1-1/4" X 16' X 2' RWAC pump
 - 3/4" X 4' Guided rod sub w/ mold-on guides
 - 3/4'' 21,000lb HF shear tool
 - 4 1-1/4" API K sinker bars with stabilizer rods
 - 20 3/4" API D Molded Guide Rods w/ T-couplings
 - 102-3/4" API D Rods w/ T-couplings
 - 1-1/4" X 22' Polished Rod w/ 10' liner
- 65) Space out pump with spacer subs. Load tubing and long stroke with rig to ensure pump action. HWO.
- 66) RDMO PU.
- 67) Sheave motor so it will pump @ 4 x 74" spm.
- 68) Set counter weights (2 3CRO) 51.1" from max or pull all counter weights off if 51.1" is not possible.
- 69) Gauge tanks. Shoot FL and run dynamometer during pumping unit startup. Start well pumping at 4 SPM and 74" SL for 24 hours. Check fluid level and tank gauges.
- 70) Report pre and post start up data to Derick Lucas.
- 71) **This well be tested for 45 days and DHC allocations approved before opening all the zones.**
- 72) MIRU AFU. TIH w/3-7/8" bit, bit sub, and 2-3/8" tubing. CO to CBP (3,300'). DO CBP. CO to CBP (6,000'). DO CBP. CO to CIBP (6,620'). Circulate wellbore clean. TOH w/tbg & bit.
- 73) TIH with tubing & BHA as follows:
 - a) 1-4-1/2" TECH TAC
 - b) 1 2-3/8" it w/ 1/2" vent hole located 1' from top (open ended)
 - c) 2-3/8" (1.78" ID) API SN
 - d) ±205 jts 2-3/8" tubing to surface, EOT @ 6,575', SN @ 6,545', TAC @ 6,575'
- 74) ND BOP. NU WH.
- 75) TIH with rod assembly as follows:
 - 2" X 1-1/4" X 16' X 2' RWAC pump
 - 3/4" X 4' Guided rod sub w/ mold-on guides
 - 3/4'' 21,000lb HF shear tool
 - 6 1-1/4" API K sinker bars with stabilizer rods
 - 28 3/4" API D Molded Guide Rods w/ T-couplings
 - 230-3/4" API D Rods w/ T-couplings
 - 1-1/4" X 22' Polished Rod w/ 10' liner
- 76) Space out pump with spacer subs. Load tubing and long stroke with rig to ensure pump action. HWO.

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- 77) RDMO PU.
- 78) Sheave motor so it will pump @ 4 x 74" spm.
- 79) Set counter weights (4 3CRO) 7.8" from max.
- 80) Gauge tanks. Shoot FL and run dynamometer during pumping unit startup. Start well pumping at 4 SPM and 74" SL for 24 hours. Check fluid level and tank gauges.
- 81) Report pre and post start up data to Derick Lucas

Regulatory:

- Acquire approval to recomplete to the Mancos and Chacra
- DHC Dakota, Mancos, & Chacra
- Acquire approval of C-144

Equipment:

- 3-7/8" bit & bit sub
- 1 4-1/2" CICR
- 2 4-1/2" CBP
- 4 4-1/2" TAC's (3 Baker TAC and 1 Tech TAC)
- AFU
- Lufkin C-160-200-74 pumping unit with an Arrow C-96 engine (or equivalent) & cement base

Rods:

- 2" X 1-1/4" X 16' X 2' RWAC pump
- 3/4" X 4' Guided rod sub w/ mold-on guides
- 3/4" 21,000lb HF shear tool
- 6 1-1/4" API K sinker bars with stabilizer rods
- 28 3/4" API D Molded Guide Rods w/ T-couplings
- 230-3/4" API D Rods w/ T-couplings
- 1-1/4" X 22' Polished Rod w/ 10' liner

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