

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: 9/19/14

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E	Feet	NS	Ft	EW
30-045-21384-00-00	CANYON	008	XTO ENERGY, INC	G	A	San Juan		G	14	25	N	11	W	1650	N	2508	E

Application Type:

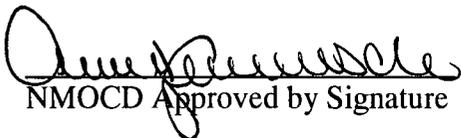
- P&A
 Drilling/Casing Change
 Location Change
 Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84)
 Other: RC Mancos/deepen PBTD/PWOP/DHC

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations, casing & cement

See APD Conditions of approval regarding Hydraulic Fracturing, Oil base muds and Well-bore communication.

File C104 and completion report for Basin Mancos before returning to production.


NMOCD Approved by Signature

11-7-14
Date

OCT 22 2014

SUNDRY NOTICES AND REPORTS ON WELLS

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

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on page 2

SEP 19 2014

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit or CA/Agreement, Name and/or No. SWI4282	
2. Name of Operator XTO Energy Inc.		8. Well Name and No. CANYON #8	
3a. Address 382 CR 3100, AZTEC, NM 87410	3b. Phone No. (include area code) (505) 333-3630	9. API Well No. 30-045-21384	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1650' FNL & 2508' FEL SWNE SEC.14 (G) -T25N-R11W N.M.P.M.		10. Field and Pool, or Exploratory Area BASIN DAKOTA	
		11. County or Parish, State SAN JUAN NM	

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>RC BASIN MC</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>DEEPEN PBTD, PWOP</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>& DHC</u>

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 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 Recomplete this well to the Basin Mancos formation, deepen the PBTD & PWOP per the following:

MIRU PU. MIRU WLU. Perforate Mancos fr/4,928' - 5,180' with a 3-1/8" expendable csg gun (0.36" dia., 25 holes). RIH 5-1/2" packer. Set packer @ +/-4,700'. RDMO PU. Acidize Mancos perms w/1,000 gals of 15% NEFE HCl acid. Frac Mancos perms fr/4,928' - 5,180' with 131,401 gals foam carrying 175,000# 20/40 Brady sand & 25,000# 20/40 RCS. Release Pkr & TOH. Drill out CIBP at 5,250', CO to PBTD @ 6,102'. Continue drillout FC and shoe joint to +/-6,138' (new PBTD). Circ clean. TIH with 2-3/8" tubing to land EOT at +/-6,100'. TIH w/rods & pmp. RDMO.

Please see the attached WBD, formation tops & Mancos C102 Plat.

An application to DHC will be submitted separately. XTO Energy Inc. will obtain the DHC order before commingling.

ATTACHED TO ORIGINAL

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) SHERRY J. MORROW	Title REGULATORY ANALYST
Signature	Date 9/19/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 	Title Petr. Eng	Date 10/17/14
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		

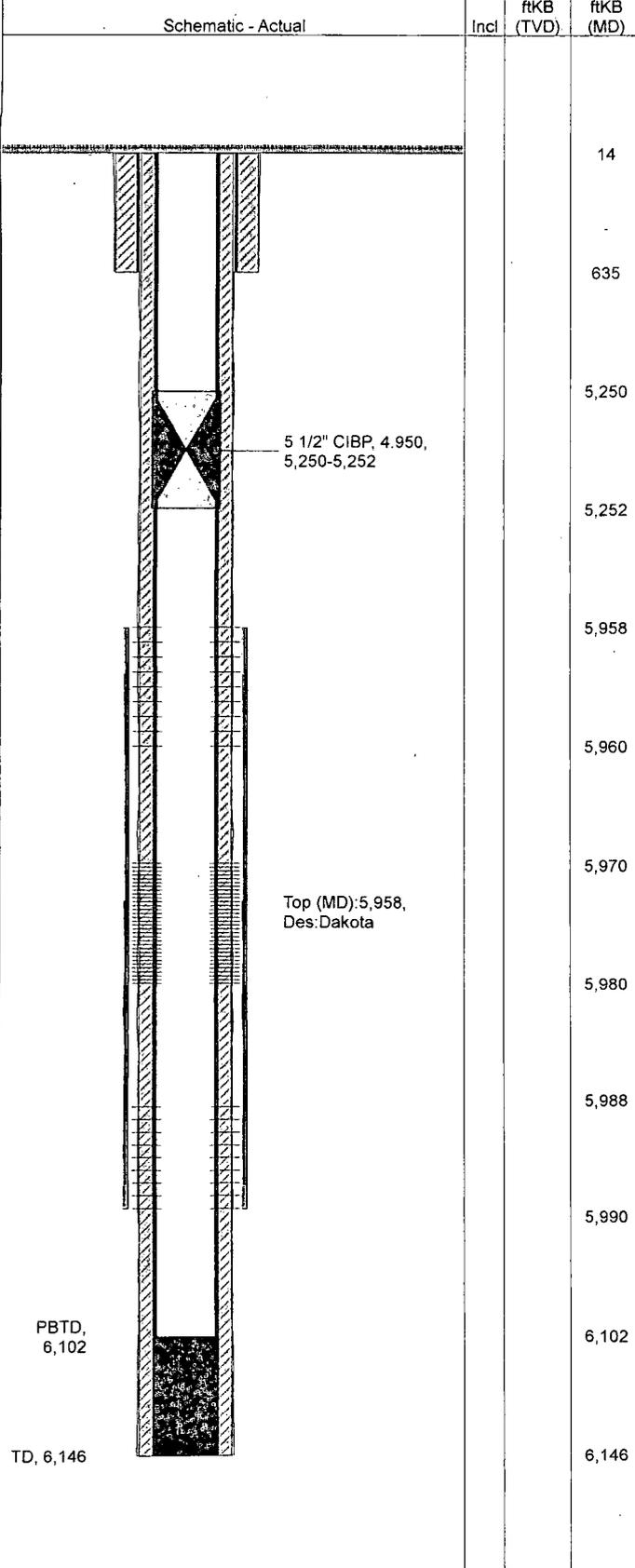


XTO - Wellbore Diagram

Well Name: Canyon 08

API/UWI 30045213840000	E/W Dist (ft) 2,508.0	E/W Ref FEL	N/S Dist (ft) 1,650.0	N/S Ref FNL	Location T25N-R11W-S14	Field Name Basin Dakota	County San Juan	State/Province New Mexico
Well Configuration Type Vertical	XTO ID B 70143	Orig KB Elev (ft) 6,490.00	Gr Elev (ft) 6,477.00	KB-Grd (ft) 13.00	Spud Date 11/27/1973	PBTD (All) (ftKB) Original Hole - 6102.0	Total Depth (ftKB) 6,146.0	Method Of Production Plunger Lift

Well Config: Vertical - Original Hole, 9/17/2014 3:08:11 PM



Zones		Zone	Top (ftKB)	Btm (ftKB)
Dakota			5,958.0	5,990.0

Casing Strings					
Casing Description	OD (in)	Wt (lbs/ft)	String Grade	Top Connection	Set Depth (ftK..)
Surface	8 5/8	24.00	K-55		635.0
Production	5 1/2	15.50	K-55		6,146.0

Cement		
Description	Type	String
Surface Casing Cement	casing	Surface, 635.0ftKB
Comment		
Cmtd w/300 sx Cl "A" cmt w/2% CaCl2. Circ cmt to surf.		
Production Casing Cement	casing	Production, 6,146.0ftKB
Comment		
Cmtd 1st stage w/275 sx 50:50 poz. Tailed in w/75 sx cl "a" latex. Cmtd 2nd stage w/450 sx 50:50 poz. Circ cmt to surf.		

Perforations							
Date	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Hole Diameter (in)	Phasing (°)	Curr... Status	Zone
12/20/1973	5,958.0	5,960.0	2.0				Dakota
12/20/1973	5,970.0	5,980.0	2.0				Dakota
12/20/1973	5,988.0	5,990.0	2.0				Dakota

Stimulations & Treatments							
Frac Start Date	Top Perf (ft...)	Bottom Pe...	V (slurry) (...)	Total Prop...	AIR (b...	ATP (psi)	MTP (psi) ISIP (psi)
12/20/1973	5958	5990					
Comment							
Fracd pers w/50,000# 20/40 sd followed by 10,000# 10/20 sd in 6 equal stages							

OIL CONS. DIV DIST. 3

OCT 22 2014

Formation Tops

Canyon #8

Fruitland	898'
Pictured Cliffs	1406'
Lewis Shale	1620'
Cliffhouse	2860'
Menefee	2908'
Point Lookout	3855'
Mancos	4070'
Upper Gallup	4722'
Middle Gallup	5072'
Sanastee	5430'
Greenhorn	5796'
Graneros	5852'
Dakota	5894'
Morrison	6121'

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

SEP 19 2014

Farmington Field Office
Bureau of Land Management

Form C-102

Revised October 19, 2009

Submit one copy to appropriate District Office

- 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-21384	² Pool Code 97232	³ Pool Name BASIN MANCOS
⁴ Property Code 22669	⁵ Property Name CANYON	
⁷ OGRID No. 5380	⁸ Operator Name XTO ENERGY INC.	⁶ Well Number #8
		⁹ Elevation 6490'

¹⁰ Surface Location

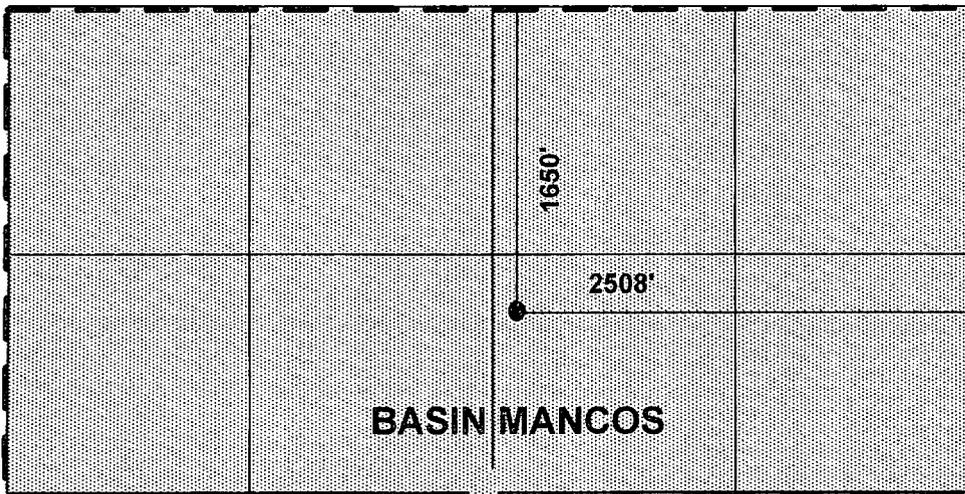
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	14	25N	11W		1650'	NORTH	2508'	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From 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 MC: 320 ACRES	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.	OIL CONS. DIV DIST. 3
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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.

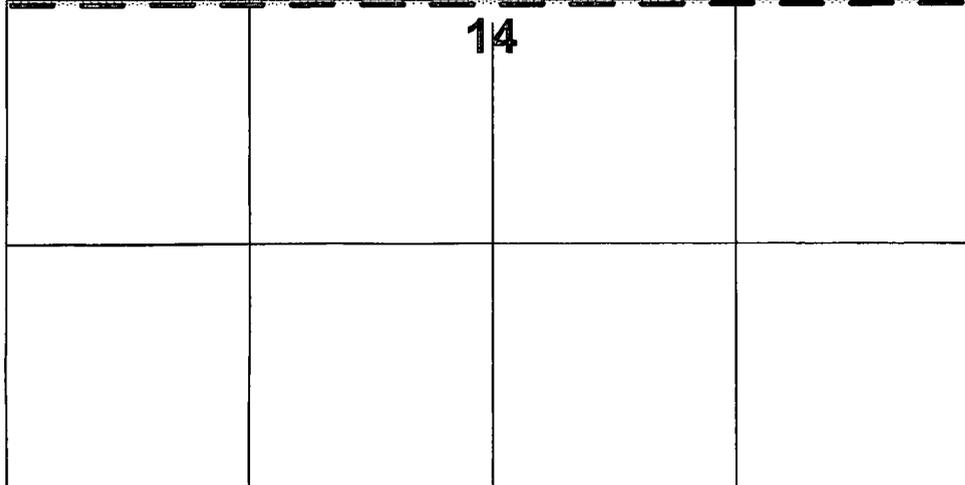
Sherry J. Morrow
Signature

Sherry J. Morrow
Printed Name

SHERRY J. MORROW
Title

REGULATORY ANALYST
Title

Date
9/19/2014



¹⁸ 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.

6/23/1984
Date of Survey

Original Survey Signed By:
John A. Vukonich

14831
Certificate Number

BLM CONDITIONS OF APPROVAL

CASING REPAIR, WORKOVER AND RECOMPLETION OPERATIONS:

- 1. If casing repair operations are needed, obtain prior approval from this office before commencing repairs. If a CBL or other logs are run, provide this office with a copy.**
- 2. After any casing repair operations, test cement squeeze to a minimum of 500# for 30 minutes with no more than 10 % pressure fall off in the 30 minute test period. Provide test chart with your subsequent report of operations**
- 3. A properly functioning BOP and related equipment must be installed prior to commencing workover, casing repair, and/or recompletion operations.**
- 4. Contact this office at (505) 564-7750 prior to conducting any cementing operations: Please contact Jim Lovato @ (505) 320-7378 if casing leaks are identified and a plan of repair is established.**

SPECIAL STIPULATIONS:

- 1. Pits will be fenced during work-over operation.**
- 2. All disturbance will be kept on existing pad.**
- 3. All pits will be pulled and closed immediately upon completion of the recompletion and work-over activities.**
- 4. Pits will be lined with an impervious material at least 12 mils thick.**