

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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.

5. Lease Serial No.

14080016419 SF-078101

6. If Indian, Allottee or Tribe Name

2006 APR 3 6 11 40

SUBMIT IN TRIPLICATE - Other instructions on reverse side

RECEIVED

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

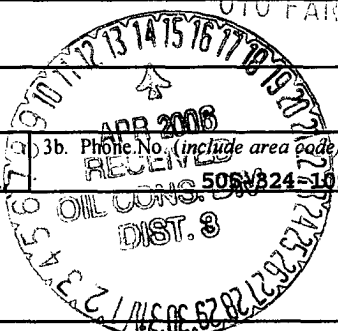
XTO ENERGY INC.

3a. Address

2700 Farmington Ave., Bldg. K, Ste 1 Farmington

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

790' FNL, 1040' FEL Sec 01, T27N, R13W

3b. Phone No. (include area code)
505-324-1090

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

8. Well Name and No.

SHIP GAS COM #1E

9. API Well No.

30-045-25246

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

☒ Notice of Intent☐ Subsequent ReportCONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

No DHC order 4/20/06

TYPE OF ACTION

☐ 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 RECOMPLETE

PC & FTC; P&A DK

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 recompleate 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 recompleation 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 recompleate Fruitland Coal (71599) and W Kutz Pictured Cliffs (79680) follows:

- 1) MIRU PU. ND WH. NU & PT BOP. 2) TIH w/tbg. CO to 5905'. TOH w/tbg. TIH w/CICR; set @ +/- 5905'. Spot 50' cmt plug on top CICR fr/5905'-5855' w/approx 7 sx Class B cmt w/2% CaCl2. 3) TOH w/tbg to 5020'. WOC 2 hrs. Spot 100' cmt plug across GP form top (5020'-4920') w/15 sx Cl B cmt w/2% CaCl2. 4) MIRU WLJ. Perf 50' below MV tops (2890'), 4 holes, 0.48" dia. TIH w/cmt rtmr & set @ +/- 2940'. 5) Pmp 50 sx type III cmt w/2% CaCl2 into sqz holes (max csg press 3000#). Spot 100' cmt plug across MV top fr/2940'-2840' w/15 sx Type III cmt w/2% CaCl2. WOC 12 hrs. 6) RIH w/4-1/2" CBP @ 1520'. PT CBP to 3000 psig. 7) RU WLJ. Log w/GR/CCL fr/1520'-300' (btm surf csg). Perf PC, 33 holes, 0.48" dia. RD WLJ. 8) MIRU ac & pmp trk. ED PC perfs w/2% KCl wtr. A. w/1000 gals 15% NEFE HCl & 50 BS @ 7 BPM dwn csg. Flush w/wtr. Record ISIP, 5, 10, 15 min SIP's. RDMO ac & pmp trk. 9) MIRU N2 fac equip. Frac PC fr/1413'-1495' dwn csg @ 35 BPM w/44,000 gals 20# XL gel, 70Q N2, 2% KCl wtr & 55,000# 16/30 brady sd & 27,000# 16/30 SLC sd. Flush w/foam. Record ISIP, 5, 10 & 15 min SIP's. RDMO N2 fac equip. 10) Set ppg ut. ND WH. NU BOP. 11) MIRU AFU. TIH w/bit, SN, tbg. CO to CBP @ 1520' (PBTD). DO CBP. CO to 1675'. RDMO AFU. 11) RU swb tls. Swab well clean. RDMO AFU. 12) TOH w/tbg & bit. TIH w/OEMA, SN & tbg to surf. Land tbg @ +/- 1555'. SN @ +/- 1525'. ND BOP. NU WH. 13) TIH w/pmp, spiral rod guide, RHBO tool, lift sub, rods to surf. Load tbg & ck pmp action. RDMO PU. Start well ppg @ 5 SPM & 54" SL. 14) After 30 days minimum, proceed to completing FTC as follows:

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

Name (Printed/Typed)

HOLLY C. PERKINS

Title

REGULATORY COMPLIANCE TECH

Date 3/29/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Matt Halliburton

Title

PETE ENG

Date

4/12/06

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

BLM-FFO

NADOC

Shipp Gas Com #1E
NOI RC PC & FTC
30-045-25246
Page Two

Proceed to completing Fruitland Coal after production test of 30 days minimum as follows:

- 1) MIRU PU. ND WH. NU & PT BOP.
- 2) BD well & KW w/wtr. TOH w/rods & pmp. TOH w/tbg, SN & OEMA.
- 3) TIH w/bit & scraper & tbg. CO to 1675'. TOH w/tbg, bit, scraper.
- 4) 4) MIRU WLU. RIH & set 4-1/2" CVP 2 1400'. BD well. Load csg w/wtr. PT CBP to 3000 psig.
- 5) Perf FTC, 78 holes, 0.48" dia. POH w/csg guns. RD WLU.
- 6) MIRU N2 frac equip. Frac perfs fr/1291'-1347' w/73,000# gals 20# XL gel, 70Q N2 fresh wtr carrying 2250# 40/70 Brady sand w/Sandwedge, 111,000# 20/40 Brady sand w/Sandwedge NT & 35,000# 16/30 Brady sand w/Sandwedge NT. DO not exceed 3000 psig. Flush w/linear gel. Record ISIP, 5, 10 & 15 min SIP's.
- 7) RDMO N2 frac equip. TIH w/sand bailer, SN & tbg. CO to CBP @ 1400'. Circ WB clean.
- 8) RU swb ut. Swb well clean. RDMO swb ut.
- 9) TOH w/tbg, SN, NC. TIH w/OEMA, SN & tbg to surf. Land tbg @ +/- 1390', SN @ +/- 1360'. ND BOP, NU WH.
- 10) TIH w/pmp, spiral rod guide, RHBO tool, sinker bars, rods to surf. Load tbg & check pmp action.
- 11) RDMO PU. Start well pumping 2 5 SPM & 54" SL.

After completing a production test of sufficient time (30 days minimum), XTO will submit NOI to downhole commingle.

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
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED
REPORT

¹ API Number 30-045-25246	² Pool Code 79680 / 71599	³ Pool Name W KUTZ PICTURED CLIFFS / BASIN FRUITLAND COAL
⁴ Property Code	⁵ Property Name SHIPP GAS COM	⁶ Well Number 1E
⁷ OGRID No. 167067	⁸ Operator Name XTO Energy, Inc.	⁹ Elevation 5791'

¹⁰ Surface Location

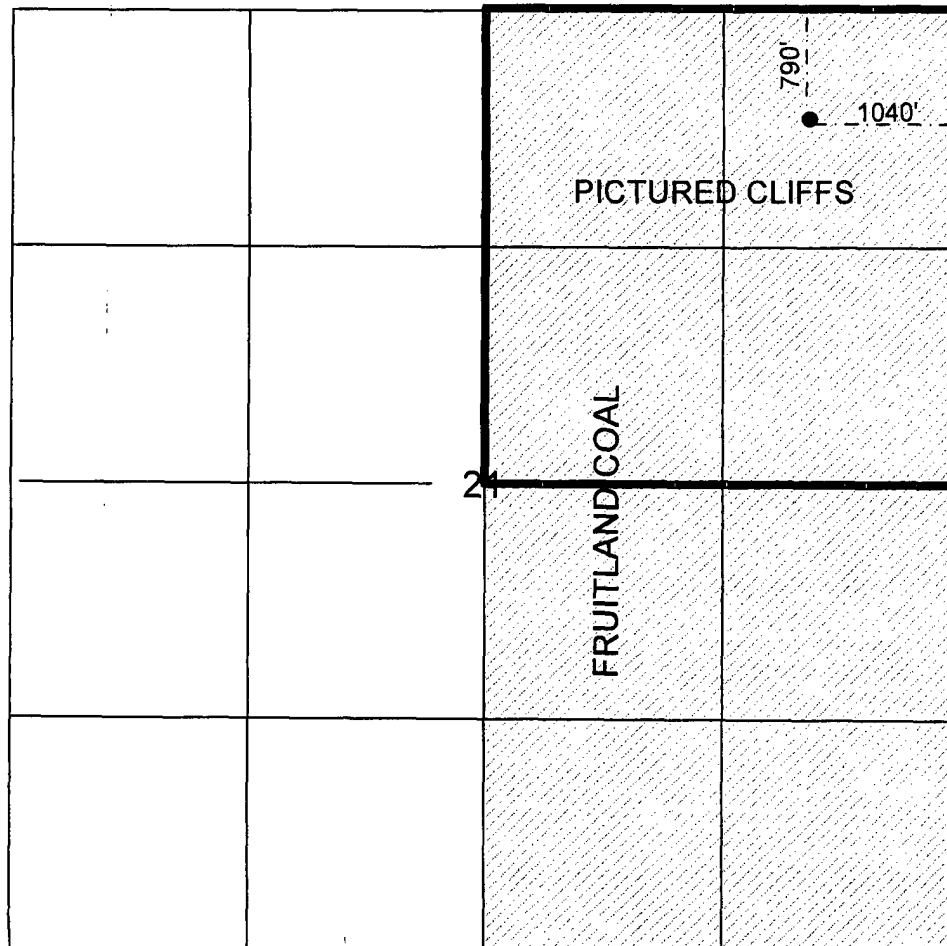
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	1	27N	13W		790	NORTH	1040	EAST	SAN JUAN

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

¹² Dedicated Acres PC: 160 AC NE/4 ETC: 320 AC E/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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



OPERATOR CERTIFICATION

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

Signature

Holly C. Perkins

Printed Name

Regulatory Compliance Tech

Title

3/30/2006

Date

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 and correct to the best of my belief.

10/23/1981

Date of Survey

Original Survey Signed By:

E L POTEET

3084

Certificate Number

Bureau of Land Management Conditions of Approval:

- 1) If cement squeeze work is necessary, contact Matt Halbert of the BLM Farmington Field Office @ (505) 599-6350.**
- 2) The BLM Geologist recommends placing the 100' cement plug across the Cliff House Ss (La Vena Ss) from 2280' to 2180'. Place cement retainer at approximately 2230'**
- 3) Pits must be lined with an impervious material at least 12 mils thick. The pit must be fenced on three (3) sides during workover operations and on the 4th side after the rig moves off location. Pits must be closed within 90 days of completion of the workover operations. Prior to closing the pit the liner must be cut off at mud level.**