

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM 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.

2006 SEP 19 AM 11 25

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,

3b. Phone No. (include area code)

505-324-1090

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

2410' FSL & 2175' FWL SEC 35K-T28N-R04W

5. Lease Serial No.

NMNM14923

6. If Indian, Allottee or Tribe Name

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

Valencia Canyon

8. Well Name and No.

VALENCIA CANYON UNIT #40B

9. API Well No.

30-039-29604

10. Field and Pool, or Exploratory Area

BLANCO MESAVERDE

11. County or Parish, State

RIO ARriba NM

12. CHECK 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 2ND SOZ CMT

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 recompleat 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 recompleat 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. intends to squeeze cement on the above mentioned well per the attached procedure.

ACCEPTED FOR RECORD

SEP 19 2006

FARMINGTON FIELD OFFICE
BY Tracy L. Salazar

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

LORRI D. BINGHAM

Title

REGULATORY COMPLIANCE TECH

Date 9/15/06

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.

Office

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 any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOC D 9/28

**Valencia Canyon Unit #40B
Unit K, Sec 35, T 28 N, R 4 W
Rio Arriba County, New Mexico**

Amended Menefee Completion (Stage 2)

Surf csg: 8-5/8", 24#, J-55, ST&C csg @ 361'. Circ cmt to surf.

Prod csg: 5-1/2", 15.5#, J-55, ST&C csg @ 6,820'. FC @ 6,779'. Marker jt 6,369'-6,383' & 62'-74'.
PBTD @ 6,779'. DV tl @ 3,992'. Drift = 4.825". Capacity = 0.02380 bbls/ft.
Burst = 4810 psi (Treating @ 80% = 3848 psi).

Cement: 1st stage w/160 sx type III cmt w/1/4 pps Celloflake, 0.3% CD32, 0.2% FL52, 2% Phenoseal (mixed @ 14.0 ppg & 1.48 cuft/sx) + 57 sx Premium Lite cmt w/2.0% KCl, 0.2% CD32, 0.5% FL52, 1/2 pps Celloflake, & 2% Phenoseal (mixed @ 13.3 ppg & 2.01 cuft/sk). Did not circ cmt to surf. **TOC @ 6,383' (by CBL).**

2nd stage w/340 sx type III cmt w/ 8% Bentonite, 1/4 pps Celloflake, & 2% Phenoseal (mixed @ 11.9 ppg & 2.60 cuft/sx) + 100 sx of type III neat cmt (mixed @ 14.5 ppg & 1.39 cuft/sx). Circ 1 bbl cmt to surf.

Formations: Blanco Mesa Verde (well # 71117)

Squeeze Procedure

Initial squeeze was done on 9/1/06. TOC @ 6,234' (by CBL).

- 1) MIRU WL truck. RIH w/5-1/2" CBP. Set CBP @ $\pm 6,235'$ (ensure CBP is not set in a casing collar). POH w/setting tl.
- 2) RIH with 3-1/8" csg gun with 2 JSPF (Owen HSC-3125-369, 15.0 gm charges, 0.48" dia., 11.20" penetration, 2 holes). POH with csg gun. RDMO WL truck.

Squeeze Perf

PERF	CCL
6,200'	

- 3) TIH with 5-1/2" CICR, and ± 200 joints of 2-3/8" tubing. Set CICR @ $\pm 6,130'$.
- 4) MIRU cmt crew. Pump 150 sx 50/50 cmt with 0.1% Halad-9, 1/4 pps Flocele, 5 pps Gilsonite, and 2% KCl (mixed @ 12.5 ppg & 1.78 cuft/sk). Tail in with 25 sx type 'G' cmt with 0.3% Halad-344 (mixed @ 15.6 ppg @ 1.21 cuft/sk). Flush cmt with 1,050 gallons of 2% KCl water. **Max casing pressure is 3,850 psig. [TOC @ 50% \approx 5,725' (Cliff House Formation Tops = 5,977')]**
- 5) Once cmt is pumped away, PU 200' and reverse out remaining cmt from tbg until fluid is clean. RDMO cmt crew.
- 6) TOH with 2-3/8" tubing and squeeze tool.
- 7) **ALLOW CEMENT TO SET FOR A MINIMUM OF 24 HOURS.**

- 8) TIH with 4-3/4" mill, SN, and 2-3/8" tbg. CO to 6,130' (CICR). DO CICR to 6,132'. CO to CBP (6,235'). TOH with 2-3/8" tbg and 4-3/4" mill. ND BOP. NU frac valve.
- 9) MIRU WL truck. RU full lubricator. Correlate depth with Schlumberger GR/CCL/CBL log dated July 25, 2006. Run CBL from 6,300' to 3,992' (DV tool) or 100' above TOC.
- 10) Once TOC is found, contact Brock Hendrickson and wait for instructions to proceed with Menefee/Cliff House completion.
- 11) Perf Menefee/Cliff House with 3-1/8" select fire csg gun with 1 JSPF (Owen HSC-3125-302, 10 gm charges, 0.32" dia., 14.3" penetration, 18 holes). POH with csg gun. RDMO WL truck.

Menefee/Cliff House Perfs

PERF	CCL	PERF	CCL	PERF	CCL	PERF	CCL
6,184'		6,122'		6,063'		6,015'	
6,178'		6,115'		6,057'		6,012'	
6,158'		6,095'		6,044'		5,997'	
6,145'		6,077'		6,032'			
6,141'		6,070'		6,025'			

- 12) RU frac equipment. Acidize with 800 gals of 15% NEFE HCl and 30 BS at 10 BPM down 5-1/2" csg. Max TP 3,850 psig. Flush with 6,200 gals 2% KCl water (2 bbls over flush). Ball off BS and record ISIP. Frac Menefee/Cliff House perfs from 5,997'-6,184' down 5-1/2" csg at 30 BPM with 82,000 gals 70Q foamed, 25# linear gelled, 2% KCl water carrying 60,000# 20/40 Ottawa sand and 20,000# 20/40 Super LC RC sand. Do not exceed 6,500 psig. Flush with 5,875 gals linear gel (3 bbls under flush). Record ISIP, 5", 10" and 15" SIP's.

MENEFEE/CLIFF HOUSE SCHEDULE

Stage	BPM	Fluid	Vol Gals	Prop Conc	Prop
Pad	30	25# 70Q foam	17,000		
2	30	25# 70Q foam	20,000	0.5	10,000# 20/40 Ottawa
3	30	25# 70Q foam	20,000	1	20,000# 20/40 Ottawa
4	30	25# 70Q foam	15,000	2	30,000# 20/40 Ottawa
5	30	25# 70Q foam	10,000	2	20,000# 20/40 Super LC
Flush	30	25# 70Q foam	5,875		
Total		60,000# 20/40 Ottawa	20,000# 20/40 SLC		

- 13) SWI 4 hrs. RDMO frac equip.
- 14) ND WH & NU BOP.
- 15) MIRU air/foam unit. TIH with 4-3/4" mill, SN and 2-3/8" tubing. CO to CBP at 6,235'. DO CBP @ 6,235'. CO to 6,779' (PBSD). Circulate wellbore clean. RDMO air/foam unit.
- 16) TOH with tubing and mill. Lay down mill. TIH with NC, SN, and 2-3/8" tubing to surface. Land tubing at $\pm 6,401'$. SN at $\pm 6,400'$. ND BOP. NU WH.
- 17) RU swab. Swab well until clean fluid is obtained and well kicks off.
- 18) RDMO PU.

19) Report rates and pressures to Brock Hendrickson.

Regulatory:

1. Submit sundry to block squeeze cement behind casing at 6,200'.

Equipment:

1. TBG: 215 jts 2-3/8" tubing, SN, and NC.