

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**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.

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

5. Lease Serial No.

NMSE-078863

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

KRAUSE WN FEDERAL #1

9. API Well No.

30-045-06972

10. Field and Pool, or Exploratory Area

GALLUP/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 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 checked="" 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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other SOZ & RESTIM		
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon			
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal			

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. squeezed the casing & restimulated per the attached morning report.



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

LORRI D. BINGHAM

Title

REGULATORY COMPLIANCE TECH

Date **3/29/07****ACCEPTED FOR RECORD**

Approved by

Title

Date **APR 0 2007**

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

FARMINGTON FIELD 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.

NMOCD ✓

Krause WN Federal #1 Sbsq Sqz

6/4/04 SICP 50 psig. Bd well. MIRU Computalog WL trk. Ran magnetic thickness & multi-sensor-caliper log fr/5,800' – 2,000'. Found multiple holes in 7" csg fr/4,650' ~ 3,228'. RDMO Computalog WL trk. SWI. Rpts suspended pending further operations.

8/27/04 1st rpt for AFE #401165 to CO well, sqz Gallup perfs, run 4-1/2" csg & restimulate the Basin Dakota. Tstd anchors. SICP 0 psig. MIRU Hurricane rig #2. PU & TIH w/ret tl for 7" RBP & 196 jts 2-7/8" tbg. Tgd btm @ 6,192' (20' fill). Circ & CO fill fr/6,192' – 6,212' (RBP). Caught & rlsd RBP. TOH w/197 jts 2-7/8" tbg, ret tl & RBP. TIH w/2-7/8" blade bit, XO, 1 jts 2-3/8" tbg, XO & 100 jts 2-7/8" tbg. SDFN.

8/28/04 SITP 0 psig, SICP 0 psig. TOH w/100 jts 2-7/8" tbg & BHA. TIH w/7" RBP, 7" pkr & 190 jts. Set RBP @ 6,018'. TOH & LD 1 jt tbг. Set pkr @ 5,998'. PT RBP to 1,700 psig for 10". Held OK. Rlsd press. Rlsd pkr. TOH w/8 jts tbг. Set pkr @ 5,745'. BD GP perfs fr/5,848' – 5,862' @ 1,415 psig & 1.0 BPM. EIR w/30 BPW @ 1.5 BPM & 885 psig. Rlsd pkr. TOH w/181 jts tbг & pkr. TIH w/7" cmt retr & 185 jts tbг. POH & LD 4 jts tbг. Pulled to 60K & ppd dwn tbг to wrk tbг up. Concerned of damage to cmt retr. TOH w/181 jts tbг & set tl for cmt retr. Lost cmt retr @ 5,425'. Wrkd tbг to catch cmt retr & to push dwn, would not move. SDFWE.

8/31/04 SITP 0 psig, SICP 0 psig. TIH w/6-1/8" ml shoe, dog assy, WP extn w/plucker assy, XO, 6 – 3-1/2" DCs, XO & 175 jts 2-7/8" tbг. Tgd TOF @ 5,455'. Wrkd plucker to ml on fish for 2 hrs. Could not wrk plucker into WP to ml on fish. Wrkd taper tap & plucker to catch fish for 2 hrs. Could not catch fish. TOH w/175 jts tbг & BHA. TIH w/6-1/8" ml shoe, dog assy, WP extn, XO, 6 – 3-1/2" DCs, XO & 90 jts tbг. SDFN.

9/1/04 SITP 0 psig, SICP 0 psig. TIH w/6-1/8" ml shoe, dog assy, WP extn, XO, 6 – 3-1/2" DCs, XO & 175 jts 2-7/8" tbг. Tgd TOF @ 5,455'. RU pwr swivel & ml on cmt retr @ 5,455' for 2 hrs. Cmt retr dprd. RD pwr swivel. PU & TIH w/18 jts 2-7/8" tbг. Tgd btm @ 6,005' (13' fr/RBP @ 6,018'). RU pwr swivel. Wrkd & mld on cmt retr. TOH w/193 jts tbг & BHA. TIH w/taper tap, XO, jars, 6 – 3-1/2" DCs & 193 jts 2-7/8" tbг. Wrkd tbг to catch cmt retr. PUH w/tbg w/10K over string weight. TOH w/40 jts tbг. SDFN.

9/2/04 SITP 0 psig, SICP 0 psig. TOH w/193 jts 2-7/8" tbг, XO, 6 – 3-1/2" DCs, jars, XO & taper tap w/no fish. TIH w/OS, XO, jars, bmp sub, 6 – 3-1/2" DCs, XO & 193 jts 2-7/8" tbг. Tgd TOF @ 5,455'. Wrkd tbг & caught fish. TOH w/193 jts 2-7/8" tbг, BHA & cmt retr body. SDFN.

9/3/04 SITP 0 psig, SICP 0 psig. TIH w/5-3/4" shoe w/magnet, XO, JB, jars, bmp sub, 6 – 3-1/2" DC's & 192 jts 2-7/8" tbг. Tgd btm @ 6,005'. Circ & wrkd tbг @ 1.5 hrs. TOH w/192 jts 2-7/8" tbг & BHA. Rec 5 pieces of metal fr/magnet. TIH w/5-3/4" shoe w/magnet, XO, JB, jars, bmp sub, 6 – 3-1/2" DCs & 192 jts 2-7/8" tbг. Tgd btm @ 6,005'. Circ & wrkd tbг @ 1.5 hrs. TOH w/192 jts tbг & BHA. Btm of magnet was covered w/metal fines. SDFN.

9/4/04 Called Monica Kuehling (OCD) @ 9:30 a.m., 9/2/04 & Sharon Johnson (BLM) @ 9:45 a.m. & rptd cmt sqz @ 8:00 a.m., 9/3/04. SITP 0 psig, SICP 0 psig. TIH w/7" cmt retr & 181 jts 2-7/8" tbг. Set cmt retr @ 5,746'. Ppd dwn tbг & circ well 15". PU 1 jt tbг. Sting into cmt retr. MIRU BJ Serv cmt pmp trks. Ppd dwn tbг w/25 BFW @ 2.5 BPM & 950 psig, 31 bbls (130 sxs) Type III cmt w/1% CaCl₂ (14.5 ppg, 1,40 yield). Flshd w/33 BFW @ 1.7 BPM & 1,684 psig. ISIP 1,260 psig. Sting out of cmt retr. TOH w/181 jts 2-7/8"

Krause WN Federal #1 Sbsq Sqz
tbg. TIH w/6-1/4" bit, XO, 6 - 3-1/2" DCs & 90 jts tbg. SDFWE.

9/8/04 SITP 0 psig, SICP 0 psig. TIH w/6-1/4" bit, XO, 4 – 3-1/2" DCs & 176 jts 2-7/8" tbg. Tgd TOC @ 5,726' (20' of cmt). RU pwr swivel. DO cmt fr/5,726' – 5,746' (cmt retr). Drld 4.5 hrs to DO cmt retr. DO cmt fr/5,749' – 5,799'. Circ on btm 1 hr. TOH w/4 jts tbg. SDFN.

9/9/04 SITP 0 psig, SICP 0 psig. TIH w/4 jts 2-7/8" tbg. Tgd cmt @ 5,799'. CO cmt fr/5,799' – 5,870' (btm of cmt). PU & TIH w/6 jts tbg. Tgd btm @ 6,005'. Circ on btm w/240 bbls 2% KCl wtr. TOH w/194 jts 2-7/8" tbg & BHA. TIH w/7" RBP ret tl & 120 jts 2-7/8" tbg. SDFN.

9/10/04 SITP 0 psig, SICP 0 psig. TIH w/7" RBP ret tl & 196 jts 2-7/8" tbg. Tgd btm @ 6,205' (7' fill). CO fill fr/6,205' – 6,212' (RBP). Circ on btm 1.5 hrs. Caught & rlsd RPB @ 6,212'. TOH w/196 jts 2-7/8" tbg, ret tl & RBP. LD RBP. TIH w/2-7/8" bit, XO, 1 jt 2-3/8" tbg w/SHC, XO & 198 jts 2-7/8" tbg. Circ & CO thru Model "D" pkr @ 6,250' for 1.5 hrs. TOH w/198 jts tbg & BHA. SDFN.

9/11/04 SICP 0 psig. TIH w/pkr ret spear grapple, pkr ml shoe, canfield bushing, jars, XO, 4 – 3-1/2" DCs, XO & 194 jts 2-7/8" tbg. Tgd Model "D" pkr @ 6,250'. RU pwr swivel & DO pkr. TOH w/194 jts 2-7/8" tbg, BHA & Model "D" pkr. TIH w/6-1/8" bit, XO, 4 – 3-1/2" DCs & 120 jts 2-7/8" tbg. SDFWE.

9/14/04 SICP 0 psig. TIH w/78 jts 2-7/8" tbg. Tgd btm @ 6,387' (212' fill). DO fill fr/6,387' – 6,599'. DO FC @ 6,599'. CO 20' shoe jt. PBTD @ 6,630'. Circ on btm 1 hr. RD pwr swivel. TOH w/24 jts 2-7/8" tbg. SWI. SDFN.

9/15/04 SICP 0 psig. TIH w/24 jts 2-7/8" tbg. Tgd PBTD @ 6,630'. Circ 1 hr. TOH & LD 213 jts 2-7/8" tbg, XO, 4 – 3-1/2" DC & 6-1/8" bit. MIRU Chaparal csg crew. PU & TIH w/Weatherford 4-1/2" Float Shoe, 1 jt 4-1/2". *Csg*
10.5#, J-55, ST&C csg, Weatherford 4-1/2" Float Collar, 8 jts 4-1/2",
10.5#, J-55, ST&C csg, 1 jt 4-1/2", 10.5#, J-55, ST&C csg, 50 jts 4-1/2",
10.5#, J-55, ST&C csg, Weatherford 4-1/2" 2-stage tl, 96 jts 4-1/2",
10.5#, J-55, ST&C csg & 2 jts 4-1/2", 10.5#, J-55, ST&C csg. Ld csg w/donut: DV tl @ 4,104', marker jt @ 6,174', FC @ 6,576' & landed @ 6,620'. RDMO Chaparal csg crew. Circ csg w/2% KCI wtr. SWI. SDFN. Note: Notified Charlie Perrin of OCD @ 9:45 a.m. & BLM cmt hotline @ 9:50 a.m. of pending cmtg operations.

9/16/04 SICP 0 psig. MIRU BJ Services cmt equip. Cmted 4-1/2", 2nd stage prod csg (PBTD 6,585'), (stage tl @ 4,116'). Cmted 1st stage w/10 bbls CC wtr, 5 bbls FW, 10 bbls Flow Guard, 2 bbls FW, 165 sx Premium Lite HS w/2%KCI, 1/4#/sk celloflake, 0.2% CD-32, 0.5% FL-52 & 2% phenoseal (mixed @ 12.5 ppg, 2.01 cuft/sk). Disp w/105 BFW. Bumped plug @ 10:00 a.m. w/1,290 psig (650 over late pmp psig). Rls press. Float Held OK. Circ throughout. Drpd 2nd stage opng tl. Waited 20". PT csg to 580 psig. Op stage tl. Cir 5 bbls cmt to pit (14 sks). RU rig pmp. Circ 4 hrs between stages. Cmted 2nd stage w/10 BFW, 120 sx Type III cmt, w/8% Bentonite, 1/4#/sk celloflake & 2% phenoseal (mixed @ 11.4 ppg, 3.03 cuft/sk) followed by 100 sx Type III cmt (mixed @ 14.5 ppg, 1.39 cuft/sk). Disp w/65 BFW. Bumped plug @ 3:00 p.m. w/2,280 psig (1,480 psig over late pmp press). Closed 2nd stage tl. Rls press. TI closed & Held OK. Cir 3 bbls cmt to pit (12 sks). RDMO BJ Services cmt equip. NU BOP. SWI. SDFN.

PT ?

Krause WN Federal #1 Sbsq Sqz

9/17/04 SICP 0 psig. MI & spotted 6,650' 2-3/8" tbg & 4 – 3-1/2" DCs. NU BOP. SD WOC. SWI. SDFN.

9/18/04 SICP 0 psig. PU & TIH w/3-7/8" cone bit, 4 – 3-1/2" DCs, XO, SN & 130 jts 2-3/8" tbg. Tgd DV tool @ 4,116'. DO DV tool. TIH w/69 jts 2-3/8" tbg. Tgd FC @ 6,585'. Circ clean w/105 bbls 2% KCl wtr. TOH w/199 jts 2-3/8" tbg, SN, XO & 4 – 3-1/2" DCs. PU & TIH w/3-7/8" bit, 4-1/2" string mill, 4 – 3-1/2" DCs, XO, SN & 40 jts 2-3/8" tbg. PT csg 2,000 psig for 5", held OK. Rlsd press. SWI. SDFWE.

9/21/04 SITP 0 psig, SICP 0 psig. Fin TIH w/3-7/8" cone bit, 3-7/8" string ml, 4 – 3-1/2" DCs, XO, SN & 132 jts 2-3/8" tbg. RU pwr swivel & wrkd string thru DV tl @ 4,106'. TOH w/132 jts tbg & LD BHA. MIRU Computalog WL trk. Ran GR/CCL/CBL fr/6,575' (PBT) to 2,900'. Correlated w/Sonic/SP log dated 01/11/60. POH w/WL. MIRU Halliburton ac trk. PT csg to 1,500 psig for 30". Held OK. Rlsd press. RIH w/3-1/8" csg gun. Perfd Dakota fr/6,466' – 6,454', 6,416' – 6,406' & 6,338' – 6,328' w/1 JSPF (Owen HSC-3125-302, 10 gm chrgs, 0.32" dia., 14.3" pene., 32 holes). POH w/csg gun. RDMO WL trk. SDFN.

9/22/04 SICP 0 psig. TIH w/4-1/2" HD pkr, SN & 191 jts 2-3/8" tbg. Set pkr @ 6,216' w/18K comp. RU Halliburton ac trk. Loaded TCA w/7 bbls 2% KCl wtr. PT TCA to 500 psig. Ppd dwn tbg & BD perfs fr/6,328' – 6,466' @ 1,343 psig & 1.2 BPM. EIR @ 4.1 BPM & 2,916 psig. A. w/1,000 gals 15% NEFE HCI ac & 48 bio-balls @ 4.2 BPM & 2,782 psig. Flshd w/30 bbls 2% KCl wtr. AIR 5.8 BPM & 3,783 psig. Balled off @ 4,013 psig. ISIP 908 psig & 5" SIP 0 psig. RDMO Halliburton ac trk. Rlsd pkr @ 6,216'. TOH & LD 191 jts 2-3/8" tbg, SN & pkr. MIRU Stinger 5,000# WP frac vlv. RDMO Hurricane rig #2. 164 BLWTR.

9/25/04 SICP 0 psig. Installed 10K Stinger isolation tl. MIRU Halliburton frac equip. Loaded w/1,480 gals gel wtr. Frac'd DK perfs fr/6,328'-6,466' dwn 4-1/2" csg w/67,119 gals (BH foam vol), 70Q Purge III LT CO2 foam PW fr/Kutz J Federal #2E (zirconium XL 30# gear gel, carrying 101,880# 20/40 sd (71,880# 20/40 Ottawa sd + 30,000# 20/40 Super LC RC sd). All sd on location ppd. Flshd w/92 bbls foam flush. AIR 31.4 BPM. ATP 3,103 psig. Max TP 3,577 psig. ISIP 1,749 psig. 5" SIP 1,172 psig. 10" SIP 1,076 psig. 15" SIP 997 psig. SWI. 536 BLWTR. RDMO Halliburton frac equip. RD Stinger WH isolation tl. RU Presision flowback manifold & flowline. SICP 500 psig, 4 hrs. OWU @ 3:00 p.m. F. 0 BO, 59 BLW, CO2, wtr w/no sd, FCP 660 – 320 psig, 1/4" ck, 15 hrs. 623 BLWTR.

9/26/04 Chgd ck fr/1/4" to 3/8" @ 6:00 a.m. Cont'd flwg back on 3/8" ck. F. 0 BO, 96 BLW, CO2, wtr, w/no sd, FCP 300 – 100 psig, 3/8" ck, 16 hrs. Chgd to 1/2" ck. F. 0 BO, 33 BLW, CO2, wtr, w/no sd, FCP 100 – 15 psig, 1/2" ck, 8 hrs. 503 BLWTR.

9/27/04 Cont'd flwg back on 1/2" ck. F. 2 BO, 73 BLW, CO2, gas & wtr w/no sd, FCP 75 – 25 psig, 1/2" ck, 24 hrs. 430 BLWTR.

9/28/04 Cont'd flwg back on 1/2" ck. F. 0 BO, 4 BLW, CO2, gas & wtr, w/no sd, FCP 60 – 50 psig, 1/2" ck, 2 hrs. SWI. SICP 320 psig, 2 hrs. Bd well. MIRU Hurricane rig #2. PU & TIH w/pmp blr & 199 jts 2-3/8" tbg. Tgd @ 6,468' (131' of fill). CO fill fr/6,468' to 6,528'. Blr stoppd wrkg. TOH w/100 jts tbg. SDFN. 426 BLWTR.

Krause WN Federal #1 Sbsq Sqz

9/29/04 SITP 120 psig, SICP 410 psig. BD well. TOH w/201 jts tbg & pmp blr. TIH w/pmp blr & 201 jts 2-3/8" tbg. Tgd btm @ 6,518' (81' fill). CO fill fr/6,518' – 6,599' (PBTD). TOH w/10 jts tbg. SD 1 hr. TIH w/10 jts tbg. Tgd btm @ 6,597' (2' fill). TOH w/203 jts tbg & pmp blr. TIH w/NC, SN & 195 jts tbg. SN @ 6,338' & EOT @ 6,339'. RU swb. BFL @ 5,800' FS. S. 0 BO, 9 BLW, 1.5 hrs, 5 runs. FFL @ 5,800' FS. RD swb. SDFN. 417 BLWTR.

9/30/04 SITP 210 psig, SICP 400 psig. BD tbg. RU swb. SN @ 6,338' & EOT @ 6,339'. BFL @ 6,000' FS. S. 0 BO, 10 BLW, 4.5 hrs, 10 runs. FFL @ 5,900' FS. Well fwgd 15" – 30" & loaded up after each run. RD swb. BD well. PU & TIH w/8 jts tbg. Tgd btm @ 6,597' (2' fill). POH & LD 6 jts tbg. Landed tbg w/donut w/nip as follows: 197 jts 2-3/8", 4.7#, J-55, EUE, 8rd TuboCrike tbg fr/Tool Pushers. SN @ 6,415' & EOT @ 6,416'. RIH w/XTO's 1.910" tbg broach to SN. LD tbg broach. ND BOP. NU WH. RU swb. BFL @ 5,900' FS. S. 0 BO, 8 BLW, 2.5 hrs, 8 runs. FFL @ 6,100' FS. 399 BLWTR.

10/1/04 SITP 400 psig, SICP 410 psig. OWU @ 7:30 a.m. on 1/2" ck. F. 0 BO, 2 BLW, FTP 400 – 10 psig. SICP 410 – 350 psig, 1/2" ck, 2 hrs. SWI. RDMO Hurricane rig #2. 397 BLWTR.