Form 3160-5 (August 2007)

Approved by

entitle the applicant to conduct operations thereon

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

## UNITED STATES KECORD (HEANLY

BUREAU OF LAND MANAGEMENT

Expires July 31, 2010

FORM APPROVED

OMB NO 1004-0137

<ol><li>Lease Serial N</li></ol>
J. Deade berim 14

SUNDRY NOTICES AND REPORTS ON WELLS 14-20-604-62 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. Ute Mountain Tribe 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well 8 Well Name and No. Oil Well X Gas Well Other Ute Indians "A" #11 2. Name of Operator XIO ENERGY INC. 9. API Well No 3a. Address 3b. Phone No. (include area code) 30-045-22739 382 CR 3100 AZTEC, NM 87410 (505) 333-3100 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Ute Dome Paradox 790' FSL & 1480' FEL SEC 26"O"-32N-14W 11 County or Parish, State CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12 TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) Water Shut-Off Notice of Intent Deepen Alter Casing Fracture Treat Reclamation Well Integrity Subsequent Report Casing Renair New Construction Recomplete Other OPEN ADD'L Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back 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 ) Paradox 86760 XTO Energy Inc. opened additional pay to the Ute Dome Desert Creek (96353) per the attached morning report.

(Interim perfs) RCVD APR 17'08 OIL CONS. DIV. Mography for piec DIST. 3 RECEIVED Sen Juan Frogovice Area Durony of Land Marssand APR - 7 2008 **Bureau** of Land Management Durango, Colorado I hereby certify that the foregoing is true and correct Name (Printed/Typed) Title REGULATORY COMPLIANCE TECH Signature Date 4/4/08 THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

Title

Office

Date

## Ute Indians A #11 OAP

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11/3/06 MIRU Drake Rig #28. Bd well. Ppd dwn tbg w/30 bbls 2% KCl wtr & KW. ND WH. NU BOP. RU FL. Att'd to pull donut w/o success. WO WSI for donut pull tl. SWI. SDFN. Tim Wynne w/Jacobs Engineering on loc.

11/4/06 Bd well. Ppd dwn csg w/40 bbls 2% KCI wtr w/MA-842 wtr trtment & KW. ND BOP. MIRU WSI WH services & jack, pulled donut fr/WH. RDMO WSI. NU BOP. PU & TIH w/8 jts tbg. Tgd @ 9,356' (PBTD). TOH & LD w/8 jts tbg. Dropd SV. PT tbg to 1,500 psig w/35 bbls 2% KCI wtr w/MA-842 wtr trtment. Press dropd fr/1,500 - 100 in 5". TOH w/290 jts 2-3/8" tbg, SN & NC. Found bad pin on 289th jt FS. Tbg app gd. TIH w/4-3/4" csg scr, XO & 288 jts 2-3/8" tbg to 9,000'. SWI. SDFWE. Tim Wynne w/Jacobs Engineering on loc.

11/7/06 Bd well. Dropd SV. PT tbg to 2,000 psig for 10" w/35 bbls 2% KCl wtr w/MA-842 wtr trtment. Tst'd OK. Rlsd press. Retr'd SV. TOH w/288 jts 2-7/8" tbg, XO, strg ml & bit. LD BHA. MIRU BWWC WLU. Ran GR/CCL log fr/PBTD - 7,320'. Correlated depths w/Schlumberger GR/Compensated Neutron log dated 11/21/77. DV tl @ 3,598' WLM. Marker jt @ 9,031' WLM (14'). Perfd Desert Creek w/3-1/8" csg gun fr/8,870' - 8,840' & 8,820' - 8,810' w/2 JSPF, 120 deg phasing (Owen HSC-3125-305, 16 gm chrg, 0.37" dia, 14 88" pene, 80 holes). POH w/WL. RDMO WLU. SWI. SDFN.

11/8/06 Ppd dwn csg w/30 bbls 2% KCI wtr w/MA-842 wtr trtment & KW. TIH w/5 jts 2-7/8" tbg. Set RBP @ 8,924'. Set pkr @ 8,920'. MIRU Halliburton ac trk. PT RBP to 2,500 psig w/33 bbls 2% KCI wtr w/MA-842 wtr trtment for 10". Tstd OK. Rlsd press. RD Halliburton ac equip. TOH w/5 jts 2-7/8" tbg. Set pkr @ 8,750'. RU Halliburton ac trk. EIR w/6 bbls 2% KCI wtr w/MA-842 wtr trtment @ 5.3 BPM & 40 psig. BD new Desert Creek perfs fr/8,810' - 8,870' @ 5 BPM & 1,810 psig on ac. A. old & new Desert Creek perfs fr/8,790' - 8,883' w/10,000 gals 20% SWIC II Acid (include iron control, pH control agent, corr inhibitor, surfactant & H2S complexer) & 160 - 7/8" 1.1 bio-BS @ 5.0 BPM & 1,010 psig. Flshd w/70 bbls 2% KCl wtr w/MA-842 wtr trtment @ 6 BPM & 1,295 psig. GBA. Did not ball off. ISIP 1,323 psig. 1" SIP 0 psig. 340 BLWTR on ac frac. RDMO Halliburton ac trk. SWI 1.5 hrs. SITP 0 psig. SICP 34 psig (pkr). RU swb tls. BFL 6,000' FS. S. 0 BO, 10 BLW, 2 runs, 2 hrs.,FFL 6,000' FS. Drk brn fld smpl w/no solids. Well KO flwing. FTP 15 psig. SICP 34 psig (pkr). RD swb tls. F. 0 BO, 10 BLW, gas, FTP 15 psig, SICP 34 psig (pkr), 2" ck, 1 hr. SWI. SDFN. Tim Wynne w/Jacobs engineering on loc.

11/9/06 RU swb tls. BFL 6,500' FS. S. 0 BO, 20 BLW, 10 runs, 10 hrs. FFL 6,500' FS Drk brn fld smpl w/no solids. Strg gas blow after ea run. SWI SDFN. Tim Wynne w/Jacobs engineering on loc

11/10/06 SITP 0 psig. SICP 34 psig. (pkr) Rlsd pkr @ 8,750'. TIH w/5 jts 2-3/8" tbg. Caught & rlsd RBP @ 8,924'. TOH w/284 jts 2-3/8" tbg, F nip, XO, unloader, 5-1/2" HD pkr, 2-3/8" x 2' tbg sub, retr tl & 5-1/2" RBP. LD pkr, F nip, tbg sub, retr tl & RBP. Ppd dwn csg w/30 bbls 2% KCl wtr w/MA-842 wtr trtment & KW. TIH w/NC, SN & 290 jts 2-3/8" tbg. Tgd @ 9,356' (PBTD). TOH & LD w/10 jts 2-3/8" tbg. RIH w/XTOs 1.910" tbg broach to SN. POH w/tbg broach. LD tbg broach. Ld tbg w/donut & seal assy as follows: 280 jts 2-3/8" tbg, SN & NC. SN @ 8,787'. EOT @ 8,788'. Paradox perfs fr/8,387' - 9,292'. PBTD @ 9,356'. ND BOP. NU WH. Tim Wynne w/Jacobs Engineering on loc. SWI. SDFN.