Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OMB NO 1004-0137 Expires July 31, 2010

5. Lease Serial No

NMNM-0498	
TATAL DASO	

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.

6. If Indian, Allottee or Tribe Name

FORM APPROVED

SUBMIT IN TRIPLICA	ATE - Other instruction	ons on page 2		7. If Unit or 0	CA/Agreement, Name and/or N
Type of Well	· · · · · · · · · · · · · · · · · · ·	NOV	25 2009	-	
Oil Well X Gas Well Other		Rimaria	Land Maragar	8. Well Name	
Name of Operator			iton (Feld CA	FEDERAL 8	#3
XIO ENERGY INC		3b. Phone No. (<i>include ar</i>		9. API Well N	No.
Address	30-045-30	528			
382 CR 3100 AZTEC, NM 87410	D	505-333-3100		1	Pool, or Exploratory Area
Location of Well (Footage, Sec., T., R, M, or Surve				FLORA VIS	TA FRUITLAND SAND
737' FNL & 1686' FWL NENW Sec.	8 (C) -T30N-R12W	N.M.P.M.		11 County of	or Parish, State
				SAN JUAN	NM
12. CHECK APPROPRIA	TE BOX(ES) TO IN	DICATE NATURE OF N	NOTICE, REPO		
TYPE OF SUBMISSION		TY	PE OF ACTION		
X Notice of Intent	Acidize	Deepen	Production	(Start/Resume)	Water Shut-Off
	Alter Casing	Fracture Treat	Reclamation	on	Well Integrity
Subsequent Report	Casing Repair	New Construction	X Recomple	te	X Other BASIN FC &
Final Abandonment Notice	Change Plans	Plug and Abandon	Temporari	ly Abandon	AZTEC PC
T that 7 tourdonnient 1 totice	Convert to Injects	on Plug Back	Water Dis	nosal	

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 Fruitland Coal and Aztec Pictured Cliffs zones of this well per the attached procedure and C102 Plats.

> RCVD DEC 1'09 OTL CONS. DIV.

> > DIST. 3

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)				
DOLENA JOHNSON	Title	REGULATORY	COMPLIANCE	TECNICIAN
Signature Dolera (bh. ssr)	Date	11/24/2009		
THIS SPACE FOR FEDER	RAL OR	STATE OFFICE	JSE	
Approved by Original Signed: Stephen Mason	Tı	tle		Date NOV 3 0 2503
Conditions of approval, if any, are attached Approval of this notice does not warrant or certify the	nat O	ffice		

$CLJ_{_}$	
TWD	
Approved	

Federal 8 #3 Unit C, Sec 8, T30N, R12W San Juan County, New Mexico

Fruitland Coal & Pictured Cliffs Completion

AFE#/Well#:

FC: 902232 / 72381 **PC:** 904849 / 68895

Formation:

Basin Fruitland Coal / Aztec Pictured Cliffs

Prod. Csg:

4-1/2", 10.5#, csg @ 2,158'

PBTD:

2,121'

Tubing:

NC, Tail jt, 4' perf sub, SN, & 65 jts 2-3/8" tbg. EOT @ 2,028'.

Perfs:

FS: 1,624' – 1,988'

Status:

Not Producing

Fruitland Coal & Pictured Cliffs Completion Procedure

- 1. Set 2 400 bbl frac tanks & 1 flowback tank. Fill frac tanks w/fresh wtr. Note: Have Halliburton run preliminary fluid quality tests and add biocide.
- 2. MI 67 jts 2-7/8", 6.5#, J-55, EUE workstring w/TDC & 4-1/2" pkr.
- 3. MIRU PU. TOH & LD tbg.
- 4. TIH w/3-7/8" bit & workstring. DO 25' of shoe joint to 2,146' (New PBTD).
- 5. TOH w/bit & tbg.
- 6. MIRU WL and mast trucks.
- 7. Perf Pictured Cliffs w/3-1/8" csg gun w/3 JSPF with Owen HSC-3125-369 charges (15 gm, 0.48" EHD, 11.20" pene) or equiv performance charges @ 3 JSPF 120° phasing. Total 54 holes. POH w/csg gun. Depths based on GR/CCL/CBL log dated May 18, 2001.

Pictured C	liff Perfs
2,060-78'	54

- 8. TIH w/4-1/2" pkr, 64 jts 2-7/8" workstring. Set pkr $@\pm 2,030'$.
- 9. MIRU Halliburton frac, acid equip & N₂ transports.
- 10. BD perfs w/freshwater and EIR. Acidize w/1,500 gals 15% NEFE HCl acid and 81 7/8" 1.1 SG bio BS at 10 BPM down workstring. Max TP 5,800 psig. Flush w/724 gals fresh water (over flush 5 bbls past btm perf). Record ISIP, 5", 10" and 15" SIPs.
- 11. RIH w/pkr and knock off balls. Reset pkr

- 12. Pressure TCA to 200 psig. Monitor backside.
- 13. Frac Pictured Cliff perfs fr/2,060' 78' down workstring at 30 BPM with 39,000 gals 70Q N₂ foamed, 12# XL gelled, freshwater (Delta 140) carrying 76,000# sand (64,000# 16/30 BASF & 12,000# 16/30 resin coated). Max TP 5,800 psig. Flush 504 gals w/70Q foam (1/2 bbl short). Record ISIP & 5" SIP.

	Pictured Cliff Schedule											
Stage	BPM	Fluid	Prop	Cum. Prop								
Pad	30	12# 70Q XL foam	8,000									
1 ppg	30	12# 70Q XL foam	8,000	8,000# 16/30 BASF	8,000#							
2 ppg	30	12# 70Q XL foam	8,000	16,000# 16/30 BASF	24,000#							
3 ppg	30	12# 70Q XL foam	8,000	24,000# 16/30 BASF	48,000#							
4 ppg	30	12# 70Q XL foam	4,000	16,000# 16/30 BASF	64,000#							
4 ppg	30	12# 70Q XL foam	3,000	12,000# 16/30 RC	76,000#							
Flush	30	70Q foam	504									
TOTAL	39,000	Gal Foam	64,000# 16/30	BASF 12,000# 1	16/30 RC							

- 14. SWI for 4 hrs. RDMO Halliburton.
- 15. TOH w/tbg & pkr.
- 16. RU integrated flowline to flowback tnk. OWU on 1/4" ck. Have larger ck sizes available. Adjust ck size as needed to unload well w/o bringing back excessive sand. Flow back until sand cleans up. SWI. RD flowline.

NOTE: Get 3 hr IP test during flowback & rpt.

- 17. MIRU AFU.
- 18. PU & TIH w/3-7/8" bit & 2-7/8" workstring. Tag for fill.
- 19. Est. circ. CO fill to PBTD @ 2,146'. TOH. LD bit.
- 20. RDMO AFU.
- 21. TIH w/ 2-3/8" x 20' OEMA w/1/4" weep hole & pin, SN and \pm 69 jts 2-3/8" tbg. SN @ \pm 2,100', & EOT \pm 2,120'. ND WH. NU BOP.
- 22. TIH w/2" x 1-1/2" x 10' RWAC-Z pmp with strainer, 1-1/4" sinker bar, shear tool, 1-1/4" sinker bar, ±83 3/4" Norris grade D rods & 1-1/4" x 16' PR w/1-1/2" x 8' liner. Note: Confirm pmp & PR liner lengths will work with 54" stroke ppg ut.
- 23. Install Enviro Pax stuffing box.
- 24. Clamp off rods.
- 25. Load tubing, PT to 500 psig & check PA. RDMO PU.

- 26. MI and set cmt base & Lufkin C-50-89-54T ppg unit W/Kohler 18 hp gas engine. Set ppg ut in crank hole & sheave mtr (jackshaft if required) so it will pmp @ ±4 x 54" SPM. Chk w/Lufkin if ppg ut will require gear wiper for lub @ slow SPM. Rodstar run attached. Calc counter balance effect 4,011# & max CB moment 98 M in-lb.
- 27. RWTP.
- 28. Shoot FL/Dyno after two weeks to follow up.

Test Pictured Cliffs for 30-90 days. If decided, Fruitland Coal procedure is below.

- 29. Set 4 400 bbl frac tanks & 1 flowback tank. Fill frac tanks w/freshwater.

 Note: Have Halliburton run preliminary fluid quality tests and add biocide.
- 30. M IRU PU & TOH w/rods & pmp.
- 31. TOH w/tbg.
- 32. RIH and set a 4-1/2" 10K psig CBP at 2,055' (Do not set in csg collars). Blow down well. Load casing w/freshwater. PT CBP to 500 psig. Release pressure.
- 33. Perf Fruitland Coal w/3-1/8" csg gun w/3 JSPF with Owen HSC-3125-369 charges (15 gm, 0.48" EHD, 11.20" pene) or equiv performance charges @ 3 JSPF 120° phasing. Total 36 holes. POH w/csg gun. Depths based on GR/CCL/CBL log dated May 18, 2001.

Fruitland	Coal Perfs
2,032 - 44'	36

- 34. TIH w/4-1/2" pkr, 63 jts 2-7/8", 6.5#, J-55, EUE workstring. Set pkr @ $\pm 2,010$ '.
- 35. BD perfs w/freshwater and EIR. Acidize w/1,500 gals 15% NEFE HCl acid and 54 7/8" 1.1 SG bio BS at 10 BPM down workstring. Max TP 5,800 psig. Flush w/630 gals freshwater (over flush 3 bbls past btm perf). Record ISIP, 5", 10" and 15" SIPs.
- 36. RIH w/pkr and knock off balls. Reset pkr.
- 37. Pressure TCA to 200 psig. Monitor backside.

38. Frac Fruitland Coal perfs fr/2,032' - 44' down workstring at 25 BPM with 44,000 gals 20# XL gelled, freshwater (Delta 140) carrying 87,000# 20/40 BASF sand coated w/sandwedge max. Max TP 5,800 psig. Flush 496 gals w/Slickwater. Record ISIP, 5", 10", 15" SIP.

	Fruitland Coal Schedule										
Stage	BPM	Fluid	Vol (Gal)	Prop	Cum. Prop						
Pad	25	20# Delta 140 XL	9,000								
l ppg	25	20# Delta 140 XL	9,000	10,000# 20/40 BASF	10,000#						
2 ppg	25	20# Delta 140 XL	9,000	18,000# 20/40 BASF	28,000#						
3 ppg	25	20# Delta 140 XL	9,000	27,000# 20/40 BASF	55,000#						
4 ppg	25	20# Delta 140 XL	8,000	32,000# 20/40 BASF	87,000#						
Flush	25	Slickwater	496								
TOTAL	44,000	Gal	87,0	000# 20/40 BASF							

- 39. SWI 3 hrs. RDMO Halliburton.
- 40. TOH w/pkr & tbg.
- 41. RU integrated flowline to flowback tnk. OWU on 1/4" ck. Have larger ck sizes available. Adjust ck size as needed to unload well w/o bringing back excessive sand. Flow back until sand cleans up. SWI. RD flowline.
 - **NOTE:** Record SI pressures for IP test & rpt.
- 42. MIRU AFU.
- 43. PU & TIH w/3-7/8" bit & 2-7/8" tbg. Tag for fill.
- 44. Est. circ. CO fill to CBP @ 2,055'. DO CBP.
- 45. TIH. Tag fill. CO fill to PBTD.
- 46. TOH. LD bit. RDMO AFU.
- 47. TIH w/ 2-3/8" x 20' OEMA w/1/4" weep hole & pin, SN and \pm 69 jts 2-3/8" tbg. SN @ \pm 2,100', & EOT \pm 2,120'. ND WH. NU BOP.
- 48. TIH w/2" x 1-1/2" x 10' RWAC-Z pmp with strainer, 1-1/4" sinker bar, shear tool, 1-1/4" sinker bar, ±83 3/4" Norris grade D rods & 1-1/4" x 16' PR w/1-1/2" x 8' liner.
- 49. Load tubing, PT to 500 psig and check pump action. RDMO PU.
- 50. RWTP.
- 51. Shoot FL/Dyno after two weeks to follow up.

Regulatory Requirements:

NOI

PC & FC completion reports PC & FC request for allowables DHC for PC/FS & PC/FC/FS if FC is completed.

Services:

Halliburton fracturing and N₂ services WL**AFU**

Equipment List: 4 – 400 bbl frac tanks 1 flow back tank 67 jts 2-7/8", 6.5#, J-55, EUE workstring w/TDC & 4-1/2" pkr. ± 3 jts 2-3/8", 4.7#, J-55, EUE, 8rd tbg 3-7/8" bit C-50-89-54T Kohler 18 hp

State of New Mexico

District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 South First, Artesia, NM 88210 1000 Rio Brazos Rd., Aztec, NM 87410

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

⁵ Property Name

² Pool Code

71629

Form C-102 Revised October 12, 2005 Submit to Appropriate District Office Fee Lease - 3 Copies State Lease - 4 Copies

⁶ Well Number

1220 S. St. Francis Dr., Santa Fe, NM 87505

¹API Number

30-045-30528

⁴ Property Code

	AMENDED REPORT
WELL LOCATION AND ACREAGE DEDICATION PLAT	

3 Pool Name

BASIN FRUITLAND COAL

303828	3				FEDE	RAL 8	#3				
7OGRID No	0.	•							⁹ Elevation		
5380					XTO Ener						
					¹⁰ Surface I	Location					
1	Section	Township		Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
С	8	30-N	12-W		737	NORTH	1686	WEST	SAN JUAN		
			¹¹ Bot	tom Hole	Location If	Different Fron	n Surface				
UL or lot no. SAME	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
¹² Dedicated Acres FC: 320 acres	13 Joint or	· Infill	Consolidation	Code 15 O	rder No.		J.	الله المناطقة المناط	and the section of th		
NO ALLOWA	BLE W	ILL BE A				NTIL ALL INTERE		N CONSOLIDA	TED OR A NON-		
j1€	586	BASII	¥ FR⊍lT	LÁND C	:OAL		complete to the best organization either interest in the land in a right to drill this vowner of such a minagreement or a complete of the comp	vell at this location purs, teral or working interest, pulsory pooling order he	ef and that this or unleased mineral of the bole location or has ant to a contract with an or to a voluntary pooling aretofore entered by the		
				8			I hereby cer on this plat actual surve supervision, correct to the Date of Sur	EYOR CERT ctify that the well was plotted from eys made by me of and that the sail he best of my bel type vey urvey Signed	n field notes of or under my ne is true & ief		
				~			14831 Certificate Num	ber			

State of New Mexico

2 Pr. -

District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 South First, Artesia, NM 88210 1000 Rio Brazos Rd., Aztec, NM 87410

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

⁵ Property Name

² Pool Code 71280

Form C-102 Revised October 12, 2005 Submit to Appropriate District Office Fee Lease - 3 Copies State Lease - 4 Copies

Well Number

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

¹API Number

30-045-30528

⁴ Property Code

AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT

³ Pool Name

AZTEC PICTURED CLIFFS

John A. Vukonich

14831 Certificate Number

303828	8				FEDEF	RAL 8			#3	
, ⁷ OGRID N	0.				8 Operator	Name	⁹ Elevation			
5380					XTO Ener	gy. Inc.			5870'	
					¹⁰ Surface I	Location				
UL or lot no.	Section	Township		Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
С	8	30-N	12-W		737	NORTH	1686	WEST	SAN JUAN	
			¹¹ Bott	tom Hole	e Location If	Different Fron	n Surface			
UL or lot no. SAME	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
¹² Dedicated Acres PC: 160 acres	¹³ Joint or	Infill 14	Consolidation	Code 15 O	rder No.			Production of the State of the		
NO ALLOWA	ABLE W	ILL BE A				NTIL ALL INTERE		EN CONSOLIDAT	TED OR A NON	
j PŽI	686 C P\C	WRED	SUFFS				complete to the be organization eithe interest in the lain a right to drill this owner of such a magreement or a condition. Signature Printed Na DOLE Title	ATORS MEETER THAT IS A STORY KNOWLEDGE & Belley IT OWNS A WORKING INTEREST OF A MEETER AND A STORY CONTROL OF A STORY CONTROL O	Cand that this r unleased mineral ttom hole location or ha unt to a contract with un ur to a voluntary pooling etofore entered by the	
				7			I hereby con this plate on this plate on this plate on the contract to the con	EYOR CERT: ertify that the well t was plotted from veys made by me on n, and that the sam the best of my belue	location shown field notes of r under my ne is true & ef.	