

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., 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 and Natural Resources

Form C-103

June 19, 2008

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

WELL API NO. 30-045-32127
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: PICWAY
8. Well Number #1
9. OGRID Number 5380
10. Pool name or Wildcat FULCHER KUTZ PICTURED CLIFFS
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5355'

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other
2. Name of Operator XTO Energy Inc.
3. Address of Operator 382 CR 3100 AZTEC, NM 87410
4. Well Location Unit Letter D : 660 feet from the NORTH line and 1160 feet from the WEST line Section 32 Township 30N Range 13W NMPM County SAN JUAN
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5355'

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: RECOMPLETE BASIN FRUITLAND COAL ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

XTO Energy Inc., intends to recomplete this well to the Basin Fruitland Coal formation per the attached procedure.

RCVD APR 1 '10
OIL CONS. DIV.
DIST. 3

Spud Date:

Rig Release Date:

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

SIGNATURE Teena M. Whiting TITLE REGULATORY COMPLIANCE TECH DATE 3/30/2010
teena.whiting@xtoenergy.com
Type or print name TEENA M. WHITING E-mail address: teena.whiting@xtoenergy.com PHONE 505-333-3176

For State Use Only

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, DATE APR 07 2010
District #3

Conditions of Approval (if any):

4-7

**Picway #1
Sec 32, T30N, R13W
San Juan Co., NM**

OAP: Fruitland Coal

AFE #/Acct #: 906811 / 97056
Prod Csg: 4-1/2", 10.5#, J-55 csg @ 1,547'
PBTD: 1,517'
Perfs: **PC:** 1,154'- 66' @ 2 JSPF (ttl 24 - 0.34" perfs)
Tbg : 2-3/8" x 30' OEMA w/1/4" wh & pin, SN, & 38 jts of 2-3/8" tbg. EOT @ 1,274'.
Rods: 2" x 1-1/2" x 10' RWAC-Z (DV) EPS pmp & 1" X 1' stnr nip, spiral guide, RHBO tl, 1" x 1' LS, 47 - 3/4", 3 - 3/4" rod subs (8', 8' & 6') & 1-1/4" x 16' PR w/8' lnr
Prod. Method: Rod pump

Fruitland Coal OAP Procedure

1. MI & set 6 – 400 bbl frac tanks & 1 flowback tank. Fill frac tanks w/FC produced wtr. Note: Have Halliburton run preliminary fluid quality tests & add biocide.
2. MI 7 jts 2-3/8", 4.7#, J-55, EUE tbg.
3. Test anchors. MIRU PU. POH & LD rods & pmp. ND WH. NU BOP. Tag fill. TOH & visually inspect 2-3/8" tubing.
4. Round trip w/csg scpr.
5. RIH w/CBP. Set CBP @ 1,148'.
6. PT csg to 3,200 psig for 5 min.
7. MIRU WL. Perf Fruitland Coal w/3-1/8" csg gun w/Owen HSC-3125-369 charges (15 gm, 0.48" EHD, 11.20" pene) or equiv performance charges @ 3 JSPF 120° phasing. Depths based on GR/CCL log dated July 7, 2004.

Fruitland Coal Perfs	
1,127-1,138'	33

8. ND BOP. NU Frac vlv.
9. MIRU Halliburton Acid & Frac equip.

10. Frac FC perfs fr/1,127' - 38' down 4-1/2" csg at 25 BPM w/36,000 gals Delta 140 20# XL frac fluid carrying 74,000# 20/40 sd coated with sandwedge WF & NT. Max TP is 3,200 psig. Flush w/734 gals linear gel.

Fruitland Coal Schedule					
Stage	BPM	Fluid	Gal	Prop	Cum. Prop
Acid	0-10	15% HCl Acid	1,000		
Pad	10-25	Water	5,000		
Pad	25	Delta 140	2,000		
0.5	25	Delta 140	4,000	2,000# 20/40	2,000#
1	25	Delta 140	8,000	8,000# 20/40	10,000#
2	25	Delta 140	8,000	16,000# 20/40	26,000#
3	25	Delta 140	8,000	24,000# 20/40	50,000#
4	25	Delta 140	6,000	24,000# 20/40	74,000#
Flush	25	Linear Gel	734		
TOTAL	36,000 Gal		74,000# 20/40		

Record ISIP, 5", 10", & 15" SIP's.

11. RIH & Set CBP @ 1,060'.

12. MIRU WL. Perf Fruitland Coal w/3-1/8" csg gun w/Owen HSC-3125-369 charges (15 gm, 0.48" EHD, 11.20" pene) or equiv performance charges @ 3 JSPF 120° phasing.

Fruitland Coal Perfs	
1,024-30'	18
979-80'	3

Ttl = 21

13. Frac FC perfs fr/979' - 1,030' down 4-1/2" csg at 30 BPM w/22,000 gals Delta 140 20# XL frac fluid carrying 43,000# 20/40 sd coated with sandwedge WF & NT. Max TP is 3,200 psig. Flush w/614 gals linear gel.

Fruitland Coal Schedule					
Stage	BPM	Fluid	Gal	Prop	Cum. Prop
Acid	0-10	15% HCl	1,000		
Pad	10-30	Water	4,000		
Pad	30	Delta 140	2,000		
0.5	30	Delta 140	2,000	1,000# 20/40	1,000#
1	30	Delta 140	5,000	5,000# 20/40	6,000#
2	30	Delta 140	5,000	10,000# 20/40	16,000#
3	30	Delta 140	5,000	15,000# 20/40	31,000#
4	30	Delta 140	3,000	12,000# 20/40	43,000#
Flush	40	Linear Gel	614		
TOTAL	22,000 Gal		43,000# 20/40		

Record ISIP, 5", 10", & 15" SIP's. SWI.

14. ND frac vlv. NU BOP.
15. TIH w/3-7/8" bit & 2-3/8", J-55 tbg.
16. MIRU AFU. DO CBP @ 1,060' & CBP @ 1,148'.
17. CO fill to PBTD @ 1,517'. Circ & CO until sd cleans up. Tg for fill & CO as necessary. TOH & LD bit.
18. TIH w/2-3/8" x 30' OEMA w/1/4" wh & pin, SN, & 38 jts of 2-3/8" tbg. SN @ 1,200'. EOT @ 1,230'. ND BOP. NU WH.
19. TIH w/2" x 1-1/2' x 10' RWAC-Z (DV) EPS pmp & 1" X 1' stnr nip, 1-1/4" sb, shear tl (21K), 1-1/4" sb, 46 - 3/4" rods, 3/4" rod subs & 1-1/4" x16' PR w/8' lnr.
20. PT tbg to 500 psig. LS pmp to chk PA.
21. HWO & RDMO PU.
22. RWTP. Report daily gas & water volumes. Shoot FL after well stabilizes.

Regulatory Requirements

DHC Approval

NOI

Completions Report

Services & Equipment List

6 - 400 bbl frac tank filled with fresh or FC produced water.

1 - flowback tank.

Frac vlv

Halliburton frac & acid equip