

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

RECEIVED

APR 15 2010

Bureau of Land Management
Farmington Field Office

5. Lease Serial No.

NMSE079116

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

HANCOCK #7

9. API Well No.

30-045-06734

10. Field and Pool, or Exploratory Area

W. KUTZ PICTURED CLIFFS

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

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input checked="" type="checkbox"/> Recomplete | <input type="checkbox"/> Other _____ |
| <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 | |

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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 recompleate 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 recompleation 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 recompleate this well to the Basin Fruitland Coal per the attached procedure. Please see also, the C-102 for the FC.

RCVD APR 20 '10
OIL CONS. DIV.
DIST. 3

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

LORRI D. BINGHAM

Title REGULATORY ANALYST

Signature

Date 4/14/10

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

PE

Date

APR 16 2010

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

FDU

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 4/26

Hancock #7
Unit D, Sec 12, T 27 N, R 12 W
San Juan County, New Mexico

Open the Fruitland Coal

SURF CSG: 10-3/4" CSG @ 90'. CIRC CMT TO SURF.

INTRM CSG: 7" CSG @ 1,671'. CMT'D W/ 100 SX CMT. TOC UNKNOWN

PROD CSG: 4-1/2", 10.5#, K-55, CSG @ 1,760'. PBTD @ 1,753'.
CAPACITY = 0.0159 BBLS/FT (0.0895 CUFT/FT).
BURST = 4,790 PSI (TREATING @ 80% = 3,832 PSI)

CEMENT: CMT'D W/ 65 SX CMT TAILED BY 100 SX CMT, TOC: 1,000'.

TBG: 53 JTS 2-3/8" TBG, SN, PS & 10' MA. SN @ 1,726', EOT @ 1,747'

PERFS: PICTURED CLIFFS:
FR/1,674'-1,720' W/2 JSPF.

Workover Procedure

- 1) Install and test rig anchors. Comply with all New Mexico OCD, BLM and XTO safety rules and regulations. Conduct safety meeting for all personnel on location. MIRU daylight pulling unit.
- 2) MI 3 - 400 bbl frac tanks and 1 flow back tank. Fill the frac tanks with produced Fruitland coal water. Note: Have frac company run preliminary fluid quality tests and add biocide.
- 3) ND WH. NU BOP and test the BOP.
- 4) TOH with BHA.
- 5) Round trip a 3-7/8" bit and 4-1/2" casing scraper to 1,670', not a wireline gauge ring.
- 6) TIH w/ 4-1/2" CBP and set @ 1,665'.
- 7) ND BOP. NU frac valve.
- 8) Perf Lower Fruitland Coal @ 3 JSPF (Titan EXP-3323-361T, 22.7 gm, 120 deg phasing, 0.36" dia., 35.63" penetration, total 61 holes) or equivalent performance charges. POH with csg gun.

Fruitland Coal Perfs	
PERF	CCL
1,645'-1,655'	

9) RU Frac company.

10) Load & BD Basal Fruitland Coal perfs from 1,645'-1,655' at a rate of 3 BPM with fresh water & gasperm down 4-1/2" csg. Record the BD pressure and switch to acid at a rate of 3 BPM (will not be balling off this stage). Spearhead 500 gals of 15% NEFE HCl acid. Flush w/100 gals fresh water & gasperm to confirm good injection rate.

11) Frac the Fruitland Coal perfs from 1,645'-1,655' down 4-1/2" csg at 30 BPM with 30,600 gals 70Q, N2 foamed 16# XL fld carrying 55,000# 20/40 BASF sand coated with Sandwedge. Max TP: 3,800 psi. Expected TP: 2,000 psi. After seeing a 2# drop on the blender densitometer, switch to tub bypass. Flush with 1,000 gals of fresh water & Gasperm at 15 BPM (1 bbl of top perf). Shut down when the volume is 0 gals. Record ISIP. RD Halliburton.

Fruitland Coal Schedule						
Stage	BPM	Fluid	Foam Vol.	Clean Vol. (gal)	Prop	Cum. Prop
Water	3	Fresh water w/ gasperm	-	1,000	-	-
Acid	3	15% NEFE HCL	-	500	-	-
Flush	3	fresh water w/ gasperm	-	100	-	-
Pad	30	16# 70Q XL Foam	4,000	1,200	-	-
0.5 ppg	30	16# 70Q XL Foam	5,500	1,650	2,750# 20/40	2,750# 20/40
1 ppg	30	16# 70Q XL Foam	5,500	1,650	5,500# 20/40	8,250# 20/40
2 ppg	30	16# 70Q XL Foam	4,950	1,485	9,900# 20/40	18,150# 20/40
3 ppg	30	16# 70Q XL Foam	5,870	1,761	17,600# 20/40	35,750# 20/40
4 ppg	30	16# 70Q XL Foam	4,810	1,443	19,250# 20/40	55,000# 20/40
Flush	15	Fresh water w/ gasperm	-	1,000	-	-
Total		30,600 gals 16# XL		12,000 gal		55,000# 20/40

Record ISIP & 5" SIP.

12) Install flowback manifold. Flowback well thru a choke manifold to flowback tank. Start with an 8/64" choke. Increase choke size as appropriate. Record the final shut in pressure to be used for the C-104.

13) ND frac valve. NU BOP.

14) TIH w/3-7/8" bit, bit sub, and 2-3/8" tubing. MIRU AFU. CO fill as needed to 1,665'. DO CBP @ 1,665'. CO to 1,753' (PBSD). TOH and LD bit and bit sub.

15) TIH with tubing BHA as follows:

- a) 1 - 12' jt w/ 1/2" vent hole located 1' from top
- b) 2-3/8" (1.78" ID) API SN
- c) ±53 jts - 2-3/8" tubing to surface, EOT @ 1,738', SN @ 1,726'.

16) ND BOP. NU WH.

17) TIH with rod assembly as follows:

- 2" X 1-1/2" X 10' X 2' RWAC pump
- 1" X 1' stnr nip
- Spiral rod guide
- RHBO tl
- 4 – 1-1/4" API K sinker bars with stabilizer rods
- 10 - 3/4" API D Molded Guide Rods w/ T-couplings
- 55- 3/4" API D Rods w/ T-couplings
- 1-1/4" X 16' Polished Rod w/ 8' liner

18) Space out pump with spacer subs. Load tubing and long stroke with rig to ensure pump action.
HWO.

19) RDMO PU.

20) Gauge tanks. Shoot FL and run dynamometer during pumping unit startup. Start well pumping at 6 SPM and 64" SL for 24 hours. Check fluid level and tank gauges.

21) Report pre and post start up data to Derick Lucas

Regulatory:

1. Acquire approval of C-144
2. Sundry of work
3. Acquire approval of DHCM allocations

Equipment:

- 3-7/8" bit & bit sub
- 1- 4-1/2" CBP
- AFU

Rods:

- 2" X 1-1/2" X 10' X 2' RWAC pump
- 1" X 1' stnr nip
- Spiral rod guide
- RHBO tl
- 4 – 1-1/4" API K sinker bars with stabilizer rods
- 10 - 3/4" API D Molded Guide Rods w/ T-couplings
- 55- 3/4" API D Rods w/ T-couplings
- 1-1/4" X 16' Polished Rod w/ 8' liner

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 19, 2009
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-06734		² Pool Code 71629		³ Pool Name BASIN FRUITLAND COAL	
⁴ Property Code 303832		⁵ Property Name HANCOCK			⁶ Well Number 7
⁷ OGRID No. 5380		⁸ Operator Name XTO Energy, Inc.			⁹ Elevation 6136'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	12	27N	12W		900	NORTH	990	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
SAME									
¹² Dedicated Acres FC. 320 acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true & complete to the best of my knowledge & belief and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</i>	
	Signature 	
	Printed Name LORRI BINGHAM	
	Title REGULATORY ANALYST	
	Date 4/14/2010	
	¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true & correct to the best of my belief</i>	
	Date of Survey 6/23/1984	
	Original Survey Signed By: John A. Vukonich	
	Certificate Number 14831	