

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

SUNDRY NOTICES AND REPORTS ON WELLS

MAY 28 2010

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

Bureau of Land Management
Farmington Field Office

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

XTO Energy Inc.

3a. Address

382 CR 3100 AZTEC, NM 87410

3b. Phone No (include area code)

505-333-3204

4. Location of Well (Footage, Sec, T, R, M., or Survey Description)

660' FSL & 660' FEL SESE Sec.16 (P) -T27N-R11W N.M.P.M.

5. Lease Serial No.

MSF078872A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

BOLACK 16 #3

9. API Well No

30-045-32068

10. Field and Pool, or Exploratory Area

BASIN FRUITLAND COAL

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

☐ Acidize ☐ Deepen ☐ Production (Start/Resume) ☐ Water Shut-Off
☐ Alter Casing ☐ Fracture Treat ☐ Reclamation ☐ Well Integrity
☐ Casing Repair ☐ New Construction ☒ Recomplete ☒ Other **WEST KUTZ**
☐ Change Plans ☐ Plug and Abandon ☐ Temporarily Abandon **PICTURED CLIFFS**
☐ 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.)

XTO Energy Inc. proposes to recomplete this well to the West Kutz PC per the attached procedure. Please see also, the attached plat for the PC.

**RCVD JUN 3 '10
OIL CONS. DIV.**

DIST. 3

*1) Rule 5.9 compliance
2) Ch. in status to Alice Bolack #14
30-045-06498*

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

LORRI D. BINGHAM

Title **REGULATORY ANALYST**

Signature

Date **5/27/10**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

JUN 01 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

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 *to 6/8*

Bolack 16 #3
Unit P, Sec 16, T 27 N, R 11 W
San Juan County, New Mexico

Add the Pictured Cliffs

AFE/ACCT # 905993/97036

SURF CSG: 8-5/8", 24#, J-55 ST&C CSG @ 228'. CIRC CMT TO SURF WITH 185 SX.

PROD CSG: 5-1/2", 15.5#, J-55 ST&C CSG @ 2,149'. PBTD @ 2,144'. CMT TO SURF WITH 300 SX.

CAPACITY = 0.024 BBLS/FT (0.1349 CUFT/FT).

BURST = 4,810 PSI (TREATING @ 80% = 3,840 PSI)

PERFS: FRUITLAND COAL:
FR/1,922'-60' W/3 JSPF

NOTE: THIS WELL WAS TA'D AND HAS A CIBP @ 1,870'

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 2 - 400 bbl frac tanks and 1 flow back tank. Fill the frac tanks with 2% KCL fresh water. Note: Have frac company run preliminary fluid quality tests and add biocide.
- 3) ND WH. NU BOP and test the BOP.
- 4) TIH w/4-3/4" bit, bit sub, and 2-3/8" tubing and DO CIBP @ 1,870'. TOH w/tbg and bit.
- 5) MIRU wireline truck. RU full lubricator. Use the Bolack 16 #3 Platform Express Triple Combo Print log dated 5/25/2006. Perforate the Pictured Cliffs with a 3-1/8" csg gun with 3 JSPF (Owen HSC-3125-332, 120 phasing, 11 gm charges, 0.39" dia., 23.30" penetration, 25 holes). POH with csg gun.

Pictured Cliffs Perfs	
PERF	CCL
1,998'-1,990'	

- 6) TIH with a retrievable tension packer (5 1/2" Baker Arrow-set Fullbore with SN and SV) on 3-1/2" N-80 work string and set at 1,975'. Load tubing and PT to 3,800 psi for 2 minutes.
3-1/2" N-80 workstring: Capacity-0.0087 bbls/ft Burst-8,100 psi (80% yield)
- 7) ND BOP. NU frac valve.
- 8) MIRU frac equipment. BD Pictured Cliffs perfs from 1,990'-1,998' and EIR with 2% KCl water. Acidize with 1,500 gals of 15% NEFE HCl (will not be running BS). Max TP 3,800 psig. Flush

with 875 gals 2% KCl w/gasperm (3 bbls over flush). Record ISIP, 5", 10" and 15" SIP's. RDMO acid and pump truck. Frac Pictured Cliffs perms from 1,990'-1,998' down 3-1/2" tbg at 40 BPM with 36,190 gals 70Q, N2 foamed, friction reduced 2% KCl water carrying 33,260# 16/30 BASF sand and 16,740# 16/30 CRC sand. Max TP 3,800 psig. Expected TP 2,000 psig. After seeing a 1.5# drop on the blender densitometer, switch to flush. Flush to top perf with 750 gals 70Q, N2 foamed, friction reduced 2% KCl water. Shut down when the volume is 0 gals. Record ISIP. RDMO frac equipment.

Pictured Cliffs Frac Schedule						
Stage	BPM	Fluid System	Foam Vol gals	Clean Vol Gals	Prop	Sand Size
Load & Break	3	2% KCl wtr	—	500	—	—
Acid	10	15% NEFE HCl	—	1,500	—	—
Acid Flush	10	2% KCl wtr & Gasperm	—	875	—	—
Pad	40	70Q N2 FR Slickwater	1,000	300	—	—
Pre Pad	40	70Q N2 FR Slickwater	8,000	2,400	—	—
0.5 ppg	40	70Q N2 FR Slickwater	2,900	870	1,460	16/30
1 ppg	40	70Q N2 FR Slickwater	8,300	2,490	8,300	16/30
2 ppg	40	70Q N2 FR Slickwater	5,500	1,650	11,000	16/30
3 ppg	40	70Q N2 FR Slickwater	4,160	1,248	12,500	16/30
3 ppg	40	70Q N2 FR Slickwater	5,580	1,674	16,740	16/30 CRC
Flush	40	70Q N2 FR Slickwater	750	225	—	—
Total	36,190 gals FR Slickwater		13,730 gal		50,000# 16/30	

9) ND frac valve. NU BOP.

10) Release and TOH w/ packer.

11) MIRU AFU. TIH w/4-3/4" bit, bit sub, and 2-3/8" tubing. CO to 2,144' (PBTD). Circulate wellbore clean. TOH w/tbg & bit.

12) Install flowback manifold. Flowback well through a choke manifold to flowback tank. Start with an 8/64" choke. Increase choke size as appropriate.

13) TIH with tubing BHA as follows:

- a) 1- 12' OEMA w/ 3/8" vent hole located 1' from top & stop pin
- b) 2-3/8" (1.78" ID) API SN
- c) ±61 jts - 2-3/8" tubing to surface, EOT @ 2,052', SN @ 2,020'.

14) Swab well until clean fluid is obtained.

15) ND BOP. NU WH.

16) TIH with rod assembly as follows:

- 2" X 1-1/4" X 10' RWAC-Z pump

- 1" X 1' lift sub
- spiral rod guide
- RHBO tool
- 4 - 1-1/4" sinker bars with stabilizer rods
- 10 - 3/4" API D Molded Guide Rods w/ T-couplings
- 66 - 3/4" API D Rods w/ T-couplings
- 1-1/4" X 16' Polished Rod w/ 8' liner

17) Space rods out with subs as necessary.

18) 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 3 SPM and 54" SL and adjust as necessary. Check fluid level and tank gauges.

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

Regulatory:

1. Acquire approval to OAP the Pictured Cliffs
2. Acquire approval of C-144
3. Acquire approval of DHCM allocations

Equipment:

- 4-3/4" bit & bit sub
- 5-1/2" casing scraper
- 3-1/2" workstring (1,800')
- 1- tension packer (5 1/2" Baker Arrow-set Fullbore with SN and SV)

Rods:

- 2" X 1-1/4" X 10' RWAC-Z pump
- 1" X 1' lift sub
- spiral rod guide
- RHBO tool
- 4 - 1-1/4" sinker bars with stabilizer rods
- 10 - 3/4" API D Molded Guide Rods w/ T-couplings
- 66 - 3/4" API D Rods w/ T-couplings
- 1-1/4" X 16' Polished Rod w/ 8' line

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 on copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-32068	² Pool Code 79680	³ Pool Name W. KUTZ PICTURED CLIFFS
⁴ Property Code 30312	⁵ Property Name BOLACK 16	⁶ Well Number 3
⁷ OGRID No. 5380	⁸ Operator Name XTO Energy, Inc.	⁹ Elevation 6304'

¹⁰ Surface Location

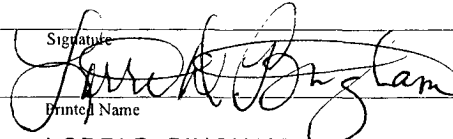
UL or lot no. P	Section 16	Township 27-N	Range 11-W	Lot Idn	Feet from the 660	North/South line SOUTH	Feet from the 660	East/West line EAST	County SAN JUAN
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. SAME	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres PC 160 ACRES	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

<div>16</div> <div>W. KUTZ PICTURED CLIFFS</div> <div>660'</div> <div>660'</div>	¹⁷ OPERATOR CERTIFICATION 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
	Signature  Printed Name LORRI D. BINGHAM
	Title REGULATORY ANALYST
	Date 5/27/10
	¹⁸ SURVEYOR CERTIFICATION 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
	Date of Survey 6/23/1984
	Original Survey Signed By John A. Vukonich
	Certificate Number 14831