

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

RECEIVED

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.

APR 28 2011

Lease Serial No. MM-077952

6. If Indian, Allottee or Tribe Name N/A

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

8. Well Name and No. JC GORDON D #1F

9. API Well No. 30-045-34743

10. Field and Pool, or Exploratory Area BASIN DAKOTA ANGELS PEAK-GALLUP

11. County or Parish, State SAN JUAN NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

Fair...
Bureau of Land Man

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) 505-333-3630

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1750' FSL & 1860' FEL NWSE SEC.22 (J) -T27N-R10W

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

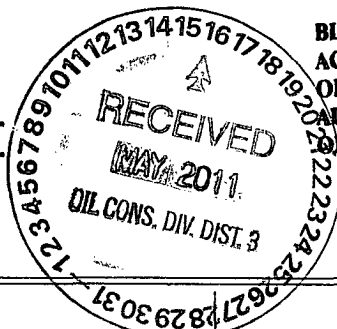
TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other <u>SQUEEZE</u>
	<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

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 recompleat 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 recompleat 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.)

After evaluation and discussion with Troy Salyers of the BLM, XTO Energy intends to complete the Dakota & Gallup formations, then squeeze the the 5-1/2" production casing per the attached procedure.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) LORRI D. BINGHAM

Signature [Signature]

Title REGULATORY ANALYST

Date 4/27/11

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Troy L. Salyers

Title Petroleum Engineer

Date 5/10/2011

Office FFO

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.

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.

NMOC

AV

**J.C. GORDON D #1F
DAKOTA & GALLUP COMPLETION & SQUEEZE
SEC 22, T27N, R10W
SAN JUAN CO., NM**

SURF CSG: 8-5/8", 24#, J-55 CSG @ 380'. CMT'D W/290 SX. CIRC 25 BBLS CMT TO SURF.

PROD CSG: 5-1/2", 15.5#, J-55 CSG @ 6,862'. DV TOOL @ 4,285'. CMT'D 1ST STG W/380 SX CMT. DID NOT CIRC. UNABLE TO PUMP 2ND STAGE. TOC @ 4,204' (CBL ON 04/07/2011). PBTD @ 6,790'. CAPACITY = 0.0238 BPF OR 0.9997 GPF.

BURST = 4,810 PSIG (TREATING @ 80% = 3,850 PSIG)

FORMATIONS: GALLUP (WELL # 77326, AFE # 1006372)
DAKOTA (WELL # 77325, AFE # 1006371)

MAX PRESSURE WILL BE 3,850 PSIG

**CORRELATE ALL DEPTHS TO SCHLUMBERGER PLATFORM EXPRESS/ARRAY
INDUCTION/GAMMA RAY LOG DATED 03/25/2011**

PROCEDURE:

1. Confirm DHC approval. Obtain C-144 CLEZ permit.
2. Set 5 - 400 bbl frac tanks & 1 flowback tank. Fill frac tanks w/2% KCl water (or clay-stabilizer substitute). **NOTE:** Have frac co. test water for compatibility prior to frac & add biocide. Heat water in the frac tanks so that water temperature @ frac time is $\pm 80^{\circ}$ F. Hot oil truck must be clean to avoid contaminating the frac water.
3. ND WH. NU frac vlv.
4. MIRU WLU and mast truck. RU full lubricator.

5. Perf Dakota w/3-1/8" csg gun loaded with Owen HSC-3125-302 charges or equivalent performance charges (1 jspf, 10 gm, 0.34" EHD, 21.42" pene, 120° phasing, ttl 33 holes).

Dakota Perforations							
PERF	CCL	PERF	CCL	PERF	CCL	PERF	CCL
6,622'		6,548'		6,524'		6,439'	
6,617'		6,543'		6,522'		6,437'	
6,609'		6,538'		6,521'		6,432'	
6,593'		6,535'		6,519'		6,431'	
6,591'		6,533'		6,517'		6,430'	
6,560'		6,531'		6,473'		6,429'	
6,554'		6,529'		6,472'			
6,552'		6,528'		6,471'			
6,550'		6,526'		6,470'			

6. MIRU acidizing equipment.
7. BD Dakota perfs with 2% KCl water and EIR. Acidize Dakota perfs from 6,429' – 6,622' down 5-1/2" casing @ 12 BPM with 1,500 gals of 15% NEFE HCl acid (FE control, surf & Cl additives) + 50: 7/8" 1.1 SG Green Bio balls. Flush acid 3 bbls past bottom perf with 6,746 gals 2% KCl water or until ball off. Pump flush @ 12 BPM. Record ISIP & 5 minute SIP. Surge off balls. RD acid lines.
8. MIRU Stinger wellhead protection crew. Install 10,000 psig Stinger WH isolation tool.
9. MIRU frac equipment & Praxair CO₂ transports.
10. Frac Dakota perfs from 6,429' – 6,622' down 5-1/2" casing @ 50 BPM with 78,667 gals 70Q, CO₂ foamed, 25# XL gelled frac fluid (25# guar gel, 2% KCl water) carrying 165,000# 20/40 sand (132,000# 20/40 Ottawa sand and 33,000# 20/40 Super LC RC sand). Do not exceed 3,850 psig. After seeing a 1 pound drop on the blender densitometer, **switch to tub bypass**. Flush with 6,301 gals 55Q linear gel (3 bbls short of top perf). Record ISIP and 5 minute SIP.

Dakota Schedule					
Stage	Fluid	Total Slurry vol	Clean vol	Stage Proppant	Total Proppant
Pad	25# 70Q XL CO ₂	13,000 gal	3,900 gal	-	-
1 ppg	25# 70Q XL CO ₂	11,000 gal	3,300 gal	11,000# 20/40 Ottawa	11,000#
2 ppg	25# 70Q XL CO ₂	15,500 gal	4,650 gal	31,000# 20/40 Ottawa	42,000#
3 ppg	25# 70Q XL CO ₂	30,000 gal	9,000 gal	90,000# 20/40 Ottawa	132,000#
3 ppg	25# 70Q XL CO ₂	3,667 gal	1,100 gal	11,000# 20/40 Super LC	143,000#
4 ppg	25# 70Q XL CO ₂	5,500 gal	1,650 gal	22,000# 20/40 Super LC	165,000#
Flush	55Q Linear Gel	6,301 gal	2,836 gal	-	165,000#
Total		132,000# 20/40 Ottawa		33,000# 20/40 Super LC	

11. SWI. RD frac lines. Remove Stinger isolation tool. RDMO CO₂ transports.

12. MIRU N₂ transports.

13. RU WL unit. RU full lubricator. RIH & set 8K, 5-1/2" CBP @ 6,215' (collars at 6,190' & 6,236'). POH w/setting tl. Load hole w/2% KCl & PT csg & plug to 3,850 psig for 5".
14. Perf Gallup w/3-1/8" csg gun loaded with Owen HSC-3125-302 charges or equivalent performance charges (**1 jspf**, 10 gm, 0.34" EHD, 21.42" pene, 120° phasing, ttl 35 holes).

Gallup Perforations							
PERF	CCL	PERF	CCL	PERF	CCL	PERF	CCL
6,008'		5,860'		5,810'		5,758'	
5,988'		5,856'		5,798'		5,751'	
5,984'		5,852'		5,793'		5,741'	
5,953'		5,844'		5,790'		5,725'	
5,927'		5,833'		5,784'		5,721'	
5,926'		5,829'		5,778'		5,710'	
5,888'		5,823'		5,771'		5,693'	
5,870'		5,820'		5,768'		5,685'	
5,862'		5,816'		5,762'			

15. RDMO WLU. RU acid equip.
16. BD Gallup perms with 2% KCl water and EIR. Acidize Gallup perms from 5,685' – 6,008' down 5-1/2" casing @ 12 BPM with 1,500 gals of 15% NEFE HCl acid (FE control, surf & Cl additives) + 53: 7/8" 1.1 SG Green Bio balls. Flush acid 3 bbls past bottom perf with 6,132 gals 2% KCl water or until ball off. Pump flush @ 12 BPM. Record ISIP & 5 minute SIP. Surge off balls. RD acid lines.
17. RU N₂ frac equipment.
18. Frac Gallup perms from 5,685' – 6,008' down 5-1/2" casing @ 50 BPM with 74,000 gals 70Q, N₂ foamed, 20# XL gelled frac fluid carrying 135,000# 20/40 sand (108,000# 20/40 BASF sand and 27,000# 20/40 Super LC RC sand). Do not exceed 3,850 psig. After seeing a 1 pound drop on the blender densitometer, **switch to tub bypass**. Flush w/5,557 gals 55Q linear gel (3 bbls short of top perf). Record ISIP and 5 minute SIP.

Gallup Schedule					
Stage	Fluid	Total Slurry vol	Clean vol	Stage Proppant	Total Proppant
Pad	20# 70Q XL N ₂	13,000 gal	3,900 gal	-	-
1 ppg	20# 70Q XL N ₂	14,000 gal	4,200 gal	14,000# 20/40 BASF	14,000#
2 ppg	20# 70Q XL N ₂	20,000 gal	6,000 gal	40,000# 20/40 BASF	54,000#
3 ppg	20# 70Q XL N ₂	18,000 gal	5,400 gal	54,000# 20/40 BASF	108,000#
3 ppg	20# 70Q XL N ₂	9,000 gal	2,700 gal	27,000# 20/40 Super LC	135,000#
Flush	55Q Linear Gel	5,557 gal	2,501 gal	-	135,000#
Total		108,000# 20/40 BASF		27,000# 20/40 Super LC	

19. Shut well in. RD frac lines.
20. SWI for 4 hours. RDMO WL unit, N₂ frac equipment and acid equipment.

21. Install flowback manifold. Flowback well thru a choke manifold to flowback tank. Start with 8/64" ck. Increase choke size as appropriate.
22. MIRU PU.
23. Blow well down.
24. ND frac valve. NU BOP.
25. MIRU AFU.
26. TIH w/4-3/4" bit, SN, & 2-3/8" tubing. Tag fill.
27. CO frac sand fill to CBP @ 6,215'. DO CBP @ 6,215'.
28. CO to 6,790' (PBSD). Circ clean.
29. TOH w/tbg, SN, & bit.
30. RDMO AFU.
31. Install flowback manifold. Flow test min 3 hours on fixed choke for IP test. Record liquid volumes, FCP, & choke size. SWI. Report rates and pressures to Geoffrey Steiner. RD flowback manifold.
32. Shut well in for 12 hours.
33. MIRU Weatherford wireline.
34. RU full lubricator.
35. Run spinner survey production log over Dakota and Gallup perforations.
36. RD full lubricator. RD Weatherford wireline.
37. TIH w/tbg and land as follows: NC, SN, & ±203 jts 2-3/8", 4.7#, J-55, EUE, 8rd tbg. Land EOT @ 6,500'.
38. ND BOP. NU WH.
39. Swab well until well kicks off.
40. RDMO PU.

**Submit C-104 sundry and wait for approval to 1st deliver well.
1st deliver well DHC. Produce well for approximately two weeks.**

41. MIRU PU.
42. ND WH. NU BOP.
43. TOH w/tbg, SN, & NC.
44. TIH w/5-1/2" CIBP and 2-3/8" tbg. Set CIBP @ 4,170' (collars at 4,145' & 4,190').
45. Rig up pump truck. PT CIBP @ 4,170' to 2,500 psig for 5". TOH w/tbg & setting tool.
46. MIRU WLU.
47. Perf 4 sqz holes @ 4,090' w/3-1/8" csg gun.
48. Attempt to establish circulation to surface and out Bradenhead valve with FW.
49. TIH w/5-1/2" CICR & 2-3/8" tbg. Set CICR @ 3,985' (collars at 3,964' & 4,010'). Sting out fr/CICR.
50. MIRU BJ Services cementing equipment and crew.
51. Pump down tbg with fresh water to clear stinger. Sting into CICR.
52. **Squeeze 5-1/2" casing as follows:**
 - 10 bbls fresh water spacer
 - 10 bbls mud flush
 - 10 bbls fresh water spacer
 - **Lead:** 480 sacks Premium Light cement w/5 PPS Gilsonite + 0.125 PPS Poly-E-Flake (mixed at 12.3 ppg, 1.92 ft³/sack yield)
 - **Tail:** 100 sacks Class C cement w/0.1% FL-52 (mixed at 14.8 ppg, 1.33 ft³/sack yield)
 - 15.42 bbls fresh water displacement
- Note:** Cement volumes were calculated using the annular volume as indicated by the open hole caliper log from the TOC to surface casing plus 40% excess.✓
53. Sting out from CICR. Reverse out tubing with freshwater. ✓
54. RDMO cementing equipment and crew.
55. TOH with 2-3/8" tbg and setting tool. SWL.
56. SD WOC.
57. RU WL unit. Run GR/CCL/CBL from CICR @ 3,985' to TOC. ✓
58. Report TOC to Geoffrey Steiner.

**Additional squeezes may be necessary to establish cement circulation to surface.
If cement circulation was not established, wait on engineering instructions and
BLM/NMOCD approval before proceeding. ✓**

If cement circulation was established, proceed as follows:

59. TIH w/4-3/4" bit, XO, 4 – 3-1/8" DCs, XO, & 2-3/8" tbg. Tag TOC. RU pwr swivel. DO cmt fr/TOC to CICR @ 3,985'. DO CICR @ 3,985'. DO cmt below CICR to BOC. Tag CIBP @ 4,170'.
60. PT cmt sqz to 550 psig for 30" w/chart. ✓ Report results to Geoffrey Steiner.
61. MIRU AFU and unload well. DO CIBP @ 4,170' and CO fill to PBTD @ 6,790'. Circ clean.
62. TOH w/tbg, DCs, and bit. RDMO AFU.
63. TIH with tubing and land as follows:
 - a) 5-1/2" x 2-3/8" TECH TAC (open ended)
 - b) 2-3/8" x 12' tbg sub
 - c) 2-3/8" x 4' perforated tbg sub
 - d) SN
 - e) ±208 jts 2-3/8" tubing to surfaceTECH TAC @ 6,666'. SN @ 6,650'. EOT @ 6,666'.
64. Swab well until clean fluid is obtained.
65. ND BOP. NU WH.
66. Set a Lufkin Conventional 160-200-74 PU w/an Arrow C-96 gas engine. Sheave unit for 4 SPM. Set stroke length at 66" (2nd crank hole). Set four 3CRO counterweights 19" from the long end of the crank arm.
67. TIH with rod assembly as follows:
 - a) 2" x 1-1/2" x 14' RWAC-Z (DV) pump with 1" x 1' stnr nip
 - b) Spiral rod guide
 - c) 1" x 1' LS
 - d) 1 – 1-1/4" grade "K" no neck sinker bar
 - e) 21K shear tool
 - f) 5 – 1-1/4" (125') grade "K" no neck sinker bars
 - g) 30 – 3/4" (750') grade "D" rods w/5 guides per rod
 - h) 230 – 3/4" (5,750') Norris 96 rods
 - i) Norris 96 pony rods to space out pump
 - j) 1-1/4" x 22' PR w/10' lnr
68. Space out pump. HWO.
69. Load tubing & check pump action.
70. RDMO PU.
71. Start well pumping at 4 SPM and 66" SL. This configuration will move an estimated 30 bwpd at 80% efficiency.
72. Report rates and pressures to Geoffrey Steiner.

Regulatory Requirements

Completion

Squeeze NOI _____
C-144 CLEZ _____
Completion Reports _____
Request for Allowable _____

DHC

Allocations _____
Owner notification _____
DHC order _____

Services

AFU

WL truck & mast truck to perf & set plugs
Acid & frac equip
Praxair CO₂
Stinger wellhead protection
Weatherford Wireline to run Spinner Survey logs
BJ Cementing Services

Equipment List

- 5 – 400 bbl frac tanks
- 1 flowback tank
- 1 – 5-1/2" frac plug
- 1 – 5-1/2" CIBP
- 1 – 5-1/2" CICR
- 1 – 4-3/4" bit
- 4 – 3-1/8" DCs
- ±208 jts 2-3/8", 4.7#, J-55, EUE, 8rd tbg

Rod Pumping Equipment List

- Lufkin Conventional 160-200-74 PU
- Arrow C-96 gas engine
- 4 – 3CRO counterweights
- 2" x 1-1/2" x 14' RWAC-Z (DV) pump with 1" x 1' stnr nip
- Spiral rod guide
- 1" x 1' LS
- 21K shear tool
- 6 – 1-1/4" (150') grade "K" no neck sinker bars
- 30 – 3/4" (750') grade "D" rods w/5 guides per rod
- 230 – 3/4" (5,750') Norris 96 rods
- Norris 96 pony rods to space out pump
- 1-1/4" x 22' PR w/10' lnr
- 5-1/2" x 2-3/8" TECH TAC
- 2-3/8" x 12' tbg sub
- 2-3/8" x 4' perforated tbg sub