Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

CLEWED

JAN 03 2012

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

5. Lease Serial No.

SUNDRY	NOTICES	AND F	REPORTS	ON	WELLS carmington F	ield Office	NMNM013642
					ranningion	10.0	C TELL A

Do not use this form for proposals to drill or to re-enter and Land Manageme 6. If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals. 7 If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well Well Name and No Oil Well | X | Gas Well Other GARDNER #4 2 Name of Operator XIO ENERGY INC. 9 API Well No 3a Address 3b Phone No (include area code) 30-045-22244 382_CR_31.00 505-333-3204 AZTEC NM 87410 10. Eield and Pool, or Exploratory Area Location of Well (Footage, Sec., T., R., M., or Survey Description) BLANCO MESAVERDE 790' FSL & 790' FWL SEC 25 (M) -T32N-R9W 11 County or Parish, State SAN JUAN CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off Alter Casing Fracture Treat Well Integrity Reclamation Subsequent Report Casing Repair New Construction Recomplete Other Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice

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.)

Plug Back

XTO Energy Inc. performed a casing squeeze and recompleted this well per the attached report.

Convert to Injection

RCVD JAN 9'12 OIL CONS. DIV.

DIST. 3

14 I hereby certify that the foregoing is true at Name (Printed/Typed) IORRI D. BINGHAM	nd correct	Title	REGULATORY ANAL	YST	- ', '
Signature Signature	Indan	Date	12/30/11	MARPIED FOR RECOR	D
	THIS SPACE FOR FEDER	RAL OR	STATE OFFICE USE	TAM O A exercise	
Approved by		Ti	tle	Apart V 4 Zuic	
Conditions of approval, if any, are attached Approva the applicant holds legal or equitable title to those right entitle the applicant to conduct operations thereon	nts in the subject lease which would	hat O	Mice	PARAMIGION FIELD OFFICE	
Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Se	ction 1212, makes	wingly	and willfully to make to any depa	rtment or agency of the United States any false.	

Water Disposal

Wellname: Gardner 04

12/9/2011 Tstd csg. Results fr/tsts showed as follows; Csg fr/3,190' - 4,200' (CICR) tstd @ 1,500 psig. Csg lk fr/3,190' - 3,157'. Csg fr/3,157' - surf tstd @ 1,500 psig. Tstd ok.

12/12/2011 Left message on BLM cmt line @ 7.00 p.m. 12/11/11 for csg sqz on 12/12/11. Rptd to Brandon Powell w/NMOCD @ 8:10 a.m. 12/12/11 for csg sqz. Set pkr @ 2,992'. Csg leak @ 3,157' - 3,190'. MIRU cmt equip. Sqzd csg lk fr/3,157' - 3,190' w/200 sxs Class G neat (mixed @ 15.8 ppg, 1.15 cu ft/sx yield, 230 cu/ft). Ppd dwn tbg w/41 bbls cmt. Final sqz press 1,840 psig. RDMO cmt equip. SD WOC.

12/14/2011 RIsd pkr. DO cmt fr/3,032' to 3,170'. BOC @ 3,170'. PT csg to 570 psig for 40" w/chart. Tstd OK.

12/16/2011 PT, csg.to. 590 psig for 35" w/chart Tstd OK. Rlsd press. John Kelly w/NMOCD rep on loc. MIRU WLU. Perfd PC w/3-1/8" select-fire csg gun @ 3,523 - 3,426' (3 JSPF, 0.48" dia., 132 holes). Correlated depths w/Go International Compensated Neutron log dated 12/17/1976. RDMO WLU.Ppd dwn tbg 2/1,250 gal 15% NEFE HCl acid.

12/19/2011 PU & TIH w/2 jts 3-1/2", 9.3#, N-80, 8rd EUE, Frac Inr. Set Frac Inr @ 3,213' bottom cups & 3,136' top cups.

12/20/2011 MIRU frac equip. Frac'd PC perfs fr/3,426' - 3,523' w/53,941 gals foam frac fld carrying ttl 139,660# sd. RDMO frac equip.

12/28/2011 TIH w/109 jts 2-3/8", 4.7#, 'J-55, 8rd, EUE tbg. EOT @ 3,446'. PC perfs fr/3,426' - 3,523'. CICR @ 4,200'. PBTD @ 6,080.