Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR -- '

BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Expir	es July	31,	2010
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FORM APPROVED

OMB NO. 1004-0137

5 Lease Serial No

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6 If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. N/A 7 If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on page 2 N/A Type of Well 8 Well Name and No Oil Well X Gas Well Other Breech A #175F 2. Name of Operator XIO ENERGY INC. 9 API Well No Address 3b Phone No (include area code) 30-039-31071 382 CR 3100 AZTEC, NM 87410 10 Field and Pool, or Exploratory Area Location of Well (Footage, Sec., T., R., M., or Survey Description) BASIN DAKOTA / BASIN MANCOS BLANCO MESAVERDE FEB 23 2012 11 County or Parish, State 1000' FSL & 1880' FEL SWSE Sec. 8(0), T26N, R6W CHECK APPROPRIATE BOX(ES) TO INDICATE TO THE TOTAL BUTCOU OF LAND MANAGEMENT TYPE OF ACTION 12 TYPE OF SUBMISSION Deepen Notice of Intent Acidize Production (Start/Resume) Water Shut-Off Fracture Treat Alter Casing Reclamation Well Integrity X Subsequent Report Other SPUD, SET & Casing Repair New Construction Recomplete Change Plans Plug and Abandon Temporarily Abandon PT SURF CSG Final Abandonment Notice 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) RCVD FEB 27'12 XTO Energy Inc. spud the above well on 2/18/2012 at 11:00 PM. 2/19/2012 thru 2/21/2012 Drilled a 12-1/4" hole to 522! (Surf TD). Ran 11 jts 8-5/8", 24#, J-55. STC csg, set @ 515. Mix & pump 380 sx Type G cant (15.4 ppg & 1.21 cu ft/sx yield). Circ 41 bbls cant to surf. Found cmt dropd fr/surf. Contacted Brandon Powell w/NMOCD on 02/20/12 @ 7:00 a.m. & NMBIM Hotline on 02/20/12 @ 7:00 a.m. w/cement top off notice. Tgd TCC @ 25'. Mix & pump 50 sx Type G cmt (15.8 ppg & 1.17 cu ft/sx yield). Circ 3 bbls cant to surf. RDMO. PT 8-5/8" csg to 800 psig for 30 min. Tstd OK. Drilling ahead... ACCEPTED FOR RECORD FEB 2 4 2012 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Tıtle LORRI DO BINGHA REGULATORY ANALYST Signature Date 2/22/2012 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Title Date Approved by Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that

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,

the applicant holds legal or equitable title to those rights in the subject lease which would

fictitious or fraudulent statements or representations as to any matter within its jurisdiction

entitle the applicant to conduct operations thereon

Office