Form 3160-5 (August 2007) C DEPARTMENT OF THE INTERIOR **UNITED STATES** FORM APPROVED OMB NO. 1004-0137 Expires July 31, 2010 BUREAU OF LAND MANAGEMENT 5. Lease Serial No. AUG 15 28 UNDRY NOTICES AND REPORTS ON WELLS NMSF080373 6 If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an Farmingtoabandoned well. Use Form 3160-3 (APD) for such proposals. Sureau of Land Manageme. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 Type of Well 8 Well Name and No Oil Well X Gas Well Other HANSON #3 Name of Operator XIO ENERGY INC. 9 API Well No 3b. Phone No (include area code) 3a Address 3004521428 505-333-3100 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 800' FNL & 800' FWL MMM SEC. 5 (D) -T25N-R10W 11. County or Parish, State san juan CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12 TYPE OF SUBMISSION TYPE OF ACTION Production (Start/Resume) Water Shut-Off Notice of Intent Acidize Deepen Alter Casing Fracture Treat Reclamation Well Integrity Subsequent Report Other RC BASIN MC Casing Repair New Construction Recomplete Change Plans Plug and Abandon Temporarily Abandon & PWOP Final Abandonment Notice Plug Back Water Disposal Convert to Injection 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 AUG 20'12 XTO Energy Inc. recompleted this well to the Basin Mancos formation per the following IL CONS. DIV. 7/20/12: MIRU, 7/23/12: Tod @ 6,420'. TIH 5-1/2" CIBP & set @ 6,280'. 7/24/12: PT csq to 2,000 psiq for 5". Tstd OK. MIRU WIU. Ran GR/CCL/CBL. RDMO WIU. Took logs to NMOCD for approval. 7/25/12: Recd accrivak fr/Charlie Parrin w/NMOCD @ 8:30 a.m for CBL. 7/30/12: MIRU WIJJ. Perf MC with 3-1/8" csq qun fr/5,441'-5,832' w/1 JSPF, 25 holes from. RDMO. 7/31/12: MIRU Frac equip. A. w/1,000 gals 15% HCl ac. Frac MC perfs with 70,580 gals frac fluid carrying 124,900# sd. MIRU Flowback. Flowback MC frac. 8/1/12: Cont flowback MC frac. Ran IP test for MC. BO/ 0 BW/ 0 MCF/ 67.4, 3 hr test, FCP 100 psig. RDMO flowback. 8/8/12: Tord @ 6,230'. MIRU AFU. CO fr/ 6,230'-6,280' (CIBP). SDFN. 8/9/12: Tool @ 6,265'. CO fr/ 6,265'-6,280' (CIBP). DO CIBP. Tool @ 6,420'. CO fr/ 6,240'-6,486' (PBTD). RDMO AFU. Tgd @ 6,486' (PBID). 8/10/12: TIH NC, SN, 200 jts 2-3/8", 4.7#, J55 tbg. SN @ 6,358'. EOT 6,359'. PBID @ 6,486'. PT tbg to 2,000 psig for 5". Tstd OK. Swab. RDMO. DHC re-delivery pending C-104 approval. 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Title KRISTEN D. LYNCH REGULATORY ANALYST ACCEPTED FUR RECORD Signature Date 8/13/2012 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Title Approved by Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that Office the applicant holds legal or equitable title to those rights in the subject lease which would 34

entitle the applicant to conduct operations thereon