№ Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

REPORTS ON WELLS.

SUNDRY NOTICES	AND REPORTS ON	WELLS		NMSF-077952	
Do not use this form for p	proposals to drill or t	o re-enter an	Von S	6. If Indian, Allot	tee or Tribe Name
abandoned well. Use For	n 3160-3 (APD) for su	ich proposals.	1005		
SUBMIT IN TRIPLICATE -	Other instructions or	reverse side	I Au. 8	ी. If Unit or CA/	Agreement, Name and/or No
	outer manachons of	Tevelse side sign	3 . K. V	Y	
1. Type of Well		160 a	(1)	8. Well Name and	d No.
Oil Well X Gas Well Other		<u></u>	C to Trade	JC GORDON "I	
2. Name of Operator XTO Energy Inc.				<u> </u>	
3a. Address		. Phone No. (include are	a code)	9. API Well No.	4
2700 Farmington Ave., Bldg. K. Ste	1 Farmington,	505-324-1090		30-045-3258 10. Field and Po	ol, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey I	Description)			BASIN DAKOT	• •
2,395' FNL & 995' FWL					
SEC. 23, T27N, R10W				11. County or Pa	
	50V/50\ 70 NIDIO			SAN JUAN	NM NM
12. CHECK APPROPRIATE	BOX(ES) TO INDIC	ATE NATURE OF N	OTICE, REP	ORT, OR OTHE	ERDATA
TYPE OF SUBMISSION		TYP	E OF ACTION		
X Notice of Intent	Acidize	Deepen	Production	(Start/Resume)	Water Shut-Off
4	Alter Casing	Fracture Treat	Reclamatio	`	Well Integrity
Subsequent Report		New Construction	Recomplet	_	
	Casing Repair Change Plans	Plug and Abandon	–	h. Abandon	
Final Abandonment Notice				•	rest
	Convert to Injection	Plug Back	Water Disp	oosal	
Attach the Bond under which the work will be perfollowing completion of the involved operations. It testing has been completed. Final Abandonment I determined that the final site is ready for final insperior in the state of th	If the operation results in a Notices shall be filed only a ction.)	multiple completion or re after all requirements, inc	completion in a luding reclamation	new interval, a Fornon, have been comp	m 3160-4 shall be filed once pleted, and the operator has
Morrison is productive, XTO will			_		
non-productive, XTO will plug back					
procedure.					
				07	
CONDITIONS OF APPRO	OVAL			0	
Adhere to previously issued stiput	ations.			77	MARY VARIETY
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					-
				38	
				مدينة سيند سيند	ia
14. I hereby certify that the foregoing is true and correct Name (Printed Typed) HOLLY C. PERKINS		Title REGULA	TORY COMPLI	·	<i>h</i>
hally Creekes		Date 5/18/200	5		
J , THE	S SPACE FOR FEDER	RAL OR STATE OF	ICE USE		
Approved by		Title)		Date	1- (-
Conditions of approval, if any, are attached. Approval			· cos.	L	6/21/02
certify that the applicant holds legal or equitable title to which would entitle the applicant to conduct operations to	those rights in the subject	iease			

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.



JC Gordon D #3F

2395' FNL & 995' FWL, Sec 23, T-27-N, R-10-W San Juan County, New Mexico

Morrison and Lower Dakota Test

Formation:

Morrison

Prod Csg:

5-1/2", 15.5[#], J-55, LT&C csg @ 7,016'. FC @ 6,973'. Marker jt from 6,470' – 84'. DV tool @ 4,408'. Cmt'd 1st stage w/ 375 sx Premium Lite HS (mixed @ 12.5 ppg & 2.01 cuft/sx) followed by 150 sx Class H cmt (mixed @ 14.2 ppg & 1.54 cuft/sx). Circ traces cmt off DV tool. Cmt'd 2nd stage w/ 700 sx Type III w/8% gel (mixed @ 11.4 ppg & 3.03 cuft/sx) followed by 100 sx Type III Neat cmt (mixed @ 14.5 ppg & 1.41 cuft/sx). Circ 188 bbls cmt to surf.

Cur. Status:

Wait on completion

Completion Procedure

- 1. MI & set 2 400 bbl clean frac tanks. Fill tanks w/ produced water from the Kutz J Federal #2E well. Treat water with bactericide. Set 1 flowback tank. Weld on 5,000# WP tbg hanger. MI ±221 jts (6,980') 2-3/8", 4.7#, J-55, EUE, 8rd tbg & 4 3-1/2" drill collars.
- 2. MIRU PU. NU BOP. TIH with 4-3/4" bit, 4 3-1/2" drill collars and 2-3/8", 4.7#, J-55, EUE, 8RD tubing. Drill out DV tool at 4,408'. Clean out casing to PBTD (float collar at 6,973'). Drill out float collar and casing shoe track to 7,000'. Circulate casing clean w/ produced water containing bactericide and POOH standing back tubing. LD BHA.
- 3. MIRU WL. Run GA/GR/CCL from 7,000' up to 5,500'. POOH w/ GA/GR/CCL. Set CIBP at 6,995'. RD MOL WL.
- 4. Load and pressure test csg to 2,000 psig for 30". Increase to 3,850 psig for 5". Record data on chart per NMOCD orders. Release press.
- 5. TIH w/Baker Model "X" SN (ID 1.875"), 1 jt tbg, Baker A-3 Lock-set packer w/ FL-22 on-off tool & +/- 214 jts tbg. Set packer at +/- 6,860' and EOT at +/-6,890'. Land tubing hanger w/ 10K overpull on packer. Test TCA to 1,000 psi.
- 6. RU swabbing equipment and swab tubing down to 3,000' to establish +/-1,500 psi underbalance (assumes 8.9 ppg pore pressure).

7. MIRU WL trk. Perf lower Morrison interval w/ 1-11/16" Shogun strip gun from 6,986' – 89' w/2 JSPF (Owen STP-1687-401 NT, 9grm, 0.24" dia., 16.64" pene., 6 holes). POH w/ guns.

Lower Morrison Perfs

Perforation Interval	CCL
6,986' – 6,989'	

- 8. Flow test the lower Morrison interval. Report rates and pressures to Chris Clark. Based upon flow test results perforate the upper Morrison, stimulate the well w/ acid, or plugback as directed.
- 9. After flow test, kill well as necessary w/ produced water. POOH standing back 2-3/8" tubing and packer.
- 10. MIRU WL. Make GA run to 6,980'. GIH w/ CIBP (if permanent PB) or CBP (if temporary PB) and set at +/- 6,975'.
- 11. TIH w/Baker Model "X" SN (ID 1.875"), 1 jt tbg, Baker A-3 Lock-set packer w/ FL-22 on-off tool & +/- 214 jts tbg. Set packer at +/- 6,860' and EOT at +/-6,890'. Land tubing hanger w/ 10K overpull on packer. Test TCA to 1,000 psi.
- 12. RU swabbing equipment and swab tubing down to 3,000' to establish +/-1,500 psi underbalance (assumes 8.9 ppg pore pressure).
- 13. Perf upper Morrison interval w/ 1-11/16" Shogun strip gun from 6,948' 51' w/2 JSPF (Owen STP-1687-401 NT, 9grm, 0.24" dia., 16.64" pene., 6 holes). POH w/ guns.

Upper Morrison Perfs

Perforation Interval	CCL
6,948' – 6,951'	

- 14. Flow test the upper Morrison interval. Report rates and pressures to Chris Clark. Based upon flow test results stimulate the well w/ acid, or plugback as directed.
- 15. If Morrison is a productive zone perform the following: Set a blanking plug in the on-off tool seating nipple profile, release from the on-off tool and circulate the well with 126 BBLS of produced water containing 1% by volume (53 gallons) of H&M C-1000 corrosion inhibitor/oxygen scavenger. Displace the packer fluid w/ one tubing volume of produced water. Engage the on-off tool and land tubing in the tubing head. ND BOP and NU tree. RU sandline and retrieve the blanking plug from the well. Swab well in and flow back load water. RD and MOL w/ PU. The will be shut in until a NSL is approved in the Morrison and delivered after battery hookup and NSL approval are complete.

- 16. If Morrison is not commercial plug back the well as follows: Kill well as necessary w/ produced water and POOH standing back 2-3/8" tubing and packer.
- 17. MIRU WL. Make GA run to 6,945'. GIH w/ CIBP and set at +/- 6,945'. Dump bail 10' of cmt on top of CIBP to temporarily plug back the Morrison interval. Note: PBTD @ +/- 6,935' w/ 68' of rat-hole for Lower Dakota.
- 18. TIH w/Baker Model "X" SN (ID 1.875"), 1 jt tbg, Baker A-3 Lock-set packer w/ FL-22 on-off tool & +/-212 jts tbg. Set packer at +/- 6,800' and EOT at +/-6,830'. Land tubing hanger w/ 10K overpull on packer. Test TCA to 1,000 psi.
- 19. RU swabbing equipment and swab tubing down to 3,000' to establish +/-1,500 psi underbalance (assumes 8.9 ppg pore pressure).
- 20. Perf Lower Dakota interval w/ 1-11/16" Shogun strip gun from 6,864' 67' w/2 JSPF (Owen STP-1687-401 NT, 9grm, 0.24" dia., 16.64" pene., 6 holes). POH w/ guns.

Lower Dakota Perfs

Perforation Interval	CCL
6,864' – 6,867'	

- 21. Flow test the Lower Dakota interval. Report rates and pressures to Chris Clark. Based upon flow test results stimulate the well w/ acid and/or hydraulic fracturing or plugback as directed.
- 22. If elect to acidize the well: MIRU single pump truck, acid bulk truck with 500 gallons 15% NEFE HCL. Test lines at 6,150# prior to pumping. Establish injection into perforations with produced water. After injection is established, bullhead 500 gallons of 15% NEFE HCL and over displace by 5 bbls. Record acid job on chart and record ISIP, 5", 10" & 15" SIP's. RDMO acid equipment.
- 23. Swab in well as necessary and flow test Lower Dakota. Catch produced water samples (if present) after load water is recovered. Report rates and pressures to Chris Clark. Based upon flow test results, plugback or frac as directed.

Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires March 31, 2007

5. Lease Serial No. **NMSF-077952**

SHNDBA	NOTICES	AND	REPORTS	ON	WELLS
SUNURI	NULLES	ANU	REPURIS	UNIV	VVELLO

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

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE -	Other instructions	s on reverse side		7. If Unit or Ca	A/Agreement, Name and/or No
1. Type of Well Oil Well X Gas Well Other 2. Name of Operator				8. Well Name a	
XIO Energy Inc.				9. API Well No).
3a. Address		3b. Phone No. (include are	a code)	30-045-325	184
2700 Farmington Ave., Bldg, K. Ste	1 Farmington,	505-324-1090			Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey)	Description)			BASIN DAKO	TA
2,395' FNL & 995' FWL					
SEC. 23, T27N, R10W				11. County or	Parish, State
				SAN JUAN	NM
12. CHECK APPROPRIATE	BOX(ES) TO INI	DICATE NATURE OF N	IOTICE, REF	PORT, OR OT	HER DATA
TYPE OF SUBMISSION		TYF	E OF ACTION		
X Notice of Intent	Acidize	Deepen	Production	on (Start/Resume)	Water Shut-Off
·	Alter Casing	Fracture Treat	Reclamat	ion	Well Integrity
Subsequent Report	Casing Repair	New Construction	Recompi	ete	X Other MORRISON
Final Abandonment Notice	Change Plans	Plug and Abandon	Tempora	rily Abandon	TEST
	Convert to Inject	ion Plug Back	Water Di	sposal	
13 Describe Proposed or Completed Operation (clear	ly state all pertinent deta	ails including estimated starti	ng date of any n	roposed work and	approximate duration thereof

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/BlA. 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 test the Morrison interval to determine if productive. If deemed that the Morrison is productive, XTO will apply for a non-standard location. If deemed the Morrison is non-productive, XTO will plug back the Morrison interval and complete in the Dakota as per the attached procedure.

CONDITIONS OF APPROVAL Adhere to previously issued stipulations.

14. I hereby certify that the foregoing is true and correct Name (Printed Typed) HOLLY C. PERKINS	Title REG	GULATORY COMPLIANCE TECH
Kally Clarkes	Date 5/18,	/2005
	L OR STATE	OFFICE USE
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject lewhich would entitle the applicant to conduct operations thereon.	or 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.

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