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Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR

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

DIST. B

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| SUNDRY NOTICES Do not use this form for pabandoned well. Use Forn SUBMIT IN TRIPLICATE - 0 | 5. Lease Serial No. NMSF-077941 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. | | | |
|--|---|---|--|--|
| 1. Type of Well Oil Well X Gas Well Other 2. Name of Operator XTO Energy Inc. 3a. Address 2700 Farmington Ave., Bldg. K. Ste 4. Location of Well (Footage, Sec., T., R., M., or Survey I. 990' FSL & 790' FEL SEC. 5P-T27N-R | Description) | 3b. Phone No. (<i>include ar</i> 505-324-1090 | rea code) | 8. Well Name and No. CA MCADAMS C #1 9. API Well No. 30-045-06790 10. Field and Pool, or Exploratory Area BASIN DAKOTA 11. County or Parish, State SAN JUAN NM |
| 12. CHECK APPROPRIATE | BOX(ES) TO IN | DICATE NATURE OF | | |
| TYPE OF SUBMISSION | | TYI | PE OF ACTION | |
| Subsequent Report Subsequent Report Final Abandonment Notice 13. Describe Proposed or Completed Operation (clearly If the proposal is to deepen directionally or recomp Attach the Bond under which the work will be per following completion of the involved operations. I testing has been completed. Final Abandonment Metermined that the final site is ready for final inspect XTO Energy Inc. intends to recomp attached plat. Will Submit New York Will Submit New | plete horizontally, give softermed or provide the f the operation results Notices shall be filed oction.) Plete to the Kut | ails, including estimated startisubsurface locations and mea Bond No. on file with BLM in a multiple completion or rally after all requirements, in the Ez Gallup per the a | Reclamation X Recomplete Temporarily Water Dispo ing date of any propusured and true vertication in a necluding reclamation attached processing the processing date of any propusured and true vertication in a necluding reclamation | Abandon ossal oosed work and approximate duration thereof ical depths of all pertinent markers and zones besequent reports shall be filed within 30 day we interval, a Form 3160-4 shall be filed once, have been completed, and the operator have been completed. Please see also the |
| 14. I hereby certify that the foregoing is true and correct Name (Printed Typed) LORRI D. BINGHAM LORRI D. BINGHAM | | Title REGUL Date 1/17/07 | ATORY COMPLIA | NCE TECH |
| | | DERAL OR STATE OF | FICE USE | |
| Approved by | | Title | | Date |

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.

Office

Original Signed: Stephen Mason

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.

Approved:

AFE # / Acct Code:

651919 /70699

Prod. Csg:

4-1/2", 10.5#, J-55 csg @ 6,480'.

PBTD:

6,443'

Tbg:

201 JTS 2-3/8", 4.7#, J-55 EUE-8RD

Perfs:

DK perfs 6,273'-6,406' (TTL 102 PERFS)

Status:

0.25 BOPD, 0.5 BWPD, 60 MCFD, 31 psig FTP, 62 psig SICP

(Plunger Lift).

- 1. Set 3 400 bbl frac tnks & 1 flowback tnk. Fill frac tnks w/2% KCl wtr one tank w/paraffin inhibitor. **NOTE:** Have frac co. test wtr for compatibility prior to frac. Add biocide, scale inhibitor to all tnks.
- 2. Find and test anchors. MIRU PU. Blow down and kill well as necessary. ND tree and NU BOP. GIH and tag for fill. Report any fill to Mike Logan. TOH tallying, visually inspect 206 jts 2-3/8", 4.7#, J-55, EUE, 8RD tubing, SN, & NC.
- 3. Round trip a 4-1/2" casing scraper to +/- 6,000' with production tubing. PU and TIH w/ CIBP to +/-6,000'. Set CIBP @ +/- 6,000' (check to ensure the CIBP is not set in csg collar). Load and pressure test well w/ treated 2% KCl wtr to 500 psi for 5 minutes. Record PT on chart. TOH w/ tubing.
- 4. MIRU WL. GIH with GR/CBL/CCL to +/- 6,000' and log from 6,000' to surface. Correlate with Welex Induction/GR log dated 04/08/64. POH with GR/CBL/CCL.
- 5. Perf Gallup w/3-1/8" select-fire csg gun loaded w/Owen HSC-3125-302 charges or equivalent performance charges (10 gm, 0.34" EHD, 21.42" pene.) 1 JSPF @ 5,800', 5,794', 5,788', 5,746', 5,732', 5,720', 5,700', 5,692', 5,674', 5,652', 5,648', 5,644', 5,630', 5,624', 5,610', 5,572', 5,550', 5,546', 5,542' (ttl 19 0.34" holes). POH w/ csg gun. RDMO WL.
- 6. Tally, PU, and TIH w/ Baker A-3 Lock-set packer (or equivalent), 2 jts of 2-3/8" 4.7# N-80 buttress tbg, XO, XTO's 2-7/8", 6.4#, BSS8, N80 workstring to +/-5,400'. ND and remove BOP. MU 15K frac stack on 2-7/8" workstring and set packer @ +/-5,400' w/ full string weight down on packer. NU 15K frac stack and pressure test TCA to 500 psi. RDMO PU. Note: Have 2-7/8" 8RD box x 2-7/8" BSS8 pin XO on location to MU tubing to frac vlv.
- 7. MIRU acid equip.
- 8. Test lines at 7,500# prior to pumping. BD perfs. EIR w/2% KCl wtr. Switch to acid. Acidize Gallup perfs fr/5,542'-5,800" w/1,000 gals 15% NEFE HCl acid (FE control,

surfactant, non-emulsifier, & CI additives) + 29 - 7/8" green Biosealers. Flush acid to 5 bbls past btm perf w/43 bbls 2% KCl wtr. Pump flush @ ± 8.0 BPM. Record ISDP, 5", 10" & 15" SIP's. RDMO acid trks. Surge balls off perforations. Wait a minimum of 6 hours to allow bio-balls to dissolve.

- 9. MIRU Halliburton frac equip & CO2 transports.
- 10. Have TCA loaded w/ KCl wtr and a 3" relief line hardpiped from the casing valve to the flowback tank in as straight a path as possible. Leave the casing valve open throughout job and monitor the flowback tank for returns.
- 11. Frac Gallup perfs fr/5,542' 5,800' down 2-7/8" workstring w/60,000 gals 50Q CO2 Purgel III LT CO2 Foam Frac fluid (zirconium XL w/ GasPerm 1,000 Service, 25# guar gel, 2% KCl wtr) carrying 120,000# sd (102,000# 20/40 Ottawa sd + 18,000# 20/40 Super LC resin coated sd). Stage flush when there's a 2.0 ppg drop in sd concentration @ the in-line densiometer. Flush w/ 1,324 gals 50Q CO2 foamed frac fluid (2.0 bbls short of top perforation). Pmp frac @ 25 BPM. Estimated STP is 5,800 psig, MaxTP @ 7,500 psig. Frac schedule:

| Stage | Stage Clean | Fluid | Stage Proppant | Cum |
|---------|-------------|-----------------|----------------------|----------|
| | Vol. | | | Proppant |
| Pad | 10,000 gals | 50Q XL foam | 0# | 0# |
| 1.0 ppg | 8,000 gals | 50Q XL foam | 8,000# 20/40 Ottawa | 8,000# |
| 2.0 ppg | 14,000 gals | 50Q XL foam | 28,000# 20/40 Ottawa | 36,000# |
| 3.0 ppg | 22,000 gals | 50Q XL foam | 66,000# 20/40 Ottawa | 102,000# |
| 3.0 ppg | 6,000 gals | 50Q XL foam | 18,000# 20/40 SLC | 120,000# |
| Flush | 1,324 gals | 50Q linear foam | 0# | 120,000# |

Record ISIP & 5" SIP's. SWI. RDMO frac equip. Leave well SI minimum of 4 hrs to allow RCS to set.

- 12. OWU on 1/8" ck. Have larger ck sizes available. Adjust ck size as needed to unload well w/o bringing excessive sd back. Flow back until sd & CO2 cleans up. SWI.
- 13. MIRU PU. MI 6,100' of 2-3/8" 4.7#, J-55, EUE, 8rd tbg.
- 14. Blow well dwn. Kill well w/2% KCl wtr. RD frac stack. NU BOP. Unset PKR, TOH and LD workstring and PKR.
- 15. MIRU AFU. TIH w/NC, SN & 2-3/8" tbg. Tag fill.

- 16. CO frac sd fill to CIBP @ 6,000'. TOH, LD excess tbg. Land EOT @ +/- 5,660'
- 17. ND BOP. NU WH.
- 18. Flow tst min 3 hrs on fixed choke for IP tst. Record liq vols, FTP, SICP & choke size. Report results to Mike Logan.
- 19. RDMO PU.
- 20. The Gallup will be produced by itself for 1month before being commingled with the Dakota production to obtain DHC percentages.
- 21. MIRU PU. MI 24 jts of 2-3/8" tbg.
- 22. Kill well w/2% KCl wtr. NU WH, NU BOP. TOH 2-3/8" tbg, SN, & NC.
- 23. TIH w/3-7/8" bit, XO, 4 3-1/8" DCs, XO on 2-3/8" tbg. CO frac sd fill & DO CIBP @ 6,000' w/ AFU.
- 24. CO frac sd fill to 6,443' PBTD, Circ well clean. TOH and LD BHA.
- 25. TIH w/NC, SN, & ±201 jts 2-3/8" 4.7#, J-55, EUE, 8rd tbg. Land EOT @ 6,338'.
- 26.RU swab tls. Swab well until well KO.
- 27.SWI. RDMO PU.

Regulatory Requirements

DHC

Recompletion approval for Gallup

Services

AFU
WL truck to perf & set plug
Acid equip
Halliburton frac equip
Praxair CO2 & equip

Equipment List

3 – 400 bbl frac tnks 1 flowback tnk 3-7/8" bit One (1) 5-1/2" CIBP 4-3-1/8" DC's 2-7/8" 6.4# N-80 DSST frac strg One (1) 15,000# WP frac stack 6,400' 2-3/8" 4.7#, J-55, EUE, 8rd tbg