

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

| | | |
|---|--|--|
| 1 Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5 Lease Serial No NOO-C-14-20-3618 |
| 2 Name of Operator XTO ENERGY INC. | | 6 If Indian, Allottee or Tribe Name 2007 AUG 2 2 PM 11 35 NAVAJO NATION ALLOTTEE |
| 3a Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, | 3b Phone No (include area code) 505-324 1090 | 7 If Unit or CA/Agreement, Name and/or No SWD 4295 |
| 4 Location of Well (Footage, Sec, T, R., M, or Survey Description) 1500' FNL & 1500' FEL SEC 15G-T25N-R11W | | 8 Well Name and No CANYON #7E |
| | | 9 API Well No 30-045-29710 |
| | | 10 Field and Pool, or Exploratory Area BASIN DAKOTA |
| | | 11 County or Parish, State SAN JUAN NM |

12 CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input checked="" type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> 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 recompleate 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 recompleation 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. intends to recomplete this well to the ~~lower~~ ^{lower} Bisti Gallup pool per the attached procedure. Also, please see the attached plat.

RCVD AUG 7 '07
OIL CONS. DIV.

DIST. 3

| | | |
|--|-------|--|
| 14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) LORRI D. BINGHAM | | Title REGULATORY COMPLIANCE TECH |
| | | Date 8/1/07 |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | |
| Approved by Original Signed: Stephen Mason | Title | Date AUG 02 2007 |
| 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 | | |
| 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

NMOCB B

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
Fee Lease - 3 Copies
State Lease - 4 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|--|--|
| ¹ API Number 30-045-29710 | ² Pool Code 05890 | ³ Pool Name Bisti LOWER BISTI GALLUP |
| ⁴ Property Code 22669 | ⁵ Property Name CANYON | ⁶ Well Number #7E |
| ⁷ OGRID No. 5380 | ⁸ Operator Name XTO Energy, Inc. | ⁹ Elevation 6342' |

¹⁰ Surface Location

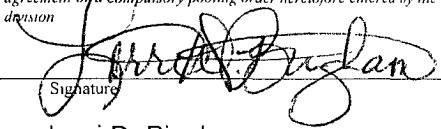
| | | | | | | | | | |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| G | 15 | 25N | 11W | | 1500 | NORTH | 1500 | EAST | RIO ARriba |

¹¹ Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| | | | | | | | | | |

| | | | |
|---|------------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres GP 80 ac | ¹³ Joint or Infill I | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|------------------------------------|----------------------------------|-------------------------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | | | | | |
|--|--|--|--|--|---|
| | | | | | ¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true & complete to the best of my knowledge & belief and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division  Signature Lorri D. Bingham Printed Name Regulatory Compliance Tech Title 7/10/07 Date |
| | | | | | ¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true & correct to the best of my belief 6/23/1984 Date of Survey Original Survey Signed By John A. Vukonich 14831 Certificate Number |

Canyon #7E
Unit G, Sec 15, T 25 N, R 11 W
San Juan County, New Mexico

RL
OAP (Gallup), DHC, & PWOP

Surf csg: 8-5/8", 24#, J-55, ST&C csg @ 331'. Cmt w/225 sx, circ to surf.

Prod csg: 4-1/2", 10.5#, J-55, ST&C csg @ 6,142'. DV tl @ 2,571'. PBD @ 6,090'.

Cement: Cmt 1st stage w/835 sx Class 'H' cmt. Circulated cmt to surface. Cmt 2nd stage w/600 sx Class 'H' cmt. Circulated cmt to surface.

Tbg: 181 jts 2-3/8", 4.7#, J-55, EUE, 8rd tbg, SN, 1 jt 2-3/8" tbg, & NC. EOT @ 5,793', SN @ 5,760'.

Perforations: DK: 5,783' – 5,790' & 5,803' – 5,817' (1 JSPF, 45 holes)

Completion Procedure

- 1) MI & set 3 - 400 bbl frac tanks and fill with 2% KCl water. Set flowback tank.
- 2) MIRU PU.
- 3) Blow well down and kill well with 2% KCl water.
- 4) ND WH. NU and pressure test BOP.
- 5) TOH with BHA. TIH with 3-7/8" bit and scraper, SN and 2-3/8" tbg. CO fill to 5,500'. Report any tight spots in the casing to Brock Hendrickson. TOH with 2-3/8" tbg and bit and scraper.
- 6) TIH and set a 4-1/2" CBP at $\pm 5,400'$. Blow down well. Load casing with 2% KCl water. Pressure test CBP to 3000 psig. Release pressure. RDMO PU.
- 7) MIRU wireline truck. RU full lubricator. Correlate with the Canyon Federal #7E Basin Well Logging GR/CCL Log dated 01/15/99.
- 8) Perf Gallup with 3-1/8" select fire csg gun with 1 JSPF (Owen HSC-3125-302, 10 gm charges, 0.32" dia., 14.3" penetration, 24 holes). POH with csg guns. RDMO WL truck.

Gallup Perfs

| Perf | CCL | Perf | CCL | Perf | CCL | Perf | CCL | Perf | CCL |
|--------|-----|--------|-----|--------|-----|--------|-----|--------|-----|
| 4,978' | | 4,886' | | 4,848' | | 4,829' | | 4,779' | |
| 4,977' | | 4,884' | | 4,842' | | 4,828' | | 4,749' | |
| 4,967' | | 4,861' | | 4,839' | | 4,798' | | 4,747' | |
| 4,895' | | 4,855' | | 4,834' | | 4,797' | | 4,744' | |
| 4,893' | | 4,853' | | 4,832' | | 4,796' | | | |

- 9) MIRU acid and pump truck. BD Gallup perfs from 4,744'-4,978' and EIR with 2% KCl water. Acidize with 1200 gals of 15% NEFE HCl and 36 BS at 10 BPM down tbg. **Max CP 3,000 psig.** Flush with 3,450 gals 2% KCl water (3 bbls over flush). Record ISIP, 5", 10" and 15" SIP's. RDMO acid and pump truck.

- 10) TIH with junk basket to 5,050' to knock off BS. TOH with junk basket. RDMO WL.
- 11) MIRU Stinger WH isolation tool. MIRU Halliburton and CO2 frac equip. Frac Gallup perms from 4,744'-4,978' down 4-1/2" csg at 35 BPM with 60,000 gals 70Q, CO2 foamed, 20# XL gelled, 2% KCl water (Pure Gel III) carrying 95,000# 20/40 Ottawa sand and 32,000# 20/40 Super LC RC sand. Do not exceed 3,000 psig. Flush with 2,550 gals 70Q, CO2 foamed linear gel followed by 500 gals linear gel (3 bbls under flush). Record ISIP, 5", 10" and 15" SIP's.

GALLUP SCHEDULE

| Stage | BPM | Fluid | Total Vol Gal | Vol CO2 | Prop Conc | Prop |
|--------------|-----|---|---------------|---------------------|-----------|------------------------|
| Pad | 35 | 20# 70Q XL foam | 12,000 | 37 ton | | |
| 2 | 35 | 20# 70Q XL foam | 12,000 | 37 ton | 1 | 12,000# 20/40 Ottawa |
| 3 | 35 | 20# 70Q XL foam | 10,000 | 30 ton | 2 | 20,000# 20/40 Ottawa |
| 4 | 35 | 20# 70Q XL foam | 9,000 | 27 ton | 3 | 27,000# 20/40 Ottawa |
| 5 | 35 | 20# 70Q XL foam | 9,000 | 27 ton | 4 | 36,000# 20/40 Ottawa |
| 6 | 35 | 20# 70Q XL foam | 8,000 | 24 ton | 4 | 32,000# 20/40 Super LC |
| Flush | 35 | 20# 70Q XL foam | 2,550 | 8 ton | | |
| Flush | 20 | 20# linear gel | 500 | | | |
| Total | | 95,000# 20/40 Ottawa 32,000# 20/40 Super LC | | 190 tons CO2 | | |

- 12) SWI 4 hrs. RDMO Stinger WH isolation tool. RDMO Halliburton and CO2 frac equip. Flow back well thru a choke manifold to flowback tank. Start with 8/64" ck. Increase choke size as appropriate.
- 13) Set a C-160-200-74 pumping unit (min ECB 16,300 lbs) with jack shaft and C-96 engine.
- 14) DO NOT DHC UNTIL BASIN DAKOTA/LOWER BISTI GALLUP DHC APPLICATION IS APPROVED BY BLM AND NMOCD.**
- 15) MIRU PU.
- 16) ND WH. NU and pressure test BOP.
- 17) Upon well loading up, BD well and kill with 2% KCl water, if required.
- 18) MIRU air/foam unit. TIH with 3-7/8" mill, SN and 2-3/8" tubing. CO to CBP at 5,400'. DO CBP @ 5,400'. CO to 6,090' (PBTD). Circulate wellbore clean. RDMO air/foam unit.
- 19) TOH with tubing and mill. Lay down mill. TIH with 4-1/2" x 2-3/8" TECH TAC, 30' x 2-3/8" OEMA with 3/16" weep hole, SN, and 2-3/8" tubing to surface. Land tbg @ ±5,906', SN @ ±5,850', TAC @ ±5,907'. ND BOP. NU WH.
- 20) RU swab. Swab well until clean fluid is obtained.
- 21) TIH with 2" x 1-1/4" x 14' RWAC-DV pump with 3/4" strainer nipple, spiral rod guide, 40K shear off tool, 1" x 1' lift sub, 6 – 1-1/4" grade 'C' sinker bars, 150 – 3/4" grade 'D' rods, and 78 - 7/8" grade 'D' rods to surface.
- 22) Space out pump. HWO.

23) Load tubing and check pump action.

24) RDMO PU.

25) Start well pumping at 5 SPM and 64" SL. **DO NOT EXCEED 64" STROKE LENGTH.**

26) Report rates and pressures to Brock Hendrickson.

Regulatory:

1. Obtain approval to DHC the Dakota and Gallup formations.
2. Submit sundry to OAP in the Gallup formation.

Equipment:

1. 30' x 2-3/8" OEMA with 3/16" weep hole, and 4-1/2"x2-3/8" TECH TAC.
2. Lufkin C-160-200-74 with jack shaft and C-96 engine.
3. 2" x 1-1/4" x 14' RWAC-DV pump with 3/4" strainer nipple, spiral rod guide, 40K shear off tool, 1" x 1' lift sub, 6 – 1-1/4" grade 'C' sinker bars, 150 – 3/4" grade 'D' rods, and 78 - 7/8" grade 'D' rods