

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO 1004-0137
Expires July 31, 2010

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.

RECEIVED
MAY 09 2008
Bureau of Land Management
Fairington Field Office

5. Lease Serial No.
NMSR-078019
6. Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1 Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator

XTO ENERGY INC.

3a Address

382 CR 3100 AZTEC, NM 87410

3b. Phone No. (include area code)

505-333-3100

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)

1460' FNL & 1160' FWL SEC 12-T27N-R11W

7 If Unit or CA/Agreement, Name and/or No

8 Well Name and No

EH PIPKIN #12E

9 API Well No

30-045-23783

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

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☒ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 recompleate this well to the Kutz Gallup formation. Please see the attached procedure & C-102.

RCVD MAY 13 '08

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

Signature

Date 5/8/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

MAY 12 2008

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.

NMUCD

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

RECEIVED
MAY 09 2008
Bureau of Land Management
Farmington Field Office

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 30-045-23783	² Pool Code 36550	³ Pool Name Kutz Gallup Oil
⁴ Property Code 22853	⁵ Property Name EH PIPKIN	⁶ Well Number #12E
⁷ OGRID No. 5380	⁸ Operator Name XTO Energy, Inc.	⁹ Elevation 5956'

¹⁰ Surface Location

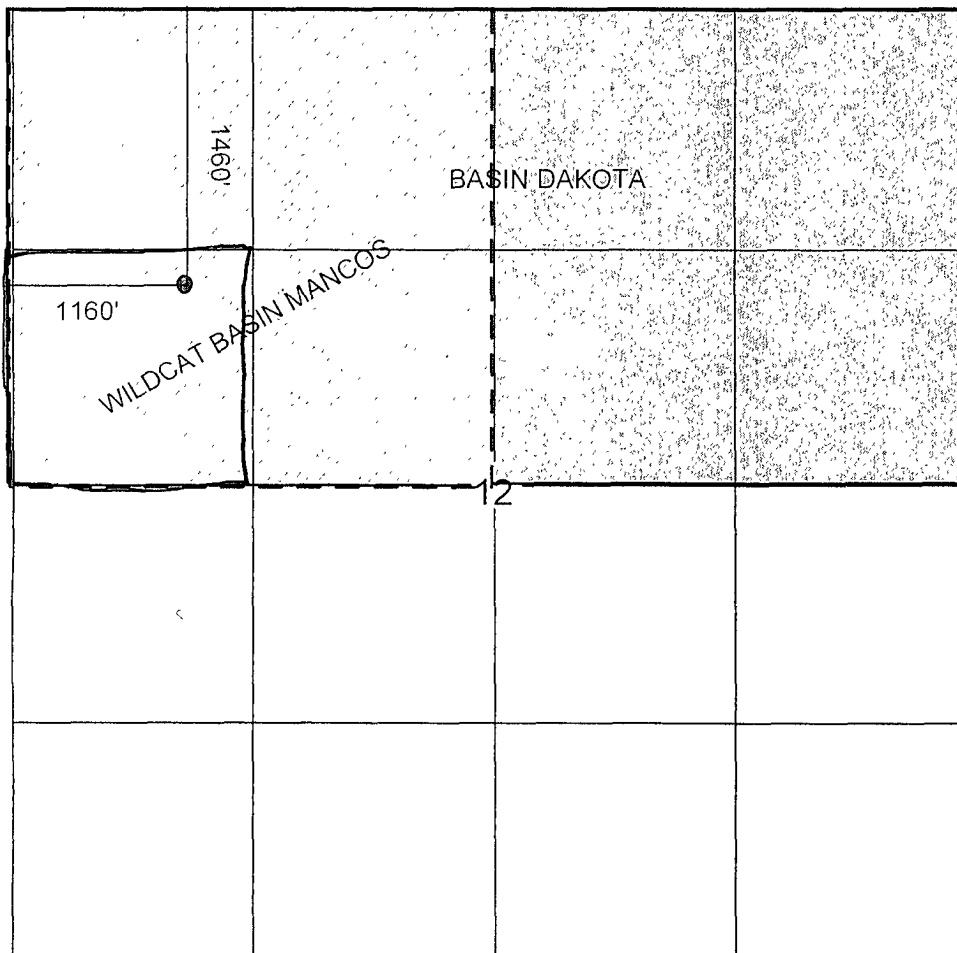
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	12	27N	11W		1460'	NORTH	1160'	WEST	SAN JUAN

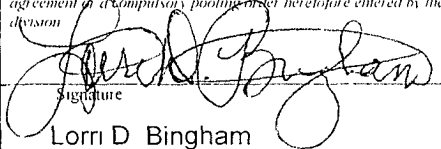
¹¹ Bottom Hole Location If Different From Surface

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 DK 320 611P 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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 released 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 5/8/08 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 MARCH 21, 2000 Date of Survey Original Survey Signed By NEALE C. WEWARDS 6857 Certificate Number

E.H. Pipkin #12E
Unit E, Sec 12, T27N, R11W
San Juan County, New Mexico

~~AK~~ *Kutz*
OAP: GALLUP

AFE#/Well#: ~~AK~~ **GP:** 714204 / 79298
Formation: Kutz Gallup
Prod. Csg: 4-1/2", 10.5#, K-55, ST&C csg @ 6,454'
PBTD: 6,390'
Tubing: 214 jts 2-3/8", 4.7#, J-55, EUE, 8rd tbg, SN & NC. EOT @ 6,323'.
Perfs: **DK:** 6,290' – 96', 6,302' – 07' & 6,312' – 13' w/1 JSPF (15 Holes)

Gallup Completion Procedure

1. MIRU PU. MI ± 2 jts 2-3/8", 4.7#, J-55, EUE, 8rd tbg. ND WH. NU BOP.
2. PU & TIH w/2-3/8" tbg. Tg for fill. Report any fill to Matthew Phillips. TOH w/prod tbg. Retrieve plngr & BHBS.
3. TIH w/3-7/8" bit and csg scraper. CO to PBTD @ 6,390'. TOH. LD w/tbg. RDMO PU.
4. MIRU WL and mast trucks. Run GR/CCL/CBL from PBTD to 100' above TOC. Please contact engineer for possible remedial work before proceeding. Correlate depth with Schlumberger Compensated Neutron log dated Feb. 22, 1980.
5. RIH w/4-1/2" CBP. Set CBP @ $\pm 6,000'$ (Do not set in collars). POH w/WL.
6. ND BOP. Install 5,000 psig WP frac vlv. PT CBP to 3,000 psig.
7. MI 3 – 400 bbl frac tanks & 1 flow-back tank. Fill 3 frac tanks w/2% KCl water.
8. Perf Gallup w/3-1/8" csg gun w/1 JSPF with Owen HSC-3125-302 or equivalent performance charges (10 gm, 0.34" dia., 21.42" penetration). Total 29 holes. POH w/csg gun.

Gallup Perfs - 29 holes				
5,796'	5,741'	5,673'	5,642'	5,579'
5,793'	5,737'	5,670'	5,639'	5,561'
5,752'	5,687'	5,660'	5,601'	5,559'
5,749'	5,683'	5,658'	5,598'	5,495'
5,746'	5,679'	5,650'	5,583'	5,492'
5,743'	5,676'	5,646'	5,581'	

9. MIRU acid ppg equip. BD perms w/2% KCl water and EIR. Acidize w/1,500 gals 15% NEFE HCl acid and 45 – 7/8" 1.1 SG RCN BS at 10 BPM (get as much rate as possible w/acid truck) down 4-1/2" csg. Max TP 3,000 psig. Flush w/4,010 gals 2% KCl water (over flush 3 bbls past btm perf). Record ISIP, 5", 10" and 15" SIPs. RDMO acid ppg equip.
10. RIH w/JB to 6,100'. POH w/JB. RDMO WL & mast trucks.
11. MIRU Halliburton frac and CO₂ equipment.
12. Frac Gallup down 4-1/2" csg at 35 BPM with 51,000 gals 70Q CO₂ foamed, 20# XL gelled, 2% KCl water (Puregel III) carrying 104,000# 20/40 sand (84,000# 20/40 BASF sand and 20,000# 20/40 SLC RC sand). Max TP 3,000 psig. Flush 3,053 gals w/70Q CO₂ foamed linear gel wtr & unfoamed linear gel wtr (cut CO₂ & pmp 500 gal unfoamed linear gel wtr cap). Est 167 tons CO₂ downhole. Record ISIP, 5", 10" and 15" SIP's.

Gallup Schedule					
Stage	BPM	Fluid	Foam (Gal)	Prop	Cum. Prop
Pad	35	20# 70Q XL foam	10,000		
1 ppg	35	20# 70Q XL foam	10,000	10,000# 20/40 BASF	10,000#
2 ppg	35	20# 70Q XL foam	10,000	20,000# 20/40 BASF	30,000#
3 ppg	35	20# 70Q XL foam	10,000	30,000# 20/40 BASF	60,000#
4 ppg	35	20# 70Q XL foam	6,000	24,000# 20/40 BASF	84,000#
4 ppg	35	20# 70Q XL foam	5,000	20,000# 20/40 SLC	104,000#
Flush	35	20# 70Q foam	3,053		
Flush	35	20# Linear Gel	500		
TOTAL		51,000 Gal Foam	84,000# 20/40 BASF	20,000# 20/40 SLC	

13. SWI 4 hrs. RDMO Halliburton frac and CO₂ equip.
14. RU integrated flowline to flowback tnk. OWU on 1/4" ck. Have larger ck sizes available. Adjust ck size as needed to unload well w/o bringing back excessive sand. Flow back until sand & CO₂ clean up. SWI. RD flowline.
15. MIRU PU. ND WH. NU BOP.
16. PU & TIH w/4-3/4" bit, 2-3/8" tbg. Tag for fill.
17. MIRU AFU.
18. CO to CBP @ ±6,000'. **DO NOT DO CBP @ ±6,000'.**
19. TOH w/tbg & BHA.
20. TIH w/2-3/8" x 30' OEMA w/weep hole and pin, SN, ±16 jts 2-3/8" tbg, 2-3/8" x 4-1/2" TECH TAC, ±164 jts 2-3/8" tbg & tbg subs as needed. Land tbg as follows: EOT @ ±5,900', SN @ ±5,870', TAC @ ±5,350'.

21. ND BOP. NU WH. Swab until fluid is clean with no solids. TIH and tag for fill. Land tbg back in prior location.
22. TIH w/2" x 1-1/4" x 14' RWAC-Z(DV) pump w/strainer nip, spiral rod guide, lift sub, 1 – 1-1/4" sbs, 21K shear tl, 5 – 1-1/4" sbs, 3 – 7/8" Grade 'D' rods w/5 molded guides per rod, ±158 – 3/4" Grade 'D' rods, ±70 – 7/8" Grade 'D' rods, 1-1/4" x 22' PR w/1-1/2" x 10' liner. Space pump w/7/8" rod subs.
23. Install rod rotator.
24. Install Enviro-pack stuffing box.
25. Load tbg and PT tbg to 500 psig. Rel press. LS pump w/rig and press tbg to check PA.
26. Clamp rods off. RDMO PU.
27. MI and set concrete base and Lufkin C-160D-200-74 ppg unit w/either C-96 or Daihatsu 31 hp gas engine. Confirm preferred engine type with production foreman.
28. Sheave ppg unit so ppg @ 4 x 65.5" SPM. (**NOTE:** 2nd crank hole) SPM can be increased or decreased pending liquid production.
- 29. Test the Gallup formation for 30 – 60 days to determine the allocations to be used.**
30. MIRU PU.
31. TOH w/rods & pmp.
32. ND WH. NU and pressure test BOP.
33. BD well and kill well with 2% KCl water.
34. TOH w/tbg & BHA.
35. MIRU air/foam unit. TIH w/4-3/4" bit, XO, SN & 2-3/8" tubing. CO to CBP at 6,000'. DO CBP at 6,000'. CO to PBTB @ 6,390'. RDMO air/foam unit.
36. TOH w/bit & BHA.
37. TIH w/2-3/8" x 30' OEMA w weep hole & pin, SN, 7 jts 2-3/8" tbg, 5-1/2" TECH TAC w/40K shear, ±188 jts 2-3/8" tbg. TAC @ 6,100'. SN @ 6,320'. EOT @ 6,350'.
38. ND BOP. NU WH.
39. TIH w/2" x 1-1/4" x 14' RWAC-Z (DV) EPS pmp, 1" x 1' strn nip, spiral rod guide, 1" x 1' LS, 1-1/4" sb, 21K shear tl, 5 - 1-1/4" sbs, 3 – 7/8" rods w/5 molded guides per rod, 174 - 3/4" rods, 70 - 7/8" rods, 7/8" rod subs as needed & 1-1/4" x 22" PR w/10' lnr.
40. Load tbg. PT tbg to 500 psig. Release pressure. Check pump action of pmp to the rig pit.

41. Start the pmp unit at 4 x 65.5" SPM (will move an estimated volume of 27 bbls of fluid). The SPM can be increased or decreased pending fluid production.
42. RDMO PU.
43. Report rates and pressures to Matthew Phillips.

Regulatory Requirements:

1. Notice of intent
2. IP test from flowback for C-104
3. DHC approval pending testing of Gallup formation

Equipment List:

4-1/2" CBP
3 – 400 bbl frac tanks
1 flow back tank
±2 jts 2-3/8", 4.7#, J-55, EUE, 8rd tbg
3-7/8" bit
2-3/8" x 30' OEMA w/weep hole and pin
4-1/2" x 2-3/8" TECH TAC
2" x 1-1/4" x 14' RWAC-Z(DV) pump w/strainer nip
Spiral rod guide
Lift sub
Shear tl
6 – 1-1/4" SBs
3 – 7/8" Grade 'D' rods w/5 molded guides per rod
±174 – 3/4" Grade 'D' rods
±70 – 7/8" Grade 'D' rods
1-1/4" x 22' PR w/1-1/2" x 10' liner
7/8" rod subs
Enviro-pack stuffing box
Rod Rotator
Concrete ppg unit base
Lufkin C-160D-200-74 ppg unit (2nd crank hole @ 65.5" SL)
C-96 or Daihatsu 31 hp gas engine (confirm preferred engine w/production foreman)