Form 3160-5 (August 2007)

Approved by

Conditions of approval, if any, are attached

entitle the applicant to conduct oper

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

MAY 0 7 2008 Lease Serial No

Bureau of Land Ma MSF+080382A SUNDRY NOTICES AND REPORTS ON WELLS Farmington Fiel Cofficialian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 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 SCHWERDTFEGER #5 2 Name of Operator XIO Energy Inc. 9 API Well No 3b Phone No. (include area code) 3a Address 30-045-06372 505-333-3100 382 CR 3100 Aztec, NM 87410 10 Field and Pool, or Exploratory Area 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) KUTZ W. PICTURED CLIFFS 1650' FSL & 1650' FWL SEC 21K-T27N-R11W 11 County or Parish, State SAN JUAN NM CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION X Notice of Intent Açıdıze Deepen Production (Start/Resume) Water Shut-Off Well Integrity Alter Casing Fracture Treat Reclamation Subsequent Report New Construction Other FULL BODY Casing Repair Recomplete Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal 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.) XTO Energy Inc. intends to perform a full body makeover on this well per the attached procedure. RCUD MAY 27'08 GIL CONS. DIV. DIST. 3 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Title LORRI D.) BINGHAN REGULATORY COMPLIANCE TECH Signature Date 5/5/08 THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Title 18 U.S.C. Section 1001, and Title 18 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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the applicant holds legal or equitable title to those rights in the subject lease which would

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Approval of this notice does not warrant or certify that

Title

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# Schwerdtfeger # 5 Unit k, Sec 21, T 27 N, R 11 W San Juan County, New Mexico

## Full body Makeover

Surf csg: 9-5/8" csg @ 100'. Cmt w/100 sx cmt. Circ cmt to surf.

**Prod csg:** 5-1/2" 14# csg @ 1,914'. Cmt w/150 sx cmt. PBTD @ 1,971'.

**Tubing:** 1", EOT @ 1,950'.

**OH Interval: PC** FR/1,914' - 1,971'

#### **Recompletion of Pictured Cliffs**

- 1) Locate and test rig anchors. Install new rig anchors if necessary.
- 2) MI 2-400 bbl frac tanks and 1 flow back tank
- 3) MIRU PU. ND WH. NU BOP.
- 4) TOH & LD 1" tbg. DO NOT TIH w/1" TBG TO TAG FOR FILL.
- 5) RIH & set RBP on 2-7/8" tbg @ 300'. PT RBP to 200 psig. Rls press. LD 2-7/8" tbg. ND BOP.
- 6) NU WH. RDMO PU.
- 7) Cut off 8-5/8" and 5-1/2" casing head. Install new or reconditioned 8-5/8" x 5-1/2" slip and seal casinghead and 5-1/2" casing spool.
- 8) MIRU PU. ND WH. NU BOP.
- 9) TIH w/2-7/8" tbg & setting tl. TOH w/RBP.
- 10) Notify BLM and NMOCD of cementing operations, 24 hours prior to pumping cement.
- 11) NU BOP. PU and TIH with 4-3/4" bit, 8 3-1/2" DC's and 2-7/8" work string. RU AFU. Clean out openhole to 1,971'. Drill new hole from 1,971' - 2,200'.
- 12) Circulate hole with Gelled produced wtr.
- 13) TOH and lay down 2-7/8" tubing, DC's and bit.
- 14) RU casing crew and run 4", 10.46#, J-55, Ultra FJ casing as follows: (3.467 ID & 0.493 gal/ft)
  - Regular cement nose guide shoe
  - One joint 4", 10.46#, J-55 Ultra FJ casing
  - Float collar
  - 4", 10.46, J-55 Ultra FJ casing to surface

Place turbolizer 10' above the guide shoe using a stop ring. Place a 2nd turbolizer on the first collar above the float collar. Install centralizers on every eighth joint to surface (5-6 centralizers) as necessary.

With the casing 2' off bottom. RU the cementing head and circulate a minimum of two casing volumes. Circulate red dye to determine the volume of cement required.

- 15) MIRU Halliburton cmt crew and cement the production casing as follows: estb circ for 30 min using gelled FW
  - Cmt csg with 150 sx 50/50 Poz Premium w/0.2% CFR-3, 0.5% Halad(R)-344 & 0.125 lbm/sx Poly-E-Flake

Once cmt is seen at surface, cut cmt and pump the plug. Displace cmt w/26 bbls formation water (Bump plug to 500 psig over final displacement pressure). Do not over displace. Make sure to place retardants in the flow back tanks to help prevent the returns from setting up.

- 16) ND BOP's. Land 4" flush joint mandrel in casing spool. RDMO PU. WOC 24 hrs.
- 17) NU 5,000 psig WH frac valve. MIRU pump truck. Pressure test casing to 3,000 psig for 30 minutes. Record data on chart per NMOCD orders. Release pressure. RD pump truck.
- 18) MIRU Weatherford WL. Run GR/CCL/CBL from PBTD to 500'. Run PND from PBTD to 1,700' NOTE: If cement is circulated to surface, do not run CBL.
- 19) Perforate Pictured Cliffs w/2-1/8" spiral strip gun (STP-2125-401 NTX, 4 JSPF, 0.28" dia., 25.25" pene., *TBD* holes) perforation interval to be determined. RDMO WL. Note: Perforating interval may be adjusted based upon the results of the GR/RST log.
- 20) MIRU Halliburton acid, frac & N2 equipment. Acidize with 1,200 gals 15% HCl acid. Flush to be determined by perf interval (over displace by 3 bbl). Max treating pressure of 3,000 psig. Frac the Pictured Cliffs down 4" casing w/3,000# 12/20 brown sand and 4,745# FDP-S729-04 (PolyProp) carried by 19,000 gallons Delta 140 XL 70Q foam. The flush volume will be contingent on the perforation interval (under displace by 3 bbls).

Stage	ВРМ	Fluid System	Vol gals	Prop Conc	Prop	Sand Size
Load & Break	5	2% KCl wtr	TBD		_	_
Acid	10	15% NEFE HCI	1200	_		_
Acid Flush	10	2% KCl wtr	TBD		-	_
Pad	40	Delta 140 70Q Faom	8600	_		_
2	40	Delta 140 70Q Faom	1000	1	1000	12/20
Pad	40	Delta 140 70Q Faom	6000	_	_	_
4	40	Delta 140 70Q Faom	1000	2	2000	12/20
Pad	40	Delta 140 70Q Faom	6000	_	_	_
6	40	Delta 140 70Q Faom	36500	0.13	4745	FDP-S729-04
Flush	40	Delta 140 70Q Faom	TBD	_		

21) SWI till Halliburton is off location. RDMO frac crew. Open well to flowback tank. Increase ck size pending sd & wtr production.

#### **PWOP**

- 22) MI & set cmt pmp unit pad.
- 23) Set Churchill CH50-89-42 w/18 HP Kolher engine. (check w/foreman for the engine make)
- 24) MIRU PU.
- 25) ND WH. NU BOP.
- 26) Kill well w/produced water if needed.
- 27) PU & TIH W/NC, SN & ±66 jts 2-3/8" tbg w/slimhole collars. Tag for fill. CO if necessary w/BLR.
- 28) TIH w/30' x 2-3/8" OEMA w/weep hole and pin, SN, ±63 jts 2-3/8" tbg w/slimhole collars. Land EOT @ 2,080.
- 29) RU swb tls. Swb well till the fluid is clean with no solids.
- 30) TIH w/2" x 1-1/2" x 10' RHAC-Z (DV) pmp w/strainer nipple, spiral rod guide, RHBO tl, spiral rod guide, lift sub, 2 1-1/4" SB, ±79 jts 3/4" grade D rods, 16' x 1-1/4" PR w/8' x 1-1/2" liner.
- 31) Install Enviro-pack stuffing box.
- 32) Load tbg. PT tbg to 500 psig. Release pressure. Check pump action of pmp to the rig pit.
- 33) HWO. RDMO PU.
- 34) Start the pmp unit at 5 x 42" SPM. The SPM can be increased or decreased pending water production.

### Regulatory Requirements

1) Submit notice of intent to BLM of the full body makeover

#### Equipment

- 1) 2 Frac Tanks
- 2) Flowback Tanks
- 3) Air Foam Unit
- 4) 4-3/4" bit
- 5) XO
- 6)  $\pm$  58 jts 2-7/8" work string
- 7) RBP
- 8) 8-5/8" x 5-1/2" slip and seal casinghead and 5-1/2" casing spool
- 9) 8 3 1/2" DC's

- 10) 4", 10.46#, J-55, Ultra FJ casing
- 11) Regular cement nose guide shoe
- 12) Float collar
- 13) Churchill CH50-89-42
- 14) 18 HP Kolher engine
- 15) Cement Pad
- 16) NC
- 17) SN
- 18) ±66 jts 2-3/8" tbg w/slimhole collars
- 19) 30' x 2-3/8" OEMA w/weep hole and pin
- 20) 2" x 1-1/2" x 10' RHAC-Z (DV) pmp w/strainer nipple
- 21) spiral rod guide
- 22) RHBO tl
- 23) spiral rod guide
- 24) lift sub
- 25) 2 1-1/4" SB
- 26) ±79 jts 3/4" grade D rods
- 27) 16' x 1-1/4" PR w/8' x 1-1/2" liner
- 28) Enviro-pack stuffing box