· : Form <u>31</u>60-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

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

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CED A R 201 RMSF-077384

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.					llottee or Tribe Name	
SUBMIT IN TRIPLICATE - Other instructions on page 2					CA/Agreement, Name and/or No	
Type of Well Oil Well				8. Well Name KUTZ J FEI 9. API Well N	DERAL #2	
3a. Address 3b. Phone N			a code)	30-045-069		
382 CR 3100 AZTEC, NM 87410		505-333-3100	,	10. Field and Pool, or Exploratory Area		
4. Location of Well (Footage, Sec., T., R., M., or Survey 1 990' FNL & 1821' FEL NWNE Sec. 6	(B) -T27N-R10W	N.M.P.M. DICATE NATURE OF N	OTICE, REPO	II County of SAN JUAN RT, OR OTH	r Parish, State	
TYPE OF SUBMISSION		TYF	PE OF ACTION			
X Notice of Intent	Acidize	Deepen	Production	(Start/Resume)	Water Shut-Off	
Subsequent Report Final Abandonment Notice	Alter Casing Casing Repair Change Plans Convert to Injecti	Fracture Treat New Construction Plug and Abandon Plug Back	Reclamatio Recomplet Temporanl Water Disp	e y Abandon	Well Integrity X Other CSG SOZ	
13. Describe Proposed or Completed Operation (clearl 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. It testing has been completed. Final Abandonment If determined that the final site is ready for final inspection.	olete horizontally, give s rformed or provide the If the operation results in Notices shall be filed or	ubsurface locations and meas Bond No. on file with BLM/ in a multiple completion or re	sured and true ver BIA Required secompletion in a n	tical depths of a ubsequent repor new interval, a F	all pertinent markers and zones. Its shall be filed within 30 days form 3160-4 shall be filed once	

XIIO Energy Inc. proposes to do a casing squeeze on this well per the attached procedure.

RCVD SEP 10'08 OIL CONS. DIV. DIST. 3

 I hereby certify that the foregoing is true and correct Name (Printed/Typed) 		
DOLENA JOHNSON	Title REGULATORY CLERK	
Signature Dalena C Johnson	Date 09/05/2008	
THIS SPA	ACE FOR FEDERAL OR STATE OFFICE USE	
Approved by Original Signed: Stephe	en Mason Title	Date SEP 9 9 2003
Conditions of approval, if any, are attached Approval of this notice does the applicant holds legal or equitable title to those rights in the subject lea entitle the applicant to conduct operations thereon		

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.

Kutz J Federal #2 Unit B, Sec 6 T 27 N, R 10 W San Juan County, New Mexico

Squeeze Casing Procedure

XTO Energy proposes to squeeze the un cemented casing across the Mesaverde formation in this well per the following procedure.

- 1. MIRU PU.
- 2. ND WH. NU BOP.
- 3. Release packer. If unable to release packer, RIH with free point tool and determine free point. Cut off 2-3/8" tubing
- 4. Fish tubing and packer with overshot and grapple. If unable to fish, mill over packer and recover.
- 5. MIRU WL equipment. RIH with 5-1/2" CIBP and set at 4,800'. Pressure test casing and CIBP to 550 psig. If pressure test fails, the casing leak will be determined and BLM and New Mexico Oil Conservation office will be contacted to determine a course of action.
- 6. If weel passes pressure test. Perforate 4 squeeze holes at 4,400'. POH with casing gun. TIH with 5-1/2" packer and tubing to 4,350'. Breakdown and establish injection rate into squeeze holes. TOH with packer and tubing.
- 7. RIH with 5-1/2" CICR to 2,100'. Set CICR.
- 8. Perforate 4 squeeze holes at 2,000'. POH with casing gun. RDMO WL equipment.
- 9. TIH with 5-1/2" CICR stinger and 2-3/8" tubing. Establish circulation down tubing and up tubing casing annulus. Circulate trash out wellbore.
- 10. MIRU Cement equipment. Mix and pump 250 sx class "G" cement with 6% gel, 5#/sx Gilsonite (12.6 PPG and 2.04 Cuft/sx). Displace with 2,940 gals 2% KCL water. Sting out of CICR. TOH with 10 its tubing and reverse circulate out cement. TOH with tubing.
- 11. WOC 48 hours. TIH with 4-3/4" bit, SN and tubing. Tag cement. Drill out cement to CICR at 2,100'. Pressure test casing and squeeze hole at 2,000' to 550 psig. If the pressure test passes, DO CICR at 2,100'. TIH and tag cement. DO cement. Pressure test casing and squeeze holes at 4,400' to 550 psig for 30 minutes.
- 12. If pressure test fails, contact Loren Fothergill for instructions.
- 13. TIH and tag CIBP at 4,800'. DO CIBP. TIH and tag PBTD.
- 14. TOH with tubing, SN and bit. TIH with NC, SN and 2-3/8" tbg to 6,250'.
- 15. RDMO PU. Report rates and pressures to Loren W Fothergill.