

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.

REC-1111
MAR 09 2010

SUBMIT IN TRIPLICATE - Other instructions on page 12 of Land Management Farmington Field Office

| | | |
|--|---|---|
| 1 Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5 Lease Serial No NMSF-078896 |
| 2 Name of Operator XTO ENERGY INC. | | 6 If Indian, Allottee or Tribe Name |
| 3a Address 382 CR 3100 AZTEC, NM 87410 | 3b Phone No (include area code) 505-333-3100 | 7 If Unit or CA/Agreement, Name and/or No |
| 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 790' FNL & 790' FWL NWNW SEC.33 (D) -T27N-R11W N.M.P.M. | | 8 Well Name and No FEDERAL 33 #11 |
| | | 9 API Well No 30-045-24795 |
| | | 10 Field and Pool, or Exploratory Area KUTZ WEST PICTURED CLIFFS |
| | | 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 |
|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other ADD |
| | <input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> FRUITLAND COAL & |
| | <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal <input type="checkbox"/> PWOP |

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 recompleat 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 recompleat 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 add the Fruitland Coal zone to this well and then put the well on a pump per the attached procedure.

RCVD MAR 16 '10

OIL CONS. DIV.

DIST. 3

| | |
|--|---|
| 14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) TEENA M. WHITING | Title REGULATORY COMPLIANCE TECHNICIAN |
| Signature Teena M. Whiting | Date 3/8/2010 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------|---------------------|
| Approved by Original Signed: Stephen Mason | Title | Date MAR 10 2010 |
| 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.

RMOC 3/24/10

Federal 33 #11
Unit D, Sec 33, T 27 N, R 11 W
San Juan County, New Mexico

Add the Fruitland Coal and PWOP

AFE/ACCT #: 905204/97017

SURF CSG: 8-5/8", 24#, K-55, CSG @ 145'. CIRC CMT TO SURF.

PROD CSG: 4-1/2", J-55, CSG @ 1,901'. PBTD @ 1,850'

CAPACITY = 0.0159 BBLS/FT (0.0895 CUFT/FT)

BURST = 4,790 PSI (TREATING @ 80% = 3,832 PSI)

CEMENT: CMT'D W/ 275 SX CMT TAILED BY 100 SX CMT, TOC UNKNOWN.

PERFS: PICTURED CLIFF.

FR/1,768'-88' @ 2 JSPF

Workover Procedure

- 1) Install and test rig anchors. Comply with all New Mexico OCD, BLM and XTO safety rules and regulations. Conduct safety meeting for all personnel on location. MIRU daylight pulling unit.
- 2) MI 2 - 400 bbl frac tanks and 1 flow back tank. Fill the frac tanks with Fresh water. Note: Have frac company run preliminary fluid quality tests and add biocide.
- 3) ND WH. NU BOP and test the BOP.
- 4) TOH with BHA. LD 1" velocity string and send to yard.
- 5) PU 2-3/8", 4.7#, J-55 EUE tbg and round trip a 3-7/8" bit and 4-1/2" casing scraper to 1,760', not a wireline gauge ring.
- 6) TIH w/ 4-1/2" CBP and set @ 1,760'.
- 7) PT casing to 3,800 psig.
- 8) ND BOP. NU frac valve. RDMO PU.
- 9) RU WL and full lubricator.
- 10) Perf Lower Fruitland Coal @ 3 JSPF (Titan EXP-3323-361T, 22.7 gm, 120 deg phasing, 0.36" dia., 35.63" penetration, total 22 holes) or equivalent performance charges. POH with csg gun.

| PERF INTERVAL | CCL |
|---------------|-----|
| 1,726'-1,733' | |

- 11) Load & BD Lower Fruitland Coal perms from 1,726'-1,733' at a rate of 3 BPM with fresh water & gasperm down casing. Record the BD pressure and switch to acid at a rate of 3 BPM (will not be balling off this stage). Spearhead 500 gals of 15% NEFE HCl acid. Flush w/100 gals fresh water & gasperm to confirm good injection rate.
- 12) Frac the Lower Fruitland Coal perms from 1,726'-1,733' down casing at 30 BPM with 22,270 gals 70Q, N2 foamed 16# XL fld carrying 40,000# 20/40 BASF sand coated with Sandwedge. Max TP: 3,800 psi. Expected TP: 1,800 psi. After seeing a 2# drop on the blender densitometer, switch to tub bypass. Flush with 1,140 gals of fresh water & Gasperm at 15 BPM (just short of top perf). Shut down when the volume is 0 gals.

| Lower Fruitland Coal Schedule | | | | | | |
|-------------------------------|-----|------------------------|----------|-----------------|---------------|---------------|
| Stage | BPM | Fluid | Foam Vol | Clean Vol (gal) | Prop | Cum Prop |
| Water | 3 | Fresh water w/ gasperm | - | 1,000 | - | - |
| Acid | 3 | 15% NEFE HCL | - | 500 | - | - |
| Flush | 3 | fresh water w/ gasperm | - | 100 | - | - |
| Pad | 30 | 16# 70Q XL Foam | 2,900 | 870 | - | - |
| 0.5 ppg | 30 | 16# 70Q XL Foam | 4,000 | 1,200 | 2,000# 20/40 | 2,000# 20/40 |
| 1 ppg | 30 | 16# 70Q XL Foam | 4,000 | 1,200 | 4,000# 20/40 | 6,000# 20/40 |
| 2 ppg | 30 | 16# 70Q XL Foam | 3,600 | 1,080 | 7,200# 20/40 | 13,200# 20/40 |
| 3 ppg | 30 | 16# 70Q XL Foam | 4,270 | 1,280 | 12,800# 20/40 | 26,000# 20/40 |
| 4 ppg | 30 | 16# 70Q XL Foam | 3,500 | 1,050 | 14,000# 20/40 | 40,000# 20/40 |
| Flush | 15 | Fresh water w/ gasperm | - | 1,140 | - | - |
| Total | | 22,270 gals 16# XL | | 9,400 gal | | 40,000# 20/40 |

Record ISIP & 5" SIP.

- 13) TIH and set a 4-1/2" CBP @ 1,700'. TOH with setting tool.
- 14) Perf Upper Fruitland Coal @ 3 JSPF (Titan EXP-3323-361T, 22.7 gm, 120 deg phasing, 0.36" dia., 35.63" penetration, total 57 holes) or equivalent performance charges. POH with csg gun.

| PERF INTERVAL | CCL |
|---------------|-----|
| 1,677'-1,689' | |
| 1,603'-1,607' | |
| 1,531'-1,533' | |

- 15) Load & BD Upper Fruitland Coal perms from 1,689'-1,531' at a rate of 3 BPM with fresh water & gasperm down 4-1/2" casing. Record the BD pressure and switch to acid at a rate of 3 BPM. Spearhead 500 gals of 15% NEFE HCl acid + 86 - 7/8" 1.1 SG RCN BS. Flush w/100 gals fresh water & gasperm to confirm good injection rate. TIH with a gauge ring and junk basket past perms.

16) Frac the Upper Fruitland Coal perfs from 1,689'-1,531' down the casing at 30 BPM with 36,190 gals 70Q, N2 foamed 16# XL fld carrying 65,000# 20/40 BASF sand coated with Sandwedge Max TP: 3,800 psi Expected TP: 1,700 psi After seeing a 2# drop on the blender densitometer, switch to tub bypass. Flush with 1,000 gals of fresh water & Gasperm at 15 BPM (top perf). Shut down when the volume is 0 gals Record ISIP. RD Halliburton

| Upper Fruitland Coal Schedule | | | | | | |
|-------------------------------|-----|------------------------|-----------|------------------|---------------|---------------|
| Stage | BPM | Fluid | Foam Vol. | Clean Vol. (gal) | Prop | Cum Prop |
| Water | 3 | Fresh water w/ gasperm | - | 1,000 | - | - |
| Acid | 3 | 15% NEFE HCL | - | 500 | - | - |
| Flush | 3 | fresh water w/ gasperm | - | 100 | - | - |
| Pad | 30 | 16# 70Q XL Foam | 4,720 | 1,410 | - | - |
| 0.5 ppg | 30 | 16# 70Q XL Foam | 6,500 | 1,950 | 3,250# 20/40 | 3,250# 20/40 |
| 1 ppg | 30 | 16# 70Q XL Foam | 6,500 | 1,950 | 6,500# 20/40 | 9,750# 20/40 |
| 2 ppg | 30 | 16# 70Q XL Foam | 5,850 | 1,760 | 11,700# 20/40 | 21,450# 20/40 |
| 3 ppg | 30 | 16# 70Q XL Foam | 6,930 | 2,080 | 20,800# 20/40 | 42,250# 20/40 |
| 4 ppg | 30 | 16# 70Q XL Foam | 5,690 | 1,700 | 22,750# 20/40 | 65,000# 20/40 |
| Flush | 15 | Fresh water w/ gasperm | - | 1,000 | - | - |
| Total | | 36,190 gals 16# XL | | 13,450 gal | | 65,000# 20/40 |

Record ISIP & 5" SIP.

17) MIRU PU. ND frac valve. NU BOP.

18) BD well and kill well with fresh water as needed.

19) MIRU AFU. TIH w/3-7/8" bit, bit sub, and 2-3/8" tubing. CO fill to 1,700'. DO CBP @ 1,700'. CO fill to 1,760'. DO CBP at 1,760' and CO to 1,850' (PBTB).

20) Install flowback manifold. Flowback well thru a choke manifold to flowback tank. Start with an 8/64" choke. Increase choke size as appropriate. Record the final shut in pressure to be used for the C-104.

21) TIH with tubing BHA as follows:

- 1- 2-3/8" jt w/ 1/2" vent hole located 1' from top
- 2-3/8" (1.78" ID) API SN
- ±59 jts - 2-3/8" tubing to surface, EOT @ 1,810', SN @ 1,780'.

22) ND BOP. NU WH.

23) TIH with rod assembly as follows:

- 2" X 1-1/4" X 10' X 2' RWAC pump
- 1" X 1' stnr nip
- Spiral rod guide
- RHBO tl
- 4- 1-1/4" API K sinker bars with stabilizer rods

- 8 - 3/4" API D Molded Guide Rods w/ T-couplings
- 59- 3/4" API D Rods w/ T-couplings
- 1-1/4" X 16' Polished Rod w/ 8' liner

24) Space out pump with spacer subs Load tubing and long stroke with rig to ensure pump action.
HWO

25) RDMO PU.

26) Set a used Churchill 50-89-54 pumping unit with engine & cement base

27) Set unit in crank hole & sheave meter so it will pump @ 3 x 54" spm

28) Set 8 weights at 9.3" from max position

29) Gauge tanks Shoot FL and run dynamometer during pumping unit startup. Start well pumping at 3 SPM and 54" SL for 24 hours. Check fluid level and tank gauges

30) Report pre and post start up data to Derick Lucas

Regulatory:

1. Acquire approval of C-144
- 2 Sundry of work
- 3 Will DHCM before this work takes place

Equipment:

- 3-7/8" bit & bit sub
- 2- 4-1/2" CBP
- AFU
- 2 – 400 bbl frac tank filled with Fresh water
- 1 – flowback tank
- Frac valve

Rods:

- 2" X 1-1/4" X 10' X 2' RWAC pump
- 1" X 1' stnr nip
- Spiral rod guide
- RHBO tl
- 4- 1-1/4" API K sinker bars with stabilizer rods
- 8 - 3/4" API D Molded Guide Rods w/ T-couplings
- 59- 3/4" API D Rods w/ T-couplings
- 1-1/4" X 16' Polished Rod w/ 8' liner