Form 3160-5 (August 2007)

UNITED STATES · DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

Expires July 31, 2010 5 Lease Serial No

FORM APPROVED

OMB NO. 1004-0137

NMSF078896 6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for abandoned well. Use For				6. If Indian, Anot	tee of Tribe Name
SUBMIT IN TRIPLICAT	TE - Other instruction	ons on page 25	VEU	7. If Unit or CA/A	Agreement, Name and/or No
1 Type of Well Oil Well X Gas Well Other		APR 15	2010	8. Well Name and	
2. Name of Operator		Bureau of Land N	lanegement	LEDEKAL 33 #	142
XIO Energy Inc.		Farmington Fig	ald Office	9. API Well No.	
3a. Address		3b. Phone No. (<i>include ar</i>	rea code)	30-045-28836	
382 CR 3100 Aztec, NM 87410 4 Location of Well (Footage, Sec., T., R., M., or Survey A	- '	505-333-3204		BASIN FRUITI	ol, or Exploratory Area LAND COAL
1739' FNL & 1021' FEL SEC 33H-T27N	-R11W			11. County or Pa	arish, State
				SAN JUAN	NM
12. CHECK APPROPRIATI	E BOX(ES) TO IN	DICATE NATURE OF N	NOTICE, REPO	ORT, OR OTHER	DATA
TYPE OF SUBMISSION		TY	PE OF ACTION		
X Notice of Intent	Acidize	Deepen	Production	n (Start/Resume)	Water Shut-Off
<u> </u>	Alter Casing	Fracture Treat	Reclamati	on	Well Integrity
Subsequent Report	Casing Repair	New Construction	X Recomple	te -	Other
	Change Plans	Plug and Abandon	`	ıly Abandon	
Final Abandonment Notice				·	
V	Convert to Injects	on Plug Back	Water Dis	posai	
XTO Energy Inc. intends to recompalso, the C-102 for the PC.	olete this well	to the W. Kutz PC 1	per the att	-	
				KUVDI	APR 20'10
					CNS. DIV.
				tarad	TCT. O
•			d 0 0 -	·	
		HOLD C104 FOR F	GA OF F	edeval 33	ザ ソ
14 I hereby certify that the foregoing is true and correct Name (<i>Printed/Typed</i>) LORRI D. BINGHAM		Title RECITA	UORY ANALYS	ут.	
Signature Signature	an	Date 4/14/10			
Ты	S SPACE FOR FE	DERAL OR STATE OF	FICE USE		
Approved by		Title		Date	APR 1 6 2***
Original Signed: Stephen Conditions of approval, if any, are attached. Approval of this not the applicant holds legal or equitable title to those rights in the suientitle the applicant to conduct operations thereon.	Vergoes not warrant or cert bject lease which would	tify that Office			70 0 1 U *

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

Federal 33 #42 Unit H, Sec 33, T 27 N, R 11 W San Juan County, New Mexico

Add the Pictured Cliffs and Upper Fruitland Coal

AFE/ACCT # 905749/97031

SURF CSG: 8-5/8", 24#, J-55 CSG @ 285'. CIRC CMT TO SURF WITH 200 SX.

PROD CSG: 5-1/2", K-55 CSG @ 1,970'. PBTD @ 1,921'. CMT TO SURF WTIH 300 SX.

CAPACITY = 0.024 BBLS/FT (0.1349 CUFT/FT). BURST = 4,810 PSI (TREATING @ 80% = 3,840 PSI)

PERFS: FRUITLAND COAL:

FR/1,759'-71' W/4 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 2% KCL water. Note: Have frac company run preliminary fluid quality tests and add biocide.
- 3) TOH with rods and pump. ND WH. NU BOP and test the BOP.
- 4) TOH with BHA.
- 5) Round trip a 4-3/4" bit and 5-1/2" casing scraper to 1,850', not a wireline gauge ring.
- 6) MIRU wireline truck. RU full lubricator. Use the Federal 33 #42 dual induction GR Log dated 12/26/92. Perforate the Pictured Cliffs with a 3-1/8" csg gun with 3 JSPF (Owen HSC-3125-332, 120 phasing, 11 gm charges, 0.39" dia., 23.30" penetration, 21 holes). POH with csg gun.

Pictured Cliffs Perforations					
PERF	CCL	PERF	CCL		
1,833'		1,818'			
1,830'		1,815'			
1,825'		1,811'			
1,821'					

- 7) TIH with a retrievable tension packer (5 ½" Baker Arrow-set Fullbore with SN and SV) on 3-1/2" N-80 work string and set at 1,795'. Load tubing and PT to 3,800 psi for 2 minutes.

 3-1/2" N-80 workstring: Capacity-0.0087 bbls/ft Burst-8,100 psi (80% yield)
- 8) ND BOP. NU frac valve.

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9) MIRU frac equipment. BD Pictured Cliffs perfs from 1,811'-1,833' and EIR with 2% KCl water; Acidize with 1,500 gals of 15% NEFE HCl (will not be running BS). Max TP 3,800 psig. Flush with 820 gals 2% KCl w/gasperm (3 bbls over flush). Record ISIP, 5", 10" and 15" SIP's. Frac Pictured Cliffs perfs from 1,811'-1,833' down 3-1/2" tbg at 30 BPM with 42,400 gals 70Q, N2 foamed, friction reduced 2% KCl water carrying 40,000# 16/30 BASF sand and 20,000# 16/30 CRC sand. Max TP 3,800 psig. Expected TP 2,000 psig. After seeing a 1.5# drop on the blender densitometer, switch to flush. Flush to top perf with 660 gals 70Q, N2 foamed, friction reduced 2% KCl water. Shut down when the volume is 0 gals. Record ISIP. RDMO frac equipment.

Pictured Cliffs Frac Schedule						
Stage	BPM	Fluid System	Foam Vol gals	Clean Vol Gals	Prop	Sand Size
Load & Break	3	2% KCl wtr		500		
Acid	10	15% NEFE HCI		1,500		
Acid Flush	10	2% KCl wtr & Gasperm		820		
Pad	30	70Q N2 FR Slickwater	1,000	300		
Pre Pad	30	70Q N2 FR Slickwater	9,000	2,700		_
0.5 ppg	30	70Q N2 FR Slickwater	3,500	1,050	1,750	16/30
l ppg	30	70Q N2 FR Slickwater	10,000	3,000	10,000	16/30
2 ppg	30	70Q N2 FR Slickwater	6,625	1,988	13,250	16/30
3 ppg	30	70Q N2 FR Slickwater	5,000	1,500	15,000	16/30
3 ppg	30	70Q N2 FR Slickwater	6,600	1,980	20,000	16/30 CRC
Flush	30	70Q N2 FR Slickwater	660	198	_	
Total	42,4	400 gals FR Slickwater		15,500 gal	60,00	0# 16/30

- 10) Release packer and TOH.
- 11) TIH with a 5-1/2" CBP and set @ 1,730'. TOH w/tbg.
- 12) RU wireline truck. RU full lubricator. Use the Federal 33 #42 dual induction GR Log dated 12/26/92. Perf Upper Fruitland Coal @ 3 JSPF (Titan EXP-3323-361T, 22.7 gm, 120 deg phasing, 0.36" dia., 35.63" penetration, total 36 holes) or equivalent performance charges. POH with csg gun.

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Fruitland Coal Perfs				
PERF	# of shots			
1,715'-1,709'	19			
1,704'	3			
1,629'-1,627'	7			
1,570'-1,568'	7			
Total	36			

- 13) TIH with a retrievable tension packer (5 ½" Baker Arrow-set Fullbore with SN and SV) on 3-1/2" N-80 work string and set at 1,540'. Load tubing and PT to 3,800 psi for 2 minutes.
 - 3-1/2" N-80 workstring: Capacity-0.0087 bbls/ft Burst-8,100 psi (80% yield)
- 14) ND BOP. NU frac valve.
- 15) MIRU frac equipment. BD perfs with fresh water and EIR. Acidize Fruitland Coal perfs from 1,568'-1,715' with 500 gals of 15% NEFE HCl acid (FE control, surf & CL additives) and 54 1.1 SG RCN BS @ 12 BPM down 3-1/2" tbg. Flush with 752 gals fresh water (3 bbls over flush). Record ISIP, 5", and 10" SIPs. RIH w/junk basket past perfs.
- 16) Frac Fruitland Coal perfs fr/1,568'-1,715' down 3-1/2" tbg at 30 BPM. Pump 27,775 gals 70Q N2 foamed, 9 cp Delta XL (12# Borate gel), frac fluid carrying 50,000# 20/40 sand coated with sandwedge. Flush with 565 gals. Est TP 2,100 psig. Pump frac @ 30 BPM. Max TP @ 3,800 psig. Frac schedule:

Upper Fruitland Coal Schedule						
Stage	BPM	Fluid	Foam Vol.	Clean Vol. (gal)	Prop	Sand Size
Load & Break	3	Water		250		
Acid	3	15% NEFE HCL		500	-	-
Flush	3	Water	_	752	-	<u>-</u>
Pad	30	70 Q XL foam	3,600	1,080		-
0.5 ppg	30	70 Q XL foam	5,000	1,500	2,500	20/40
1 ppg	30	70 Q XL foam	5,000	1,500	5,000	20/40
2 ppg	30	70 Q XL foam	4,500	1,350	9,000	20/40
3 ppg	30	70 Q XL foam	5,300	1,590	16,000	20/40
4 ppg	30	70 Q XL foam	4,375	1,300	17,500	20/40
Flush	15	70 Q XL linear gel		565	-	
Total	27	,775 gals 12# XL		10,390 gal	50,00	0# 20/40

Record ISIP, 5", 10".

- 17) Install flowback manifold. Flowback well thru a choke manifold to flowback tank. Start with an 8/64" choke. Increase choke size as appropriate.
- 18) ND frac valve. NU BOP.
- 19) MIRU AFU. TIH w/4-3/4" bit, bit sub, and 2-3/8" tubing. CO to CBP (1,730'). DO CBP @ 1,730'. CO to 1,921' (PBTD). Circulate wellbore clean. TOH w/tbg & bit.

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- 20) TIH with tubing BHA as follows:
 - a) 1-12' OEMA w/3/8" vent hole located 1' from top & stop pin
 - b) 2-3/8" (1.78" ID) API SN
 - c) ±56 jts 2-3/8" tubing to surface, EOT @ 1,862', SN @ 1,850'.
- 21) Swab well until clean fluid is obtained.
- 22) ND BOP. NU WH.
- 23) TIH with rod assembly as follows:
 - 2" X 1-1/4" X 10' RWAC-Z pump
 - 1" X 1' lift sub
 - spiral rod guide
 - RHBO tool
 - 3 1-1/4" sinker bars with stabilizer rods
 - 8 3/4" API D Molded Guide Rods w/ T-couplings
 - 63 3/4" API D Rods w/ T-couplings
 - 1-1/4" X 16' Polished Rod w/ 8' liner
- 24) Space rods out with subs as necessary.
- 25) Load tubing and long stroke with rig to ensure pump action. HWO.
- 26) RDMO PU.
- 27) Gauge tanks. Adjust stroke length to long hole (± 53"). Shoot FL and run dynamometer during pumping unit startup. Start well pumping at 4 SPM and 53" SL and adjust as necessary. Check fluid level and tank gauges.
- 28) Report pre and post start up data to Derick Lucas

Regulatory:

- 1. Acquire approval to OAP the Pictured Cliffs and to recomplete to the Fruitland Coal
- 2. Acquire approval of C-144
- 3. Acquire approval of DHCM allocations

Equipment:

- 4-3/4" bit & bit sub
- 1 5-1/2" CBP
- 5-1/2" casing scraper
- 3-1/2" workstring (1,800')
- 1- tension packer (5 ½" Baker Arrow-set Fullbore with SN and SV)
- Frac valve

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Rods:

- 2" X 1-1/4" X 10' RWAC-Z pump
- 1" X 1' lift sub
- spiral rod guide
- RHBO tool
- 3 1-1/4" sinker bars with stabilizer rods
- 8 3/4" API D Molded Guide Rods w/ T-couplings
- 63 3/4" API D Rods w/ T-couplings
- 1-1/4" X 16' Polished Rod w/ 8' line

Federal 33 #42 . 4/14/2010 WFL

State of New Mexico

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

¹API Number

30-045-28836

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, NM 87505

² Pool Code

79680

Form C-102 Revised October 15, 2009 Submit one copy to appropriate District Office

AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT

3 Pool Name

W. KUTZ PICTURED CLIFFS

⁴Property Code ⁵ Property Name Well Number 303826 FEDERAL 33 42 ⁹ Elevation 7OGRID No. 8 Operator Name 5380 XTO Energy. Inc. 6252' ¹⁰ Surface Location UL or lot no. Township Lot Idn Feet from the North/South line Feet from the East/West line Section Range County Н 33 27N 11W 1739 **NORTH** 1021 SAN JUAN **EAST** ¹¹Bottom Hole Location If Different From Surface UL or lot no. Lot Idn Feet from the North/South line Feet from the Township Range East/West line Section County SAME 12 Dedicated Acres 13.Joint or Infill 15 Order No. 14 Consolidation Code 160 PC 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 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 immeral 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 890' owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the 1021 Lorri Bingham Title Regulatory Analyst Date 4/14/2010 3 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 July 15, 1958 Date of Survey Original Survey Signed By: Ernest V. Echohawk Certificate Number