

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
New Mexico Oil Conservation Division,
1625 N. French Drive
Hobbs, NM 88240

FORM APPROVED
OMB No. 0040-137
Expires: March 31, 2007

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

| | | |
|--|--|---|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 4. Lease Serial No. NM 18848 |
| 2. Name of Operator XTO Energy Inc. | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 200 North Loraine, Suite 800, Midland, Tx 79701 | | 7. If Unit or CA/Agreement, Name and/or No. |
| 3b. Phone No. (include area code) 432-620-6724 | | 8. Well Name and No. SDE 31 Federal 8 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit Ltr K, 1980 FSL & 1980 FWL Sec 31, T23S, R32E | | 9. API Well No. 30-025-32867 |
| | | 10. Field and Pool, or Exploratory Area Sand Dunes, Bone Spring, South |
| | | 11. County or Parish, State Lea, New Mexico |

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 checked="" type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

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 site is ready for final inspection.)

- 1) MIRU PU, ND WH, NU BOP. TOH with 2 7/8" tbg, rods & pump.
- 2) TIH w/ bit & scraper on 2 7/8" tbg to 8800'. TOH.
- 3) RU Gray Wireline. RIH w/ Gamma Ray / CCL logging tool and log from 8700 up to 6500'. Tie correlation log into Spectral Density Dual Spaced Neutron CSNG log ran on 04/22/95. POH w/ WL.
- 4) RIH w/ WL & 5 1/2" CIBP and set @ +/- 8540'. POH w/ WL.
- 5) RIH w/ dump bailer & dump 10' of sand on plug. POH w/ WL.
- 6) RIH w/ casing guns loaded 2 spf. Perf Bone Spring Lime Interval
- 1) 8474'-8500' (26") 52 holes
- RD Gray WL.
- 7) PU 3 1/2" WS. TIH w/ treating packer on 3 1/2" work string. Test WS in hole to 7500 psi below slips. Load backside with 2% KCL. Set packer @ +/- 8425'.
- 8) RU Schlumberger. Pump 4000 gal of 15% MSR Acid @ 5 bpm. Drop 104 ball sealers (J122 RCN 7/8" OD 1.3 Sp. Gr) periodically throughout last 3/4 of job. Maximum pressure is 5000 psi. If ballout occurs, surge ball sealers off perfs and continue with acid job. Flush with 2% KCL. Once acid job is complete, RD Schlumberger & flow well back to frac tank.
- 9) Once well is dead, swab well back until load is recovered.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

DeeAnn Kemp

Title Regulatory Tech

Signature

Date

11-29-04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

(ORIG. SGD.) DAVID R. GLASS

Title

Date

NOV 30 2004

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, make 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.

(Instructions on page 2)

- 10) If swab results are good, then proceed to Step #11. If swab results are disappointing then skip to Step # 13 (LBC Completion)
- 11) RU Schlumberger. Pump 9000 20% SXE acid, 2500 gal 20% VDA & ~4200 gal WF120 per the attached pump schedule @ 10 bpm. Once acid job is complete, RD Schlumberger & flow well back to frac tank.
- 12) Swab well to recover load & to study productivity of zone. Report flow & swab results to Midland for next step in procedure. Next step is either put BS interval on pump or LBC completion.
- 13) Release packer and TOH w/ packer & WS.
- 14) RU Gray WL. RIH w/ WL & 5 ½" CIBP and set @ +/- 8430'. POH w/ WL.
- 15) RIH w/ dump bailer & dump 10' of sand on plug. POH w/ WL.
- 16) RIH w/ casing guns loaded 1 spf. Perf following Lower Brushy Canyon intervals

| | | |
|-------|-------------------|----------|
| I) | 8195'-8205' (10') | 10 holes |
| II) | 8250'-8265' (15') | 15 holes |
| III) | 8318'-8328' (10') | 10 holes |
| Total | (35') | 35 holes |
- RD Gray WL .
- 17) TIH w/ treating packer on 3 1/2" work string. Test WS in hole to 7500 psi below slips. Load backside with 2% KCL. Set packer @ +/- 8125'.
- 18) RU Schlumberger. Pump 3000 gal of 7 ½" HCL @ 5 bpm. Drop 70 ball sealers (J122 RCN 7/8" OD 1.3 Sp. Gr) periodically throughout last ¾ of job. Maximum pressure is 5000 psi. If ballout occurs, surge ball sealers off perfs and continue with acid job. Flush with 2% KCL. Once acid job is complete, RD Schlumberger & flow well back to frac tank. Once well is dead, swab well back until load is recovered. SION.
- 19) RU Schlumberger. Frac Lower Brushy Canyon Formation w/ 5,000 gal W54 - 2,000 5% KCL Spacer – 44,095 gal J533-40 Clearfrac containing 138,000 # 20/40 Ottawa per the attached treating schedule @ 22 bpm. During frac attempt to achieve 22 bpm but stay below maximum treating pressure of 7000 psi. Flush 2 bbl short of top perf (70 bbl) with J533-40. SI well and monitor pressure falloff for 15 minutes. RD Schlumberger.
- 20) Begin flowing well back on 1/8" choke until well has reached ISIP from pre-pad stage and then begin opening up well to a maximum of 24/64" choke. If well begins producing sand, then pinch back on choke. Continue flowback until well dies.
- 21) Release packer and TOH w/ packer & WS. Lay down work string.
- 22) TIH w/ bit on 2 7/8" prod tbg. Tag sand. RU foam unit & swivel. Cleanout to top of CIBP. RD foam unit & swivel.
- 23) POH w/ bit & 2 7/8" prod tbg.
- 24) TIH w/ prod tbg. ND BOP. NU WH. TIH w/ rods & pump design per Larry Stasny. RD PU. POP.
- 25) Report production tests and fluid levels to Midland engineering.