

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-34844
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Arrowhead Grayburg Unit
8. Well Number 343
9. OGRID Number 005380
10. Pool name or Wildcat Arrowhead;Grayburg

<p>SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p> <p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p> <p>2. Name of Operator XTO Energy Inc.</p> <p>3. Address of Operator 200 N. Loraine, Ste 800, Midland, Texas 79701</p> <p>4. Well Location Unit Letter <u>A</u> : <u>1055</u> feet from the <u>North</u> line and <u>200</u> feet from the <u>East</u> line Section <u>2</u> Township <u>22S</u> Range <u>36E</u> NMPM Lea County</p> <p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3550'</p> <p>Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/></p> <p>Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____</p> <p>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____</p>	
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12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>OTHER <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.
- RUPU. Install BOP. Pull tubing and ESP. TIH w/ workstring, bit, and scraper and clean out to TD of 3885'.
 - TIH and set 7" cement retainer at 3775' and squeeze the interval below the retainer with 350 sx of Class C with 2% calcium chloride. Squeeze to 800 psi. Shut-in over night.
 - TIH w/ Bit, drill collars, and workstring. Clean-out well to cement retainer. POH.
 - TIH w/ 3-3/8" gun and perforate well from 3720-3750 with 6 JSPF, 60 degree phasing, 180 shots. POH.
 - TIH with 7" packer and workstring. Set packer at 3600'. Pressure up on annulus and monitor backside for communication during the job. Pump acid job as follows (maximum of 3 BPM or 900 psi whichever comes first)
 - Rig up Cudd and test lines
 - Establish injection rate with 30 bbls 9# brine.
 - 750 gal 20% Acid
 - 1000 gals of 30# gelled brine with 1000# grated rock salt
 - 1,000 gal 20% Acid
 - 1000 gals of 30# gelled brine with 1000# grated rock salt
 - 1,250 gal 20% Acid
 - Flush with tubing volume plus 10 bbls of 9# brine water.
 - Shut well in for 2 hours Open well to pit and flow/swab back well to determine approximate size ESP to run.
 - TOH with Packers and tubing. Determine inflow and oil cut and design artificial lift equipment and run in hole. RWTP.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed, or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE DeeAnn Kemp TITLE Regulatory DATE 10/12/06

Type or print name DeeAnn Kemp E-mail address:

For State Use Only

Telephone No. 432-620-6724

OCD FIELD REPRESENTATIVE II/STAFF MANAGER

APPROVED BY: Harry W. Wink TITLE _____ DATE _____

Conditions of Approval (if any)

