

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB NO. 1004-0137
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

RECEIVED

JAN 23 2008

HOBBS OCD

Phone No. (include area code)
432.620.6709

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
XT0 Energy Inc.

3a. Address
200 N. Loraine, Ste. 800 Midland, TX 79701

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Unit Ltr: P;
990 feet from the South line & 330 feet from the East Line
Section: 11 Township: 20S Range: 36E

5. Lease Serial No.

NMLC031622A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No
NM70948B

8. Well Name and No.
EUNICE MONUMENT
SOUTH UN B #867

9. API Well No.
30-025-24297

10. Field and Pool, or Exploratory Area
EUNICE MONUMENT; GRAYBURG-SAN ANDRES

11. County or Parish, State

Lea NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| ☐ Alter Casing | ☐ Fracture Treat | ☐ Reclamation | ☐ Well Integrity |
| ☐ Casing Repair | ☐ New Construction | ☐ Recomplete | ☒ Other <u>Acid</u> |
| ☐ Change Plans | ☐ Plug and Abandon | ☐ Temporarily Abandon | <u>Stimulate</u> |
| ☐ Convert to Injection | ☐ Plug Back | ☐ Water Disposal | <u>Chem Treat</u> |

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 final site is ready for final inspection.)

1. MIRUPU. POOH w/rods & pump.
2. PU & RIH w/ 4-3/4" bit, 5-1/2" scraper, and 2-7/8" tbg to TD. Clean well out to TD. Circ clean.
3. PU & RIH w/Sonic Hammer on 2-7/8' WS. RU stripping head.
4. MIRU acid company. Test lines to 3,000 psi.
5. SH perfs from 3,573-3,831' w/9# brine (approx 20 bbls per stand for a total of +/-85 bbls brine) while circulating. Circ Hole clean. Close in backside & SH OH from 3,573' to 3,831' w/4,000 gals (approx 22 bbls per stand) 20% 90/10 acid in injection mode w/a max pressure of 2,500# tbg & 500# on backside.
6. Flush acid w/ 20 bbls brine wtr. Drop ball to shift sleeve in tool.
7. Flow back or RU swab & swab back acid load. Determine flow rate & oil cut.
8. If pump, rods and/or tbg show signs of scale buildup, a chem squeeze procedure to be designed based on anticipated flow rate of 1,300 bfpd or better estimate derived from swab results.
9. POOH w/Sonic Hammer & WS. RIH w/ production equipment based on a 1,300 bfpd total rate or better estimate based on swab results
10. RWTP.

ACCEPTED FOR RECORD

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

Sherry Pack

Title

Regulatory Analyst

Date 1/9/2008

JAN 21 2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

CC DISTRICT SUPERVISOR

Title

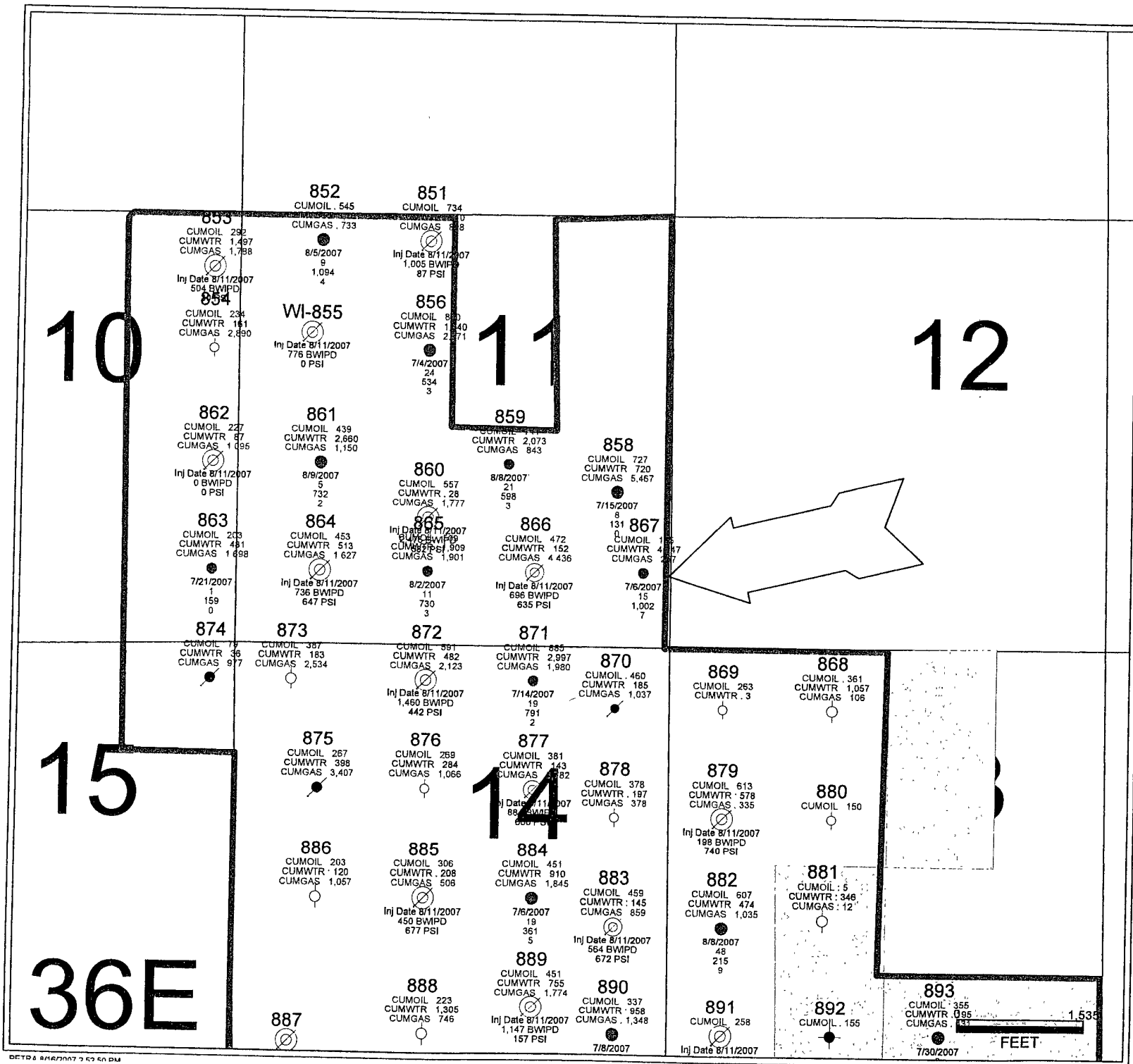
Office

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

2008

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

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.



WELL DATA SHEET

FIELD: Eunice Monument

WELL NAME: EMSUB #867

FORMATION: Grayburg

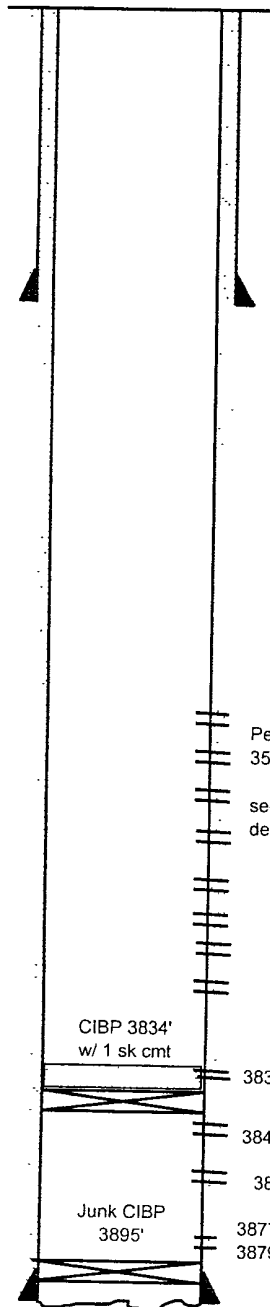
LOC: 990' FSL & 330' FEL
TOWNSHIP: 20-S
RANGE: 36-E

SEC: 11, Unit P
COUNTY: Lea
STATE: NM

GL: 3560'

CURRENT STATUS: Producing
API NO: 30-025-24297
CHEVNO: FH6330

8 5/8" OD 24#
Surf. Pipe set @ 1013'
w/ 600 sxs cmt.
Circ to sur



5 1/2" OD 14#,
set at 3925', cmt w/ 300 sx
TOC @ 2650' by TS

TD 3925'
PBDT 3834'

Date Completed: 1/15/73
Initial Production: 29 BO, 132 BWPD
Initial Formation: Grayburg
FROM: 3802 TO: 3859

Well History

COMPLETION

1/73

Perf 3877', 3879' w/ w SPF. Acdz w/ 700 gal 28% Prod 100% wtr Set CIBP at 3870'. Perf 3802', 3812', 3823', 3831', 3846', 3859'. Acdz w/ 1900 gal 28% HCl Dry drill CIBP at 3870 and push to 3895'. Prod 29 BOPD, 132 BWPD.

Subsequent Work

11/73

Set CIBP at 3834', cap w/ 1 sk cmt. Perf 3805-22'. Acdz w/ 1000 gal 28% HCl. Before 13 BO, 60 BWPD, after 15 BO, 53 BWPD.

7/84 Wtr analysis indicated CaCO3 and BaSO4 present.

7/85 Perf Grayburg 3808, 12, 14, 18, 22, & 24'.

Acdz w/ 16 Bbls 15% w/ .5% Musol.

Perf Grayburg

3573, 84, 85, 86, 87, 88, 93'

3610, 13, 20, 32, 47, 62, 70, 74, 86, 87, 88, 89, 90'

3718, 20, 22, 24, 38, 40, 42, 58, 59, 60, 70, 71, 72, 73, 74'

Acdz entire open interval with 62 Bbls 15% HCL

Before 1 BO, 25 BW, 10 MCFD, After 6 BO, 70 BW, 14 MCFD

12/86 Replaced pitted rods

12/89 Up size pump

6/91 Log well. Ran GR-CNL-CCL

11/91 Chg out rod string

1/26/98 Perf & Acdz. Perf well w/3 jsf w/ 120 degree phasing

3816-3824, 3782-3788, 3734-3742, 3714-3726, 3700-3708

Acdz well w/ 3000 gals 90/10 Resisol, w/70Q GBW, foam as diverter in 500 gal stages of acid, 750 gal 70 Q Foam.

11/04 Rpr'd pump

1/05 Installed KUDU

2/05 Rplc'd some rods.

4/05 Rplc'd rods. Scale buildup

6/05 Bad rotor. Problem with KUDU. Bad stator Replaced

4/06 Replc'd leaky stuffing box.

Zone Tops.	Penrose	3303
	Top of Unit	3533
	Grayburg (Zone 1)	3533
	Zone 2	3581
	Zone 3	3669
	Zone 4	3719
	Zone 5	3805
	Zone 6	3860

LDP 8/16/07

Qty	Type	Description	Cond	Top Depth	Btm Depth	Length
1	manual	Other - 5-1/2" Torque Anchor	Same	3,805.97	3,806.97	1.00'
1	manual	Other - 4-1/2" Stator	New	3,781.97	3,805.97	24.00'
1	manual	Other - 4-1,2" x 3-1/2" XC	Same	3,775.97	3,781.97	6.00'
1	manual	Other - 3-1/2" x 2-7/8" X-C	New	3,771.97	3,775.97	4.00'
120	Tubing	2-7/8", 6.5#, J-SE, EUE, Exd Tubing	Same	11.00	3,771.97	3,760.97'
Total						3,795.97'
KB Corr						11.00'
Landed @						3,806.97'