

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

FEB 18 2008

2. Name of Operator

XT0 Energy Inc.

3a. Address

200 LORAIN, STE. 800 MIDLAND, TX 79701

3b. Phone No. (include area code)

432-620-6740

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660 Feet from the North line and 1980 Feet from the East line; Unit
Letter B, Section 25, T-20-S, R-36-E, NMPM, Lea County, New Mexico

5. Lease Serial No

LC 031736-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No

EUNICE MONUMENT 103

SOUTH UNIT

9. API Well No.

30-025-04331

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

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Extend TA

Status

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.)

MIT Chart Attached. Test was performed on 1/24/08.

XT0 is currently evaluating this well and at this time would like to request an extension of the TA Status until this evaluation can be completed.

SEE ATTACHED FOR
CONDITIONS

ACCEPTED FOR RECORD

FEB 13 2008

LES BABYAK
PETROLEUM ENGINEER

After 5-13-08 the well must be online
or plans to P & A must be submitted.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Kristy Ward

Title

Regulatory Analyst

Date 01/31/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

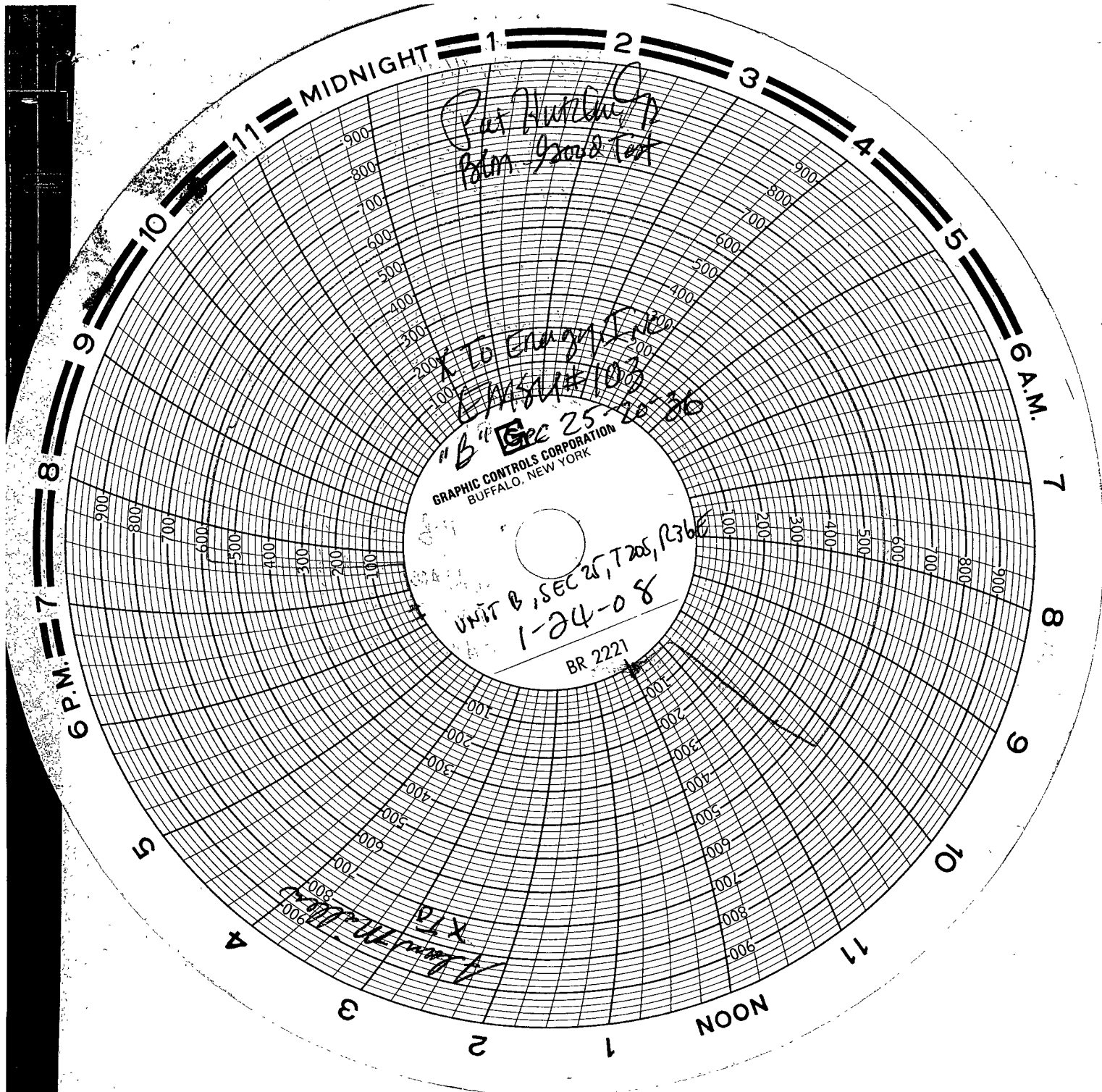
OC DISTRICT SUPERVISOR/GENERAL MANAGER

Date FEB 26 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.

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.



Pat Hurdle, 7
Palm Grand Test

KTD Energy Inc.
EASLIT #103
"B" SEC 25-20-26

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

UNIT B, SEC 25, T20S, R36E
1-24-08

BR 2221



United States Department of the Interior
BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 E. Greene St.
Carlsbad, New Mexico 88220
Tel. (505) 234-597
Fax (505) 234-5927



February 12, 2008

XTO Energy Inc.
200 Loraine, STE. 800
Midland, TX. 79701

RE: Eunice Monument South Unit Wells:
103,123,202,210,335,371,415,418,854,876,878,886,896 and 917

Gentlemen:

Our records indicate that the above well is Shut-in (SI) or Temporarily Abandoned (TA). The Bureau of Land Management (BLM) and Minerals Management Service (MMS) definition of a shut-in well is a completion that is physically and mechanically capable of production in paying quantities or capable of service use. The definition of a temporarily abandoned well is a completion that is not capable of production in paying quantities but which may have value as a service completion. According to our records the well referenced above has been shut-in for 6 months or longer. 43 CFR 3162.3-4 (C) requires that wells incapable of production in paying quantities be promptly plugged and abandoned and requires approval for any well temporarily abandoned for more than 30 days.

Therefore your Sundry Notices are being accepted for record purposes and will not be approved. You need to submit a plan for these wells within in 90 days and do one of the following with each well, at a rate of 2 wells per month.

1. Return the well to production or beneficial use.
2. Submit notice of intent to plug and abandon.

Corrective Action to be Completed as follows:

If you decide to **plug and abandon** the well, submit a Sundry Notice (form 3160-5, original and 5 copies) describe the proposed plugging program.

If you decide to **return the well to production**, submit a Sundry Notice (form 3160-5, original and 5 copies) of intent. Include the date you anticipated the well being placed back in service. 43 CFR 3162.4-1(c) also requires you to notify the Authorized officer, not later than the fifth business day after production is resumed for any well which has been off production for more than 90 days, the date on which such production was resumed. Notification may be by letter or Sundry Notice, or orally followed by letter or Sundry Notice.

If the well is to be used for **beneficial purposes**, submit a Sundry Notice (Form 3160-5, original and 5 copies) include information concerning future use. A brief description of your proposed plans and economic feasibility and an anticipated date for placing the well in beneficial use will suffice. Beneficial use includes, but is not limited to, recompletion to other horizons, conversion to injection for secondary or enhanced recovery, and salt-water disposal or injection.