

NOTICE OF PROPOSAL 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	2. Name of Operator XTO Energy Inc.	3a. Address 200 N. Loraine, Ste. 800 Midland, TX 79701	3b. Phone No. (include area code) 432-620-6740	5. Lease Serial No. 62665	6. If Indian, Allottee or Tribe Name	7. If Unit or CA/Agreement, Name and/or No.	8. Well Name and No. Arrowhead Grayburg Unit #161	9. API Well No. 30-025-24528	10. Field and Pool, or Exploratory Area Arrowhead; Grayburg	11. County or Parish, State Lea NM
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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

- |   |  |  |   |
|---|--|--|---|
| <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen                      | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat              | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction            | <input type="checkbox"/> Recomplete                | <input type="checkbox"/> Other          |
| <input type="checkbox"/> Change Plans         | <input checked="" 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 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.)

1. RUPU. Install BOP. TIH w/2-7/8" tubing & bit to 3555'. POH. (Note rev circ clean w/Polymer Starch Salt Gel)

2. TIH & perf 4 jet shots @ 3554'. TIH & spot cmnt plug inside & outside csg from 3362-3555'. Rev circ clean. Pull up & tag cmnt top to insure plug above 3362' on inside. POH.

3. TIH & perf 4 jet shots @ 2640'. TIH & spot cmnt plug inside & outside csg from 2487' to 2640'. Rev circ clean. POH. *WOC & Tag No lower than 2487'*

4. TIH & perf 4 jet shots @ 1225'. TIH & spot cmnt plug inside & outside csg from 1054' to 1225'. Rev circ clean. POH. *WOC & Tag No lower than 1054'*

5. TIH & perf 4 jet shots @ 450'. TIH & spot 100' cmnt plug inside & outside csg w/bottom of plug @ 450'. Rev

circ clean. POH. TIH & tag top of cmnt. TOC should be 350' or higher. POH.

6. Spot 10 sx plug @ surface. *Perf @ 40' circ. cmnt.*

7. POH & lay down all equipment & tubulars.

8. If complete, weld 4" riser on wellhead & rig down off well. Clean up location and reseed location w/native grass. *Remove all caliche (P&R Rd) Contour, Rip & Seed (#2 seed)*

9. Contact BLM for location inspection. *Submit plan for reserve pit area*

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

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

Sherry Pack

Title

Regulatory Analyst

Date 5/28/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

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.

APPROVED

JUN 7 2008

JAMES A. AMOS  
SUPERVISOR-EPS

# WELL DATA SHEET

FIELD: Arrowhead

WELL NAME: AGU No. 161

FORMATION: Grayburg

LOC: 1980' FNL & 660' FEL  
TOWNSHIP: 22-S  
RANGE: 36-E

SEC: 1  
COUNTY: Lea  
STATE: NM

GL: 3483'  
KB to GL: 12'  
DF to GL: 11'

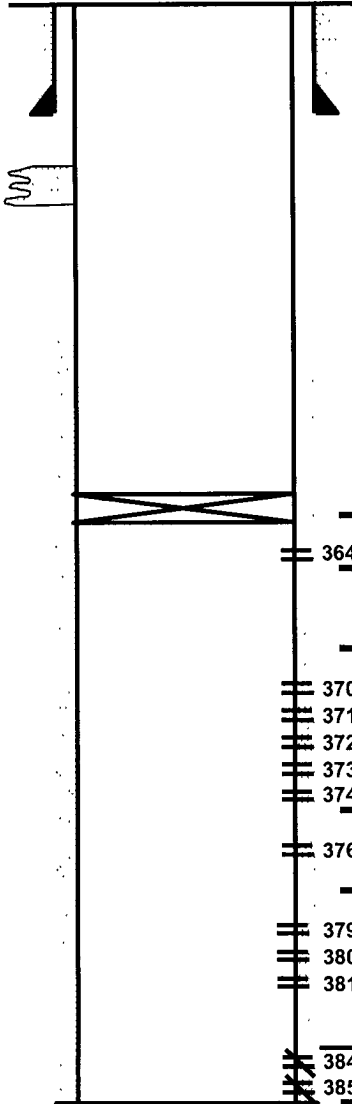
CURRENT STATUS: Proc TA'd  
API NO: 30-025-24528  
CHEVNO: EN-6410

8-5/8" OD, 20# Surf. pipe  
set @ 1150' w/ 600 sxs cmt.  
Circ. cmt to surf.

Csg Leak 2317'-2347' cmt  
Sqz'd w/ 650 sxs.

CIBP @ 3590  
w/ 35' cmt on top

CIBP @ 3890' sqz 500 sx  
in perf f/3910-12



Date Completed: 03/01/74

Initial Production: 63 BOPD/558 MCFGPD/222 BWPD

Initial Formation: Blinebry/Drinkard From: 5538' To: 6767'

Completion Data:

Perf Drinkard 6504' - 67'. ACDZ & Frac'd Perf Blinebry 5538' - 5776' ACDZ & frac'd.

Workover History:

02-17-88 Shut well in

05-27-93 CIBP @ 6485' w/ 4 sxs cmt on top Set CIBP @ 5500' w/ 4 sxs cmt on top. Perf 3706' - 3824' & ACDZ w/ 5,040 gals 15% NEA. RU WEDGE & run CBL 4100-3000' Top good cmt @ 3900', spotty cmt to 3850' and v/spotty or no cmt to 3000' Set balanced plug f/3981 - 4172. Set pkr @ 3648' Swb Rec 76 BF in 3 hrs; SFL @ 1500', FER 25 BPH, fluid level constant Swb perfs 3706' - 3824' (Zn's 2-4) Rec 124 BW / 24 runs in 6 hrs, SFL @ 1500', FFER 21 BPH Set RBP @ 3686' Swb Dry (no perfs open) / 8 runs in 2 hrs Perf 3910'-12' to cmt sqz San Andres/Grayburg channel CIBP @ 3890'. SQZ w/ 75 sxs class "C" cmt DO cmt to 3890'. TOC @ 3570' (PNRS), no cmt to 3890' (U/SA) Swb 1 BPH Perf 3858-63', 3847-54' (Zn 5) & ACDZ w/ 8 4 gals across each set Swb Rec 55 BW / 15 runs in 3 hrs, SFL @ 1800', FER 18 BPH ReSqz perfs w/ 150 sxs cmt DO CIBP & cmt 3650' - 3840' & circ hole clean No FE Selectively perf 3818-24', 3806-12' & 3796'-3802' (Zn 4). Selectively ACDZ (PPI pkr) w/ 17 gals. Swb Rec 23 BW / 7 runs in 2 hrs and SWB DRY Swb 5 Bw (trace oil) / 6 runs, SFL @ 3000', FER 5 BPH. Selectively perf 3648' - 3776' (AGU - Zn 3) w/ 2 SPF Selectively ACDZ (PPI pkr), volume not rept'd Swb 3648' - 3824' (AGU - Zn 4) Rec 94 BW (trace oil) / 33 runs in 7 hrs, SFL @ 800'-2000', FER 12 BPH TIH w/ prod tbg & TO to production. Test pump 1 BOPD + 8 MCFGPD + 18 BWPD

03-05-97 Upsize pump Replace BT 30 jts and all rods

04-08-97 Well status changed to TA Set CIBP @ 3590' w/ 35' cmt on top

10-28-03 Test csg to 500 PSI, ran chart. TA extended until 11-13-08

Additional Data:

T/Rustler(Salt) @ 1094'

T/Yates @ 2640'

T/Queen @ 3362'

T/Penrose @ 3458'

T/AGU @ 3644'

Z4 T/Grayburg Zone 1 @ 3665'

T/Grayburg Zone 2 @ 3706'

T/Grayburg Zone 3 @ 3764'

T/Grayburg Zone 4 @ 3796'

T/Grayburg Zone 5 @ 3840'

T/San Andres @ 3871'

Z5 T/Glorieta @ 5122'

T/Blinebry @ 5285'

T/Tubb @ 6181'

T/San Andres

**BUREAU OF LAND MANAGEMENT**  
**Carlsbad Field Office**  
**620 East Greene Street**  
**Carlsbad, New Mexico 88220**  
**575-234-5972**

**Permanent Abandonment of Federal Wells**  
**Conditions of Approval**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

**If you are unable to plug the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.**

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.