

MIDLAND  
JUN 10 2008UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC034548
2. Name of Operator XTO Energy Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 200 N. Loraine, Ste. 800 Midland, TX 79701	3b. Phone No. (include area code) 432.620.6709	7. If Unit or CA/Agreement, Name and/or No. NM84642X
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit Ltr: N 370 feet from the South line and 1880 feet from the west line. Section: 7 Township: 22S Range: 37E		8. Well Name and No. Arrowhead Grayburg Unit #217
		9. API Well No. 30-025-31582 31562
		10. Field and Pool, or Exploratory Area Arrowhead; Grayburg
		11. County or Parish, State Lea NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" 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 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 recompletable 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 recompletable 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.)

5/15/2008 MIRU Basic Well Svcs PU.

5/16/2008 L &amp; T TCA to 500 psig for 30" w/no loss. RIH W/4-3/4" bit, 6-3-1/2" DC on 2-7/8" N-80 tbgs. Tag @ 3540'. DO CIBP fr 3,540'-3,546'. Push CIBP to 3,871. Circ hole clean.

5/19/2008 Perf GB fr 3,764'-66' (9 holes), 3,745'-55' (30 holes), 3,725'-26' (6 holes), 3,700'-01' (4 holes), 3,684'-86' (9 holes), 3,674'-75' (4 holes). Set pkr @ 3508'. L &amp; T TCA to 500 psig for 30" w/no loss. Test flow line to 300 psig for 15" w/no loss.

5/20/08 Acidize Grayburg perfs fr 3,596'-3,855' in 3 stgs w/5,000 gals 15% AcidToI acid & 72 tons of CO<sub>2</sub>.

5/21/08 RU swab. Made 41 runs in 9 hrs &amp; rec 196 bbls of wtr &amp; 0 oil. RD swab.

5/22/08 RU swab. Made 36 runs in 8 hrs.

5/23/08 RU BJ cmnt equipment. Squeeze GB perfs fr 3,585'-3,862' w/ 400 sxs of Cl C. Trailed w/38 sxs of CL C Neat cmnt.

5/27/08 RIH w/4-3/4" bit, 6-3-1/2" DC on 2-7/8" N-80 tbgs. Tag cmnt @ 3,500'. DO cmnt &amp; CIBP fr 3,500'-3,760'. Circ hole clean. L &amp; T TCA to 500 psig for 30" w/no loss.

See Attachment

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Velma Gallardo	Title Production Analyst
<i>Velma Gallardo</i>	Date 6/10/08

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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	JUN 12 2008
		<i>J. Amel</i>

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 the Bureau of Land Management any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

5/28/08

RIH w/3-3/8" csg guns. Perf GB perfs fr 3,745' - 52' (7', 21 holes), 3,732' - 38' (6', 18 holes), 3,706' - 13' (7', 21 holes), 3,690' - 96' (6', 18 holes), 3,675' - 80' (5', 15 holes) w/3 JSPF & 120 degree phasing. PU & RIH w/BJ 5-1/2" treating pkr on 2-7/8" N-80 tbg to 3,570'.

5/29/08

RIH w/5-1/2" treating pkr on 2-7/8" N-80 tbg to 3,758'. Spot 1 bbl of 15% NEFE acid across GB perfs. PUH & set pkr @ 3,659'. Wait 1 hr. Brk dwn GB perfs fr 3,674' - 3,766' @ 1,535 psig. Acidize GB perfs w/1000 gals 15% NEFE acid @ 1 BPM, 630 psig. Flush w/31 BFW @ 1 BPM, 620 psig. ISIP 619 psig, 5" 479 psig, 10" 411 psig, 15" 365 psig. Open well up (Vac). RU swab. BFL 400' FS. Made 14 runs 3 hr & rec 41 bbls of wtr w/1% oil cut. EFL 3,100' FS. RD swab.

5/30/08

BFL 1,500' FS. Made 27 runs in 10 hrs & rec 49 bbls of wtr & 0 oil. EFL 3,450'. RD swab.

6/2/08

Rel pkr. RIH to 3,758'. Brk circ w/21 BFW. Spot 2 bbls of 15% NEFE acid across perfs. PUH & set pkr @ 3,659'. Wait 1 hr. EIR 3.5 BPM @ 712 psig w/13 BFW. Acidize GB perfs fr 3,675' - 3,745' w/1,500 gals of 15% NEFE acid while dropping 130 1.3 BS @ 3.5 BPM, 740 psig. Flushed w/31 BFW. ISIP-593 psig, 5"-456 psig, 10"-388 psig, 15"-340 psig. Ave rate 3.5 BPM, Ave press 740 psig, Max/min press 866/710 psig. Wait 1 hr. BFL 800' FS. Made 16 runs in 4 hrs & rec 65 bbls of wtr & 0 oil. EFL 2,950'. RD swab.

6-3-08

RU swab. BFL 1,400' FS. Made 35 runs in 10 hrs & rec 112 bbls of wtr & 0 oil. EFL 3,050' FS. RD swab.

6-4-08

Rel pkr. POOH LD 2-7/8" N-80 tbg & pkr. RIH w/2-7/8" slotted MA on 61 jts of 2-7/8" 6.5#, J-55, EUE, 8rd tbg.

6-5-08

RIH w/2-7/8" 6.5#, J-55, EUE, 8rd tbg (New). Set 5-1/2" TAC w/16 pts tens. PU & RIH w/pmp & rods as followed. 1-1/2" x 8' GA, 2.5 - 1.50 - RXBC - 24' - 3' pmp (Wilson pmp# - EU-084), 1 - 1-1/2" K-Bar (New), 1 - 1" x 4' stabilizer sub (New), 7 - 1-1/2" K-Bars (New), 138 - 7/8" D-78 rods (New), 4 - 7/8" D-78 subs (6', 6', 6', 2') & 1-1/2" x 26' SM PR (New). Load tbg w/5 BFW. Longstroke pmp 3 times & pmp up to 500 psig. RD pmp trk. New tbg & rods are in DWC.

Tubing

Location:

Lower

ZONE 1	Desc: Grayburg	Top Perf: 3,585.00	Btm Perf: 3,756.00	OH: No
Object 1	Desc: 5-1/2 15.5#	Id: PBTD	Depth: 3,760.00	
Object 2	Desc: 2-7/8	Id: SN	Depth: 3,710.00	
Object 3	Desc: 5-1/2	Id: TAC	Depth: 3,580.00	

Qty	Type	Description	Cond	Depth	Top	Btm	Length
1	manual	2-7/8" Slotted MA	New	3,711.54	3,726.54		15.00'
1	Other	2-7/8" API SN	New	3,710.44	3,711.54		1.10'
1	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd, IPC Tubing (TK-70)	New	3,677.82	3,710.44		32.62'
3	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	3,583.38	3,677.82		94.44'
1	Other	2-7/8" x 5-1/2" TAC	New	3,580.68	3,583.38		2.70'
114	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	13.00	3,580.68	3,567.68'	
				Total		3,713.54'	
				KB Corr		13.00'	
				Landed @		3,726.54'	

6-7-08

Set a Lufkin M456-253-144 pmpg unit (SN#F33163D319522) w/40 hp motor (SN#EL 194027) that will be running @ 7 SPM w/144" SL. Fin installing elec. RWTP.

6-8-08

In 24 hrs., well made 7 BO, 139 BW & 12 MCF running @ 100% on POC.