

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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 purposes.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

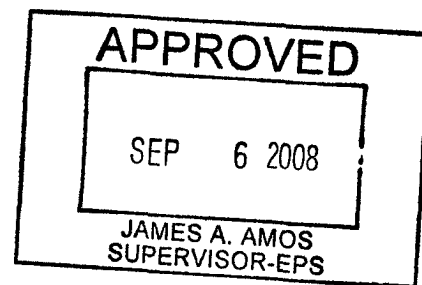
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC032099B
2. Name of Operator XTO Energy Inc. ✓		6. If Indian, Allottee or Tribe Name
3a. Address 200 LORRAINE, STE. 800 MIDLAND, TX 79701	3b. Phone No (include area code) 432-620-6740	7. If Unit or CA/Agreement, Name and/or No NM70948A
4. Location of Well (Footage, Sec., T, R, M, or Survey Description) 1980 Feet from the North line and 660 Feet from the West line; Unit Letter E, Section 14, T-21-S, R-36-E, NMPM, Lea County, New Mexico ✓		8. Well Name and No EUNICE MONUMENT 389 ✓ SOUTH UNIT
		9. API Well No 30-025-04631 ✓
		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	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input 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 checked="" type="checkbox"/> Other <u>Reactivate & Test Grayburg</u>
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <u>Producer</u>
	<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.)
- See Attached for Procedure.

* Return well to production within 120 days or submit plans for abandonment.



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) KRISTY WARD <i>Kristy Ward</i>	Title REGULATORY ANALYST Date 08/13/08
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THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title PETROLEUM ENGINEER <i>KW</i>	Date SEP 17 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.



**Reactivation Procedure
LEA COUNTY, NEW MEXICO
August 5, 2008**

ELEVATION: GL – 3,566' TD – 3,950'
 KB – 3,566' Orig PBTD – 3,875'
 Current PBTD – 3,725' (CIBP)

WELL DATA:

Current Status: TA'd.
 Last Well Test: 1998 – 3 bopd / 275 bwpd / 2 mcfpd

Surface Casing: 10-3/4". Set at 374'. Cmmt'd w/200 sx. Circulated.

Int Casing: 7-5/8". Set at 2,664'. Cmmt'd w/900 sx. Circulated.

Prod. Casing: 5-1/2" 17#. Set at 3,662'. Cmmt'd w/150 sx. TOC@ 1,765'.

Liner: 4" 12.93# L-80/K-55. Set fr 3,420 – 3,950'. Cmmt'd w/50 sx.

COMPLETION:

Perforations:	3,764 – 3,799'	Grayburg 2	35'	7/87
	3,810 – 3,828'	Grayburg 2A	10'	7/87
	3,840 – 3,868'	Grayburg 3	28'	7/87
	3,848 – 3,854'	Grayburg 3	6'	8/99
	3,902 – 3,926'	Grayburg 4	22'	SQZ'd 9/87:

OBJECTIVE: **Reactivate and Test Grayburg Producer**

RECOMMENDED PROCEDURE

*(Verify that anchors have been set and tested per NM OCD & OSHA guidelines)
This is a FEDERAL well.*

1. MIRUPU. MI and rack up 4,000' of 2-7/8" J-55 workstring. ND WH. NU BOP.
2. PU & RIH w/3-1/4" bit and DC's on 2-7/8" WS. MIRU rev unit.
3. Pressure test csg to 500 psi prior to drilling out CIBP below.



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4. Drill out CIBP @ 3,725' and clean well out to PBTD at 3,875' (notify Midland of PBTD). Circulate hole clean. POOH w/ bit, DC's, and WS. LD bit and DC's. RDMO rev unit.
5. RIH w/ Sonic Hammer on 2-7/8" workstring. RU stripping head.
6. RU pumping company and SH perfs w/3,000 gals brine (approx. 45 bbls per stand) while circulating to reverse pit (pit should have screen to catch solids). Circulate hole clean. Check samples of solids for signs of scale. **Send solid and fluid samples to Champion for analysis.**
7. POOH & LD sonic hammer. PU & RIH w/ 4" packer on workstring. Set packer at ~3,700'. RU pumping company on backside and pressure test TCA to 500#.
8. If pressure holds ok, proceed with procedure. If not, notify Midland for further instructions.
9. MIRU acid company. Test lines to 4,000 psi. Treat the isolated interval with 5,000 gals of 20% NEFE 90/10 (90% Acid/10% Toulene) in 5 stages dropping rock salt for block between each stage. **Max treating rate/pressure 4 BPM/1,500 psi.** Use the following pump schedule but **adjust the volumes as necessary** on job to achieve good block action:
 - a. 500 gals acid
 - b. 200 # rock salt in 4 bbls 9# brine
 - c. 750 gals acid
 - d. 500 # rock salt in 10 bbls 9# brine
 - e. 1,000 gals acid
 - f. 750 # rock salt in 15 bbls 9# brine
 - g. 1,250 gals acid
 - h. 1,050 # rock salt in 20 bbls 9# brine
 - i. 1,500 gals acid
 - j. Total of 5,000 gals of 20% 90/10 Acid and 2,500# rock salt.
10. RDMO acid company. Shut well in for two hours.
11. Flow back or RU swab and swab back acid load. Determine flow rate and oil cut. Report results to Midland. If decision is made to chemically squeeze well, continue to step #11. If not, skip to step #14.
12. MIRU pumping company.



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13. Squeeze perfs and open hole w/ scale inhibitor as per Champion's recommendation down tbg in 5 stages dropping rock salt for block between each stage. Start with 200# block and adjust as necessary. Treatment should be designed assuming 800 bfpd total rate. Flush per Champion's recommendation. SI overnight.
14. RDMO pumping company.
15. POOH w/ packer and workstring.
16. RIH with production tbg, rods, and pump. Production equipment should be designed for ~800 bfpd or better estimate based on swab results. ND BOP. NU WH. Put well in test and RWTP. RDMOPU.

WELL DATA SHEET

LEASE: EMSU WELL: 389
 LOC: 1980' F N L & 660' F W L SEC: 14
 TOWNSHIP: 21S CNTY: Lea
 RANGE: 36E UNIT: E ST: N.M.
 (formerly: Lockhart "B-14" #1)

FORM: Grayburg / San Andres DATE: _____
 GL: 3566' STATUS: Producer
 KB: 3566' API NO. 30-025-04631
 DF: _____ CHEVNO: FA 57720:01

Date Completed. 6/13/36
 Initial Production: F/ 1080 BOPD
 Initial Formation: Grayburg
 FROM: 3662' to 3870' / GOR 847

Completion Data

Natural

Subsequent Workover or Reconditioning:

10/7/43 ACDZ w/ 1000 gals.
 10/27/43 ACDZ w/ 2000 gals.
 5/28/51 ACDZ w/ 750 gals gelled acid + 3000 gals 15% HCl.
 8/52 Installed pumping equipment.
 3/16/54 Frac w/ 6000 gals crude and 6000# sand.
 1/1/65 TA'd.
 2/85 C/O to 3870'.
 8/85 Installed new 7-1/16" 3M WH C/O to 3842'. Ran
 CNL/GR/CCL - Spectralog. ACDZ w/ 3500 gals 15% HCl +
 1000# GRS.
 7/87 Deepened from 3870-3950'. Ran 4" liner f/ 3420-3950'.
 Drilled out to 3945' (left one cone in hole). Ran CNL/CCL/GR.
 Perfed 4" liner @ 3764-99, 3810-28, 3840-68 & 3902-26'.
 ACDZ w/ 7500 gals 15% HCl.
 8/87 Production: 0 BO/ 126 BWPD. FL - 1578' F.S.
 9/23/87 SQZD perfs @ 3764-3926' w/ 300 SX CL C cmt. D/O
 & re-perf fr 3764-99, 3810-28 and 3840-68' (1 JHPF - 81
 holes). ACDZ w/ 4100 gals 15% NeFe. Run PE.
 4/19/2002 TA'd well
 09/07 RIH w/bailor & dumped 35' of Class "C" cmt on top of
 CIBP @ 3,725'.

Additional Data:

T/Queen @ 3404'
 T/Penrose @ 3525'
 T/Grayburg Zone 1 @ 3726'
 T/Grayburg Zone 2 @ 3758'
 T/Grayburg Zone 2A @ 3798'
 T/Grayburg Zone 3 @ 3831'
 T/Grayburg Zone 4 @ 3869'
 T/Grayburg Zone 5 @ 3924'
 T/Grayburg Zone 6 @ 3961'
 T/San Andres @ 3963'
 KB @ 3566'

10-3/4" OD
 CSG
 Set @ 374' W/ 200 SX
 Cmt circ.? Yes
 TOC @ surf. by calc

7-5/8" OD
 CSG
 Set @ 2664' W/ 900 SX
 Cmt circ.? Yes
 TOC @ surf. by calc

Plugging Detail:
 CIBP @ 3725' with 35' cmt cap

5-1/2" OD 10rd K-55
 17# CSG
 Set @ 3662' W/ 150 SX
 Cmt circ.? No
 TOC @ 1765' by calc.

4" 12 93# L80/K-55 Liner w/
 RFC conn. Set @ 3950' w/
 50 SX cmt

