

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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NOV 05 2008

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

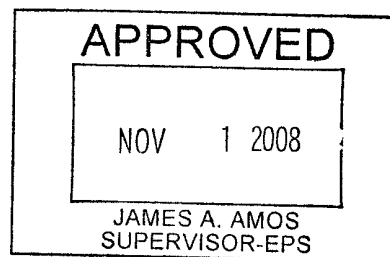
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. LC 031740B
2. Name of Operator XTO Energy Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 200 LORRAINE, STE. 800 MIDLAND, TX 79701	3b. Phone No. (include area code) 432-620-6740	7. If Unit or CA/Agreement, Name and/or No. NM 70948A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980 Feet from North line and 1680 feet from the East line; Unit letter G, Section 4, T-21-S, R-36-E, NMPM		8. Well Name and No. EUNICE MONUMENT 202
		9. API Well No. 30-025-29866
		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 OAP & Stimulate Grayburg Producer
	<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 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.



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Kristy Ward	Title Regulatory Analyst
<i>Kristy Ward</i>	Date 08/11/08

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	

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.

File



**OAP and Stimulate Grayburg Procedure
LEA COUNTY, NEW MEXICO
July 7, 2008**

ELEVATION:	PBTD – 3,873'	KB – 3,549'
	TD – 3,900'	GL – 3,531.5'

WELL DATA:

Current Status: Producing. Last Well Test 7/2/08: 1 bopd / 51 bwpd / 2 mcfpd

Surface Casing: 8-5/8" 24# set at 1,230'. Cmmt'd w/750 sx. Circulated.

Prod. Casing: 5-1/2" 15.5# J-55 set at 3,900'. Cmmt'd w/700 sx. Circulated.

COMPLETION:

Perforations:	Grayburg 2: 3,708 – 11'	(3', 1 spf, 3 holes)	6/87
	Grayburg 2A: 3,727 – 32'	(5', 2 spf, 10 holes)	4/08
	Grayburg 4: 3,790 – 93'	(3', 1 spf, 3 holes)	6/87
		3,797 – 3,800' (3', 1 spf, 3 holes)	6/87
	Grayburg 5: 3,841 – 57'	(16', 1 spf, 16 holes)	6/87

OBJECTIVE: Open Pay, Breakdown, and Stimulate 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. POOH w/ rods & pump. ND WH. NU BOP.
2. POOH w/production tubing. Scanalog tubing while POOH, laying down the bad jts. Take note if there is presence of scale buildup on the pump, rods, and/or tubing.
3. PU workstring and RIH w/ 4-3/4" bit and 2-7/8" WS to PBTD. Clean-out well to +/- 3,873' if necessary. Circulate clean and POOH.
4. MIRU wireline company (to be determined). TIH with 3-3/8" casing gun and perforate the following intervals with 60 degree phasing, and premium charges. Correlate to the *Compensated Densilog, Neutron, Gamma Ray* log run by Dresser Atlas on 6/8/1987.
 - a. 3,750 – 65' (5', 3 spf, 15 holes)
 - b. 3,781 – 84' (3', 3 spf, 9 holes)



**OAP and Stimulate Grayburg Procedure
LEA COUNTY, NEW MEXICO
July 7, 2008**

- c. 3,812 – 16' (4', 3 spf, 12 holes)
- d. 3,825 – 30' (5', 3 spf, 15 holes)
- e. 3,835 – 40' (5', 3 spf, 15 holes)

- 5. POOH w/perf gun and RDMO wireline.

- 6. PU and RIH with 5-1/2" RBP, packer, and collar locator (to get on depth) on 2-7/8" workstring. Test WS in hole to 5,000 psi below slips.

- 7. Set RBP at ~3,770'. PU and test RBP to 500 psi.

- 8. MIRU Cudd Pumping. Test lines to 4,000 psi. Spot

- 9. Pull packer to 3,740' and reset. Monitor backside. Breakdown perfs from 3,750 – 3,765' by pumping 750 gals of 20% AcidTol acid. **Max treating rate/pressure of 2 BPM/1,500 psi.**

- 10. Unset packer. RIH and latch onto RBP. RIH to 3,865' and set RBP. PUH to ~3,690' and set packer.

- 11. MIRU Cudd acid/pumping company and TeamCO2 and pressure test lines to 5,000 psi.

- 12. Load backside with 2% KCL and test to +/- 500 psi. Hold 500 psi during job.

- 13. Pump 7,100 gals 20% AcidTol and 71 tons of 70% foam quality CO2 with ~3,000 lbs rock salt (adjusted after each stage) in 5 stages per the attached pumping schedule. **Maximum treating pressure should be 4,000 psi. Attempt to achieve 10 bpm. Monitor backside for communication.** Once flush is achieved, shut well in for 2 hours to let acid spend. RDMO acid/pumping company and TeamCO2.

- 14. Flow back or RU swab and swab back acid load (if needed). Determine flow rate and oil cut. Report results to Midland.

- 15. POOH w/ packer and workstring.

- 16. RIH with production tbg, rods, and pump. Pump/rod string should be initially designed for 500 bfpd rate. Use swab/flow back results to better approximate rate to size pumping equipment.

- 17. ND BOP. NU WH. RWTP. RDMOPU. Put well in test.

District I
1625 N. French Dr., Hobbs,
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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AUG 19 2009

HOBBS OCD

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144 CLEZ
July 21, 2008

For closed-loop systems that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, submit to the appropriate NMOC District Office.

Closed-Loop System Permit or Closure Plan Application

(that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

Type of action: ☒ Permit ☐ Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1. Operator: XTO Energy, Inc. OGRID #: 005380
Address: 200 N. Loraine, Ste. 800 Midland, TX 79705
Facility or well name: Eunice Monument South Unit #202
API Number: 30-025-29866 OCD Permit Number: PI-00360
U/L or Qtr/Qtr G Section 4 Township T-21S Range R-36E County: Lea
Center of Proposed Design. Latitude _____ Longitude _____ NAD: ☐ 1927 ☐ 1983
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2. ☒ Closed-loop System: Subsection H of 19.15.17.11 NMAC
Operation: ☐ Drilling a new well ☒ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) P&A
☒ Above Ground Steel Tanks or ☐ Haul-off Bins

3. Signs: Subsection C of 19.15.17.11 NMAC
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
☒ Signed in compliance with 19.15.3 103 NMAC

4. Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
☒ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☒ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☒ Closure Plan (Please complete Box 5) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
☐ Previously Approved Design (attach copy of design) API Number: _____
☐ Previously Approved Operating and Maintenance Plan API Number: _____

5. Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.
Disposal Facility Name: Sundance Services, Inc. Disposal Facility Permit Number: NM-01-0003
Disposal Facility Name: _____ Disposal Facility Permit Number: _____
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations?
☐ Yes (If yes, please provide the information below) ☒ No
Required for impacted areas which will not be used for future service and operations:
☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

6. Operator Application Certification:
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.
Name (Print): Kristy Ward Title: Regulatory Analyst
Signature: Kristy Ward Date: August 12, 2008
e-mail address: kristy.ward@xtoenergy.com Telephone: 432-620-6740

7. **OCD Approval:** ☒ Permit Application (including closure plan) ☐ Closure Plan (only)

OCD Representative Signature: _____

Approval Date: _____

Title: _____

Geologist

OCD Permit Number: _____

P1-00360

8. **Closure Report (required within 60 days of closure completion):** Subsection K of 19.15 17.13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☐ Closure Completion Date: _____

9. **Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:**

Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: _____

Disposal Facility Permit Number: _____

Disposal Facility Name: _____

Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations:

☐ Site Reclamation (Photo Documentation)

☐ Soil Backfilling and Cover Installation

☐ Re-vegetation Application Rates and Seeding Technique

10.

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): _____

Title: _____

Signature: _____

Date: _____

e-mail address: _____

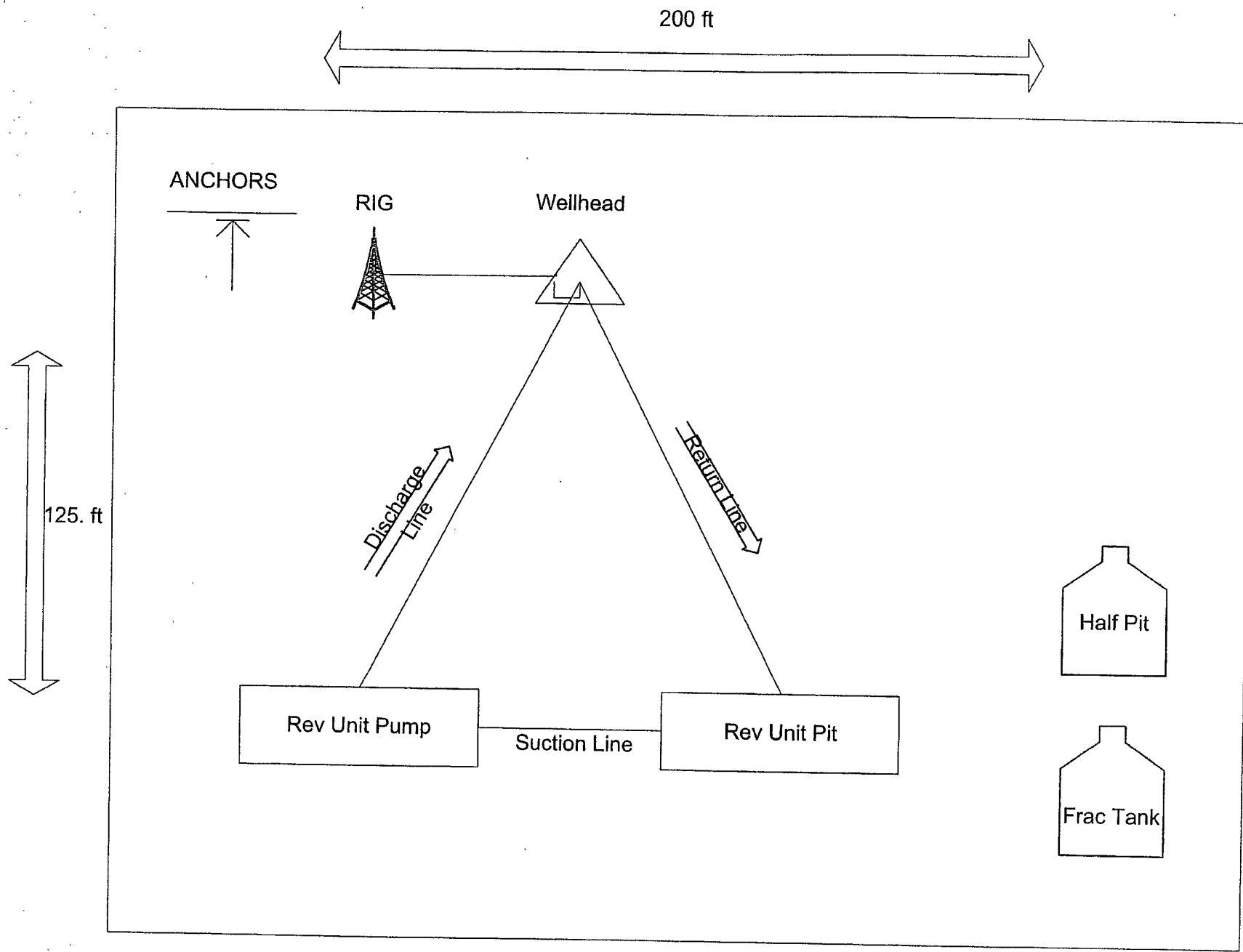
Telephone: _____

Operating and Maintenance Procedure:

- Will submit C-144 (short form) to OCD to get permit to set steel tank at well location to be used to collect fluid during workover.
- When permit received from OCD, steel tank will be set at well location prior to work performed (without any type of liner).
- Operator will do daily visual tank inspection to locate any leak that might cause soil or ground water contamination.
- If leak is detected the OCD will be notified immediately.

Closure Plan – based upon the appropriate requirements of Subsection C:

Solids and Fluids will be removed from steel tanks and hauled off by trucking companies. They will then be taken to the closest approved public disposal.



WORKOVER