

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N French Dr, Hobbs, NM 87240  
District II  
1301 W Grand Ave, Artesia, NM 87003  
District III  
1000 Rio Brazos Rd, Aztec, NM 87410  
District IV  
1220 S St Francis Dr, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
June 19, 2008

RECEIVED  
FEB 10 2010  
HOBBSDO

CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-025-31562 ✓
5. Indicate Type of Lease <i>*Federal</i> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Arrowhead Grayburg ✓
8. Well Number #217 ✓
9. OGRID Number 005380 ✓
10. Pool name or Wildcat Arrowhead; Grayburg
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other
2. Name of Operator XTO Energy, Inc.
3. Address of Operator 200 N. Loraine, Ste. 800 Midland, TX 79701
4. Well Location Unit Letter <u>B</u> : <u>660</u> feet from the <u>North</u> line and <u>2045'</u> feet from the <u>East</u> line Section <u>18</u> Township <u>22S</u> Range <u>37E</u> NMPM County <u>Lea</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐

OTHER: Convert to Injection ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- MIRU. RD MO Lufkin 456 pmpg unit. POOH & ID polished rod, 7/8" D-78 rods & 3/4" rods, stabilizer, k-bars, and RXBP pump.
- ND wellhead. NU BOP. POOH & ID 114 jts of 2-7/8", 6.5 ppf, J-55, EUE 8rd tbg. Lay 2-3/8" injection line from header to AGU #217. Install Automation equipment.
- MI 123 jts of 2-3/8", 4.7 ppf IPC tbg & a 5-1/2" Peak AS1X injection packer.
- RIH w/5-1/2" pkr on new 2-3/8" IPC tbg & set pkr 3640'. Circulate hole w/pkr fluid & press. to 500 psig. ND BOP. NU injector wellhead. Notify OCD of int to perform MIT. MIT well to 500 psi for 30 mins.
- RDMO. Turn well to injection. Set & increase well rate to start @ 200 BWIPD until 735 psig is met.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kristy Ward TITLE Regulatory Analyst DATE 02/01/10

Type or print name Kristy Ward E-mail address: kristy\_ward@xtoenergy.com PHONE 432.620.6709

For State Use Only

APPROVED BY [Signature] TITLE IC FIELD REPRESENTATIVE/STAFF MANAGER DATE 2-11-10

Conditions of Approval (if any).

WFX-859

### **AGU 217 Convert to Injection – Cont'd.**

- AGU #217 is uneconomical to produce at less than 1 BOPD currently.
- Equipment from this well was needed on another well within our existing waterflood.
- Instead of temporarily abandoning the well with a CIBP above the perfs, IPC tubing and a packer and blanking plug were run in the well to prepare the well for injection when the well was approved by the appropriate regulatory groups.
- This well is well within the boundaries of an established waterflood and it was anticipated that approval would be received from the appropriate regulatory bodies within 60 days.
- This well has the tubing casing annulus preliminarily tested to 500 psi and held and the tubing casing annulus is currently being monitored for backside pressure.
- We have not laid any lines or done any further work to hook this well up to the injection system and will not until we receive the appropriate approvals from all regulatory bodies.