

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
MAR 10 2010
OCD-Hobbs

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

☒ Oil Well ☐ Gas Well ☐ 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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Unit Ltr. B, Section 18, T-22S, R-37E
660' ENL & 2045' FEL

5. Lease Serial No.

NMLC-034548

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

NMB462X N8M 84642X
Arrowhead Grayburg Unit

8. Well Name and No

AGU #217

9. API Well No

30-025-31562

10. Field and Pool, or Exploratory Area

Arrowhead; Grayburg

11. County or Parish, State

Lea County NM

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 type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <input checked="" 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. MIRU. RD MD Lufkin 456 pumpg unit. POOH and LD polished rod, 7/8" D-78 rods & 3/4" rods, stabilizer, k-bars, and RXBC pump.
2. ND Wellhead. NU BOP. POOH & LD 114 jts of 2-7/8", 6.5ppf, J-55, EUE 8rd tbq. Lay 2-3/8" injection line from header to AGU #217. Install Automation equipment.
3. MI 123 jts of 2-3/8", 4.7 ppf IPC tubing & a 5-1/2" Peak AS1X injection packer.
4. RIH w/5-1/2" packer on new 2-3/8" IPC tubing & set packer @ 3640'. Circulate hole w/packer fluid & pressure to 500 psig. ND BOP. NU injector wellhead.
5. Notify NMCD of intent to perform MIT. MIT well to 500 psi for 30 mins.
6. RD MD. Turn well to injection.
7. Set well to start at 200 BWIPD. Increase well rate 200 BWIPD until state mandated 735 psig is met.

**SUBJECT TO LIKE
APPROVAL BY STATE**

Procedure Cont'd. on Next Page

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

WFX-859

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

Kristy Ward

Title

Regulatory Analyst

Date 02/01/10

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ELQ 3/11/10

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.

APPROVED

Date MAR 5 2010
s/ Chris Walls

BUREAU OF LAND MANAGEMENT
CARLSBAD 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

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.