	District I Energy, Minera 625 N. French Dr., Hobbs, NM 88240								New Mexico & Natural Resource RECEIVED				
District II 1301 W. Grand A District III 1000 Rio Brazos I District IV 1220 S St Franc APPLIC	Rd , Aztec, N 1s Dr , Santa I	M 87410 Fe, NM 81	7505		(Oil (122 Sa	Conserva 20 S. St unta Fe,	ation . Fran NM	Divsiion icis Dr.	APR 0 5 20 IOBBSOC	Submit to appro	priate District Office ENDED REPORT	
				or Name an			,				² OGRID Numb		
XIO Energy,	Inc.										005380	-	
200 N. Lora	ine, Ste.	800	Mi	dland, '	EX 797	01		³ API Number 30- 025-30320				-	
-	rty Code 305 -	/					⁵ Property Dauro	y Name ⁶ Well No					
10.	505	⁹ Propos	ed Poo	ol 1			Dauro			¹⁰ Proposed	Pool 2	4	
	Blir	nebry	/	Tubb						Drinka			
						7 <u>5</u>	Surface	Locat	tion				
UL or lot no	Section	Townshi	p	Range	Lot Id	n	Feet from	the	North/South Line	Feet from the	East/West line	County	
G	1	218		37E			2214		North	1980'	East	Lea	
·		· 8	Pro	posed I	Bottom	Hol	le Locat	ion If	Different Fro	om Surface			
UL or lot no	Section	Townshi)	Range	Lot Id	n	Feet from	the	North/South Line	Feet from the	East/West line	County	
L	 				<u>ا</u>	ddi	tional W		action				
¹¹ Work Ty	na Cada		12 y	/ell Type Cod		nuur	¹³ Cable/F			ase Type Code	15 Crowned	Level Elevetren	
			v	O O	10		Cable/F	cotal y	Le	P			
¹⁶ Multi	ple			roposed Dept	h ¹⁸ Formati			ition	19	Contractor			
Yes-Downhol Depth to ground		jle	-	7850'TT			Ab			N/A		lg Date	
Depth to ground		cord fo	und		Distance	rom n	earest fresh +1	water w	ven	Distance from nea	rest surface water +1000'		
Pit. Liner. Syn	thetic 🗌 🔄	mi	ls thic	k Cla	y 🗌	Pit V	/olume	1	bbls Drilling Met	hod:			
Closed-Lo	oop System 🗌]	Fresh W	_		Oıl-based 🛄	Gas/Aır 🗔	
L				²¹	ropose	ed C	asing ar	d Cer	ment Program	n			
Hole S	ize		asing						Setting Depth	Sacks of Cem	ent E	Estimated TOC	
		+			Casing weight/foot								
			3 5/		1	24#		1648'		700 sxs		Unknown	
7 7/8	5''		5 1/	2	15	#&	1/#	<u> </u>	7850 '	1025 sx:	5	Unknown	
										······			
22 D 1 1					DEEDE								
Describe the blow												new productive zone	
Well is cur	rrently p	roducin	а.	~			2	, 1	Permit Expli	es 2 Years i ess Drilling	Tom Appro	a 971	
Production	zone curi	rently	is:								ORIGOR AND		
Proposed Zo Formation @		abry, T	ubb	& Drink	ard. Pr	ropos	sed PBID	is 7	090' & CIBP (9 7120'			
*Proposed F		ttached											
								11		·	e		
²³ I hereby certify	that the infor	mation giv	en abo	ove is true a	ind comple	te to f	the best of		OIL C	ONSERVAT	TON DIVIS	ION	
my knowledge and belief I further certify that the drilling pit will be constructed according to NMOCD guidelines a general permit X, or						X, or							
an (attached) alt Signature:)-approve	d pla		-			Appro	oved by:	34/0			
	1		$\overline{\mathcal{M}}$					Titles		UM ENGHNE	ER		
Printed name: Ki			+					Title:					
-	gulatory							Appro	oval Date: APR (Expiration Date.		
E-mail Address: Date:	KIISTY W	ardexto	· · · · · ·	one:			i	Co	onditions of Approva	Approval to drill &	test all new zones		
	/22/10				2-620-6	740		se Is	parate, but cannot p approved in Hobbs I	roduce Downhole c District office accord	ommingle until DH Jing to R-11363		
				4.04		. 40		L'					

200	

District I 1625 N. French Dr , Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd , Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 WELL

RECEIVED

State of New Mexico Energy, Minerals & Natural Resources 0 5 2010

Form C-102 Revised October 12, 2005

HOBBSOCD Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

nty

,	LOCATION	AND	ACREAGE	DEDICATION	PLAT
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¹ API Number	² Pool Code	³ Pool Name					
30-025-30320	06660	Blinebry 010 Cas ()					
⁴ Property Code	⁵ Property	⁶ Well Number					
18305	Daur	4					
⁷ OGRID No	⁸ Operator	Name	⁹ Elevation				
005380	XIO Energ	y, Inc.	3548'GL,3565'KB				
	¹⁰ Surface Lo	cation					

			11 0	· • • • • •			I		
G	1	21S	37E		2214'	North	1980'	East	Lea
UL or lot no	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	Cou

¹¹ Bottom Hole Location If Different From Surface

ſ	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	12 Dedicated Acre	es 13 Joi	nt or Infill	Consolidation	n Code ¹⁵ Or	der No.				
Į	40									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION G

16			¹⁷ OPERATOR CERTIFICATION
			I hereby certify that the information contained herein is true and
	F		complete to the best of my knowledge and belief, and that this
			organization either owns a working interest or unleased mineral
			interest in the land including the proposed bottom hole location
			or has a right to drill this well at this location pursuant to a
	16		contract with an owner of such a mineral or working interest, or
	 1141111		to a voluntary pooling agreement or a compulsory pooling order
		1960 /	heretofore entered by the division heretofore entered by the division Justic Ward Signature Date Kristy Ward Printed Name Regulatory Analyst ¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief Date of Survey Signature and Seal of Professional Surveyer
			Signature and Seal of Professional Surveyer
L			Certificate Number

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

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District I			State of New Mexico							Form C-102
1625 N French Dr , Hobbs,	NM 88240		Energ	gy, Minerals	5 & Na	tural Resource	es	Re	vised	October 12, 2005
District II						RE	CEIVED			iate District Office e Lease - 4 Copies
1301 W Grand Avenue, Art	esia, NM 882	10	OIL (CONSERV	ATIO	N DIVISION	J	mit to Ap	propr	iate District Office
District III			1	220 South	St Fi	ancis Dr. AP	2 0 5 2010 -			
1000 Rio Brazos Rd, Aztec			Santa Fe		07505			Fee	e Lease - 3 Copies	
District IV				Sana i e	, 1 1 1 1	HO	BRROCD		4 N 41	
1220 S St. Francis Dr., Sant					ODE				AM	ENDED REPORT
WELL LOCATION AND ACREAGE DEDICATION PLAT										
¹ API Num	ber		² Pool				³ Pool Na	ime C	. 1	
30-025-30	320		60	240 -			Tubl	b Dil	7 6	aslow
⁴ Property Code	⁴ Property Code ⁵ Property Name								ť	⁶ Well Number
18305					Dauro	n				4
⁷ OGRID No				⁸ Op	perator N	ame				⁹ Elevation
005380				XIO B	Inergy	, Inc.			354	18'GL,3565'KB
				¹⁰ Surfac	e Loca	tion				
UL or lot no Section	Township	Range	Lot	t Idn Feet	from the	North/South line	Feet from the	East/Wes	st line	County
G 1	215	37E		221	4'	North	1980'	East	:	Lea
	-	¹¹ Bot	tom Ho	ole Location	IfDif	ferent From Su	irface			
UL or lot no. Section	Township	Range	Lo	t Idn Feet	from the	North/South line	Feet from the	East/Wes	st line	County
¹² Dedicated Acres ¹³ Jo	int or Infill	14 Consolidatio	solidation Code ¹⁵ Order No.						\$ '	
40										

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16	 <u> </u>		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order
		0861	heretofore entered by the division Signature 03/22/10 Date <u>Kristy Ward</u> Printed Name Regulatory Analyst
			18 SURVEYOR CERTIFICATION 1 hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief Date of Survey
, the second sec	15		Signature and Seal of Professional Surveyer

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District I 1625 N. French I District II	Dr., Hobbs, N	M 88240		State of New Mexico Form C Energy, Minerals & Natural RECOMCENTION Revised October 12, 2							Form C-102 d October 12, 2005	
1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rto Brazos Rd , Aztec, NM 87410 District IV										priate District Office ate Lease - 4 Copies ee Lease - 3 Copies		
1220 S. St. Francis Dr , Santa Fe, NM 87505							ТХ	AN	IENDED REPORT			
WELL LOCATION AND ACREAGE DEDICATION PLAT							T					
	¹ API Numb	er		² Pool Code ³ Pool Name				ume				
30	-025-303	20		19190				Drink	ard			
⁴ Property	y Code				⁵ Pro	perty Na	ime				6 Well Number	
183	05				I	Dauror	1			4		
⁷ OGRII	D No	-			⁸ Ope	erator Na	ame				⁹ Elevation	
0053	80				XIO Ei	nergy,	Inc.			3!	548'GL,3565'KB	
				. 1	⁰ Surface	Loca	tion					
UL or lot no.	Section	Township	Range	Lot. Idn		rom the	North/South line	Feet from the	East/Wes	t line	County	
G	1	21S	37E		2214	2214' North 1980' East Le				Lea		
			¹¹ Bot	tom Hole L	ocation	If Diff	erent From Su	Irface				
UL or lot no.	Section	Township	Range	Lot. Idn	Feet fi	rom the	North/South line	Feet from the	East/Wes	st line	County	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

L

15 Order No.

14 Consolidation Code

¹² Dedicated Acres

40

13 Joint or Infill

16				¹⁷ OPERATOR CERTIFICATION
				I hereby certify that the information contained herein is true and
				complete to the best of my knowledge and belief, and that this
		<u>।</u> <u>र</u>		organization either owns a working interest or unleased mineral
		2		interest in the land including the proposed bottom hole location
				or has a right to drill this well at this location pursuant to a
				contract with an owner of such a mineral or working interest, or
		and the part of the		to a voluntary pooling agreement or a compulsory pooling order
	·		F.	heretofpre entered by the division
				Signature Date
			۲ ۲	Kristy Ward
		kan	-, 0867	Printed Name
				Regulatory Analyst
		444411	<u> </u>	
	•		1	¹⁸ SURVEYOR CERTIFICATION
				I hereby certify that the well location shown on this plat
				was plotted from field notes of actual surveys made by
				me or under my supervision, and that the same is true
				and correct to the best of my belief
,				
				Date of Survey
				Signature and Seal of Professional Surveyer
				Certificate Number



Plug Back, OAP, Sand Frac Drinkard/Tubb/Blinebry Lea County, New Mexico February 8, 2010

ELEVATION:	GL – 3548'		TD – 7850'					
	KB – 3565'		PBTD – 7809' (fi	11)				
WELL DATA:								
Current Status:	Abo Producer: Last test – 1/13/2010 2 oil / 4 water / 4 mcf							
Surface Casing:	8-5/8" 24 ppf J-55. Set at 1648'. Cemented with 700 sx. TOC at surface.							
Prod. Casing:	5-1/2" 15.5 & 1 TOC unknown.	5-1/2" 15.5 & 17 ppf K-55. Set at 7850'. Cemented with 1025 sx.						
COMPLETION:								
Perfs:	7210 – 7790'	Abo	(122' perfs, 122 holes)	4/88				
OBJECTIVE:	Plug Back Abo, OAP and Sand Frac Drinkard/Tubb/Blinebry							

RECOMMENDED PROCEDURE

(Verify that anchors have been set and tested per NM OCD & OSHA guidelines)

This well is a PRIVATE well

- 1. Notify land owner of intent to move on location.
- 2. MIRU PU. POOH with pump and rods. ND WH. NU BOP. POOH with tubing.
- 3. RIH with 5-1/2" CIBP. Set CIBP at 7120'. Dump 3 sx Class "C" cement on top of CIBP (New PBTD should be 7090'). Test casing to 3000 psig.
- 4. Perforate the following intervals with 1 spf and 120 degree phasing as follows: Drinkard 6908 7005' (25', 29 holes).
- 5. PU and RIH with 5-1/2" treating packer on 2-7/8" WS. Set packer @ 6825' and breakdown perfs from 6908 7005' with 3000 gals of 15% HCL NEFE acid
- 6. Shut well in for two hours. POOH with WS and packer.
- MIRU Frac company. NU frac valve. Test lines to 4000 psig. Frac the Drinkard perfs (6908 – 7005') via 5-1/2" casing with cross-linked gel and 60,000 lbs 20/40 white sand and 40,000 lbs 20.40 CRC sand.
- 8. Set composite bridge plug @ 6850'. Perforate the following intervals with 1 spf and 120 degree phasing as follows:

Tubb:	6593 – 6620'	(12', 14 holes)
Drinkard:	6662 – 99'	(12', 15 holes)



Plug Back, OAP, Sand Frac Drinkard/Tubb/Blinebry Lea County, New Mexico February 8, 2010

Frac Drinkard/Tubb perfs (6593 - 6699') via 5-1/2" csg with cross-linked gel and 60,000 lbs 20/40 white sand and 40,000 lbs 20/40 CRC sand.

9. Set composite bridge plug at 6480'. Perforate the following intervals with 1 spf and 120 degree phasing as follows. Blinebry: 6172 - 6288' (23', 28 holes)

Frac Blinebry perfs (6172 - 6288') via 5-1/2" csg with cross-linked gel and 51,250 lbs 20/40 white sand and 33,750 lbs 20/40 CRC sand.

10. Set composite bridge plug at 6130'. Perforate the following intervals with 1 spf and 120 degree phasing as follows.
Blinebry: 6011-89' (22', 27 holes)

Frac Blinebry perfs (6011 - 6089') via 5-1/2" csg with cross-linked gel and 45,000 lbs 20/40 white sand and 30,000 lbs CRC sand. SI overnight. RDMO frac and WL company.

11. RU foam air unit. Drill out composite bridge plug. Continue in hole to 2nd composite bridge plug at 6480' and drill out. Continue to 3rd composite bridge plug at 6850' and drill out to CIBP at 7090'. POOH WS and LD bit. RD foam air unit.

12. RIH with SN and WS. Swab to determine flow rate. RD swab. POOH LD WS.

13. RIH with pump. ND BOP. NU WH. RIH with rods.

14. RDMO PU. Put well in test.

PROCEDURE BY RAR

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DAURON #4 WELLBORE DIAGRAM "Current"

DATA

Lufkin Mark II 640-305-144



LOCATION: 2214' FNL & 1980' FEL, UNIT G, SEC 1, T21S, R37E COUNTY/STATE: LEA COUNTY, NEW MEXICO FIELD: WANTZ FIELD FORMATION: ABO SPUD DATE: 3/22/88 COMPLETION DATE: 6/88 (ABO) IP: P. 48 BO, 0 BW, 58 MCF (ABO, 7210'-7790') 6/88 NMOCD LEASE #: 002182 API #: 30-025-30320 CTOC WELL #: 59915 PRODUCTION METHOD: SI NOTE: WELL SI 6/1/94 - UNECONOMICAL

HISTORY

03/22/88: BRAVO ENERGY, INC. SPUDDED 12-1/4" HOLE. 04/06/88: TD 7-7/8" HOLE @ 7850'. RAN LOGS. 04/07/88: RAN 5-1/2" CSG & CMT'D TOC UNKNOWN (FULL CIRC). 04/13/88: PERF'D ABO 7565', 78', 80', 82', 84', 86', 89', 92', 7600', 15', 22', 41', 44', 48', 52', 54', 56', 62', 64', 66', 68', 70', 81', 94', 96', 98', 7700', 02', 04', 16', 18', 20', 22', 38', 40', 42', 64', 66', 70', 72', 74', 80', 84', 86', 88' & 90' (46 HOLES) W/CSG GUN. SPOTTED 250 GALS 15% NEFE ACROSS PERFS. BROKE DWN. 04/14/88: A 7565'-7790' W/5000 GALS 15% NEFE ACID W/100 BS. GOOD BALL ACTION BALLED OUT. AIR 4 BPM. ATP 4500 PSIG. ISIP 3400 PSIG, 15" SIP - 3200 PSIG. 04/15/88: SWBD. 1ST RUN 90% OIL. BFL 6000' FS. SET CIBP @ 7548'. CAPPED W/2SX CMT. PERF'D ABO 7210', 12', 20', 24', 34', 36', 38', 40', 42', 50', 52', 54', 59', 70', 72', 74', 76', 79', 83'. 89', 93', 7300', 02', 04', 06', 08', 10', 12', 14', 16', 18', 20', 22', 26', 34', 36', 38', 40', 44', 46', 48', 52', 54', 56', 58', 60', 64', 66', 68', 72', 74', 76', 89', 91', 7401', 10', 12', 15', 24', 26', 34', 36', 48', 50', 52', 73', 86', 88', 90', 92', 94', 96', 7500', 02', 04' & 06' (76 HOLES) W/CSG GUN. 04/16/88: SPOTTED 250 GALS ACID ACROSS PERFS. BROKE DWN. A 7210'-7506' W/7250 GALS 15% NEFE W/BS AIR 4.4 BPM ATP 4950 PSIG. ISIP 3700 PSIG, 15" SIP - 3140 PSIG. 04/19/88: S. 45 BO, 25 BW, 10 HRS. 04/20/88: A 7210'-7506' W/12,000 GALS 20% HCL ACID & 36 TONS CO2. AIR 11 BPM. ATP 6750 PSIG. 06/07/88: SIBP 1290 PSIA @ 7512'. SI 167 HRS. 06/10/88: DRLD OUT CMT & CIBP @ 7548', RAN TO PBTD 7809'. 06/11/88: RAN TBG. SN 7709'? RAN PMP & RODS. 06/??/88: IPP. 48 BO, 0 BW, 58 MCF (ABO, 7210'-7790') 01/23/89: NABLA SURVEY. PIP 30 PSI. PPG 20 BFPD. SN @ 7739'. 06/01/94: SI. UNECONOMICAL - 1.5 BOPD, 1 MCFPD. 06/28/06: POH & LD RODS & PMP. PMP 70 BBLS 9# BRINE WTR DWN TBG TO CLEAN PARAFFIN. TAG FILL @ 7.731'. 06/30/06: DO SCALE & IRON SULFIDE TO PBTD @ 7,809'. CIRC WELL CLEAN. 07/06/06: ACDZ ABO PERFS (7,210' TO 7,790') W/5,000 GALS 20% NEFE 90/10 ACID. DROP 10 - 1.3 SG 7/8" BS EVERY 6 BBLS GOOD BALL ACTION FLUSH TO BTM PERF W/ 57 BBLS 9# BRINE. AIR - 4.1 BPM. AIP - 3,522 PSIG. ISIP - 3,050 PSIG. 5" SIP - 2,798 PSIG 10" SIP - 2,708' PSIG.

AIR - 4.1 BPM. AIP - 3,522 PSIG. ISIP - 3,050 PSIG. 5" SIP - 2,798 PSIG 10" SIP - 2,708' PSIG. 15" SIP - 2,638. MAX/ MIN PRESS - 3,694/3,384 PSIG SWB WELL REC 101 BW. SMALL GAS SHOW ON LAST 5 RUNS. BFL - 100' FS. FFL - 1,900' FS.

08/01/06: FOUND BACKED OFF 3/4" ROD 284 RODS FS. RWTP.

W.\WELL SKETCHES\DAURON LEASE\DAURON #4

REVISED 8/17/06 Page 1 of 2

DAURON #4 WELLBORE DIAGRAM "Proposed"

<u>DATA</u>



W.\WELL SKETCHES\DAURON LEASE\DAURON #4

Lufkin Mark II 640-305-144

REVISED 8/17/06 Page 1 of 2