

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

MAR 22 2013

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.

Armadillo Field Office
Bureau of Land Management

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

XTO ENERGY INC

3a. Address

382 CR 3100 AZTEC, NM 87410

3b. Phone No. (include area code)

505-333-3630

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

737' FNL & 1686' FWL NENW Sec.8 (C) -T30N-R12W N.M.P.M.

5. Lease Serial No.

NM-0498

6. Indian, Allottee or Tribe Name

Bureau of Land Management

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

8. Well Name and No.

FEDERAL 8 #3

9. API Well No.

30-045-30528

10. Field and Pool, or Exploratory Area

AZTEC PC/BASIN FC

FLORA VISTA FS

11. County or Parish, State

SAN JUAN

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

BF

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 checked="" 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.)

XTO Energy Inc. intends to plug and abandon this well per the attached procedure. Please see also the attached current and proposed wellbore diagrams and recalculation plan.

Notify NMOCD 24 hrs
prior to beginning
operations

RCVD APR 2 '13
OIL CONS. DIV.
DIST. 3

Add a 100' inside plug plus 50% excess across the PC top. This plug does NOT need to be tagged.

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

SHERRY J. MORROW

Title REGULATORY ANALYST

Signature

Date 3/22/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

MAR 27 2013

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.

NMOCD

FEDERAL 8 #3
737' FNL & 1,686' FWL, Section 8, T 30 N, R 12 W
San Juan County, New Mexico / API 30-045-30528

Plug and Abandonment Procedure

AFE #: 1301353 (FS), 1301357 (FC), 1301358 (PC)
Surface Casing: 7", 23#, J-55 @ 178'. Cmt 80 sx. Circ 4 bbls cmt to surf.
Production Casing: 4-1/2", 10.5#, J-55 @ 2,158'. Cmt 250 sx. Did not circ cmt to surf. Pmpd 65 sx dwn BH. Ran CBL 5/18/2001.
Perforations: Fruitland Sand: 1,624' – 1,988'
Fruitland Coal: 2,032' – 2,044'
Pictured Cliffs: 2,060' – 2,078'
Tubing: 67 jts 2-3/8", 4.7#, J-55, 8rd EUE, SN & 2-3/8" x 20' OEMA w/weep hole & pin. SN @ 2,103'. EOT @ 2,123'.
Rods & Pump: 1-1/4" x 16' PR, 3 – 3/4" rod subs (4', 8', 8'), 81 – 3/4" rods, 1-1/4" sb, 21K shear tl, 1-1/4" sb & 2" x 1-1/2" x 10' RWAC-Z EPS pmp w/1" x 1' strnr nip (XTO #1798).

Please notify NMOCD & BLM 24 hours prior to beginning plugging operations

- 1) Check for COA's before operations begin.
- 2) Test rig anchors.
- 3) Set flowback tank.
- 4) MIRU PU. TOH & LD rods & pmp.
- 5) ND WH. NU BOP. TOH & LD tubing.
- 6) TIH w/3-7/8" bit, 3-7/8" string mill on 2-3/8" work string to 1,624'. TOH.
- 7) TIH w/4-1/2" CIBP and set @ 1,590' (Casing collar @ 1,575'). Circulate hole clean.
- 8) PT casing and CIBP to 550 psig for 30 minutes. Record test on chart. If casing does not test, contact engineer.
- 9) MIRU cement truck.
- 10) **Perforation Isolation and FC Top Plug (1,590' – 1,380'):** Pump 20 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot balanced plug from 1,590' – 1,380' (volume calculated with 50' excess).
- 11) MIRU WLU.
- 12) **Kirtland Top and Ojo Alamo Top Plug (595' – 467'):** Perforate 3 squeeze holes at 678 595'. Establish rate into squeeze holes. Set CICR at 574'. Pump 37 sx class "B" cement (15.6 ppg, 1.18 cuft/sx yield). Squeeze 23 sx outside casing and leave 14 sx inside casing from 595' - 467' (volumes calculated with 50' excess inside & 100% excess outside).
678 476

- 13) RDMO WLU.
- 14) **Casing Shoe Plug (228' – Surface):** Pump 22 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot balanced plug from 228' – Surface (volume calculated with 50' excess).
- 15) TOH & LD tubing.
- 16) RDMO cement truck. RDMO PU.
- 17) WOC 4 hours.
- 18) Cut off wellhead. Fill in casing as needed with cement. Install P&A marker.
- 19) Cut off anchors and reclaim location.

Regulatory:

- 1) C-144 CLEZ
- 2) NOI for P&A on form C-103
- 3) Submit a post-work sundry on form C-103 which details the P&A work and location work within 30 days of completing all required restoration work.

Equipment

- 1) 1 flowback tank
- 2) 1,650' – 2-3/8" work string
- 3) 79 sx cln "B" cmt
- 4) Cement services
- 5) P&A marker

Current

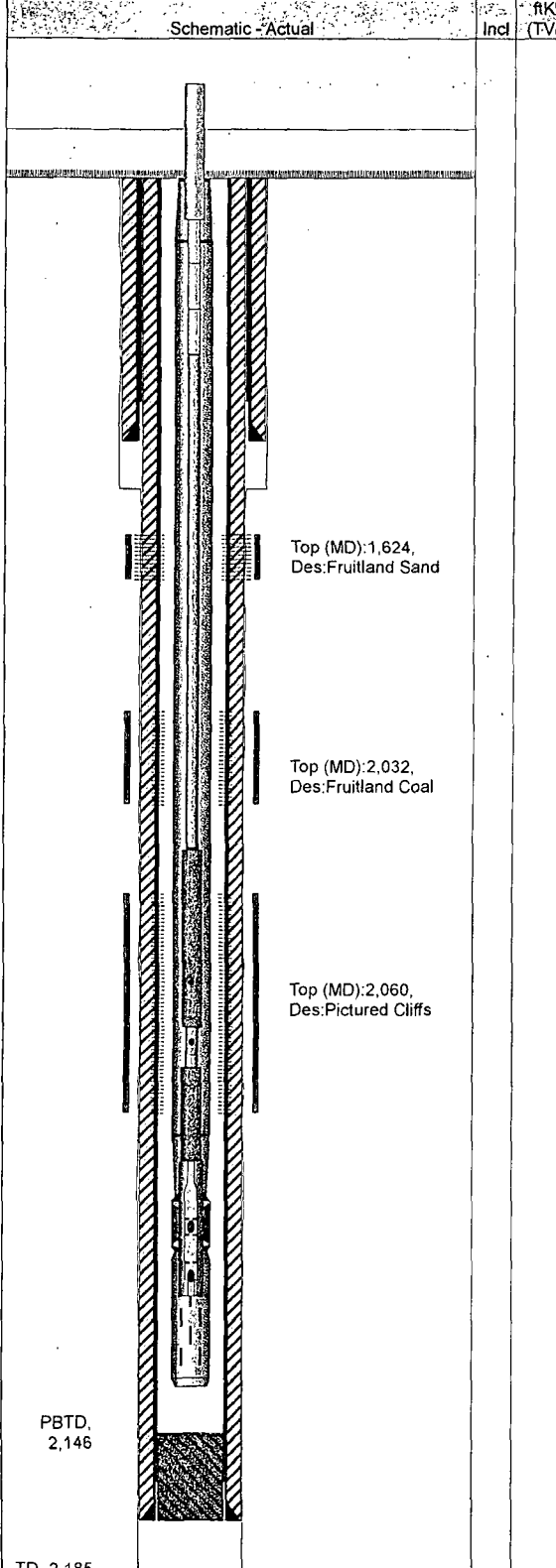


XTO - Wellbore Diagram

Well Name: Federal 08-03

API/UWI	E/W Dist (ft)	E/W Ref	N/S Dist (ft)	N/S Ref	Location	Field Name	County	State
30045305280000	1,686.0	FWL	737.0	FNL	T30N-R12W-S08	Flora Vista Fruitland Sand	San Juan	New Mexico
Well Configuration Type	XTO ID B	Orig KB Elev (ft)	Gr Elev (ft)	KB-Grd (ft)	Spud Date	PBTD (All) (ftKB)	Total Depth (ftKB)	Method Of Production
Vertical	72381	5,875.00	5,870.00	5.00	4/7/2001	Original Hole - 2146.0	2,185.0	Beam

Well Config: Vertical - Original Hole, 2/18/2013 8:44:53 AM



TD, 2,185

Zones									
Zone	Top (ftKB)		Btm (ftKB)						
Fruitland Sand	1,624.0		1,988.0						
Fruitland Coal	2,032.0		2,044.0						
Pictured Cliffs	2,060.0		2,078.0						
Casing Strings									
Casing Description	OD (in)	Wt (lbs/ft)	String Grade	Top Connection	Set Depth (ftKB)				
Surface	7	23.00	J-55		178.0				
Casing Description	OD (in)	Wt (lbs/ft)	String Grade	Top Connection	Set Depth (ftKB)				
Production	4 1/2	10.50	J-55		2,158.0				
Cement									
Description	Type	String							
Surface Casing Cement	casing	Surface, 178.0ftKB							
Comment									
CMTD W/80 SX CL "B" CMT. CIRC 4 BBLS CMT TO SURF.									
Description	Type	String							
Production Casing Cement	casing	Production, 2,158.0ftKB							
Comment									
CMT'D W/ (LEAD) 130 SXS LITE CMT FOLLOWED BY 120 SXS CL "B" CMT. DID NOT CIRC CMT TO SURF. RAN GR/CCL/CBL. TOC @ 610'. PPD 65 SXS CMT DOWN BH. RAN GR/CCL/CBL. GOOD BOND 0' - 210', SCATTERED BOND 210' - 610'.									
Description	Type	String							
Cement Plug	plug	Production, 2,158.0ftKB							
Comment									
DUMP BAILED 1 SX CMT PLUG FR/2,159' - 2,146' AFTER DO TO RPR LEAKING SHOE.									
Perforations									
Date	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Hole Diameter (in)	Phasing (°)	Curr. Status	Zone		
5/24/2001	1,624.0	1,988.0	4.0			Ac...	Fruitland Sand		
3/23/2010	2,032.0	2,044.0	3.0	0.480	120	Ac...	Fruitland Coal		
3/18/2010	2,060.0	2,078.0	3.0	0.340	120	Ac...	Pictured Cliffs		
Tubing Strings									
Tubing Description		Run Date			Set Depth (ftKB)				
Tubing - Production		3/24/2010			2,123.4				
Tubing Components									
Item Description	Jts	Model	OD (in)	Wt (lbs/ft)	Grade	Top Thread	Len (ft)	Top (ftKB)	Btm (ftKB)
Tubing	36	T&C Upset	2 3/8	4.70	J-55		2,097.28	5.0	2,102.3
Seat Nipple	1		2 3/8	4.70	J-55		1.10	2,102.3	2,103.4
OEMA	1		2 3/8	4.70	J-55		20.00	2,103.4	2,123.4
Rods									
Rod Description		Run Date		String Length (ft)		Set Depth (ftKB)			
Insert Pump		3/24/2010		2,122.00		2,112.0			
Rod Components									
Item Description	Jts	Model	OD (in)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)		
Polished Rod	1		1 1/4		16.00	-10.0	6.0		
Rod Sub	1		3/4	D	8.00	6.0	14.0		
Rod Sub	1		3/4	D	8.00	14.0	22.0		
Rod Sub	1		3/4	D	4.00	22.0	26.0		
Sucker Rod	81	WCN-78	3/4	D	2,025.00	26.0	2,051.0		
Sinker Bar	1		1 1/4	K	25.00	2,051.0	2,076.0		
Shear Tool - 21K	1		3/4		1.00	2,076.0	2,077.0		
Sinker Bar	1		1 1/4	K	25.00	2,077.0	2,102.0		
Rod Insert Pump	1		1 1/2		10.00	2,102.0	2,112.0		
Stimulations & Treatments									
Frac Start Date	Top Perf (ft...)	Bottom Pe...	V (slurry) (...)	Total Prop...	AIR (b...	ATP (psi)	MTP (psi)	ISIP (psi)	
5/31/2001	1624	1988		317,00...	45	1,900.0		1,275.0	
Comment									
A. W/ 1,000 GALS 15% HCL ACID. FRAC'D DWN 4-1/2" CSG W/159,600 GALS 20# DELTA 140 CARRYING 317,800# 20/40 SD.									

Federal 8-3 Proposed WB Diagram

KB: 5,875'
GL: 5,870'
KB CORR: 5'

7", 23#, J-55, STC CSG @ 178'
CMT'D W/80 SX
CIRC 4 BBLs CMT TO SURF

8-3/4" HOLE

PLUG #3: CMT FR/228' - SURFACE
(22 SX)

6-1/4" HOLE

BOC @ 236' FR/CBL DATED 5/18/2001

OJO ALAMO TOP @ 517'

PLUG #2: CMT FR/595' - 467' (14 SX
INSIDE, 23 SX OUTSIDE)

KIRTLAND TOP @ 574'

CMT RETAINER @ 574'

PERFORATIONS @ 595'

TOC @ 600' FR/CBL DATED 5/18/2001

FRUITLAND COAL TOP @ 1,430'

PLUG #1: CMT FR/1,590' - 1,380' (20 SX)

CIBP @ 1,590'

FS: 1,624' - 1,988'

FC: 2,032' - 2,044'

PC: 2,060' - 2,078'

PICTURED CLIFFS TOP @ 2,060'

PBTD 2,146'
TD 2,185'

4-1/2", 10.5#, J-55 CSG @ 2,158'
CMT'D W/250 SX
DID NOT CIRC CMT TO SURF.
PUMPED 65 SX DOWN BH.



P&A Reclamation Plan

March 26, 2013

Federal 8-3

Sec.8C, T30N, R12W

API # 30-045-30528

Latitude: 36.8330 Longitude: -108.1238

1.0 PURPOSE and SCOPE

1.1) The purpose of this document is to ensure final reclamation of associated pad and access roads as required by applicable laws and regulations. Properly performed reclamation procedures are required to preserve Private, Public, Tribal and National Forest lands, mitigating any possible environmental/surface owner issues that could potentially arise. This reclamation plan is designed to provide environmentally sound, safe, prudent and specific guidelines, while implementinmg Best Management Practices, to assist in returning disturbed soils to a level consistent with the surrounding topography prior to the approved disturbance.

2.0 PRE-RECLAMATION SITE INSPECTION

2.1) A pre-reclamation site inspection with Farmington Field Office (FFO) Authorized Officer (AO) ***Randy McKee***, XTO Energy, Inc. representatives ***Scott Baxstrom, Brent Beaty, and Luke McCollum***, took place on ***3/18/2013***, prior to implementation of the reclamation process to determine contours, silt trap placement; seed mix selection, weed abatement procedures as well as additional requirements needed to assist in returning the area to applicable pre-disturbance condition.

3.0 PROCEDURES

3.1) Rehabilitation work will be completed within one year from plug date. No new disturbance will be allowed outside current disturbed areas to be reclaimed. Notifications, as stipulated in the APD, will be provided to proper authorities via sundry notifications, e-mail, or phone within required time frames.

3.2) All fences, production equipment, purchaser's equipment, concrete slabs, anchors, flow lines (above ground and/or subterranean), risers (***meter run, riser and sales line to be***

removed to dogleg across road , approximately 30 feet, as determined during onsite), debris, and trash will be removed from location and disposed of at approved facilities.

3.3) Production pits will be closed and remediated according to Federal, State, and Local guidelines. Proper notifications will be made according to above regulations as required. Impacted soil discovered during reclamation activities will be remediated and disposed of at an approved waste facility according to above mentioned guidelines and regulations.

3.4) Available top soil, typically the top 6", will be stockpiled during reclamation procedures with the top soil being redistributed after completion of earthwork to assist in achieving adequate vegetation growth.

3.5) Gravel on location will be removed and/or may be placed/buried in cut areas to assist in contouring or, with AO approval, used on surrounding lease roads for road stabilization. ***(Gravel will be distributed on surrounding lease roads as determined during onsite inspection.)***

3.6) Disturbed areas will be returned (as close as possible), weather permitting, to pre-disturbance topography. The removal of sharp angular corners and redefinition of natural drainage will be priority allowing for additional contouring, as needed, to aid in erosion control. ***(Note: determination made during onsite that well adjacent to the south has large amounts of fill affecting contouring efforts.)*** Reclaimed areas will be ripped to depths of a minimum of 12" (inches), leaving the surface as rough as necessary, to provide sufficient root establishment, growth, and stabilization of disturbed areas. ***(Silt traps will be utilized as determined during onsite at break in east berm to assist in erosion control).***

3.7) Access roads not required will be reshaped, reclaimed and contoured as close as possible to surrounding area ***(No access road in place, entrance off main road will be blocked by substantial diversion berm from main road with sand from adjacent wash to be incorporated in diversion as determined at onsite).*** Top soil, typically the top 6", preserved during reclamation procedures will be pulled up and redistributed after completion of earthwork to assist in achieving adequate vegetation growth. Erosion control water bars will be placed, only when necessary, on excessive slopes as indicated:

% Slope	Spacing
Less than 20%	200'
2 to 5%	150'
6 to 9%	100'
10 to 15%	50'
> 15%	30'

Note: Water bars should divert to the downhill side of the road.

3.8) Seeding will be accomplished, following proper agency notifications, with recommended procedures. Appropriate certified weed free seed mixes (***determined during onsite inspection***) will be used. ***The Sagebrush Community was identified with Fourwing Saltbrush @ 2 PLS/acre, Antelope Bitterbrush @ 2PLS/acre, Indian Ricegrass @ 4 PLS/acre, Galletta @ 3 PLS/acre, Bottle Brush Squirreltail @ 3 PLS/acre, Rocky Mtn Bee plant @ 0.25 PLS/acre, and Blue Flax @ 0.25 PLS/acre being chosen as preferred seed mix for this location.*** Seed will be distributed via appropriate methods as dictated by topography of reclaimed areas. Additional methods, as dictated by reclaimed topography, may be utilized to control runoff and assist in established growth.

3.9) Fencing, signage, and other deterrents will be installed when deemed necessary to discourage travel on reclaimed areas (***see 3.7 above***).

4.0 ARCHAEOLOGICAL CONCERNS

4.1) Any disturbance activity outside approved areas will require additional BLM approval and may require an additional survey.

4.2) All employees will be educated on the importance of cultural site preservation and legalities of disturbing cultural sites.

4.3) If any cultural sensitive areas are unearthed during the reclamation process work will be immediately suspended with the incident reported to the BLM. The BLM will then notify XTO how to proceed.

5.0 THREATENED AND ENDANGERED SPECIES (T&E)

5.1) If any T&E not previously surveyed are discovered during reclamation activities work will be immediately suspended and the BLM T&E Specialist will be promptly notified.

6.0 WILDLIFE RESTRICTIONS

6.1) Closures and restrictions specified in the APD, if applicable, will be strictly adhered to.

7.0 PALEONTOLOGY

7.1) Unknown paleontology discoveries during the reclamation process will immediately halt activities and the BLM AO will be notified. XTO will standby for further instructions.

8.0 ABANDONMENT MARKER

8.1) Required marker as specified by the BLM, will remain in place.

9.0 WEED MANAGEMENT

9.1) Use of approved pesticides/herbicides shall be according to applicable Federal, State, Tribal and local laws. Management of Invasive and Noxious Weeds, as listed on the BLM Noxious and Invasive list, will be dealt with in a prompt and environmentally safe manner. Noxious or invasive weeds will be eradicated using pesticides/herbicides appropriate for the type of weed found and seed mixes used on reclaimed areas. Pesticide/herbicide use shall be approved by BLM Specialist prior to application. Emergency pesticide/herbicide use shall be approved by BLM Specialist prior to application. Proper authorities will be notified at times specified by BLM with required information regarding pesticide use plans (PUPs), spraying procedures and types of weeds found. ***(No noxious or invasive weeds were identified during onsite. Monitoring will continue during life of project as required by laws, rules and regulations).***

Noxious Weeds Identified in New Mexico:

Russian Knapweed (Centaurea)	Musk Thistle (Carduus nutans)
Bull Thistle (Cirsium vulgare)	Canada thistle (Cirsium arvense)
Scotch Thistle (Onopordum acanthium)	Hoary Cress (Cardaria draba)
Perennial Pepperweed (Lepidium Latifolium)	Halogeton (Halogeton glomeratus)
Spotted Knapweed (Centaurea maculosa)	Dalmation Toadflax (Linaria genistifolia)
Yellow Toadflax (Linaria vulgaris)	Camelthorn (Alhagi pseudalhagi)
African Rue (Peganum harmala)	Saltcedar (Tamarix spp.)
Diffuse Knapweed (Centaurea diffusa)	Leafy Spurge (Euphorbia esula)

10.0 MONITORING

10.1) After attaining reclamation approval FFO and operator will establish a ***line point intercept transect*** for the achievement of ***required growth percentages with relation to chosen plant communities***. Growth monitoring will be conducted and recorded as required until appropriate growth is accomplished. Vegetative cover will be accomplished when growth has reached amounts equal to those required for specific well locations and appropriate procedures.

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 3 Federal 8

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
3. The following modifications to your plugging program are to be made:
 - a) Place the Kirtland/Ojo Alamo plug from 678' - 476' inside and outside the 4 ½" casing.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.