

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: April 11th, 2014

Application Type:

☒ P&A ☐ Drilling/Casing Change ☐ Recomplete/DHC
☐ Location Change ☐ Other:

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf. Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-30030-00-00	UTE INDIANS A	029	XTO ENERGY, INC	G	A	San Juan	U	K	36	32	N	14	W

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations
Extend Dakota plug to 2189 feet to cover Graneros top
Extend Mancos plug to 498 feet

NMOCD Approved by Signature

5-29-14
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

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 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)

1510' FSL & 2100' FWL Sec.36 (K) -T32N-R14W

5. Lease Serial No.

14-20-604-62

6. If Indian, Allottee or Tribe Name

Ute Mountain Ute Tribe

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

8. Well Name and No.

UTE INDIANS A #29

9. API Well No.

30-045-30030

10. Field and Pool, or Exploratory Area

UTE DOME DAKOTA

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

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 recomple 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 recomple 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. proposes to plug and abandon this well per the attached procedure and will be using a Closed Loop System. Please see also the current and proposed wellbore diagrams.

OIL CONS. DIV DIST. 3

MAY 19 2014

RECEIVED

APR 16 2014

Bureau of Land Management
Durango, ColoradoSEE ATTACHED
CONDITIONS OF APPROVAL

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

SHERRY J. MORROW

Title REGULATORY ANALYST

Signature

Date 4/11/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Office

TRES RIOS FIELD 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.

LWA _____
MTG _____
Approved _____

PLUG AND ABANDONMENT PROCEDURE

April 8, 2014

Ute Indians A 29

Ute Dome Dakota

1510' FSL and 2100' FWL, Section 36, T32N, R14W

San Juan County, New Mexico / API 30-045-30030

Lat: _____ / Lat: _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
2. Rods: Yes _____, No X, Unknown _____.
Tubing: Yes X, No _____, Unknown _____, Size 2.375", Length 2390'.
Packer: Yes _____, No X, Unknown _____, Type _____.
3. **Plug #1 (Dakota interval, 2294' – 2244')**: Round trip 4.5" gauge ring to 2300' or as deep as possible. RIH and set 4.5" cement retainer at 2294'. Pressure test tubing to 1000 PSI. Circulate well clean. Attempt to pressure test casing to 800 PSI. If casing does not test then spot or tag subsequent plugs as appropriate. Mix 8 sxs Class B cement inside casing to isolate the Dakota perforations and top. PUH.
4. **Plug #2 (Gallup top, 1599' – 1499')**: Spot 12 sxs Class B and spot a balanced plug inside casing to cover the Gallup top. PUH.
5. **Plug #3 (8.625" casing shoe, Mancos top and Mesa Verde top, 422' – 0')**: Mix approximately 36 sxs cement and spot a balanced plug from 422' to surface. TOH and LD tubing. Shut well in and WOC
6. ND BOP and cut off casing below surface casing flange. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.

Ute Indians A 29

Proposed P&A

Ute Dome Dakota

1510' FSL, 2100' FWL, Section 36, T-32-N, R-14-W,

San Juan County, NM / API #30-045-30030

Lat _____ / Long _____

Today's Date: 4/8/14

Spud: 10/28/99

Completed: 11/12/99

Elevation: 6165' GL
6177' KB

Mesa Verde @ 27'

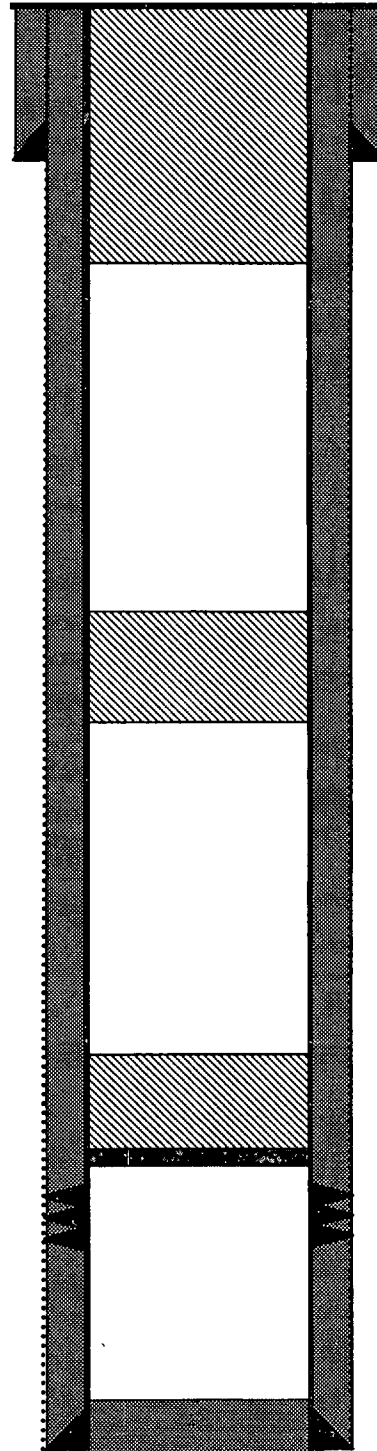
Mancos @ 372'

Gallup @ 1549'

Dakota @ 2300'

12.25" hole

7.875" hole



8.625" 24#, J-55 Casing set @ 315'
Cement with 250 sxs, circ cmt to surface

Plug #3: 422' - 0'
Class B cement, 36 sxs

Plug #2: 1599' - 1499'
Class B cement, 12 sxs

Plug #1: 2294' - 2244'
Class B cement, 8 sxs

Set Cement Retainer @ 2294'

Dakota Perforations:
2304' - 2472'

4.5", 10.5#, J-55 Casing set @ 2700'
Cement with 425 sxs
Circulate cement to surface

TD 2700'
PBD 2658'

XTO - Wellbore Diagram

Current

Well Name: Ute Indians A 29

API/UWI 30045300300000	E/W Dist (ft) 2,100.0	E/W Ref FWL	N/S Dist (ft) 1,510.0	N/S Ref FSL	Location T32N-R14W-S36	Field Name Ute Dome Dakota	County San Juan	State/Province New Mexico
Well Configuration Type Vertical	XTO ID B 71913	Orig KB Elev (ft) 6,177.00	Gr Elev (ft) 6,165.00	KB-Grd (ft) 12.00	Spud Date 10/28/1999	PBTD (All) (ftKB) Original Hole - 2658.0	Total Depth (ftKB) 2,700.0	Method Of Production Plunger Lift

Well Config: Vertical - Original Hole 3/27/2014 10:25:15 AM

Schematic - Actual		Incl	ftKB (TVD)	ftKB (MD)	Zones	Zone	Top (ftKB)	Btm (ftKB)		
					Dakota		2,304.0	2,472.0		
Casing Strings										
12	Casing Description		OD (in)	Wt (lbs/ft)	String Grade	Top Connection	Set Depth (ftKB)			
	Surface		8 5/8	24.00	J-55		315.0			
315	Casing Description		OD (in)	Wt (lbs/ft)	String Grade	Top Connection	Set Depth (ftKB)			
	Production		4 1/2	10.50	J-55		2,700.0			
Cement										
2,304	Description	Type	String							
	Surface Casing Cement	casing	Surface, 315.0ftKB							
2,328	Description	Type	String							
	Production Casing Cement	casing	Production, 2,700.0ftKB							
Perforations										
2,352	Date	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Hole Diameter (in)	Phasing (")	Curr Status	Zone		
	11/12/1999	2,304.0	2,328.0					Dakota		
2,355	11/12/1999	2,350.0	2,352.0					Dakota		
	11/12/1999	2,355.0	2,360.0					Dakota		
2,360	11/12/1999	2,376.0	2,380.0					Dakota		
	11/12/1999	2,389.0	2,392.0					Dakota		
2,376	11/12/1999	2,434.0	2,436.0					Dakota		
	11/12/1999	2,466.0	2,472.0					Dakota		
Tubing Strings										
2,380	Tubing Description	Run Date	Set Depth (ftKB)							
	Tubing - Production		2,390.0							
Tubing Components										
2,388	Item Description	Jts	Model	OD (in)	Wt (lbs/ft)	Grade	Top Thread	Len (ft)	Top (ftKB)	Btm (ftKB)
	Tubing		T&C Upset	2 3/8	4.70	J-55		2,376.30	12.0	2,388.3
2,389	Seat Nipple			2 3/8				1.10	2,388.3	2,389.4
	Notched Collar			2 3/8				0.60	2,389.4	2,390.0
Rods										
2,389	Rod Description	Run Date	String Length (ft)				Set Depth (ftKB)			
Rod Components										
2,390	Item Description	Jts	Model	OD (in)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)		
Stimulations & Treatments										
2,392	Frac Start Date	Top Perf (ft)	Bottom Pe...	V (slurry) (...)	Total Prop...	AIR (b...	ATP (psi)	MTP (psi)	ISIP (psi)	
		2304	2472							
2,434	Comment									
2,436										
2,466										
2,472										
2,658										
2,700										

Top (MD):2,304,
Des:Dakota

PBTD,
2,658

TD, 2,700

XTO Energy Inc.
Tribal Lease: 14-20-604-62
Well: Ute A #29
Location: 1510' FSL & 2100' FWL
Sec. 36, T. 32 N., R. 14 W.
San Juan County, NM

Conditions of Approval - Notice of Intent to Abandon:

1. Notify this office at least **72 hours** prior to commencing plugging operations.

For Notification, Operators must talk to BLM personnel directly. Do not leave messages on answering machines. Contact Dan Rabinowitz, BLM Petroleum Engineer: office: 970-385-1363, or Rod Brashear: office: 970-385-1347, and cell: 970-799-1244.

2. Approval of this Notice of Intent to Abandon (NIA) is for down hole plugging only.
3. Materials used will be accurately measured.
4. A tank or approved pit must be used for containment of any fluids from the wellbore during plugging operations. All unattended pits are to be fenced.
5. Pits are not to be used for disposal of any unauthorized materials.
6. All cement plugs are to be placed through a work string. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.

6a. Cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100 ft. of the casing or annular void(s) between casings, plus 10% excess volume per 1000 ft. of depth.

6b. Surface plugs must be a minimum of 50 ft. within casing and annular voids.

6c. Cement plugs placed to fill an open hole shall have sufficient volume to fill a minimum of 100 ft. of open hole, plus 10% excess volume per 1000 ft. of depth.

6d. Tag plug #2.

7. The well must be filled with a wellbore mud sufficient to stabilize the wellbore. In the absence of any formation pressure data provided by the operator, this mud will have a minimum weight of **9 ppg**. The mud must be left between all plugs.

Continued on Page 2.

8. A blowout preventer and related equipment shall be installed and tested prior to working in a wellbore with any exposed zones (a) that are overpressured, (b) where pressures are unknown, or (c) known to contain H₂S.

9. Within 30 days after plugging of the well, file 5 copies of a Subsequent Report of Abandonment (SRA) via Sundry Notice. This report should include the following information:

- a. Date(s) of plugging operations.
- b. Procedure used to plug the well.
- c. Depth of plugs.
- d. Type and volume of plugs set.
- e. Casing types/lengths left in the well.

Surface Use Directions:

This approval is for the completion of the downhole plugging only. Surface reclamation must be completed, weed free vegetation established, and site accepted by the BIA prior to closure and bond release.

NOTIFICATION:

- **The BLM Colorado Minerals Division – Physical Scientist/Natural Resources Specialist (970) 385-1242 shall be notified 5 days prior to the onset of pad/road surface reclamation activity.**
- **The BLM Colorado Minerals Division – Physical Scientist/Natural Resources Specialist (970) 385-1242 shall be notified at least 48 hours prior to commencement of final surface reclamation activities.**

REQUIREMENTS AT ALL SITES:

- 1. All tanks on-pad, used in plugging or reclamation activities will employ the use of earthen berms or another appropriate form of secondary containment, capable of holding a minimum of 110% of the contained tank volume(s).**
- 2. Any cement wash or other fluids shall be placed in a self-contained tank, surrounded by containment dike of 110% of contained volumes for storage and removed for disposal at an approved location off-site.**
- 3. Any free liquid accumulating should be vacuumed off to insure a minimum of 2ft. of freeboard on all tanks consistently and removed to an approved facility with receipts for chain of custody submitted to BLM –Minerals Division.**

Continued on Page 3.

4. All stormwater mitigations will be in accordance with BLM gold book BMP standards and practices.

According to the regulations in 43 CFR 3162.3-4, a well site is to be reclaimed and re-vegetated directly following plugging. Onshore Orders #1 stipulates that **surface reclamation** be completed within 180 days of final plugging operation completion. Once notified of plugging, a field inspection will be arranged between the Operator, UMU Tribe, the BLM and the respective BIA agency, so that the well pad can be inspected for reclamation requirements and BLM approval, before release from bond liability.