

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM 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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF-078896	
2. Name of Operator XTO ENERGY INC.		6. If Indian, Allottee or Tribe Name NAVAJO SURFACE	
3a. Address 382 CR 3100 AZTEC, NM 87410	3b. Phone No. (include area code) 505-333-3630	7. If Unit or CA/Agreement, Name and/or No.	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1070' FNL & 1070' FEL NENE Sec. 32 (A) - T27N-R11W N.M.P.M.		8. Well Name and No. FEDERAL 32 #41	
		9. API Well No. 30-045-24269	
		10. Field and Pool, or Exploratory Area W. KUTZ PICTURED CLIFFS	
		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	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<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 and will be using a Closed Loop System. Please see also the attached current and proposed wellbore diagrams.

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

OIL CONS. DIV DIST. 3
JUN 18 2014

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Notify NMOCD 24 hrs
prior to beginning
operations

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) SHERRY J. MORROW	Title REGULATORY ANALYST
Signature <i>Sherry J. Morrow</i>	Date 6/9/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Troy Salvers	Title Petroleum Engineer	Date 6/16/2014
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 FFO	

JTB _____
MTG _____
Approved _____

April 23, 2014

**PLUG AND ABANDONMENT PROCEDURE
Federal 32-41**

W Kutz Pictured Cliffs
1070' FNL and 1070' FEL, Section 32, T27N, R11W
San Juan County, New Mexico / API 30-045-24269
Lat: 36.535907 N / Long: 108.02113 W

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 15.8 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 x , No _____, Unknown_____.
Tubing: Yes X , No _____, Unknown_____, Size 2.375" , Length 1771'.
Packer: Yes _____, No X , Unknown_____, Type _____.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.
3. **Plug #1 (Pictured Cliffs, Fruitland, and Fruitland Top 1660' – 1154')**: PU and TIH with 4.5" cement retainer, set at 1660'. Pressure test tubing to 1000 PSI. *Pressure test casing to 800 PSI. If casing does not test, then spot or tag subsequent plug as appropriate.* Mix and pump 43 sxs Class B cement above CR to isolate the Pictured Cliffs, Fruitland, and Fruitland top. PUH.

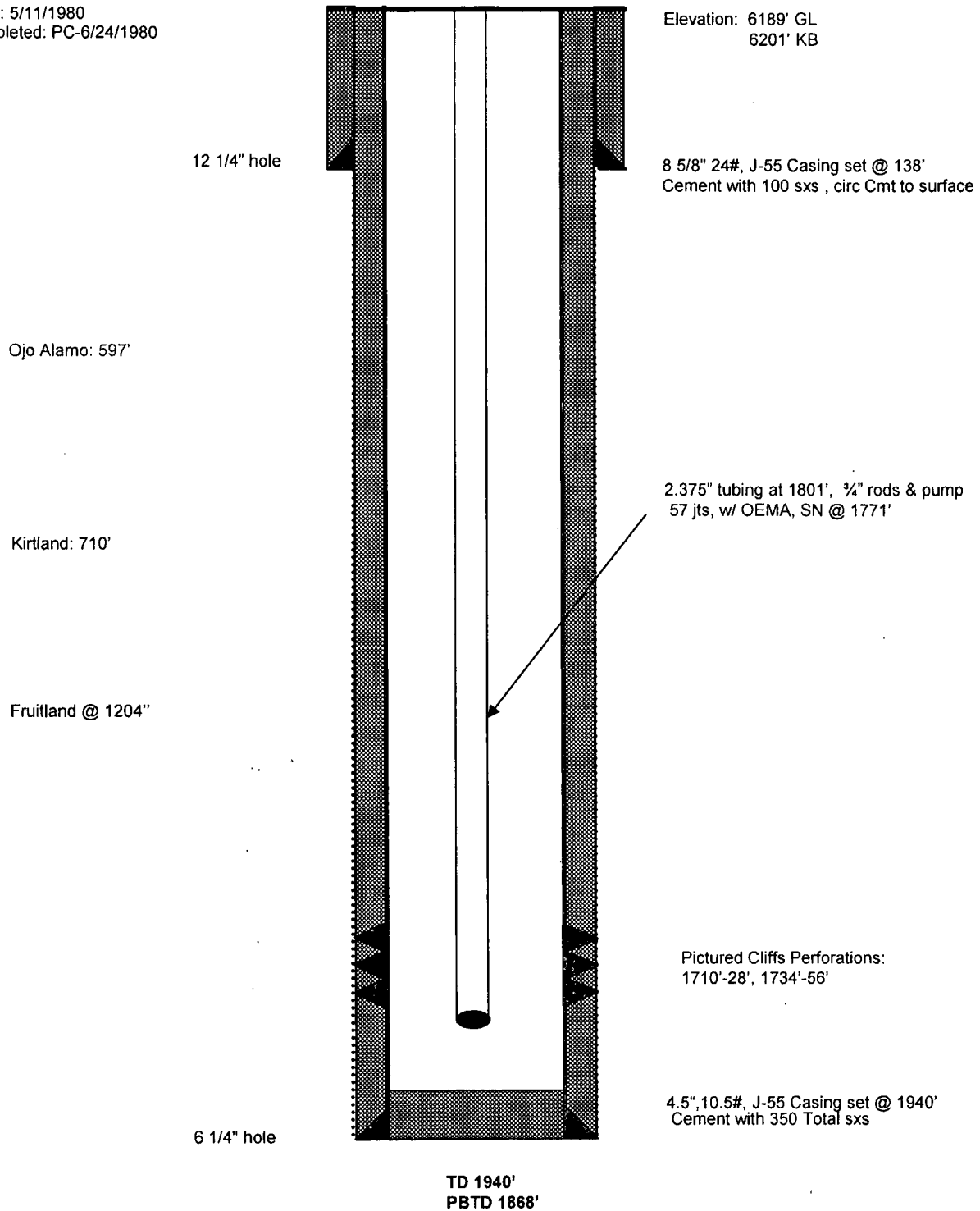
See COA
4. **Plug #2 (Kirtland Top 760'-660')**: Mix and pump 12 sxs Class B cement and spot a balanced plug from 760' to 660' to isolate the Kirtland top. PUH.
6. **Plug #3 (8 5/8" Olo Alamo Top and Surface Shoe to Surface, 647' – Surface)**: Attempt to pressure test the bradenhead annulus to 300#. If the BH annulus holds pressure, then establish circulation down tubing and out casing valve with water. Mix approximately 50 sxs Class B cement and spot a plug from 647' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing and the annulus.
7. ND cementing valves and cut off wellhead. Fill 4.5" casing with cement as necessary. Install P&A marker to comply with regulations. RD, MOL, cut off anchors, and restore location.

Federal 32-41

Current

W Kutz Pictured Cliffs
1070' FNL, 1070' FEL, Section 32, T-27-N, R-11-W,
San Juan County, NM / API #30-045-24269
Lat 36.535907 N / Long 108.02113 W

Today's Date: 4/23/2014
Spud: 5/11/1980
Completed: PC-6/24/1980



Federal 32-41

Proposed P&A

W Kutz Pictured Cliffs

1070' FNL, 1070' FEL, Section 32, T-27-N, R-11-W

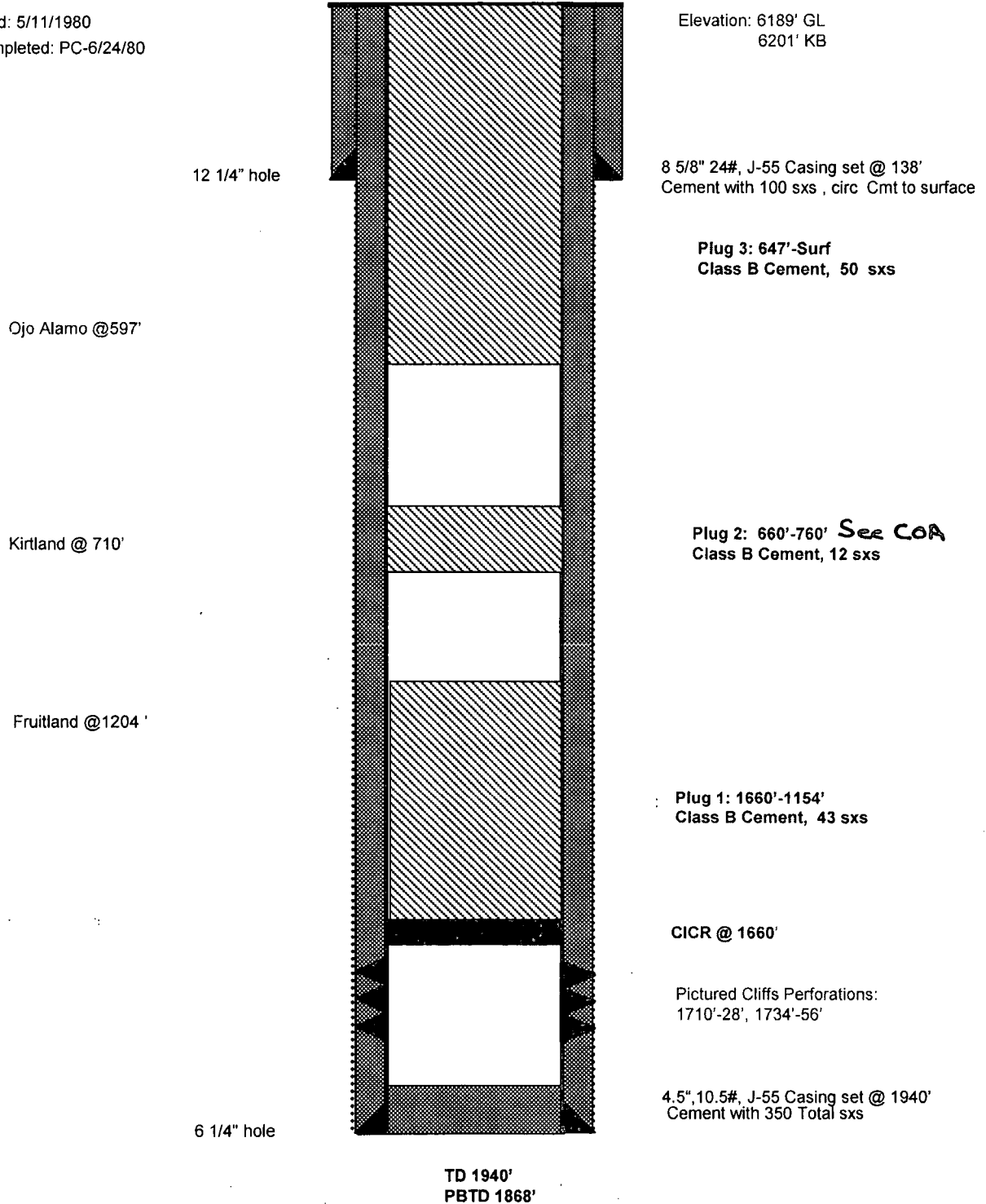
San Juan County, NM / API #30-045-24269

Lat 36.535907 N / Long 108.02113 W

Today's Date: 4/24/2014

Spud: 5/11/1980

Completed: PC-6/24/80



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: Federal 32 #41

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. Set plug #2 from (716-816) ft. to cover the Kirtland top.

* **Since top of cement was not reported on primary cement operation behind 4.5" production casing, operator must run a CBL to verify cement top. Submit electronic copy of the CBL for verification to the following BLM address: tsalyers@blm.gov**

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.