

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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

David R. Catanach, 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: 1/8/15

Well information:

frmWellFilterSub													
API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf. Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-29115-00-00	P O PIPKIN	005E	XTO ENERGY, INC	G	A	San Juan	F	J	7	27	N	10	W

Application Type:

- ☒ P&A ☐ Drilling/Casing Change ☐ Location Change
☐ Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84)
☐ Other:

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations, casing & cement

See APD Conditions of approval regarding Hydraulic Fracturing, Oil base muds and Well-bore communication.

Extend Plug #1 up to 5977'

A handwritten signature in dark ink, appearing to read "David R. Catanach".

NMOCD Approved by Signature

1/22/15

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

RECEIVED

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-077875
2. Name of Operator XTO ENERGY INC		6. If Indian, Allottee or Tribe Name
3a. Address 382 CR 3100, Aztec, NM 87410	3b. Phone No. (include area code) 505-324-1090	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1,780' FSL & 1,450' FEL Sec 07, T27N, R10W "J"		8. Well Name and No. P.O. PIPKIN #5E
		9. API Well No. 30-045-29115
		10. Field and Pool, or Exploratory Area BASIN 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 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 recompletion 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 and surface reclamation plan.

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

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JAN 15 2015

NMOCD
DISTRICT III

SEE ATTACHED FOR
CONDITIONS OF APPROVAL



H₂S POTENTIAL EXIST

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

KRISTEN D. BABCOCK

Title **REGULATORY ANALYST**

Signature

Kristen D. Babcock

Date **1/8/2015**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Troy Salvors

Title

PE

Date

1/13/2015

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

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

LWA _____
MTG _____
Approved _____

PLUG AND ABANDONMENT PROCEDURE

December 5, 2014

PO Pipkin 5E

Basin Dakota

1780' FSL and 1450' FEL, Section 7, T27N, R10W
San Juan County, New Mexico / API 30-045-29115

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 6020'.
Packer: Yes _____, No X, Unknown _____, Type _____.
3. **Plug #1 (Dakota interval, 6077' – 6027')**: Round trip 4.5" gauge ring to 6080' or as deep as possible. RIH and set 4.5" cement retainer at 6077'. Pressure test tubing to 1000 PSI. Circulate well clean. Casing will not test 3540-1731', spot or tag subsequent plugs as appropriate. Mix 8 sxs Class B cement inside casing to isolate the Dakota perforations and top. PUH.

See COA
4. **Plug #2 (Mancos & Gallup top, 5279' – 4327')**: Spot 75 sxs Class B and spot a balanced plug inside casing to cover the Mancos and Gallup tops. PUH.
5. **Plug #3 (Chacra & Mesa Verde top, 3280' – 2564')**: Spot 57 sxs Class B and spot a balanced plug inside casing to cover the Chacra and Mesa Verde tops. PUH.
6. **Plug #4 (Fruitland & Pictured Cliffs top, 1752' – 1180')**: Spot 46 sxs Class B and spot a balanced plug inside casing to cover the Fruitland and Pictured Cliffs tops. PUH.
7. **Plug #5 (Ojo Alamo & Kirtland top, 826' – 600')**: Spot 21 sxs Class B and spot a balanced plug inside casing to cover the Ojo Alamo and Kirtland tops. PUH.
8. **Plug #6 (8.625" casing shoe, 493' – 0')**: Mix approximately 41 sxs cement and spot a balanced plug from 493' to surface. TOH and LD tubing. Shut well in and WOC
9. 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.

XTO - Wellbore Diagram

Well Name: PO Pipkin 05E

API/UWI	E/W Dist (ft)	E/W Ref	N/S Dist (ft)	N/S Ref	Location	Field Name	County	State/Province
30045291150000	1,450.0	FEL	1,780.0	FSL	T27N-R10W-S07	Basin Dakota	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	70863	5,907.00	5,891.00	16.00	8/4/1994	Original Hole - 6383.0	6,447.0	Plunger Lift

Well Config Vertical - Original Hole: 11/12/2014 9:57:27 AM					Zones									
Schematic - Actual		Incl	ftKB (TVD)	ftKB (MD)	Zone		Top (ftKB)		Btm (ftKB)					
					Mancos									
					Dakota		6,128.0				6,354.0			
Casing Strings														
15					Casing Description	OD (in)	Wt (lbs/ft)	String Grade	Top Connection	Set Depth (ftK...				
					Surface	8 5/8	32.00	K-55		443.0				
443					Casing Description	OD (in)	Wt (lbs/ft)	String Grade	Top Connection	Set Depth (ftK...				
					Production	4 1/2	11.60	J-55		6,432.0				
Cement														
					Description	Type			String					
6,018					Surface Casing Cement	casing			Surface, 443.0ftKB					
					Comment									
					Cmt'd w/310 sx CIA cmt. Circ 30 bbls cmt to surf.									
6,020					Description	Type			String					
					Production Casing Cement	casing			Production, 6,432.0ftKB					
					Comment									
					Cmt'd w/1020 sx Howco, tail w/300 sx CIA cmt.									
6,020					Perforations									
					Date	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Hole Diameter (in)	Phasing (°)	Curr. Status	Zone		
	6,087				9/10/1994	6,128.0	6,138.0	2.0				Dakota		
					9/10/1994	6,208.0	6,214.0	2.0				Dakota		
					9/10/1994	6,224.0	6,228.0	2.0				Dakota		
	6,089				9/10/1994	6,344.0	6,354.0	2.0				Dakota		
Tubing Strings														
6,128					Tubing Description	Run Date			Set Depth (ftKB)					
					Tubing - Production	9/6/2013			6,020.0					
Tubing Components														
	6,138				Item Description	Jts	Model	OD (in)	Wt (lbs)	Gra	Top Thread	Len (ft)	Top (ftKB)	Btm (ftKB)
					Tubing	193	T&C Upset	2 3/8	4.70	J-55		6,003.43	15.1	6,018.5
	6,208				Pump Seating Nipple	1		2 3/8				1.10	6,018.5	6,019.6
					Notched Collar	1		2 3/8				0.40	6,019.6	6,020.0
Stimulations & Treatments														
	6,214				Frac Start Date	Top Perf (ft...	Bottom Pe...	V (slurry) (...)	Total Prop...	AIR (b...	ATP (psi)	MTP (psi)	ISIP (psi)	
	6,224				Comment									
	6,228													
	6,344													
	6,354													
	6,368													
	6,383													
	6,432													
	6,447													

4 1/2" CBP, 3,900, 6,087-6,089

Top (MD): 6,128, Des: Dakota

PBTD, 6,383

TD, 6,447

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DISTRICT III

XTO - Proposed P&A Wellbore Diagram

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: PO Pipkin #5E

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) Bring the top of plug #2 to 4308 ft. to cover the Mancos top. Adjust cement volume accordingly.

Note: H₂S has not been reported in this section; however, low concentrations of H₂S (3 ppm - 10ppm GSV) have been reported in wells within a 1 mile radius of this location

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.