

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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.

AUG 13 2009

Bureau of Land Management

SUBMIT IN TRIPLICATE - Other instructions on page 2

Farmington Field Office

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)

505-333-3100

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

71' FSL & 2000' FWL SESW SEC. 23 (N) - T29N-14W N.M.P.M.

5 Lease Serial No

14206032172

6 If Indian, Allottee or Tribe Name

NAVAJO LAND

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

NM-78404X

8 Well Name and No

NW CHA CHA #40

9 API Well No

30-045-29165

10 Field and Pool, or Exploratory Area

GALLUP

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 | |

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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., proposes to plug and abandon this well per the attached procedure.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

RCVD AUG 18 '09

OIL CONS. DEV.

DIST. 3

VERBAL APPROVAL BY K.E. CN 8-12-09.

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

BARBARA J CONDER

Title REGULATORY CLERK

Signature

Barbara J Conder

Date 08/12/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

AUG 14 2009

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.

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.

NMOC

NW Cha Cha Unit #40 – Gallup PLUG AND ABANDONMENT PROCEDURE

71' FSL & 2000' FWL
SW, Section 23, T29N, R14W
San Juan County, NM API #30-045-29165
Latitude: N 36.70534536470 Longitude: W -108.28060629
2/7/07

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Type III, mixed at 14.8 ppg with a 1.32 cf/sx yield.

Install and test location rig anchors. Prepare blow pit. Comply with all NMOCD, BLM, and Lance safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. NU relief line and blow down well; kill with water as necessary. ND wellhead and NU BOP. Test BOP.

1. TOH and tally 2.875" tubing, total 5100'. Inspect tubing and if necessary LD and PU workstring. Round-trip 5.5" gauge ring to 5077'.
2. **Plug #1 (Gallup perforations and top, 5077' – 4734')**: TIH and set cement retainer at 5077'. Pressure test tubing to 1000#. Load casing with water and circulate well clean. Pressure test casing to 1000#. *If casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 40 sxs cement and spot a balanced plug inside the casing to cover the Gallup interval. PUH to 2670'.
2060 6960
3. **Plug #2 (Mesaverde top, 2670' – 2570')**: Mix 16 sxs cement and spot a balanced plug inside casing to cover the Mesaverde top. PUH to 1131'.
1111 667
4. **Plug #3 (Pictured Cliffs and Fruitland tops, 1131' – 685')**: Mix 51 sxs cement and spot a balanced plug inside casing to cover the PC and Fruitland tops. PUH to 295'.
1. **Plug #4 (8.625" casing shoe and surface, 295' - Surface)**: Connect the pump line to the bradenhead valve. Pressure test the bradenhead annulus to 300#, note volume to fill. If it tests, then with tubing at 295', establish circulation out casing valve with water. Mix approximately 35 sxs cement and fill the 5.5" casing to surface, circulate good cement out the casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate 3 squeeze holes at the appropriate depth and fill the BH annulus with cement to surface, covering inside 50' below casing shoe top. TOH and LD tubing. Shut in well.
2. 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.

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 40 Northwest Cha Cha Unit

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) 599-8907.

3. The following modifications to your plugging program are to be made:

a) Place the Mesaverde plug from 2060' – 1960'.

b) Place the Pictured Cliffs/Fruitland plug from 1111' - 667'.

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

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