e Fo. n 3110-5	LD SOSTATE	REC	n i u	DRM APPROVED	
لات التحليم الت التحليم التحليم ا التحليم التحليم			SAN Expire	4B NO. 1004-0135 s: November 30, 2000	
SUNDRY	NOTICES AND REPO	RTS ON WELLS	5. Lease Scrial NMNM0338	lo. BO	
Do not use thi abandoned wel	s form for proposals to I. Use form 3160-3 (AP	D drill of to re-enter an D) for such proposals.	6. If Indian, Allo	ittee or Tribe Name	
SUBMIT IN TRI	PLICATE - Other instruc	ctions on reverse side.	SANJUA SANJUA S. Lease Scrial N NMNM0338 S. 2005 6. If Indian, Allo 7. If Unit of CA 8. Well Name and FLORANCE	Agreement, Name and/or No.	
L Type of Well	٥r		8. Well Name and FLORANCE	d No. 70	
2. Name of Operator XTO ENERGY INC	Contact: KELLY K SMALL 9. APJ Well No. E-Mail: REGULATORY@XTOENERGY.COM 30-045-29718-00-C1			/18-00-C1	
3a. Address 2700 FARMINGTON AVE., BLDG K, SUITE 1 FARMINGTON, NM 87401		3b. Phone No. (include area code Ph: 505-324-1090 Fx: 505-564-6700		ol, or Exploratory JITLAND COAL	
4. Location of Well (Foolage, Sec., T., R., M., or Survey Description		n)	11. County or Pa		
Sec 20 T27N R8W NWSE 202	25FSL 2035FEL		SAN JUAN	COUNTY, NM	
12. CHECK APPR	OPRIATE BOX(ES) T	O INDICATE NATURE OF	NOTICE, REPORT, OR OI	THER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION				
Notice of intent	D Acidize	Dcepen	Production (Start/Resum	· · · · ·	
Subsequent Report	Alter Casing	Fracture Treat	Reclamation	Well Integrity	
Final Abandonment Notice	Casing Repair Change Plans	New Construction Plug and Abandon	Recomplete Temporarily Abandon	Other	
	Convert to Injection		Water Disposal		
	€. ₩1.15.5 •		edure. XTO also will be EFORE EXAMINER EFORE EXAMINER CONSERVATION DIVISIO		
			Contraction of the Contraction o		
14. Thereby certify that the foregoing is	Electronic Submission # For XTO E	53425 verified by the BLM We ENERGY INC, sent to the Carrie	Information System		
Committed to AFMSS for proces Name(Printed/Typed) KELLY K SMALL		cessing by STEVE MASON on	y STEVE MASON OF 0127/2005 (055XM02675E)		
Signature (Electronic S	ubmission)	Date 01/26/2	005		
	THIS SPACE FO	DR FEDERAL OR STATE			
Approved By STEPHEN MASON		TitlePETROLE		Date 02/10/2005	
Conditions of approval, if any, are attached. Approval of this notice does certify that the applicant holds legal or equitable title to those rights in the which would entitle the applicant to conduct operations thereon.		e subject lease Office Farming	Office Farmington		
fitle 18 U.S.C. Section 1001 and Title 431 States any false, fictutious or fraudulent s	J.S.C. Section 1212, make it a latements or representations as	a crime for any person knowingly an s to any matter within its jurisdiction	d willfully to make to any departme	ent or agency of the United	
** BLM REVI	SED ** BLM REVISE	D ** BLM REVISED ** BLM	REVISED ** BLM REVI	SED **	
		CPERATOR			
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FLORANCE #70 SEC 20, T 27 N, R 08 W SAN JUAN COUNTY, NEW MEXICO PLUG AND ABANDON WELL

- Alexandra

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Fruitland Coal/Pictured Cliffs Formation: 8-5/8", 24#, J-55 esg @ 625'. Crut'd w/425 sx ol "B" ernt. Cire ernt to Surface csg: surf. 4-1/2", 10.5#, J-55 esg @ 3.383'. Cmt'd w/565 sx el "B" emt. Cire emt. Production esg: to surf. 101 Jis 2-3/8", 4.7", J-55, EUE, 8rd tbg, SN & NC, EOT @ 3,211", SN Tbg: (a) 3,209°. FC: 3.008' - 11', 45' - 52', 54' - 60', 64' - 65', 3,124' - 27', 31' - 33', 38', Perfs: 40'-47'& 49'- 50' w/1 ISPF PC: 3,203', 6', 9', 15', 21', 23', 29', 33', 34' & 35' w/1 JSPF Current Status: F. 0 BO, 0 BW, 35 MCFPD

- 1. Notify BLM and NMOCD of plugging operations.
- MIRU PU. MI 3 joints 2-3/8" tubing. Check and record tubing, casing and bradenhead pressures.
- 3. Blow well down and kill well with fresh water.
- 4. ND WH. NU and pressure test BOP.
- TOH with tubing. TH with 4-1/2° casing scraper to 3,000°. Circulate wellbore with fresh water. TOH with tubing and casings scraper.
- 6. TIH with tubing and 4-1/2" cement retainer to 3,175'. Set retainer at 3,175'. Pressure test rubing to 1,500 psig. TOH with tubing.

2910'

2910

- TIH with tubing and 4-1/2" cement retainer to 2.755⁴. Set retainer at 2.755⁴. Mix a 32 sx type II cement plug. Squeeze 16 sx into retainer from 2.855⁴ to 2.755⁴ to cover the Fruitland Coal perforations. Spot a 14 sx type II cement plug on top of the retainer from 2.755⁴ to 2.755⁴ to 2.755⁴ to 2.755⁴ to 2.755⁴.
- 8. TOH and lay down tubing to 2.371'. Reverse circulate tubing clean.
- 9. Pressure test casing to 500 psig. Spot a 29 sx type II cement plug inside the casing from 2,371' to 2,042' to cover the top of the Kirtland and the Ojo Alamo formation.

10. TOH and lay down tubing to 1,130°. Reverse circulate tubing clean.

11. Spot a 16 sx type II cement plug inside the casing from 1,130 to 1,030 to cover the top of the Nacimento formation.

- 12. TOH and lay down tubing to 675'. Reverse circulate tubing clean.
- 13. Spot a 16 sx type II cement plug inside the casing from 675' to 575' to cover the bottom of the 8-5/8" surface pipe.

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- 14. TOH and lay down tubing to 150'. Reverse circulate tubing clean.
- 15. Spot a 16 sx type II cement plug inside the easing from 150' to surface.
- 16. Cut off wellhead and install P&A marker. Cement marker with 10 sx cement. RDMO PU.

REGULATORY REQUIREMENTS:

1. Pit Permit Required.

2. BLM approval to plug and adapdon the well.

SERVICES: 1. A Plus Rig

EQUIPMENT LIST:

1. Tbg: 3 jts 2-3/8", 4.7#, J-55, EUE, 8rd tbg.

BLM CONDITIONS OF APPROVAL

The following surface rehabilitation Conditions of Approval must be complied with as applicable, before this well can be approved for final abandonment (see 43 CFR 3162.3-4). Surface rehabilitation work shall be completed within one year of the actual plugging date. Notification for completion of this work can be submitted with a Sundry Notice.

1. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location.

2. Production pits will be closed according to the Unlined Surface Impoundment Closure Guidelines, as approved in the Environmental Assessment of December 1993. Any oil stained soils may be remediated on-site according to these guidelines or disposed of in an approved disposal facility.

3. The well pad will be shaped to the natural terrain and left as rough as possible. All compacted areas and areas devoid of vegetation shall be ripped to a minimum of 12" before seeding.

4. Access roads will be shaped to conform to the natural terrain and left as rough as possible to detour vehicular travel. Access will be ripped to a minimum of 12" in depth and waterbarred prior to seeding. All erosion problems created by the development must be corrected prior to acceptance of release. Waterbars should be spaced as shown below:

% Slopes	Spacing Interval	
Less than 20%	200'	
2 to 5%	150'	
6 to 9%	100'	
10 to 15%	50'	
Greater than 15%	30'	

All water bars should divert to the downhill side of the road.

5. All disturbed areas will be seeded with the prescribed certified seed mix (reseeding may be required).

6. Notify Surfacing Managing Agency seven (7) days prior to seeding so that they may be present for that option.

7. The period of liability under the bond of record will not be terminated until the lease is inspected and the surface rehabilitation approved.

Other SMA's may vary slightly in their restoration requirements. It is your responsibility, as the operator, to obtain surface restoration requirements from other SMA's. We need to be provided with a copy of these requirements. Any problems concerning stipulations received from other SMA's should be brought to us.

On private land, we should be provided with a letter from the fee owner stating that the surface restoration is satisfactory.

Attachment to notice of

Re: Permanent Abandonment

Intention to Abandon:

Well: 70 Florance

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 Fruitland retainer @ 2910' (with a hundred feet of the top perf), squeeze perfs and cap retainer as described.

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.

GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON FIELD OFFICE

1.0 The approved plugging plans may contain variances from the following <u>minimum general</u> requirements.

- 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.
- 1.2 Requirements may be added to address specific well conditions.

2.0 Materials used must be accurately measured. (densimeter/scales)

3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.

3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.

4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.

- 4.1 The cement shall be as specified in the approved plugging plan.
- 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
- 4.3 Surface plugs may be no less than 50' in length.
- 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
- 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.

- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

- 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
- 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H_2S .

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 1235 La Plata Highway, Suite A, Farmington, NM 87401. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show <u>date</u> well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.