Form 3160-5 (August 2007)

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

Farmington Fiel 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an

abandoned well. Use For	m 3160-3 (APD) fo	or such proposals.ure	au of Land Mi	nagemen. N/A	
SUBMIT IN TRIPLICATE - Other instructions on page 2			7. If Unit or CA/Agreement, Name and/or No. N/A 8. Well Name and No. MN GALT J #2		
1. Type of Well Oil Well X Gas Well Other 2. Name of Operator					
XIO ENERGY INC.				9. API Well No.	
3a. Address	3b. Phone No. (include area code)		30-045-20365		
382 CR 3100 AZTEC, NM 87410		505-333-3100		10 Field and Pool, or Exploratory Area	
4. Location of Well (Footage, Sec., T., R., M., or Survey I	Description)			BASIN DAKOTA	, ,
790' FNL & 990'FWL NWNW SEC.6 (D) -T27N -F		-R10W		11. County or Parish, State	
			·····	SAN JUAN	NM
12. CHECK APPROPRIATE	E BOX(ES) TO IN	DICATE NATURE OF 1	NOTICE, REPO	RT, OR OTHER	DATA
TYPE OF SUBMISSION	TYPE OF ACTION				
X Notice of Intent	Acidize	Deepen	Production	(Start/Resume)	Water Shut-Off
F-1	Alter Casing	Fracture Treat	Reclamation	on [Well Integrity
Subsequent Report	Casing Repair	New Construction	Recomple	te _	Other
	Change Plans	X Plug and Abandon	Temporari	ly Abandon	
Final Abandonment Notice	Convert to Inject	ion Plug Back	Water Dis	posal	- 1944 - 1944 - 1944 - 1944 - 1944 - 1944 - 1944 - 1944 - 1944 - 1944 - 1944 - 1944 - 1944 - 1944 - 1944 - 194
XTO Energy Inc. proposes to plug attached current and proposed wel				dure. Please	see also, the
				RCVD APR 9 12	
				OIL (ONS. DIV.
				C)IST. 3
	nch	Title RECULA Date 3/3(DERAL OR STATE OF	ATORY ANALYS	T	
	O O AOL I ON I LI	Title		Date	
Approved by		Linic			APR () 5 2017
Conditions of approval, if any, are attached. Approval of this noti the applicant holds legal or equitable title to those rights in the sul entitle the applicant to conduct operations thereon.		tify that Office			

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.

PLUG AND ABANDONMENT PROCEDURE

March 16, 2012

M.N. Galt "J" #2

Basin Dakota 790' FNL and 990' FWL, Section 6, T27N, R10W San Juan County, New Mexico / API 30-045-20365

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. MOL and RU daylight pulling unit. Record casing, tubing and bradenhead pressures. ND wellhead and NU BOP. Function test BOP.
- Plug #1 (Dakota perforations and top, 6050' 5950'): RIH and tag existing cement retainer at 6050'. Pressure test tubing to 1000 PSI. Circulate well clean. Well will not pressure test due to possible casing leak from 3765' to 4110'. Mix 12 sxs Class B cement inside casing from 6050' 5950' to cover the Dakota perforations and top. PUH.

- 3. Plug #2 (Gallup top, 5256' 5156'): Mix and pump 12 sxs Class B cement and spot a balanced plug inside casing to cover the Gallup top. PUH.
- 4. Plug #3 (Mancos top, 4238' 4138'): Spot 16 sxs Class B cement and spot a balanced plug inside casing (excess due to possible casing leak) to cover the Mancos top. PUH.
- 5. Plug #4 (Mesaverde top, 3231' 3131'): Spot 12 sxs Class B and spot a balanced plug inside casing to cover the Mesaverde top. PUH.

6. Plug #5 (Pictured Cliffs and Fruitland tops, 1718' – 1407'): Mix and pump 28'sxs Class B cement and spot a balanced plug inside casing to cover the Pictured Cliffs and Fruitland tops. PUH.

- 7. Plug #6 (Kirtland and Ojo Alamo tops, 1695' 1469'): Mix and pump 20 sxs Class B cement and spot a balanced plug inside casing to cover through the Ojo Alamo top. PUH with tubing.
- 8. Plug #7 (8.625" casing shoe, 388' 0'): Attempt to pressure test the bradenhead annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 35 sxs cement and spot a balanced plug from 388' 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 from 388' and the annulus from the squeeze holes to surface. Shut in well and WOC.
- ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

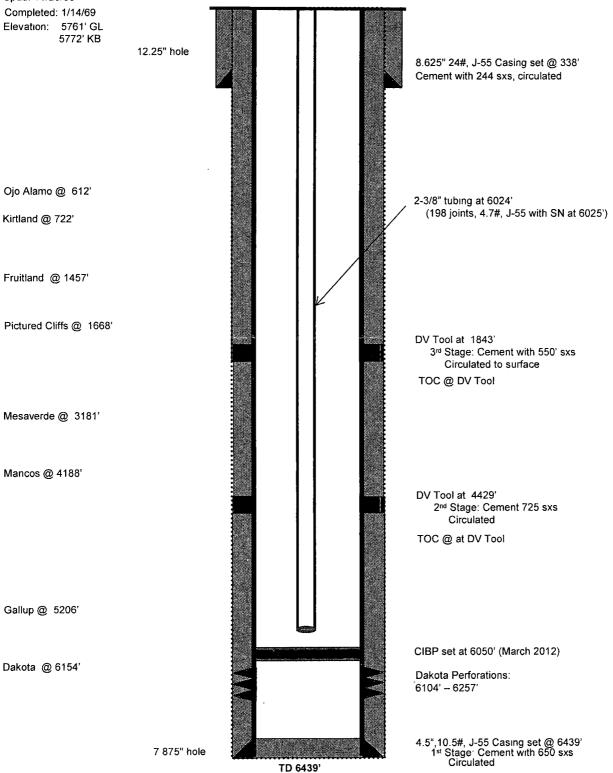
M.N. Galt "J" #2

Current

Basin Dakota

Today's Date. 3/16/12 Spud: 11/29/68

790' FSL, 990' FWL, Section 6, T-27-N, R-10-W San Juan County, NM, API #30-045-20365



PBTD 6423'

M.N. Galt "J" #2

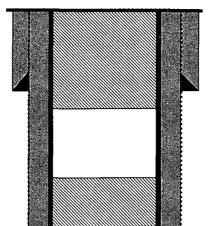
Proposed P&A

Basin Dakota

790' FSL, 990' FWL, Section 6, T-27-N, R-10-W San Juan County, NM, API #30-045-20365

Today's Date: 3/16/12 Spud- 11/29/68 Completed 1/14/69 Elevation: 5761' GL

> 5772' KB 12.25" hole



8 625" 24#, J-55 Casing set @ 338' Cement with 244 sxs, circulated

> Plug #7: 388'- 0' Class B cement, 35 sxs

Ojo Alamo @ 612'

Kirtland @ 722'

Fruitland @ 1457'

Mesaverde @ 3181'

Mancos @ 4188'

Dakota @ 6154'

Pictured Cliffs @ 1668'

Gallup @ 5206'

7.875" hole

TD 6439' **PBTD 6423'** Plug #6: 772'- 562' Class B cement, 20 sxs

Plug #5: 1718'- 1407' Class B cement, 28 sxs

DV Tool at 1843' 3rd Stage Cement with 550' sxs Circulated to surface

TOC @ DV tool per sundry

Plug #4: 3231' - 3131' Class B cement, 12 sxs

Plug #3: 4238'- 4138' Class B cement, 16 sxs (excess due to possible casing leak)

DV Tool at 4429'

2nd Stage: Cement 725 sxs Circulated

TOC @ at DV Tool per sundry

Plug #2: 5256' - 5156' Class B cement, 12 sxs

Plug #1: 6050' - 5950' Class B cement, 12 sxs

CIBP set at 6050' (March 2012)

Dakota Perforations: 6104' - 6257'

4.5",10 5#, J-55 Casing set @ 6439' 1st Stage. Cement with 650 sxs Circulated

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: 2 M.N. Galt J

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) Place the Gallup plug from 5215' 5112'.
- b) Place the Pictured Cliffs/Fruitland plug from 1695' 1275'.
- c) Place the Kirtland/Ojo Alamo plug from 761' 584'.

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.