UNITED STATES FORM APPROVED Form 3160-5 (August 2007) ECFV EDEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT OMB NO 1004-0137 Expires July 31, 2010 5 Lease Serial No JUN 25 ZUIL Do not use this form for proposals to drill or to re-enter an abandoned well Use Form 3160-3 (APD) for such proposals. 14-20-603-2168A 6 If Indian, Allottee or Tribe Name NAVAJO NATION Bureau of Land Managemon
SUBMIT IN TRIPLICATE - Other instructions on page 2 7 If Unit or CA/Agreement, Name and/or No. NW CHA CHA UNIT Type of Well NMM - 78404X - GP8. Well Name and No Oil Well Gas Well X Other INJECTION NW CHA CHA UNIT #37 Name of Operator XTO ENERGY INC. 9 API Well No. Address 3b Phone No (include area code) 30-045-29122 382 CR 3100 AZTEC, NM 87410 505-333-3630 10 Field and Pool, or Exploratory Area 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) CHA CHA GALLUP 436' FNL & 1892' FWL SEC. 27 (C) -T29N-R14W NENW N.M.P.M. 11 County or Parish, State SAN JUAN 12 -CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION X Notice of Intent Acidize Production (Start/Resume) Water Shut-Off Deepen Alter Casing Fracture Treat Reclamation Well Integrity Subsequent Report New Construction Casing Repair Recomplete Other Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal 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 recomplete 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) XOT Energy Inc. intends to plug and abandon this well per the attached procedure. Please see also, attached current and proposed wellbore diagrams. RCVD JUL 3'12 TIL CONS. DIV. DIST. 3 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 AN	ALYST
Signature Sherry a mouse	Date 6/22/2012	
THIS SPACE FOR FEDER	AL OR STATE OFFICE USE	E
Approved by Original Signed: Stephen Mason	Title	Date JUN 2 9 2012
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	at 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 de	enartment or agency of the United States any false

NW CHA CHA UNIT #37 436' FNL & 1,892' FWL, UL C, Section 27, T 29 N, R 14 W San Juan County, New Mexico / API 30-045-29122

Plug and Abandonment Procedure

Surface Casing:

8-5/8", 24#, J-55 @ 237'. Cmt 145 sx. Circ 10 sx to surf. 5-1/2", 15.5#, J-55 @ 5,390'. Cmt 170 sx. Circ cmt to surf.

Production Casing: Perforations:

Gallup: 5,218' - 5,292' (208 holes)

Other:

CICR set @ 5,168'. Cmt plug fr/4,698' – 5,168'.

Please notify NMOCD 24 hours prior to beginning plugging operations

Test rig anchors. Set flowback tank. MIRU PU. TIH 2-7/8" work string. Tag TOC @ 4,698' from TA operations dated 2/16/2011.

Load casing with water and pressure test to 550 psig for 30 minutes. Record test on chart. If casing does not test, spot and tag subsequent plugs as appropriate.

Mancos Plug: Pump 17 sx class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot balance plug from 3,897' - 3,997' (volume calculated with 50' excess).

Meseverde Plug: Pump 17 sx class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot balance plug from 2,665' - 2,765' (volume calculated with 50' excess).

Chacra Plug: Pump 17 sx class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot balance plug from 2,039' - 2,139' (volume calculated with 50' excess).

Pictured Cliffs Plug: Pump 17 sx class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot balance plug from 1,071' – 1,171' (volume calculated with 50' excess).

Fruitland Coal Plug: Pump 58 sx class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot balance plug from Surface -455' (volume calculated with 50' excess).

RDMO PU. WOC 4 hours. Cut off wellhead. Fill in casing as needed with cement. Install P&A marker. Cut off anchors and reclaim location.



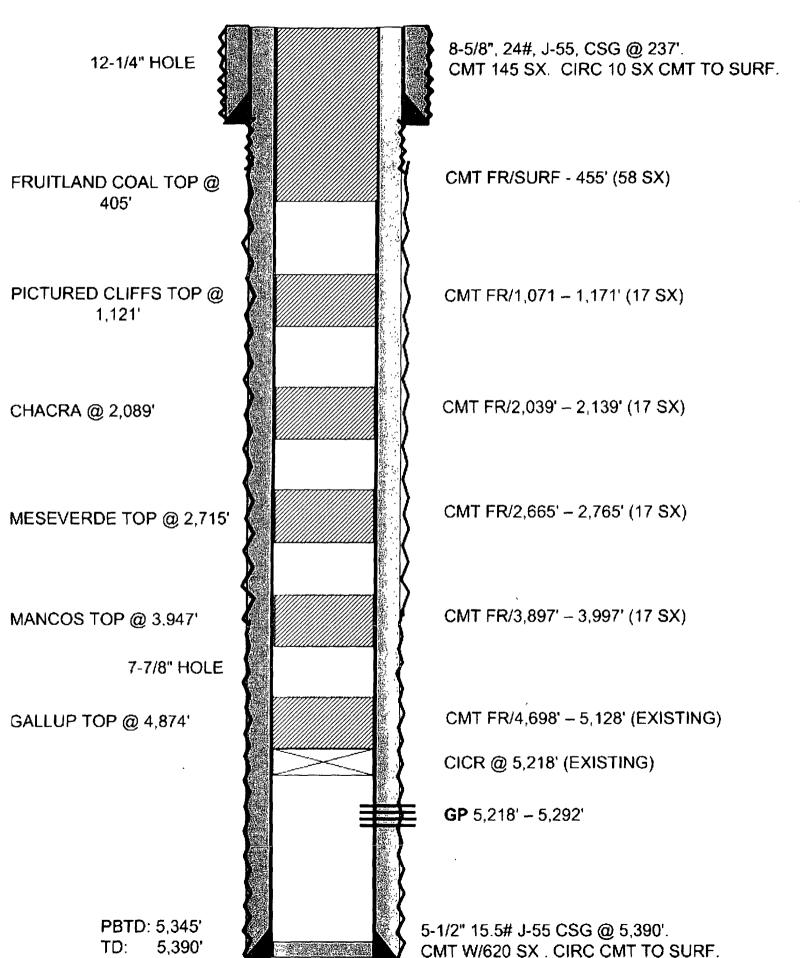
XTO - Wellbore Diagram

Well Name: NW Cha Cha Unit 37 N/S Ref Field Name E/W Dist (ft) N/S Dist (ft) Location County State 30045291220000 FNL 1,892.0 FWΙ 436.0 T29N-R14W-S27 Cha Cha Gallup San Juan New Mexico Well Configuration Type XTO ID B Ong KB Elev (ft) Gr Elev (ft) KB-Grd (ft) PBTD (All) (RKB) Total Depth (ftKB) Method Of Production Spud Date Vertical 77512 10.00 8/6/1994 5.671.00 5.661.00 Original Hole - 5332.0 5,390.0 None Well Config: Vertical - Onginal Hole, 4/30/2012 7:45:16 AM Zones fikB fIKB Top (ftKB) Btm (ftKB) Zone (MD) Schematic - Actual (TVD) Ind 5,218.0 5,292.0 Gallup **Casing Strings** OD (in) Wt (lbs/ft) String Grade Top Connection Set Depth (ftK. Surface 8 5/8 24.00 J-55 237.0 Casing Description OD (in) Wt (lbs/ft) String Grade Top Connection et Denth (ftK 10 Production 5 1/2 15.50 J-55 5,390.0 Cement Surface Casing Cement Surface, 237.0ftKB casing 237 Circ 10 sx cmt to surf Гуре String **Production Casing Cement** Production, 5,390.0ftKB casing Comment 4.656 Cmt Circ to surf Description Type String Production Casing Cement Production, 5,390.0ftKB plug 5,032 Perforations Hole Phasing Curr. (*) Status Shot Dens Btm (ftKB) (shots/ft) (In) 5,036 Top (ftKB) Zone 12/29/1997 Gallup 5,218.0 5,238.0 4.0 12/29/1997 5,238.0 5,250.0 4.0 Gallup 12/29/1997 5,272.0 5,292.0 4.0 Gallup 5,168 Tubing Strings
Tubing Description Run Date Set Depth (ftKB) Cement Retainer, 4 900, 5,168-5,170 **Tubing Components** Top Thread 5,170 OD (in) (lbs/ Item Description Model Btm (ftKB) Gra Len (ft) Top (ftKB) Rods Rod Description Run Date String Length (ft) Set Depth (ftKB) 5,218 Rod Components
Item Description Jts Model OD (in) Grade Btm (ftKB) Len (ft) Top (ftKB) Stimulations & Treatments V (slurry) (Total Prop AIR (b ATP (psi) MTP (psi) ISIP (psi) 12/29/1997 Acidized w/1,500 gal 7-1/2% acetic acid & 150 ball sealers. Displaced w/120 bbl 2% KCl 5,250 Top (MD) 5,218, wtr. Des Gallup 5,272 5,292 PBTD. 5,332 5,332 TD, 5,390 5,390 www.peloton.com Page 1/1 Report Printed: 4/30/2012

NW Cha Cha Unit #37 - Proposed P&A -Diagram

KB: 5,661' GL: 5,671'

CORR: 10'



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: 37 Northwest Cha Cha

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 Fruitland/Surface plug from 803' to surface.
- b) You are required to have H2S monitoring equipment and personnel on location during plugging operations.

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.