

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

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 | | JAN 09 2013 | |
| 2. Name of Operator XTO ENERGY INC. | | Franklin Field Unit | |
| 3a. Address 382 CR 3100 AZTEC, NM 87410 | 3b. Phone No. (include area code) 505-333-3630 | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1831' FSL & 1725' FEL NWSE SEC. 28 (J) - T29N-R14W N.M.P.M. | | 5. Lease Serial No. 14206032168A | |
| | | 6. If Indian, Allottee or Tribe Name NAVAJO TRIBE | |
| | | 7. If Unit or CA/Agreement, Name and/or No. NAVAJO 28 #3 | |
| | | 8. Well Name and No. NAVAJO 28 #3 | |
| | | 9. API Well No. 30-045-30615 | |
| | | 10. Field and Pool, or Exploratory Area W. KUTZ PICTURED CLIFFS | |
| | | 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 | TYPE OF ACTION | | | |
|--|---|--|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <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 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. intends to plug and abandon this well per the attached procedure. Please see also the attached current and proposed wellbore diagrams.

RCVD JAN 18 '13
OIL 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 ANALYST |
| Signature <i>Sherry J. Morrow</i> | Date 1/7/2013 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | |
|---|------------------------------|
| Approved by Original Signed: Stephen Mason | Title Date JAN 16 2013 |
| 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 |

NMOCD

NAVAJO 28 #3
1,831' FSL & 1,725' FEL, Section 28, T 29 N, R 14 W
San Juan County, New Mexico / API 30-045-30615

Plug and Abandonment Procedure

AFE #: 1209223
Surface Casing: 7", 20#, K-55 @ 129'. Cmt 55 sx. Circ 4 bbls cmt to surf.
Production Casing: 4-1/2", 10.5#, J-55 @ 1,236'. Cmt 155 sx. Circ 15 bbls cmt to surf.
Perforations: Pictured Cliffs: 1,035' – 1,044'
Tubing: 33 jts 2-3/8", 4.7#, J-55, 8rd EUE & 2-3/8" x 2-3/4" x 20' TWE (DV)
CDI pmp (XTO #109), EOT @ 1,111'
Rods & Pump: 1-1/4" x 22' PR, 2 – 3/4" rod subs (8', 4'), 39 – 3/4" rods, 1-1/2" sb, 7/8"
x 4' stb, 21K shear tl, 1-1/2" sb, 7/8" x 4' stb, 1-1/2" sb, spiral rod guide
& on-off tl.

Please notify NMOCD & BLM 24 hours prior to beginning plugging operations

- 1) Check for COA's before operations begin.
- 2) Test rig anchors.
- 3) Set flowback tank.
- 4) MIRU PU. TOH & LD rods & on-off tool.
- 5) ND WH. NU BOP. TOH & LD tubing & pump.
- 6) TIH w/3-7/8" bit, 3-7/8" string mill on 2-3/8" work string to 1,044'. TOH.
- 7) TIH w/4-1/2" CIBP and set @ 1,025' (Casing collar @ 1,033'). Circulate hole clean.
- 8) PT casing and CIBP to 550 psig for 30 minutes. Record test on chart. If casing does not test, contact engineer.
- 9) MIRU cement truck.
- 10) **Perforation Isolation and PC/FC Top Plug (1,025' – 852')**: Pump ^{c36} 17 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot balanced plug from 1,025' – 852' (volume calculated with 50' excess).
- 11) **Surface Casing Shoe Plug (275' – Surface)**: Pump 25 sx class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot balanced plug from 275' – Surface (volume calculated with 50' excess).
- 12) TOH & LD tubing.
- 13) RDMO cement truck. RDMO PU.
- 14) WOC 4 hours.

- 15) Cut off wellhead. Fill in casing as needed with cement. Install P&A marker.
- 16) Cut off anchors and reclaim location.

Regulatory:

- 1) C-144 CLEZ
- 2) NOI for P&A on form C-103
- 3) Submit a post-work sundry on form C-103 which details the P&A work and location work within 30 days of completing all required restoration work.

Equipment

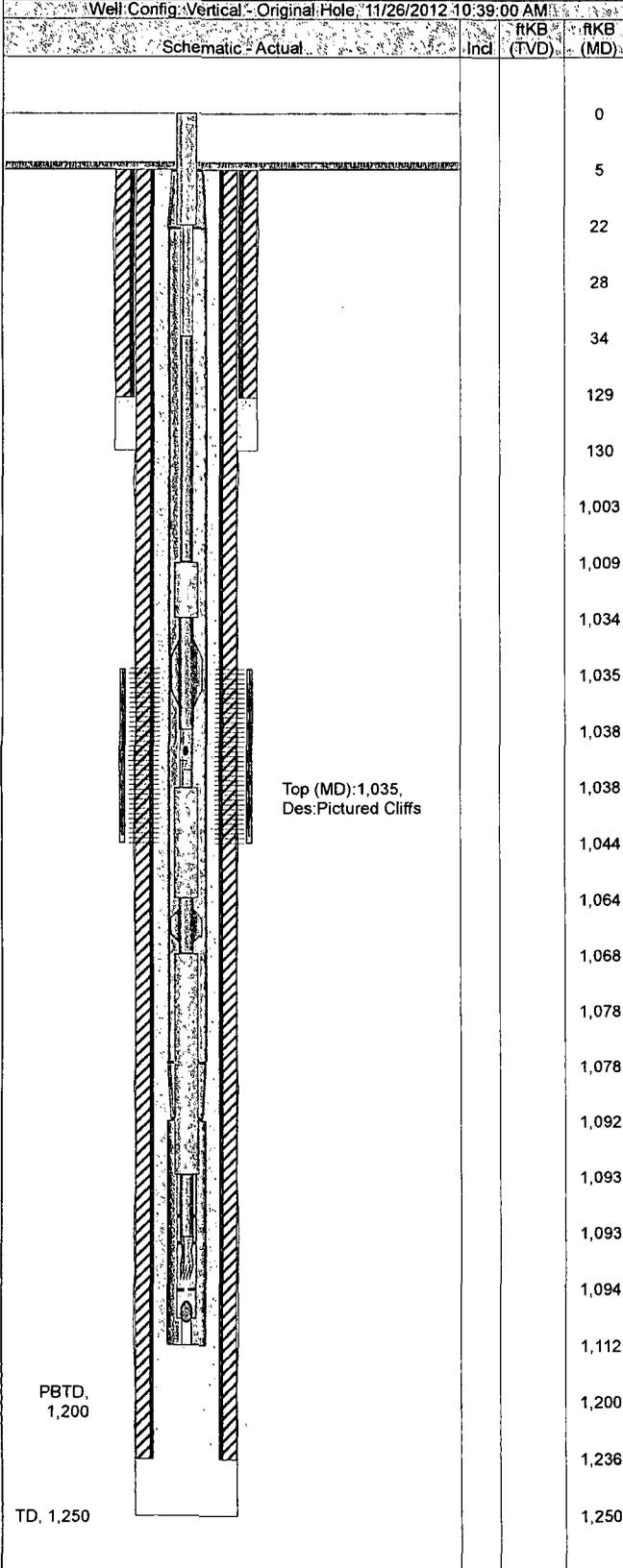
- 1) 1 flowback tank
- 2) 1,050' – 2-3/8" work string
- 3) 42 sx cln "B" cmt
- 4) WLU services
- 5) Cement services
- 6) P&A marker



XTO - Wellbore Diagram

Well Name: Navajo 28-03

| | | | | | | | | |
|-------------------------------------|--------------------------|-------------------------------|--------------------------|---------------------|---------------------------|---|-------------------------------|------------------------------|
| API/UWI 30045306150000 | E/W Dist (ft) 1,725.0 | E/W Ref FEL | N/S Dist (ft) 1,831.0 | N/S Ref FSL | Location T29N-R14W-S28 | Field Name Kutz W Pictured Cliffs | County San Juan | State New Mexico |
| Well Configuration Type Vertical | XTO ID B 77458 | Orig KB Elev (ft) 5,636.00 | Gr Elev (ft) 5,631.00 | KB-Grd (ft) 5.00 | Spud Date 5/17/2004 | PBTD (All) (ftKB) Original Hole - 1200.0 | Total Depth (ftKB) 1,250.0 | Method Of Production Beam |



Top (MD): 1,035,
Des: Pictured Cliffs

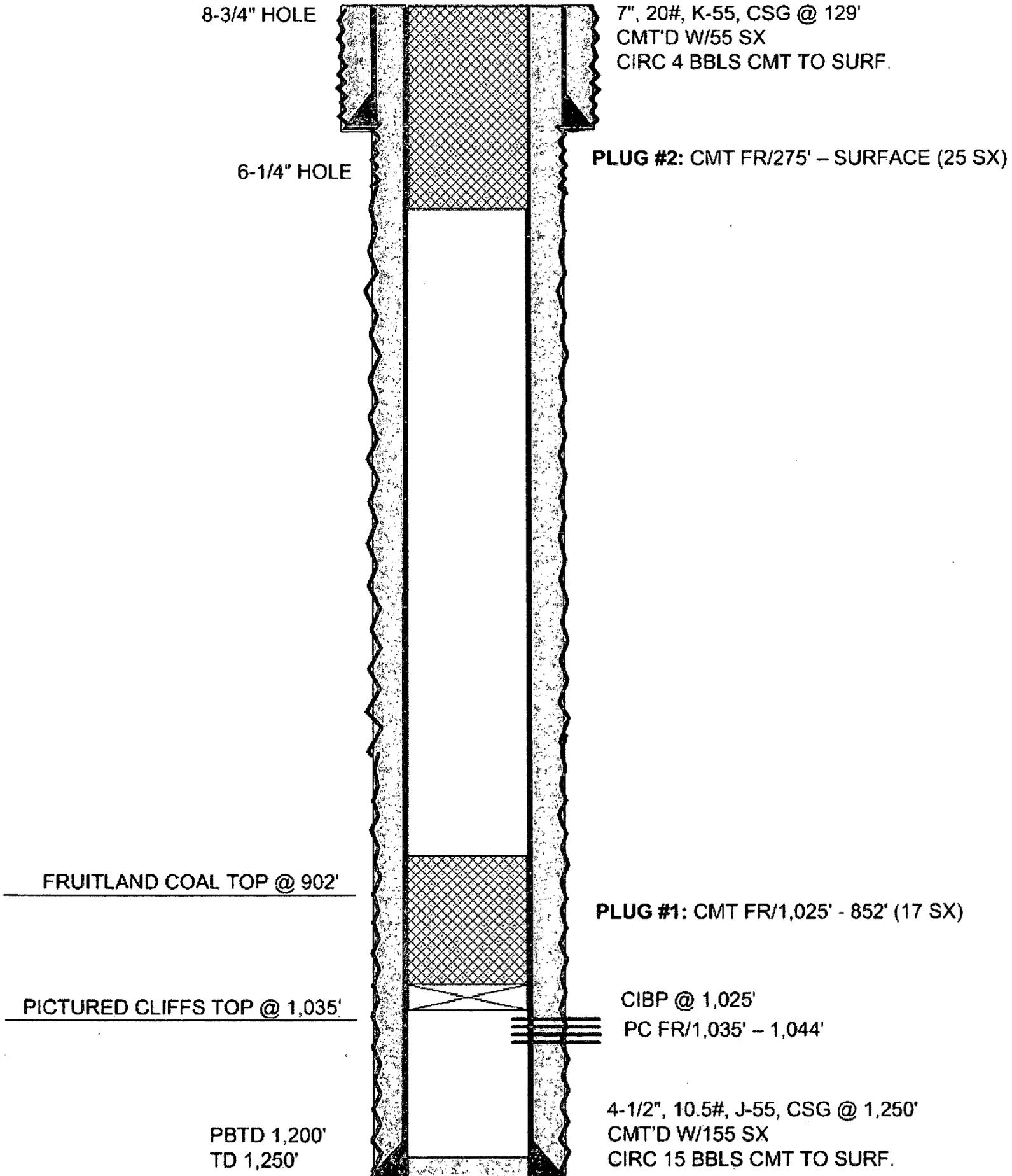
PBTD,
1,200

TD, 1,250

| Well Config: Vertical - Original Hole | | 11/26/2012 10:39:00 AM | | Zones | | | | | | |
|---------------------------------------|---|------------------------|--------------------|----------------------|-------------------------|------------------|--------------|-----------------|------------|------------|
| Schematic | Actual | ftKB (TVD) | ftKB (MD) | Zone | Top (ftKB) | Btm (ftKB) | | | | |
| | | | | Pictured Cliffs | 1,035.0 | 1,044.0 | | | | |
| Casing Strings | | | | | | | | | | |
| 0 | Casing Description | OD (in) | Wt (lbs/ft) | String Grade | Top Connection | Set Depth (ftKB) | | | | |
| | Surface | 7 | 20.00 | K-55 | | 129.0 | | | | |
| 5 | Casing Description | OD (in) | Wt (lbs/ft) | String Grade | Top Connection | Set Depth (ftKB) | | | | |
| | Production | 4 1/2 | 10.50 | J-55 | | 1,236.0 | | | | |
| Cement | | | | | | | | | | |
| 22 | Description | Type | String | | | | | | | |
| | Surface Casing Cement | casing | | | Surface, 129.0ftKB | | | | | |
| 28 | Comment CMT CSG W/55 SX CMT. CIRC 4 BBLs CMT TO SURF. | | | | | | | | | |
| 34 | Description | Type | String | | | | | | | |
| | Production Casing Cement | casing | | | Production, 1,236.0ftKB | | | | | |
| 129 | Comment CMTD CSG W/155 SX CMT. CIRC 15 BBLs CMT TO SURF. | | | | | | | | | |
| Perforations | | | | | | | | | | |
| 130 | Date | Top (ftKB) | Btm (ftKB) | Shot Dens (shots/ft) | Hole Diameter (in) | Phasing (*) | Curr. Status | Zone | | |
| | | 1,035.0 | 1,044.0 | | | | | Pictured Cliffs | | |
| 1,003 | | | | | | | | | | |
| Tubing Strings | | | | | | | | | | |
| 1,009 | Tubing Description | Run Date | Set Depth (ftKB) | | | | | | | |
| | Tubing - Production | 2/6/2009 | 1,111.4 | | | | | | | |
| Tubing Components | | | | | | | | | | |
| 1,034 | Item Description | Jts | Model | OD (in) | Wt (lbs/ft) | Grade | Top Thread | Len (ft) | Top (ftKB) | Btm (ftKB) |
| 1,035 | Tubing | 33 | T&C Upset | 2 3/8 | 4.70 | J-55 | 8RD EUE | 1,086.44 | 5.0 | 1,091.4 |
| 1,038 | Tubing Barrel Pump | 1 | | 2 3/8 | | | 8RD EUE | 20.00 | 1,091.4 | 1,111.4 |
| Rods | | | | | | | | | | |
| 1,038 | Rod Description | Run Date | String Length (ft) | | Set Depth (ftKB) | | | | | |
| | Rod String | 2/6/2009 | 1,093.40 | | 1,093.4 | | | | | |
| 1,044 | Rod Components | | | | | | | | | |
| | Item Description | Jts | Model | OD (in) | Grade | Len (ft) | Top (ftKB) | Btm (ftKB) | | |
| 1,064 | Polished Rod | 1 | | 1 1/4 | | 22.00 | 0.0 | 22.0 | | |
| | Rod Sub | 2 | | 3/4 D | | 12.00 | 22.0 | 34.0 | | |
| | Sucker Rod | 39 | WCN-78 | 3/4 D | | 975.00 | 34.0 | 1,009.0 | | |
| 1,068 | Sinker Bar | 1 | | 1 1/2 K | | 25.00 | 1,009.0 | 1,034.0 | | |
| | Stabilizer Rod | 1 | | 7/8 D | | 4.00 | 1,034.0 | 1,038.0 | | |
| 1,078 | Shear Tool - 21K | 1 | | 3/4 | | 0.50 | 1,038.0 | 1,038.5 | | |
| | Sinker Bar | 1 | | 1 1/2 K | | 25.00 | 1,038.5 | 1,063.5 | | |
| 1,078 | Stabilizer Rod | 1 | | 7/8 D | | 4.00 | 1,063.5 | 1,067.5 | | |
| | Sinker Bar | 1 | | 1 1/2 K | | 25.00 | 1,067.5 | 1,092.5 | | |
| 1,092 | Spiral Rod Guide | 1 | | 3/4 | | 0.40 | 1,092.5 | 1,092.9 | | |
| | On-Off Tool | 1 | | 3/4 | | 0.50 | 1,092.9 | 1,093.4 | | |
| Stimulations & Treatments | | | | | | | | | | |
| 1,093 | Frac Start Date | Top Perf (ft...) | Bottom Pe... | V (slurry) (...) | Total Prop... | AIR (b...) | ATP (psi) | MTP (psi) | ISIP (psi) | |
| | 7/8/2004 | | | | | 39 | 1,100.0 | | | |
| 1,093 | Comment | | | | | | | | | |
| 1,094 | | | | | | | | | | |
| 1,112 | | | | | | | | | | |
| 1,200 | | | | | | | | | | |
| 1,236 | | | | | | | | | | |
| 1,250 | | | | | | | | | | |

Navajo 28-3 Proposed WB Diagram

KB: 5,636'
GL: 5,631'
KB CORR: 5'



**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: 3 Navajo 28

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 the Pictured Cliffs/Fruitland plug to 636'.
 - 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.