State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division

New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: Oct 14th, 2013

Application Type:

☒ P&A ☐ Drilling/Casing Change ☐ Recomplete/DHC

☐ Location Change ☐ Other: _____

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-34774-00-00	NAVAJO INDIAN B	002S	BURLINGTON RESOURCES OIL & GAS COMPANY LP	G	A	San Juan	N	N	19	27	N	8	W

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations.

Extend Ojo Alamo plug up to 1000 feet

Brandon Powell

NOV 0 6 2013

NMOCD Approved by Signature

Date

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCT 17 2013

Farmington Field Office
Bureau of Land Management

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

5. Lease Serial No.
I-149-IND-8468

6. If Indian, Allottee or Tribe Name

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.*

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Navajo Indian B 2S

2. Name of Operator
Burlington Resources Oil & Gas Company LP

9. API Well No.
30-045-34774

3a. Address
PO Box 4289, Farmington, NM 87499

3b. Phone No. (include area code)
(505) 326-9700

10. Field and Pool or Exploratory Area
Basin Fruidland Coal

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
Surface **UNIT N (SESW), 950' FSL & 1905' FWL, Sec. 19, T27N, R8W**

11. Country or Parish, State
San Juan , New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☒ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ 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 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 must 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 must be filed once Testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Burlington Resources requests permission to P&A the subject well per the attached procedure, current & proposed wellbore schematics.

Notify NMOCD 24 hrs prior to beginning operations

RCVD OCT 25 '13
OIL CONS. DIV.
DIST. 3

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

Title **Regulatory Technician**

Signature Denise Journey

Date **10/14/2013**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason

Title

Date OCT 23 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

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instruction on page 2)

NMOCD

ConocoPhillips
NAVAJO INDIAN B 2S
Expense - P&A

Lat 36° 33' 20.538" N Long 107° 43' 26.677" W

PROCEDURE

This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM, and COPC safety and environmental regulations. Test rig anchors prior to moving in rig.

2. MIRU work over rig. Check casing, tubing, and bradenhead pressures and record them in Wellview. If there is pressure on the bradenhead, contact Wells Engineer.

3. When an existing primary valve (i.e. casing valve) is to be used, the existing piping should be removed and replaced with the appropriate piping for the intended operation.

4. RU blow lines from casing valves and begin blowing down casing pressure.

5. Kill well down tubing with at least tubing capacity of water.

7. ND wellhead and NU BOPE. Pressure and function test BOP to 250 psi low and 1000 psi over SICP high to a maximum of 2000 psi held and charted for 10 minutes as per COP Well Control Manual. PU and remove tubing hanger.

8. TOOH with tubing (per pertinent data sheet). Visually inspect tubing and LD any bad joints.

Tubing: Yes **Size:** 2-3/8" **Length:** 2,007"

9. PU watermelon mill and bit, round trip to 1917' (or as deep as possible). CO as needed. Do not run below top perforation.

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 II mixed at 15.6 ppg with a 1.18 cf/sk yield.

10. Plug 1 (Perforations and Fruitland Formation Top, 1867-1547', 29 Sacks Class B Cement)
RIH and set 4-1/2" CR at 1867'. Pressure test tubing to 1000 PSI. Sting out of CR and load and circulate casing clean, pressure test casing to 800 psi. If casing does not test, spot and tag subsequent plug as necessary. TOOH. RU wireline and run CBL from CR at 1867' to surface under 500 psi pressure, send CBL to Wells Engineer, Superintendent and Regulatory. Plugs may change depending on CBL or if bradenhead has pressure. TIH open ended or with plugging sub to CR @ 1867'. Mix 29 sx Class B cement and spot a balanced plug inside casing to isolate the perforations and Fruitland formation top. PUH.

11. Plug 2 (Kirtland and Ojo Alamo, ~~1334-1090~~ 1362 1050', 23 Sacks Class B Cement)
Mix 23 sxs Class B cement. Set balanced plug at 1090' inside casing to isolate the Kirtland and Ojo Alamo top. PUH.

12. Plug 3 (Nacimiento and Surface Plug, 183-0', 18 Sacks Class B Cement)
Connect the pump line to the bradenhead valve and attempt to pressure test the BH annulus to 300psi; note the volume to load. If the BH annulus holds pressure then establish circulation out casing valve with water. Mix 18 sx Class B cement and spot balanced plug inside casing from 183' to surface, circulating good cement out casing valve. TOH and LD tubing. Shut in well and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the 4 1/2" casing and the BH annulus to surface. Shut well in and WOC.

13. Nipple down BOP and cut off casing below the casing flange. Install P&A marker with cement to comply with regulations. Rig down, move off location, cut off anchors, and restore location.

ConocoPhillips

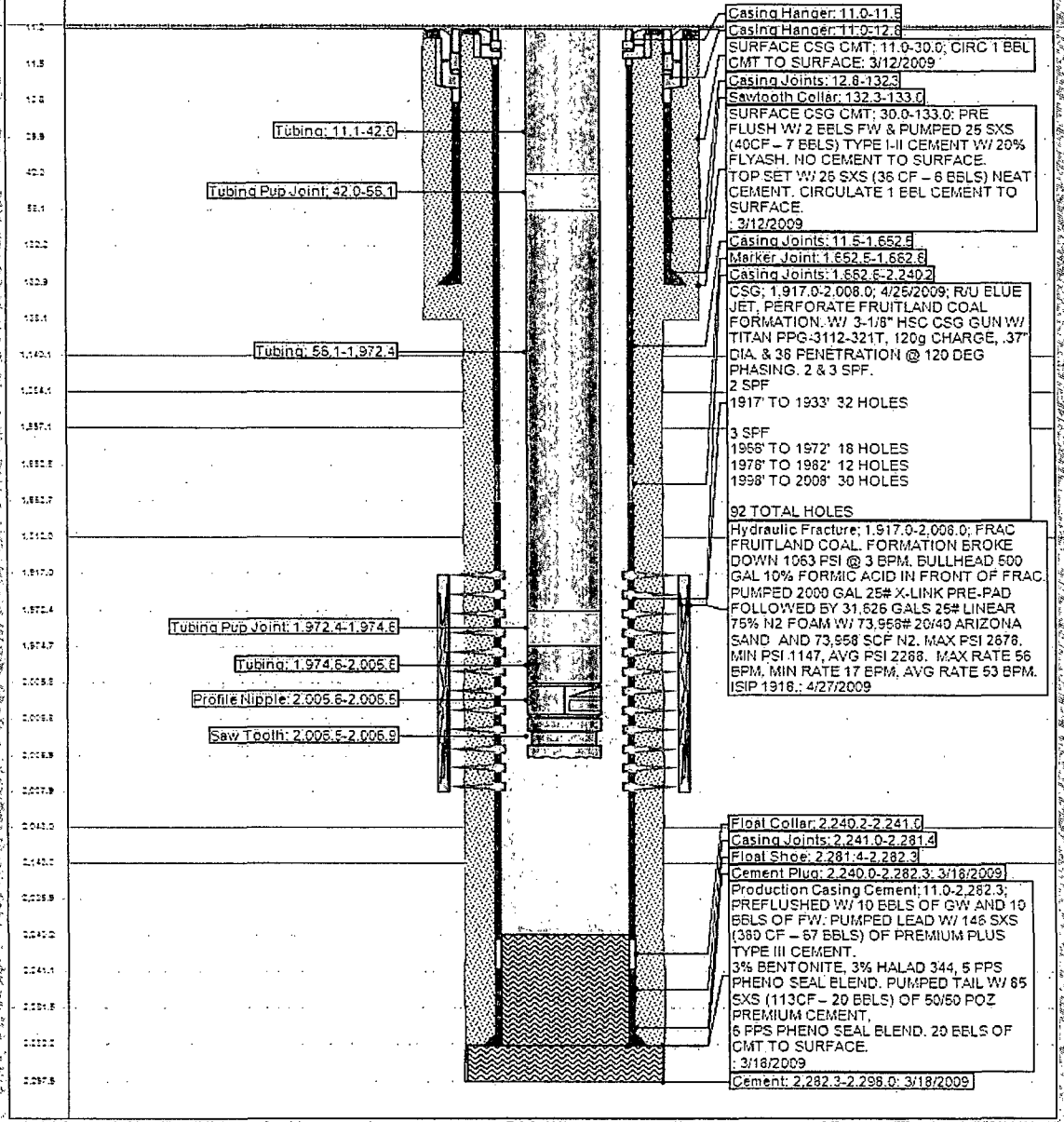
CURRENT SCHEMATIC

NAVAJO INDIAN B #2S

District	Field Name	API / UWI	County	State/Province
SOUTH	BASIN FRUITLAND COAL	3004534774	SAN JUAN	NEW MEXICO

Original Spud Date	Surface Legal Location	E/W Dist (ft)	E/W Ref	N/S Dist (ft)	N/S Ref
3/12/2009	019-027N-008W-N	1,905.00	FWL	950.00	FSL

VERTICAL - Original Hole, 9/26/2013 9:13:15 AM



Report Printed: 9/26/2013

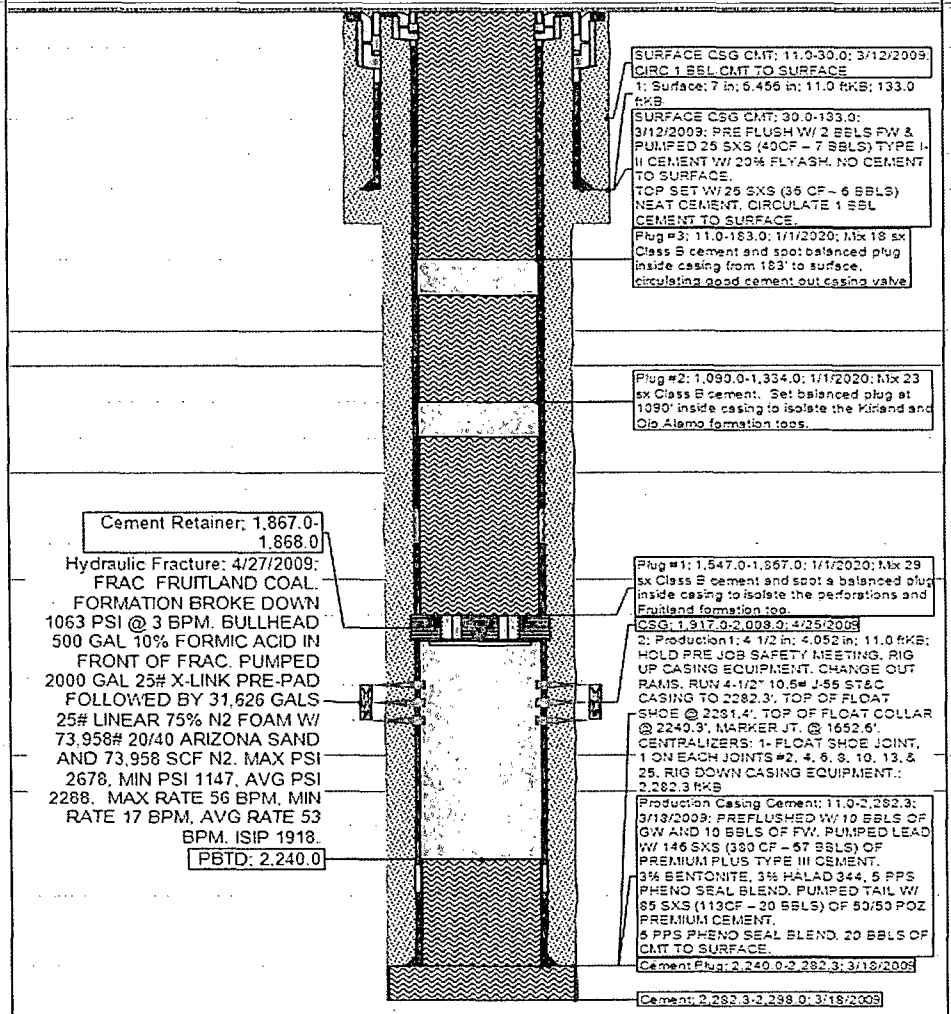
ConocoPhillips

Schematic - Proposed
NAVAJO INDIAN B #2S

District	Field Name	API / UWI	County	State/Province
SOUTH	BASIN FRUITLAND COAL	3004534774	SAN JUAN	NEW MEXICO

Original Spud Date	Surf Loc	East/West Distance (ft)	East/West Reference	N/S Dist (ft)	North/South Reference
3/12/2009	019-027N-008W-N	1,905.00	FWL	950.00	FSL

VERTICAL - Original Hole, 1/1/2020 10:00:00 AM



MD (ftKB)	Formation Tops
11.2	NACIMIENTO
11.5	
12.8	
29.9	
132.2	
132.9	
136.1	
183.1	
1,089.9	
1,140.1	OJO ALAMO
1,284.1	KIRTLAND
1,334.0	
1,546.9	
1,597.1	FRUITLAND
1,652.6	
1,662.7	
1,812.0	FRUITLAN...
1,867.1	
1,868.1	
1,917.0	
2,007.9	
2,043.0	PICTURED...
2,143.0	LEWIS
2,235.9	
2,240.2	
2,241.1	
2,281.5	
2,282.2	
2,297.9	

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: 2S Navajo Indian B

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 Kirtland/Ojo Alamo plug from 1362' - 1050'.

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.