

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

JUL 30 2014

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
XTO ENERGY INC.

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)
665' FNL & 665' FWL NWNW SEC. 4 (D) -T30N-R12W N.M.P.M.

5. Lease Serial No.
NMSF081239

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
LC KELLY #3F

9. API Well No.
30-045-33238

10. Field and Pool, or Exploratory Area
**BLANCO MESAVERDE
BASIN DAKOTA**

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 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.)

XTO Energy Inc. intends to plug and abandon this well per the attached procedure and will be using a Closed Loop System. Please see also the attached current and proposed wellbore diagrams and surface reclamation plan.

OIL CONS. DIV DIST. 3

AUG 14 2014

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

Notify NMOCD 24 hrs prior to beginning operations



H₂S POTENTIAL EXIST

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) **SHERRY J. MORROW** Title **REGULATORY ANALYST**

Signature *Sherry J. Morrow* Date **7/29/2014**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *M. Troy Salers* Title **Petroleum Eng.** Date **8/13/2014**

Office **FFO**

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.

**LC Kelly #3F
Sec 4, T 30 N, R 12 W
San Juan County, New Mexico
7/23/2014**

Plug and Abandon Procedure

AFE Number: 1406775 (MV), 1406777 (DK)
Spud Date: 7/23/2014
Surface Casing: 8-5/8", 24#, J-55 csg @ 376'. Cmt'd w/244 sx. Circ 21 bbls cmt to surf.
Production Casing: 5-1/2", 15.5#, J-55 csg @ 7,186'. DV tl @ 4,040'. Cmt'd stage 1 w/480 sx. Circ 30 bbls off DV tl. Cmt'd stage 2 w/660 sx. Circ 115 sx cmt to surf. TOC fr/temp survey is 4,050'. Sqzd DV tl w/165 sx cmt.
Capacity: .0238 bbls/ft or .9997 gal/ft
Casing Leaks: Squeeze holes @ 4,040' (DV tl). Pressure tested to 500 psig.
Production Tubing: 2-3/8" string
Perforations: Mesaverde: 4,571' – 4,851'
Dakota: 6,713' – 6,897' (CIBP @ 6,670' w/cmt @ fr/6,665' – 6,670')
PBTD: 7,139'
Recent Production: 0 mcfpd, 0 bwpd, 0 bopd (shut-in).

Notify NMOCD & BLM 24 hours prior to beginning plugging operations

1. Check for COA's and approved NOI before beginning operations.
2. Test rig anchors.
3. Set flowback tank.
4. MIRU completion rig. Review JSA.
5. ND WH. NU & FT BOP.
6. TIH & tag cement @ 6,665'. CO any fill.
7. MIRU cement truck. Review JSA.
8. **Perforation Isolation & Graneros Top Plug (6,665' – 6,538')**: Pump 25 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot an unbalanced plug from 6,665' – 6,538' (volume calculated with 50' excess).

See COA

9. **Gallup Top Plug (5,894' – 5,794')**: Pump 20 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot an unbalanced plug from 5,894' – 5,794' (volume calculated with 50' excess).

See COA

10. **Mancos Top Plug (4,973' – 4,873')**: Pump 20 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot an unbalanced plug from 4,973' – 4,873' (volume calculated with 50' excess).

11. TOH tubing. TIH 4-3/4" bit and 4-3/4" string mill to ±4,571'. TOH.

12. TIH CICR and set @ ±4,550'. Sting out of CICR and circulate hole clean. PT casing to 550 psig. TOH.

If casing does not pressure test, tag subsequent plugs

13. MIRU WLU. Review JSA.

14. Run CBL/CCL log from CICR @ ±4,550' – surface. Correlate to Gamma Ray/CCL dated 1/25/2006. Send CBL to engineer.

Plugs may need altered based off CBL results. Contact engineer with changes.

15. RDMO WLU.

16. TIH tubing.

17. **Perforation Isolation Plug (4,550' – 4,500')**: Pump 15 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot a balanced plug from 4,550' – 4,500' (volume calculated with 50' excess).

18. **Mesaverde Top Plug (3,836' – 3,736')**: Pump 20 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot a balanced plug from 3,836' – 3,736' (volume calculated with 50' excess).

See COA

19. **Chacra Top Plug (3,350' – 3,250')**: Pump 20 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot a balanced plug from 3,350' – 3,250' (volume calculated with 50' excess).

20. **Lewis & Pictured Cliffs Top Plug (2,520' – 2,182')**: Pump 45 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot a balanced plug from 2,520' – 2,182' (volume calculated with 50' excess).

See COA

21. **Fruitland Coal Top Plug (1,677' – 1,577')**: Pump 20 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot a balanced plug from 1,677' – 1,577' (volume calculated with 50' excess).

22. **Kirtland, Ojo Alamo & Casing Shoe Top Plug (683' – 326')**: Pump 50 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot a balanced plug from 683' – 326' (volume calculated with 50' excess).

23. **Surface Plug (100' – Surface)**: Pump 20 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot a balanced plug from 100' – Surface (volume calculated with 50' excess).

24. TOH & LD tubing.

25. RDMO cement truck.

26. WOC 4 hours.

27. Cut off WH. Fill in casing as needed with cement. Install above ground P&A marker.

28. Cut off anchors and reclaim location.

Checklist

Regulatory:

1. NOI to P&A on form C-103
2. 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. ±2,500' 2-3/8" workstring
3. 7 – 5-1/2" cement retainers if CBL shows no cement behind pipe for plugs 5-10.
4. 690 sx Class "B" cement if CBL shows no cement behind pipe for plugs 5-10
5. 1 above ground marker

Services:

1. Completion rig
2. Cement truck
3. Wireline Unit

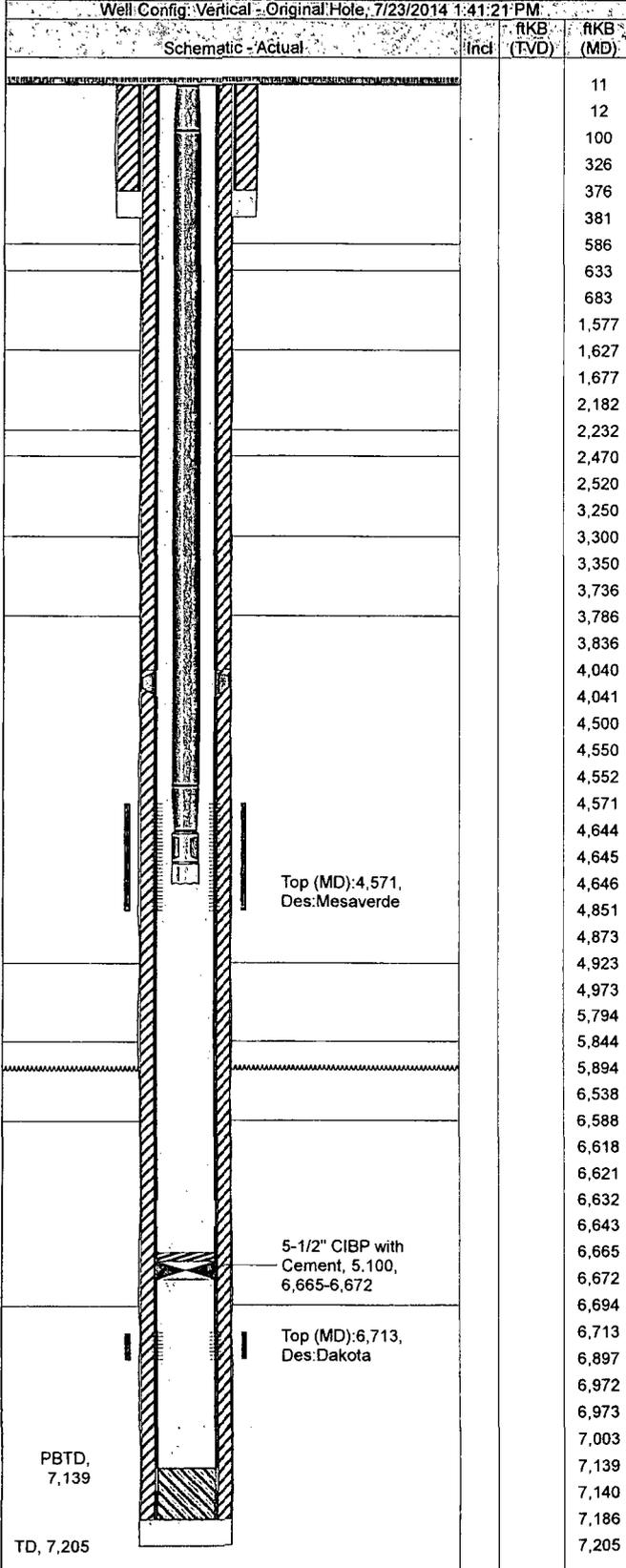


XTO - Wellbore Diagram

Current

Well Name: **LC Kelly 03F**

API/UWI 30045332380000	E/W Dist (ft) 665.0	E/W Ref FWL	N/S Dist (ft) 665.0	N/S Ref FNL	Location T30N-R12W-S04	Field Name Basin Dakota	County San Juan	State/Province New Mexico
Well Configuration Type Vertical	XTO ID B 96589	Orig KB Elev (ft) 5,963.50	Gr Elev (ft) 5,952.00	KB-Grd (ft) 11.50	Spud Date 11/27/2005	PBTD (All) (ftKB) Original Hole - 7139.0	Total Depth (ftKB) 7,205.0	Method Of Production Plunger Lift



Zones		Top (ftKB)	Btm (ftKB)
Mesaverde		4,571.0	4,851.0
Dakota		6,713.0	6,897.0

Casing Strings						
Casing Description	OD (in)	Wt (lbs/ft)	String Grade	Top Connection	Set Depth (ftKB)	
Surface	8 5/8	24.00	J-55		376.0	
Production	5 1/2	15.50	J-55		7,186.0	

Cement						
Description	Type	String				
Surface Casing Cement	casing	Surface, 376.0ftKB				
Comment: Cmt'd w/244 sx Type III cmt w/2% CaCl2 & 1/4 pps celloflake (mixed @ 15.2 ppg & 1.28 cuft/sx). Circ 21 bbls cmt to surf.						
Production Casing Cement	casing	Production, 7,186.0ftKB				
Comment: Cmt'd 1st stage w/330 sx Type III cmt w/4% gel, .2% CD-32, .5% FL 52, 1/4 pps flocele, & 2% phenoseal (mixed @ 12.5 ppg & 2.01 cuft/sx) followed by 150 sx Type III cmt (mixed @ 14.2 ppg & 1.54 cuft/sx). Circ 30 bbls cmt to surf. Cmt'd 2nd stage w/560 sx Type III cmt w/8% gel, 1/4 pps flocele, & 2% phenoseal (mixed @ 11.9 ppg & 2.60 cuft/sx) followed by 100 sx Type III cmt. Circ 115 sx cmt to surf.						

Perforations							
Date	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Hole Diameter (in)	Phasing (°)	Curr Status	Zone
9/7/2006	4,571.0	4,851.0	1.0	0.340	0		Mesaverde
1/26/2006	6,713.0	6,897.0	1.0	0.340	0		Dakota

Tubing Strings			
Tubing Description	Run Date	Set Depth (ftKB)	
Tubing - Production	4/9/2013	4,646.1	

Tubing Components									
Item Description	Jts	Model	OD (in)	Wt (lbs/ft)	Gra	Top Thread	Len (ft)	Top (ftKB)	Btm (ftKB)
Tubing	141	T&C	2 3/8	4.70	J-55		4,632.94	11.5	4,644.4
Seat Nipple	1	Upset	2 3/8				1.10	4,644.4	4,645.5
Notched Collar	1		2 3/8				0.60	4,645.5	4,646.1

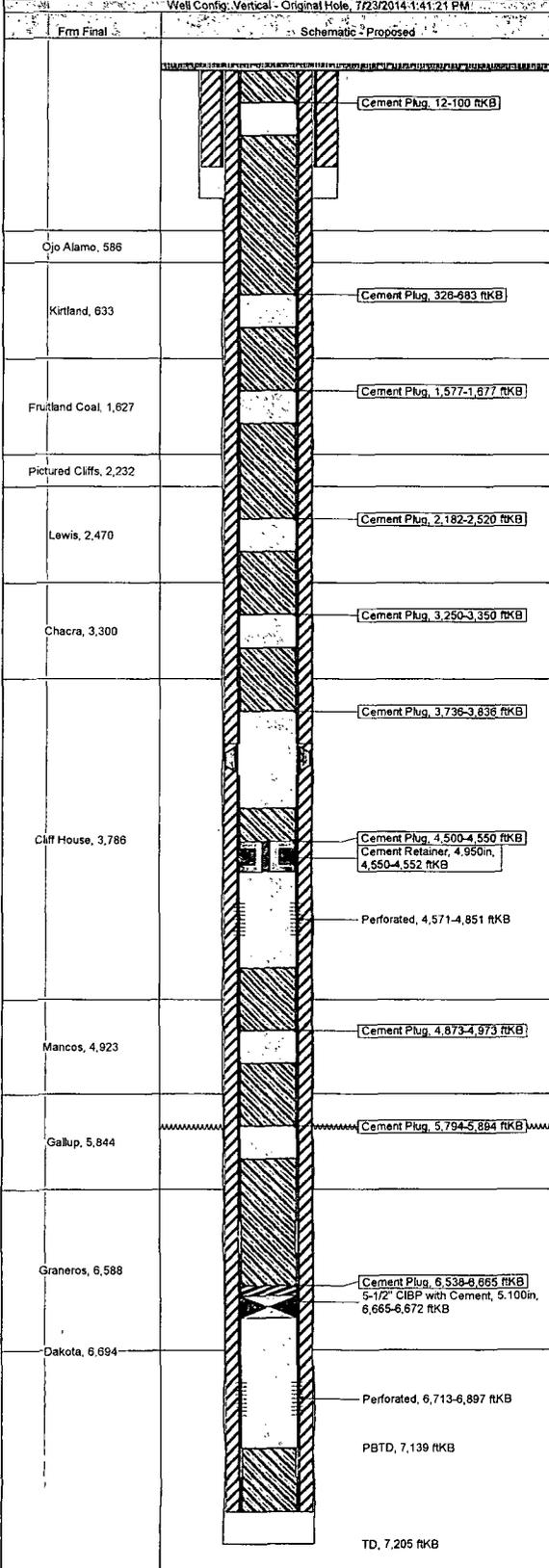
Stimulations & Treatments							
Frac Start Date	Top Perf (ft...)	Bottom Pe...	V (slurry) (...)	Total Prop...	AIR (b...	ATP (psi)	MTP (psi) ISIP (psi)
1/26/2006	6713	6897					
Comment: A. DK w/1,250 gals 15% FE HCl ac & 48 - 7/8" 1.1 Bio-BS @ 5.1 BPM @ 1,272 psig. Fish'd w/169 bbls 2% KCl wtr. ATP 1,042 psig. AIR 8.5 BPM. Some ball action. Did not ball off. Surged off BS. ISIP 896 psig. 5" SIP 609 psig. 10" SIP 498 psig. 15" SIP 423 psig.							
1/27/2006	6713	6897					
Comment: Frac'd DK perms fr/6,713' - 6,897' dwn 5-1/2" csg w/78,102 gals (BH foam vol) 60Q, 25# Purgel III LT CO2 foam frac fld (zirconium XL, 25# guar gel, 2% KCl wtr) carrying 128,300# 20/40 sd (88,300# 20/40 Ottawa sd + 40,000# 20/40 SLC sd per wt slips). Fish'd w/157 bbls 60Q CO2 foam frac fld & linear gel wtr (cut CO2 & XL halfway thru fish). AIR 43.3 BPM. ATP 2,272 psig. Max TP 2,451 psig. Max sd conc 3.8 ppg. ISIP 1,442 psig. 5" SIP 1,332 psig. 1,034 BLWTR (DK ac & frac). 161.2 tons CO2 dwnhole. 8 tons CO2 cooldwn.							



XTO - Proposed P&A Wellbore Diagram

Well Name: LC Kelly 03F

API/UWI 30045332380000	E/W Dist (ft) 665.0	E/W Ref FWL	N/S Dist (ft) 665.0	N/S Ref FNL	Location T30N-R12W-S04	Field Name Basin Dakota	County San Juan	State/Province New Mexico
Well Configuration Type Vertical	XTO ID B 96589	Orig KB Elev (ft) 5,963.50	Gr Elev (ft) 5,952.00	KB-Grd (ft) 11.50	Spud Date 11/27/2005	PBTD (Alt) (ftKB) Original Hole - 7139.0	Total Depth (ftKB) 7,205.0	Method Of Production Plunger Lift



Zones		Zone	Top (ftKB)	Bottom (ftKB)
11	Mesaverde		4,571.0	4,851.0
	Dakota		6,713.0	6,897.0
100	Casing Strings			
326	Casing Description	OD (in)	Wt (lbs/ft)	String Grade
	Surface	8 5/8	24.00	J-55
376	Casing Description	OD (in)	Wt (lbs/ft)	String Grade
	Production	5 1/2	15.50	J-55
381	Item Description	OD (in)	Wt (lbs/ft)	Grade
	DV Tool	5 1/2		
586			4,040.0	4,041.0
633	Cement			
683	Description	Type	String	
	Surface Casing Cement	casing	Surface, 376.0ftKB	
1,577	Comment			
	Cmt'd w/244 sx Type III cmt w/2% CaCl2 & 1/4 pps celloflake (mixed @ 15.2 ppg & 1.28 cuft/sx). Circ 21 bbls cmt to surf.			
1,627	Description	Type	String	
	Production Casing Cement	casing	Production, 7,186.0ftKB	
1,677	Comment			
	Cmt'd 1st stage w/330 sx Type III cmt w/4% gel, .2% CD-32, .5% FL 52, 1/4 pps flocele, & 2% phenoseal (mixed @ 12.5 ppg & 2.01 cuft/sx) followed by 150 sx Type III cmt (mixed @ 14.2 ppg & 1.54 cuft/sx). Circ 30 bbls cmt to surf. Cmt'd 2nd stage w/560 sx Type III cmt w/8% gel, 1/4 pps flocele, & 2% phenoseal (mixed @ 11.9 ppg & 2.60 cuft/sx) followed by 100 sx Type III cmt. Circ 115 sx cmt to surf.			
2,182	Description	Type	String	
	Production Casing Cement	casing	Production, 7,186.0ftKB	
2,232	Comment			
	Cmt'd 1st stage w/330 sx Type III cmt w/4% gel, .2% CD-32, .5% FL 52, 1/4 pps flocele, & 2% phenoseal (mixed @ 12.5 ppg & 2.01 cuft/sx) followed by 150 sx Type III cmt (mixed @ 14.2 ppg & 1.54 cuft/sx). Circ 30 bbls cmt to surf. Cmt'd 2nd stage w/560 sx Type III cmt w/8% gel, 1/4 pps flocele, & 2% phenoseal (mixed @ 11.9 ppg & 2.60 cuft/sx) followed by 100 sx Type III cmt. Circ 115 sx cmt to surf.			
2,470	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
2,520	Comment			
	Plug 1: Pump 25 sx fr/6,665' - 6,538'.			
3,250	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
3,300	Comment			
	Plug 2: Pump 20 sx fr/5,894' - 5,794'.			
3,350	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
3,736	Comment			
	Plug 3: Pump 20 sx fr/4,973' - 4,873'.			
3,786	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
3,836	Comment			
	Plug 4: Pump 15 sx fr/4,550' - 4,500'.			
4,040	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
4,041	Comment			
	Plug 5: Pump 20 sx fr/3,836' - 3,736'.			
4,500	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
4,501	Comment			
	Plug 6: Pump 20 sx fr/3,350' - 3,250'.			
4,550	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
4,552	Comment			
	Plug 7: Pump 45 sx fr/2,520' - 2,182'.			
4,571	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
4,851	Comment			
	Plug 8: Pump 20 sx fr/1,677' - 1,577'.			
4,873	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
4,923	Comment			
	Plug 9: Pump 50 sx fr/683' - 326'.			
4,973	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
5,794	Comment			
	Plug 10: Pump 20 sx fr/100' - surface.			
5,844	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
5,884	Comment			
	Plug 10: Pump 20 sx fr/100' - surface.			
5,894	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
6,538	Comment			
	Plug 7: Pump 45 sx fr/2,520' - 2,182'.			
6,588	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
6,632	Comment			
	Plug 8: Pump 20 sx fr/1,677' - 1,577'.			
6,643	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
6,665	Comment			
	Plug 9: Pump 50 sx fr/683' - 326'.			
6,672	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
6,694	Comment			
	Plug 10: Pump 20 sx fr/100' - surface.			
6,713	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
6,897	Comment			
	Plug 10: Pump 20 sx fr/100' - surface.			
7,139	Description	Type	String	
	Cement Plug	plug	Production, 7,186.0ftKB	
7,140	Comment			
	Plug 10: Pump 20 sx fr/100' - surface.			
7,186	Other In-Hole			
	Description	OD (in)	Top (ftKB)	
7,205	Cement Retainer	4.95	4,550.0	

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: LC Kelly #3F

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 Gallup top plug to 5753 ft. Adjust cement volume accordingly.
 - b) Set the Mancos top plug (5117-5017) ft. BLM picks top of Mancos at 5067 ft.
 - c) Set the Chacra top plug (3060-2960) ft. BLM picks top of Chacra at 3010 ft.
 - d) Set the Fruitland Coal top plug (1939-1839) ft. BLM picks top of Fruitland Coal at 1889 ft.

Note: Low concentrations of H₂S (10ppm-45ppm GSV) have been reported in wells within a 1 mile radius of this location.

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.