

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-25896
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: STAHLY GAS COM A
8. Well Number #1
9. OGRID Number 167067
10. Pool name or Wildcat OTERO CHACRA

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	7. Lease Name or Unit Agreement Name: STAHLY GAS COM A
2. Name of Operator XTO Energy Inc.	8. Well Number #1
3. Address of Operator 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401	9. OGRID Number 167067
4. Well Location Unit Letter C ; 1070 feet from the NORTH line and 1550 feet from the WEST line Section 29 Township 29N Range 10W NMPM County SAN JUAN	10. Pool name or Wildcat OTERO CHACRA
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/> Pit type WKO Depth to Groundwater >100' Distance from nearest fresh water well >1000' Distance from nearest surface water >1000' Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

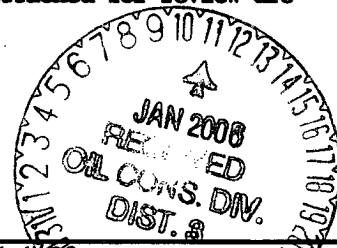
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

XTO Energy Inc. proposes to P&A this well per attached procedure. Also attached for review are schematics of the current wellbore and proposed P&A wellbore.



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒ , a general permit ☐ or an (attached) alternative OCD approved plan ☐

SIGNATURE Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 1/9/06
Type or print name HOLLY C. PERKINS E-mail address: Regulatory@xtoenergy.com Telephone No. 505-324-1090

For State Use Only

APPROVED BY H. Villanueva DEPUTY OIL & GAS INSPECTOR, DISI. # JAN 11 2006
Conditions of Approval, if any: _____

PLUG AND ABANDONMENT PROCEDURE

April 22, 2005

Stahly Gas Com A #1

Otero Chacra

1070' FNL and 1550' FWL, Section 29, T29N, R10W

San Juan County, NM / API 30-045-25896

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 ASTM Type III, mixed at 14.8 ppg with a 1.32 cf/sx yield.

1. Install and/or test rig anchors. Prepare blow pit. Comply with all NMOCD, BLM and XTO safety rules and regulations. Conduct safety meeting for all personnel on location. MOL and RU daylight pulling unit. NU relief line and blow well down; kill with water as necessary. ND wellhead and NU BOP and stripping head; test BOP.
2. Tally and prepare 1000' of 1.666" IJ workstring and 1800' 2.375" workstring.
3. **Plug #1 (Chacra perforations and top, 2649' - 2549')**: TIH with 955' of 1.666" IJ and 1700' of 2.375" tubing. Tag existing RBP at 2649' or as deep as possible. Load casing with water and circulate well clean. Pressure test the casing to 500#. *If the casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 11 sxs cement and spot a balanced plug inside the casing above the RBP to isolate the Chacra perforations. TOH and LD the 1.666" IJ tubing.
4. **Plug #2 (Picture Cliff and Fruitland tops, 1814' - 1386')**: TIH and set 4.5" cement retainer at 1700'. Pressure test tubing to 1000#. Attempt to establish rate below CR into bad casing. Mix and pump 46 sxs cement, squeeze 20 sxs below CR and leave 25 sxs above to isolate the Picture Cliff and Fruitland tops. PUH to 823'.
5. **Plug #3 (Kirtland and Ojo Alamo tops, 823' - 591')**: Mix 20 sxs Type III cement and spot a balanced plug inside the casing to cover the Kirtland and Ojo Alamo tops. PUH to 380'.
6. **Plug #4 (8.625" Casing shoe, 380' - Surface)**: Connect the pump line to the bradenhead valve and pressure test the BH annulus to 300#; note the fluid volume to load. If the BH annulus tests, then mix 26 sxs Type III cement and spot a balanced plug inside the casing to cover the surface casing shoe, circulate good cement to surface. TOH and LD tubing. Shut in well and WOC. If the BH annulus does not test, then perforate at the appropriate depth and fill the BH annulus with cement and set a plug to cover the surface casing shoe. TOH and LD tubing.
7. 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.

Stahly Gas Com A #1

Current

Otero Chacra

1070' FNL, 1550' FWL, Section 29, T-29-N, R-10-W,

San Juan County, NM / API #30-045-25896

Today's Date: 4/22/05

Spud: 3/19/84

Completed: 4/20/84

Elevation: 5511' GL
5524' KB

12.25" hole

Ojo Alamo @ 641'

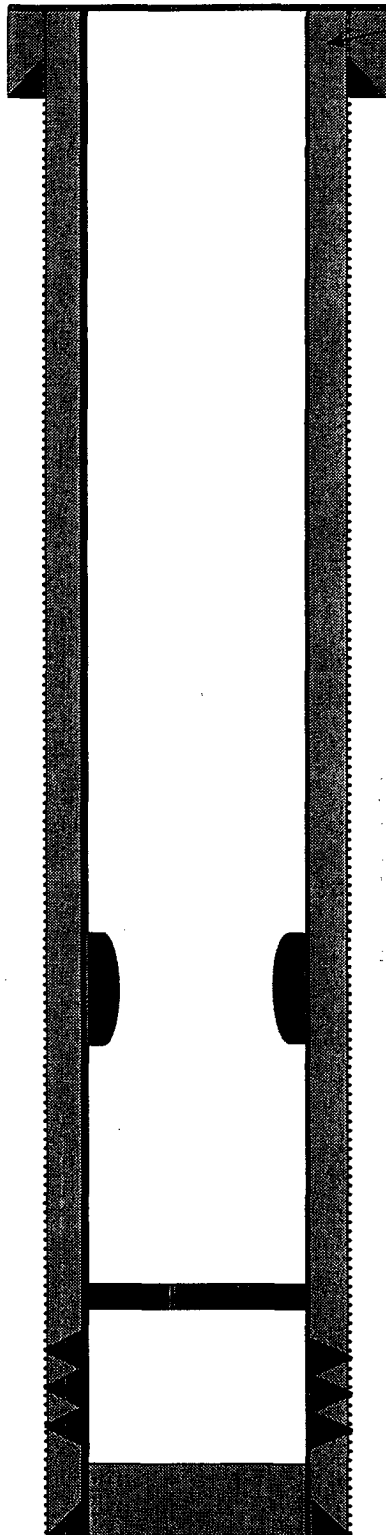
Kirtland @ 773'

Fruitland @ 1436'

Pictured Cliffs @ 1764'

Chacra @ ~~2279~~ 2730'

7.875 " hole



Circulated Cement to Surface, per Sundry

8.625" 36#, J-55# Casing set @ 330'
Cement with 480 cf, Circulated to Surface

WELL HISTORY

Mar '04: Offset frac protect: Pull tubing.
Set RBP @ 2649'. Pressure test casing to
1000#.
Frac offset well./
TIH to retrieve RBP, found casing collapsed.
Attempt to swedge out. TOH and LD tubing
and BHA

Collapse Casing @ 1744'

4.5" RBP@2649' (2004)

Chacra Perforations :
2744' - 2854'

4.5" 10.5#, J-55 Casing set @ 2980'
Cement with 880 sxs (1319 cf)

TD 2980'
PBD 2939'

Stahly Gas Com A #1

Proposed P&A

Otero Chacra

1070' FNL, 1550' FWL, Section 29, T-29-N, R-10-W,

San Juan County, NM / API #30-045-25896

Today's Date: 4/22/05

Spud: 3/19/84

Completed: 4/20/84

Elevation: 5511' GL
5524' KB

12.25" hole

Ojo Alamo @ 641'

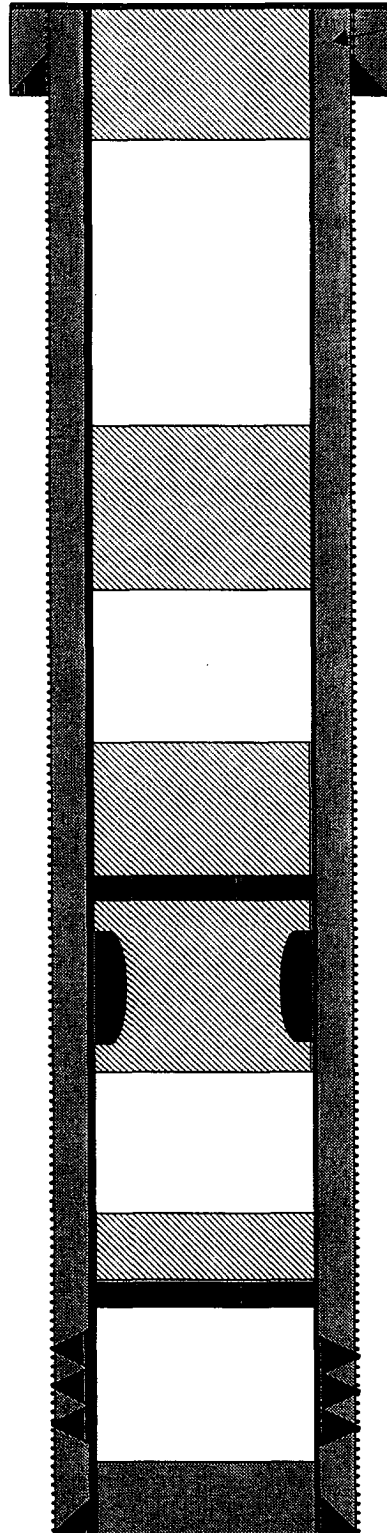
Kirtland @ 773'

Fruitland @ 1436'

Pictured Cliffs @ 1764'

Chacra @ 2379'

7.875 " hole



Circulated Cement to Surface, per Sundry

8.625" 36#, J-55# Casing set @ 330'
Cement with 480 cf, Circulated to Surface

Plug#4: 380' – Surface
Type III cement, 26 sxs

Plug #3: 823' – 591'
Type III cement, 20 sxs

Plug #2: 1814' – 1386'
Type III cement, 40 sxs:
15 sxs below CR and
25 sxs above CR.

4.5" CR @ 1700'

Collapse Casing @ 1744'

Plug #1: 2649' – 2549'
Type III cement, 11sxs
above RBP

4.5" RBP@2649' (2004)

Chacra Perforations :
2744' – 2854'

4.5" 10.5#, J-55 Casing set @ 2980'
Cement with 880 sxs (1319 cf)

TD 2980'
PBTD 2939'