

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

JAN 23 2008

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

XTO Energy Inc.

Bureau of Land Management
Farmington Field Office

3a. Address

382 CR 3100 AZTEC, NM 87410

3b. Phone No (include area code)

505-333-3100

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

820' ENL & 1120' FWL SEC. 23D-T28N-R4W

5. Lease Serial No.

NMM-14917

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

VALENCIA CANYON UNIT #14

9. API Well No.

30-039-21489

10. Field and Pool, or Exploratory Area

BASIN FRUITLAND COAL

11. County or Parish, State

RIO ARriba NM

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|--|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <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 & abandon this well per the attached procedure.

RCVD FEB 1 '08

OIL CONS. DIV.

DIST. 3

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

Name (Printed/Typed)

LORRI D. BINGHAM

Title REGULATORY COMPLIANCE TECH

Signature

Date 1/21/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

JAN 20 2008

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, makes 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.

NMOCD

PLUG AND ABANDONMENT PROCEDURE

October 10, 2007

Valencia Canyon Unit #14

Choza Mesa Pictured Cliffs / Basin Fruitland Coal
820' FNL and 1120' FWL, Section 23, T28N, R4W
Rio Arriba County, New Mexico / API 30-039-21489

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. Project will require an approved Pit Permit (C-103) from the NMOCD.
2. Install and test rig anchors. Comply with all NMOCD, BLM and XTO safety rules and regulations. Prepare a lined waste fluid pit. 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.
3. PU on tubing and release pump. Reset pump. Pressure test tubing to 1000 PSI. TOH and LD rods and pump. TOH and tally 2.375" tubing, SN at 4378', total 4409'. If necessary, LD tubing and PU workstring. Round trip 4.5" gauge ring or casing scraper to 4041'.
4. **Plug #1 (Pictured Cliffs perforations and top, 4041' – 3941')**: RIH and set 4.5" CR at 4041'. Load casing with water and circulate well clean. Mix and pump 11 sxs Type III cement to isolate the Pictured Cliffs interval. TOH with tubing.
5. **Plug #2 (Fruitland perforations and top, Kirtland and Ojo Alamo tops, 3974' – 3515')**: RIH and set a 4.5" CR at 3974'. Load casing with water and circulate well clean. Pressure test casing to 800#. If casing does not test, spot or tag subsequent plugs as appropriate. Mix 35 sxs cement and spot a balanced plug above CR to cover the Fruitland Coal interval through the Ojo Alamo top. PUH to 2250'.

2577' 2477'
6. **Plug #3 (Nacimiento top, 2250' – 2450')**: Mix 11 sxs Type III cement and spot a plug inside the casing to cover the Nacimiento top. PUH to 341'.
7. **Plug #4 (8.625" casing shoe, 341' to Surface,)**: Connect the pump line to the bradenhead valve. Pressure test the BH annulus to 300#; note the fluid volume to load. If the BH annulus tests, then mix 30 sxs Type III cement and spot a balanced plug inside the 4.5" casing to surface casing shoe, circulate cement to surface out the casing valve. TOH and LD the tubing. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing and the bradenhead annulus. TOH and LD tubing. WOC.
8. ND cementing valves and cut off wellhead. Fill 4.5" casing with cement as necessary. Install P&A marker to comply with regulations. RD, MOL, cut off anchors, and restore location.

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 14 Valencia Canyon Unit

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) 599-8907.
3. The following modifications to your plugging program are to be made:
 - a) Place the Nacimiento plug from 2577' – 2477'.

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.