

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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

RECEIVED

1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <i>WIW</i>		8 Well Name and No NW CHA CHA #60	
2 Name of Operator XTO ENERGY INC.		9 API Well No 30-045-29125	
3a Address 382 CR 3100 AZTEC, NM 87410	3b Phone No 505-333-3100	10 Field and Pool, or Exploratory Area CHA CHA GALLUP	
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 1930' FSL & 971' FEL NESE SEC. 27 (I) - 29N-R14W N.M.P.M.		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 checked="" type="checkbox"/> Other <u>CONVERT TO</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>SALT WATER</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>DISPOSAL/UPDATE</u>

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.)

Per conversation with Alexander Bridge and Steve Mason w/BLM and addressing your letter dated April 20, 2010, XTO Energy plans to convert this well to a salt water disposal. XTO will not complete the project at this time, because we are in the process of getting all the necessary approvals and permits. Xto will evaluate completing the project before the MIT expires. This well passed an MIT test on August 4, 2009.

Please see the attached documents for further explanation and information.

RCVD MAY 21 '10

OIL CONS. DIV.

DIST. 3

SWD ORDER MUST BE OBTAINED FROM NMOLD - APPLICATION
TO BE MADE TO NMOLD SANTA FE OFFICE.

NMOLD T/A EXPIRES 8-4-2014

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) TEENA M. WHITING		Title REGULATORY COMPLIANCE TECHNICIAN
Signature <i>Teena M. Whiting</i>		Date 5/14/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason	Title Office	Date MAY 20 2010
---	-----------------	---------------------

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.

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.



NW CHA CHA UNIT #60
Section 27, T 29 N, R 14 W / API 30-045-29125
San Juan County, New Mexico

Plan of Action: Convert to Salt Water Disposal

XTO Energy, Inc. plans to convert the NW Cha Cha Unit #60 to a salt water disposal well. The well is completed in the Gallup formation and was used as an injector well for a secondary recovery project in the Cha Cha Gallup field. XTO will pursue all necessary permitting to plug and abandon the Gallup and complete the Mesaverde for salt water disposal. The well will dispose of water from XTO's Pictured Cliffs and Fruitland Coal wells in the surrounding area. The NW Cha Cha Unit #60 passed its most recent MIT August 4, 2009. In the event that XTO does not receive all necessary approval to convert the well into a SWD or XTO later determines that the well will not be needed as an SWD, the well will be plugged and abandoned. XTO will submit detailed plans for this office's approval prior to performing any work

A summary of the proposed procedure for the NW Cha Cha Unit #60 is provided below:

- 1) Permanently plug and abandon Gallup following standard plug and abandonment procedures.
- 2) Pressure test casing.
- 3) Run CBL to confirm TOC (cement circulated during primary cementing; TOC reported at 1,870' by CBL 08/11/94). Run GR/CNL/CCL logs.
- 4) Perforate Point Lookout Mesaverde from 3,774' – 3,830' (perforation intervals are approximate; exact intervals will be selected after running logs).
- 5) TIH with 5-1/2" packer and 2-7/8" tubing. Set packer at 3,700'. Acidize Mesaverde perforations from 3,774' – 3,830'.
- 6) Perform step-rate test.
- 7) Install necessary surface equipment.
- 8) RWTI.

NW CHA CHA UNIT #60
PROPOSED CONVERSION

KB: 5,782'
GL: 5,770'
CORR: 12'

