

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.

FIELD

5. Lease Serial No.

N00-C1420-5252

6. If Indian, Allottee or Tribe Name

NAVAJO

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

NMM-80730 DK ONLY

8. Well Name and No.

CANYON #17

9. API Well No.

30-045-21508

10. Field and Pool, or Exploratory Area

BASIN DAKOTA

BISTI LOWER GALLUP

11. County or Parish, State

SAN JUAN

NM

SUBMIT IN TRIPLICATE - Other instructions on page 2 of Land Management

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)

505-333-3176

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

800' FNL & 800' FEL NENE SEC.25 (A) -T25N-R11W N.M.P.M.

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 and abandon this well per the attached procedure.

Please also see the attached current and proposed wellbore diagrams.

Notify NMOCD 24 hrs
prior to beginning
operations

RCVD SEP 14 '10

OIL CONS. DIV.

DIST. 3

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

TEENA M. WHITING

Title REGULATORY COMPLIANCE TECHNICIAN

Signature

Teena M. Whiting

Date 9/3/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

SEP 09 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.

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

Canyon #17

Location: 800' FNL & 800' FEL, Section 25, T25N, R11W, San Juan County, NM
API: 30-045-21508
Open Perfs: Gallup – 5,025'-5,151'
Dakota – 6,021'-6,027'

PLUG AND ABANDONMENT PROCEDURE

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 Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. This project requires an approved NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an approved steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MIRU pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. TOH and LD rods and pump.
4. TIH with 5-1/2" casing scraper to 6,000'. TOH.
5. **Plug #1 (Dakota, 6,000' – 5,850')**: TIH with 5-1/2" CICR and set at 6,000'. Pressure test tubing to 1000 PSI. Mix 23 sxs cement and spot a plug on the CICR to cover the Dakota interval. PUH.
6. **Plug #2 (Gallup, 5,000' – 4,670')**: TIH with 5-1/2" CICR and set at 5,000'. Mix 43 sxs (long plug, 2 – 21.5 sx stages) cement and spot a plug on the CICR to cover the Gallup interval. PUH.
7. **Plug #3 (Mesaverde, ^{2318 2218}3,000' – ²²¹⁸2,900')**: *Pressure test casing to 800 PSI. If casing does not test, then spot or tag subsequent plug as appropriate.* Mix 17 sxs cement and spot a balanced plug inside the casing to cover the Mesaverde interval. PUH
8. **Plug #4 (Pictured Cliffs and Fruitland Coal, ¹¹⁶⁶1,520' – ¹¹⁶⁶1,280')**: Mix ~~30~~ sxs (long plug, 2 – 15 sx stages) cement and spot a balanced plug inside the casing to cover the Pictured Cliffs and Fruitland Coal intervals. PUH
9. **Plug #5 (Casing shoe & Kirtand, 760' – Surface)**: Connect the pump line to the bradenhead valve and attempt to pressure test the BH annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 92 sxs (long plug, 4 – 23 sx stages) and pump cement inside the 5-1/2" casing to the surface, circulate 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 5-1/2" casing and the BH annulus to surface. Shut well in and WOC.

July 22, 2010

10. ND BOP and cut off casing below surface casing flange. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.

Tops:

Casing shoe	642'	Mesaverde	2,950'
Kirtland	710'	Gallup	4,720'
Fruitland Coal	1,330'	Dakota	5,940'
Pictured Cliffs	1,470'		



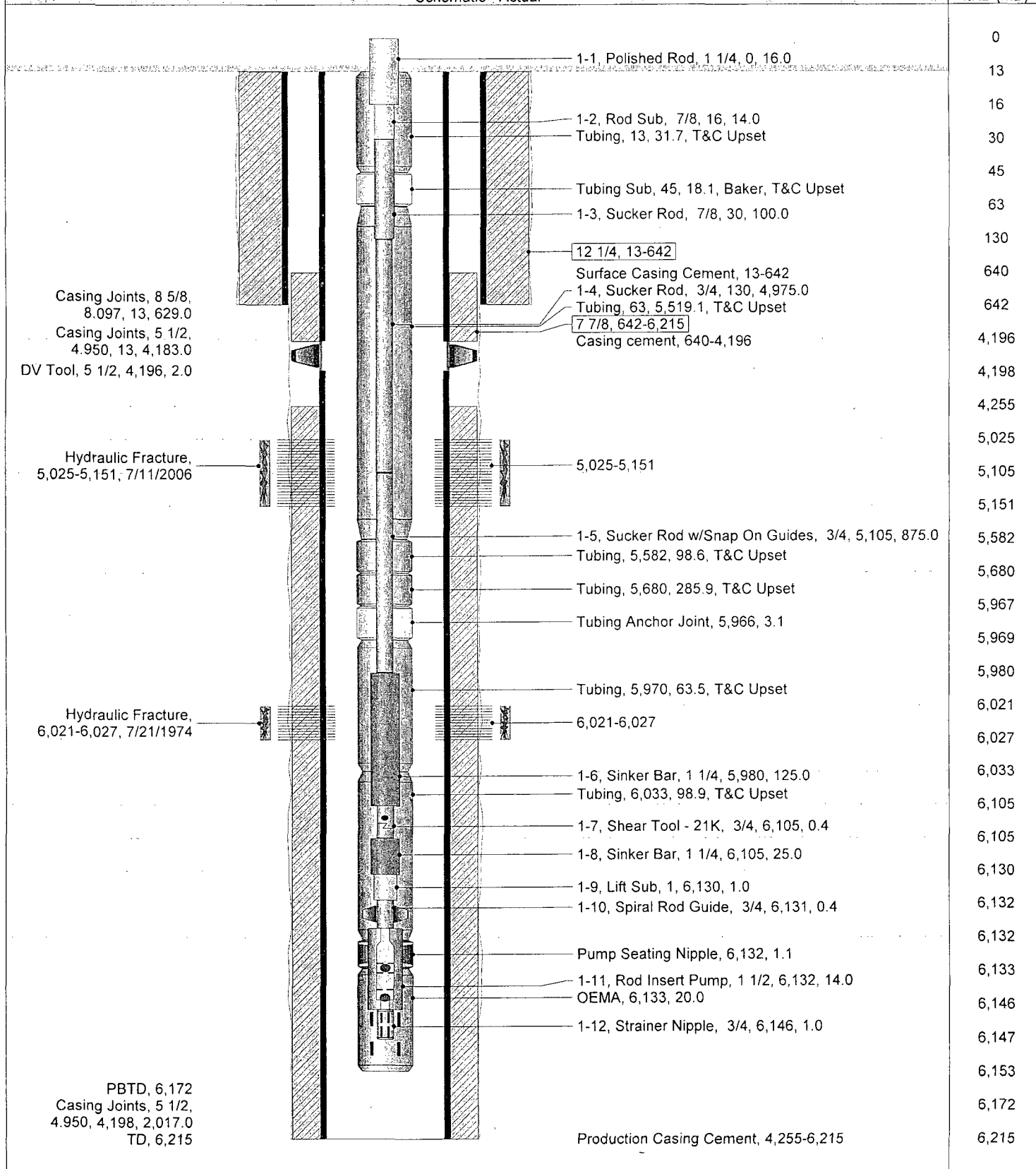
Wellbore

Well Name: Canyon 17

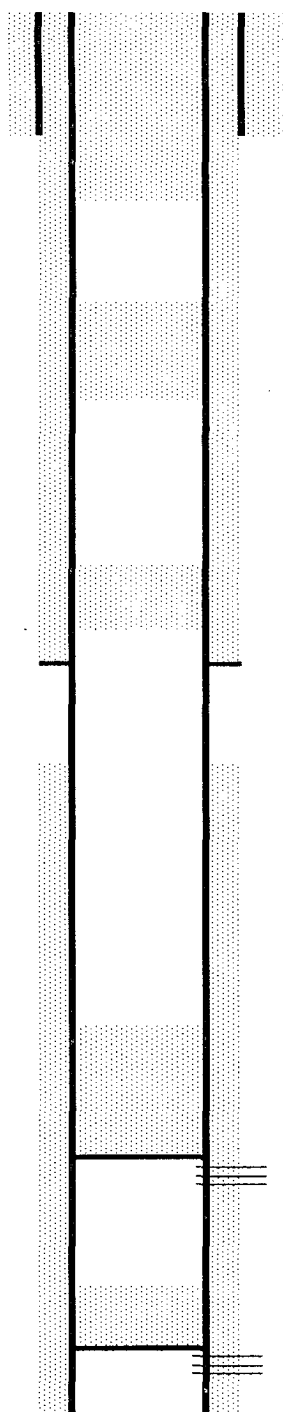
API/UWI	Location	Field Name	Permit Number	State	Well Configuration Type
30045215080000	T25N-R11W-S25	Basin Dakota		New Mexico	Deviated
Original KB Elevation (ft)	Ground Elevation (ft)	KB-Ground Distance (ft)	Spud Date	Rig Release Date	Total Depth (ftKB)
6,621.00	6,608.00	13.00	7/3/1974		6,215.0

Well Config: Deviated - Original Hole, 9/3/2010 2:34:38 PM

Schematic - Actual



Canyon #17
Sec 25, T25N, R11W
API# 30-045-21508



Plug 5: 760'-surf

8-5/8", 24#, casing at 642', cmt to surface

Plug 4: 1520'-1280'

Plug 3: 3000'-2900'

5-1/2" 15.5# casing at 6215', TOC at 4255', DV tool at 4196', TOC at 640'

Plug 2: 1560'-1200'

GP perms: 5025'-5151'

Plug 1: 6000'-5850'

DK perms: 6021'-6027'

<u>Tops:</u>			
Casing shoe	642'	Mesaverde	2950'
Kirtland	710'	Gallup	4720'
Fruitland Coal	1330'	Dakota	5940'
Pictured Cliffs	1470'		

**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: 17 Canyon

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 Mesaverde plug from 2318' – 2218'.
 - b) Place the Pictured Cliffs/Fruitland plug from 1520' – 1166'.

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.