

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

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)

505-333-3100

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

1795' FSL & 1510' FEL NWSE SEC. 04 (J) -T26N-R6W
1772 1411

N.M.P.M.

SEP 28 2010

5. Lease Serial No.

NMM-03551

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

BREECH E #87

9. API Well No.

30-039-06687

10. Field and Pool, or Exploratory Area

S BLANCO PICTURED CLIFFS

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

Bureau of Land Management

☒ 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 PERF &

CEMENT VERBAL

APPROVAL

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. has received verbal approval on 9/23/2010 from Jim Lovato w/BLM and Charlie Perrin w/OCD to perf and complete the remedial cementing per the attached verbal approval form.

RCUD OCT 12'10

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 9/27/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Jim Lovato

Title

Petr. Eng.

Date

10/6/10

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

XTO
Approval Form

Well Name	Well #	API #	County/State	XTO Employee Requesting Verbal Approval
Breach E	#87	30-039-06687	RIO ARriba	Matthew Gusdorf
Detailed Description of Proposed Action Requiring Verbal Approval				
On 9/23/10 at 8:00 am Matthew Gusdorf contacted Jim Lovato, BLM to discuss the bond log run on the 4" casing on the Breach E87 on 9/22/10. The bond log, plan of action and prior approved NOI for this well operation were sent to Mr. Lovato via email. The Breach E87 is a PC well that was drilled in the 1950's and cased with 5-1/2" casing from surface to 2916' at the top of the PC. The well was then drilled to 3003 and openhole stimulated using 492 quarts of nitroglycerine gel. XTO deepened the well to 3145' and cased the well with 4" flush joint casing ft/3145' to surface. The well was cemented with 105 sxs 12.5# cement with circulation through out the cement job. Cement was not circulated to surface and a CBL was run, indicating no cement inside the 5-1/2" casing.				
XTO's intent is to perforate the 4" casing at 2,920' with 4 holes and establish circulation with water to surface. If circulation is established to surface we then plan on pumping 100 sxs of 12.5# Premium lite cement(Type III, 12.5 #, 2.04 cut/sl) to surface to provide isolation between the 4" and 5-1/2" casing. If circulation can not be established we will then plan on block squeezing to provide zonal isolation between the 4" and 5-1/2" for the frac. If this plan meets BLM requirements we will proceed and send in a sundry notice. If you need to discuss any changes to our plan please call or email me. At 9:00 am Jim Lovato gave XTO verbal approval to proceed with perforating the 4" casing at 2920' and proceeding with remedial cementing plan.				
The above mentioned remedial cementing plan was also discussed with Charlie Perrin, NMOCOD. After reviewing the CBL NMOCOD gave verbal approval to proceed with perforating the 4" casing at 2920' and proceeding with the planned remedial cement job.				
Name of Agency	Verbal Approval Given By	Date/Time of Verbal Approval	COA's	
BLM	Jim Lovato	9/23/2010		
NMOCOD	Charlie Perrin	9/23/2010		
Is Pit Permit C144-CLEZ Required? (NM only)		Verbal Pitt Approval Given By	Date/Time of Pitt Verbal Approval	COA's