

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCED Copy

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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 reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

XTO Energy, Inc.

3a. Address

200 LORAIN, STE. 800 MIDLAND, TX 79701

3b. Phone No. (include area code)

432-620-6740

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

1650' Feet from the North line and 330' Feet from the East line; Unit Letter H, Section 10, T-20-S, R-36-E, NMPM, Lea County, New Mexico

5. Lease Serial No.

NM 1151

6. If Indian, Allottee or Tribe Name

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

NM70948B

8. Well Name and No.

EUNICE MONUMENT 854

SOUTH UNIT B

9. API Well No.

30-025-04204

10. Field and Pool, or Exploratory Area

EUNICE MONUMENT; GRAYBURG
SAN ANDRES

11. County or Parish, State

LEA 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

☐ 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.)

1. MIRU PU. ND WH. NU BOP. TIH with 2-7/8" workstring and tag CIBP @ 3,740'.
2. Mix and circulate 9.0 ppg mud. Spot 45 sx cement. PUH to 2,850' and circulate clean.
3. Tag TOC (2,966').
4. PUH to 2,600'. Spot 30 sx cement. PUH to 2,150' and circulate clean.
5. Tag TOC at 2,255'.
6. PUH to 400'. Fill cement inside 5-1/2" casing from 400' to surface. This should take roughly 35 sks plus 5% excess so assume a total of 37 sks for the surface plug.
7. POOH and lay down all equipment. RDMO.
8. Cut off wellhead and anchors, install dryhole marker, and clean location.

RECEIVED

APR 09 2008

HOBBS OCD

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

Kristy Ward

Title

REGULATORY ANALYST

Date 02/20/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

STEPHEN J. CAPPEL

OC DISTRICT

Title

SUPERVISOR/GENERAL MANAGER

Date

MAR 28 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.

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.

WELL DATA SHEET

FIELD: Eunice Monument

WELL NAME: EMSUB #854

FORMATION: Grayburg

LOC: 1650' FNL & 330' FEL
TOWNSHIP: 20-S
RANGE: 36-E

SEC: 10, Unit Ltr: H GL: 3589'
COUNTY: Lea KB to GL: 9'
STATE: NM

CURRENT STATUS: Shut-in
API NO: 300-250-4204
CHEVNO: FA5349

10-3/4" OD,
Surf. Pipe set @ 286'
w/ 225 sxs cmt. Circ.
to surf.

7 5/8" OD Interm. Csg
set @ 1290' w/ 425 sx.

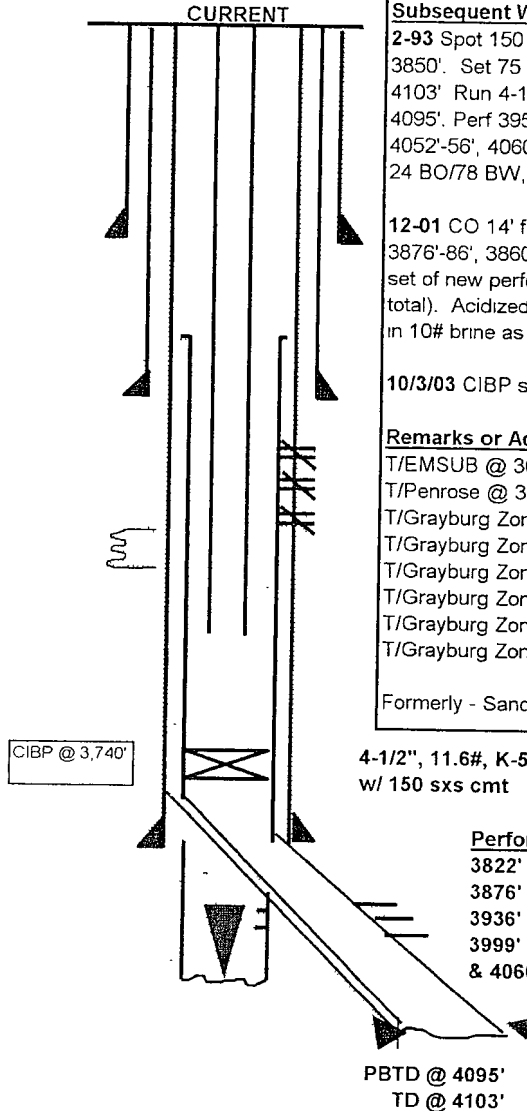
Eumont Perfs 3125' - 3646'
sqzd 12/90

Csg leak 3620-70 sqzd 12/90

2-3/8" Tubing
TAC @ 2905'
SN @ 4041'

5-1/2" OD,
17# csg set @ 3784'
w/ 425 sxs cmt

4" SECURALOY Liner
3746 - 3928 w/ 50 sx
unknown junk in 4" liner @ 3901'
(Drilled Out & Sidetracked in 1993)



Subsequent Workover or Reconditioning:

2-93 Spot 150 sx plug in line Tag cmt @ 2747' DOC and liner to 3850'. Set 75 sx cmt plug. DO to 3808' KO sidetrack and drill to 4103' Run 4-1/2" 11 6# K-55 f/3038'-4103' Cmt w/150 sx DO to 4095'. Perf 3952'-70', 3974'-81', 3999'-4009', 4018'-22', 4030'-42', 4052'-56', 4060'-86'. Selectively acidz perms w/1490 gals Top A/w 24 BO/78 BW, B/4 - SI

12-01 CO 14' fill to 4100' Perf 3936'-46', 3918'-30', 3894'-3904', 3876'-86', 3860'-3868', 3838'-48', 3822'-32' with 3 spf. Acidize each set of new perforations individually with 500 gal 15% HCl (3500 gal total). Acidized 3822' - 4086' with 3000 gal 15% HCl with rock salt in 10# brine as diverter

10/3/03 CIBP set @ 3740' Tst'd to 580#, OK Well TA'd

Remarks or Additional Data:

T/EMSUB @ 3689' GL reference
T/Penrose @ 3662'

T/Grayburg Zone 1 @ 3746'

T/Grayburg Zone 2 @ 3797'

T/Grayburg Zone 3 @ 3907'

T/Grayburg Zone 4 @ 3965'

T/Grayburg Zone 5 @ 4020'

T/Grayburg Zone 6 @ 4113'

Formerly - Sanderson "B-1" # 2

4-1/2", 11.6#, K-55 Liner (3038' - 4103')
w/ 150 sxs cmt

Perforations

3822' - 32', 3838' - 48', 3860' - 68',
3876' - 86', 3894' - 3904', 3918' - 30',
3936' - 46', 3952' - 70', 3974' - 81',
3999' - 4009', 4030' - 42', 4052' - 56',
& 4060' - 86'

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Permanent Abandonment of Federal Wells
Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.

XTO
ENERGY
EMSUB 854
LEA COUNTY, NEW MEXICO
February 14, 2008

ELEVATION: PBSD – 3,740' (CIBP) KB – 3,598'
 TD – 4,103' GL – 3,589'

WELL DATA:

Current Status: TA'd. TA extension rejected by state.

Surface Casing: 10-3/4". Set at 286'. Cmmt'd w/225 sx. Circulated.

Int. Casing: 7-5/8". Set at 1,290'. Cmmt'd w/425 sx. Circulated.

Prod. Casing: 5-1/2" 17#. Set at 3,784'. Cmmt'd w/425 sx. Circulated.

Liner: 4-1/2" 11.6#. 3,038 – 4,103'. Cmmt'd w/150 sx.

Liner: 4". 3,746 – 3,928'. Cmmt'd w/50 sx.

COMPLETION:

TA'd w/ CIBP @ 3,740'
Perfs:
 Grayburg 3,822 – 4,086'

OBJECTIVE: **Plug and Abandon Well**

RECOMMENDED PROCEDURE

(Verify that anchors have been set and tested per NM OCD & OSHA guidelines)
This is a FEDERAL well.

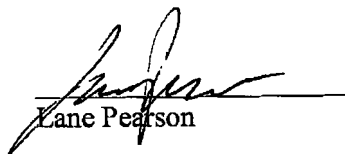
Plugging will be done by Basic with a turnkey bid.

1. Notify OCD & BLM of intent to plug and abandon well.
2. MIRU PU. ND WH. NU BOP. TIH with 2-7/8" workstring and tag CIBP @ 3,740'.
3. Mix and circulate 9.0 ppg mud. Spot 45 sx cement. PUH to ~2,850' and circulate clean.
4. WOC overnight. Tag TOC (~2,966') first thing next morning.

XTO
ENERGY
EMSUB 854
LEA COUNTY, NEW MEXICO
February 14, 2008

5. PUH to 2,600'. Spot 30 sx cement. PUH to ~2,150' and circulate clean.
6. WOC four hours. Tag TOC at ~2,255'.
7. PUH to 1,500'. Spot 30 sx cement. PUH to ~1,000' and circulate clean.
8. WOC four hours. Tag TOC at ~1,155'.
9. PUH to 400'. Fill cement inside 5-1/2" casing from 400' to surface. This should take roughly 35 sks plus 5% excess so assume a total of ~37 sks for the surface plug.
10. POOH and lay down all equipment. RDMO plugging company.
11. Cut off wellhead and anchors, install dryhole marker, and clean location.

Recommended by:


Lane Pearson

Date:

3/27/08

Approved by:

Trey Krampf

Date:

Approved by:

Guy Haykus

Date:

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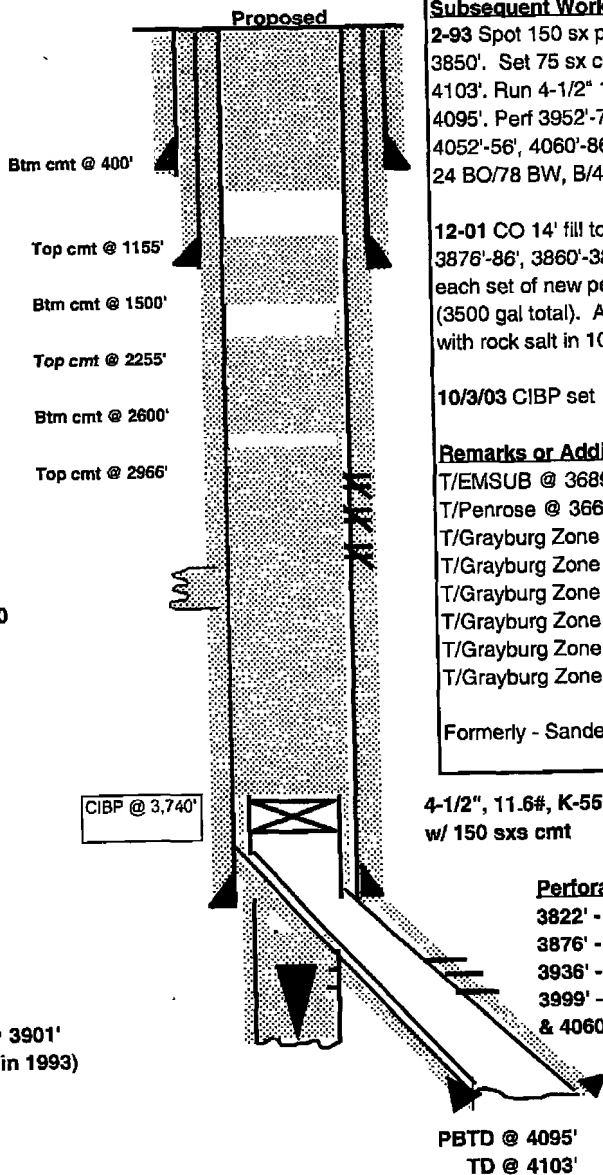
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