Form 3:160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR -BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires July 31, 2010 ease Serial No

SUNDRY NOTICES AND REPORTS ON WELLS

abandoned well. Use Form		auch proposale	armington Fi€ eau of Land N	ld Office", anagemen.	notice of Tribe (value
SUBMIT IN TRIPLICAT	7. If Unit or CA/Agreement, Name and/or No. NMNM-73555 (DK) 8. Well Name and No JOHNSON GAS COM B #1E				
1 Type of Well Oil Well X Gas Well Other 2 Name of Operator					
XIO ENERGY INC.				9. API Well N	^
3a Address		3b Phone No (include ar	ea code)	30-045-241	
382 CR 3100 AZTEC, NM 87410	505-333-3176	·		Pool, or Exploratory Area	
4. Location of Well (Footage, Sec., T, R, M., or Survey I				TA/BASIN MANCOS	
1000 INI G 1110 INI	C.21(I)-T27N-R10			11. County or Parish, State	
12 CHECK ADDRODYATE	POVEN TO DE	ICATE MATURE OF A	LOTICE DEPO	SAN JUAN	NM .
12. CHECK APPROPRIATE	BOX(ES) TO IND	ICATE NATURE OF N	NOTICE, REPO	RI, OR OTHE	ER DATA
TYPE OF SUBMISSION		TY	PE OF ACTION		
X Notice of Intent	Acidize	Deepen Fracture Treat	Production Reclamation	(Start/Resume)	Water Shut-Off
Subsequent Report	Alter Casing	rracture rreat	Reciamation	1	Well Integrity
<u> </u>	Casing Repair	New Construction	Recomplete	•	Other
Final Abandonment Notice	Change Plans	X Plug and Abandon	Temporarily	y Abandon	
BP	Convert to Injection	n Plug Back	Water Dispe	osal	
determined that the final site is ready for final inspective XTO Energy Inc. proposes to plug attached current & proposed wellb	& abandon this w	ell per the attach	ned procedur	e. Please	e see also
				RCVD	SEP 19'11
	•			OL (3045. DIV.
* bring top of plug #6 * bring top of plug #3	o to 750' s to 4350'			hand)IST. 3
14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)			<u> </u>		
BARBARA A. NICOL		Title REGULA	TORY COMPLIA	NCE TECHNI	CIAN
Signature Barbara a. M.	Col	Date 09/12/20)11		
		ERAL OR STATE OF	FICE USE		
Approved by Original Signed: Stephen		Title		Da	SEP 1 & 2011
Conditions of approval, if any, are attached Approval of this notice the applicant holds legal or equitable title to those rights in the subjectitle the applicant to conduct operations thereon		y that Office			

ML	
JDB]	

PLUG AND ABANDONMENT PROCEDURE

August 2, 2011

Johnson Gas Com "B" #1E

Wildcat Basin Mancos 1850' FSL and 1115' FEL, Section 21, T27N, R10W San Juan County, New Mexico / API 30-045-24166 Lat: N _____/ Lat: W ______/

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 a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
- Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety
 regulations. MOL and RU daylight 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.	Rods:	Yes_	, No	_X, Unknown_	·		
	Tubing:	Yes	, No	, Unknown	, Size	, Length	
	Packer:	Yes	, No_	X, Unknown	, Type		

If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

PU and TIH with 3-7/8" bit or mill and drill out or mill out 2 CR at 4200' and 5535'. TOH and LD BHA. Circulate well clean. TIH with tubing and continue to Plug #1.

- 4. Plug #1 (Dakota perforations and top, 6265' 6165'): RIH and tag existing CR at 6265'. Pressure test tubing to 1000 PSI. Circulate well clean. Mix 12 sxs Class B cement inside casing from 6265' to 6165' to cover the Dakota top. TOH with tubing.
- 5. Plug #2 (Gallup perforations and top, 5512' 5330'): RIH and set 4.5" CR or CIBP. Attempt to pressure test casing to 800 PSI. *If casing does:not test then spot or tag subsequent plugs as appropriate.* Spot 18 sxs Class B cement inside casing from 5512' to 5330' to cover the Gallup top. PUH.
- 6. Plug #3 (Mancos top, 4600' 4500'): Spot 12 sxs Class B cement and spot a balanced plug inside casing to cover the Mancos top. PUH.
- 7. Plug #4 (Mesaverde top, 3444' 3344'): Spot 24 sxs Class B cement (100% excess due to possible casing leak) and spot a balanced plug inside casing to cover the Mesaverde top. PUH and WOC. TIH and tag cement 50' above top of Mesaverde.

- 6. Plug #5 (Pictured Cliffs and Fruitland tops, 1904' 1302'): Mix and pump 49 sxs Class B cement and spot a balanced plug inside casing to cover through the Fruitland top. PUH.
- 7. Plug #6 (Kirtland and Ojo Alamo tops, 1048' 800'): Mix and pump 23 sxs Class B cement and spot a balanced plug inside casing to cover through the Ojo Alamo top. TOH and LD tubing.
- 8. Plug #7 (8.625" casing shoe, 357' 0'): Perforate 3 squeeze holes at 357'. Attempt to establish a rate (Note: 52' cement bridge in annulus). If able to establish circulation then mix and pump 115 sxs Class B cement to surface. If unable to establish circulation perforate a second squeeze hole at 257'. RIH and set 4.5" wireline CR at 307'. Mix approximately 56 sxs Class B cement, squeeze 40 sxs outside casing and leave 16 sxs inside. PUH with tubing.
- 9. Plug #8 (50' surface): Spot approximately 10 sxs Class B cement. TOH and LD tubing.
- 10. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Johnson Gas Com "B" #1E

Current

Wildcat Basin Mancos

1850'FSL, 1115'FEL, Section 21, T-27-N, R-10-W San Juan County, NM, API #30-045-24166

Today's Date: **8/2/11** Spud: 3/30/80

DK Completed: 12/08/80 Mancos Completed. 7/24/06

Elevation 6081' GL

6094' KB

12.25" hole

Ojo Alamo @ 850'

Kirtland @ 998'

Fruitland @ 1370' *est

Pictured Cliffs @ 1854'

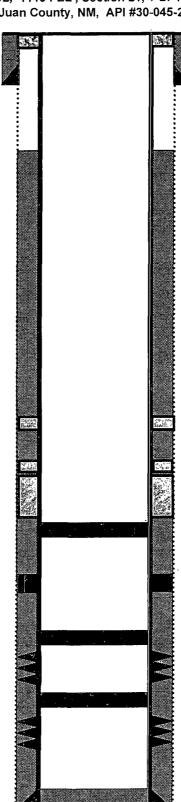
Mesaverde @ 3394'

Mancos @ 4550' *est

Gallup @ 5380'

Dakota @ 6281'

7.875" hole



TD 6580' PBTD 6535' Cmt bridge 52' to surface

8.625" 24#, K-55 Casing set @ 307' Cement with 300 sxs, circulated

TOC @ 600' (CBL '06)

Casing leaks 2772' – 2835' and 3392' – 3423'. Sqz'd w/ unknown amount cement. Only leak from 2772' – 2835' P/T (2006)

Casing leak 3392' – 4142', sqz'd w/311 sxs Type III cement; did not test. Sqz'd w/1000 gals Vortex A, B & seal maker. Did not P/T. (2006)

CIBP @ 4200' ('06)

DV Tool at 4762'

2nd Stage: Cement with 1280 sxs. Did not circulate.

CR @ 5535' ('06)

Gallup Perforations. 5562' – 5745'

CR @ 6265' ('06)

Dakota Perforations 6295' – 6464'

4.5" ,10.5#, J-55 Casing set @ 6580' 1st Stage: Cement with 480 sxs Did not circulate cement off DVT.

Johnson Gas Com "B" #1E

Proposed P&A

Wildcat Basin Mancos

1850'FSL, 1115'FEL, Section 21, T-27-N, R-10-W San Juan County, NM, API #30-045-24166

Plug #8: 50'- 0' Class B cement, 10 sxs

Today's Date: 8/2/11 Spud: 3/30/80

DK Completed: 12/08/80 Mancos Completed: 7/24/06

Elevation: 6081' GL

6094' KB

12.25" hole

Ojo Alamo @ 850'

Kirtland @ 998'

Fruitland @ 1370' *est

Pictured Cliffs @ 1854'

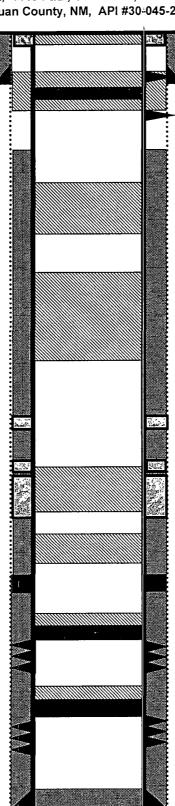
Mesaverde @ 3394'

Mancos @ 4550' *est

Gallup @ 5380'

Dakota @ 6281'

7 875" hole



TD 6580' PBTD 6535'

Cmt bridge 52' to surface 8.625" 24#, K-55 Casing set @ 307' Cement with 300 sxs, circulated

Perforate @ 257'

Cmt Retainer @ 307'

Perforate @ 357'

Plug #7: 357'- 207' Class B cement, 56 sxs: 16 inside and 40 outside TOC @ 600' (CBL '06)

> Plug #6: 1048' - 800' Class B cement, 23 sxs

Plug #5: 1904' - 1320' Class B cement, 49 sxs

Casing leaks 2772' - 2835' and 3392' - 3423'. Sqz'd w/ unknown amount cement Only leak from 2772' - 2835' P/T. (2006)

Casing leak 3392' - 4142', sqz'd w/311 sxs Type III cement, did not test. Sqz'd w/1000 gals Vortex A, B & seal maker.

Did not P/T. (2006)

Plug #4: 3444' - 3344' Class B cement, 24 sxs (100% excess)

Plug #3: 4600' - 4500' Class B cement, 12 sxs

DV Tool at 4762'

2nd Stage. Cement with 1280 sxs Did not circulate.

Set CR @ 5512'

Gallup Perforations:

Plug #2: 5512' - 5330' Class B cement, 18 sxs

5562' - 5745'

CR @ 6265' ('06)

Plug #1: 6265'- 6165'

Class B cement, 12 sxs

Dakota Perforations: 6295' - 6464'

4.5" ,10.5#, J-55 Casing set @ 6580' 1st Stage: Cement with 480 sxs. Did not circulate cement off DVT.