Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
MAR 23 2012
Farmington Field Office
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*

5 Lease Serial No
NMNM-19163

6 If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8 Well Name and No
WF FEDERAL 19 #4

2 Name of Operator
XTO ENERGY INC.

9 API Well No
30-045-31063

3a. Address
382 CR 3100 AZTEC, NM 87410

3b. Phone No *(include area code)*
505-333-3642

10 Field and Pool, or Exploratory Area
BASIN FRUITLAND COAL/
TWIN MOUNDS PC

4. Location of Well *(Footage, Sec , T , R , M., or Survey Description)*
~~1200~~ 1454' FSL & ~~1200~~ 1755' FEL NWSE SEC.19(J)-T30N-R14W

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			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other SET BELOW GRADE MARKER
	☐ Change Plans	☒ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

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 recomplete 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 recompletion 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. proposes to plug and abandon this well per the attached procedure. Please see also, the attached current and proposed wellbore diagrams for additional information.

XTO Energy Inc. also requests approval to set an underground plate instead of a 4" above ground marker to prevent stray electrical currents from entering the underground coal mine.

The C-102 Plat will be submitted with the subsequent report.

RCVD MAR 29 '12
OIL CONS. DIV.
DIST. 3

14 I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)* BARBARA NICOL
Title REGULATORY COMPLIANCE TECHNICIAN

Signature Barbara Nicol
Date 3/22/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason
Title
Date MAR 2 8 2012

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

PLUG AND ABANDONMENT PROCEDURE

January 27, 2012

WF Federal 19-4

Twin Mounds Pictured Cliffs / Basin Fruitland Coal
~~1200~~' FSL and ~~1200~~' FEL, Section 19, T30N, R14W
San Juan County, New Mexico / API 30-045-31063

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be water or drilling mud with sufficient weight to balance all exposed formation pressures. Cement is Class B mixed at 15.6 ppg with 1.18 cf/sxs yield or Class B with 18% salt by weight of water (for expansion, MSHA requirement through the Fruitland Coal zone).

PROCEDURE:

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.

2. Rods. Yes__X__, No_____, Unknown_____.
   Tubing: Yes __X__, 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.

3. Comply with all applicable MSHA, NMOCD, BLM and BHP Billiton safety regulations. Conduct safety meeting for all personnel on location. MOL and RU daylight pulling unit Lay relief line to the waste pit and blow well down, kill well with water as necessary ND wellhead and NU BOP. Test BOP. Pull rod and tubing from well if present.

4. PU a 3 875" bit and tally a 2.375" PH-6 tubing workstring. TIH and clean out to PBTD (1165') or as deep as possible. Circulate well clean with water.

5. **Rig up Jet West wireline and run a Gamma - Neutron log and a directional survey log. Adjust the milling intervals as appropriate from these logs.**

6. **Plug #1 (Pictured Cliffs perforations and Fruitland perforations, 1165' – 1035'):** TIH with open ended workstring to PBTD. Load the well with water and establish injection rate into the perforations. Mix 50 sxs cement with 18% salt (by weight of water) and spot a balanced plug inside the 4.5" casing to cover Pictured Cliffs perforations. TOH with the workstring, load the casing with water, shut in well and then squeeze approximately 30 sxs (6.3 bbls cement) into the perforations, squeeze the TOC down to approximately 1035'. (Note: This is not the final abandonment of the Fruitland perforations. The intent is to fill the PC perforations with cement. WOC.

7. While WOC, pick up a 3.875" mill tooth bit, 6 - 3-1/8" drill collars and TIH to 800' Finish WOC and then TIH and tag cement. Drill out the cement inside the casing to 1057' (Note: TOC must be 5 to 8' below the bottom of the planned milled interval (1044) to allow for the nose of the section mill tool). TOH with this BHA and LD the bit.

PLUG AND ABANDONMENT PROCEDURE

January 27, 2012

WF Federal 19-4

Procedure Continued:

8 PU a flat bottom mill, the 3.875" section milling tool and the 6 - 3-1/8" drill collars (this is the under reaming bottom hole assembly, BHA) TIH with BHA and 2.375" PH-6 pipe to 1011'. Rig up drilling equipment and establish circulation with high vis mud.

9. **Note: The intervals to be mill out below are from ground level - not KB.**
   a. **Adjust the milling intervals as appropriate from these logs.**

10. **Mill out the 4.5" casing from 1011' to 1044'.** Start milling out the 4.5" casing from 1016' to 1044'. Mill per the tool hands instructions for weight on mill, circulation rate and power swivel's RPM. Circulate well clean with mud. TOH with 2.375" pipe and the drill collars. TIH with open ended pipe and clean out to 1054' or as deep as possible.

11 Rig up a wireline truck and run a caliper log through the milled interval to insure all the 4.5" casing from the planned milling depths (1011' – 1044') has been removed. Re-mill as appropriate. Re-log as necessary.

12. **Perforate the 4.5" casing with 3 SPF from 922' to 924' and 940' to 942'.** This is to isolate Coal Seam #9 and the depths should be modified as appropriate from the logs run in step #2

13 **Plug #2 (Pictured Cliffs and Fruitland Coal interval, 1057' – 299'):** TIH with 2.375" workstring to 1057' (drill out depth in step #4.) and circulate the well clean. Then pump a 5 bbls fresh water spacer ahead of the cement. Mix 61 sxs cement with 18% salt (by weight of water) and spot a balanced plug from 1057' to 299' to fill the milled interval and to cover the Fruitland top. TOH with tubing.

14. WOC Then TIH with tubing and tag cement. Pressure test the 4.5" casing to 800#. Spot Plug #3 based on cement tag.

15. **Plug #3 (Fruitland top and 7" Surface casing shoe, from 188' to Surface):** Connect the pump line to the bradenhead valve. Pressure test the BH annulus to 300#; note the fluid volume to load. If the BH annulus tests, then mix approximately 20 sxs cement with or without 18% salt cement and spot a balanced plug with 15 sxs inside the 4.5" casing from 188' to surface to cover 7" surface casing shoe then top off annulus with approximately 5 sxs cement. TOH and LD the tubing. If the BH annulus does not test, then perforate at the appropriate depth and fill the bradenhead annulus and 4.5" casing with cement to surface. TOH and LD tubing. Shut in well and WOC.

16. ND BOP and cut off wellhead below surface. Install P&A marker with cement to comply with regulations. RD, MOL. Cut off anchors and clean up location.

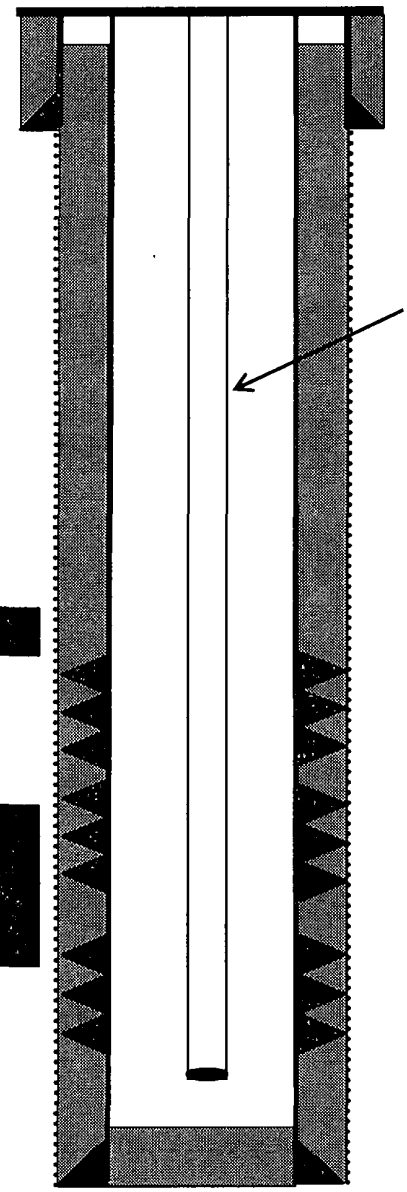
WF Federal 19-4

Current

Twin Mounds Pictured Cliffs / Basin Fruitland Coal
1200' FSL & 1200' FEL, Section 19, T-30-N, R-14-W
San Juan County, NM / API #30-045-31063
Lat: N_____ / Long: W _____

Today's Date: **1/27/12**

Spud 4/5/03
Completed 8/27/03
Elevation 5552' GL
5557' KB



8 75" Hole

Per Sundry Report TOC no lower than 65'

7" 20#, J-55 Casing set @ 138'
60 sxs cement, Circulated to surface

2 375" Tubing at 1099'
(35 joints, SN with rods and pump)

Fruitland Top @ 349'

Fruitland Coal Seam #9 926' – 938'

Fruitland Coal Perforations
930' – 1031'

Fruitland Coal Seam #8: 1021' – 1034'

Pictured Cliffs Perforations
1037' – 1038'

Pictured Cliffs @ 1034'

6.25" Hole

4 5" 10 5# J-55 Casing set @ 1203'
Cemented with 105 sxs (124 cf)
cement circulated per tower report.

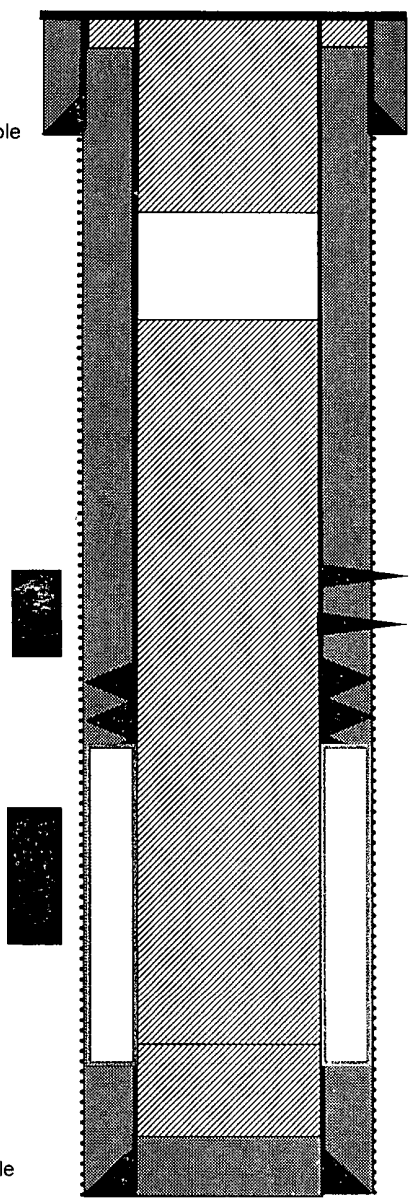
TD 1205'
PBTD 1165'

WF Federal 19-4
Proposed P&A
Twin Mounds Pictured Cliffs / Basin Fruitland Coal
1200' FSL & 1200' FEL, Section 19, T-30-N, R-14-W
San Juan County, NM / API 30-045-31063
Lat: N_____ / Long: W _____

Today's Date: **1/27/12**

Spud. 4/5/03
Completed: 8/27/03
Elevation: 5552' GL
5557' KB

8 75" Hole



Per Sundry Report TOC no lower than 65'

7" 20#, J-55 Casing set @ 138'
60 sxs cement, Circulated to surface

Plug #3: 188' – 0'
Class B cement, 20 sxs

Fruitland Top @ 349'

Plug #2: 1057' – 299'
Class B cement, 61 sxs

Fruitland Coal Seam #9' – 926' – 938'

Perforate @ 924'

Perforate @ 940'

Fruitland Coal Perforations
930' – 1031'

Mill out casing from 1011' to 1044'

Fruitland Coal Seam #8 1021' – 1034'

Plug #1: 1165' – 1035'
Class B cement, 50 sxs

Pictured Cliffs @ 1034'

Pictured Cliffs Perforations:
1037' – 1038'

6.25" Hole

4 5" 10.5# J-55 Casing set @ 1203'
Cemented with 105 sxs (124 cf)
cement circulated per tower report

TD 1205'
PBTD 1165'

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 4 WF Federal 19

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) 564-7750.

3. The following modifications to your plugging program are to be made:

a) You are required to have H2S monitoring equipment and personnel on location during plugging operations.

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.