State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary-Designate

Jami Bailey, Division Director Oil Conservation Division



Brett F. Woods, Ph.D. Deputy Cabinet Secretary

New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

| Operator Signature Date: December 4 th , 2013 |
|---|
| Application Type: P&A Drilling/Casing Change Recomplete/DHC Location Change Other: |
| Well information: |
| API WELL# Well Name Well # Operator Name Type Stat County Surf_Owner UL Sec Twp N/S Rng W/E |
| 30-045-30037-00-00 M N GALT B 002R XTO ENERGY, INC G A San Juan F D 6 27 N 10 W |
| Conditions of Approval: |
| Notify NMOCD 24hrs prior to beginning operations |
| Run CBL and submit to agencies for review/approved prior to cementing |
| |

NMOCD Approved by Signature

12-19-2013 Date

UNITED STATES Fore 3160-5 BUREAU OF LAND MANAGEMENT

| FORM APPROVED |
|-----------------------|
| OMB NO. 1004-0137 |
| Expires July 31, 2010 |

| Lease Serial N | n |
|----------------------------------|---|

NMSF-077384

| nfc. | 04 | ู้ รูฟูฟูDRY | NOTICES | AND | REPORTS | ON WELLS | |
|------|----|-----------------|---------|-----|---------|----------|--|
| 111 | | | | | | | |

Do not use this form for proposals to drill or to re-enter an abandoned(well. Use Form 3160-3 (APD) for such proposals.

| 6. | If Indian, | Allottee | or Tribe | Name |
|----|------------|----------|----------|------|
| , | | | | |

| Farmingion Field | | | | | | |
|--|---|----------------------------|--------------|---|---------------------|--|
| SUBMIT IN TRIPLICA | 7. If Unit or CA/Agreement, Name and/or N | | | | | |
| 1. Type of Well Oil Well X Gas Well Other | | | | 8. Well Name | | |
| 2. Name of Operator | | | | | | |
| XTO Energy Inc. | | <u> </u> | | 9. API Well N | lo. | |
| 3a. Address | | 3b. Phone No. (include are | ra code) | 30-045-30037 | | |
| 382 CR 3100, AZTEC, NM 87410 | | (505) 333-364; | 2 | 10. Field and Pool, or Exploratory Area | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | | | UIZ PICTURED CLIFFS | |
| 1,000' FNL & 1,000' FWL SEC. 06(I | O) -T27N-R10W | | | <u> </u> | | |
| | | | | 11. County o | r Parish, State | |
| | | | | SAN JUAN | NM | |
| 12. CHECK APPROPRIAT | E BOX(ES) TO IN | DICATE NATURE OF N | OTICE, REPO | ORT, OR OTH | ER DATA | |
| TYPE OF SUBMISSION | | TYI | PE OF ACTION | | - | |
| X Notice of Intent | Acidize | Deepen | Productio | n (Start/Resume) | Water Shut-Off | |
| Subsequent Report | Alter Casing | Fracture Treat | Reclamati | ion | Well Integrity | |
| | Casing Repair | New Construction | Recomple | ete | Other | |
| Final Abandonment Notice | Change Plans | X Plug and Abandon | Temporar | rily Abandon | | |
| | Convert to Inject | ion Plug Back | Water Dis | sposal | ···· | |
| | | | | | | |

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. intends to plug and abandon this well per the attached procedure and will be using a Closed Loop System. Please see also the attached current and proposed wellbore diagrams and reclamation plan.

OIL CONS. DIV DIST. 3

DEC 09 2013

| Title PRETILATION ANALYST | 1 | | | | | | | |
|--|-------------------------------|--|--|--|--|--|--|--|
| Date 12/4/2013 | | | | | | | | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | | | | | | | |
| Title | Date DEC 0 5 2013 | | | | | | | |
| Office | | | | | | | | |
| | AL OR STATE OFFICE USE Title | | | | | | | |

PLUG AND ABANDONMENT PROCEDURE

April 10, 2013

MN Galt B 02R

Fulcher Kutz PC
1000' FNL and 1000' FWL, Section 6, T27N, R10W
San Juan County, New Mexico / API 30-045-300037
Lat: ______ / Lat: _______

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_ | <u>X</u> , | No_ | , Unknown | · | | | |
|----|-----------|--------|------------|---------|--------------------------|-------------|-------------|--------------|-------------|
| | Tubing: | Yes | <u>X</u> , | No_ | , Unknown | , Size | 2.375"_ | _ , Length _ | 1744' |
| | Packer: | Yes | , | No> | <pre><, Unknown</pre> | , Type _ | | | |
| | If this w | ell ha | s rods o | or a pa | icker, then modify | the work se | quence in s | step #2 as a | ppropriate. |

1272

- 4. Plug #1 (Pictured Cliffs interval and Fruitland top, 1610' –1348'): PU and TIH with 4.5" cement retainer, set at 1610'. Pressure test tubing to 1000 PSI. Pressure test casing to 800 PSI. If casing does not test, then spot or tag subsequent plug as appropriate. Mix and pump 24 sxs Class B cement above CR to isolate the Pictured Cliffs interval and cover the Fruitland top. PUH.
- 5. Plug #2 (Kirtland and Ojo Alamo tops, 754' –550'): Mix and pump 20 sxs Class B cement and spot a balanced plug inside casing to cover the Kirtland and Ojo Alamo tops. PUH.
- 6. Plug #3 (7" Surface Casing shoe, 259' to 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 25 sxs Class B cement and spot a balanced plug inside the casing from 259' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the 4.5" casing and the BH annulus to surface. Shut well in and WOC.
- 7. 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.

MN Galt B 02R

Current

Fulcher Kutz PC

1000' FNL, 1000' FWL, Section 6, T-27-N, R-10-W,

San Juan County, NM / API #30-045-30037

Lat _____/ Long _____

Today's Date: 4/10/13

Spud: 1/17/00

Completed: 4/29/00

Elevation: 5759' GL 5763' KB

8.75" hole

7" 20#, J-55 Casing set @ 209' Cement with 75 sxs (Circulated to Surface)

Perforate @ 320', squeeze with 50 sxs, circulate 1 bbl to surface (2009)

TOC @ 320' (T.S.)

Ojo Alamo @ 600'

Kirtland @ 704'

Fruitland @ 1398'

Pictured Cliffs @ 1665'

6.25" hole

2.375" tubing at 1774' (55 jts, SN @ 1744' w/rods and pump)

Pictured Cliffs Perforations: 1660' - 1712'

4.5",10.5#, J-55 Casing set @ 1860' Cement with 185 sxs TOC @ 350' (T.S.)

TD 1860' **PBTD 1815**'

MN Galt B 02R

Proposed P&A

Fulcher Kutz PC

1000' FNL, 1000' FWL, Section 6, T-27-N, R-10-W,

San Juan County, NM / API #30-045-30037

Today's Date: 4/10/13

Spud: 1/17/00

Completed: 4/29/00

Elevation: 5759' GL 5763' KB

8.75" hole

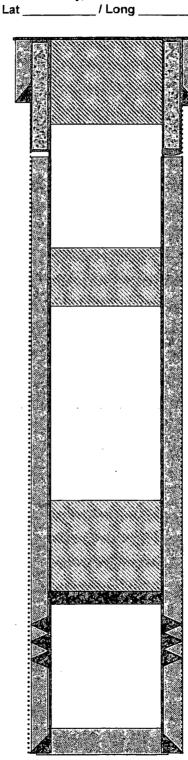
Ojo Alamo @ 600'

Kirtland @ 704'

Fruitland @ 1398'

Pictured Cliffs @ 1665'

6.25" hole



7" 20#, J-55 Casing set @ 209' Cement with 75 sxs (Circulated to Surface)

Perforate @ 320', squeeze with 50 sxs, circulate 1 bbl to surface (2009)

TOC @ 320' (T.S.)

Plug #3: 259' - 0' Class B cement, 25 sxs

Plug #2: 754' - 550' Class B cement, 20 sxs

Plug #1: 1610' - 1348' Class B cement, 24 sxs

Set CR at 1610'

Pictured Cliffs Perforations: 1660' - 1712'

4.5",10.5#, J-55 Casing set @ 1860' Cement with 185 sxs TOC @ 350' (T.S.)

TD 1860' **PBTD 1815**'

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: 2R MN Galt B

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) Bring the top of the Pictured Cliffs/Fruitland plug to 1272'.

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.