

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

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

Jami Bailey, Division Director
Oil Conservation Division



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:

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
30-045-32421-00-00	L C KELLY	018	XTO ENERGY, INC	G	A	San Juan	F	K	3	30	N	12	W

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations

Extend Dakota/Graneros to 6565 feet

NMOCD Approved by Signature

3-27-14
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

MAR 19 2014

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an existing well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMSF-081239

6. If Indian, Allottee or Tribe Name
Pennington Field Office

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

8. Well Name and No.
LC KELLY #18

9. API Well No.
30-045-32421

10. Field and Pool, or Exploratory Area
BASIN DAKOTA
BLANCO MESAVERDE

11. County or Parish, State
SAN JUAN NM

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)
505-333-3630

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2545' FSL x 1975' FWL NESW SEC 3 (K) -T30N-R12W

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other <u>P&A</u>
	<input type="checkbox"/> Change Plans <input checked="" type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <u>DAKOTA ONLY</u>
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> 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. would like to rescind the Notice of Intent-Status Change TA Dakota that was submitted on 2/7/2014 and intends to plug and abandon the Dakota perms fr/6,732' - 6,986' per the attached procedure, please see also the current and proposed wellbore diagrams. XTO will continue to produce the Mesaverde.

RCVD MAR 24 14
OIL CONS. DIV.
DIST. 8

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **SHERRY J. MORROW** Title **LEAD REGULATORY ANALYST**

Signature *Sherry J. Morrow* Date **3/18/2014**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Original Signed: Stephen Mason** Title _____ Date **MAR 21 2014**

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 _____

NMOCDA

BRB _____
MTG _____
Approved _____

**LC Kelly #18
Sec 3, T 30 N, R 12 W
San Juan County, New Mexico
3/11/2014**

Plug and Abandon Procedure

AFE Number: 1402590

Spud Date: 10/16/2004

Surface Casing: 9-5/8", 36#, K-55 csg @ 325'. Cmt'd w/191 sx. Circ 23 bbls to surf.

Production Casing: 5-1/2", 15.5#, J-55 csg @ 7,246'. Cmt'd w/1,050 sx. Circ 2 bbls cmt to surf.
Capacity: .0238 bbls/ft or .9997 gal/ft

Production Tubing: 2-3/8" string. SN @ 4,944'. TAC @ 4,981'. EOT @ 4,984'.

Rod String: 7/8" to 3/4" tapered string

Pump: 1-1/2" insert pump

Perforations: Meseverde: 4,555' – 4,829'
Dakota: 6,732' – 6,986' (CIBP @ 6,960', 6,810' & 6,690')

PBTD: 6,690'

Recent Production: 55 mcfpd, Trace bwpd.

Notify NMOCD & BLM 24 hours prior to beginning plugging operations

1. Check for COA's and approved NOI before beginning operations.
2. Test rig anchors.
3. Set flowback tank.
4. MIRU completion rig. Review JSA.
5. Kill well.
6. TOH rods.
7. ND WH. Release TAC. NU & FT BOP.
8. TOH tubing & pump.
9. TIH 3-7/8" bit & 3-7/8" string mill to 6,690'. TOH.

10. TIH 4-1/2" Packer and set @ ±4,920'. PT CIBP @ 6,690' to 550 psig with Chart. TOH & LD Packer.
11. If CIBP doesn't test, contact engineer.
12. MIRU cement truck. Review JSA.
13. **Perforation Isolation & Dakota Top Plug (6,690' – 6,620')**: Pump 15 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot a balanced plug from 6,690' – 6,620' (volume calculated with 50' excess).
14. **Gallup Top Plug (5,862' – 5,762')**: Pump 20 sx Class "B" cement (15.6 ppg, 1.18 cuft/sx yield) down tubing and spot a balanced plug from 5,862' – 5,762' (volume calculated with 50' excess).
15. TOH tubing.
16. RDMO cement truck.
17. WOC 4 hours.
18. TIH production tubing. Set SN @ 4,944', TAC @ 4,981' & EOT @ 4,984'
19. ND BOP. Set TAC. NU WH.
20. PU & TIH 1-1/2" pump & rods as before.
21. Seat pump. HWO & RWTP.

Checklist

Regulatory:

1. NOI to P&A on form C-103 & 3160-5
2. Submit a post-work sundry on form C-103 & 3160-5 which details the P&A work and location work within 30 days of completing all required restoration work.

Equipment:

1. 1 flowback tank
2. 4-1/2" packer
3. 3-7/8" string mill
4. 35 sx Class "B" cement

Services:

1. Completion rig
2. Cement truck



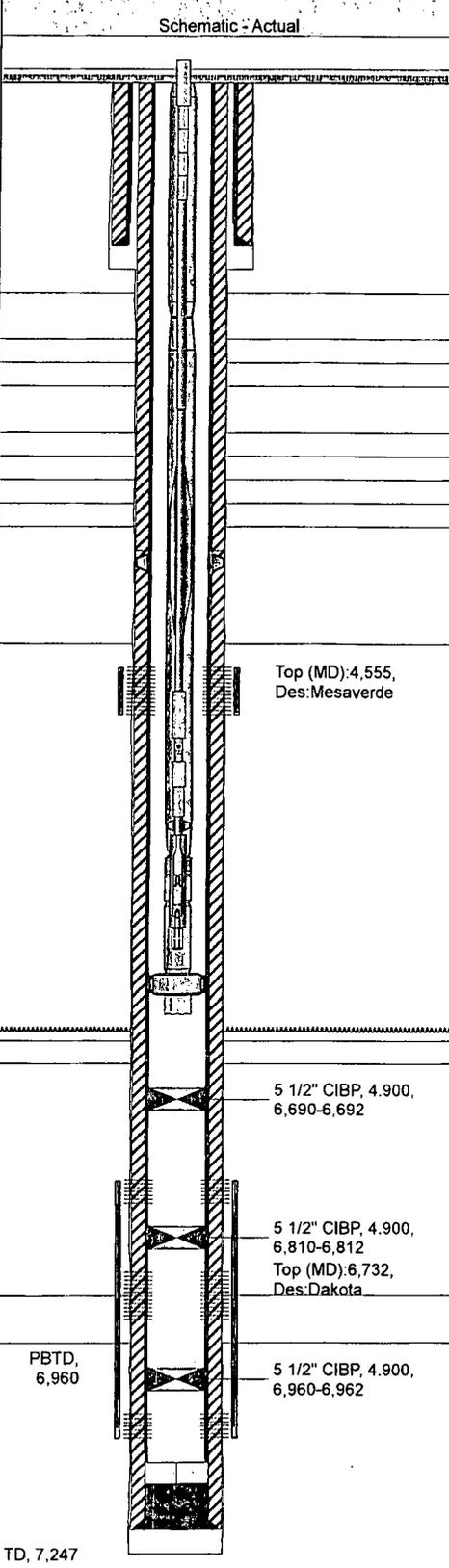
XTO - Wellbore Diagram

Current

Well Name: LC Kelly 18

API/UWI 30045324210000	E/W Dist (ft) 1,975.0	E/W Ref FWL	N/S Dist (ft) 2,545.0	N/S Ref FSL	Location T30N-R12W-S03	Field Name Basin Dakota	County San Juan	State/Province New Mexico
Well Configuration Type Vertical	XTO ID B 68882	Orig KB Elev (ft) 5,917.00	Gr Elev (ft) 5,905.00	KB-Grd (ft) 12.00	Spud Date 10/16/2004	PBTD (All) (ftKB) Original Hole - 6960.0	Total Depth (ftKB) 7,247.0	Method Of Production Beam

Well Config: Vertical - Original Hole, 3/18/2014 10:12:26 AM



Zones		Top (ftKB)		Btm (ftKB)	
Mesaverde		4,555.0		4,829.0	
Dakota		6,732.0		6,986.0	

Casing Strings					
Casing Description	OD (in)	Wt (lbs/ft)	String Grade	Top Connection	Set Depth (ftKB)
Surface	9 5/8	36.00	K-55		325.0
Production	5 1/2	15.50	J-55		7,246.0

Cement					
Description	Type	String			
Surface Casing Cement	casing	Surface, 325.0ftKB			
CMT'D W/191 SX (256 CUFT) TYPE III CMT (MIXED @ 14.5 PPG & 1.34 CUFT/SX). CIRC 23 BBLS OF CMT TO SURF.					
Production Casing Cement	casing	Production, 7,246.0ftKB			
CMTD 1ST STAGE W/300 SX PREMIUM LITE HS CMT (MIXED @ 11.9 PPG & 2.36 CUFT/SX) FOLLOWED BY 200 SX PREMIUM LITE HS CMT (MIXED @ 12.5 PPG & 2.01 CUFT/SX). CIRC 45 BBLS CMT TO SURF OFF DVT. CMTD 2ND STAGE W/450 SX TYPE III CMT (MIXED @ 11.4 PPG & 3.03 CUFT/SX) FOLLOWED BY 100 SX PREM HSFM CMT (MIXED @ 14.5 PPG & 1.41 CUFT/SX). CIRC 2 BBLS CMT TO SURF.					

Perforations							
Date	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Hole Diameter (in)	Phasing (*)	Cur... Status	Zone
12/14/2004	4,555.0	4,829.0	1.0	0.340		Ac...	Mesaverde
12/10/2004	6,732.0	6,753.0	1.0	0.340		Ac...	Dakota
12/10/2004	6,843.0	6,934.0	1.0	0.340		In...	Dakota
12/10/2004	6,968.0	6,986.0	1.0	0.340		In...	Dakota

Tubing Strings			
Tubing Description	Run Date	Set Depth (ftKB)	
Tubing - Production	2/27/2013	4,984.2	

Tubing Components									
Item Description	Jts	Model	OD (in)	Wt (lbs/ft)	Grade	Top... Thread	Len (ft)	Top (ftKB)	Btm (ftKB)
Tubing	19	T&C Upset	2 3/8	4.70	J-55		608.41	12.0	620.4
Tubing	134	T&C Upset	2 3/8	4.70	J-55		4,323.23	620.4	4,943.6
Pump Seating Nipple	1		2 3/8				0.75	4,943.6	4,944.4
Perforated Sub	1		2 3/8				4.10	4,944.4	4,948.5
Tubing	1	T&C Upset	2 3/8	4.70	J-55		32.30	4,948.5	4,980.8
5-1/2" x 2-3/8" Tbg Anchor Catcher	1		4 1/4				3.00	4,980.8	4,983.8
Notched Collar	1		2 3/8				0.40	4,983.8	4,984.2

Rods			
Rod Description	Run Date	String Length (ft)	Set Depth (ftKB)
Rod String	2/27/2013	4,973.00	4,964.0

Rod Components							
Item Description	Jts	Model	OD (in)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)
Polished Rod	1		1 1/4		26.00	-9.0	17.0
Rod Sub	1		7/8	D	2.00	17.0	19.0
Rod Sub	1		7/8	D	6.00	19.0	25.0
Rod Sub	1		7/8	D	8.00	25.0	33.0
Rod Sub	1		7/8	D	8.00	33.0	41.0
Sucker Rod	78	WCN-78	7/8	D	1,950.00	41.0	1,991.0
Sucker Rod w/Molded Guides	112		3/4	D	2,800.00	1,991.0	4,791.0

LC Kelly #18
 Sec 3, T 30 N, R 12 W
 San Juan County, New Mexico

Proposed P&A Diagram

