

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 June 19, 2008

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-045-24444
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: PAYNE A
8. Well Number 1E
9. OGRID Number
10. Pool name or Wildcat BLANCO MV/OTERO CH/BASIN DK

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
XTO ENERGY INC.

3. Address of Operator
382 CR 3100 AZTEC, NM 87410

4. Well Location
 Unit Letter **N** : **530** feet from the **SOUTH** line and **2080** feet from the **WEST** line
 Section **19** Township **29N** Range **10W** NMPM County **SAN JUAN**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5,476' GR 5,488' KB

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL
 DOWNHOLE COMMINGLE
 OTHER:

SUBSEQUENT REPORT OF:

REMEDIATION WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB
 OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

XTO Energy Inc. intends to plug and abandon this well per the attached procedure and will be using a closed loop system. Please also see the attached current and proposed wellbore diagrams.

* According to Log performed 11-18-1980 there is no cement above 2343', therefore all plugs above this footage need to be inside and outside plugs
 * Add plug from 3320'-3420'

Notify NMOCD 24 hrs prior to beginning operations

OIL CONS. DIV DIST. 3

APR 30 2014

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kristen D. Babcock TITLE REGULATORY ANALYST DATE 4/29/14
 kristen_babcock@xtoenergy.com
 Type or print name KRISTEN D. BABCOCK E-mail address: _____ PHONE 505-333-3206

For State Use Only
 APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE 5-14-14
 Conditions of Approval (if any): _____

ML _____
MTG _____
Approved _____

PLUG AND ABANDONMENT PROCEDURE

4/15/ 2014

Payne A #1E

Blanco Mesaverde/Otero Chacra/ Basin Dakota
530' FSL, 2080' FWL, Section 19, T29N, R10W, San Juan County, NM
API 30-045-24444 / Long: _____ / 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. 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.
2. Rods: Yes , No _____, Unknown _____.
Tubing: Yes , No _____, Unknown _____, Size 2-3/8", Length 2815'.
Packer: Yes _____, No _____, Unknown _____, Type _____.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.
3. **2014 Plug #1 (Chacra perforations and top, 2743' – 2643')**: Round trip 7" gauge ring to 2743' or as deep as possible. TIH and set 4.5" CR at 2743'. Pressure test tubing to 1000#. Attempt to pressure test casing to 1000#. If casing does not test then spot or tag subsequent plugs as appropriate. Mix 29 sxs Class B cement and spot a balanced plug inside casing above CR to isolate Chacra interval. PUH.
4. **2014 Plug #2 (Pictured Cliffs top, 1790' - 1690')**: Mix 29 sxs Class B cement and spot a balanced plug inside the casing to isolate the Pictured Cliffs top. PUH.
5. **2014 Plug #3 (Fruitland top, 1229' - 1129')**: Mix 29 sxs Class B cement and spot a balanced plug inside the casing to isolate the Fruitland top. PUH.
6. **2014 Plug #4 (Kirtland and Ojo Alamo tops, 665' - 440')**: Mix 52 sxs Class B cement and spot a balanced plug inside the casing to isolate through the Ojo Alamo top. PUH.
7. **2014 Plug #5 (9-5/8" Surface casing shoe, 330' - Surface)**: Attempt to pressure test the bradenhead 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 70 sxs cement and spot a balanced plug from 330' 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 casing from 330' and the annulus from the squeeze holes to surface. Shut in well and WOC.
8. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. Cut off anchors and clean up location. Restore location per BLM stipulations.

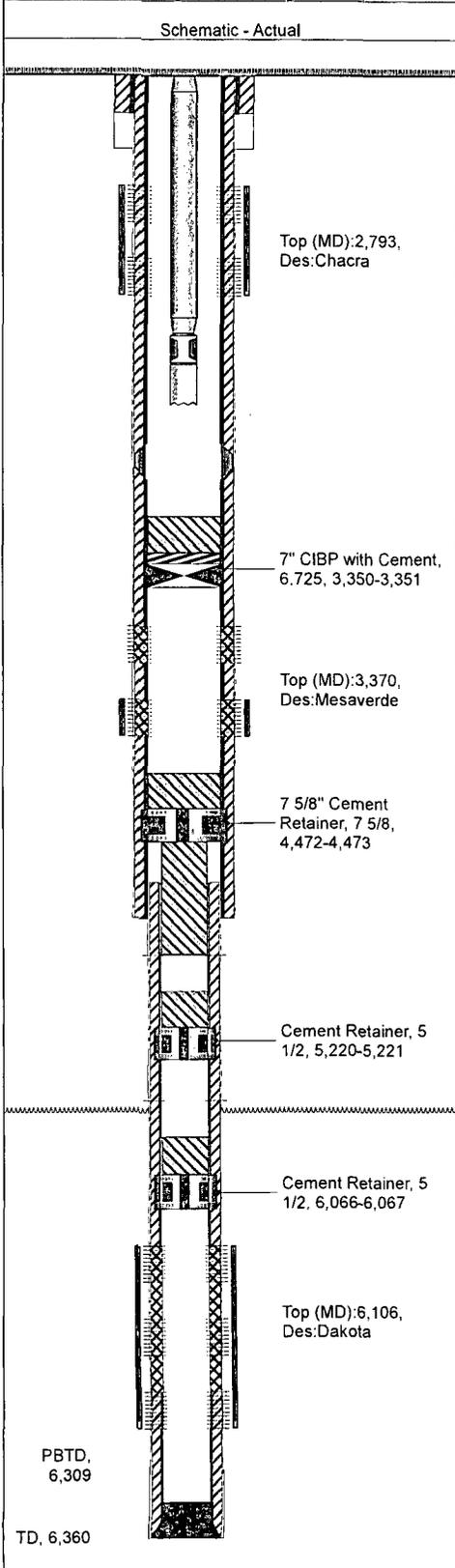


XTO - Wellbore Diagram

Well Name: Payne A 01E

API/UWI 30045244440000	E/W Dist (ft) 2,080.0	E/W Ref FWL	N/S Dist (ft) 530.0	N/S Ref FSL	Location T29N-R10W-S19	Field Name Otero Chacra	County San Juan	State/Province New Mexico
Well Configuration Type Vertical	XTO ID B 70808	Orig KB Elev (ft) 5,489.00	Gr Elev (ft) 5,476.00	KB-Grd (ft) 13.00	Spud Date 10/23/1980	PBTD (All) (ftKB) Original Hole - 6309.0	Total Depth (ftKB) 6,360.0	Method Of Production Flowing

Well Config: Vertical - Original Hole, 3/13/2014 2:27:03 PM



Incl	ftKB (TVD)	ftKB (MD)
		13
		280
		285
		2793
		2796
		2803
		2810
		2813
		2815
		2815
		3231
		3232
		3312
		3350
		3351
		3370
		3392
		3968
		4270
		4450
		4472
		4473
		4522
		4650
		4700
		5180
		5220
		5221
		5280
		5889
		6066
		6067
		6106
		6110
		6173
		6202
		6243
		6246
		6309
		6360
		6360

Zones					
Zone	Top (ftKB)		Btm (ftKB)		
Chacra	2,793.0		2,810.0		
Mesaverde	3,370.0		4,270.0		
Dakota	6,106.0		6,246.0		

Casing Strings					
Casing Description	OD (in)	Wt (lbs/ft)	String Grade	Top Connection	Set Depth (ftK...)
Surface	9 5/8	36.00	K-55		280.0
Intermediate	7	23.00	K-55		4,650.0
DV Tool	7			3,231.0	3,232.0
Production	4 1/2	10.50	K-55		6,360.0

Cement		
Description	Type	String
Cement Plug	plug	Production, 6,360.0ftKB
Comment		
Cement Squeeze	squeeze	Intermediate, 4,650.0ftKB
Comment		
Cement Plug	plug	Intermediate, 4,650.0ftKB
Comment		
Cement Squeeze	squeeze	Intermediate, 4,650.0ftKB
Comment		
Production Casing Cement	casing	Production, 6,360.0ftKB
Comment		
Cement Squeeze	squeeze	Production, 6,360.0ftKB
Comment		
Cement Plug	plug	Production, 6,360.0ftKB
Comment		
Surface Casing Cement	casing	Surface, 280.0ftKB
Comment		
Intermediate Casing Cement	casing	Intermediate, 4,650.0ftKB
Comment		
Cement Plug	plug	Intermediate, 4,650.0ftKB
Comment		
Cement Plug	plug	Production, 6,360.0ftKB
Comment		
Cement Plug	plug	Intermediate, 4,650.0ftKB
Comment		

Perforations							
Date	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Hole Diameter (in)	Phasing (*)	Curr... Status	Zone
1/10/1981	2,793.0	2,796.0	2.0				Chacra
1/10/1981	2,803.0	2,810.0	2.0				Chacra

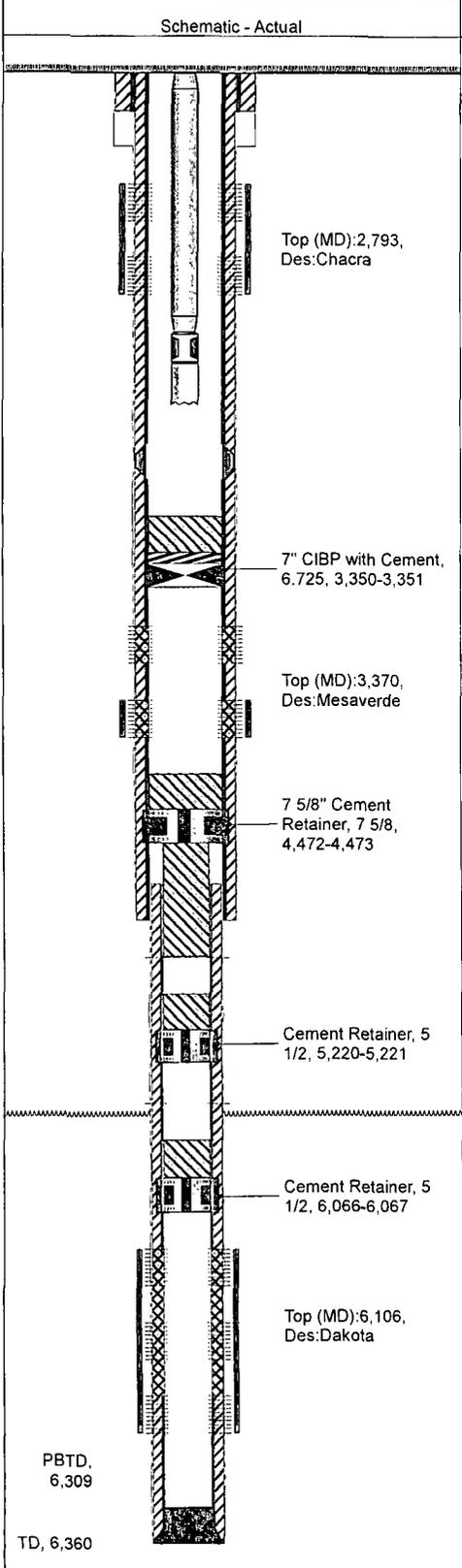


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Well Config: Vertical - Original Hole, 3/13/2014 2:27:03 PM



Perforations

Date	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Hole Diameter (in)	Phasing (°)	Curr... Status	Zone
12/14/1980	3,370.0	3,392.0	2.0				Mesaverde
11/26/1980	3,968.0	4,270.0	2.0				Mesaverde
2/20/2008	4,700.0	4,700.0	2.0				
2/15/2008	5,280.0	5,280.0	2.0				
11/23/1980	6,106.0	6,110.0	2.0				Dakota
11/23/1980	6,173.0	6,202.0	2.0				Dakota
11/23/1980	6,243.0	6,246.0	2.0				Dakota

Tubing Strings

Tubing Description	Run Date	Set Depth (ftKB)
Tubing - Production		2,815.0

Tubing Components

Item Description	Jts	Model	OD (in)	Wt (lbs/...)	Gra...	Top Thread	Len (ft)	Top (ftKB)	Btm (ftKB)
Tubing		T&C Upset	2 3/8	4.70	J-55		2,800.38	13.0	2,813.4
Seat Nipple			2 3/8				1.10	2,813.4	2,814.5
Notched Collar			2 3/8				0.50	2,814.5	2,815.0

Rods

Rod Description	Run Date	String Length (ft)	Set Depth (ftKB)

Rod Components

Item Description	Jts	Model	OD (in)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)

Stimulations & Treatments

Frac Start Date	Top Perf (ft...)	Bottom Pe...	V (slurry) (...)	Total Prop...	AIR (b...	ATP (psi)	MTP (psi)	ISIP (psi)
11/23/1980	6106	6246						
Comment								
4,450								
12/3/1980	3968	4270						
Comment								
4,473								
1/11/1981	2793	2810						
Comment								

Payne A #1E

Proposed P&A

Blanco Mesaverde / Otero Chacra / Basin Dakota

API #30-045-24444

530' FSL, 2080' FWL, Section 19, T-29-N, R-10-W, San Juan County, NM

Today's Date: 4/15/14

Spud: 10/22/80

Completion: 1/29/81

Elevation: 5476' GL
5489' KB

Ojo Alamo @ 490'

Kirtland @ 615'

Fruitland @ 1179'

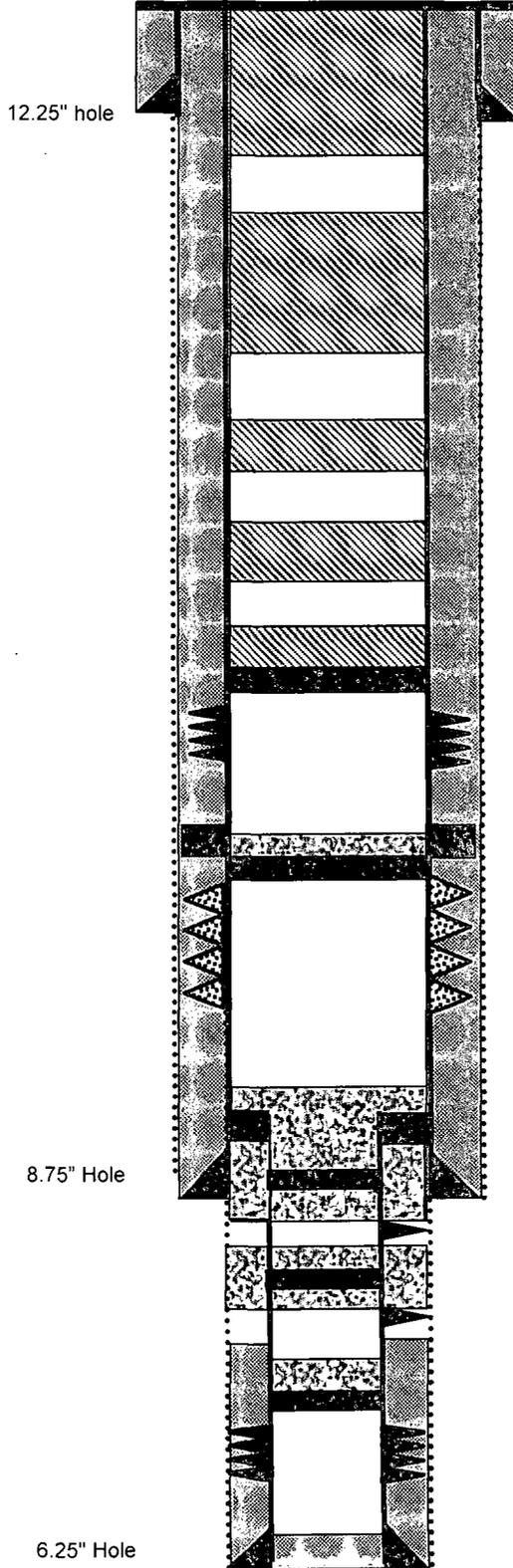
Pictured Cliffs @ 1740'

Chacra @ 2790'

Cliffhouse @ 3370'

Mancos @ 5230'

Dakota @ 6100'



9.625", 36# K-55 Casing set @ 280'
Cement with 225 sxs, did not circulate,
Pump 250 sxs to surface.

'14 Plug #5: '330' - 0'
Class B cement, 70 sxs

'14 Plug #4: '665' - 440'
Class B cement, 52 sxs

'14 Plug #3: '1229' - 1129'
Class B cement, 29 sxs

'14 Plug #2: '1790' - 1690'
Class B cement, 29 sxs

'14 Plug #1: 2743' - 2643'
Class B cement, 29 sxs

Set CR @ 2743'

Chacra Perforations:
2793' - 2796', 2803' - 2810'

Plug #4: 3350' - 3312'
Dump bail 7.5 sxs Type II

DV Tool @ 3231'

2nd Stage Cement with 580 sxs (952 cf) circulated
TOC @ 3231' (Calc, 75%)

CR @ 3350'

Cliffhouse Perforations:
3370' - 4268' (Squeezed)

Plug #3: 4700' - 4472'
Type III cement, 38 sxs below
CR.

Plug #3b: 4308' - 4294'
Dump bail 2.5 sxs Class II

TOL @ 4522'

7" 23# K-55 Casing set @ 4650'
1st Stage Cement with 300 sxs (425 cf)

CR @ 4472'

Perforate @ 4700'

CR @ 5220'

Perforate @ 5280'

Plug #2: 5220' - 5180'
Type III cement, 36 sxs:
21 sxs below and 12 sxs
above. Tagged high.
Drilled out to CR.

Plug #2b: 5220' - 5180':
Dump bail 2.5 sxs Class II

TOC @ 5984' (CBL)

CR @ 6066'

Dakota Perforations:
6106' - 6202'

Plug #1: 6106' - 5412':
Type III cement, 12 sxs

8.75" Hole

6.25" Hole

TD 6360'
PBTD 6309'

4.5" 10.5# K-55 Casing liner set @ 4522' - 6360'
Cement with 225 sxs (301 cf)