State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

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David Martin
Cabinet Secretary

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

Jami Bailey, Division DirectorOil 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: 8/21/14

Well information:

							110	
API WELL#	Well Name	Well#	Operator Name	Type Stat	County	L Sec	Twp N/S	Rng W/E
30-045-24608-00-00	UTE INDIANS A	021	XTO ENERGY, INC	Gʻ'A	San Juan U A	34	32 N	14 W

Application Type:
□ P&A □ Drilling/Casing-Change □ Location Change
Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84)
Other:
Conditions of Approval:
Notify NMOCD 24hrs prior to beginning operations Provide CBL to agencies for review prior to cementing
Extend Dakota plug 50 feet above to Graneros top up to 2107

NMOCD Approved by Signature

9-18-14 Date Form 3160-5 (August 2007)

> Type of Well Oil Well

2. Name of Operator XTO ENERGY INC.

382 CR 3100

935' FNL & 980' FEL

3a. Address

X Gas Well

TYPE OF SUBMISSION

Subsequent Report

Final Abandonment Notice

fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

X Notice of Intent

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

AZTEC, NM 87410

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

FORM APPROVED OMB NO. 1004-013 Expires July 37, 2010

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

BUREAU OF	LAND MANAGEM	ENI AUG 2 2 201	4	5. Lease Serial No	
SUNDRY NOTICES not use this form for ndoned well. Use Form	proposals to drill	ON WELLS Bureau of Land Mana or to reसम्बद्धालुक्टिशका or such proposals.	gement io	142060462 6. If Indian, Allotte	e or Tribe Name
				Ute Mountian	0te
SUBMIT IN TRIPLICAT	TE - Other instruction	ons on page 2		7. If Unit or CA/A	greement, Name and/or No.
Well Other		: 		8. Well Name and 1	
				9. API Well No.	
		3b. Phone No. (include ar	ea code)	30-045-24608	
TEC, NM 87410		505-333-3	630		, or Exploratory Area
e, Sec., T., R., M., or Survey	Description)			UTE DOME DAKO	
FEL NENE Sec.	34 (A) -T32N-R14W	7			
				11. County or Par	ish, State
				SAN JUAN	NM
CHECK APPROPRIATE	E BOX(ES) TO IN	DICATE NATURE OF N	OTICE, REPO	RT, OR OTHER I	DATA
JBMISSION		TY	PE OF ACTION		
ntent	Acidize	Deepen		n (Start/Resume)	Water Shut-Off
t Report	Alter Casing Casing Repair	Fracture Treat New Construction	Reclamation Recomple		Well Integrity Other
donment Notice	Change Plans	X Plug and Abandon	Temporari	ily Abandon	
doublent Notice	Convert to Inject	ion Plug Back	Water Dis	posal	
eepen directionally or recomp or which the work will be per of the involved operations. I	plete horizontally, give suffermed or provide the If the operation results Notices shall be filed or the contract of the contr	ails, including estimated starti subsurface locations and mea: Bond No. on file with BLM in a multiple completion or really after all requirements, income	sured and true ver BIA. Required secompletion in a secompletion	rtical depths of all per subsequent reports sh new interval, a Form	rtinent markers and zones, all be filed within 30 days 3160-4 shall be filed once
. proposes to plug	and abandon thi	is well per the atta	ached proced	dure and will	be using a
stem. Please see al	so the attached	d current and propos	sed wellbore	e diagrams.	-
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Convert to Injection Plug Back Water Dis 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any pertinent date of any pe If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true ver Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required s following completion of the involved operations. If the operation results in a multiple completion or recompletion in a testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamatic determined that the final site is ready for final inspection.)

XIO Energy Inc. proposes to plug and abandon this well per the attached proces Closed Loop System. Please see also the attached current and proposed wellborn



14. I hereby certify that the foregoing is true and correct Name (Printed Typed)						
SHERRY J. MORROW	Title REGULATORY ANALYST					
Signature Sherry a morrow	Date 8/21/2014					
THIS SPACE FOR FEDER	AL OR STATE OFFICE USE					
Approved by	Title WSC Date 8/29/14					
Conditions of approval, are attached: Approval of this notice does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office TRES RIOS FIELD OFFICE					
Titl. 10 Li S C Species 1001 and Title 12 Li S C Prestice 1212 makes it a grime for any person	knowingly and willfully to make to any department or accepts of the United States any folce					

LWA .	
MTG	
Approved	

July 30, 2014

PLUG AND ABANDONMENT PROCEDURE

Ute Indians A 21

Ute Dome Dakota
935' FNL and 980' FEL, Section 34, T32N, R14W
San Juan County, New Mexico / API 30-045-24608

Lat:/ Lat:
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.

- 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__X_, Unknown___.
 Tubing: Yes__X_, No___, Unknown____, Size___2.375"_, Length__2360'__.
 Packer: Yes___, No__X_, Unknown____, Type
- 3. Plug #1 (Dakota interval, 2180' 2130'): Round trip 4.5" gauge ring to 2200' or as deep as possible. RIH and set 4.5" cement retainer at 2180'. Pressure test tubing to 1000 PSI. Circulate well clean. Attempt to pressure test casing to 800 PSI. If casing does not test then spot or tag subsequent plugs as appropriate. Mix 8 sxs Class B cement inside casing to isolate the Dakota perforations and top. PUH.
- 4. Plug #2 (Gallup top, 1413' 1313'): Spot 12 sxs Class B and spot a balanced plug inside casing to cover the Gallup top. PUH.
- 5. Plug #3 (8.625" casing shoe, Mancos top and Mesa Verde top, 422' 0'): Mix approximately 36 sxs cement and spot a balanced plug from 422' to surface. TOH and LD tubing. Shut well in and WOC
- 6. 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.



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XTO - Wellbore Diagram

Current

Well Name: Ute Indians A 21 E/W Dist (ft) N/S Dist (ft) Field Name State/Province 30045246080000 980.0 T32N-R14W-S34 FEL 935.0 FNL Ute Dome Dakota San Juan New Mexico Well Configuration Type XTO ID B Orig KB Elev (ft) Gr Elev (ft) KB-Grd (ft) Spud Date Total Depth (ftKB) Method Of Production PBTD (All) (ftKB) Vertical 71073 6,098.00 6,085.00 13.00 1/31/1981 Original Hole - 2574.0 2,623.0 Plunger Lift Well Config: Vertical - Original Hole, 7/25/2014 9:40:45 AM Zones ftKB ftKB Zone Top (ftKB) Btm (ftKB) Incl (TVD) Schematic - Actual (MD) 2,364.0 Dakota 2,230.0 Casing Strings
Casing Description OD (in) Wt (lbs/ft) String Grade Top Connection Set Depth (ftK Surface 8 5/8 24.00 K-55 295.0 Casing Description OD (in) Wt (lbs/ft) String Grade Top Connection Set Depth (ftK triat. cath. Athasu PACTURE VIDENTE DESIGNATION 13 Production 4 1/2 10.50 K-55 2,623.0 Cement Туре **Production Casing Cement** Production, 2,623.0ftKB casing Comment 295 Description Type String Surface Casing Cement Surface, 295.0ftKB casing 2,230 Perforations Diamete Shot Dens hasing Curr... (°) Status Top (ftKB) Date Btm (ftKB) (in) (°) 2,240 3/13/1981 2,230.0 2,240.0 Dakota 3/13/1981 2.270.0 2.284.0 Dakota 3/13/1981 2,356.0 2,364.0 Dakota **Tubing Strings** 2,270 Tubing Description Run Date Set Depth (ftKB) Tubing - Production 2,360.6 **Tubing Components** OD (in) (lbs/... Gra. Top Thread Item Description Top (ftKB) Btm (ftKB) Jts Model Len (ft) 2,284 Tubing T&C 2 3/8 4.70 J-55 2,346.14 13.0 2,359.1 Top (MD):2,230, Upset Des:Dakota Seat Nipple 2 3/8 2,359.1 2,360.2 1.10 Notched Collar 2 3/8 0.40 2,360.2 2.360.6 2,356 Stimulations & Treatments AIR (b... ATP (psi) MTP (psi) ISIP (psi) Total Prop... Top Perf (ft... Bottom Pe. V (slurry) (... rac Start Date 2230 2364 Comment 2,359 2,360 2,361 2,364 PBTD, 2,574 2,574 2,623 TD, 2,623

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XTO - Proposed P&A Wellbore Diagram

PI/UWI 0045246080000	E/W Dist (ft) 980.0	E/W Ref FEL	N/S Dist (ft)	N/S R	Ref FNL	Location T32N-R14W-S	1	Field Name		nty n Juan		State/Province	
ell Configuration Type		Orig KB Elev (ft)	935.0 Gr Elev (ft)	KB-G		Spud Date	PBTD (A	ome Dakota		n Juan I Depth (ftK8	1	New Mexico Method Of Production	
ertical	71073	6,098.00	6.085.00)	13.00	1/31/1981		nal Hole - 257		2,623.0		Plunger Lift	
	Well Config: Vertical - Or	ginal Hole, 7/29/2014 2:39:5	0 PM	ftKB ftKB	Zones								
Frm Final		Schematic - Proposed		(IVD) (MD)	Dakota	Zone		Top (ftKB)	2,230.	0	Btm (fil	(B) 2,36	
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		<i>0</i> 86			Surface Casing Descri	rinting	8 5/8 OD (in)	24.00 Wt (lbs/ft)	K-5		Connection	295.0 Set Depth (
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		Cement Retains 2,180-2,182 ftKi	er, 4.052in, . 8		Perforation			·					
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XTO Energy Inc.

Tribal Lease: 14-20-604-62

Well: Ute A #21

Location: 935' FNL & 980' FEL

Sec. 34, T. 32 N., R. 14 W. San Juan County, NM

Conditions of Approval - Notice of Intent to Abandon:

1. Notify this office at least 72 hours prior to commencing plugging operations.

For Notification, Operators must talk to BLM personnel directly. Do not leave messages on answering machines. Contact Dan Rabinowitz, BLM Petroleum Engineer: office: 970-385-1363, or Rod Brashear: office: 970-385-1347, and cell: 970-799-1244.

- 2. Approval of this Notice of Intent to Abandon (NIA) is for down hole plugging only.
- 3. Materials used will be accurately measured.
- 4. A tank or approved pit must be used for containment of any fluids from the wellbore during plugging operations. All unattended pits are to be fenced.
- 5. Pits are not to be used for disposal of any unauthorized materials.
- 6. All cement plugs are to be placed through a work string. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
 - 6a. Cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100 ft. of the casing or annular void(s) between casings, plus 10% excess volume per 1000 ft. of depth.
 - 6b. Surface plugs must be a minimum of 50 ft. within easing and annular voids.
 - 6c. Cement plugs placed to fill an open hole shall have sufficient volume to fill a minimum of 100 ft. of open hole, plus 10% excess volume per 1000 ft. of depth.
 - 6d. BLM's records do not reflect the comments section of the Production Casing cement job. A CBL must be run. This log must be provided to the BLM for concurrence prior to plugging.
- 7. The well must be filled with a wellbore mud sufficient to stabilize the wellbore. In the absence of any formation pressure data provided by the operator, this mud will have a minimum weight of **9 ppg**. The mud must be left between all plugs.

- 8. A blowout preventer and related equipment shall be installed and tested prior to working in a wellbore with any exposed zones (a) that are overpressured, (b) where pressures are unknown, or (c) known to contain H₂S.
- 9. Within 30 days after plugging of the well, file 5 copies of a Subsequent Report of Abandonment (SRA) via Sundry Notice. This report should include the following information:
 - a. Date(s) of plugging operations.
 - b. Procedure used to plug the well.
 - c. Depth of plugs.
 - d. Type and volume of plugs set.
 - e. Casing types/lengths left in the well.

Surface Use Directions:

This approval is for the completion of the downhole plugging only. Surface reclamation must be completed, weed free vegetation established, and site accepted by the BIA prior to closure and bond release.

NOTIFICATION:

- The BLM Colorado Minerals Division Physical Scientist/Natural Resources Specialist (970) 385-1242 shall be notified 5 days prior to the onset of pad/road surface reclamation activity.
- The BLM Colorado Minerals Division Physical Scientist/Natural Resources Specialist (970) 385-1242 shall be notified at least 48 hours prior to commencement of final surface reclamation activities.

REQUIREMENTS AT ALL SITES:

- 1. All tanks on-pad, used in plugging or reclamation activities will employ the use of earthen berms or another appropriate form of secondary containment, capable of holding a minimum of 110% of the contained tank volume(s).
- 2. Any cement wash or other fluids shall be placed in a self-contained tank, surrounded by containment dike of 110% of contained volumes for storage and removed for disposal at an approved location off-site.
- 3. Any free liquid accumulating should be vacuumed off to insure a minimum of 2ft. of freeboard on all tanks consistently and removed to an approved facility with receipts for chain of custody submitted to BLM –Minerals Division.

4.

5. All stormwater mitigations will be in accordance with BLM gold book BMP standards and practices.

According to the regulations in 43 CFR 3162.3-4, a well site is to be reclaimed and re-vegetated directly following plugging. Onshore Orders #1 stipulates that **surface reclamation** be completed within 180 days of final plugging operation completion. Once notified of plugging, a field inspection will be arranged between the Operator, UMU Tribe, the BLM and the respective BIA agency, so that the well pad can be inspected for reclamation requirements and BLM approval, before release from bond liability.