

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

5. Lease Serial No.
NMSF078019

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

8. Well Name and No.
E H PIPKIN 8E

9. API Well No.
30-045-23782-00-S2

10. Field and Pool or Exploratory Area
BASIN FRUITLAND COAL

11. County or Parish, State
SAN JUAN COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other: COAL BED METHANE

2. Name of Operator XTO ENERGY INC Contact: RHONDA SMITH
E-Mail: rhonda_smith@xtoenergy.com

3a. Address ENGLEWOOD, CO 80112
3b. Phone No. (include area code)
Ph: 505-333-3215

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 1 T27N R11W SESE 0950FSL 0890FEL
36.599396 N Lat, 107.948700 W Lon

12. CHECK THE 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"/> Hydraulic Fracturing	<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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

XTO Energy Inc. intends to plug and abandon this well per the attached procedure. XTO will be using a Closed Loop System. Please see attached current and proposed wellbore diagrams and amended surface reclamation plan. Please note item 8.1) Due to potential erosion of the current location by Kutz Wash we are requesting a BGM to be placed at least 4' below the current wash elevation of approximately 5,544 to 5,540 feet.

OIL CONS. DIV DIST. 3

JUN 09 2017

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

SEE ATTACHED FOR CONDITIONS OF APPROVAL

Notify NMOCD 24 hrs prior to beginning operations

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #377569 verified by the BLM Well Information System
For XTO ENERGY INC, sent to the Farmington
Committed to AFMSS for processing by ABDELGADIR ELMADANI on 06/06/2017 (17AE0248SE)

Name (Printed/Typed) RHONDA SMITH Title REGULATORY CLERK

Signature (Electronic Submission) Date 05/31/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ABDELGADIR ELMANDANI Title PETROLEUM ENGINEER Date 06/06/2017

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 Farmington

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMOCD

11

ML _____
MTG _____
Approved _____

EH Pipkin 8E P&A

AFE#1702769

Basin San Juan

API: 30-045-23782

950' FSL and 890' FEL, Section 1, T27N, R11W

San Juan County, New Mexico

OIL CONS. DIV DIST. 3

JUN 09 2017

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.

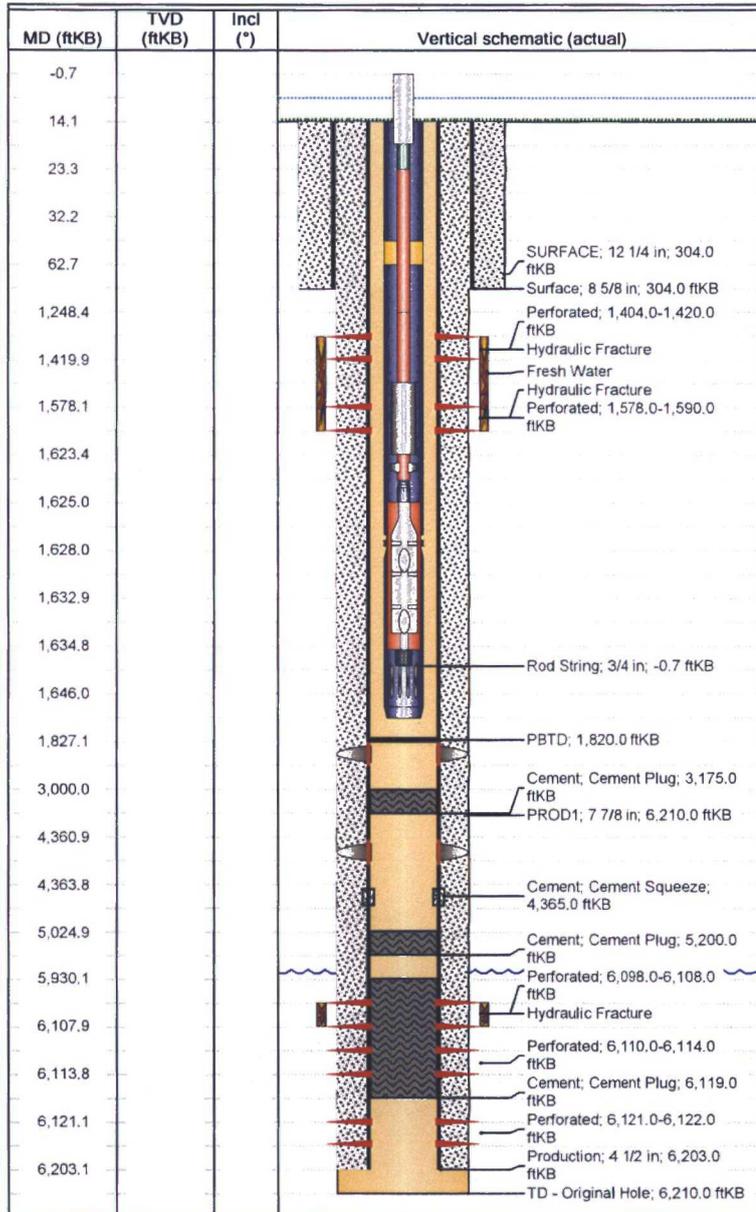
1. This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling 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 , No _____, Unknown _____.
Tubing: Yes , No _____, Unknown _____, Size 2-3/8" , Length 1,648'.
Packer: Yes _____, No , Unknown _____, Type _____.
4. Load hole with treated water, Lay down rods, and TOH w/ tubing and stand back 2-3/8" tbg. Round trip 4.5" casing scraper to 1,800'. Run CBL for well file and to determine TOC for spotting cement or perforating casing.
5. **Plug #1 (Fruitland Coal & Pictured Cliffs perforations and top, 1,250' – 1,150')**: RIH and set 4.5" cement retainer at 1,250'. TIH tubing and pressure test 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 12 sxs Class B cement inside casing to cover the FC/PC perforations and top. PUH.
6. **Plug #2 (Kirtland top, 595' – 495')**: Spot 12 sxs Class B and spot a balanced plug inside casing to cover Kirtland top. PUH.
7. **Plug #3 (8-5/8" shoe, 355' – 255')**: Spot 12 sxs Class B and spot a balanced plug inside casing to cover the Fruitland top. PUH.
8. **Plug #4 (Surface 100' – 0')**: Mix approximately 12 sxs Class B cement and pump down tubing. TOH tubing, Shut in well and WOC.
9. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.



Downhole Well Profile - with Schematic

Well Name: EH Pipkin 08E

API/UWI 30045237820000	Accounting ID 70848	Permit Number	State/Province New Mexico	County San Juan
Location T27N-R11W-S01	Spud Date 4/27/1980 00:00	Original KB Elevation (ft) 5,750.00	Ground/Corrected Ground Elevation (ft) 5,736.00	KB-Ground Distance (ft) 14.00



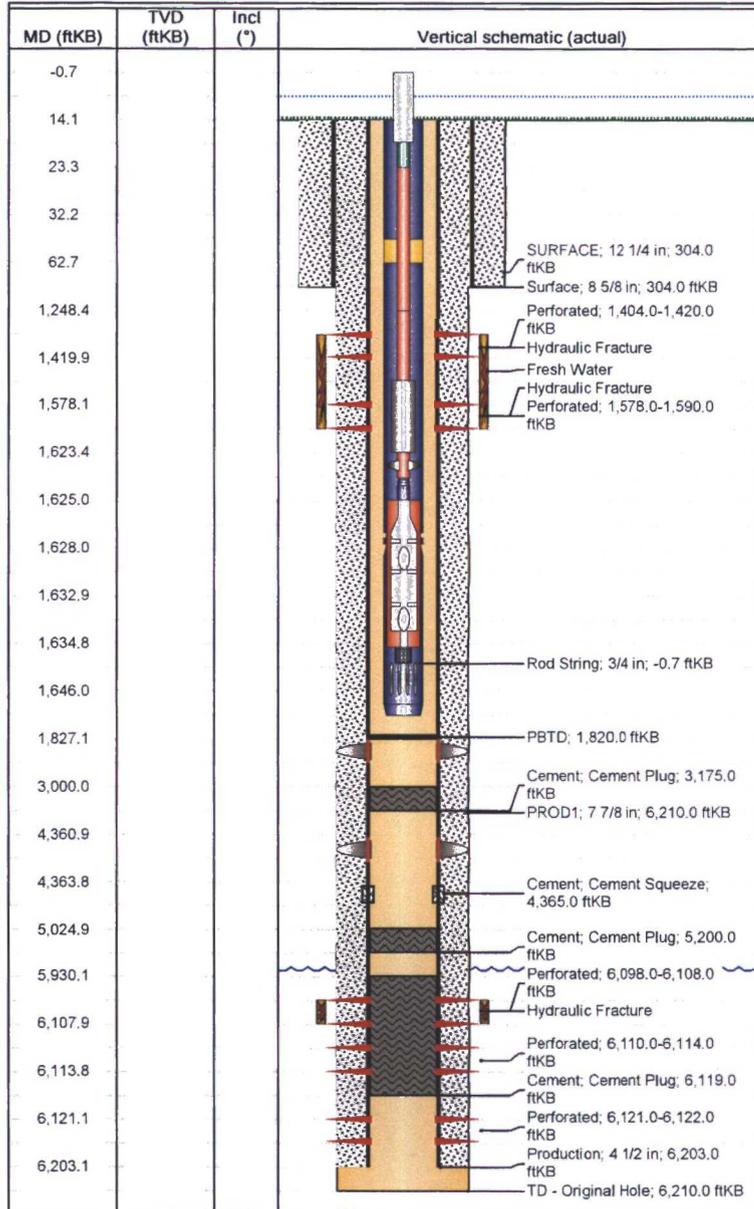
Wellbores			
Wellbore Name Original Hole		Parent Wellbore Original Hole	
Start Depth (ftKB) 14.0		Wellbore API/UWI 30045237820000	
Profile Type		Kick Off Depth (MD) (ftKB)	
Section Des			
Section Des	Size (in)	Act Top (ftKB)	Act Btm (ftKB)
SURFACE	12 1/4	14.0	304.0
PROD1	7 7/8	304.0	6,210.0
Zones			
Zone Name	Top (ftKB)	Btm (ftKB)	Current Status
Fruitland Coal	1,404.0	1,590.0	
Dakota	6,098.0	6,122.0	
Casing Strings			
Csg Des	Set Depth (ftKB)	OD (in)	Wt/Len (lb/ft) Grade
Surface	304.0	8 5/8	24.00 K-55
Production	6,203.0	4 1/2	10.50 K-55
Cement			
Des	Type	String	
Surface Casing Cement	Casing	Surface, 304.0ftKB	
Production Casing Cement	Casing	Production, 6,203.0ftKB	
Cement Squeeze	Squeeze	Production, 6,203.0ftKB	
Cement Plug	Plug	Production, 6,203.0ftKB	
Tubing Strings			
Tubing Description Tubing - Production		Run Date 11/19/2009	Set Depth (ftKB) 1,647.8
Item Des	OD (in)	Wt (lb/ft)	Grade
Tubing	2 3/8	4.70	J-55
Tubing Sub	2 3/8	4.70	J-55
Tubing	2 3/8	4.70	J-55
Seat Nipple	2 3/8		J-55
OEMA	2 3/8	4.70	J-55
Rod Strings			
Rod Description Rod String		Run Date 11/19/2009	Set Depth (ftKB) 1,636.0
Item Des	OD (in)	Wt (lb/ft)	Grade
Polished Rod	1 1/4		
Pony Rod	3/4		
Sucker Rod	3/4		D
Sucker Rod w/Molded Guides	3/4		D
Sinker Bar	1 1/2		K
Spiral Rod Guide	3/4		
RHBO Tool	3/4		
Rod Insert Pump	2		
Strainer Nipple	1		



Downhole Well Profile - with Schematic

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Location T27N-R11W-S01	Spud Date 4/27/1980 00:00	Original KB Elevation (ft) 5,750.00	Ground/Corrected Ground Elevation (ft) 5,736.00	KB-Ground Distance (ft) 14.00



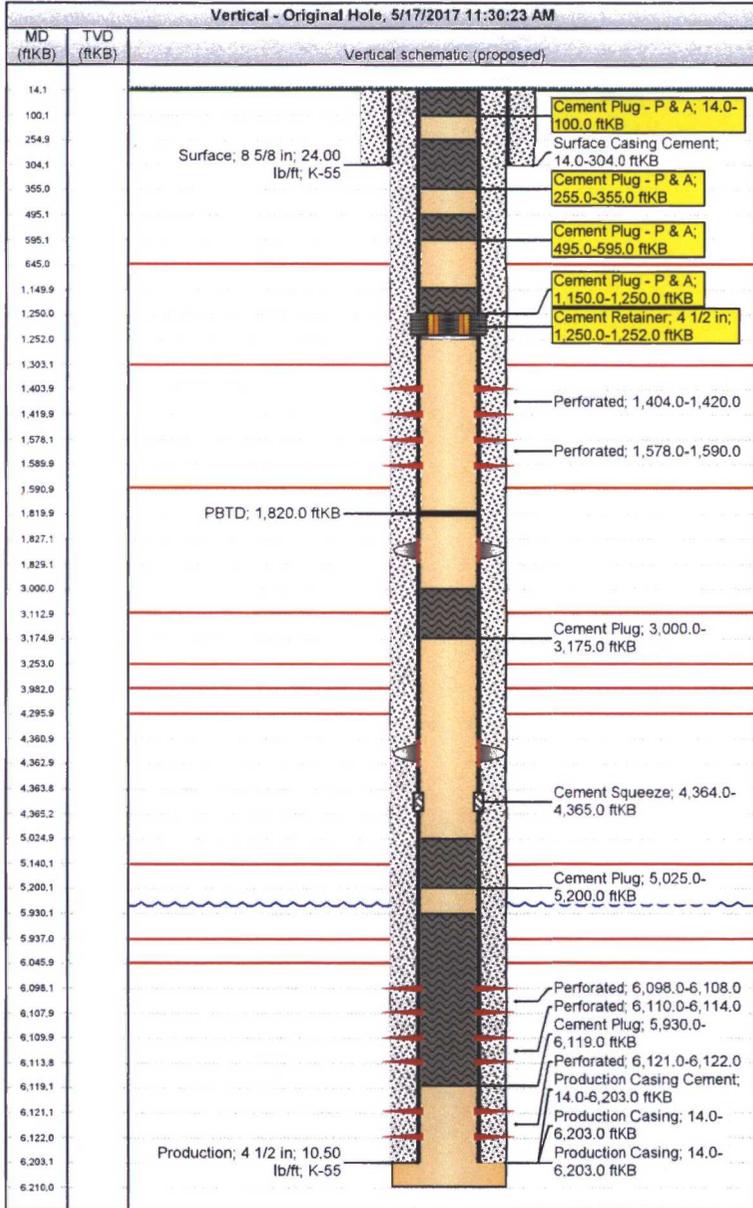
Other In Hole						
Run Date	Des	OD (in)	Top (ftKB)	Btm (ftKB)		
	4 1/2" CIBP		1,815.0	1,820.0		
Perforations						
Date	Top (ftKB)	Btm (ftKB)	Zone			
3/18/1990	1,404.0	1,420.0	Fruitland Coal, Original Hole			
3/18/1990	1,578.0	1,590.0	Fruitland Coal, Original Hole			
6/17/1980	6,098.0	6,108.0	Dakota, Original Hole			
6/17/1980	6,110.0	6,114.0	Dakota, Original Hole			
6/17/1980	6,121.0	6,122.0	Dakota, Original Hole			
Stimulations & Treatments						
Frac #	Top Perf (ftKB)	Bottom Perf (ftKB)	AIR (bbl/min)	MIR (bbl/min)	TWP (bbl)	Total Proppant (lb)
6098	6108					
6110	6114					
6121	6122					
1404	1420					
1578	1590					



XTO - Proposed Wellbore Diagram

Well Name: EH Pipkin 08E

API/UMI 30045237820000	Accounting ID 70848	Permit Number	State/Province New Mexico	County San Juan
Location T27N-R11W-S01	Spud Date 4/27/1980 00:00	Original KB Elevation (ft) 5,750.00	Ground/Corrected Ground Elevation (ft) 5,736.00	KB-Ground Distance (ft) 14.00



Formation Name	Final Top MD (ftKB)	Final Bottom MD (ftKB)
Kirtland	645.0	1,303.0
Fruitland Coal	1,303.0	1,591.0
Pictured Cliffs	1,591.0	3,113.0
Cliff House	3,113.0	3,253.0
Menefee	3,253.0	3,982.0
Point Lookout *	3,982.0	4,296.0
Mancos	4,296.0	5,140.0
Gallup	5,140.0	5,937.0
Greenhorn	5,937.0	6,046.0
Dakota	6,046.0	

Wellbores	
Wellbore Name Original Hole	Parent Wellbore Original Hole
Start Depth (ftKB) 14.0	Kick Off Depth (MD) (ftKB)

Csg Des	Set Depth (ftKB)	OD (in)	Wt/Len (lb/ft)	Grade
Surface	304.0	8 5/8	24.00	K-55
Production	6,203.0	4 1/2	10.50	K-55

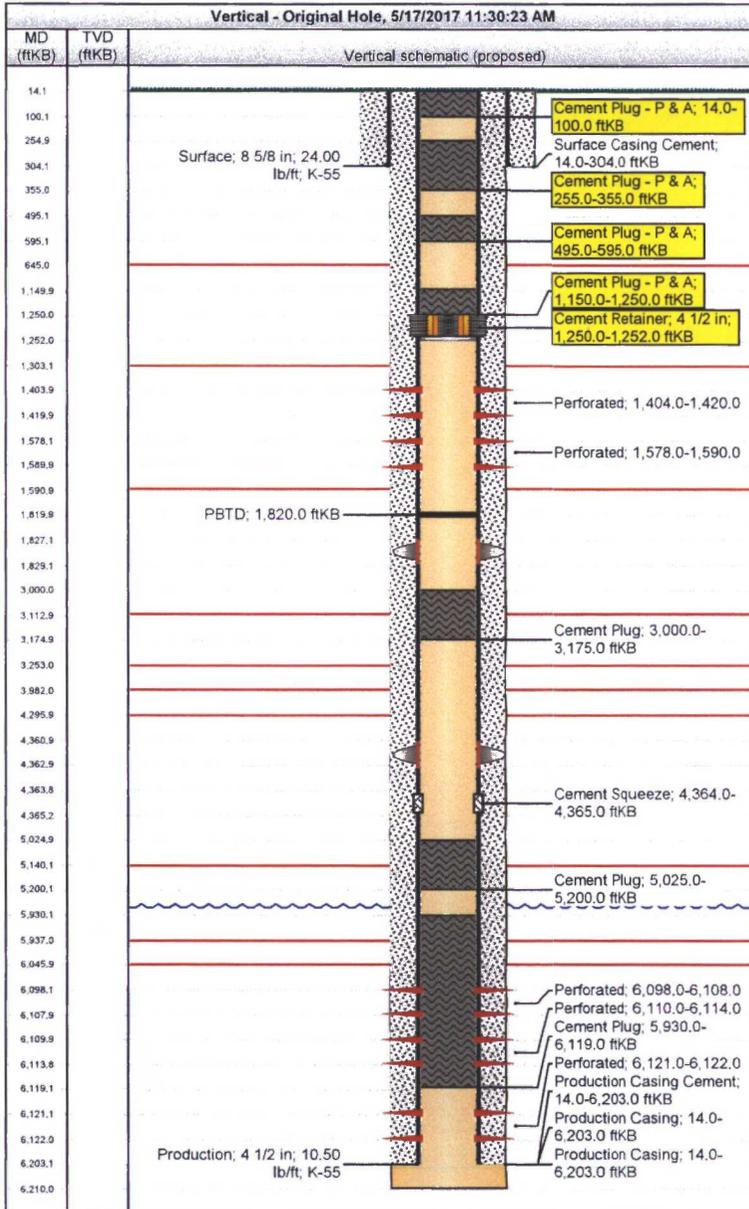
Des	Type	String	Com
Production Casing Cement	Casing	Production, 6,203.0ftKB	
Surface Casing Cement	Casing	Surface, 304.0ftKB	
Cement Plug - P & A	Plug	Production, 6,203.0ftKB	Plug 1: Pump 12 sx f/1,250' to 1,150'
Cement Plug - P & A	Plug	Production, 6,203.0ftKB	Plug 2: Pump 12 sx f/595' to 495'
Cement Plug - P & A	Plug	Production, 6,203.0ftKB	Plug 3: Pump 12 sx f/355' to 255'
Cement Plug - P & A	Plug	Production, 6,203.0ftKB	Plug 4: Pump 12 sx f/100' to surf
Cement Plug	Plug	Production, 6,203.0ftKB	
Cement Squeeze	Squeeze	Production, 6,203.0ftKB	



XTO - Proposed Wellbore Diagram

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Perforations

Date	Top (ftKB)	Btm (ftKB)	Zone
3/18/1990	1,404.0	1,420.0	Fruitland Coal, Original Hole
3/18/1990	1,578.0	1,590.0	Fruitland Coal, Original Hole
6/17/1980	6,098.0	6,108.0	Dakota, Original Hole
6/17/1980	6,110.0	6,114.0	Dakota, Original Hole
6/17/1980	6,121.0	6,122.0	Dakota, Original Hole

Other In Hole

Des	OD (in)	Top (ftKB)	Btm (ftKB)
4 1/2" CIBP		1,815.0	1,820.0
Cement Retainer	4 1/2	1,250.0	1,252.0

OIL CONS. DIV DIST. 3

JUN 09 2017



**Amended Final
Reclamation Plan**

05/31/2017

EH PIPKIN 8E

API 30-045-23782

Lease # NMSF - 078019

Lat: 36.5996 Long: -107.9488

Footage: 950' FSL, 890' FEL

SE/SE Sec.01P, T27N, R11W

San Juan County, NM

1.0 PURPOSE and SCOPE

1.1) The purpose of this document is to ensure final reclamation of associated pad and access roads as required by applicable laws and regulations. Properly performed reclamation procedures are required to preserve Private, Public, Tribal and National Forest lands, mitigating any possible environmental/surface owner issues that could potentially arise. This plan amends and replaces the original approved APD Plan (*Onshore Order #1 Section III.D.4.j*). The plan design is to provide environmentally sound, safe, prudent and specific guidelines for a successful reclamation. Implementation of Best Management Practices assists in returning disturbed soils to a level consistent with the surrounding topography prior to the approved development.

2.0 PRE-RECLAMATION SITE INSPECTION

2.1) A pre-reclamation site inspection with BLM Farmington Field Office (FFO) Authorized Officer (AO) *Randy McKee* and XTO Energy, Inc. representative *Luke McCollum* took place on *05/29/2015*, prior to implementation of the reclamation process to determine contours, silt trap placement, seed mix selection, and weed abatement procedures as well as additional requirements needed to assist in returning the area to applicable pre-disturbance condition.

3.0 PROCEDURES

3.1) Rehabilitation work will be completed within one year from plug date. No new disturbance will be allowed outside current disturbed areas to be reclaimed. Notifications, as

stipulated in the APD, will be provided to proper authorities via sundry notifications, e-mail, or phone within required time frames.

3.2) All fences and associated materials, production equipment, purchaser's equipment, concrete slabs, anchors, flow lines, any associated cathodic materials including wiring and drop pole, debris, and trash will be removed from location and disposed of at approved facilities. Risers, meter run and associated pipeline Right of Way equipment will be removed by the responsible pipeline company.

P&A marker will be placed 4' below the current wash elevation of 5744'+/- @ 5740'+/-.



3.3) *Production pits* will be closed and remediated according to Federal, State, and Local guidelines. Proper notifications will be made according to above regulations as required. Impacted soil discovered during reclamation activities will be remediated and disposed of at an approved waste facility according to above mentioned guidelines and regulations.

3.4) *Available top soil*, typically the top 6", will be stockpiled during reclamation procedures with the top soil being redistributed after completion of earthwork to assist in achieving adequate vegetation growth.

3.5) *Non-native Gravel* on location will be removed and/or may be placed/buried in cut areas to assist in contouring or, with AO approval, used on surrounding lease roads for road stabilization. (*Non-native gravel may be buried or spread on existing roads in area as determined during onsite inspection.*)

3.6) Disturbed areas, approximately 0.60 acres, will be returned (as close as possible), weather permitting, to pre-disturbance topography. The removal of sharp angular corners and redefinition of natural drainage will be priority allowing for additional contouring, as needed, to aid in erosion control. Reclaimed areas will be ripped to depths of a minimum of 12" (inches), leaving the surface as rough as necessary, to provide sufficient root establishment, growth, and stabilization of disturbed areas.

3.7) Access roads not required will be reshaped, reclaimed and contoured as close as possible to surrounding Top soil, typically the top 6", preserved during reclamation procedures will be pulled up and redistributed after completion of earthwork to assist in achieving adequate vegetation growth

3.8) Seeding will be accomplished, following proper agency notifications, with recommended procedures. Appropriate certified weed free seed mixes (*determined during onsite inspection*) will be used. *The seed mixture will consist of Alkali Sacaton, Big Sagebrush, Bottlebrush squirreltail, Fourwing saltbush, Galleta, Indian ricegrass, Mormon Tea, Sand Dropseed, Shadscale and Winterfat chosen during the onsite as preferred seed mix for this location.* Seed will be distributed via appropriate rates and methods as dictated by topography and soil composition of reclaimed areas. Additional methods, as dictated by reclaimed topography, may be utilized to control runoff and assist in establishing growth.

3.9) Fencing, signage, and other deterrents will be installed when deemed necessary to discourage travel on reclaimed areas. (*Installation of security fence, approx. 200' or natural topography and road bar ditch will be utilized to isolate recreational traffic from reclaimed areas*).

4.0 ARCHAEOLOGICAL CONCERNS

4.1) Disturbance activity outside approved areas will require additional BLM approval and may require an additional survey.

4.2) All employees will be educated on the importance of cultural site preservation and legalities of disturbing cultural sites.

4.3) If any culturally sensitive areas are unearthed during the reclamation process work will be immediately suspended with the incident reported to the BLM. The BLM will then notify XTO how to proceed.

5.0 THREATENED AND ENDANGERED SPECIES (T&E)

5.1) Discovery of T&E not previously surveyed during reclamation activities will immediately suspend all activities and the BLM T&E Specialist will be promptly notified.

6.0 WILDLIFE RESTRICTIONS

6.1) Closures and restrictions specified in the APD, if applicable, will be strictly adhered to.

7.0 PALEONTOLOGY

7.1) Unknown paleontology discoveries during the reclamation process will immediately halt activities and the BLM AO will be notified. XTO will standby for further instructions.

8.0 ABANDONMENT MARKER

8.1) A “Below Grade” P&A marker will be placed at least 4’ below the current wash elevation of approximately 5,544’ +/- @ 5,540’ +/- . The below grade marker is necessary due to potential erosion of the current location by the Kutz Wash. There has been approximately 160’ of bank lost from erosion since 2013.

9.0 WEED MANAGEMENT

9.1) Use of approved pesticides/herbicides shall be according to applicable Federal, State, Tribal and local laws. Management of Invasive and Noxious Weeds, as listed on the BLM Noxious and Invasive list, will be dealt with in a prompt and environmentally safe manner. Noxious or invasive weeds will be eradicated using pesticides/herbicides appropriate for the type of weed found and seed mixes used on reclaimed areas. Pesticide/herbicide use shall be approved by BLM Specialist prior to application. Emergency pesticide/herbicide use shall be approved by BLM Specialist prior to application. Proper authorities will be notified at times specified by BLM with required information regarding pesticide use plans (PUPs), spraying procedures and types of weeds found. *(No noxious or invasive weeds were identified during onsite. Monitoring will continue during life of project as required by laws, rules and regulations).*

10.0 MONITORING

10.1) Post attainment of reclamation approval; growth monitoring will be conducted and recorded as required until appropriate growth is accomplished.

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

OIL CONS. DIV DIST. 3
JUN 09 2017

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: E.H. Pipken # 8E

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.

- a) Set Plug #1 (1354'-1254') ft. to cover the Fruitland top. BLM picks top of Fruitland at 1302 ft.
- b) Set Plug #2 (700'-480') ft. To cover both Kirtland and the Ojo Alamo top. BLM picks top of Kirtland at 650' and the Ojo Alamo at 530' ft.

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.