Form 3150-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT



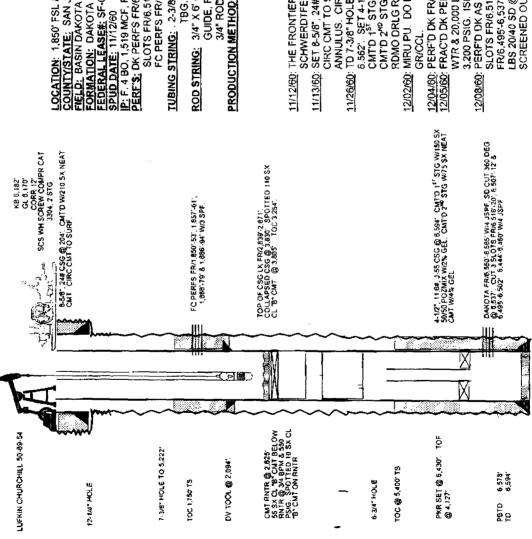
FORM APPROVED OMB NO. 1004-0137 Expires March 31, 2007

Expires Marci

BORDACOI			" TIIF "	6. Lease Serial No.	
SUNDRY NOTICES AND REPORTS ON WELLS			NMSF080382A 6. If Indian, Allottee or Tribe Name		
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.				o. Himman, Anonec or True Hame	
SUBMIT IN TRIPLICATE - Other instructions on reverse side			7. If Unit or CA/Agreement, Name and/or No		
1. Type of Well Oil Well X Gas Well Other				8. Well Name and No. SCHMENDTFRGER #2	
2. Name of Operator				SCHMERDIFNGER #2	
XTO Energy Inc.			9. API Well No.		
). Phone No. (include ar	ea code)	30-045-06666	
2700 Farmington Ave., Bldg. K. Ste 1 Farmington, 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		505-324-1090		10. Field and Pool, or Exploratory Area BASIN FRUITLAND COAL	
1850' PSL & 790' FEL SEC 8-T27N-R1			BESIN FROLING COM		
7020 EST @ 120 EST PEC 0-1714-1772 7				11. County or Parish, State	
			SAN JUAN NM		
12. CHECK APPROPRIATE	BOX(ES) TO INDIC	ATE NATURE OF	NOTICE, REP	ORT, OR OTHER DATA	
TYPE OF SUBMISSION		TY	PE OF ACTION		
X Notice of Intent	Acidize	Deepen	Production	(Start/Resume) Water Shut-Off	
A Profice of Intern		Fracture Treat	Reclamation		
Subsequent Report	Alter Casing	=	Ħ	= = = = = = = = = = = = = = = = = = = =	
	Casing Repair	New Construction	Recomplet		
Final Abandonment Notice	Change Plans	X Plug and Abandon	Temporari	y Abandon	
	Convert to Injection	Plug Back	Water Disp	oosal	
testing has been completed. Final Abandonment I determined that the final sate is ready for final inspectation. The Energy Inc. plans to plug & a second for the sate of the s	water. ND WH & NO code & pmp. TCH w/6 300' - 1750'): TTH does not tst, spo FC perfs. 4.) Pluga holes if csg ps as co/side csg & cf 3 sqz holes at der CR into sqz ho is Csg shoe & surf & pmp approx 75s ow surf csg flange	per the following per the following per the following per the following per to tag shapped per t	tst BOP. 2 tbg, ttl 196 t at 1800'. ugs as appro- 630' - 1530' CR at 1580' ccsg. TOH vest rate into '5 soc Cmt, so urf 3 sqz hol csg to circ	De tog & rls pmp. Reseat of. ID tog & PU wrkstrng. Load csg w/water & circ op. Mix 5 sx Type III cmt & ref 3 sqz holes at Est rate under CR into sqz w/tbg. 5.) Plug #3 (Krtld & ref 58 sx o/side csg & lv 17 les at 254'. Est circ out EH good cmt out EH. SI well &	
 I hereby certify that the foregoing is true and correct Name (Printed/Typed) 	14. I hereby certify that the foregoing is true and correct Name (Printed Typed)				
LORRI D. BINGHAM		REGUL	ATORY COMPLI	ANCE TECH	
Am Agua	W.	Date 5/3/06			
/	S SPACE FOR FEDE	RAL OR STATE OF	FICE USE		
Approved by Wh		Title P	'E	Date MAY 1 2006	
Conditions of approval, if any, are attached. Approval of certify that the applicant holds legal or equitable title to which would entitle the applicant to conduct operations to	those rights in the subject	ant or Office	00		

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

SCHWERDTFEGER #2 WELLBORE DIAGRAM



LOCATION: 1,850' FSL & 790' FEL, UNIT I, SEC 8, T 27 N, R 11 W COUNTY/STATE: SAN JUAN COUNTY, NM

FORMATION: DAKOTA
FEDERAL LEASE#: SF-080382A API#: 30-045-06666 XTO WELL#: 78482
SPUD DATE: 11/12/60
CONPLETION DATE: 11/26/60
PSIG. SICP 900 PSIG. 22/64" CK, 24 HRS
PERFS: DK PERFS FR6,550-6,565" W/4 JSPF, SD CUT 360 DEG @ 6,537". CUT 3
SLOTS FR/6,516"-20", 6,507"-12" & 6,495"-6,502". 6,444"-6,460" W/4 JSPF.

FC PERFS FR/1,850-53, 1,857-61, 1,868: 79' & 1,886-94' W/3 SPF

TUBING STRING: 2-3/8" X 30' OEMA W/1/4" WEEP HOLE, SN & 62 JTS 2-3/8"
TBG. SN @ 1.898: EOT @ 1,928:

ROD STRING: 3/4" X 6' GAC, 2" X 1-1/2" X 12' RWAC-Z (DV), SPIRAL ROD
GUIDE, RHBO TL, 1" X 1" LS, 76 – 3/4" NORRIS GR "D" RODS, 3-3/4" ROD SUBS (8', 6' & 4') & 1-1/4" X 16' PR W/8' LNR.

PRODUCTION METHOD:

HISTORY

11/12/60: THE FRONTIER REFINING COMPANY SPUDDED THE SCHWERDTFEGER #2-D. TD 12-1/4" HOLE @ 226".

11/13/60; SET 8-5/8", 24# CSG @ 204", CMT'D W/175 SX NEAT CMT. DID NOT CIRC CMT TO SURF. TIH W//" TBG. PPD 35 SX NEAT CMT DWN

ANNULUS, CIRC CMT TO SURF.

TO 7-3/8" HOLE @ 5,222 & 6-3/4" HOLE @ 6,660'. CORED FR/6,406-6,562'. SET 4-1/2", 11.6#, J-55 CSG @ 6,594'. DV TOOL @ 2,094'. CMT'D 1-5 STG W/150 SX 50/50 POZMIX W/2% GEL. TOC 5,400' TS. CMT'D 2"0 STG W/75 SX NEAT CMT W/4% GEL. TOC @ 1,750' TS.

12/02/60: MIRU PU. DO DV TOOL @ 2,094". CO TO PBTD @ 6,578". RAN RDMO DRLG RIG.

12/04/60; PERF'D DK FR/6,550°-6,565° W/4 JSPF. 12/05/60; FRAC'D DK PERF'S FR/6,550°-65' DWN CSG W/40,000 GALS, 1% CACL2

FR6.495-6,537' DWN CSG W/28,000 GALS, 1% CACL2 WTR & 25,000 LBS 20/40 SD @ 33.6 BPM. MTP 4,200 PSIG, MIN TP 2,900 PSIG. WELL 1208/60: PERFD DK AS FOLLOWS: SD CUT 360 DEG SLOT @ 6,537; CUT 3 SLOTS FRIG. BF Re G. 537; CUT 3 SLOTS FRIG. 516*-20; 6,507*-12* 8,6495*-6,502; FRACID DK SLOTS FRIG. 516*-20; 6,507*-12* 8,6495*-6,502; FRACID DK SLOTS FRIG. 516*-20; 6,507*-12* 8,6495*-6,502; FRACID DK SLOTS

SCREENED OUT

SCHWERDTFEGER #2

WELLBORE DIAGRAM

12/11/60: SET BP @ 6.478; DID NOT HOLD. SET BP @ 6.475; PERF'D DK FR/6.444*6,460' W/4 JSPF. FRAC'D DK PERF'S FR/6,444*6,460' DWN CSG W/36,000 GALS, 1% CACL2 WTR & 18,000 LBS 20/40 SD @ 33.5 BPM & 3,300 PSIG. ISIP 2,200 PSIG.

12/15/60; DO BP @ 6,475; 6,478 & 6,542; LANDED 3-3/4" BIT, BIT SUB & 207 JTS 2-3/8", 4.7# J-55, BRD, EUE TBG @ 6,427;

01/26/61: IP DK: SITP 2,000 PSIG, SICP 2,200 PSIG. F. 4 BO, 1,519 MCF, FTP 600 PSIG, SICP 900 PSIG, 22/64" CK, 24 HRS. 06/22/61: FIRST DEL WELL TO EPING.

04/18/69: HUSKY OIL CO ASSUMED OPERATORSHIP OF WELL. 01/18/69: MIRU PU. TOH W/TBG. TIH W/BAKER MODEL "G" PKR. 1 JT 2-3/8" TBG, SN & 206 JTS 2-3/8" TBG. PKR SET @ 6,430'. SN SET @ 6,427'.

36/28/84; MARATHON OIL COMPANY ASSUMED OPERATORSHIP OF WELL. RDMO PU.

02/18/91: A. DK PERF'S FR/6,444"-6,565' W/FOAMED ACID @ 2 BPM & 2,450 PSIG. ISIP 2,500 PSIG, 15" SIP 2,150 PSIG.

90122196; MIRU SL. RIH WIRHP GAUGE. BHP 2,643 PSIG @ 6,400°, RDMO SL.
10/14/97; MIRU PU. TOH W/63 JTS TBG. TIH W/CSG SWAGE, BS. JARS, DC'S &
TBG TO TIGHT SPOT @ 3,597.

10/15/97; CIRC OUT FILL TO 3,794°. TOH W/TBG & BHA. TIH W/3-7/8 BLADE BIT,
BS. JARS, DC'S & TBG. DO FR/3,794°-3,830°. CIRC STEEL SHAVINGS
TO SURF. TOH TO 1,500°.

10/16/97: TOH W/TBG & BHA. TIH W/4-1/2° PKR & TBG. ISOLATED TOP OF CSG
LK FR2,839°-2,871°. TOH W/TBG & PKR. TIH W/OE TBG TO 3,805°.
CIRC WELLBORE. SPOTTED 110 SX CL."B" CMT. TOH W/TBG TO

2,775. CIRC CMT OUT. TOH TO 600.
11H & TGD TOC @ 3,254". TOH. EIR @ 3/4 BPM & 300 PSIG. TIH W/41/2" CMT RNTR & TBG TO 2,825". SET RNTR @ 2,825". PPD 55 SX CL
"B" CMT BELOW RNTR @ 3/4 BPM & 550 PSIG. SPOTTED 10 SX CL "B"
CMT ON RNTR. TOH & LD TBG. 10/17/97:

ROMO PU. 0/18/97:

10/26/98; MIRU PU. PU & TIH W/TBG TO 2,300". CIRC 42 BBLS CORROSION INHIBITOR. PRESS TST'D CSG TO 550 PSIG. HELD OK. TOH & LD TBG. RDMO PU

39/10/01: MIT. PRESS TST'D CSG TO 700 PSIG FOR 30". HELD OK

02/10/102; XTO ASSUMED OPERATORSHIP OF WELL. 03/1004; RAN SBT LOG FR/2,502° TO 1,600°. TOC @ 1,780°. RAN CNL LOG FR/2,508°-200°. RAN MTT/MSC LOGS FROM 2,507°-40°. 04/01/04: SET 4-1/2" RBP @ 1,980°. PT CSG TO 700 PSIG FOR 30°, HELD OK.

DUMP BAILED 5 GALS OF SD ON TOP OF RBP. PERFD FC W/3-1/8" CSG GUN FR/1,894" - 86', 1,879' - 68', 1,861' - 57' & 1,853' - 50' W/3 JSPF (OWEN 0.49" EHD, 78 HOLES)

20# DELTA 140 FRAC FLU (BORATE XL SYSTEM) W/SANDWEDGE AND 04/02/04: MIRU PU. TIH W/2-3/8" X 4-1/2" SOT PKR, 2 JTS 2-3/8" N-80 TBG, XO & 55 JTS 2-7/8" TBG. SET PKR @ 1,802" RDMO PU.. 04/07/04: FRACD FC PERFS FR/1,850" - 1,894" DOWN 2 7/8" TBG W/98,862 GALS

MAX TP 3,558 PSIG & 24.9 BPM. ATP 2,940 PSIG & 24.7 BPM. ISIP 1,965 PSIG, 5" SIP 1,251 PSIG, 10" SIP 1,191 PSIG, 15" SIP 1,095 PSIG, 2,334 SANDWEDGE NT, CARRYING 115,000# 20/40 BRADY SD & 20,000# 16/30 BRADY SD. CALLED FLUSH EARLY DUE TO INCREASING PRESSURES ON THE 3 PPG 16/30 STAGE, MAX SD CONC 4.01 PPG. BLWTR.

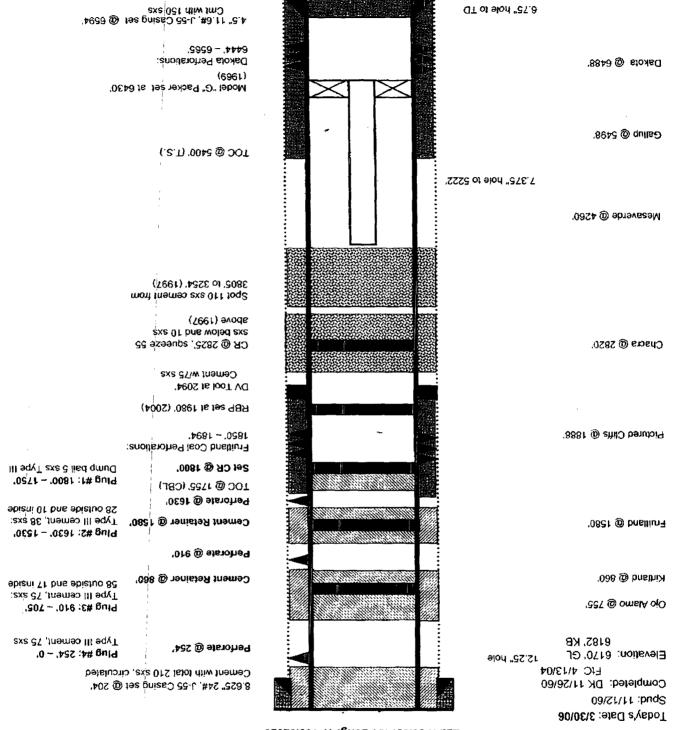
MIRU PU, RLSD 4-1/2" PKR, TOH & LD 55 JTS 2-7/8" TBG, XO, 2 JTS 2-04/08/04:

3/8" N-80 TBG & PKR.
04/09/04: SICP 55 PSIG. TH W/NC, SN & 61 JTS 2-3/8" TBG. TGD SD @ 1.892' (98" FILL). CO SD FR/1,892' - 1,980' (RBP). TOH. TIH & RUSD RBP. TOH. TH W/2-3/8" X 30' OEMA W/1/4" WEEP HOLE, SN & 62 JTS 2-3/8" TBG. SN @ 1.898'. EOT @ 1,928'.

04/13/04: SITP 0 PSIG. SICP 140 PSIG. RU SWB. BFL @ 1,700° FS. S. 0 BO, 5 BLW. 3 HRS, 10 RUNS. FFL @ 1,750° FS. PU 5 JTS 2-3/8". TH TO 2,121°. DID NOT TAG. TOH & LD 5 JTS TBG. LANDED TBG WIDONUT AS FOLLOWS: 62 JTS 2-3/8" 4.7# J-55 EUE 8RD TUBOCRIBE TBG FR/TOOL PUSHERS, SN & 2-3/8" x 31'0EMA. SN @ 1,928". EOT @ 1,960°. ND BOP. NU WH. TIH W/3/4" x 6' GAC, 2" x 1-1/2" x 12' RWAC.z (DV), SPIRAL ROD GUIDE, RHBO TL, 1" x 1"LS, 76 – 3/4" NORRIS GR "D" RODS, 3 – 3/4" ROD SUBS (8', 6' & 4') & 1-1/4" x 16' PR W/8" LNR. PT TBG TO 500 PSIG FOR 5". HELD OK. LS PMP W/RIG. GD PA. HWO. RDMO PU. 04/14/04: SET NEW CHURCHILL 50-89-54 PU W/ARROW C-46 GAS ENG

A&9 besoqor9 Schwerdtfeger #2

Lat: N 36.58743 / Long: W 108.02023 San Juan County, NM, API #30-045-06666 1820, EST' 180, EET' Section 8' T-21-N, R-11-W Basin Fruitland Coal



PBTD 1980' TD 6594.

GT of slori "CT.8

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON FIELD OFFICE 1235 LA PLATA HIGHWAY FARMINGTON, NEW MEXICO 87401

Attachment to notice of

Re: Permanent Abandonment

Intention to Abandon:

Well: 2 Schwerdfeger

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) 599-8907.
- 3. The following modifications to your plugging program are to be made:
- a) Place the Kirtland/Ojo Alamo plug from 930' 720' inside and outside the 4 1/2" casing.

You are also required to place cement excesses per 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.

GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON FIELD OFFICE

- 1.0 The approved plugging plans may contain variances from the following minimum general requirements.
 - 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.
 - 1.2 Requirements may be added to address specific well conditions.
- 2.0 Materials used must be accurately measured. (densimeter/scales)
- 3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.
 - 3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.
- 4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
 - 4.1 The cement shall be as specified in the approved plugging plan.
 - 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.3 Surface plugs may be no less than 50' in length.
 - 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.
- 5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.
 - 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.

BLM CONDITIONS OF APPROVAL

The following surface rehabilitation Conditions of Approval must be complied with as applicable, before this well can be approved for final abandomment (see 43 CFR 3162.3-4). Surface rehabilitation work shall be completed within one year of the actual plugging date. Notification for completion of this work can be submitted with a Sundry Notice.

- 1. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location.
- 2. Production pits will be closed according to the Unlined Surface Impoundment Closure Guidelines, as approved in the Environmental Assessment of December 1993. Any oil stained soils may be remediated on-site according to these guidelines or disposed of in an approved disposal facility.
- 3. The well pad will be shaped to the natural terrain and left as rough as possible. All compacted areas and areas devoid of vegetation shall be ripped to a minimum of 12" before seeding.
- 4. Access roads will be shaped to conform to the natural terrain and left as rough as possible to detour vehicular travel. Access will be ripped to a minimum of 12" in depth and waterbarred prior to seeding. All erosion problems created by the development must be corrected prior to acceptance of release. Waterbars should be spaced as shown below:

% Slopes	Spacing Interval
Less than 20%	200'
2 to 5%	150'
6 to 9%	100'
10 to 15%	50'
Greater than 15%	30'

All water bars should divert to the downhill side of the road.

- 5. All disturbed areas will be seeded with the prescribed certified seed mix (reseeding may be required).
- 6. Notify Surfacing Managing Agency seven (7) days prior to seeding so that they may be present for that option.
- 7. The period of liability under the bond of record will not be terminated until the lease is inspected and the surface rehabilitation approved.

Other SMA's may vary slightly in their restoration requirements. It is your responsibility, as the operator, to obtain surface restoration requirements from other SMA's. We need to be provided with a copy of these requirements. Any problems concerning stipulations received from other SMA's should be brought to us.

On private land, we should be provided with a letter from the fee owner stating that the surface restoration is satisfactory.

- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
- 6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.
 - 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
 - 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.
- 7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H_2S .
- 8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 1235 La Plata Highway, Suite A, Farmington, NM 87401. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.
- 9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.
- 10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.