

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

SUNDRY NOTICES AND REPORTS ON WELLS

JUL 02 2009

Do not use this form for proposals to drill or to re-enter an oil or gas well, or to abandon a well. Use Form 3160-3 (APD) for such proposals.

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)

505-333-3100

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

1735' ENL & 1530' FEL SWNW Sec. 33 (G) - T30N-R10W N.M.P.M.

5 Lease Serial No

NMSF - 078204A

6 If Indian, Allottee or Tribe Name

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

8 Well Name and No

BASSETT 2

9 API Well No

30-045-09074

10 Field and Pool, or Exploratory Area

AZTEC PICTURED CLIFFS

11 County or Parish, State

SAN JUAN NM

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

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☒ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

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 recompleat 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 recompleat 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. proposes to plug and abandoned this well per the attached procedure and wellbore diagrams.

XTO mistakenly submitted this to the NMCD only on 05/15/2009. Please see their attached approved NOI & C144-CLEZ Permit.

RCVD JUL 7 '09
OIL CONS. DIV.
DIST. 314 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

DOLENA JOHNSON

Title REGULATORY COMPLIANCE TECHNICIAN

Signature

Date 07/02/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

JUL 02 2009

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

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.

NMCD 6/27/7

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
Minerals and Natural Resources

Form C-103
June 19, 2008

RECEIVED
JUN 1 10 00 AM
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
REGULATORY COMPLIANCE

WELL API NO. 30-045-09074
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NMSF-078204A
7. Lease Name or Unit Agreement Name: BASSETT
8. Well Number #2
9. OGRID Number 5380
10. Pool name or Wildcat AZTEC PICTURED CLIFFS

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator XTO ENERGY INC.	
3. Address of Operator 382 CR 3100 AZTEC, NM 87410	
4. Well Location Unit Letter G 1734' feet from the NORTH line and 1530' feet from the EAST line Section 33 Township 30-N Range 10-W NMPM NMEN County SAN JUAN	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6092' GL	

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:

REMEDIAL 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. proposes to plug and abandon this well per the attached procedure and wellbore diagrams.

RCUD MAY 19 '09

OIL CONS. DIV.

NOTIFY NMOC AZTEC 24 HOURS PRIOR TO START OF OPERATIONS. DIST. 3

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 Barbara J Conder TITLE REGULATORY CLERK DATE 05/15/2009
Type or print name BARBARA J CONDER E-mail address: barbara_conder@xtoenergy.com PHONE 505-333-3100

For State Use Only

APPROVED BY Kelly G. Pendergast TITLE Deputy Oil & Gas Inspector, District #3 DATE 5/21/09

Conditions of Approval (if any). PLACE THE KIRTLAND / OJO ALAMO PLUG FROM 1498' - 1232'.

ADJUST CEMENT VOLUME ACCORDINGLY.

PLUG AND ABANDONMENT PROCEDURE

August 11, 2008

Bassett #2

~~1735'~~ Aztec Pictured Cliffs
~~4775'~~ FNL and 1530' FEL, Section 33, T30N, R10W
San Juan County, New Mexico / API 30-045-~~20000~~
Lat: _____ / Lat: _____

Note. All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class G, mixed at 15 8 ppg with a 1.15 cf/sx yield

1. This project requires the Operator to obtain an approved 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 X, Unknown _____
Tubing Yes X, No _____, Unknown _____, Size 1.25", Length 2565'
Packer Yes _____, No X, Unknown _____, Type _____
If well has rods or a packer, then modify the work sequence in Step #2 as appropriate
4. **Plug #1 (Pictured Cliffs perforations and Fruitland top, 2494' – 2089')**: PU and TIH with 3 5" wireline CIBP, set at 2494'. Load casing above the CICR with water and circulate well clean. Pressure test casing to 800#. *If casing does not test, spot or tag subsequent plugs as appropriate* Mix and pump 20 sxs Class G cement above CICR to isolate the PC and Fruitland intervals. TOH.
5. **Plug #2 (Kirtland and Ojo Alamo tops, 1498' – ~~1204'~~ 1132')**: Perforate 3 squeeze holes at 1498' Attempt to establish rate into squeeze holes if the casing pressure tested. Set 3 5" cement retainer at 1448'. Establish rate into squeeze holes. Mix and pump 73 sxs Class G cement, squeeze 62 sxs outside the 5.5" x 7.875" casing annulus and leave 11 sxs inside the casing to cover through the Ojo Alamo top. TOH and LD tubing.
6. **Plug #3 (8.625" Surface Casing, 152' – Surface)**: Perforate 3 squeeze holes at 152'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 60 sxs cement and pump down the 3 5" casing to circulate good cement out bradenhead. Shut in well and WOC.
7. ND cementing valves and cut off wellhead. Top off casings with cement as necessary. Install P&A marker to comply with regulations. RD, MOL, cut off anchors, and restore location.

Bassett #2

Current

Aztec Pictured Cliffs

735'

4775' FNL, 1530' FE L, Section 33, T-30-N, R-10-W,

San Juan County, NM / API #30-045-00330

Lat _____ / Long _____

Today's Date 8/11/08

Spud 4/15/52

Completed 5/9/52

Elevation 6087' GI
6090' KB

12 25" hole

TOC at surface, (75% Calc), no
report of cement circulating

8 625" 24# J-55 Casing set @ 102'
Cement with 75 sxs (Circulated to Surface)

Ojo Alamo @ 1344' *est

Kirtland @ 1448' *est

1 25" tubing at 2565'
(75 joints, SN @ 2533')

5 5" TOC @ 1897' (Calc, 75%)

Fruitland @ 2139' *est

7 875" hole

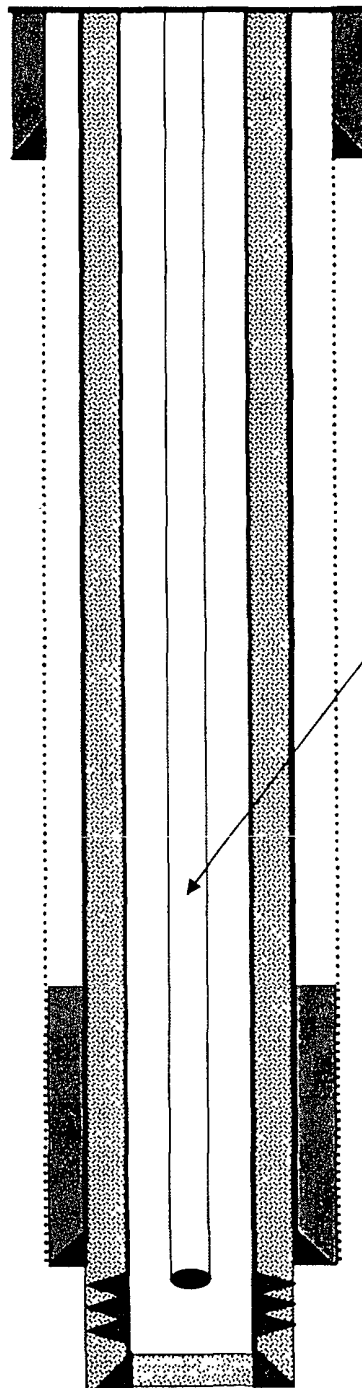
5.5", 14#, H-40 Casing set @ 2538'
Cement with 125 sxs (148 cf)

Pictured Cliffs @ 2535'

Pictured Cliffs Perforations
2544' - 2578'

4 75" hole

3 5", 9 2#, J-55 Casing set @ 2613'
Cement with 180 sxs (289 cf)



TD 2630'
PBD 2580'

Bassett #2 Proposed P&A

Aztec Pictured Cliffs

136'

1775' FNL, 1530' FE L, Section 33, T-30-N, R-10-W,

San Juan County, NM / API #30-045-00330

Lat _____ / Long _____

Today's Date 8/11/08

Spud: 4/15/52

Completed: 5/9/52

Elevation 6087' GI
6090' KB

12 25" hole

Nacimiento @ surface *est

Ojo Alamo @ 1344' *est

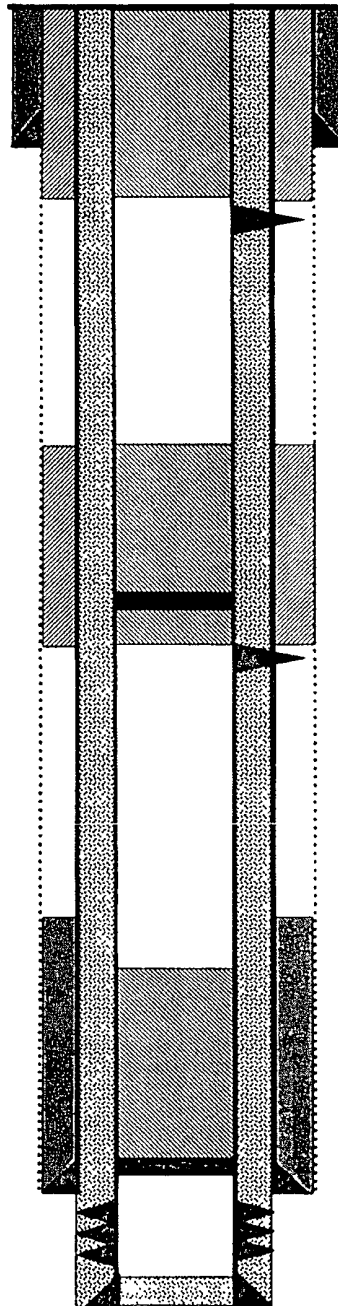
Kirtland @ 1448' *est

Fruitland @ 2139' *est

7 875" hole

Pictured Cliffs @ 2535'

4 75" hole



TOC at surface, (75% Calc), no
report of cement circulating

8 625" 24# J-55 Casing set @ 102'
Cement with 75 sxs (Circulated to Surface)

Perforate @ 152'

Plug #3: 152' - 0'
Class G cement, 60 sxs

Plug #2: 1498' - 1294'
Class G cement, 73 sxs
11 inside and 62 outside

Cmt Retainer @ 1448'

Perforate @ 1498'

5 5" TOC @ 1897' (Calc, 75%)

Plug #1: 2494' - 2089'
Class G cement, 20 sxs

Set CIBP @ 2494'

5.5", 14#, H-40 Casing set @ 2538'
Cement with 125 sxs (148 cf)

Pictured Cliffs Perforations.
2544' - 2578'

3 5", 9 2#, J-55 Casing set @ 2613'
Cement with 180 sxs (289 cf)

TD 2630'
PBD 2580'

District I.
1625 N. French Dr., Hobbs, NM 88240
District II.
1301 W. Grand Avenue, Artesia, NM 88210
District III.
1000 Rio Brazos Road, Aztec, NM 87410
District IV.
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144 CLEZ
July 21, 2008

For closed-loop systems that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, submit to the appropriate NMOCD District Office.

3571

Closed-Loop System Permit or Closure Plan Application

(that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

Type of action: ☒ Permit ☐ Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

Operator	XTO ENERGY INC.	OGRID #	5380	RCVD MAY 19 '09					
Address	382 CR 3100 AZTEC, NM 87410	OIL CONS. DIV.							
Facility or well name	BASSETT #2	DIST. 3							
API Number	30-045-09074	OCD Permit Number							
U/L or Qtr/Qtr	G	Section	33	Township	30-N	Range	10-W	County	SAN JUAN
Center of Proposed Design	Latitude	36.77120	Longitude	107.88600	NAD	<input checked="" type="checkbox"/> 1927	<input type="checkbox"/> 1983		
Surface Owner	<input type="checkbox"/> Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Tribal Trust or Indian Allotment								

<input checked="" type="checkbox"/> Closed-loop System: Subsection H of 19.15.17.11 NMAC
Operation: <input type="checkbox"/> Drilling a new well <input type="checkbox"/> Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) <input checked="" type="checkbox"/> P&A
<input checked="" type="checkbox"/> Above Ground Steel Tanks or <input type="checkbox"/> Haul-off Bins

Signs: Subsection C of 19.15.17.11 NMAC	RECEIVED B9C
<input type="checkbox"/> 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	JUN 19 2009
<input checked="" type="checkbox"/> Signed in compliance with 19.15.3.103 NMAC	

Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC	REGULATORY COMPLIANCE
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.	
<input checked="" type="checkbox"/> Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC	
<input checked="" type="checkbox"/> Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC	
<input checked="" type="checkbox"/> Closure Plan (Please complete Box 5) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC	
<input type="checkbox"/> Previously Approved Design (attach copy of design)	API Number
<input type="checkbox"/> Previously Approved Operating and Maintenance Plan	API Number

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)	
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.	
Disposal Facility Name: BASIN DISPOSAL	Disposal Facility Permit Number: NM01-005
Disposal Facility Name: IEI	Disposal Facility Permit Number: NM01-0010B
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations?	
<input type="checkbox"/> Yes (If yes, please provide the information below) <input checked="" type="checkbox"/> No	
Required for impacted areas which will not be used for future service and operations	
<input type="checkbox"/> Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC	
<input type="checkbox"/> Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC	
<input type="checkbox"/> Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC	

Operator Application Certification.	
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.	
Name (Print): BARBARA CONDER	Title: REGULATORY CLERK
Signature: <i>Barbara Conder</i>	Date: 05/15/2009
e-mail address: barbara_conder@xtoenergy.com	Telephone: 505-333-3100

7
OCD Approval: ☒ Permit Application (including closure plan) ☐ Closure Plan (only)
OCD Representative Signature: Bob Bell Approval Date: 6-18-09
Title: Environ Spec OCD Permit Number: _____

8
Closure Report (required within 60 days of closure completion): Subsection K of 19 15.17.13 NMAC
Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.
☐ Closure Completion Date: _____

9
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:
Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.
Disposal Facility Name _____ Disposal Facility Permit Number _____
Disposal Facility Name _____ Disposal Facility Permit Number _____
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations?
☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No
Required for impacted areas which will not be used for future service and operations
☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

10
Operator Closure Certification.
I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.
Name (Print): _____ Title: _____
Signature: _____ Date: _____
e-mail address: _____ Telephone: _____

XTO Energy Inc.
San Juan Basin
Closed-Loop System Design and Construction Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the design and construction of closed-loop systems on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all closed-loop systems. A separate plan will be submitted for any closed-loop system which does not conform to this plan.

General Plan

Our closed-loop system will not entail a drying pad, temporary pit, below grade tank or sump. It will entail an above ground tank suitable for holding the cuttings and fluids for rig operations. The tank will be of sufficient volume to maintain a safe free board between disposal of the liquids and solids from rig operations.

1. Fencing is not required for an above ground closed-loop system.
2. It will be signed in compliance with 19.15.3.103 NMAC.

XTO Energy Inc.
San Juan Basin
Closed-Loop Systems Maintenance and Operating Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the operation and maintenance of closed-loop systems on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all closed-loop systems. A separate plan will be submitted for any closed-loop system which does not conform to this plan.

General Plan

The closed-loop tank will be operated and maintained; to contain liquids and solids, to aid in the prevention of contamination of fresh water sources, in order to protect public health and the environment. To attain the goal the following steps will be followed:

1. The liquids will be vacuumed out and disposed of at the Basin Disposal, Inc. facility (Permit Number NM01-005). An alternative if available for liquids disposal, will be to move the liquids forward to a XTO temporary pit constructed in accordance with all specifications in NMAC Rule 19.15.17 for a well yet to be drilled. All specifications, limitations, and rules within the New Mexico Administrative Code regulating this transfer of liquids will be strictly adhered to. As a third alternative, if Basin Disposal turns away the fluids because of capacity reasons, and the second transfer option is not available, XTO may elect to haul fluids to IEI (Permit Number NM01-0010B) for final disposition.
2. Solids in the closed-loop tank will be vacuumed out and disposed of at Envirotech (Permit Number NM01-0011) or IEI (Permit Number NM01-0010B) on a periodic basis to prevent over topping.
3. No hazardous waste, miscellaneous solids, waste, or debris will be discharged into, or stored in the tank. Only fluids or cutting used or generated by rig operations will be placed or stored in the tank.
4. The division district office will be notified within 48 hours of the discovery of compromised integrity of the closed-loop tank. Upon discovery of the compromised tank, repairs will be enacted immediately.
5. All of the above operations will inspected and a log will be signed and dated daily during rig operations.

XTO Energy Inc.
San Juan Basin
Closed-Loop System Closure Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the closure requirements of closed-loop systems on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all closed-loop systems. A separate plan will be submitted for any closed-loop system which does not conform to this plan.

General Plan

XTO will close a drying pad used for a closed-loop system within six months from the date that XTO released the drilling or workover rig. XTO will note the date of the drilling or workover rig's release on form C-105 or C-103, filed with the division, upon the well's or workover's completion.

The closed-loop tank will be closed in accordance with 19.15.17.13 NMAC. This will be done by transporting cuttings and all remaining sludges to Envirotech (Permit Number NM01-0011) or IEI (Permit Number NM01-0010B) immediately following rig operations.

All remaining liquids will be transported and disposed of at the Basin Disposal, Inc facility (Permit Number NM 01-005). As an alternative (in the event Basin Disposal refused liquids because of capacity considerations, and if proper inventory space is available for liquids transfer while meeting free board requirements), the liquids will be moved forward to a XTO temporary pit constructed in accordance with all specifications in NMAC Rule 19.15.17 for a well yet to be drilled. All specifications, limitations, and rules within the New Mexico Administrative Codes regulating this transfer of liquids will be strictly adhered to. As a third alternative, if Basin Disposal turns away the fluids because of capacity reasons, and the second transfer option is not available, XTO may elect to haul the fluids to IEI (Permit Number 01-0010B) for final disposition.

The tanks will be removed from the location as part of the rig move. At the time of well abandonment the site will be reclaimed and re-vegetated to pre-existing conditions when possible.