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

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

Form C-103
June 19, 2008

WELL API NO. 30-045-24081
5. Indicate Type of Lease   STATE ☒   FEE ☐
6. State Oil & Gas Lease No.

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, NEW MEXICO 87410

4. Well Location

7. Lease Name or Unit Agreement Name:
SKELLY GAS COM

8. Well Number
#1E

9. OGRID Number

10. Pool name or Wildcat
BASIN DAKOTA

Unit Letter ___O___ : ___1080___ feet from the ___SOUTH___ line and ___1830___ feet from the ___WEST___ line

Section ___32___   Township ___29N___   Range ___10W___   NMPM   County ___SAN JUAN___

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
5677' GR

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒		REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐		COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐		CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER: ☐		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.

Notify NMOCD 24 hrs
prior to beginning
operations

RCVD DEC 18 '09
OIL CONS. DIV.
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 *Teena M. Whiting*   TITLE REGULATORY COMPLIANCE TECH   DATE 12/18/2009

teena_whiting@xtoenergy.com

Type or print name TEENA M. WHITING   E-mail address: _____   PHONE 505-333-3100

For State Use Only

APPROVED BY *Kelly G. Route*   TITLE Deputy Oil & Gas Inspector, District #3   DATE DEC 3 0 2009

Conditions of Approval (if any): BRING THE TOP OF PLUG #4 TO 2802' TO ISOLATE THE CHACRA TOP

PLUG AND ABANDONMENT PROCEDURE

December 3, 2009

Skelly Gas Com #1E

Basin Dakota

1080' FSL & 1830' FEL, Section 32, T29N, R10W, San Juan County, New Mexico

API 30-045-24081/ Lat. _____ Long: _____

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 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 _2.375"_ , Length _6178'_ ;
   Packer Yes _____ , No __X__ , Unknown _____ , Type _____ .
   If this well has rods or a packer, then modify the work sequence in step #2 as appropriate

4. **Plug #1 (Dakota perforations and top, 6200' – 6100'):** RIH and tag existing CIBP at 6200'. Load casing with water and circulate well clean. Pressure test casing to 500#. *If casing does not test, then spot or tag subsequent plugs as necessary.* Mix 12 sxs cement and spot a plug inside casing above the CIBP to isolate the Dakota interval. PUH.

5. **Plug #2 (Gallup top, 5450' – 5350'):** Mix 12 sxs cement and spot a balanced plug inside casing to cover the Gallup top. PUH.

6. **Plug #3 (Mesaverde top, 3591' – 3491'):** Mix 12 sxs cement and spot a balanced plug inside casing to cover the Mesaverde top TOH with tubing.

7. **Plug #4 (Chacra top, 3010 – ~~2940'~~ 2802):** Perforate 3 squeeze holes at 3010'. Attempt to establish rate into squeeze holes if the casing pressure tested Set 4 5" CR at 2960'. Mix and pump 51 sxs Class B cement, squeeze 39 sxs outside the casing and leave 12 sxs inside casing to cover the Chacra top. TOH with tubing.

8. **Plug #5 (Pictured Cliffs and Fruitland tops, 1912' - 1526'):** Perforate 3 squeeze holes at 1912' Attempt to establish rate into squeeze holes if the casing pressure tested. Set 4.5" CR at 1862' Mix and pump 184 sxs Class B cement, squeeze 150 sxs outside the casing and leave 34 sxs inside casing to cover the Pictured Cliffs and Fruitland tops TOH with tubing.

9. **Plug #6 (Kirtland and Ojo Alamo tops, 901' - 676'):** Perforate 3 squeeze holes at 901'. Attempt to establish rate into squeeze holes if the casing pressure tested. Set 4 5" CR at 851' Mix and pump 108 sxs Class B cement, squeeze 87 sxs outside the casing and leave 21 sxs inside casing to cover the Kirtland and Ojo Alamo tops. TOH and LD tubing.

10. **Plug #7 (8.625" casing shoe and surface, 346' – 0'):** Perforate 3 HSC holes at 346' and establish circulation out bradenhead. Mix and pump approximately 135 sxs cement down the 4.5" casing, circulate good cement out bradenhead valve. Shut in well and WOC.

11. ND BOP and cut off casing below surface. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.