

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

Form C-103

June 19, 2008

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

WELL API NO. 30-039-06653
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: MKL
8. Well Number 16X
9. OGRID Number 5380
10. Pool name or Wildcat SOUTH BLANCO 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, NEW MEXICO 87410
4. Well Location Unit Letter <u>P</u> : <u>1025</u> feet from the <u>SOUTH</u> line and <u>380</u> feet from the <u>EAST</u> line Section <u>5</u> Township <u>26N</u> Range <u>7W</u> NMPM <u>NMPM</u> County <u>RIO ARriba</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6050 GR

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.

Please also see attached current and proposed wellbore diagrams.

RCVD NOV 12 '10

OIL CONS. DIV.

DIST. 3

Notify NMOCD 24 hrs
prior to beginning
operations

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 Wanett McCauley TITLE REGULATORY COMPLIANCE TECH DATE 11/05/2010
Type or print name WANETT MCCAULEY E-mail address: wanett_mccauley@xtoenergy.com PHONE 505-333-3630

For State Use Only

APPROVED BY Kelly G. Roberts TITLE Deputy Oil & Gas Inspector, DATE 12-1-10

Conditions of Approval (if any):

H

MKL #16X

South Blanco Pictured Cliffs
1,025' FSL and 380' FEL, Section 5, T26N, R07W
Rio Arriba County, New Mexico / API #: 30-039-06653
AFE #: 1005922
Well #: 78390

PLUG AND ABANDONMENT PROCEDURE

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.

NOTE: BLM requires a CBL log to be run on all wells where the cement did not circulate to surface or where a T.S. or CBL log was not previously run. This procedure is prepared with the understanding that it may be modified based on the TOC from the CBL.

1. This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of a 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. TOH with 2-3/8" tbg, SN, & NC. LD NC.
4. Round trip WL gauge ring to 2,122'.
5. **Plug #1 (Pictured Cliffs interval and Fruitland top, 2,122' – 1,729')**: TIH with 5-1/2" CIBP & 2-3/8" tbg. Set CIBP at 2,122'. Pressure test tubing to 1,000 PSIG. *Pressure test casing to 500 PSIG. If casing does not test, then spot or tag subsequent plug as appropriate.* Mix and pump 52 sxs Class B cement above CIBP to isolate the Pictured Cliffs interval and cover the Fruitland top. TOH with tubing.
6. **Plug #2 (Kirtland and Ojo Alamo tops, 1,586' – 1,354')**: Perforate 3 squeeze holes at 1,586'. Attempt to establish rate into squeeze holes if the casing pressure tested. TIH with 5-1/2" cement retainer and 2-3/8" tbg. Set cement retainer at 1,536'. Mix and pump 101 sxs of Class B cement (squeeze-68 sxs outside the casing and leave 33 sxs inside casing) to cover the Kirtland and Ojo Alamo tops. TOH with tubing.

7. **Plug #3 (Nacimiento top and Surface Casing shoe, 418' to Surface):** Perforate 3 squeeze holes at 418'. Attempt to establish rate into squeeze holes and circulate out the bradenhead if the casing pressure tested. Mix and pump 155 sxs of Class B cement (squeeze 106 sxs outside the casing and leave 49 sxs inside casing) to cover the Nacimiento top and surface casing shoe. Circulate good cement out bradenhead valve. Shut in well and WOC.
8. 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.

MKL #16X

Current

S. Blanco Pictured Cliffs

1,025' FSL, 380' FEL, Section 5, T-26-N, R-07-W,

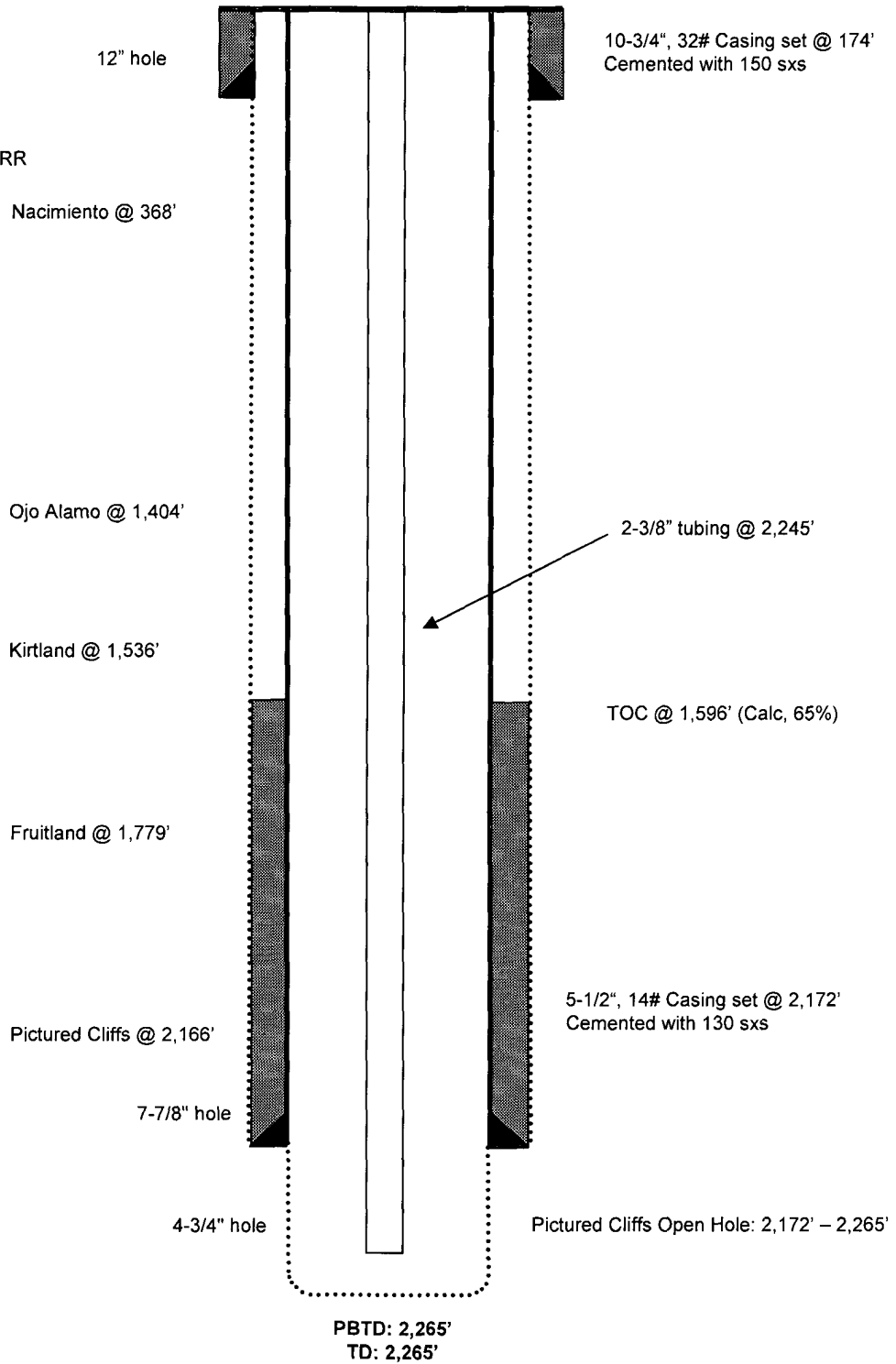
Rio Arriba, NM / API #30-039-06653

Spud: 06/18/53

Completed: 07/12/53

Elevation: GL: 6,046'

KB: NO CORR



Proposed P&A

S. Blanco Pictured Cliffs

1,025' FSL, 380' FEL, Section 5, T-26-N, R-07-W,

Rio Arriba, NM / API #30-039-06653

Spud: 06/18/53

Completed: 07/12/53

Elevation: GL: 6,046'
KB: NO CORR

12" hole

Nacimiento @ 368'

Ojo Alamo @ 1,404'

Kirtland @ 1,536'

Fruitland @ 1,779'

7-7/8" hole

Pictured Cliffs @ 2,166'

4-3/4" hole

10-3/4", 32# Casing set @ 174'
Cemented with 150 sxs

Plug #3: 418' – 0'
Class B cement, 155 sxs
49 sxs inside & 106 sxs outside

Perforate @ 418'

Plug #2: 1,586' – 1,354'
Class B cement, 101 sxs
33 sxs inside & 68 sxs outside

Set CR @ 1,536'

Perforate @ 1,586'

TOC @ 1,596' (Calc, 65%)

Plug #1: 2,122' – 1,729'
Class B cement, 52 sxs

Set CIBP @ 2,122'

5-1/2", 14# Casing set @ 2,172'
Cemented with 130 sxs

Pictured Cliffs Open Hole: 2,172' – 2,265'

PBTD: 2,265'
TD: 2,265'