Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

JAN 03 2011

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

5. Lease Serial No.

Date

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SUNDRY NOTICES AND REPORTS ON WELLS Farmington Field Office

NMSF-078019 Do not use this form for proposals to drill or to re-enterant of Land Managem of If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 Type of Well 8. Well Name and No. Oil Well X Gas Well Other EH PIPKIN #16 2. Name of Operator XIO ENERGY INC. 9. API Well No. 3a. Address 3b. Phone No. (include area code) 30-045-25143 382 CR 3100 AZTEC, NM 87410 505-333-3176 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) FULCHER KUTZ PICTURED CLIFFS 1670' FSL & 1100' FEL NESE SEC.1(I)-T27N-R11W N.M.P.M. 11. County or Parish, State SAN JUAN NM CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12 TYPE OF SUBMISSION TYPE OF ACTION X Notice of Intent Acidize Production (Start/Resume) Water Shut-Off Alter Casing Fracture Treat Reclamation Well Integrity Subsequent Report Casing Repair New Construction Recomplete Other Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal 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 shall 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 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 abandon this well per the attached procedure. Please also see the attached current and proposed wellbore diagrams. Notify NMOCD 24 hrs prior to beginning operations RCVD JAN 10'11 OIL CONS. DIV. DIST. 3 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) TEENA M. WHITING Title REGULATORY COMPLIANCE TECHNICIAN Signature Date 12/30/2010

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. 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

Original Signed: Stephen Mason

Approved by



THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Office

### EH Pipkin #16

Location:

1,670' FSL & 1,100' FEL, Section 1, T27N, R11W, San Juan County, NM

API:

30-045-25143

Open Perfs:

Pictured Cliffs - 1,588'- 1,635'

#### 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.

- 1. This project requires an approved NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an approved steel tank to handle waste fluids circulated from the well and cement wash up.
- Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MIRU 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. TOH and LD rods and pump. ND wellhead and NU BOP. Function test BOP. TOH with tubing and LD BHA.
- 3. Round trip a 4-1/2" casing scraper to 1,550'.

#### 1268

- 4. Plug #1 (Pictured Cliffs and Fruitland Coal, 1,550' 1,343'): TIH and set a 4-1/2" CIBP at 1,550'. Pressure test tubing to 1000 PSI. Pressure test casing to 800 PSI. If casing does not test, then spot or tag subsequent plug as appropriate. Mix cement and pump 22 sxs Class B cement above the CIBP to cover the Pictured Cliffs and Fruitland Coal tops. PUH.
- 5. Plug #2 (Kirtland and Ojo Alamo tops, 690' 470'): Mix and spot 21 sxs Class B cement to cover the Kirtland and Ojo Alamo tops. TOH.
- 6. Plug #3 (Casing shoe, 160' Surface): Connect the pump line to the bradenhead valve and attempt to pressure test the BH annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 17 sxs Class B cement and spot a balanced plug inside the casing from 160' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the 4-1/2" casing and the BH annulus to surface. Shut well in and WOC.
- 7. 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.

#### Tops:

Casing shoe	107'
Ojo Alamo	520'
Kirtland	640'
Fruitland Coal	1,363'
Pictured Cliffs	1,586'

# E. H. PIPKIN #16

WELLBORE DIAGRAM

KB: 5,737 GL : 5732 CORR: 5'

9-7/8" HOLE

7", 23#, K-55, ST&C CSG TO 107. CMTD w/105 SX CLASS "B" CMT w/2% CaCi2 & 1/4 #/SX FLOCELE. CIRC CMT TO SURF.

4-1/2" 10.5# K-55 ST&C CSG @ 1,715'. CMT'D w/400 SX 50:50 POSMIX, 2% GEL, 1/4 #/SX FLOCELE & 0.5% CFR-2. CIRC CMT TO SURF.

6-1/4" HOLE

PBTD 1,670' TD 1,715'

PC FR/1,588' - 94' & 1,617 - 35' (22 HOLES).

EH Pipkin #16 Sec 1, T27N, R11W API# 30-045-25143

Plug 3: 160'-surf

7", 23#, casing at 107', cmt to surface

Plug 2: 690'-470'

4-1/2" 10.5# casing at 1715', cmt to surface

Plug 1: 1,550'-1,313'

PC perfs: 1635'-1588'

Tops:	· · · · · · · · · · · · · · · · · · ·
Casing shoe	107'
Ojo Alamo	520'
Kirtland	640'
Fruitland Coal	1,363'
Pictured Cliffs	1,586'

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON DISTRICT OFFICE

1235 LA PLATA HIGHWAY FARMINGTON, NEW MEXICO 87401

Attachment to notice of Intention to Abandon:

Re: Permanent Abandonment

Well: 16 E.H. Pipkin

#### **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) Bring the top of the Pictured Cliffs/Fruitland plug to 1268'.

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.