

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

JAN 03 2011

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

Farmington Field Office  
Bureau of Land Management

5. Lease Serial No.  
NMNM-03523  
6. If Indian, Allottee or Tribe Name  
Jernu

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)  
 505-333-3176

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 790' FNL & 1520' FEL NWNE SEC. 31 (B) -T27N-R11W N.M.P.M.

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

8. Well Name and No.  
 FEDERAL 31 #31

9. API Well No.  
 30-045-24963

10. Field and Pool, or Exploratory Area  
 BASIN FRUITLAND COAL  
 KUTZ W. 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	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>BELOW GRADE</u>
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>MARKER</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 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.

Per the request of the surface owner, XTO Energy Inc. intends to set a below grade marker at a depth of 6' for the above mentioned well. Please see the attached documents with correspondence from the surface owner to XTO Energy.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)  
 TEENA M. WHITING

Title  
 REGULATORY COMPLIANCE TECHNICIAN

Signature *Teena M. Whiting*

Date  
 12/30/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by  
 Original Signed: Stephen Mason

Title  
 \_\_\_\_\_

Date  
 JAN 07 2011

Office  
 \_\_\_\_\_

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.

*[Handwritten mark]*

# Federal 31-31

Location: 790' FNL & 1,520' FEL, Section 31, T27N, R11W, San Juan County, NM  
API: 30-045-24963  
Open Perfs: Fruitland Coal – 1,556'- 1,612'

## 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.
2. 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 1,510'.
4. **Plug #1 (Fruitland Coal, 1,530' – 1,168')**: TIH and set a 4-1/2" CIBP at 1,510'. 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 32 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' – 430')**: Mix and spot 24 sxs Class B cement to cover the Kirtland and Ojo Alamo tops. TOH.
6. **Plug #3 (Casing shoe, 184' – 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 19 sxs Class B cement and spot a balanced plug inside the casing from 184' 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.

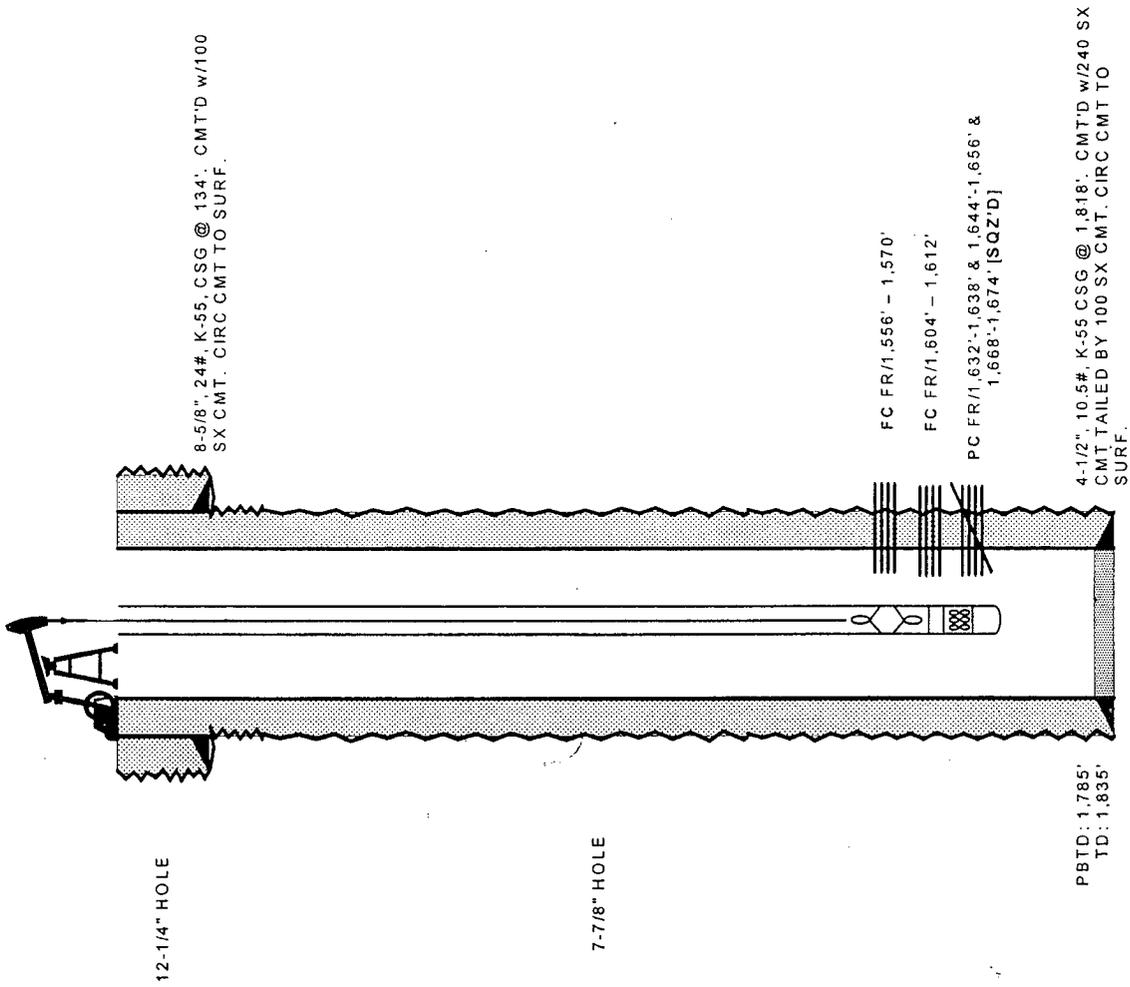
### Tops:

Casing shoe	134'
Ojo Alamo	484'
Kirtland	638'
Fruitland Coal	1,218'

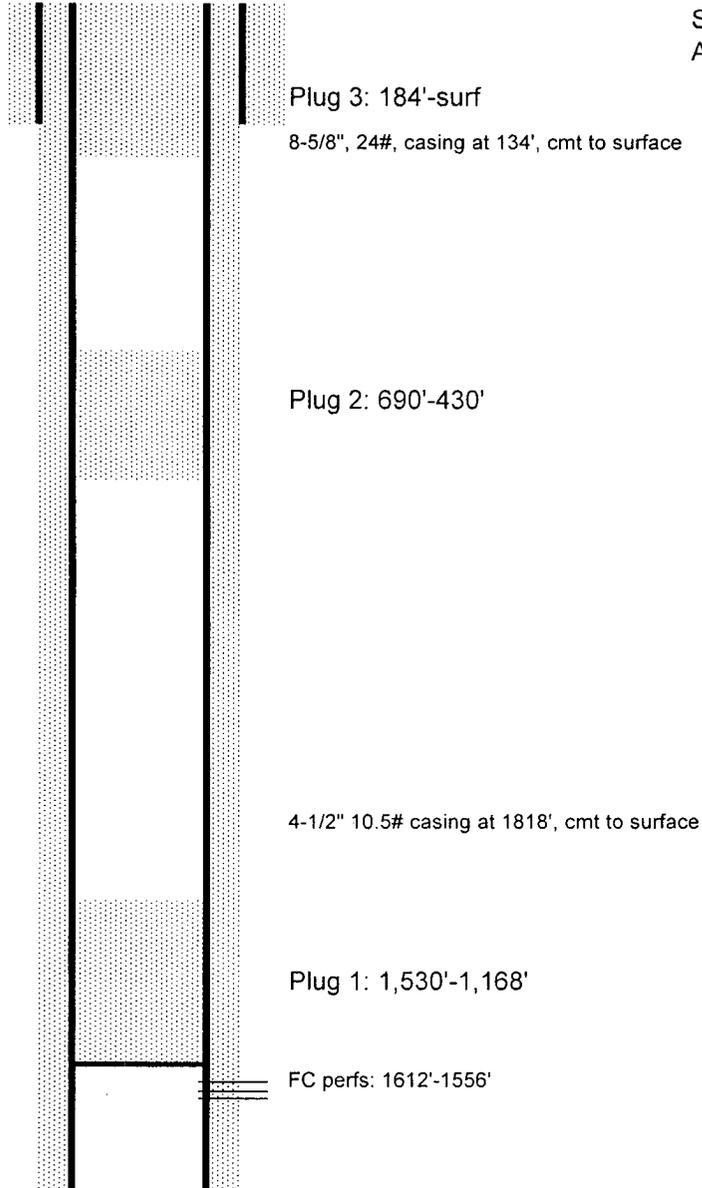
# FEDERAL 31 # 31

## Wellbore Diagram

KB: 6,122'  
 GL: 6,110'  
 CORR: 12'



Federal 31-31  
Sec 31, T27N, R11W  
API# 30-045-24963



<u>Tops:</u>	
Casing shoe	134'
Ojo Alamo	484'
Kirtland	683'
Fruitland Coal	1218'



"April Duncan"  
<aduncan@navajopride.com  
>  
10/21/2010 11:01 AM

To <dusty\_mecham@xtoenergy.com>  
cc "Gregory Yazzie" <gyazzie@navajopride.com>, "Al Nakai"  
<anakai@navajopride.com>, "Lionel Haskie"  
<lhaskie@navajopride.com>  
bcc

Subject NAPI oil & gas line required standards

Hi Dusty,

I just spoke to Al Nakai , our GIS Coordinator, and he said that you needed NAPI to send you an e-mail regarding our requirements on all oil and gas line burial depths.

Please let this e-mail serve as official notice that NAPI requires all oil and gas lines to be buried 6ft deep within NAPI boundaries.

Also, will you please send me the GPS coordinates on the location(s) that you were talking to Al about?

Thank you for your cooperation in this matter. Should you have any questions, please call Greg Yazzie at 566-2623 or 793-4923.

Thank You,

**April R. Duncan**  
Program Analyst - Operations & Maintenance  
**Navajo Agricultural Products Industry - NAPI**  
Phone: (505)566-2688  
Fax: (505)599-0514  
Email: aduncan@navajopride.com



"Gregory Yazzie"  
<gyazzie@navajopride.com>  
10/22/2010 08:20 AM

To <Dusty\_Mecham@xtoenergy.com>  
cc "Al Nakai" <anakai@navajopride.com>, "Lionel Haskie"  
<lhaskie@navajopride.com>  
bcc

Subject NAPI Oil & Gas Required Standards

Good morning, Mr. Mecham.

In accordance with NAPI's standards for oil & gas standards, it is required for the abandoned well be marked with piping showing the legals or a dry hole marker buried at minimum depth of 6 feet. The marker plate will have to be marked with the legals also. Any other questions or concerns, please contact me through the listed mediums below.

Thank you.

Navajo Agricultural Products Industry  
Operations & Maintenance  
Greg Yazzie, Irrigation Systems Operations Supervisor  
P.O. Drawer 1318  
Farmington, NM 87499  
Office: 505.566.2623  
Cell: 505.793.4923  
Fax: 505.599.0569  
gyazzie@navajopride.com