

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

XTO Energy Inc.

3a. Address

200 N. Loraine, Ste. 800 Midland, TX 79701

3b. Phone No. (include area code)

432-620-4318

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

1347' FSL & 1963' FWL, Sec. 8, 25S, 30E Unit K
26

5. Lease Serial No.

NM-31649

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Yates 8 Federal #2

9. API Well No.

30-015-31499

10. Field and Pool, or Exploratory Area

Brushy Draw; Wolfcamp (0)

11. County or Parish, State

Eddy County 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 recompleate 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 recompleation 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 WOULD LIKE TO PROPOSE THE FOLLOWING PLUG BACK/RECOMPLETION FOR THE YATES 8 FEDERAL #2:

1. DO CIBP @ 10,872'
2. Set 5.5" CIBP @ 11,700' w.25' Cmt
3. Set 8-5/8" CIBP @ 10,800' w.25' Cmt
4. Set 8-5/8" CIBP @ 7000' w.25' Cmt
5. Set 8-5/8" CIBP @ 3700' w.25' cmt
6. Perf Cherry Canyon (Ramsey Sand) 3484'-3494'.
7. Acidize w.1000 gals 15%
8. Swab test
9. Put well on prod.

*In correct sizes***WITNESS
PLUG BACK****SEE ATTACHED FOR
CONDITIONS OF APPROVAL**Accepted for record
NMOCD

10/9/12/2012

RECEIVED

SEP 06 2012

NMOCD ARTESIA

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

Name (Printed/Typed)

STEPHANIE RABADUE

Title

Regulatory Analyst

Date 05/17/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

Date

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.

Yates 8 Federal #2
 Ross Draw; Delaware Field
 1347'FSL & 1963'FWL
 Sec 8, T26S-R30E

CURRENT STATUS

TOC 1100': TS

11-3/4" 42 PPF, H-40 CSG SET @ 1020'.
 CMTD W/ 775 SX.

ELEV: GL: 3067'
 KB: 3084'

8-5/8" 24 & 36 PPF, K-55 CSG SET @ 3465'.
 CMTD W/ 650 SX.

DV @ 5420'

TOC UNKNOWN
 BELOW DV.

CIBP @ 10,872'
 TOL @ 10,881'.

BAKER FB-1 PACKER @ 10,875' – COULD NOT
 RELEASE SEAL ASSEMBLY FR/PKR. 3/11/11

5-1/2" 17 PPF, P-110 CSG SET @ 11,198'.
 CMTD W/ 3050 SX.

WOLFCAMP A 11,803'-11,924' (3 SETS, 229 HOLES)
 FRAC: 40,000 GALS 15% HCL & 40,000 GALS WF110.
 RESULTS: 60 MCFD W/ A FTP 50.

CBP @ 12,000'.
 NOTE: POSSIBLE DUMP
 BAILER @ 12,140'.

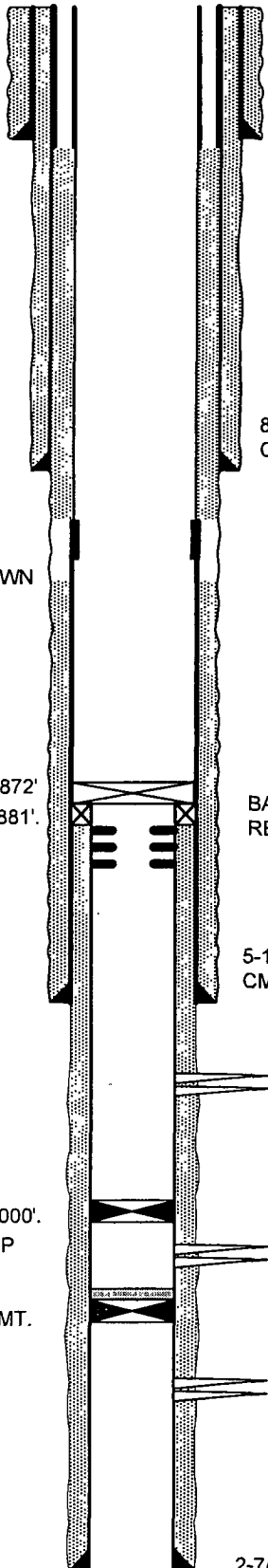
WOLFCAMP C 12,046'-12,126' (6 SETS, 182 HOLES)
 FRAC: 8000 GALS 20% HCL 50Q CO2 & 5000 GALS WF110.
 RESULTS: SITP 5075. TSTM.

CBP @ 12,180' W/ 10' CMT.

WOLFCAMP D 12,210'-12,322' (4 SETS, 168 HOLES)
 ACID: 4000 GALS 20% HCL. SITP 1800
 RESULTS: 200 MCFD W/ A FTP 100.
 FRAC: 8000 GALS 20% HCL 50Q CO2 & 5000 GALS
 WF110.
 RESULTS: SITP 2800. 370 MCFD W/ A FTP 12.

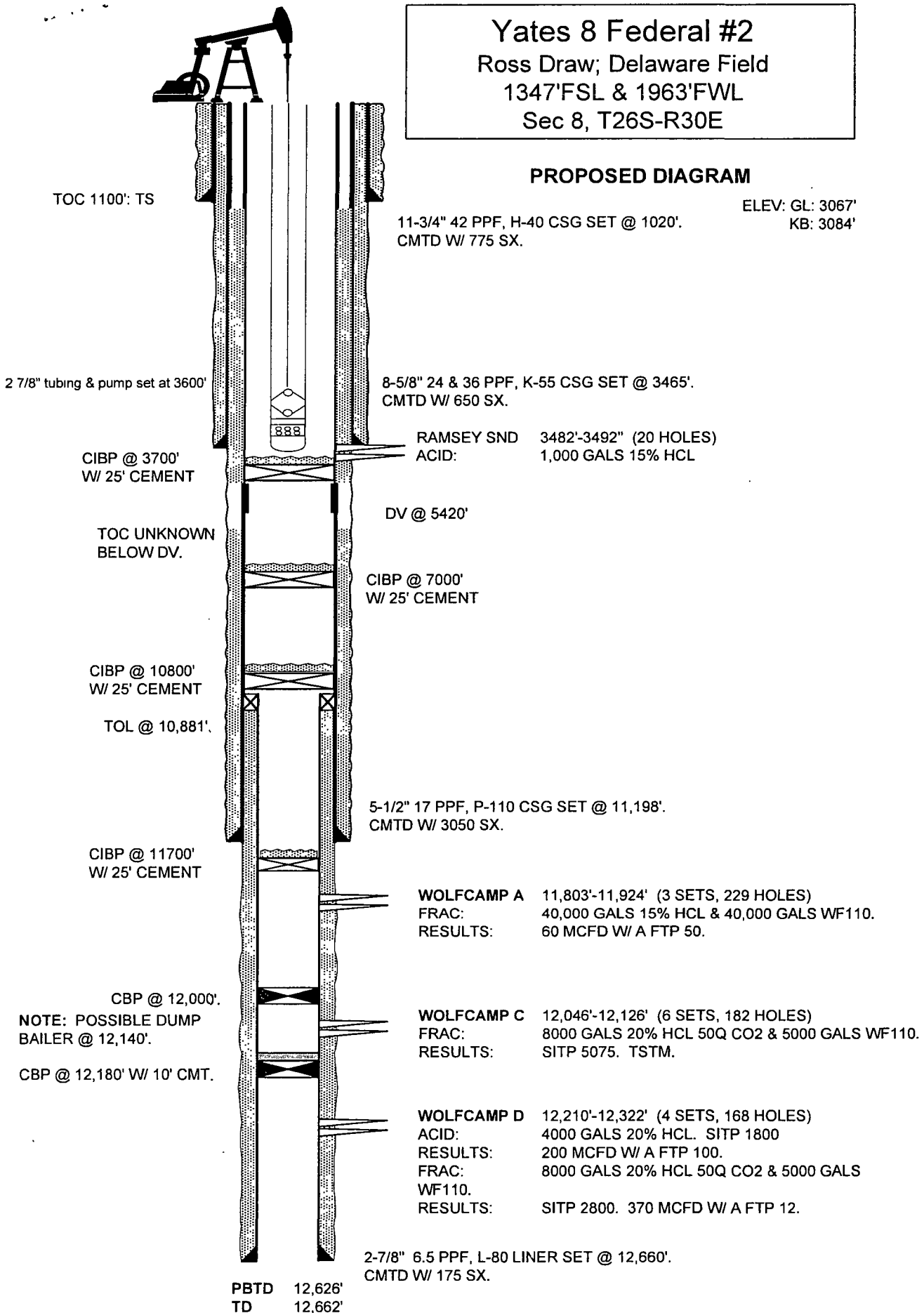
2-7/8" 6.5 PPF, L-80 LINER SET @ 12,660'.
 CMTD W/ 175 SX.

PBTD 12,626'
 TD 12,662'



Yates 8 Federal #2
 Ross Draw; Delaware Field
 1347'FSL & 1963'FWL
 Sec 8, T26S-R30E

PROPOSED DIAGRAM



Conditions of Approval

XTO Energy Inc.

Yates 8 Federal #2

API 30-015-31499

September 4, 2012

Note: The Ramsey Sand is in the Bell Canyon not the Cherry Canyon.

1. A new "Well Location and Acreage Dedication Plat" (NMOCD Form C-102) is required with the notice of intent package when recompleting to another formation. Submit with Subsequent Report of work performed.
2. **Provide BLM with an electronic copy (Adobe Acrobat Document) cement bond log record from 5300' or below to top of cement. Less than 500' between the proposed top perforation and top of cement or lack of a 500' overlap above next casing shoe may require remedial cementing. The BLM CFO on call engineer may be reached at 575-706-2779.**
3. **Notify BLM 575-361-2822 Eddy Co. a minimum of 24 hours prior to commencing plug back procedures.** These procedures are to be witnessed. If no answer, leave a voice mail with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
4. Surface disturbance beyond the existing pad shall have prior approval.
5. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
6. Functional H₂S monitoring equipment shall be on location.
7. A minimum of 5000 (5M) BOPE is to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (5M) Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
8. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

9. Minimum 25 sack (class H > 7,500' and C < 7,500') cement plugs are required. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) and 8 hours(H) is recommended. Formation isolation plugs shall be neat Class C or neat Class H.
10. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.
11. The BLM PET witness is to run tbg tally and agree to cement and mud quality and placement. Sample each plug for cement curing time and tag and/or pressure test as requested by BLM PET.
12. **Operator shall also drill out the packer assembly at 10,875'.**
13. **Step 2 of procedure will require a smaller CIBP as that is in the 2-7/8" liner. CIBP shall be set at 11,750' and a minimum of 30 sacks of Class H cement placed on top of the CIBP. This will cover the 5-1/2" shoe and the liner top at 10,881'. Plug shall be tagged at 10,800' or shallower. Plug shall be pressure tested to 1000 psi with test recorded on a chart and witnessed by the BLM.**
14. **Set a neat Class H cement plug across the top of the Wolfcamp. Plug shall be a minimum of 210' in length, a minimum of 25 sacks and shall be set from 10,550' to 10,340'.**
15. **Set a neat Class C cement plug across the top of the Bone Spring. Plug shall be a minimum of 175' in length, a minimum of 25 sacks and shall be set from 7,375' to 7,200'. Plugs shall be set so that there is no more than 3000' between plugs.**
16. **Set a neat Class C cement plug across the DV tool at 5,420'. Plug shall be a minimum of 155' in length, a minimum of 25 sacks and shall be set from 5,480' to 5,325'. Plug shall be tagged at 5,325' or shallower.**
17. **After setting the DV tool plug and before perforating, perform a BLM witnessed casing integrity test (charted) of 500 psi. Pressure leak off may require remedial work prior to continuing with the work over. Include a copy of the chart in the subsequent sundry for this work over.**
18. **Operator's step 5 is not necessary, but if operator wants to set this 5-1/2" CIBP (not 8-5/8"), operator may set the CIBP, but is required to cap it with 35' of Class C cement. This will be tagged to verify 35' of cement.**
19. **File a subsequent sundry Form 3160-5 within 30 days of the plug back and acid treatment. Include an updated wellbore diagram.**
20. **Submit the BLM Form 3160-4 Completion Report within 30 days of the date all BLM approved procedures are complete.**
21. **Workover approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.**
22. **Submit evaluation that proposed formation perforations are productive in paying quantities.**

PRS/WWI 090412

Access information for use of Form 3160-5 "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.