

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

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.

HOBBS OCD

AUG 01 2012

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, Suite 800, Midland, TX 79701

3b. Phone No. (include area code)

432-620-6741

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

1900' FNL & 2310' FEL, Unit Ltr. "G", Section 31, T23S, R32E

5. Lease Serial No.

NM 18848

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

SDE 31 Federal #17

9. API Well No.

30-025-38088

10. Field and Pool, or Exploratory Area

Triste Draw W; Sand Dunes
South Bone Spring

11. County or Parish, State

Lea Co., 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 recompleat 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 recompleat 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 casing repair SDE 31 Federal 17 with the following intent to begin operations 5/22/2012:

1. Set RBP @ 6697'. Dump sand on top of RBP.
2. Set cmt retainer @ 5490'.
3. Sqze leak @ 5715' w/200sxs lead Class C cmt, 200sxs tails Class C cmt. 400sxs total.
4. Determine good sqze. If sqze is not good, CMIC is to get w/engineer to determine the next sqze option.
5. Once well passes sqze, remove RBP @ 6697'.
6. Put well on beam prod.

See attached requirements
Work done without approval.

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

Name (Printed/Typed)

STEPHANIE RABADUE

Title

Regulatory Analyst

Date 06/13/2012

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

JUL 30 2012

WESLEY W. INGRAM
PETROLEUM ENGINEER

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

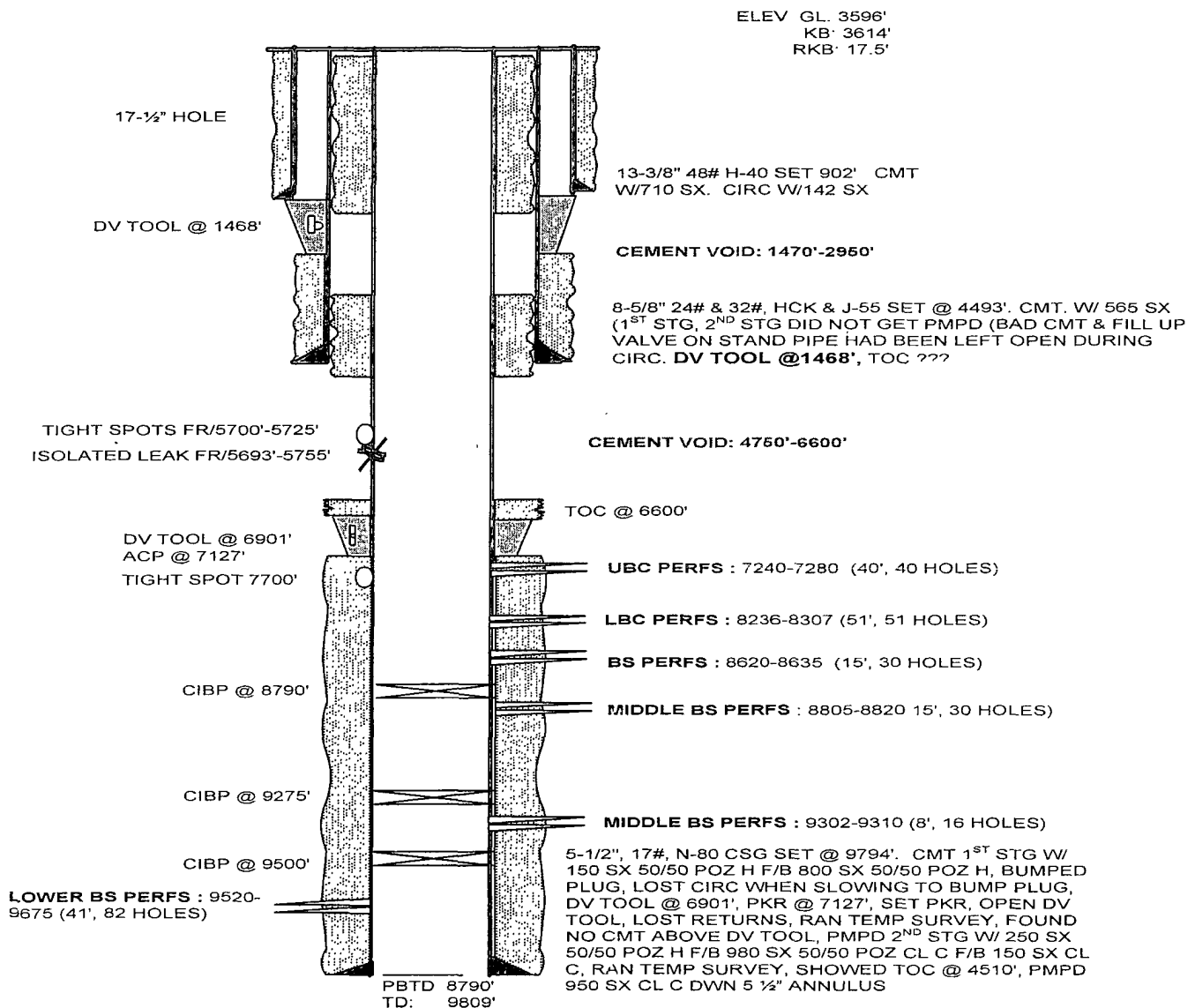
Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

AUG 02 2012



XTO Energy Inc.
SDE 31 Federal #17
Sand Dune South Field, Lea Co.
5 1/2" Casing Squeeze

LOCATION: 1900' FNL & 2310' FEL, SEC 31, T23S, R32E
API#: 30-025-38088



2-21-12

OBJECTIVE: Squeeze leak at 5715' & RTP.

NOTES:

- AFE 1106263
- Note: Flat spot on tubing from 5700'-5740'
- Casing leak 5693-5755: 1 ½ BPM @ 300 psi.
- Tight spot: 5700-25

PROCEDURE:

1. MIRU Pulling Unit. MI 8800' 2-7/8" WS.
2. NU & Test BOP's.
3. RIH w/4 ¾" Swedge. Work through tight spot fr 5700'-25' and at 7700'. POOH.
4. TIH w/ RBP and set at 6697'. Dump sand on top of RBP.
5. TIH w/ Cement Retainer and set at 5490'.
6. Perform squeeze per steps below:

Fluid 1: Establish injection rate
Fresh Water

Fluid Volume: ± 20 bbl

Fluid 2: Pump 500 gals
FLO-CHEK A

Fluid Volume: 11.90 bbl

Fluid 3: Pump 3 bbl spacer
Fresh Water

Fluid Volume: 3.bbl

Fluid 4: Lead with 200 sks
HalCem - C
0.5 % Halad(R)-322 (Low Fluid Loss Control)

Fluid Weight 14.80 lbm/gal
Slurry Yield: 1.33 ft³/sk
Total Mixing Fluid: 6.31 Gal/sk
Proposed Sacks: 200 sks

Fluid 5: Tail-in with 200 sks
HalCem - C
1 % Calcium Chloride - Flake (Accelerator)

Fluid Weight 14.80 lbm/gal
Slurry Yield: 1.34 ft³/sk
Total Mixing Fluid: 6.36 Gal/sk
Proposed Sacks: 200 sks

7. Displace with tubing capacity minus 1 BBL.
8. Sting out of retainer and pick up 10' +/- Reverse.

2-21-12

XTO Energy Inc.
SDE 31 Federal #17

9. TOOH. WOC.

10. RIH w/ 4 3/4" bit. Drill out cement. Check squeeze. If still leaking then get with engineer to determine next squeeze option.

11. Once well has passed squeeze then remove RBP @ 6697'.

12. Run tubing, pump, & rods.

13. RD Pulling Unit.

14. RWTP. Monitor Rates & Fluid Levels.

David Luna
Sr. Operations Engineer

2-21-12

Requirements

**XTO Energy
SDE 31 Federal 17
API 30-025-38088
July 30, 2012**

Operator performed work without approval and is in non-compliance with 43 CFR 3162.3-2. The sundry will not be approved; only accepted for record.

The operator shall shut-in well and perform the required MIT test by August 30, 2012.

Failure to perform the MIT by August 30, 2012 will result in the issuance of a shut-in order for the well.

Operator shall abide by the following:

1. Surface disturbance beyond the existing pad shall have prior approval.
2. Functional H₂S monitoring equipment shall be on location.
3. A minimum 3000 (3M) BOPE 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 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 1, 3M 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.
4. 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.
5. **Operator shall set a bridge plug and perform a BLM PET witnessed (charted) casing integrity test of 500 psig. Pressure leakoff of greater than 10% will require remediation. Include a copy of the chart in the subsequent sundry for this workover. Contact acortez@blm.gov, (phone 575-393-3612 or 575-631-5801). If no answer, leave a voice mail with the API#, workover purpose, and a call back phone number. Operator shall wait for BLM before performing MIT. Note the contact notification method, time and date in your subsequent report.**

PRS/WW1 073012