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

HOBBS OCD
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
DEC 18 2013
Santa Fe, NM 87505

RECEIVED

Form C-103
June 19, 2008

WELL API NO. 30-025-04930

5. Indicate Type of Lease STATE [x] FEE [ ]

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name: ARROWHEAD GRAYBURG UNIT

1. Type of Well: Oil Well [ ] Gas Well [ ] Other Injector

8. Well Number 126

2. Name of Operator: XTO Energy, Inc.

9. OGRID Number 005380

3. Address of Operator: 200 N. Loraine, Ste. 800 Midland, TX 79701

10. Pool name or Wildcat: ARROWHEAD-GRAYBURG

4. Well Location

Unit Letter E : 1980 feet from the NORTH line and 660 feet from the WEST line

Section 36 Township 21S Range 36E NMPM County LEA

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[x]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	P AND A	[ ]
PULL OR ALTER CASING	[ ]	MULTIPLE COMPL	[ ]	CASING/CEMENT JOB	[ ]		
DOWNHOLE COMMINGLE	[ ]						
OTHER: Sidetrack PxA	[x]			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 would like to request a sidetrack PxA approval with the following procedure.
1. Set whipstock @ 430'. Sidetrack well fr/430'-3680', run & cmt 3-1/2" J-55 csg. 2. Perf @ 3680', sqz 27sx in 5-1/2" csg & OH perfs. 5sx cmt in 3-1/2" to cover perfs. WOC, Tag in 3-1/2" @ 3680'. 3. Perf @ 2600' (base of salt), sqz 23sx in 5-1/2" csg. 5sxs cmt in 3-1/2" to cover perfs. WOC, tag TOC @ 2600'. 4. Perf @ 1283' (top of salt), sq 23sx in 5-1/2" csg. 6sx in 3-1/2" to cover perfs. WOC, tag TOC @ 1283'. 5. Perf @ 340'. Sqz cmt until circ to surf. 40sx cmt in 5-1/2" csg to surf. See attached procedure.
A closed-loop system will be used to perform this operation.

Spud Date: 07/17/1940 Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Stephanie Rabadue TITLE Regulatory Analyst DATE 12/10/2013

stephanie_rabadue@xtoenergy.com

Type or print name Stephanie Rabadue E-mail address: PHONE 432 620 6714

For State Use Only

APPROVED BY Mark Whitaker TITLE Compliance Officer DATE 12/17/2013

Conditions of Approval (if any):

OIL CONSERVATION DIVISION - Hobbs office **Must Be Notified 24 hours prior** to the beginning of Plugging Operations.

DEC 18 2013

Arrowhead Grayburg Unit 126 (Inj)
API # 30-025-04930
AFE # 1309765
Sidetrack P&A
Lea County, New Mexico
December 10, 2013
RECOMMENDED WORKOVER PROCEDURE

ELEVATION: GL – 3,537' PBTD – 3,800'
KB – 3,545' TD – 3,910'

WELL DATA:

Current Status: In February 1998, Chevron attempted to squeeze cement into casing leaks from 419' to 667'. After squeezing cement, injection equipment was ran prior to installing an Expandable Polybore Liner, set at 2,737'. XTO Energy rigged up on the AGU 126 (Inj) well on August 28, 2013 due to a failed MIT test. While tripping out of the hole, the injection packer became stuck inside the Polybore Liner at ± 2,725'. The injection tubing was then cut at 2,472' and an attempt to fish the tubing and packer was made. After trying to circulate trash off the fish, the Polybore Liner folded in on the work string at the surface. This left two fish left in the hole to recover. Polybore Liner has been drilled out to ± 550'.

Surface Casing: 9-5/8", 25.7# set @ 291'. Cmt'd w/250 sxs. Circulated cmt to surf.

Production Casing: 5-1/2", 14#, H-40 set @ 3,730'. Cmt'd w/350 sxs (Calc'd TOC @ 2,000').
Capacity: 0.0244 bbl/ft, 0.1370 ft^3/ft.

1997 csg leaks fr/420' – 923'.
1998 csg leaks fr/419' – 667'.

OH Inj Perfs: Grayburg fr/3,800' – 3,730'.

OBJECTIVE: Unconventional P&A. Drill sidetrack fr/430' – 3,680' run and cmt 3-1/2", 9.3#, J-55, Ultra FJ casing. Work thru 3-1/2" to plug OH perfs, base and top of salt zones and from sidetrack to surface according to C-103.

RECOMMENDED WORKOVER PROCEDURE:

(Verify that anchors have been set and tested per OSHA guidelines)

MIRU Drilling Rig:

1. MIRU Drilling Rig. Drill sidetrack (KOP 430') to 3,680', intersecting 5-1/2" csg at 1,283' (Top of Salt), 2,600' (Base of Salt), and 3,680' (50' above 5-1/2" csg shoe). Run and cement 3-1/2", 9.3#, J-55, Ultra FJ casing. RDMO Drilling rig (Procedure to be provided by drilling, Chip Amrock).

2. Secure well for P&A rig.

3. MIRU PU, WL & P&A Equipment.

P&A Summary Procedure:

Working inside 3-1/2" FJ Csg:

1. ND WH. NU BOP. Function test BOP.

2. RIH w/logging and perforating guns. Perforate through 3-1/2", 9.3#, J-55, Ultra FJ casing, into 5-1/2" csg w/2.5" gun, 11.5 gm charges, 6 JSPF, 7.3" penetration, 60 deg. phasing @ 3,680'. Check for FL after perforating and record results. POOH w/WL & tls.

3. TIH w/3-1/2" CICR w/stinger on 1.90", 2.9#, J-55, EUE tbg (Capacity: 0.00252 bbl/ft, 0.01414 ft^3/ft). Set 3-1/2" CICR @ 3,580'. Establish and record injection rates and pressures.

4. **Plug 1:** Mix & pump 32 sxs cmt. Squeeze 27 sxs cmt inside 5-1/2" csg and leave 5 sxs cmt inside 3-1/2" FJ csg. Displace cmt w/9 bbls fresh wtr to 3,580' to leave 5 sxs cmt inside 3-1/2" csg. TOH.

5. WOC & TIH to tag TOC.

6. RIH w/logging and perforating guns. Perforate through 3-1/2" FJ csg, into 5-1/2" csg w/2.5" gun, 11.5 gm charges, 6 JSPF, 7.3" penetration, 60 deg. phasing @ 2,600'. Check for FL after perforating and record results. POOH w/WL & tls.

7. TIH w/3-1/2" CICR w/stinger on 1.90" tbg. Set 3-1/2" CICR @ 2,500'. Establish and record injection rates and pressures.

8. **Plug 2:** Mix & pump 28 sxs cmt. Squeeze 23 sxs cmt inside 5-1/2" csg and leave 5 sxs cmt inside 3-1/2" FJ csg. Displace cmt w/6.5 bbls fresh wtr to 2,500' to leave 5 sxs cmt inside 3-1/2" csg. TOH.

9. WOC & TIH to tag TOC.

10. RIH w/logging and perforating guns. Perforate through 3-1/2" FJ csg, into 5-1/2" csg w/2.5" gun, 11.5 gm charges, 6 JSPF, 7.3" penetration, 60 deg. phasing @ 1,283'. Check for FL after perforating and record results. POOH w/WL & tls.

11. TIH w/3-1/2" CICR w/stinger on 1.90" tbg. Set CICR @ 1,183'. Establish and record injection rates and pressures.

12. **Plug 3:** Mix & pump 28 sxs cmt. Squeeze 23 sxs cmt inside 5-1/2" csg and leave 5 sxs cmt inside 3-1/2" FJ csg. Displace cmt w/3 bbls fresh wtr to 1,183' to leave 5 sxs cmt inside 3-1/2" csg. TOH.

13. WOC & TIH to tag TOC.

14. **Plug 4:** TIH w/1.90" tbg to 530' (Inside 3-1/2" csg). Mix and spot 5 sxs cmt fr/530' to 430' (Sidetrack window). Leave 6 sxs cmt (50 ft) inside 5-1/2" csg to cover Sidetrack window.

15. WOC & TIH to tag TOC.

16. **Plug 5 (Surface Plug):** RIH w/WL/perforating guns and perforate @ 340'. Mix and pump required cmt to circulate to surface.

17. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RDMOL and cut off anchors. Restore location per BLM/NMOCD stipulations.

18. Document well test data in morning report. Document all in Wellview.

19. Send in paperwork to Regulatory for Change of Status.

Prepared by: **Blake Short**

Approved by: **Tate Kale**

Approved by: **James Fort**