

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

Form C-103
 June 19, 2008

HOBBS OGD
 AUG 22 2016
 RECEIVED

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-32868
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: SDE 31 Federal
8. Well Number 9
9. OGRID Number 005380
10. Pool name or Wildcat Triste Draw; Delaware, West
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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.)

1. Type of Well:
 Oil Well Gas Well Other **Disposal**

2. Name of Operator
XTO Energy, Inc.

3. Address of Operator
500 W. Illinois St Ste 100 Midland, TX 79701

4. Well Location
 Unit Letter **J** : **1980** feet from the **South** line and **1980** feet from the **East** line
 Section **31** Township **23S** Range **32E** NMPM County **Lea**

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL
 DOWNHOLE COMMINGLE

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB

OTHER: OTHER: **Return to Disposal**

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.

06/17/2016: MIRU PU. POOH w/tbg & pkr.
 06/20/2016: RIH w/tbg & pkr, testing csg at: 2661' & 5143' with 500psi for 30 mins. Lost 10psi in 30mins both times. Test down tbg to 500psi for 30 mins, lost 15psi.
 06/21/2016: RIH w/ 2 7/8" IPC tbg & Baker Lockset pkr. Set pkr at 5143'. Test to 540psi for 30 mins. No loss. Good test.
 06/22/2016. Con't testing well to 540psi to make sure of no loss or gains.
 06/23/2016: Run good MIT test to 540psi for 30 mins. Held good. BLM Notified, did not attend. OCD notified, George Bower witnessed. RDMO PU. Good chart attached

Spud Date: Rig Release Date: **SUBJECT TO LIKE APPROVAL BY BLM**

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 08/16/2016
 E-mail address: stephanie_rabadue@xtoenergy.com
 Type or print name Stephanie Rabadue PHONE 432-620-6714

For State Use Only:
 APPROVED BY Malay B Brown TITLE Dist Supervisor DATE 8/22/2016
 Conditions of Approval (if any):

HOBBS OGD

State of New Mexico
 Energy, Minerals and Natural Resources Department
 Oil Conservation Division Hobbs District Office

AUG 22 2016

BRADENHEAD TEST REPORT

RECEIVED VTO	Operator Name		API Number	
	Property Name		Well No.	
SDE 31 Fed		30-025-32868		9

Surface Location

UL - Lot	Section	Township	Range	Feet from	N/S Line	Feet From	E/W Line	County
J	31	23S	32E	1980	S	1980	E	Lea

Well Status

TA'D WELL	SHUT-IN	INJECTOR	PRODUCER	DATE
YES	NO	INJ	OIL	6/23/16
	YES	SWD	GAS	

OBSERVED DATA

	(A)Surface	(B)Interm(1)	(C)Interm(2)	(D)Prod Csg	(E)Tubing
Pressure	∅	NA	NA	∅	∅
<u>Flow Characteristics</u>					
Puff	Y/N	Y/N	Y/N	Y/N	CO2 ___
Steady Flow	Y/N	Y/N	Y/N	Y/N	WTR ___
Surges	Y/N	Y/N	Y/N	Y/N	GAS ___
Down to nothing	N	Y/N	Y/N	N	Type of Fluid
Gas or Oil	Y/N	Y/N	Y/N	Y/N	Injected for
Water	Y/N	Y/N	Y/N	Y/N	Waterflood if
					applies.

Remarks - Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

Post Workover BHT - OK [Signature]

Signature: Stephanie Rabreau [Signature]	OIL CONSERVATION DIVISION
Printed name: Stephanie Rabreau	Entered into RBDMS
Title: Regulatory Analyst	Re-test
E-mail Address:	
Date: 6/23/16	Phone:
Witness: [Signature]	

State of New Mexico
Energy, Minerals and Natural Resources Department

REC'D/MIDLAND
MAY 26 2016

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David Catanach, Director
Oil Conservation Division



Response Required - Deadline Enclosed

*Underground Injection Control Program
"Protecting Our Underground Sources of Drinking Water"*

HOBBS OCD
AUG 22 2016
RECEIVED

23-May-16

XTO ENERGY, INC
500 W ILLINOIS STR, STE 100

**LETTER OF VIOLATION and SHUT-IN DIRECTIVE
Failed Mechanical Integrity Test**

Dear Operator:

The following test(s) were performed on the listed dates on the following well(s) shown below in the test detail section.

The test(s) indicates that the well or wells failed to meet mechanical integrity standards of the New Mexico Oil Conservation Division. To comply with guidelines established by the U.S. Environmental Protection Agency, the well(s) must be shut-in immediately until it is successfully repaired. The test detail section which follows indicates preliminary findings and/or probable causes of the failure. This determination is based on a test of your well or facility by an inspector employed by the Oil Conservation Division. Additional testing during the repair operation may be necessary to properly identify the nature of the well failure.

Please notify the proper district office of the Division at least 48 hours prior to the date and time that the well(s) will be retested so the test may be witnessed by a field representative.

MECHANICAL INTEGRITY TEST DETAIL SECTION

SDE 31 FEDERAL No.009		30-025-32868-00-00
	Active Salt Water Disposal Well	J-31-23S-32E
Test Date: 5/23/2016	Permitted Injection PSI:	Actual PSI:
Test Reason: 5-year Test	Test Result: F	Repair Due: 8/26/2016
Test Type: Std. Annulus Pres. Test	FAIL TYPE: Other Internal Failure	FAIL CAUSE:
Comments on MIT:	OPERATOR SUBMITTED CHART AND BHT. AFTER REVIEWING CHART IT WAS DETERMINED THAT IT HAD LOST 10%+ AND DEEMED A FAILURE.	

In the event that a satisfactory response is not received to this letter of direction by the "Repair Due:" date shown above, or if the well(s) are not immediately shut-in, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,



Hobbs OCD District Office

Note: Pressure Tests are performed prior to initial injection, after repairs and otherwise, every 5 years; Bradenhead Tests are performed annually. Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data. "Failure Type" and "Failure Cause" and any Comments are not to be interpreted as a diagnosis of the condition of the wellbore. Additional testing should be conducted by the operator to accurately determine the nature of the actual failure. * Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.