

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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.

AUG - 8 2008

HOBBS OGD

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 LORRAINE STE. 800 MIDLAND, TX 79701

3b. Phone No. (include area code)

432-620-6740

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

840 Feet from the North line and 2080 Feet from the East line; Unit Letter B, Section 24, T-20-S, R-36-E, NMPM, Lea County, New Mexico

5. Lease Serial No.

NM-62666

6. If Indian, Allottee or Tribe Name

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

NM 70948B

8. Well Name and No.

EUNICE MONUMENT 896

SOUTH UNIT B

9. API Well No.

30-025-26076

10. Field and Pool, or Exploratory Area

EUNICE MONUMENT; GRAYBURG
SAN ANDRES

11. County or Parish, State

LEA 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.)

7/31/08 MIRU PU. ND WH. NU BOP. MI plugging equipment. MI & rack 4,000' of 2-7/8" N-80 tbg. PU & RIH w/2-7/8" perf-sub on 2-7/8" N-80 tbg. Tag CIBP @ 3,565'. Circ 5-1/2" csg w/80 bbls of 10# drlg mud. Spot 50 sks of Class "C" cmt @ 3,565'. RD. POOH w/2-7/8" N-80 tbg. Wash up pmp equip.

8/1/08 PU & RIH w/2-7/8" perf sub on 2-7/8" N-80 tbg. Tag TOC @ 3,116. PUH to 2,600' & spot 30 sks of Class "C" cmt w/2% CaCl. POOH w/2-7/8" N-80 tbg. WOC for 3 hrs. RIH w/2-7/8" N-80 tbg & tag TOC @ 2,266'. PUH to 1,200' & spot 40 sks of Class "C" cmt w/2% CaCl. POOH w/2-7/8" N-80 tbg. RIH w/2-7/8" N-80 tbg & tag TOC @ 843'. PU to 500' & circ 50 sks of Class "C" cmt w/2% CaCl. POOH LD 2-7/8" N-80 tbg. RD. RDMO PU. (Waiting on dry hole marker to be built)

ACCEPTED FOR RECORD

AUG 6 2008

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Kristy Ward

Title

Regulatory Analyst

Date 08/04/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chin Williams

Title

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

Office

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.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144 CLEZ
July 21, 2008

For closed-loop systems that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, submit to the appropriate NMOC District Office.

Closed-Loop System Permit or Closure Plan Application

(that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

Type of action: ☒ Permit ☒ Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.	Operator: <u>XTO Energy, Inc.</u> OGRID #: <u>005380</u> Address: <u>200 N. Loraine, Ste. 800 Midland, TX 79705</u> Facility or well name: <u>Eunice Monument South Unit B #896</u> API Number: <u>30-025-26076</u> OCD Permit Number: _____ U/L or Qtr/Qtr <u>B</u> Section <u>24</u> Township <u>T-20S</u> Range <u>R-36E</u> County: <u>Lea</u> Center of Proposed Design: Latitude _____ Longitude _____ NAD: <input type="checkbox"/> 1927 <input type="checkbox"/> 1983 Surface Owner: <input checked="" type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Tribal Trust or Indian Allotment
2.	X Closed-loop System: Subsection H of 19.15.17.11 NMAC Operation: <input type="checkbox"/> Drilling a new well <input type="checkbox"/> Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) <input checked="" type="checkbox"/> P&A X Above Ground Steel Tanks or <input type="checkbox"/> Haul-off Bins
3.	Signs: Subsection C of 19.15.17.11 NMAC 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers X Signed in compliance with 19.15.3.103 NMAC
4.	Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. <input checked="" type="checkbox"/> Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC <input checked="" type="checkbox"/> Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC <input checked="" type="checkbox"/> Closure Plan (Please complete Box 5) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC <input type="checkbox"/> Previously Approved Design (attach copy of design) API Number: _____ <input type="checkbox"/> Previously Approved Operating and Maintenance Plan API Number: _____
5.	Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC) Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required. Disposal Facility Name: <u>Sundance Services, Inc.</u> Disposal Facility Permit Number: <u>NM-01-0003</u> Disposal Facility Name: _____ Disposal Facility Permit Number: _____ Will any of the proposed closed-loop system operations and associated activities occur on or in areas that <i>will not</i> be used for future service and operations? <input type="checkbox"/> Yes (If yes, please provide the information below) <input checked="" type="checkbox"/> No Required for impacted areas which will not be used for future service and operations: <input type="checkbox"/> Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC <input type="checkbox"/> Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC <input type="checkbox"/> Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC
6.	Operator Application Certification: I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief. Name (Print): <u>Kristy Ward</u> Title: <u>Regulatory Analyst</u> Signature: <u>Kristy Ward</u> Date: <u>July 28, 2008</u> e-mail address: <u>kristy_ward@xtoenergy.com</u> Telephone: <u>432-620-6740</u>

7.
OCD Approval: ☐ Permit Application (including closure plan) ☐ Closure Plan (only)

OCD Representative Signature: _____ Approval Date: _____

Title: _____ OCD Permit Number: _____

8.
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

X Closure Completion Date: 08/01/08

9.
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: Sundance Services, Inc. Disposal Facility Permit Number: NM-01-0003

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) X No

Required for impacted areas which will not be used for future service and operations:

☐ Site Reclamation (Photo Documentation)

☐ Soil Backfilling and Cover Installation

☐ Re-vegetation Application Rates and Seeding Technique

10.
Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Kristy Ward Title: Regulatory Analyst

Signature:  Date: August 4, 2008

e-mail address: kristy_ward@xtoenergy.com Telephone: 432-620-6740