Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR

Artesia

FORM APPROVED OMB NO. 1004-0137

B	UREAU OF LAND MANA	GEMENT				anuary 31, 2018
SUNDRY	NOTICES AND REPO	RTS ON WI	ELLS		5. Lease Serial No. NMLC063136A	
Do not use the	s form for proposals to II. Use form 3160-3 (API	drill or to re	-enter an		6. If Indian, Allottee of	Tribe Name
SUBMIT IN	TRIPLICATE - Other inst	tructions on	page 2		7. If Unit or CA/Agre 891000303X	ement, Name and/or No.
Type of Well Oil Well	er			,	8. Well Name and No. POKER LAKE UN	
2. Name of Operator XTO PERMIAN OPERATING	Contact: LLC E-Mail: kelly_kardo	KELLY KARI os@xtoenergy.			9. API Well No. 30-015-45484-0)0-X1
3a. Address 6401 HOLIDAY HILL ROAD E MIDLAND, TX 79707		10. Field and Pool or PURPLE SAGE	Exploratory Area -WOLFCAMP (GAS			
.4. Location of Well (Footage, Sec., T	., R., M., or Survey Description)		•	11 County or Parish,	State
Sec 28 T25S R31E SWNE 23 32.102207 N Lat, 103.780830		· '.	· · · · · · · · · · · · · · · · · · ·		EDDY COUNT	/, NM ·
12. CHECK THE A	PROPRIATE BOX(ES)	TO INDICA	TE NATURE OF	NOTICE.	REPORT, OR OTI	IER DATA
TYPE OF SUBMISSION			TYPE OF	ACTION		
Notice of Intent ■	☐ Acidize	☐ Dee	pen	☐ Produc	tion (Start/Resume)	■ Water Shut-Off
_	Alter Casing	🗀 Нус	lraulic Fracturing	☐ Reclam	ation	■ Well Integrity
☐ Subsequent Report	□ Casing Repair	□ Nev	v Construction	☐ Recom	plete	Other
☐ Final Abandonment Notice	☐ Change Plans	Plug	g and Abandon	□ Tempos	rarily Abandon	Change to Original PD
·	☐ Convert to Injection	Plug	g Back	☐ Water I	Disposal	
13. Describe Proposed or Completed Op If the proposal is to deepen direction: Attach the Bond under which the wor following completion of the involved testing has been completed. Final Al determined that the site is ready for f XTO Permian Operating, LLC	ally or recomplete horizontally, it will be performed or provide operations. If the operation re- bandonment Notices must be fil- inal inspection.	give subsurface the Bond No. o sults in a multip ed only after all	locations and measur in file with BLM/BIA. le completion or recor requirements, includi	ed and true von Required sumpletion in a ng reclamation	ertical depths of all pertir bsequent reports must be new interval, a Form 316 in, have been completed a	nent markers and zones. filed within 30 days 10-4 must be filed once
original APD:	. • • • • • • • • • • • • • • • • • • •				•	
Change casing/cement from a	i 3-string design to a 4-str	ing design.			JU	L 2 3 2019
Attachments: C102 & supplement Drilling Program Multibowl Diagram/BOP/CK/F DD Plan	н		SEE ATT CONDIT	TACHE IONS (D FO DISTRIC TI OF APPROV	/ABTESIAO.C.D.
	Λ		,			
14. I hereby cert fy that the foregoing is Con Name (Printed/Typed) KELLY KA	# Electronic Submission For XTO PERMI nmitted to AFMSS for proc	IAN/OP/ERATI	NG LLC. sent to the	ne Carlsbad n 06/11/2019	(19PP2384SE)	
Rame (Frimed Typed) RELLT N	/ / /	/ · /	Title - REGUL	·	DORDINATOR	
Signature (Electronic	Submission)		Date 06/11/20	APPR()19)ved 	
	THIS SPACE FO	R FEDER	AL OR STATE	OFFICE U	SE 4 2010	
Approved By Conditions of approval, if any, are attached certify that the applicant holds legal of equivalent would entitle the applicant to conditions.	d. Approval of this notice does uitable title to mose rights in the act operations thereon.	Judywarrany or e publicet lease		5	MANAGEMENT	Date
Title 18 U/S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	D.S. Seglion 1212 make it a statements or representations as	crime for any p s to any matter w	erson knowingly and vithin its jurisdiction.	willfully to m	ake to any department or	agency of the United

BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

ACCepted Rw 10-21-19

District 1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6[61 Fax: (575) 393-0720
District II
811 S. First St., Artesia. NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

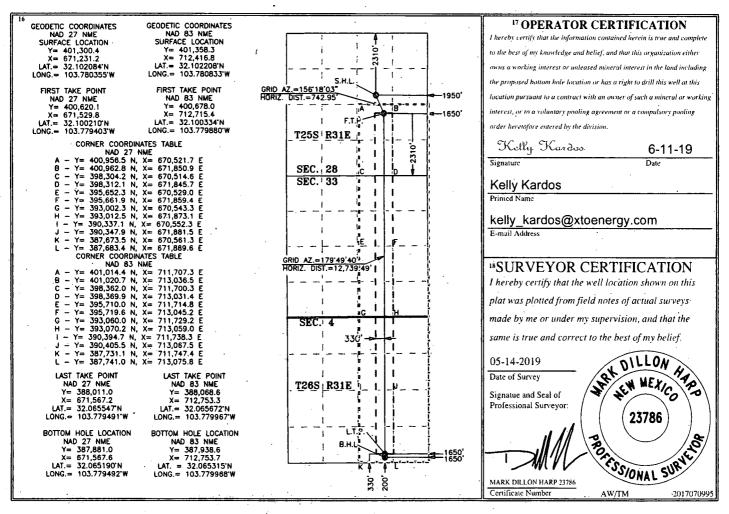
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

✓ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1	¹ API Number 30-015-45484			² Pool Code 18220		RPLE SAGE; WO	³ Pool Name DLFCAMP		-
⁴ Property	Code				⁵ Property N	lame .	<u></u>	6 W	ell Number
					POKER LAKE U	126H			
⁷ OGRID	No.		<u>-</u>		8 Operator 1	9	9 Elevation		
3730	75			XTO		3,340'			
· · · · · · · · · · · · · · · · · · ·				-	¹⁰ Surface I	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
· G	28	25 S	31 E		2,310	NORTH	1,950	EAST	EDDY
			¹¹ Bot	tom Hol	e Location If	Different From	Surface	· · ·	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Ο.	4	26 S	31 E		200	SOUTH	1,650	EAST	EDDY
12 Dedicated Acre	s 13 Joint o	r Infili 14 (Consolidation (Code 15 Or	der No.				,

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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rst 7	ake Poir	nt (FTP)							· .			
JL	Section 28	Township 25S	Range 31E	Lot	Feet 2310	From N South		et 350	From East		County Eddy	<u> </u>
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						,		•			-	
JL	ake Poin	Township	Range	Lot	Feet	From N/S	Feet	From		Count		· ·
))	Section 4	<u>.</u>	Range 31E	Lot	330	South	Feet 1650	From East		Eddy		-
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DRILLING PLAN: BLM COMPLIANCE (Supplement to BLM 3160-3)

XTO Energy Inc.

Poker Lake Unit 28 BS 126H

Projected TD: 25854' MDi/ 12640' TVD

SHL: 2310' FNL & 1950' FEL , Section 28, T25S, R31E

BHL: 200' FSL & 1650' FEL , Section 4, T26S, R31E

Eddy County, NM

1. Geologic Name of Surface Formation

Quaternary

2. Estimated Tops of Geological Markers & Depths of Anticipated Fresh Water, Oil or Gas:

And the second s			
Formation	Well Depth (TVD)	Water/Oil/Gas	
Rustler	911'	Water	
Top of Salt	1274'	Water	
Base of Salt	4010'	Water	
Delaware	4224'	Water	
Bone Spring	8166'	Water/Oil/Gas	
Wolfcamp	11528'	Water/Oil/Gas	
Wolfcamp A	11686'	Water/Oil/Gas	
Wolfcamp D	12517'	Water/Oil/Gas	
Target/Land Curve	12640'	Water/Oil/Gas	

^{***} Hydrocarbons @ Brushy Canyon

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands will be protected by setting 18-5/8 inch casing @ 1090' (184' above the salt) and circulating cement back to surface. The salt will be isolated by setting 13-3/8 inch casing at 4110' and circulating cement to surface. 9-5/8 inch intermediate casing will be set at 11600' and cemented into the 13-3/8 inch casing shoe. An 8-3/4 inch curve and lateral hole will be drilled to TD, where 5-1/2 inch casing will be set and cemented back up to the 9-5/8 inch casing shoe.

3. Casing Design

,4175

Hole Size	Depth	OD Csg	Weight	Collar	Grade	New/Used	SF Burst	SF Collapse	SF Tension
24"	0' – 1090'	18-5/8"	87.5	STC '	J-55	New	1.76	1.65	7.91
17-1/2"	0'-4110'	13-3/8"	68	STC	J-55	New	1.17	1.51	2.42
12-1/4"	0' 11600'	9-5/8"	40	LTC	HCL-80	New	1.06	1.42	1.80
8-3/4"	0' – 25854'	5-1/2"	20	BTC	P-110	New	1.33	1.35	1.83

- · XTO requests to not utilize centralizers in the curve and lateral
- 18-5/8" Collapse analyzed using 75% evacuation. Casing to be filled while running.
- · 13-3/8" & 9-5/8" Collapse analyzed using 50% evacuation based on regional experience.
- 5-1/2" tension calculated using vertical hanging weight plus the lateral weight multiplied by a friction factor of 0.35
- · Test on 2M Annular & Casing will be limited to 70% burst of the casing or 1500 psi, whichver is less

Wellhead:

Temporary Wellhead

18-5/8" SOW bottom x 21-1/4" 2M top flange.

Permanent Wellhead - GE RSH Multibowl System

- A. Starting Head: 13-5/8" 10M top flange x 13-3/8" SOW bottom
- 3. Tubing Head: 13-5/8" 10M bottom flange x 7" 15M top flange
 - Wellhead will be installed by manufacturer's representatives.
 - Manufacturer will monitor welding process to ensure appropriate temperature of seal.
 - Operator will test the 9-5/8" casing per BLM Onshore Order 2
 - Wellhead manufacturer representative will not be present for BOP test plug installation

^{***} Groundwater depth 40' (per NM State Engineers Office).

4. Cement Program

Surface Casing: 18-5/8", 87.5 New J-55, STC casing to be set at +/- 1090'

Lead: 2830 sxs EconoCem-HLTRRC (mixed at 12.9 ppg, 1.87 ft3/sx, 10.13 gal/sx water)

Tail: 300 sxs Halcem-C + 2% CaCl (mixed at 14.8 ppg, 1.35 ft3/sx, 6.39 gal/sx water)

Compressives: 12-hr = 900 psi 24 hr = 1500 psi

1st Intermediate Casing: 13-3/8", 68 New J-55, STC casing to be set at +/- 4110'

Lead: 2830 sxs EconoCem-HLTRRC (mixed at 12.9 ppg, 1.87 ft3/sx, 10.13 gal/sx water)
Tail: 300 sxs Halcem-C + 2% CaCl (mixed at 14.8 ppg, 1.35 ft3/sx, 6.39 gal/sx water)
Compressives: 12-hr = 900 psi 24 hr = 1500 psi

2nd Intermediate Casing: 9-5/8", 40 New HCL-80, LTC casing to be set at +/- 11600'

Lead: 2290 sxs Halcem-C + 2% CaCl (mixed at 12.9 ppg, 1.88 ft3/sx, 9.61 gal/sx water)
Tail: 230 sxs Halcem-C + 2% CaCl (mixed at 14.8 ppg, 1.33 ft3/sx, 6.39 gal/sx water)
Compressives: 12-hr = 900 psi 24 hr = 1500 psi

Production Casing: 5-1/2", 20 New P-110, BTC casing to be set at +/- 25854'

Tail: 2940 sxs VersaCem (mixed at 13.2 ppg, 1.61 ft3/sx, 8.38 gal/sx water)
Compressives: 12-hr = 1375 psi 24 hr = 2285 psi

5. Pressure Control Equipment

The blow out preventer equipment (BOP) on surface casing/temp, wellhead will consist of a 21-1/4" minimum 2M Hydril. MASP should not exceed 1276 psi.

Once the permanent WH is installed on the 13-3/8 casing, the blow out preventer equipment (BOP) will consist of a 13-5/8" minimum 5M Hydril and a 13-5/8" minimum 10M 3-Ram BOP. MASP should not exceed 5435 psi. In any instance where 10M BOP is required by BLM, XTO requests a variance to utilize 5M annular with 10M ram preventers (a common BOP configuration, which allows use of 10M rams in unlikely event that pressures exceed 5M). Also a variance is requested to test the 5M annular to 70% of working pressure at 3500 psi.

All BOP testing will be done by an independent service company. When nippling up on the 13-5/8" 10M bradenhead and flange, the BOP test will be limited to 10M psi. Since a multibowl system will be used, subsequent BOP pressure tests will be performed as necessary based on required testing schedule (i.e., at least every 30 days). All BOP tests will include a low pressure test as per BLM regulations. The 10M BOP diagrams are attached. Blind rams will be functioned tested each trip, pipe rams will be functioned tested each day.

A variance is requested to allow use of a flex hose as the choke line from the BOP to the Choke Manifold. If this hose is used, a copy of the manufacturer's certification and pressure test chart will be kept on the rig. Attached is an example of a certification and pressure test chart. The manufacturer does not require anchors.

6. Proposed Mud Circulation System

INTERVAL	Hole Size	Mud Type	MW (ppg)	Viscosity (sec/qt)	Fluid Loss (cc)
0' - 1090'	24"	FW/Native	8.4-8.8	35-40	NC
1090' - 4110'	17-1/2"	Brine	9.8-10.2	30-32	NC
4110' to 11600'	12-1/4"	FW/Cut Brine	8.7-10.0	30,32	NC
11600' to 25854'	8-3/4"	FW / Cut Brine / Polymer	12.2 - 12.5	29-32	.: NC - 20

The necessary mud products for weight addition and fluid loss control will be on location at all times.

Spud with fresh water/native mud. Drill out from under 18-5/8" surface casing with brine solution. A 9.8ppg-10.2ppg brine mud will be used while drilling through the salt formation. Use fibrous materials as needed to control seepage and lost circulation. Pump viscous sweeps as needed for hole cleaning. Pump speed will be recorded on a daily drilling report after mudding up. A Pason or Totco will be used to detect changes in loss or gain of mud volume. A mud test will be performed every 24 hours to determine: density, viscosity, strength, filtration and pH as necessary. Use available solids controls equipment to help keep mud weight down after mud up. Rig up solids control equipment to operate as a closed loop system.

7. Auxiliary Well Control and Monitoring Equipment

- A. A Kelly cock will be in the drill string at all times.
- B. A full opening drill pipe stabbing valve having appropriate connections will be on the rig floor at all times.
- H2S monitors will be on location when drilling below the 13-3/8" casing.

8. Logging, Coring and Testing Program

Mud Logger: Mud Logging Unit (2 man) below intermediate casing

Open hole logging will include quad combo.

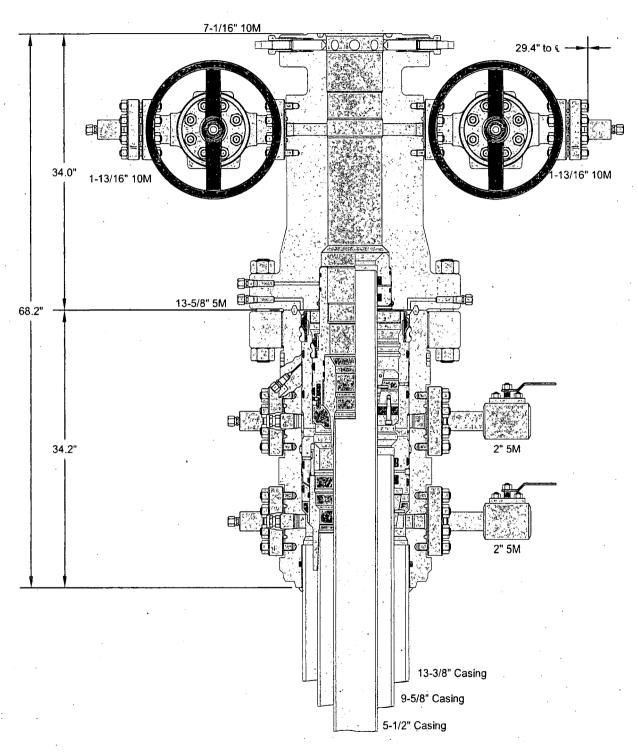
9. Abnormal Pressures and Temperatures / Potential Hazards

None Anticipated. BHT of 160 to 180 F is anticipated. No H2S is expected but monitors will be in place to detect any H2S occurrences. Should these circumstances be encountered the operator and drilling contractor are prepared to take all necessary steps to ensure safety of all personnel and environment. Lost circulation could occur but is not expected to be a serious problem in this area and hole seepage will be compensated for by additions of small amounts of LCM in the drilling fluid. The maximum anticipated bottom hole pressure for this well is 8216 psi.

10. Anticipated Starting Date and Duration of Operations

Road and location construction will begin after Santa Fe and BLM have approved the APD. 'Anticipated spud date will be as soon after Santa Fe and BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 40 days. If production casing is run, an additional 30 days will be needed to complete well and construct surface facilities and/or lay flow lines in order to place well on production.





ALL DIMENSIONS ARE APPROXIMATE

This drawing is the property of GE Oil & Gas Pressure Control LP and is considered confidential. Unless otherwise approved in writing, neither it nor its contents may be used, copied, transmitted or reproduced except for the sole purpose of GE Oil & Gas Pressure Control LP

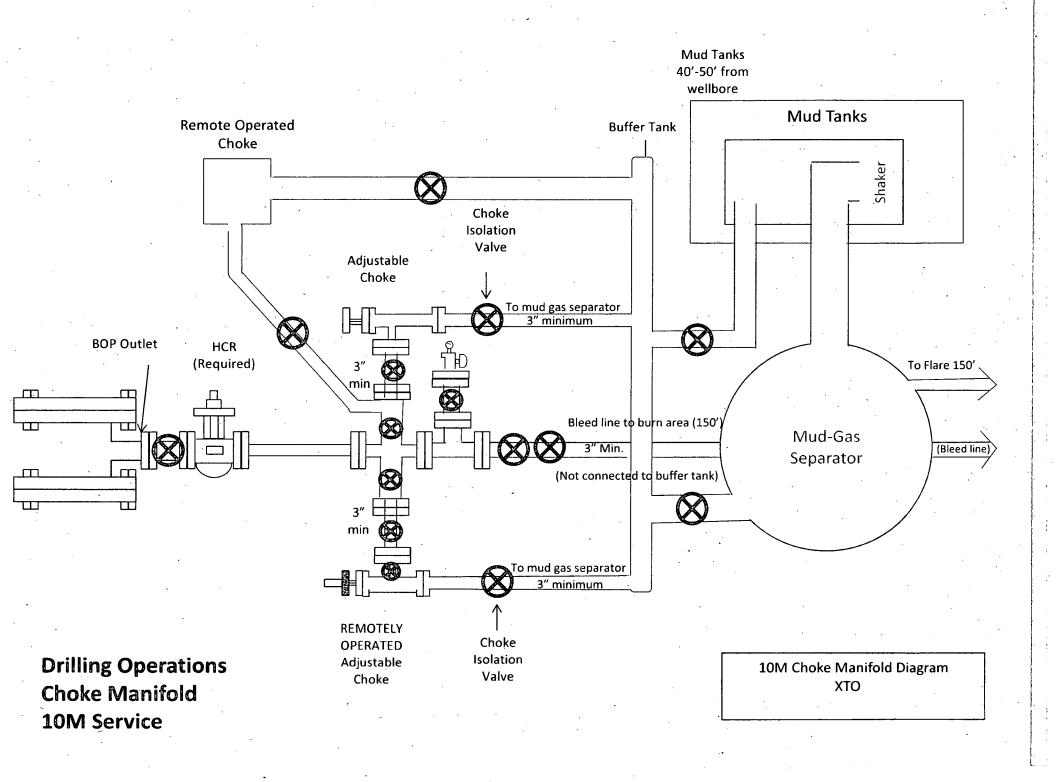
XTO ENERGY, INC.

13-3/8" x 9-5/8" x 5-1/2" 10M RSH-2 Wellhead Assembly, With T-EBS-F Tubing Head

DRAWN	VJK	16FEB17
APPRV	KN	16FEB17

FOR REFERENCE ONLY DRAWING NO.

10012842



10,000 PSI Annular BOP Variance Request

XTO Energy/XTO Permian Op. request a variance to use a 5000 psi annular BOP with a 10,000 psi BOP stack. The component and compatibility tables along with the general well control plans demonstrate how the 5000 psi annular BOP will be protected from pressures that exceed its rated working pressure (RWP). The pressure at which the control of the wellbore is transferred from the annular preventer to another available preventer will not exceed 3500 psi (70% of the RWP of the 5000 psi annular BOPL).

1. Component and Preventer Compatibility Tables

The tables below outline the tubulars and the compatible preventers in use. This table, combined with the drilling fluid, documents that two barriers to flow will be maintained at all times.

8-1/2" Production Hole Section 10M psi Requirement											
Component	OD	Primary Preventer	RWP	Alternate Preventer(s)	RWP						
Drillpipe '	5.000" or	Annular	5M	Upper 3.5"-5.5" VBR	10M						
·	4.500"			Lower 3.5"-5.5" VBR	10M						
HWDP	5.000" or	Annular	5M	Upper 3.5"-5.5" VBR	10M						
	4.500"	•		Lower 3.5"-5.5" VBR	10M						
Jars	6.500"	Annular	5M		-						
DCs and MWD tools	6.500"-8.000"	Annular .	5M								
Mud Motor	6.750"-8.000"	Annular	5M	-	- 1						
Production Casing	5-1/2"	Annular	5M	-							
Open-Hole	-	Blind Rams	10M		-						

2. Well Control Procedures

Below are the minimal high-level tasks prescribed to assure a proper shut-in while drilling, tripping, running casing, pipe out of the hole (open hole), and moving the BHA through the BOPs. At least one well control drill will be performed weekly per crew to demonstrate compliance with the procedure and well control plan. The well control drill will be recorded in the daily drilling log. The type of drill will be determined by the ongoing operations, but reasonable attempts will be made to vary the type of drill conducted (pit, trip, open hole, choke, etc.). This well control plan will be available for review by rig personnel in the XTO Energy/Permian Operating drilling supervisor's office on location and on the rig floor. All BOP equipment will be tested as per Onshore O&G Order No. 2 with the exception of the 5000 psi annular which will be tested to 70% of its RWP.

General Procedure While Drilling

- 1. Sound alarm (alert crew)
- 2. Space out drill string
- 3. Shut down pumps (stop pumps and rotary)
- 4. Shut-in well (uppermost applicable BOP, typically annular preventer, first. HCR & choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP & SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan

9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Tripping

- 1. Sound alarm (alert crew)
- 2. Stab full-opening safety valve & close
- 3. Space out drill string
- 4. Shut-in well (uppermost applicable BOP, typically annular preventer, first. HCR & choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP & SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach 70% of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Running Production Casing

- 1. Sound alarm (alert crew)
- 2. Stab crossover and full-opening safety valve and close
- 3. Space out string
- 4. Shut-in well (uppermost applicable BOP, typically annular preventer, first. HCR & choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP & SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure With No Pipe In Hole (Open Hole)

- 1. Sound alarm (alert crew)
- 2. Shut-in with blind rams (HCR & choke will already be in the closed position)
- 3. Confirm shut-in
- 4. Notify toolpusher/company representative
- 5. Read and record the following:
 - a. SICP
 - b. Pit gain
 - c. Time
- 6. Regroup and identify forward plan

General Procedures While Pulling BHA Through Stack

- 1. PRIOR to pulling last joint of drillpipe through stack:
 - a. Perform flow check. If flowing, continue to (b).
 - b. Sound alarm (alert crew)
 - c. Stab full-opening safety valve and close
 - d. Space out drill string with tool joint just beneath the upper variable bore rams
 - e. Shut-in using upper variable bore rams (HCR & choke will already be in the closed position)
 - f. Confirm shut-in
 - g. Notify toolpusher/company representative
 - h. Read and record the following:
 - i. SIDPP & SICP
 - ii. Pit gain
 - iii. Time
 - i. Regroup and identify forward plan
- 2. With BHA in the stack and compatible ram preventer and pipe combination immediately available:
 - a. Sound alarm (alert crew)
 - b. Stab crossover and full-opening safety valve and close
 - c. Space out drill string with upset just beneath the upper variable bore rams
 - d. Shut-in using upper variable bore rams (HCR & choke will already be in the closed position)
 - e. Confirm shut-in
 - f. Notify toolpusher/company representative
 - g. Read and record the following:
 - i. SIDPP & SICP

- ii. Pit gain
- iii. Time
- h. Regroup and identify forward plan
- 3. With BHA in the stack and NO compatible ram preventer and pipe combination immediately available:
 - a. Sound alarm (alert crew)
 - b. If possible, pull string clear of the stack and follow "Open Hole" procedure.
 - c. If impossible to pull string clear of the stack:
 - d. Stab crossover, make up one joint/stand of drillpipe and full-opening safety valve and close
 - e. Space out drill string with tooljoint just beneath the upper variable bore ram
 - f. Shut-in using upper variable bore ram (HCR & choke will already be in the closed position)
 - g. Confirm shut-in
 - h. Notify toolpusher/company representative
 - i. Read and record the following:
 - i. SIDPP & SICP
 - ii. Pit gain
 - iii. Time
 - j. Regroup and identify forward plan



GATES E & S NORTH AMERICA, INC

DU-TEX

134 44TH STREET

CORPUS CHRISTI, TEXAS 78405

PHONE: 361-887-9807

FAX: 361-887-0812

EMAIL: crpe&s@gates.com

WEB: www.gates.com

GRADE D PRESSURE TEST CERTIFICATE

Monte: AUSTIN DISTRIBUTING		Test Date:	6/8/2014	
Costemer Ref. :	PENDING	Hose Senal No.:	D-06081-1-1	
invace No. :	201709	Created By:		
			NORIAA	
Product Discription:		FD3.042.0R41/16.5KFLGE/E-1	LE	
ad Fitting 1:	4 1/16 in.SK FLG	End Fitting 2:		
ales Part Ho. :	4774-6001		4 1/16 in.5K FLG	
		Assembly Code :	E33090011513D-060814-1	
Rokine Pressure :	5,000 PSI	Test Pressure :		

Gates E & S North America, Inc. certifies that the following hose assembly has been tested to the Gates Oilfield Roughneck Agreement/Specification requirements and passed the 15 minute hydrostatic test per API Spec 7K/Q1, Fifth Edition, June 2010, Test pressure 9.6.7 and per Table 9 to 7,500 psi in accordance with this product number. Hose burst pressure 9.6.7.2 exceeds the minimum of 2.5 times the working pressure per Table 9.

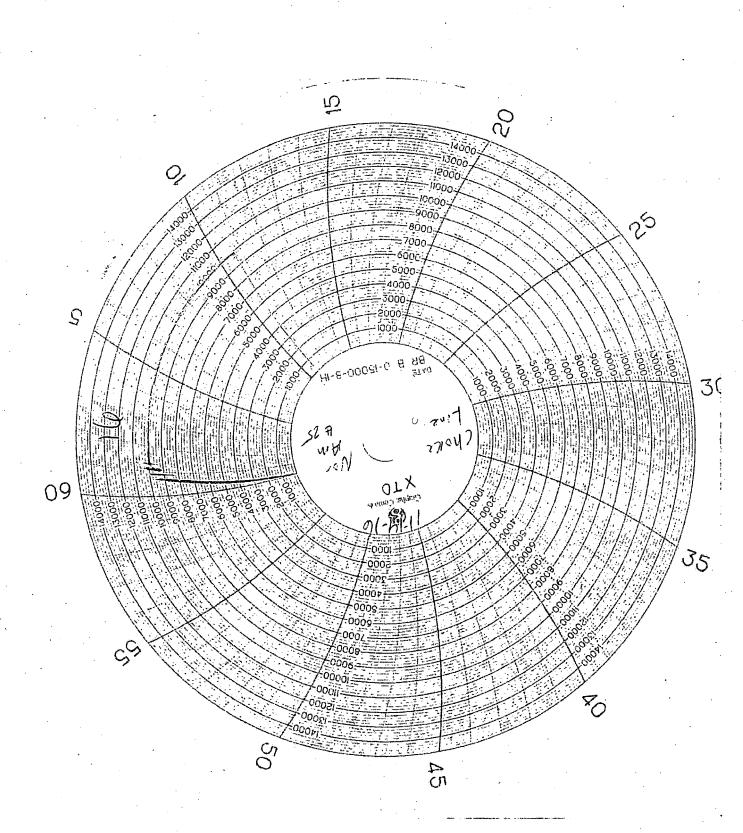
Technical Supervisor:
Date:

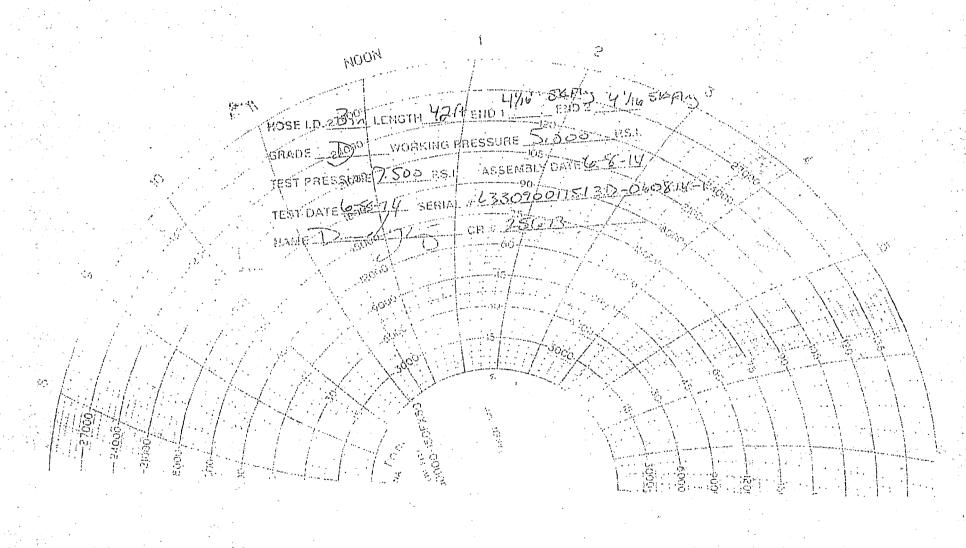
Signature :

PRODUCTION

5/8/2014

Form PTC - 01 Rev.0 2





Schlumberger

XTO Energy PLU 28 BS 126H Rev0 JP 15May19 Proposal Geodetic Report



(Non-Def Plan)

Report Date; Client; Field: Structure / Slot: Well:

Version / Patch:

May 16, 2019 - 11:02 AM XTO Energy NM Eddy County (NAD 27) XTO Energy PLU 28 8S 126H / New Slot

PLU 28 BS 126H PLU 28 BS 126H UWI / API#: Survey Name:

Survey Date: Tort / AHD / DDI / ERD Ratio: Coordinate Reference System

Location Lat / Long: Location Grid N/E Y/X: CRS Grid Convergence Angle: Grid Scale Factor:

Unknown / Unknown XTO Energy PLU 28 BS 126H Rev0 JP 15May19 May 15, 2019 103.300 ° / 13812.475 ft / 6.465 / 1.093

NAD27 New Mexico State Plane, Eastern Zone, US Feet N 32° 6' 7.50145", W 103° 46' 49.27937"

N 401300.400 ftUS, E 671231.200 ftUS 0.2939 ° 0.99994267 2.10.760.0

Survey / DLS Computation: Vertical Section Azimuth: Vertical Section Origin: TVD Reference Datum: TVD Reference Elevation: Seabed / Ground Elevation Magnetic Declination: Total Gravity Field Strength Gravity Model:

Total Magnetic Field St Magnetic Dip Angle: Declination Date: Magnetic Declination Mode North Reference: Grid Convergence Used; Total Corr Mag North->Grid North:

Minimum Curvature / Lubinski 179.830 ° (Grid North) 0.000 ft, 0.000 ft RKB 3370.000 ft above MSL 3340.000 ft above MSL 6.686 ° 998.4232mgn (9.80665 Başed) GARM

47805.768 nT 59.728 ° May 15, 2019 HDGM 2019 Grid North 0.2939 ° 6.3917 °

Local Coord Referenced To:

Comments	MD (ft)	lnci (°)	Azim Grid	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100 ft)	Northing (ftUS)	Easting (ftUS)	Latitude	Longitude (E/W ° ' ")
SHL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	401300.40		32 6 7.50 V	
Nudge 1.5° DLS	4100.00	0.00	74.00	4100.00	0.00	0.00	0.00	0.00	401300.40		32 6 7.50 V	
Hold Drop 1.5° DLS Hold to KOP	4533.33 6815.60 7248.93	6.50 6.50 0.00	74.00 74.00 74.00	4532.40 6800.00 7232.40	-6.70 -77.17 -83.87	6.77 77.98 84.75	23,60 271,95 295,56	1.50 0.00 1.50	401307.17 401378.38 401385.14	67,1503.14 N	32 6 7.57 V 32 6 8.26 V 32 6 8.33 V	V 103 46 46.11
KOP, Build 8° DLS	11940.34	0.00	74.00	11923.81	-83.87	84.75	295.56	0.00	401385.14	671526.74 N	32 6 8.33 V	V 103 46 45 84
Landing Point XTO Energy	13069.09	90.30	179.83	12640.00	636.08	-635.20	297.73	8.00	400665.24	671528.92 N	.32 6 1.20 V	V 103 46 45.86
PLU 28 BŠ 126H - PBHL	25854.32	90.30	179.83	12573.00	13421,14	-13420.20	336.42	0.00	387881.00	671567.60 N	32 3 54.68 V	V 103 46 46.17

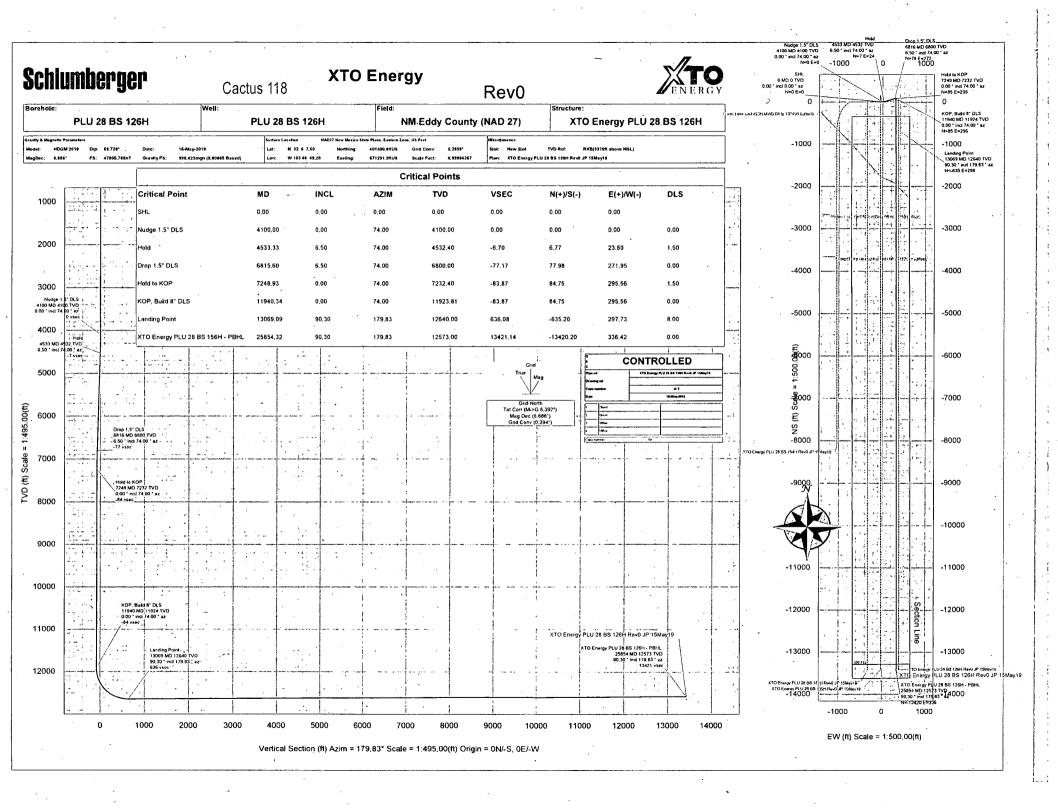
Survey Type:

Non-Def Plan

Survey Error Model: Survey Program:

ISCWSA Rev 0 *** 3-D 95.000% Confidence 2.7955 sigma

 Description	Part	MD From (ft)	MD To (ft)	EOU Freq (ft)	Hole Size Casin (in)	g Diameter (in)	Expected Max Inclination (deg)		Borehole / Survey	
•	1	0.000	30.000	1/100.000	30.000	30.000		NAL_MWD_IFR1+MS-Depth Only	PLU 28 BS 126H / XTO Energy PLU 28 BS 126H Rev0 JP 15May19	
	1	30.000	25854.324	1/100.000	30.000	30.000		NAL_MWD_IFR1+MS	PLU 28 BS 126H / XTO Energy PLU 28 BS 126H Rev0 JP	



PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: | XTO Permian Operating, LLC.

LEASE NO.: NMLC-063136A

WELL NAME & NO.: | Poker Lake Unit 28 BS 126H

SURFACE HOLE FOOTAGE: 2310 FNL & 1950' FEL

BOTTOM HOLE FOOTAGE | 0200' FSL & 1650' FEL Sec. 04, T. 26 S., R 31 E.

LOCATION: | Section 28, T. 25 S., R 31 E., NMPM

COUNTY: Eddy County, New Mexico

The original COAs still stand with the following drilling modifications:

Commercial Well Determination

A commercial well determination shall be submitted after production has been established for at least six months.

Unit Wells

The well sign for a unit well shall include the unit number in addition to the surface and bottom hole lease numbers. This also applies to participating area numbers. If a participating area has not been established, the operator can use the general unit designation, but will replace the unit number with the participating area number when the sign is replaced.

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

- 1. A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the Delaware formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.
- 2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. If the drilling rig is removed without approval an Incident of Non-Compliance will be written and will be a "Major" violation.

- 3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.
- 4. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) for Water Basin:

After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.

Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Medium Cave/Karst
Possibility of water flows in the Salado and Castile.
Possibility of lost circulation in the Red beds, Rustler, and Delaware.
Abnormal pressures may be encountered upon penetrating the 3rd Bone Spring Sandstone and all subsequent formations.

- 1. The 18-5/8 inch surface casing shall be set at approximately 1090 feet (in a competent bed below the Magenta Dolomite, which is a Member of the Rustler, and if salt is encountered, set casing at least 25 feet above the salt)) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.

13-3/8²² 1st Intermediate casing shall be kept fluid filled while running into hole to meet BLM minimum collapse requirements.

- 2. The minimum required fill of cement behind the 13-3/8 inch 1st intermediate casing, which shall be set at approximately 4175 feet, is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst.

Formation below the 13-3/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

If cement does not circulate to surface on the 13-3/8" casing, the cement on the 9-5/8" casing must come to surface.

9-5/8" 2nd Intermediate casing shall be kept fluid filled while running into hole to meet BLM minimum collapse requirements.

3. The minimum required fill of cement behind the 9-5/8 inch 2nd intermediate casing is:

\sim	Cement to surface.	TC 1		
$I \times I$	I ement to curtace	It coment does not	circulate cee U l a	a d abarra
$V \times V$	Comon to surface.	TI COMON GOOS NOT	Circulate see D. I.a.	C-d above
_		2		

Formation below the 9-5/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe and the mud weight for the bottom of the hole. Report results to BLM office.

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

- 4. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.
- 5. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API 53.
- 2. Variance approved to use flex line from BOP to choke manifold. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor. If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).
- 3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 2000 (2M) psi.

- 4. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the 13-3/8" 1st intermediate casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 13-3/8" 1st intermediate casing shoe shall be 10,000 (10M) psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Operator shall perform the intermediate casing integrity test to 70% of the casing burst. This will test the multi-bowl seals.
 - e. Operator shall perform the 9-5/8" casing integrity tests to 70% of the casing burst. This will test the multi-bowl seals.
 - f. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

Variance approved to use a 5M annular. The annular must be tested to full working pressure (5000 psi.)

10M system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.

- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. The tests shall be done by an independent service company utilizing a test plug **not** a **cup** or **J-packer**.

- c. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- d. The results of the test shall be reported to the appropriate BLM office.
- e. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- f. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- g. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the **Wolfcamp** formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

D. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the **Wolfcamp** formation, and shall be used until production casing is run and cemented.

E. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

F. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion 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.

JAM 062419