Form 3160-5 (June 2015)

UNITED STATES' DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD Artesia

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

| Expires: Januar | У |
|------------------|---|
| Lease Serial No. | |
| NMNM030453 | |

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter

| abandoned we | ll. Use form 3160-3 (AP | D) for such p | proposals. | | 6. If Indian, Allottee of | Tribe Name |
|---|--|---------------------------------------|--|-----------------|--|--|
| SUBMIT IN | TRIPLICATE - Other ins | tructions on | page 2 | | 7. If Unit or CA/Agree NMNM71016X | ment, Name and/or No. |
| Type of Well Oil Well | her | • | | | 8. Well Name and No. POKER LAKE UN | IT 13 DTD 124H |
| Name of Operator XTO PERMIAN OPERATING | Contact: LLC E-Mail: kelly_kard | KELLY KARI | | , | 9. API Well No. 30-015-45840 | |
| 3a. Address 6401 HOLIDAY HILL RD BLD MIDLAND, TX 79707 | OG 5 | 3b. Phone No Ph: 432-62 | (include area code) 0-4374 | | 10. Field and Pool or E PURPLE SAGE | xploratory Area WOLFCAMP |
| 4. Location of Well (Footage, Sec., 7 | ., R., M., or Survey Description | 1) | · · · · · · · · · · · · · · · · · · · | | 11. County or Parish, S | tate |
| Sec 24 T24S R30E Mer NMP | NENW 584FNL 2275FW | 'L | | | EDDY COUNTY | , NM |
| 12. CHECK THE AI | PPROPRIATE BOX(ES) | TO INDICA | TE NATURE O | F NOTICE, | REPORT, OR OTH | ER DATA |
| TYPE OF SUBMISSION | | · | TYPE OF | ACTION | | |
| Notice of Intent | ☐ Acidize | ☐ Dee | pen | ☐ Product | ion (Start/Resume) | ☐ Water Shut-Off |
| | ☐ Alter Casing | 🗖 Hyd | raulic Fracturing | ☐ Reclam | ation | ■ Well Integrity |
| ☐ Subsequent Report | □ Casing Repair | ■ New | Construction | □ Recomp | olete | Other |
| ☐ Final Abandonment Notice | Change Plans | Plug | and Abandon | □ Tempor | arily Abandon | Change to Original A PD |
| | Convert to Injection | Plug | Back ' | □ Water I | Disposal | |
| | From Ectors Plus | 476 | 2914 St | 611 St | rd | L CONSERVATION RTESIA DISTRICT AUG 2 1 2019 RECEIVED RE hole |
| 14. I hereby certify that the foregoing is | true and correct. Electronic Submission # | 473840 varifia | l by the RI M Well | Information | System | |
| | For XTO PERMI committed to AFMSS for | AN'OPERATIN | G LLC. sent to th | e Carlshad | | |
| Name (Printed/Typed) KELLY KA | | processing by | | | ORDINATOR | |
| Signature (Electronics | | , | Date 07/17/20 | 311 II | PROVED | |
| | THIS SPACE FO | R/FEDERA | | 7.11 | | |
| | | h_{Δ} | | | 1 7 2019 | |
| Approved/By | _//-//-/ | 1+/-1 | Title | | · | Date |
| certify that the applicant holds legal of equivalent to condu- which would entitle the applicant to condu- | ct operations thereon. | <i>Y</i> | Office | BOSWELL | AND MANAGEMENT | |
| Title 8 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s | U.S.C. Section 1212, make it a tatements or representations as | crime for any per to any matter wi | son knowingly and value in its jurisdiction. | villfully to ma | ke to any department or a | gency of the United |
| (Instructions on page 2) ** OPERAT | OR-SUBMITTED ** | PERATOR- | SUBMITTED ** | OPERAT | OR-SUBMITTED * | * |

RNP10-29-19

DRILLING PLAN: BLM COMPLIANCE

(Supplement to BLM 3160-3)

XTO Energy Inc.

PLU 13 Dog Town Draw 124H

Projected TD: 22519' MD / 12395' TVD

SHL: 584' FNL & 2275' FWL , Section 24, T24S, R30E BHL: 200' FSL & 2310' FWL , Section 25, T24S, R30E

Eddy County, NM

1. Geologic Name of Surface Formation

A. Permian

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

| Formation | Well Depth (TVD) | Water/Oil/Gas |
|------------------------------|------------------|---------------|
| Rustler | 603' | Water |
| Top of Salt | 988' | Water |
| Base of Salt . | 3938' | Water |
| Delaware | 4168' | Water |
| Bone Spring | 8158' | Water/Oil/Gas |
| 1st Bone Spring Ss | 9118' | Water/Oil/Gas |
| 2nd Bone Spring Ss | 9768' | Water/Oil/Gas |
| 3rd Bone Spring Ss | 10893' | Water/Oil/Gas |
| Wolfcamp Shale | 11313' | Water/Oil/Gas |
| Wolfcamp A Shale | 11493' | Water/Oil/Gas |
| . Wolfcamp B Shale | 11858' | Water/Oil/Gas |
| Wolfcamp D Target/Land Curve | 12395' | 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 @ 780' (208' above the salt) and circulating cement back to surface. The salt will be isolated by setting 13-3/8 inch casing at 4013' and circulating cement to surface. A 12-1/4 inch vertical hole will be drilled to 11708' and 9-5/8 inch casing ran and cemented 500' into the 13-3/8 inch casing. An8-3/4 inch curve and lateral hole will be drilled to MD/TD and 5-1/2 casing will be set at TD and cemented back 200' into the 9-5/8 inch casing shoe.

3. Casing Design

| Hole Size | Depth | OD Csg | Weight | Collar | Grade | New/Used | SF Burst | SF Collapse | SF Tension |
|--------------|-------------|---------|---------|--------|--------|----------|-------------|----------------|------------|
| 24" | 0' - 780' | 18-5/8" | 87.5 | BTC | J-55 | New | 1.81 | 1.79 | 11.05 |
| 17-1/2" | 0' – 4013' | 13-3/8" | 545(00) | BTC | HCL-80 | New | 1.29 | 1.16 | 5.67 |
| 12-1/4" | 0' - 11708' | 9-5/8" | 40 | BTC | HCL-80 | New | 1.02 | 1.23 | 1.96 |
| 8-3/4-8-1/2" | 0' – 22519' | 5-1/2" | . 20 | втс | P-110 | New | 1.18 | 1.32 | 1.98 |

XTO requests to utilize centralizers after KOP and only a minimum of one every other joint.

13-3/8" Collapse analyzed using 50% evacuation based on regional experience.

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

WELLHEAD:

Temporary Wellhead

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

Permanent Wellhead - GE RSH Multibowl System

- A. Starting Head (RSH System): 13-3/8" SOW bottom x 13-5/8" 10M top flange
- B. Tubing Head: 13-5/8" 10M bottom flange x 7-1/16" 15M top flange
 - Wellhead will be installed by manufacturer's representatives.

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

- Manufacturer will monitor welding process to ensure appropriate temperature of seal.
- Operator will test the 8-5/8" casing per Onshore Order 2.
- Wellhead manufacturer representative may not be present for BOP test plug installation

4. Cement Program

Surface Casing: 18-5/8", 87.5 New J-55, BTC casing to be set at +/- 780'

Lead: 640 sxs EconoCem-HLTRRC (mixed at 12.8 ppg, 1.87 ft3/sx, 10.13 gal/sx water) Tail: 550 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", 54.5 New HCL-80, BTC casing to be set at +/- 4013'

Lead: 2370 sxs Halcem-C + 2% CaCl (mixed at 12.8 ppg, 1.88 ft3/sx, 9.61 gal/sx water)

Tail: 820 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 (Stage 2): 9-5/8", 40 New HCL-80, BTC casing to be set at +/- 11708' ECP/DV Tool to be set at 4063'

Lead: 1100 sxs Halcem-C + 2% CaCl (mixed at 12.8 ppg, 1.87 ft3/sx, 9.61 gal/sx water)

Tail: 380 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 Stage

Lead: 2190 sxs Halcem-C + 2% CaCl (mixed at 12.8 ppg, 1.88 ft3/sx, 9.61 gal/sx water)

Tail: 470 sxs Halcem-C + 2% CaCl (mixed at 14.8 ppg, 1.33 ft3/sx, 6.39 gal/sx water) Compressives:

Production Casing: 5-1/2", 20 New P-110, BTC casing to be set at +/- 22519'

Lead: 20 sxs Halcem-C + 2% CaCl (mixed at 11.5 ppg, 1.88 ft3/sx, 9.61 gal/sx water)

Tail: 2540 sxs VersaCem (mixed at 13.2 ppg, 1.33 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 temporary wellhead will consist of a 21-1/4" minimum 2M Hydril. MASP should not exceed 1246 psi.

Once the perminent wellhead is installed the blow out preventer equipment (BOP) for this well consists of a 13-5/8" minimum 10M Hydril, a 13-5/8" minimum 10M Double Ram and a 10M Single RAM BOP. MASP should not exceed 5652 psi.

All BOP testing will be done by an independent service company. Annular pressure tests will be limited to 50% of the working pressure. When nippling up on the 13-5/8" 10M bradenhead and flange, the BOP test will be limited to 10000 psi. When the 13-3/8" and 9-5/8" casing is set, the packoff seals will be tested to a minimum of 10000 psi. 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 to 780 | 24." | FW/Native | 8.4-8.8 | 35-40 | NC |
| 780' to 4013' | 17-1/2" | Brine/Gel Sweeps | 9.8-10.2 | 30-32 | NC |
| 4013' to 11708' | 12-1/4" | FW / Cut Brine | 9.1-9.5 | 29-32 | NC - 20 |
| 11708' to 22519' | 8-3/4-8-1/2" | FW / Cut Brine / Polymer/ OBM | 12.7-13.5 | 32-50 | 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 16" 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.
- C. 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 1st intermediate casing.

Open hole logging will not be done on this well.

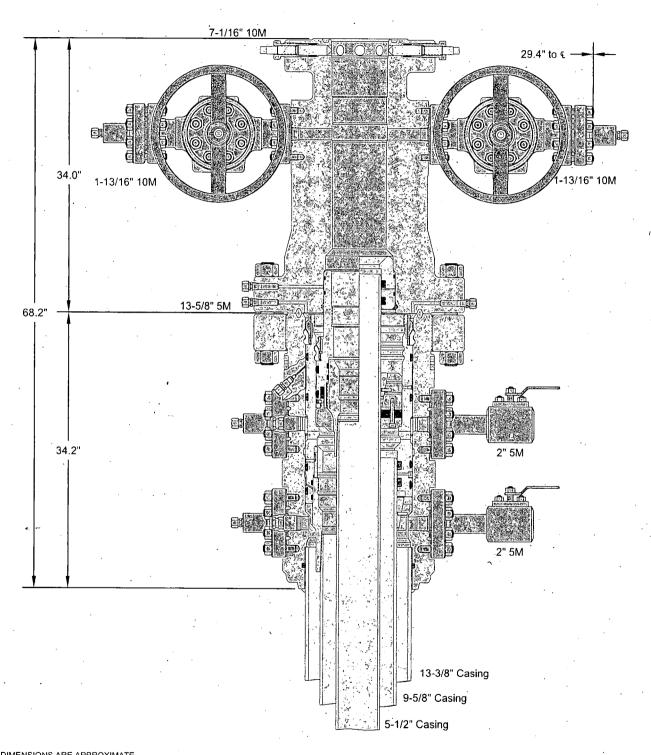
9. Abnormal Pressures and Temperatures / Potential Hazards

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 8379 psi.

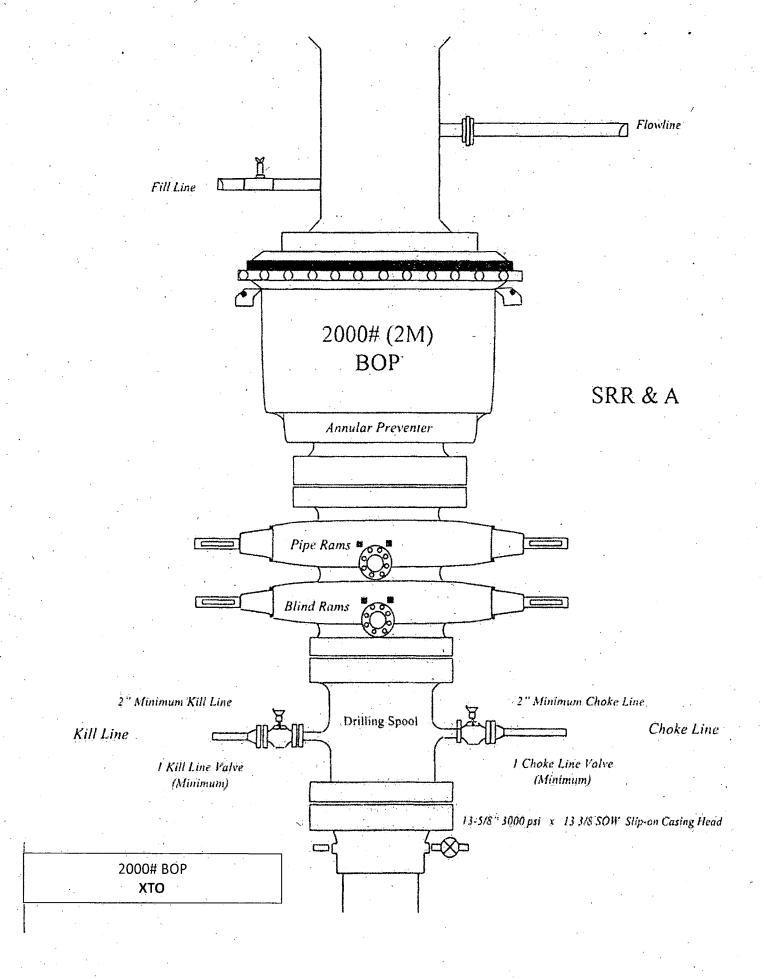
10. Anticipated Starting Date and Duration of Operations

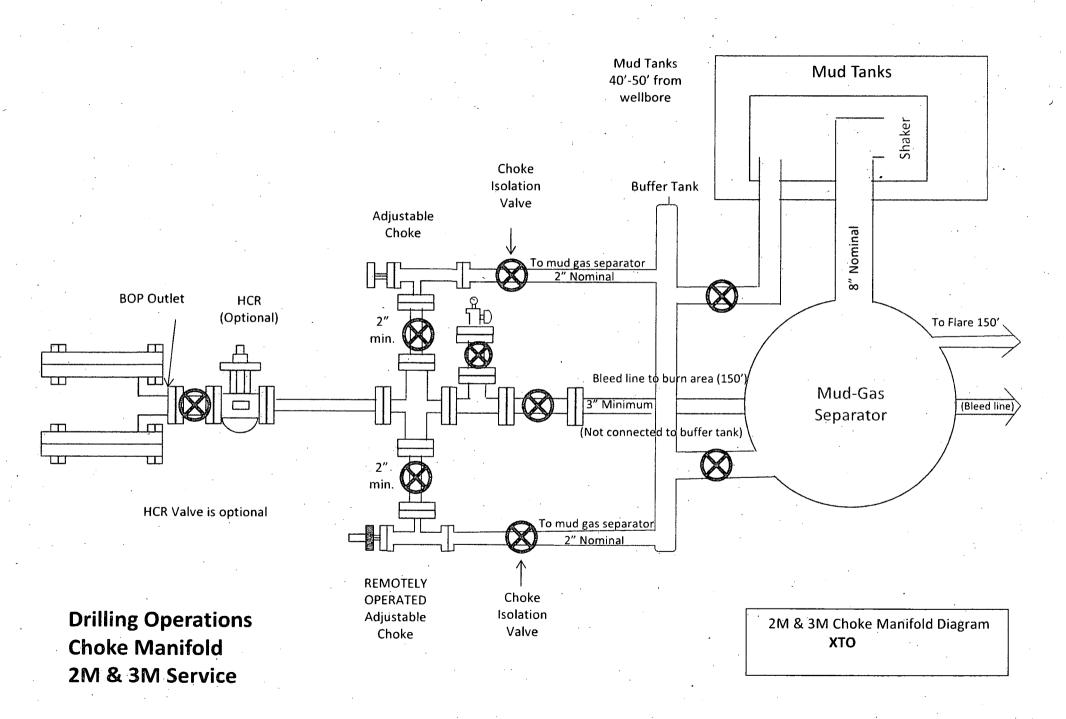
Road and location construction will begin after Santa Fe and BLM have approved the APD. Anticipated spud date will be as soon after Santa Fe and BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 40 days. If production casing is run, an additional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

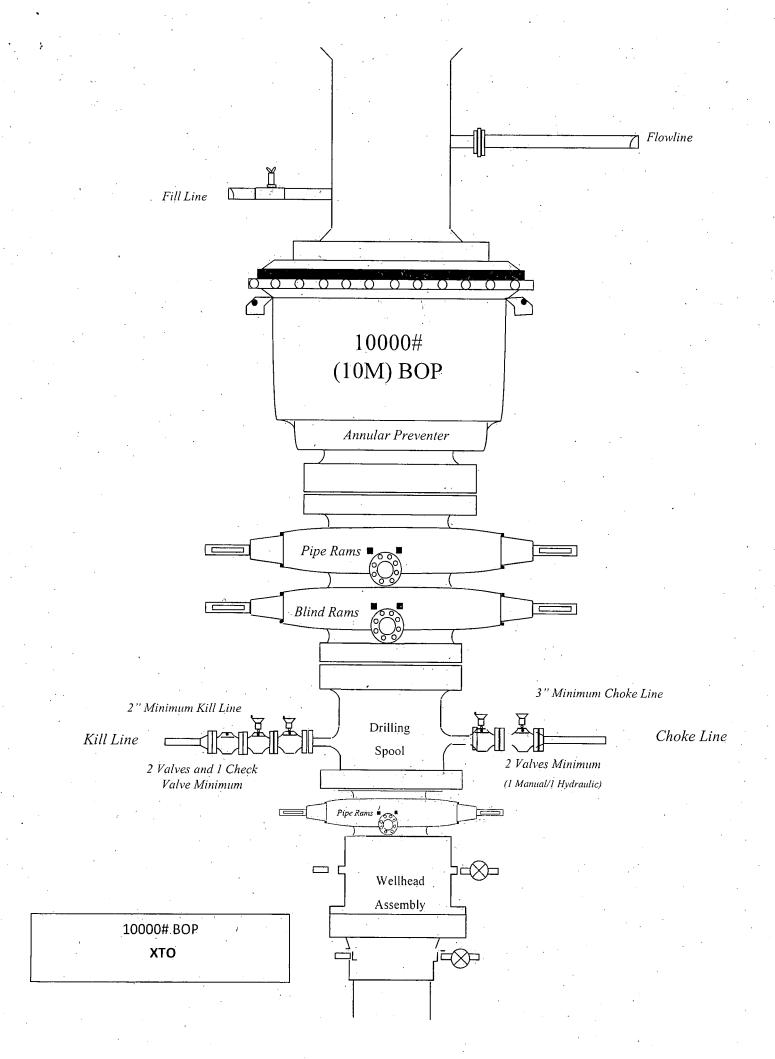


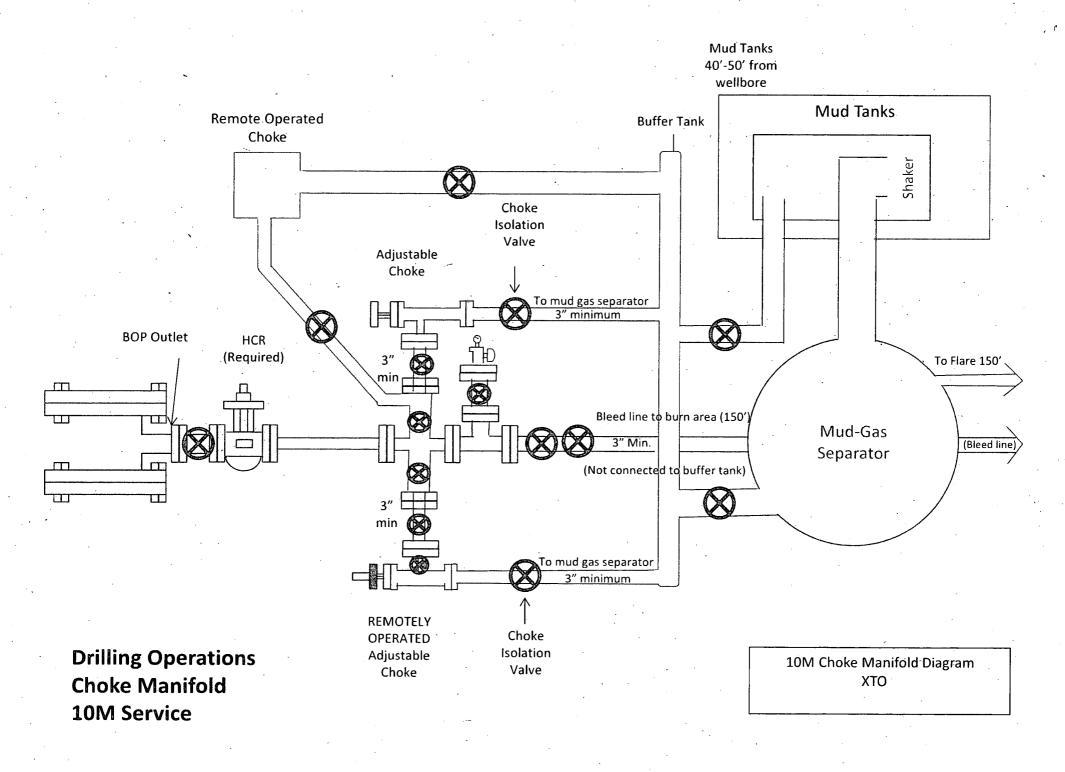


This drawing is the property of GE Oil & Gas Pressure Control LP and is considered confidential. Unless otherwise approved in writing, neither it nor its contents may be used, copied, transmitted or reproduced except for the sole purpose of GE Oil & Gas Pressure Control LP. 13-3/8" x 9-5/8" x 5-1/2" 10M RSH-2 Wellhead Assembly, With T-EBS-F Tubing Head Assembly, With T-EBS-F Tubing Head DRAWN VJK 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 4.500" | Annular | 5M | Upper 3.5"-5.5" VBR Lower 3.5"-5.5" VBR | 10M 10M | | |
| HWDP | 5.000" or 4.500" | Annular | 5M | Upper 3.5"-5.5" VBR Lower 3.5"-5.5" VBR | 10M 10M | | |
| Jars | 6.500" | Annular | 5M | - | - | | |
| DCs and MWD tools | 6.500"-8.000" | Annular | 5M | - | <u> </u> | | |
| Mud Motor | 6.750"-8.000" | Annular | 5M | - | | | |
| Production Casing | 5-1/2" | Annular | 5M | <u> </u> | - | | |
| 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
 - 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, IÑO DU-TEX 134 44TH STREET CORPUS CHRISTI, TEXAS 78405

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GRADE D PRESSURE TEST CERTIFICATE

| Customer : Customer Ref. : Invoice No. : | AUSTIM DISTRIBUTING PENDING 201709 | Tast Date: Hose Senal No.: Created By: | 6/8/2014 D-0608141 MORHA |
|---|--|--|--|
| Product Description: | | FD3:042.0R41/16.5KFLGE/E | LE |
| End Fitting (: Sales Part No. : Varking Pressure : | 4 1/16 in.5K FLG 4774-6001 5,000 PSI | End Fitting 2 : Assembly Code : | 4 1/16 in.5K FLG L33090011513D-060814-1 |

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.

Quality: QUALITY Technical Supervisor: PRODUCTION
Date: Signature: Signature:

Form PTC - 01 Rev.0 2

