

District I
1825 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 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 Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-101
August 1, 2011
Permit 180678

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address XTO ENERGY, INC XTO Energy, Inc. Aztec, NM 87410		2. OGRID Number 5380 3. API Number 30-025-41861
4. Property Code 313270	5. Property Name PERLA VERDE 31 STATE	6. Well No. 002H

7. Surface Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
O	31	19S	35E		230	S	2060	E	Lea

8. Proposed Bottom Hole Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	31	19S	35E	B	200	N	1865	E	Lea

9. Pool Information	
WC-025 G-08 S203506D:BONE SPRING	97983

Additional Well Information				
11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3702
16. Multiple N	17. Proposed Depth 15718	18. Formation 3rd Bone Spring Sand	19. Contractor	20. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program						
Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	1850	615	0
Int1	12.25	9.625	40	3950	1315	0
Prod	8.75	5.5	17	15718	1950	3450

Casing/Cement Program: Additional Comments
This is a horizontal well. TD: 15,718' MD/ 11,080' TVD.

22. Proposed Blowout Prevention Program			
Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	3000	Cameron

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable. Signature: _____ Printed Name: Electronically filed by DIANE JARAMILLO Title: _____ Email Address: diane_jaramillo@xtoenergy.com Date: 5/23/2014	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 5/23/2014 Expiration Date: 5/23/2016 Conditions of Approval Attached
Phone: 505-793-7577	

BEFORE THE OIL CONSERVATION
DIVISION
Santa Fe, New Mexico
Exhibit No. 2
Submitted by: XTO ENERGY, INC.
Hearing Date: October 1, 2014

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

Form C-102
August 1, 2011
Permit 186078

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-41861	2. Pool Code 97983	3. Pool Name WC-025 G-08 S203506D;BONE SPRING
4. Property Code 313270	5. Property Name PERLA VERDE 31 STATE	6. Well No. 002H
7. OGRID No. 5380	8. Operator Name XTO ENERGY, INC	9. Elevation 3702

10. Surface Location

UL - Lot O	Section 31	Township 19S	Range 35E	Lot Idn	Feet From 230	N/S Line S	Feet From 2060	E/W Line E	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot B	Section 31	Township 19S	Range 35E	Lot Idn	Feet From 200	N/S Line N	Feet From 1865	E/W Line E	County Lea
12. Dedicated Acres 160.00			13. Joint or Infill		14. Consolidation Code			15. Order 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

<table border="1"> <tr><td></td><td></td><td>☒</td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td>☒</td><td></td></tr> </table>			☒												☒		OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> E-Signed By: DIANE JARAMILLO Title: Date: 5/23/2014	
			☒															
		☒																
SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Surveyed By: Gary Eldson Date of Survey: 4/7/2014 Certificate Number: 12641																		

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

Form APD Comments

Permit 186678

PERMIT COMMENTS

Operator Name and Address: XTO ENERGY, INC [5380] XTO Energy, Inc. Aztec, NM 87410	API Number: 30-025-41861
	Well: PERLA VERDE 31 STATE #002H

Created By	Comment	Comment Date
SRabadue	The BHL for this well will be 200' FNL. The well will be plugged back with cement to 330' FNL for a standard location. A directional drill survey and deviation plan will be submitted to the NMOCDD to verify the standard location. Unable to attach plat to the APD. Plat and Directional Drill Plan will be sent to P. Kautz and D. Mull 5.23.2014.	5/23/2014

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

Form APD Conditions

Permit 186678

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: XTO ENERGY, INC [5380] XTO Energy, Inc. Aztec, NM 87410	API Number: 30-025-41861
	Well: PERLA VERDE 31 STATE #002H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water

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

HOABS OCD

Form C-102

Revised August 1, 2011

Submit one copy to appropriate District Office

MAY 23 2014

RECEIVED

DAMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-41861	Pool Code 37570	Pool Name Lea, Bone Spring
Property Code 313270	Property Name PERLA VERDE 31 STATE	Well Number 2H
OGRID No. 0053815	Operator Name XTO ENERGY	Elevation 3702'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	31	19-S	35-E		230	SOUTH	2060	EAST	LEA

Bottom Hole 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
B	31	19-S	35-E		200	NORTH	1865	EAST	LEA

Dedicated Acres 11.00	Joint or Infill	Consolidation Code	Order No.
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GEODETIC COORDINATES NAD 27 NME BOTTOM HOLE LOCATION Y=591560.0 N X=758519.4 E LAT.=32.623494° N LONG.=103.493667° W LOT 1 39.20 AC. LOT 2 39.20 AC. GEODETIC COORDINATES NAD 27 NME CORNER COORDINATES TABLE A - Y=591754.6 N, X=757742.0 E B - Y=591763.5 N, X=759062.0 E C - Y=586456.1 N, X=759110.7 E D - Y=586443.9 N, X=757788.3 E GEODETIC COORDINATES NAD 83 NME CORNER COORDINATES TABLE A - Y=591817.8 N, X=798922.7 E B - Y=591826.8 N, X=800242.7 E C - Y=586519.2 N, X=800291.6 E D - Y=586507.0 N, X=798969.1 E LOT 3 39.20 AC. LOT 4 39.20 AC. GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=586679.3 N X=758371.4 E LAT.=32.610083° N LONG.=103.494272° W GEODETIC COORDINATES NAD 83 NME SURFACE LOCATION Y=586742.4 N X=799552.2 E LAT.=32.610207° N LONG.=103.494762° W	Diagram showing well location and acreage dedication plat. The diagram includes a grid with sections 31, 32, 33, and 34. The well location is marked with a dot and labeled 'B.H.' (Bottom Hole) and 'S.L.' (Surface Location). Distances are given in feet: 1865' and 1870.2' from the surface location to the bottom hole. The diagram also shows the project area and producing area, with a grid of 330' by 330'.	OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Stephanie Rabadiue</i> 5/22/14 Signature Date <i>Stephanie Rabadiue</i> Printed Name <i>stephanie.rabadiue@xtoenergy.com</i> E-mail Address SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. APRIL 7, 2014 Date of Survey <i>GARY E. EIDSON</i> Signature of Registered Surveyor NEW MEXICO 12641 Certificate Number JESSIE EIDSON 12641 ACK JWSC W.O. 14.11.0350
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MAY 27 2014