XTO Energy Inc.
6401 Holiday Hill Road, Bldg 5
Midland, TX 79707

Cheryl Rowell
(432) 571-8205

August 23, 2019

Oil Conservation Division
Attn: Phillip Goetze
1220 S St. Francis
Santa Fe, NM 87505

via certified mail 7013 1710 0001 1160 3916

Oil Conservation Division
Attn: Ray Podany
811 South First Street
Artesia, NM 88210

via certified mail 7013 1710 0001 1160 3985

RE: Administrative Order SWD -1735
Dated May 31, 2018

Pursuant to the referenced Administrative Order, prior to commencing disposal the attached mudlog and letter dated August 23, 2019 from Matthew W. Kearney, P.G., XTO Energy, showing evidence of isolation of the injectable interval.

Please direct any feedback or questions to my attention.

Regards,

Cheryl Rowell

Cheryl Rowell
Regulatory Coordinator

Attachments

August 23, 2019

New Mexico, Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, New Mexico 87505

Re: Final Description of the Depth for the Injection Interval

XTO Energy Inc., an ExxonMobil subsidiary

Remuda Basin SWD No. 1 well

1,320 feet FSL and 1,980 FEL of Section 25, Township 23 South, Range 29 East,

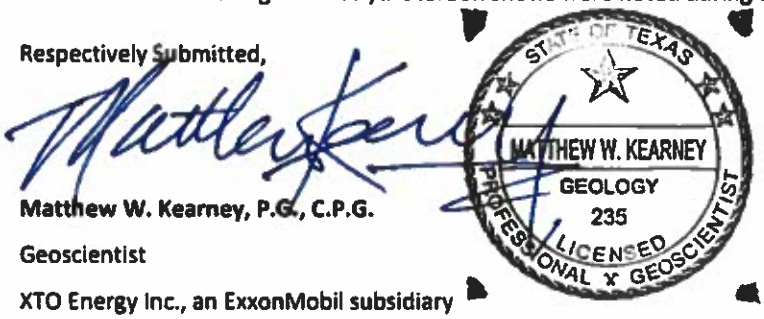
Eddy County, New Mexico

To whom it may concern:

In reference to the Administrative Order SWD-1735 dated May 31, 2018, XTO Energy, Inc., an ExxonMobil subsidiary, has examined the mud log and geophysical log information from the Remuda Basin SWD No. 1 well, located as described above, and based on this information the Devonian and Silurian formations are open for disposal. The well reached a total depth of 16,150 feet, which is above the Ordovician Montoya Limestone. Based on the Halliburton Dual Laterolog Micro Guard log, dated September 16, 2018, the top of the Devonian Limestone/Dolomite is 15,096 feet and the Silurian Fusselman Dolomite is 15,570 feet. The bottom of the 7 inch liner at 15,066 feet is 30 feet above the top of the Devonian Limestone/Dolomite. For this well, the open-hole disposal interval is from 15,066 to 16,150 feet.

Based on the mud log, gas was encountered in the Devonian from 15,370 feet to 15,420 feet having moderate 150 to 500 units gas increase within a low mud weight of about 8.7 lbs., and the rig lost circulation and the well was shut in. A review of the drilling reports and discussions with the drilling engineer, suggests the well was not shut in due to gas or lost circulation in the disposal zone. Subsequent to installing casing from surface to 10,505 feet well above the disposal zone, the remainder of the well was drilled to TD without significant hydrocarbon shows or lost circulation. No other significant hydrocarbon shows were noted during the drilling of this interval.

Respectively Submitted,



Matthew W. Kearney, P.G., C.P.G.

Geoscientist

XTO Energy Inc., an ExxonMobil subsidiary
22777 Springwoods Village Parkway
Spring, Texas 77389