Form 3160-5 (April 2004)

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED OMB NO. 1004-0137 Expires March 31, 2007

5. Lease Serial No.

### SUNDRY NOTICES AND REPORTS ON WELLS HOBBS OCD

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

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side   7. If Unit or CA/Agreement, Name and/or No.	abandoned well. Use For	m 3160-3 (APD) for s	uch proposals. SEP 2 & 2	การ		
Notice of Intent					7. If Unit or CA/Agreement, Name and/or N	
Notice of Intent	1.77		RECEIVE	<u> </u>		
2. Name of Operator  XTO Energy Inc.  2. Address 2. 200 N. Locratine. Suite 800. Midland, TX 79703  3. Phone No. (Include area code)  3. 0-025-40993  3. 0-025-40993  3. 10. Field and Pool of Exploratory Area Send Dumes; Bone Spring  SEL: 350 FSL & 400 FWL; Lot 1, Sec 19, T235, R32E  ERL: 350 FSL & 400 FWL; Lot 4, Sec 19, T235, R32E  12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA  TYPE OF SUBMISSION  TYPE OF ACTION  X Notes of Intent  Address  Alter Casing Press Proposed or Completed Operation (clearly state all pertinent details, including crimented surface are of any proposed work and approximate duration thereo  Address in Bend under which the work will be preferred or provide the Bind No. on the will BLM/BIA. Required subsequent reports that the field within 30 day following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filled on the straight and the final site is restly for faul asspection.  The purpose of this sundry is to revise cement type, volumes and compressive strength to Intermediate's Science 12.  Reclination  The purpose of this sundry is to revise cement type, volumes and compressive strength to Intermediate's Science 12.  Reclination  The purpose of this sundry is to revise cement type, volumes and compressive strength to Intermediate's Science 12.  Reclination  The purpose of this sundry is to revise cement type, volumes and compressive strength to Intermediate's Science 12.  Reclination  The purpose of this sundry is to revise cement type, volumes and compressive strength to Intermediate's Science 12.  Reclination  The purpose of this sundry is to revise cement type, volumes and compressive strength to Intermediate's Science 12.  Reclination  The purpose of this sundry is to revise cement type, volumes and compressive strength to Intermediate's Science 12.  Reclination is the second in the volume in the second in the volume in the volume in the volume in the v			- COLIVE	ט	8. Well Name and No.	
SAPI Well No.   3a. Address   3b. Phone No. (include area code)   3a. Address   3a. Address   3b. Phone No. (include area code)   3a. O-225-40993   3a. O-225-40993   3a. O-225-40993   3a. O-225-40993   3b. Phone No. (include area code)   3b. 3b. Ph					l /	
30 - 025 - 40993  200 N. Loratine, Suite 800, Midland, TX 79701  4. Location of Well Provinge, Sec., T. R. M. or Survey Description)  SIRL: 350 FRIL & 400 FWL; Lot 1, Sec 19, T238, R32E  EHL: 350 FRIL & 560 FWL; Lot 1, Sec 19, T238, R32E  12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA  TYPE OF SUBMISSION  TYPE OF SUBMISSION  TYPE OF SUBMISSION  Alter Casing Papair  New Construction Recomplete  Final Abundament Notice  Alter Casing Repair  Final Abundament Notice  To Compete Base  Affact the Side under which the work will be performed or provide the bond No. of the Well Life High Side of the String Biz.  Affact the Side under which the work will be performed or provide and purposition at now interval, a Form 116-6 shall be filed one steeling in been completed. Final Abundament Notice; while the filed side is another to string the been completed. Final Abundament Notice; while the filed with a strayly first all inspections; while the filed with a filed proposal side of the strayly first all inspections; while the filed with a filed proposal side filed with the filed side is ready for filed inspection; while the filed with a filed proposal side filed with the filed side and provide the filed one strayly first all inspections; while the filed with the filed side and provide the filed one strayly filed inspection; while the filed with the filed side is enably filed inspection; while the filed with the filed side is enably filed inspection; while the filed with a filed proposal side filed one of the filed with the filed side and provide string the season of the string reports will be filed with a filed side of the string file.  Extended the filed side of the string filed the filed one of the string filed f						
200 N. Lorraine, Suite 800 Midland, TX 79701  1. Location of Welf (Poologe, No., T. R., M., or Survey Description)  1. Location of Welf (Poologe, No., T. R., M., or Survey Description)  SELL: 350 FML & 500 FML, Loct 1, Sec 19, T238, R32E  EBIL: 350 FML & 560 FML, Loct 1, Sec 19, T238, R32E  12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA  TYPE OF SUBMISSION  TYPE OF SUBMISSION  TYPE OF SUBMISSION  Acidoc Description  Acidoc Desc			71 71 71 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	<del>,</del>	9. API Well No.	
4. Location of Well (Pootage, Sec. T., R. M., or Survey Description)  SIL: 350 FSL & 400 FWL, Lot 1, Sec 19, T238, R328  12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA  TYPE OF SUBMISSION  TYPE OF SUBMISSION  Alter Casing   Despen   Production (Start/Returne)   Water Shart-Off   Active   Despen   Production (Start/Returne)   Water Shart-Off   Compete Submission   Well integrity   Water Shart-Off   Compete Submission   Program Abandom   Temporally Abando	•		·	ie)		
SHL: 350 FSL & 400 FWL; Lot 1, Sec 19, T23S, R32E  11. Country or Parish, State  12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA  TYPE OF SUBMISSION  TYPE OF ACTION    Notice of Intent			432-620-6714			
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA  TYPE OF SUBMISSION  TYPE OF ACTION    Notice of Intent		· · · · · · · · · · · · · · · · · · ·		4,	Sand Dunes; Bone Spring	
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA  TYPE OF SUBMISSION		•			11 County or Parish State	
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA  TYPE OF SUBMISSION    TYPE OF ACTION	BHL: 350 FWL & 560 FWL; LOT 4, Sec	19, T23S, R32E		3 d		
TYPE OF ACTION    X   Notice of Intent	40 OUEOK ADDOCEDNATE	DOV(FO) TO INDIO	ATE NATURE OF NOT	OF DED		
Notice of Intent	12. CHECK APPROPRIATE	BOX(ES) TO INDIC	ATE NATURE OF NOTI	CE, REPO	DRT, OR OTHER DATA	
Alter Casing   Fracture Treat   Reclamation   Well Integrity	TYPE OF SUBMISSION	TYPE OF ACTION				
Alter Casing   Fracture Treat   Reclamation   Well Integrity				] n	(5+77)	
Subsequent Report	X Notice of Intent	Acidize		j Producion	(Start/Resume) water Shut-Off	
Casing Repair   New Construction   Recomplete   Other	Culorena Baran	Alter Casing	Fracture Treat	Reclamation	Well Integrity	
Convert to Injection   Plug Back   Water Disposal	Subsequent Report	Casing Repair	New Construction	Recomplete	Other	
Convert to Injection   Plug Back   Water Disposal	First About downward Nation	X Change Plans	Plug and Abandon	Temporarily	/ Abandon	
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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond Undor Hie Bond No. on file with BLMAR Required subsequent reports hall be filed within 30 day following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed within 30 day following completion of the involved operations. If the operation results in a multiple completion or recompleted. Final Abandonment Notices shall be filed within 30 day following completion of the involved operations. If the operation results in a multiple completion or recompleted. Final Abandonment Notices shall be filed within 30 day following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed within 30 day following completion or recompletion in a new interval, a Form 3160-4 shall be filed within 30 day following completion or recompletion in a new interval, a Form 3160-4 shall be filed within 30 day following completion or recompletion in a new interval, a Form 3160-4 shall be filed within 30 day following completion or recompletion in a new interval, a Form 3160-4 shall be filed within 30 day following completion or recompleted in a new interval, a Form 3160-4 shall be filed within 30 day following completion or recompleted in a new interval, a Form 3160-4 shall be filed within 30 day following completion of the involved properation of the involved properation or such a filed by a filed b	Final Adamdonment Notice		Dlug Book			
If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all-pertinent markers and zones Atlach the Bond under which the work will be performed or provide the Bond No. on file with BLMBIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 316-04 shall be filed one testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator had determined that the final site is ready for final inspection.)  The purpose of this sundry is to revise cement type, volumes and compressive strength to Intermediate Streams #2.  Production  Thermediate Casing 2:  Cement: Lead 260sx Tuned Light Cement + .5pps CFR-3 + 3pps Kol-Seal + .25pps D-Air 5000 + .2% HR-800  (10.5ppg, 2.68 ft3/sk, 11.94 gal/sx wtr)  Compr Strgth: 12hr - 676psi; 24hr-1398psi  Toc: 9000'  Tail: 175sx VersaCem-PBSH2 + .5% Halad344 + .4% CFR-3 + 1pps Salt + 2pps Kol-Seal + .125pps Poly-E-Flake + .25pps D-Air 5000 (13.20ppg, 1.62 ft3/sk, 8.23 gal/sx wtr)  Compr Strgth: 12hr - 1382psi; 24hr - 1690psi  Toc: 3700'  The Purpose of this sundry is to revise cement type, volumes and compressive strength to Intermediate Compressive strengt					·	
Name (Printed/Typed) Stephanie Rabachie  Regulatory Analyst' DDOVED  Date 08/27/2013  THIS SPACE FOR FEDERAL OR STATE OFFICE USE  Approved by  Title	Attach the Bond under which the work will be per following completion of the involved operations. I testing has been completed. Final Abandonment Metermined that the final site is ready for final inspection. The purpose of this sundry is to String #2.  Intermediate Casing 2:  Cement: Lead 260sx Tuned Light Cement: Lead 260sx Tuned Light Cement: Lead 260sx Tuned Light Cempr Strgth: 12hr - 676psi; 24hr TOC: 9000'  Tail: 175sx VersaCem-PBSH2 + .5% + .25pps D-Air 5000 (13.20ppg, 1. Compr Stgth: 12hr - 1382psi; 24hr TOC: 3700'	reformed or provide the Bor f the operation results in a Notices shall be filed only a ction.)  revise cement type  ment + .5pps CFR- sx wtr)  -1398psi  Halad344 + .4% CFR 62 ft3/sk, 8.23 ga	d No. on file with BLM/BIA. multiple completion or recomp filer all requirements, including a, volumes and compre -3 + 3pps Kol-Seal + -3 + 1pps Salt + 2pps al/sx wtr)	Required su letion in a no reclamation reclamation essive su 25pps 1	ubsequent reports shall be filed within 30 day we interval, a Form 3160-4 shall be filed one have been completed, and the operator have trength to Intermediate Production Per Sephanu Per	
Stephanie Rabadue  Date 08/27/2013  THIS SPACE FOR FEDERAL OR STATE OFFICE USE  Approved by  Title  Regulatory Analyst DDD0VED  Analyst DD0VED  Analyst DD	14. I hereby certify that the foregoing is true and correct		Title			
Approved by  Date 08/27/2013  THIS SPACE FOR FEDERAL OR STATE OFFICE USE  Approved by  Title  Title			Regulatory	Analyst	DDDOVED	
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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 to the policy of the subject lease to the policy of the subject lease to the policy of the subject lease to the subject lease to the policy of the subject lease to the policy of the policy of the subject lease to the policy of the policy	Approved by		i ilie		1 Jalet Masign	
	Conditions of approval, if any, are attached. Approval of certify that the applicant holds legal or equitable title to which would entitle the applicant to conduct one forms.	f this notice does not warra those rights in the subject	nt or Office lease OCD 9/27/3	BURE	W OF LAND MANAGEMENT ARI SRAD FIFI D 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.

## SEP 2 6 2013

# PECOS DISTRICT CONDITIONS OF APPROVAL

RECEIVED

OPERATOR'S NAME:

XTO Energy

LEASE NO.:

NM18848

WELL NAME & NO.:

6H SDE 19 Fed

SURFACE HOLE FOOTAGE:

350' FNL & 400' FWL

BOTTOM HOLE FOOTAGE

350' FSL & 660' FWL

LOCATION:

Section 19, T.23 S., R.32 E., NMPM

COUNTY:

Lea County, New Mexico

#### The original COAs still stand with the following drilling modifications:

#### I. DRILLING

#### A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours 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)

### **Lea County**

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

- 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. 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.).

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

Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. IF OPERATOR DOES NOT HAVE THE WELL SPECIFIC CEMENT DETAILS ONSITE PRIOR TO PUMPING THE CEMENT FOR EACH CASING STRING, THE WOC WILL BE 30 HOURS. See individual casing strings for details regarding lead cement slurry requirements.

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

Possible water and brine flows in the Salado, Castile, Delaware and Bone Spring Formations.

Possible lost circulation in the Delaware and Bone Spring Formations.

- 1. The 13-3/8 inch surface casing shall be set at approximately 1020 feet (a minimum of 25 feet into the Rustler Anhydrite and 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.

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.

- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is: (Ensure casing is set in the base of the Castile at approximately 4550')
  - Cement to surface. If cement does not circulate see B.1.a, c-d above.

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 (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.

- 3. The minimum required fill of cement behind the 7 inch production casing is:
  - Cement as proposed by operator. Operator shall provide method of verification. Excess calculates to 23% Additional cement may be required.
- 4. Cement not required on the 4-1/2" liner. Packer system being used.
- 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 RP 53 Sec. 17.

- 2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 5000 (5M) psi. 5M 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.
- 3. 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.
  - 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.

#### D. DRILL STEM TEST

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

#### E. 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 092013**