Form 3160-3 (June 2015)	7			FORM A OMB No Expires: Ja	o. 1004 <b>-</b> 0	137
UNITED STATES DEPARTMENT OF THE II BUREAU OF LAND MANA	NTERIOR		•	5. Lease Serial No. NMLC061634B		
APPLICATION FOR PERMIT TO D	RILL OR I	REENTER		6. If Indian, Allotee	or Tribe	Name
1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Oil	EENTER ther ngle Zone	Multiple Zone		7. If Unit or CA Agr NMNM 071016X 8. Lease Name and POKER LAKE UN	Well No.	
2. Name of Operator XTO PERMIAN OPERATING LLC				9. API Well No.	0-015	-54395
3a. Address 6401 Holiday Hill Road, Bldg 5, Midland, TX 79707	3b. Phone N (432) 682-8	o. (include area cod 873	e)	10. Field and Pool, of COTTON DRAW/E	•	•
<ol> <li>Location of Well (Report location clearly and in accordance v At surface NENW / 531 FNL / 1575 FWL / LAT 32.1070 At proposed prod. zone NWNW / 50 FNL / 750 FWL / LA</li> </ol>	095 / LONG -	-103.803751	274	11. Sec., T. R. M. or SEC 29/T25S/R31		Survey or Area
14. Distance in miles and direction from nearest town or post offi 27 miles	ce*			12. County or Parish	1	13. State
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of ac	res in lease	17. Spacir	ng Unit dedicated to the	his well	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.  30 feet	19. Proposed	d Depth / 19767 feet	20. BLM/ FED: CO	BIA Bond No. in file		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3363 feet	22. Approxii 06/19/2021	mate date work will	start*	23. Estimated durati	on	
	24. Attacl	hments				
The following, completed in accordance with the requirements of (as applicable)  1. Well plat certified by a registered surveyor.	f Onshore Oil	4. Bond to cover th		lydraulic Fracturing r	•	
<ol> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office</li> </ol>				mation and/or plans as	may be r	equested by the
25. Signature (Electronic Submission)	l l	(Printed/Typed) HANIE RABADUE	/ Ph: (432	2) 682-8873	Date 06/08/2	2021
Title Regulatory Coordinator				,		
Approved by (Signature) (Electronic Submission)		(Printed/Typed) LAYTON / Ph: (5)	75) 234-59	959	Date 07/27/2	2023
Title Assistant Field Manager Lands & Minerals	Office Carlsb	ad Field Office				
Application approval does not warrant or certify that the applican applicant to conduct operations thereon.  Conditions of approval, if any, are attached.	t holds legal c	or equitable title to the	nose rights	in the subject lease w	hich wou	ld entitle the
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, m of the United States any false, fictitious or fraudulent statements of					ıny depar	tment or agency
(Continued on page 2)	VED WI'	rii condit	IONS	*(In:	structio	ns on page 2)
Appro	val Date:	: 07/27/2023		(111		· r ··82)

#### **Additional Operator Remarks**

#### **Location of Well**

0. SHL: NENW / 531 FNL / 1575 FWL / TWSP: 25S / RANGE: 31E / SECTION: 29 / LAT: 32.107095 / LONG: -103.803751 ( TVD: 0 feet, MD: 0 feet ) PPP: SWNW / 2310 FNL / 750 FWL / TWSP: 25S / RANGE: 31E / SECTION: 29 / LAT: 32.102201 / LONG: -103.806463 ( TVD: 11514 feet, MD: 12194 feet ) BHL: NWNW / 50 FNL / 750 FWL / TWSP: 25S / RANGE: 31E / SECTION: 20 / LAT: 32.123018 / LONG: -103.806274 ( TVD: 11514 feet, MD: 19767 feet )

#### **BLM Point of Contact**

Name: PRISCILLA PEREZ

Title: Legal Instruments Examiner Phone: (575) 234-5934

Email: pperez@blm.gov

(Form 3160-3, page 3)

<u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District II</u>
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u>

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

480

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

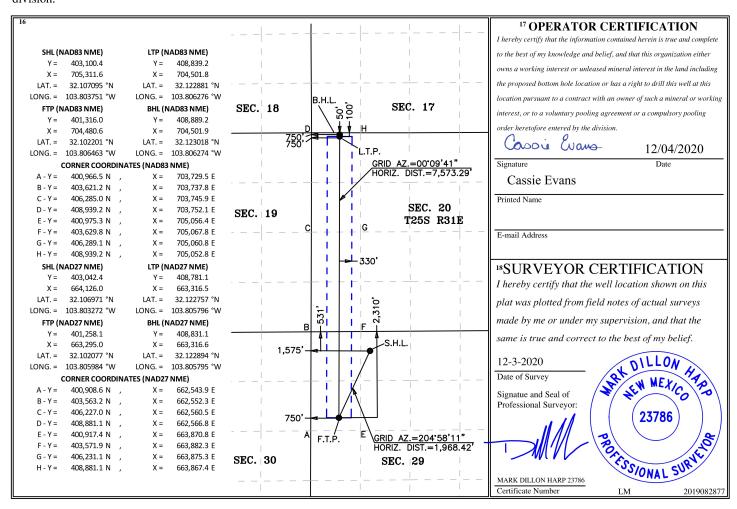
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Number			<sup>2</sup> Pool Code			<sup>3</sup> Pool Na	me				
	30-015- 5	54395		98220		j	PURPLE SAGE;	WOLFCA	MP			
<sup>4</sup> Property 0	Code		_		<sup>5</sup> Property	Name			6 1	Well Number		
33180	)4			P	OKER LAKE U	NIT 29-20 BS				102H		
<sup>7</sup> OGRID No. <sup>8</sup> Operator Name <sup>9</sup> Elevation												
37307:	373075 XTO PERMIAN OPERATING, LLC. 3,363'											
	•				<sup>10</sup> Surface	Location						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East	t/West line	County		
С	29	25 S	31 E		531	NORTH	1,575	WE	ST	EDDY		
			11 Во	ttom Hole	e Location It	f Different Fron	n Surface					
UL or lot no.	UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County											
D	20	25 S	31 E		50	NORTH	750	WE	ST	EDDY		
12 Dedicated Acres	s 13 Joint o	r Infill 14 Co	nsolidation	Code 15 Oro	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.





#### U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

### Drilling Plan Data Report

07/28/2023

**APD ID**: 10400067996

Submission Date: 06/08/2021

Highlighted data reflects the most recent changes

**Operator Name:** XTO PERMIAN OPERATING LLC

Well Number: 102H

Well Name: POKER LAKE UNIT 29-20 BS
Well Type: CONVENTIONAL GAS WELL

Well Work Type: Drill

**Show Final Text** 

#### **Section 1 - Geologic Formations**

Formation ID	Formation Name	Elevation	True Vertical	Measured Depth	Lithologies	Mineral Resources	Producing Formatio
1390097	QUATERNARY	3363	0	0	ALLUV <b>I</b> UM	USEABLE WATER	N
1390098	RUSTLER	2400	963	963	SANDSTONE	USEABLE WATER	N
1390099	TOP SALT	2087	1276	1276	SALT	OTHER : Salt	N
1390100	BASE OF SALT	-605	3968	3968	SALT	NONE	N
1390101	DELAWARE	-826	4189	4189	SANDSTONE, SILTSTONE	NATURAL GAS, OIL, USEABLE WATER	N
1390102	BONE SPRING	-4724	8087	8087	LIMESTONE, SANDSTONE	NATURAL GAS, OIL, USEABLE WATER	N
1390103	WOLFCAMP	-8084	11447	11447	LIMESTONE, SANDSTONE, SILTSTONE	NATURAL GAS, OIL, USEABLE WATER	Y

#### **Section 2 - Blowout Prevention**

Pressure Rating (PSI): 5M Rating Depth: 11514

**Equipment:** Once the permanent WH is installed on the 11-3/4 casing, the blow out preventer equipment (BOP) will consist of a 13-5/8 minimum 5M Hydril and a 13-5/8 minimum 5M 3-Ram BOP. 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.

Requesting Variance? YES

Variance request: 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. A variance is requested to ONLY test broken pressure seals on the BOP equipment when moving from wellhead to wellhead which is in compliance with API Standard 53. API standard 53 states, that for pad drilling operation, moving from one wellhead to another within 21 days, pressure testing is required for pressure-containing and pressure-controlling connections when the integrity of a pressure seal is broken. Based on discussions with the BLM on February 27th 2020, we will request permission to ONLY retest broken pressure seals if the following conditions are met: 1. After a full BOP test is conducted on the first well on the pad (First well will be the deepest Intermediate) 2. When skidding to drill an intermediate section does not penetrate into the Wolfcamp 3. Full BOP test will be required prior to drilling the production hole. Permanent Wellhead – Multibowl System A. Starting Head: 13-5/8" 10M top flange x 11-3/4" SOW bottom B. Tubing Head: 13-5/8" 10M bottom flange x 7-1/16" 15M top flange · Wellhead will be installed by manufacturer's

Well Name: POKER LAKE UNIT 29-20 BS Well Number: 102H

representatives. · Manufacturer will monitor welding process to ensure appropriate temperature of seal. · Operator will test the 7-5/8" casing per BLM Onshore Order 2 · Wellhead Manufacturer representative will not be present for BOP test plug installation

**Testing Procedure:** All BOP testing will be done by an independent service company. Annular pressure tests will be limited to 70% of the working pressure. When nippling up on the 11-3/4", 5M bradenhead and flange, the BOP test will be limited to 5000 psi. All BOP tests will include a low pressure test as per BLM regulations. The 5M BOP diagrams are attached. Blind rams will be functioned tested each trip, pipe rams will be functioned tested each day.

#### **Choke Diagram Attachment:**

PLU\_29\_20\_BS\_5MCM\_20230210060645.pdf

PLU\_29\_20\_BS\_10MCM\_20230210060949.pdf

#### **BOP Diagram Attachment:**

PLU\_29\_20\_BS\_5M10M\_BOP\_20230210061000.pdf

#### **Section 3 - Casing**

ກ I	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	14.7 5	11.75	NEW	API	N	0	1250	0	1250	3363	2113	1250	J-55	47	BUTT	2.44	1.17	DRY	8.53	DRY	8.53
- 1		10.6 25	8.625	NEW	API	N	0	10600	0	10600	3329	-7237	10600	HCL -80	32	BUTT	1.43	1.11	DRY	2.16	DRY	2.16
-	PRODUCTI ON	7.87 5	5.5	NEW	API	N	0	19767	0	11514	3329	-8151	19767	P- 110	20	BUTT	1.48	1.18	DRY	1.61	DRY	1.61

#### **Casing Attachments**

Operator Name: XTO PERMIAN OPERATING LLC Well Name: POKER LAKE UNIT 29-20 BS Well Number: 102H **Casing Attachments** Casing ID: 1 String **SURFACE Inspection Document: Spec Document: Tapered String Spec:** Casing Design Assumptions and Worksheet(s): PLU\_29\_20\_BS\_102H\_csg\_20230210063603.pdf Casing ID: 2 String **INTERMEDIATE Inspection Document: Spec Document: Tapered String Spec:** Casing Design Assumptions and Worksheet(s): PLU\_29\_20\_BS\_102H\_csg\_20230210063517.pdf Casing ID: 3 String **PRODUCTION Inspection Document: Spec Document: Tapered String Spec:** 

**Section 4 - Cement** 

Casing Design Assumptions and Worksheet(s):

PLU\_29\_20\_BS\_102H\_csg\_20230210063546.pdf

Well Name: POKER LAKE UNIT 29-20 BS Well Number: 102H

String Type	Lead/Tail	Stage Tool Depth	Тор МD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1190	610	1.88	12.8	1066. 73	100	Halc-C	2% CaCL

INTERMEDIATE	Lead	1260	0	1250	80	1.35	14.8	94.5	100	Halcem-C	2% CaCl

INTERMEDIATE	Lead	1260	1250	1060 0	1850	1.88	12.8	3486	100	Halcem-C	2% CaCl
INTERMEDIATE	Tail		1250	1060 0	310	1.33	14.8	419.9 9	100	Halcem-C	2% CaCl
PRODUCTION	Lead		1060 0	1976 7	2990	1.88	11.5	3979	100	Halcem-C	2% CaCl
PRODUCTION	Tail		1060 0	1976 7	2990	1.35	13.2	3979	100	Versacem	None

#### **Section 5 - Circulating Medium**

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

**Describe what will be on location to control well or mitigate other conditions:** The necessary mud products for weight addition and fluid loss control will be on location at all times.

**Describe the mud monitoring system utilized:** Spud with fresh water/native mud and set 11-3/4" surface casing, isolating the fresh water aquifer. Drill out from under 11-3/4 surface casing with a brine/oil direct emulsion mud system. 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.

#### **Circulating Medium Table**

Well Name: POKER LAKE UNIT 29-20 BS Well Number: 102H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	НА	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	1250	SPUD MUD	8.4	8.8							
1250	1060 0	OTHER: Brine / Cut Brine / Direct Emulsion	8.7	9.8							
1060 0	1976 7	OTHER : Cut Brine / WBM / OBM	11.2	11.8							

#### Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Mud Logger: Mud Logging Unit (2 man) below intermediate casing. Open hole logging will not be done on this well.

List of open and cased hole logs run in the well:

CEMENT BOND LOG, DIRECTIONAL SURVEY,

Coring operation description for the well:

No Coring Operations for Well

#### **Section 7 - Pressure**

Anticipated Bottom Hole Pressure: 6885 Anticipated Surface Pressure: 4351

Anticipated Bottom Hole Temperature(F): 80

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

**Contingency Plans geoharzards description:** 

Contingency Plans geohazards

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations

PLU\_29\_20\_BS\_H2S\_Dia\_20210112072929.pdf PLU\_29\_20\_BS\_H2S\_Plan\_20210112072948.pdf

Well Name: POKER LAKE UNIT 29-20 BS Well Number: 102H

#### **Section 8 - Other Information**

#### Proposed horizontal/directional/multi-lateral plan submission:

PLU\_29\_20\_BS\_102H\_DD\_20230210070559.pdf

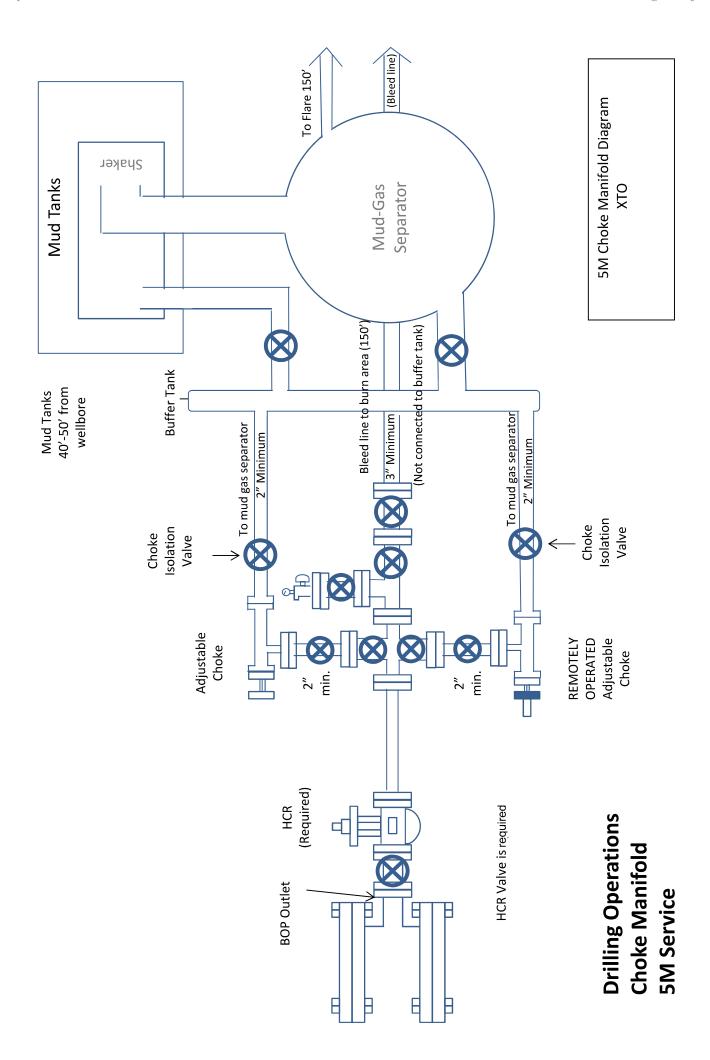
Other proposed operations facets description:

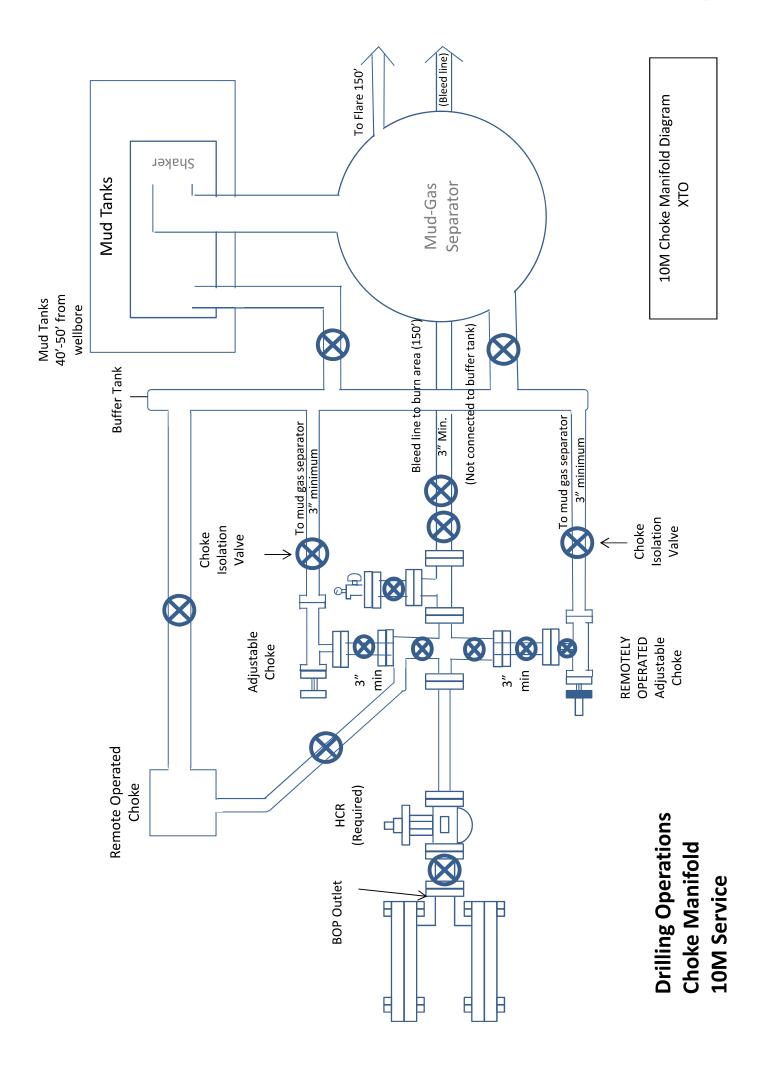
Other proposed operations facets attachment:

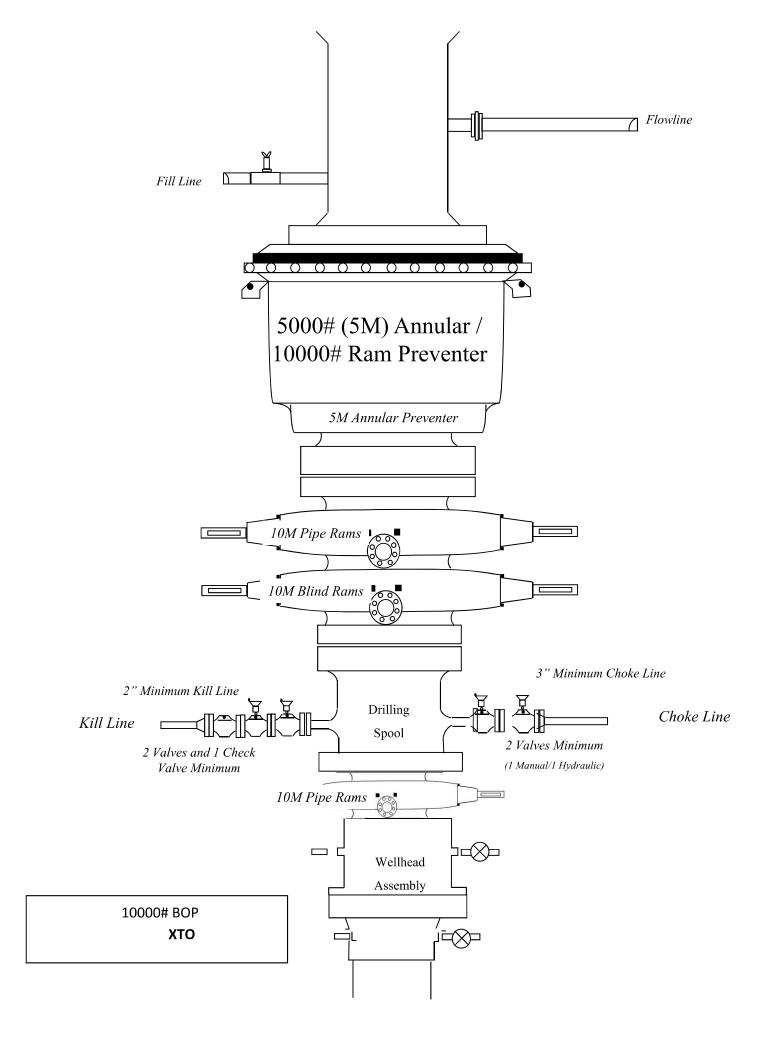
PLU\_29\_20\_BS\_GCP\_20210112073211.pdf

#### Other Variance attachment:

PLU\_29\_20\_BS\_BOP\_BTV\_20210112073239.pdf PLU\_29\_20\_BS\_BatchSpud\_20210112073251.pdf PLU\_29\_20\_BS\_MBS\_20210112073313.pdf PLU\_29\_20\_BS\_OFCV\_20210112073328.pdf







#### **Casing Design**

Hole Size	Depth	OD Csg	Weight	Collar	Grade	New/Used	SF Burst	SF Collapse	SF Tension
14-3/4"	0' – 1250'	11-3/4"	47	ВТС	J-55	New	1.17	2.32	8.12
10-5/8"	0' – 10600'	8-5/8"	32	ВТС	HCL-80	New	1.25	1.43	2.16
7-7/8"	0' – 19767'	5-1/2"	20	ВТС	P-110	New	1.18	1.61	1.69

- · XTO requests to not utilize centralizers in the curve and lateral
- 8-5/8" 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 Casing will be limited to 70% burst of the casing or 1500 psi, whichever is less

#### WELLHEAD:

#### Permanent Wellhead – GE RSH Multibowl System

- A. Starting Head (RSH System): 11-3/4" SOW bottom x 13-5/8" 5M top flange
- B. Tubing Head: 13-5/8" 5M bottom flange x 7-1/16" 10M 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 8-5/8" casing per Onshore Order 2.
  - Wellhead manufacturer representative may not be present for BOP test plug installation

#### **Gathering System and Pipeline Notification**

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to XTO Energy and will be connected to XTO Energy's low/high pressure gathering system located in Eddy County, New Mexico. It will require 0' of pipeline to connect the facility to low/high pressure gathering system. XTO Permian Operating, LLC. provides (periodically) to XTO Energy a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, XTO Permian Operating, LLC. and XTO Energy have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at XTO Energy Processing Plant located in Sec. 28, Twn. 25S, Rng. 31E, Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

#### Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on <u>XTO Energy</u> system at that time. Based on current information, it is <u>XTO Permian Operating, LLC</u>'s belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

#### **Alternatives to Reduce Flaring**

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation On lease
  - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease
  - o Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease
  - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

Subject: Request for a Variance Allowing break Testing of the Blowout Preventer Equipment (BOPE)

XTO Energy requests a variance to ONLY test broken pressure seals on the BOPE and function test BOP when skidding a drilling rig between multiple wells on a pad.

#### **Background**

Onshore Oil and Gas Order (OOGO) No. 2, Drilling Operations, Sections III.A.2.i.iv.B states that the BOP test must be performed whenever any seal subject to test pressure is broken. The current interpretation of the Bureau of Land Management (BLM) requires a complete BOP test and not just a test of the affected component. OOGO No. 2, Section I.D.2 states, "Some situation may exist either on a well-by-well basis or field-wide basis whereby it is commonly accepted practice to vary a particular minimum standard(s) established in this order. This situation can be resolved by requesting a variance...". XTO Energy feels the break testing the BOPE is such a situation. Therefore, as per OOGO No. 2, Section IV., XTO Energy submits this request for the variance.

#### **Supporting Documentation**

OOGO No. 2 became effective on December 19, 1988 and has remained the standard for regulating BLM onshore drilling operations for over 30 years. During this time there have been significant changes in drilling technology. BLM continues to use the variance request process to allow for the use of modern technology and acceptable engineering practices that have arisen since OOGO No. 2 was originally released. The XTO Energy drilling rig fleet has many modern upgrades that allow the intact BOP stack to be moved between well slots on a multi-well pad, as well as, wellhead designs that incorporate quick connects facilitating release of the BOP from the wellhead without breaking any BOP stack components apart. These technologies have been used extensively offshore, and other regulators, API, and many operators around the world have endorsed break testing as safe and reliable.

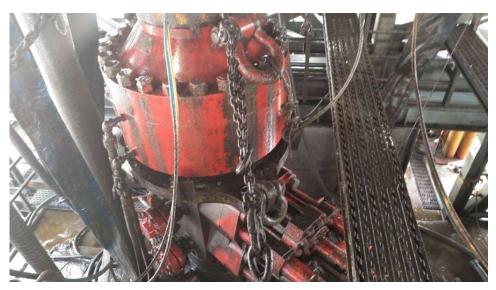


Figure 1: Winch System attached to BOP Stack



Figure 2: BOP Winch System

American Petroleum Institute (API) standards, specification and recommended practices are considered the industry standard and are consistently utilized and referenced by the industry. OOGO No. 2 recognizes API recommended Practices (RP) 53 in its original development. API Standard 53, *Well Control Equipment Systems for Drilling Wells* (Fifth Edition, December 2018, Annex C, Table C.4) recognizes break testing as an acceptable practice. Specifically, API Standard 53, Section 5.3.7.1 states "A pressure test of the pressure containing component shall be performed following the disconnection or repair, limited to the affected component." See Table C.4 below for reference.

		Proceure Test	-High Pressureac
Component to be Pressure Tested	Pressure Test—Low Pressure <mark>ac</mark> psig (MPa)	Change Out of Component, Elastomer, or Ring Gasket	No Change Out of Component, Elastomer, or Ring Gasket
Annular preventer <sup>b</sup>	250 to 350 (1.72 to 2.41)	RWP of annular preventer	MASP or 70% annular RWP, whichever is lower.
Fixed pipe, variable bore, blind, and BSR preventers <sup>bd</sup>	250 to 350 (1.72 to 2.41)	RWP of ram preventer or wellhead system, whichever is lower	ITP
Choke and kill line and BOP side outlet valves below ram preventers (both sides)	250 to 350 (1.72 to 2.41)	RWP of side outlet valve or wellhead system, whichever is lower	ITP
Choke manifold—upstream of chokes <sup>e</sup>	250 to 350 (1.72 to 2.41)	RWP of ram preventers or wellhead system, whichever is lower	ITP
Choke manifold—downstream of chokese	250 to 350 (1.72 to 2.41)	RWP of valve(s), line(s), or M whichever is lower	MASP for the well program,
Kelly, kelly valves, drill pipe safety valves, IBOPs	250 to 350 (1.72 to 2.41)	MASP for the well program	
<ul> <li>Annular(s) and VBR(s) shall be pre</li> <li>For pad drilling operations, moving pressure-controlling connections</li> <li>For surface offshore operations, the</li> </ul>	during the evaluation period. The j sssure tested on the largest and sm from one wellhead to another with when the integrity of a pressure se er am BOPs shall be pressure tes land operations, the ram BOPs sh	pressure shall not decrease below the allest OD drill pipe to be used in well in the 21 days, pressure testing is req	program. juired for pressure-containing and the closing and locking pressure

The Bureau of Safety and Environmental Enforcement (BSEE), Department of Interior, has also utilized the API standards, specification and best practices in the development of its offshore oil and gas regulations and incorporates them by reference within its regulations.

Break testing has been approved by the BLM in the past with other operators based on the detailed information provided in this document.

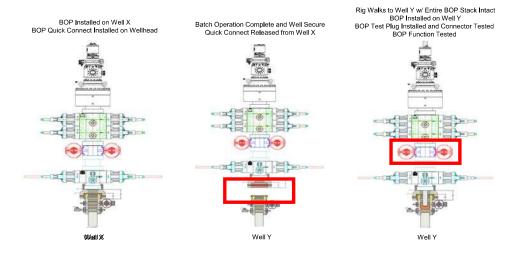
XTO Energy feels break testing and our current procedures meet the intent of OOGO No. 2 and often exceed it. There has been no evidence that break testing results in more components failing than seen on full BOP tests. XTO Energy's internal standards requires complete BOPE tests more often than that of OOGO No. 2 (Every 21 days). In addition to function testing the annular, pipe rams and blind rams after each BOP nipple up, XTO Energy performs a choke drill with the rig crew prior to drilling out every casing shoe. This is additional training for the rig crew that exceeds the requirements of the OOGO No. 2.

#### **Procedures**

- XTO Energy will use this document for our break testing plan for New Mexico Delaware basin.
  The summary below will be referenced in the APD or Sundry Notice and receive approval prior
  to implementing this variance.
- 2. XTO Energy will perform BOP break testing on multi-wells pads where multiple intermediate sections can be drilled and cased within the 21-day BOP test window.
  - a. A full BOP test will be conducted on the first well on the pad.
  - b. The first intermediate hole section drilled on the pad will be the deepest. All of the remaining hole sections will be the same depth or shallower.
    - Our Lower WC targets set the intermediate casing shoe no deeper than the Wolfcamp B.
    - ii. Our Upper WC targets set the intermediate casing shoe shallower than the Wolfcamp B.
  - c. A Full BOP test will be required if the intermediate hole section being drilled has a MASP over 5M.
  - d. A full BOP test will be required prior to drilling any production hole.
- 3. After performing a complete BOP test on the first well, the intermediate hole section will be drilled and cased, two breaks would be made on the BOP equipment.
  - a. Between the HCV valve and choke line connection
  - b. Between the BOP quick connect and the wellhead
- 4. The BOP is then lifted and removed from the wellhead by a hydraulic system.
- 5. After skidding to the next well, the BOP is moved to the wellhead by the same hydraulic system and installed.
- 6. The connections mentioned in 3a and 3b will then be reconnected.
- 7. Install test plug into the wellhead using test joint or drill pipe.
- 8. A shell test is performed against the upper pipe rams testing the two breaks.
- 9. The shell test will consist of a 250 psi low test and a high test to the value submitted in the APD or Sundry (e.g. 5,000 psi or 10,000psi).
- 10. Function test will be performed on the following components: lower pipe rams, blind rams, and annular.

- 11. For a multi-well pad the same two breaks on the BOP would be made and on the next wells and steps 4 through 10 would be repeated.
- 12. A second break test would only be done if the intermediate hole section being drilled could not be completed within the 21 day BOP test window.

Note: Picture below highlights BOP components that will be tested during batch operations



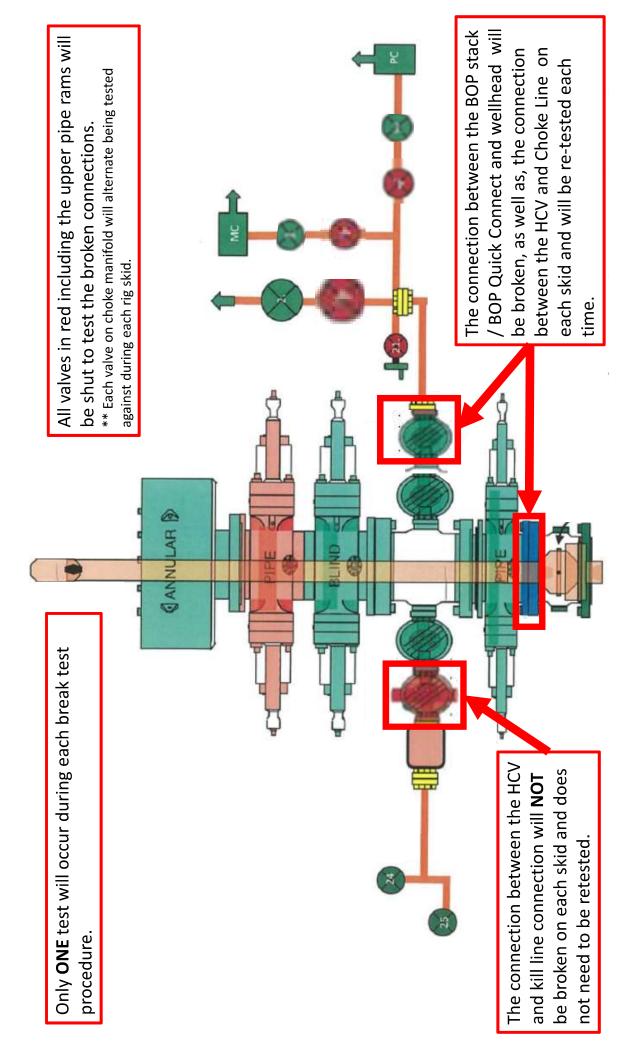
#### Summary

A variance is requested to **ONLY** test broken pressure seals on the BOP equipment when moving from wellhead to wellhead which is in compliance with API Standard 53. API Standard 53 states, that for pad drilling operation, moving from one wellhead to another within 21 days, pressure testing is required for pressure-containing and pressure-controlling connections when the integrity of a pressure seal is broken.

The BOP will be secured by a hydraulic carrier or cradle. The BLM will be contacted if a Well Control event occurs prior to the commencement of a BOPE Break Testing operation.

Based on discussions with the BLM on February 27th 2020 and the supporting documentation submitted to the BLM, we will request permission to ONLY retest broken pressure seals if the following conditions are met:

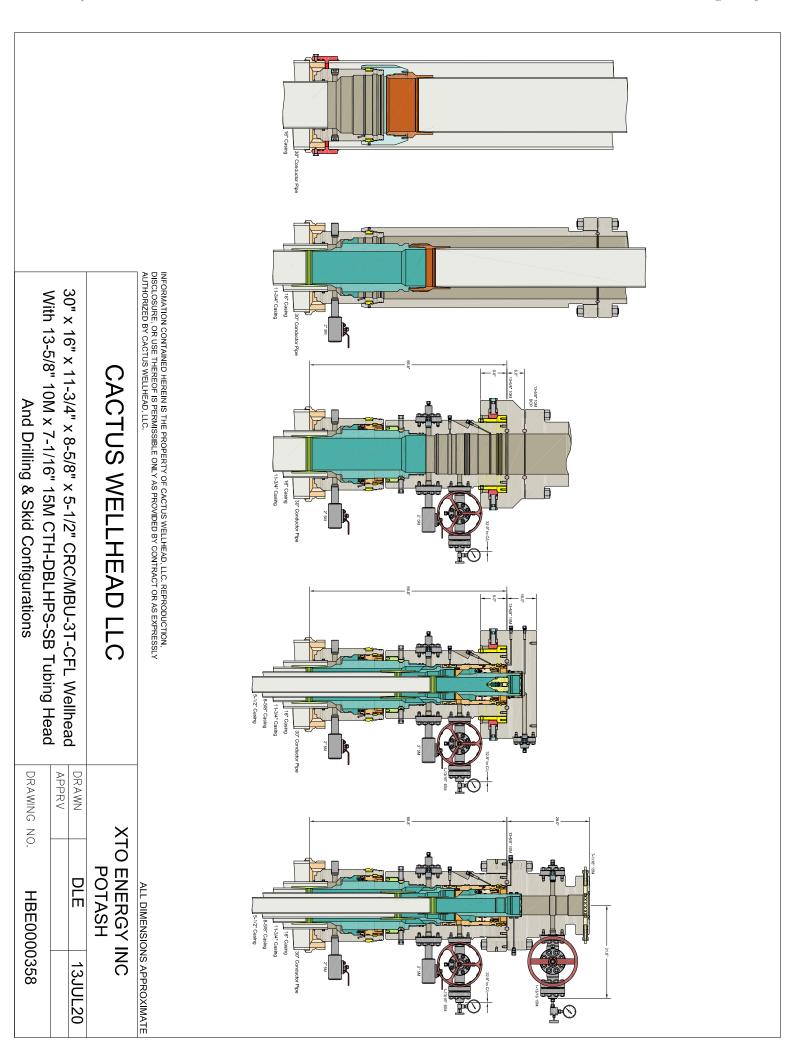
- 1. After a full BOP test is conducted on the first well on the pad.
- 2. The first intermediate hole section drilled on the pad will be the deepest. All of the remaining hole sections will be the same depth or shallower.
- 3. Full BOP test will be required if the intermediate hole section being drilled has a MASP over 5M.
- 4. Full BOP test will be required prior to drilling the production hole.



XTO respectfully requests approval to utilize a spudder rig to pre-set surface casing.

#### **Description of Operations:**

- 1. Spudder rig will move in to drill the surface hole and pre-set surface casing on the well.
  - a. After drilling the surface hole section, the spudder rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
  - b. The spudder rig will utilize fresh water-based mud to drill the surface hole to TD. Solids control will be handled entirely on a closed loop basis. No earth pits will be used.
- 2. The wellhead will be installed and tested as soon as the surface casing is cut off and WOC time has been reached.
- 3. A blind flange at the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with needle valves installed on two wing valves.
  - a. A means for intervention will be maintained while the drilling rig is not over the well.
- 4. Spudder rig operations are expected to take 2-3 days per well on the pad.
- 5. The BLM will be contacted and notified 24 hours prior to commencing spudder rig operations.
- 6. Drilling Operations will begin with a larger rig and a BOP stack equal to or greater than the pressure rating that was permitted will be nippled up and tested on the wellhead before drilling operations resume on each well.
  - a. The larger rig will move back onto the location within 180 days from the point at which the wells are secured and the spudder rig is moved off location.
  - b. The BLM will be notified 24 hours before the larger rig moves back on the pre-set locations
- 7. XTO will have supervision on the rig to ensure compliance with all BLM and NMOCD regulations and to oversee operations.
- 8. Once the rig is removed, XTO will secure the wellhead area by placing a guard rail around the cellar area.



#### XTO Permian Operating, LLC Offline Cementing Variance Request

XTO requests the option to cement the surface and intermediate casing strings offline as a prudent batch drilling efficiency of acreage development.

#### 1. Cement Program

No changes to the cement program will take place for offline cementing.

#### 2. Offline Cementing Procedure

The operational sequence will be as follows. If a well control event occurs, the BLM will be contacted for approval prior to conducting offline cementing operations.

- 1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe)
- 2. Land casing with mandrel
- 3. Fill pipe with kill weight fluid, do not circulate through floats and confirm well is static
- 4. Set annular packoff shown below and pressure test to confirm integrity of the seal. Pressure ratings of wellhead components and valves is 5,000 psi.
- 5. After confirmation of both annular barriers and internal barriers, nipple down BOP and install cap flange.
  - a. If any barrier fails to test, the BOP stack will not be nippled down until after the cement job is completed with cement 500ft above the highest formation capable of flow with kill weight mud above or after it has achieved 50-psi compressive strength if kill weight fluid cannot be verified.



Annular packoff with both external and internal seals

1 Drilling Plan

## Open Valve Closed Valve Pressure Gauge Echometer \*Echometer & Gauges will be fitted with bleed off valves

#### XTO Permian Operating, LLC Offline Cementing Variance Request

Wellhead diagram during skidding operations

- 6. Skid rig to next well on pad.
- 7. Confirm well is static before removing cap flange, flange will not be removed and offline cementing operations will not commence until well is under control. If well is not static, casing outlet valves will provide access to both the casing ID and annulus. Rig or third party pump truck will kill well prior to cementing or nippling up for further remediation.
  - a. Well Control Plan
    - i. The Drillers Method will be the primary well control method to regain control of the wellbore prior to cementing, if wellbore conditions do not permit the drillers method other methods of well control may be used
    - ii. Rig pumps or a 3<sup>rd</sup> party pump will be tied into the upper casing valve to pump down the casing ID
    - iii. A high pressure return line will be rigged up to lower casing valve and run to choke manifold to control annular pressure
    - iv. Once influx is circulated out of the hole, kill weight mud will be circulated
    - v. Well will be confirmed static
    - vi. Once confirmed static, cap flange will be removed to allow for offline cementing operations to commence
- 8. Install offline cement tool
- 9. Rig up cement equipment

2 Drilling Plan

# From Mud Pumps From Cement Truck To Pits

#### **XTO Permian Operating, LLC Offline Cementing Variance Request**

Wellhead diagram during offline cementing operations

- 10. Circulate bottoms up with cement truck
  - a. If gas is present on bottoms up, well will be shut in and returns rerouted through gas buster to handle entrained gas
  - b. Max anticipated time before circulating with cement truck is 6 hrs
- 11. Perform cement job taking returns from the annulus wellhead valve
- 12. Confirm well is static and floats are holding after cement job
- 13. Remove cement equipment, offline cement tools and install night cap with pressure gauge for monitoring.



## **XTO Energy**

Eddy County, NM (NAD-27)
Poker Lake Unit 29-20 Big Sinks
#102H

Wellbore #1

**Plan: PERMIT** 

## **Standard Planning Report**

06 December, 2020

Design: PERMIT

PROJECT DETAILS: Eddy County, NM (NAD-27)

Geodetic System: US State Plane 1927 (Exact solution)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: New Mexico East 3001
System Datum: Mean Sea Level

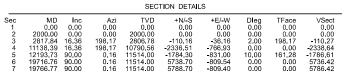
500

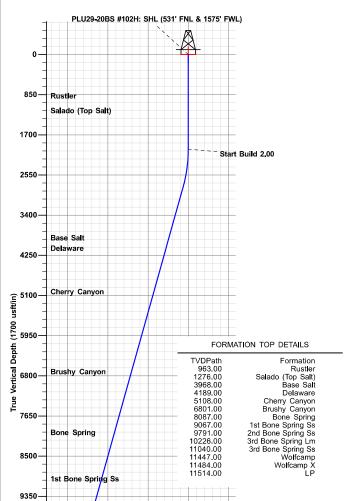
#### DESIGN TARGET DETAILS

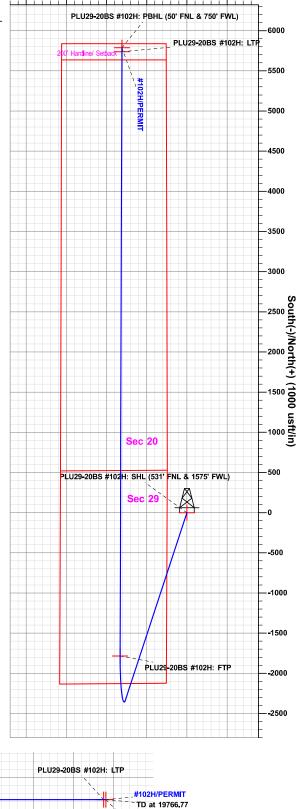
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
PLU29-20BS #102H: SHL (531' FNL & 1575' FWL)	0.00	0.00	0.00	403042.40	664126.00	32.1069705	-103.8032726	Point
PLU29-20BS #102H: FTP	11514.00	-1784.30	-831.00	401258.10	663295.00	32.1020768	-103.8059844	Point
PLU29-20BS #102H: LTP	11514.00	5738.70	-809.50	408781.10	663316.50	32.1227567	-103.8057961	Point
PLU29-20BS #102H: PBHL (50' FNL & 750' FWL)	11514.00	5788.70	-809.40	408831.10	663316.60	32.1228941	-103.8057950	Point

#### West(-)/East(+) (1000 usft/in) -2000 -1500 -1000 -500

#### WELL DETAILS: #102H Rig Name: RKB = 33' @ 3396.00usft Ground Level: 3363.00 Easting 664126.00 32 Northing 403042.40 Latittude 32.1069705 Longitude -103.8032726







The customer should only rely on this document after independently Released to Thingsing : 11/31/2023 3 126:26 P. M.

-1700

3rd Bone Spring Lm

3rd Bone Spring Ss

Wolfcamp A Wolfcamp A Lwr

Wolfcamp B

Wolfcamp D 2550

Start DLS 10.00

PLU29-20BS #102H: FTP

850

1700

2550

3400

Vertical Section at 0.16° (1700 usft/in)

4250

5100

-850

10200-

11050

11900

Plan: PERMIT (#102H/Wellbore #1) Created By: Matthew May Date: 10:49, December 06 2020

7650

PLU29-20BS #102H: PBHL (50' FNL & 750' FWL)

6800

5950



Database: EDM 5000.1.13 Single User Db

XTO Energy Company:

Project: Eddy County, NM (NAD-27) Site: Poker Lake Unit 29-20 Big Sinks

Well: #102H Wellbore: Wellbore #1 **PERMIT** Design:

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method:

Well #102H

RKB = 33' @ 3396.00usft RKB = 33' @ 3396.00usft

Grid

Minimum Curvature

**Project** Eddy County, NM (NAD-27)

Map System: US State Plane 1927 (Exact solution)

Geo Datum: Map Zone:

NAD 1927 (NADCON CONUS) New Mexico East 3001

System Datum:

Mean Sea Level

Site Poker Lake Unit 29-20 Big Sinks

Northing: 403,042.40 usft Site Position: Latitude: 32.1069705 Easting: 664,126.00 usft -103.8032725 From: Мар Longitude: **Position Uncertainty:** 0.00 usft Slot Radius: 13-3/16 " **Grid Convergence:** 0.28°

Well #102H

**Well Position** +N/-S 0.00 usft Northing: 403,042.40 usft Latitude: 32.1069705 +E/-W 0.00 usft Easting: 664,126.00 usft Longitude: -103.8032725

**Position Uncertainty** 0.00 usft Wellhead Elevation: 0.00 usft **Ground Level:** 3,363.00 usft

Wellbore Wellbore #1

Declination Magnetics **Model Name** Sample Date Dip Angle Field Strength (°) (nT) (°) IGRF2020 12/06/20 6.71 59.78 47,455

PERM**I**T Design

**Audit Notes:** 

Version: Phase: PLAN Tie On Depth: 0.00

Vertical Section: Depth From (TVD) +E/-W Direction +N/-S (usft) (usft) (usft) (°) 0.00 0.00 0.00 0.16

Plan Sections	s									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,817.84	16.36	198.17	2,806.78	-110.16	-36.16	2.00	2.00	0.00	198.17	
11,138.39	16.36	198.17	10,790.56	-2,336.51	-766.93	0.00	0.00	0.00	0.00	
12,193.73	90.00	0.16	11,514.00	-1,784.30	-831.00	10.00	6.98	15.35	161.28	PLU29-20BS #102l
19,716.77	90.00	0.16	11,514.00	5,738.70	-809.54	0.00	0.00	0.00	0.00	PLU29-20BS #102l
19,766.77	90.00	0.16	11,514.00	5,788.70	-809.40	0.00	0.00	0.00	0.00	PLU29-20BS #102l



Database: EDM 5000.1.13 Single User Db

Company: XTO Energy

Project: Eddy County, NM (NAD-27)
Site: Poker Lake Unit 29-20 Big Sinks

Well: #102H
Wellbore: Wellbore #1
Design: PERMIT

Local Co-ordinate Reference:

TVD Reference:
MD Reference:

North Reference: Survey Calculation Method: Well #102H

RKB = 33' @ 3396.00usft RKB = 33' @ 3396.00usft

Grid

•									
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00 2,100.00 2,200.00 2,300.00 2,400.00	0.00 2.00 4.00 6.00 8.00	0.00 198.17 198.17 198.17 198.17	2,000.00 2,099.98 2,199.84 2,299.45 2,398.70	0.00 -1.66 -6.63 -14.91 -26.49	0.00 -0.54 -2.18 -4.89 -8.69	0.00 -1.66 -6.64 -14.92 -26.51	0.00 2.00 2.00 2.00 2.00 2.00	0.00 2.00 2.00 2.00 2.00 2.00	0.00 0.00 0.00 0.00 0.00
2,500.00	10.00	198.17	2,497.47	-41.35	-13.57	-41.39	2.00	2.00	0.00
2,600.00	12.00	198.17	2,595.62	-59.48	-19.52	-59.53	2.00	2.00	0.00
2,700.00	14.00	198.17	2,693.06	-80.85	-26.54	-80.93	2.00	2.00	0.00
2,800.00	16.00	198.17	2,789.64	-105.44	-34.61	-105.54	2.00	2.00	0.00
2,817.84	16.36	198.17	2,806.78	-110.16	-36.16	-110.27	2.00	2.00	0.00
2,900.00	16.36	198.17	2,885.61	-132.15	-43.38	-132.27	0.00	0.00	0.00
3,000.00	16.36	198.17	2,981.56	-158.91	-52.16	-159.05	0.00	0.00	0.00
3,100.00	16.36	198.17	3,077.52	-185.66	-60.94	-185.83	0.00	0.00	0.00
3,200.00	16.36	198.17	3,173.47	-212.42	-69.72	-212.61	0.00	0.00	0.00
3,300.00	16.36	198.17	3,269.42	-239.18	-78.51	-239.40	0.00	0.00	0.00
3,400.00	16.36	198.17	3,365.37	-265.93	-87.29	-266.18	0.00	0.00	0.00
3,500.00	16.36	198.17	3,461.33	-292.69	-96.07	-292.96	0.00	0.00	0.00
3,600.00	16.36	198.17	3,557.28	-319.45	-104.86	-319.74	0.00	0.00	0.00
3,700.00	16.36	198.17	3,653.23	-346.21	-113.64	-346.52	0.00	0.00	0.00
3,800.00	16.36	198.17	3,749.19	-372.96	-122.42	-373.30	0.00	0.00	0.00
3,900.00 4,000.00 4,100.00 4,200.00 4,300.00	16.36 16.36 16.36 16.36	198.17 198.17 198.17 198.17 198.17	3,845.14 3,941.09 4,037.04 4,133.00 4,228.95	-399.72 -426.48 -453.24 -479.99 -506.75	-131,20 -139,99 -148,77 -157,55 -166,33	-400.09 -426.87 -453.65 -480.43 -507.21	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
4,400.00 4,500.00 4,600.00 4,700.00 4,800.00	16.36 16.36 16.36 16.36	198.17 198.17 198.17 198.17 198.17	4,324.90 4,420.85 4,516.81 4,612.76 4,708.71	-533.51 -560.26 -587.02 -613.78 -640.54	-175.12 -183.90 -192.68 -201.47 -210.25	-533.99 -560.78 -587.56 -614.34 -641.12	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
4,900.00	16.36	198.17	4,804.66	-667.29	-219.03	-667.90	0.00	0.00	0.00
5,000.00	16.36	198.17	4,900.62	-694.05	-227.81	-694.68	0.00	0.00	0.00
5,100.00	16.36	198.17	4,996.57	-720.81	-236.60	-721.47	0.00	0.00	0.00
5,200.00	16.36	198.17	5,092.52	-747.56	-245.38	-748.25	0.00	0.00	0.00



Database: EDM 5000.1.13 Single User Db

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Site: Poker Lake Unit 29-20 Big Sinks

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Wellbore: Wellbore #1
Design: PERMIT

Local Co-ordinate Reference:

TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Well #102H

RKB = 33' @ 3396.00usft RKB = 33' @ 3396.00usft

Grid

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,300.00	16.36	198.17	5,188.48	-774.32	-254.16	-775.03	0.00	0.00	0.00
5,400.00	16.36	198.17	5,284.43	-801.08	-262.94	-801.81	0.00	0.00	0.00
5,500.00	16.36	198.17	5,380.38	-827.84	-271.73	-828.59	0.00	0.00	0.00
5,600.00	16.36	198.17	5,476.33	-854.59	-280.51	-855.37	0.00	0.00	0.00
5,700.00	16.36	198.17	5,572.29	-881.35	-289.29	-882.16	0.00	0.00	0.00
5,800.00	16.36	198.17	5,668.24	-908.11	-298.08	-908.94	0.00	0.00	0.00
5,900.00	16.36	198.17	5,764.19	-934.87	-306.86	-935.72	0.00	0.00	0.00
6,000.00	16.36	198.17	5,860.14	-961.62	-315.64	-962.50	0.00	0.00	0.00
6,100.00	16.36	198.17	5,956.10	-988.38	-324.42	-989.28	0.00	0.00	0.00
6,200.00	16.36	198.17	6,052.05	-1,015.14	-333.21	-1,016.06	0.00	0.00	0.00
6,300.00	16.36	198.17	6,148.00	-1,041.89	-341.99	-1,042.85	0.00	0.00	0.00
6,400.00	16.36	198.17	6,243.95	-1,068.65	-350.77	-1,069.63	0.00	0.00	0.00
6,500.00	16.36	198.17	6,339.91	-1,095.41	-359.56	-1,096.41	0.00	0.00	0.00
6,600.00	16.36	198.17	6,435.86	-1,122.17	-368.34	-1,123.19	0.00	0.00	0.00
6,700.00	16.36	198.17	6,531.81	-1,148.92	-377.12	-1,149.97	0.00	0.00	0.00
6,800.00	16.36	198.17	6,627.77	-1,175.68	-385.90	-1,176.75	0.00	0.00	0.00
6,900.00	16.36	198.17	6,723.72	-1,202.44	-394.69	-1,203.53	0.00	0.00	0.00
7,000.00	16.36	198.17	6,819.67	-1,229.19	-403.47	-1,230.32	0.00	0.00	0.00
7,100.00	16.36	198.17	6,915.62	-1,255.95	-412.25	-1,257.10	0.00	0.00	0.00
7,200.00	16.36	198.17	7,011.58	-1,282.71	-421.03	-1,283.88	0.00	0.00	0.00
7,300.00	16.36	198.17	7,107.53	-1,309.47	-429.82	-1,310.66	0.00	0.00	0.00
7,400.00	16.36	198.17	7,203.48	-1,336.22	-438.60	-1,337.44	0.00	0.00	0.00
7,500.00	16.36	198.17	7,299.43	-1,362.98	-447.38	-1,364.22	0.00	0.00	0.00
7,600.00	16.36	198.17	7,395.39	-1,389.74	-456.17	-1,391.01	0.00	0.00	0.00
7,700.00	16.36	198.17	7,491.34	-1,416.50	-464.95	-1,417.79	0.00	0.00	0.00
7,800.00	16.36	198.17	7,587.29	-1,443.25	-473.73	-1,444.57	0.00	0.00	0.00
7,900.00	16.36	198.17	7,683.24	-1,470.01	-482.51	-1,471.35	0.00	0.00	0.00
8,000.00	16.36	198.17	7,779.20	-1,496.77	-491.30	-1,498.13	0.00	0.00	0.00
8,100.00	16.36	198.17	7,875.15	-1,523.52	-500.08	-1,524.91	0.00	0.00	0.00
8,200.00	16.36	198.17	7,971.10	-1,550.28	-508.86	-1,551.70	0.00	0.00	0.00
8,300.00	16.36	198.17	8,067.06	-1,577.04	-517.64	-1,578.48	0.00	0.00	0.00
8,400.00	16.36	198.17	8,163.01	-1,603.80	-526.43	-1,605.26	0.00	0.00	0.00
8,500.00	16.36	198.17	8,258.96	-1,630.55	-535.21	-1,632.04	0.00	0.00	0.00
8,600.00	16.36	198.17	8,354.91	-1,657.31	-543.99	-1,658.82	0.00	0.00	0.00
8,700.00	16.36	198.17	8,450.87	-1,684.07	-552.78	-1,685.60	0.00	0.00	0.00
8,800.00	16.36	198.17	8,546.82	-1,710.82	-561.56	-1,712.39	0.00	0.00	0.00
8,900.00	16.36	198.17	8,642.77	-1,737.58	-570.34	-1,739.17	0.00	0.00	0.00
9,000.00	16.36	198.17	8,738.72	-1,764.34	-579.12	-1,765.95	0.00	0.00	0.00
9,100.00	16.36	198.17	8,834.68	-1,791.10	-587.91	-1,792.73	0.00	0.00	0.00
9,200.00	16.36	198.17	8,930.63	-1,817.85	-596.69	-1,819.51	0.00	0.00	0.00
9,300.00	16.36	198.17	9,026.58	-1,844.61	-605.47	-1,846.29	0.00	0.00	0.00
9,400.00 9,500.00 9,600.00 9,700.00 9,800.00	16.36 16.36 16.36 16.36	198.17 198.17 198.17 198.17 198.17	9,122.53 9,218.49 9,314.44 9,410.39 9,506.35	-1,871.37 -1,898.12 -1,924.88 -1,951.64 -1,978.40	-614.25 -623.04 -631.82 -640.60 -649.39	-1,873.08 -1,899.86 -1,926.64 -1,953.42 -1,980.20	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
9,900.00	16.36	198.17	9,602.30	-2,005.15	-658.17	-2,006.98	0.00	0.00	0.00
10,000.00	16.36	198.17	9,698.25	-2,031.91	-666.95	-2,033.77	0.00	0.00	0.00
10,100.00	16.36	198.17	9,794.20	-2,058.67	-675.73	-2,060.55	0.00	0.00	0.00
10,200.00	16.36	198.17	9,890.16	-2,085.43	-684.52	-2,087.33	0.00	0.00	0.00
10,300.00	16.36	198.17	9,986.11	-2,112.18	-693.30	-2,114.11	0.00	0.00	0.00
10,400.00	16.36	198.17	10,082.06	-2,138.94	-702.08	-2,140.89	0.00	0.00	0.00
10,500.00	16.36	198.17	10,178.01	-2,165.70	-710.86	-2,167.67	0.00	0.00	0.00
10,600.00	16.36	198.17	10,273.97	-2,192.45	-719.65	-2,194.46	0.00	0.00	0.00



Database: EDM 5000.1.13 Single User Db

Company: XTO Energy

Project: Eddy County, NM (NAD-27)
Site: Poker Lake Unit 29-20 Big Sinks

Well: #102H
Wellbore: Wellbore #1
Design: PERMIT

Local Co-ordinate Reference:

TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Well #102H

RKB = 33' @ 3396.00usft RKB = 33' @ 3396.00usft

Grid

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,700 <b>.</b> 00	16.36	198.17	10,369.92	-2,219.21	-728.43	-2,221.24	0.00	0.00	0.00
10,800 <b>.</b> 00	16.36	198.17	10,465.87	-2,245.97	-737.21	-2,248.02	0.00	0.00	0.00
10,900.00	16.36	198.17	10,561.82	-2,272.73	-746.00	-2,274.80	0.00	0.00	0.00
11,000.00	16.36	198.17	10,657.78	-2,299.48	-754.78	-2,301.58	0.00	0.00	0.00
11,100.00	16.36	198.17	10,753.73	-2,326.24	-763.56	-2,328.36	0.00	0.00	0.00
11,138,39	16.36	198.17	10,790.56	-2,336.51	-766.93	-2,338.64	0.00	0.00	0.00
11,150.00	15.26	199.59	10,801.74	-2,339.51	-767.96	-2,341.64	10.00	-9.43	12.19
11,200.00	10.70	208.86	10,850.45	-2,349.78	-772.40	-2,351.92	10.00	-9.12	18.55
11,250.00	6.78	229.92	10,899.87	-2,355.75	-776.91	-2,357.91	10.00	-7.84	42.12
11,300.00	5.22	277.06	10,949.63	-2,357.37	-781.43	-2,359.54	10.00	-3.11	94.29
11,350.00	7.65	317.64	10,999.33	-2,354.63	-785.93	-2,356.81	10.00	4.85	81.14
11,400.00	11.81	334.45	11,048.61	-2,347.55	-790.38	-2,349.75	10.00	8.33	33.62
11,450.00	16.44	342,26	11,097.09	-2,336.19	-794.75	-2,338.40	10.00	9.27	15.62
11,500.00	21.24	346,66	11,144.40	-2,320.62	-798.99	-2,322.84	10.00	9.59	8.81
11,550.00	26.11	349,49	11,190.18	-2,300.98	-803.09	-2,303.21	10.00	9.74	5.66
11,600.00	31.02	351,48	11,234.08	-2,277.40	-807.01	-2,279.65	10.00	9.82	3.98
11,650.00	35.95	352,98	11,275.77	-2,250.08	-810.71	-2,252.33	10.00	9.86	2.98
11,700.00	40.90	354.15	11,314.93	-2,219.21	-814.18	-2,221.47	10.00	9.89	2.35
11,750.00	45.86	355.11	11,351.26	-2,185.03	-817.38	-2,187.30	10.00	9.91	1.92
11,800.00	50.82	355.92	11,384.49	-2,147.80	-820.29	-2,150.08	10.00	9.93	1.62
11,850.00	55.79	356.63	11,414.36	-2,107.81	-822.88	-2,110.10	10.00	9.94	1.41
11,900.00	60.76	357.25	11,440.64	-2,065.35	-825.15	-2,067.65	10.00	9.94	1.25
11,950.00	65.73	357.82	11,463.14	-2,020.76	-827.06	-2,023.06	10.00	9.95	1.13
12,000.00	70.71	358.34	11,481.69	-1,974.37	-828.61	-1,976.68	10.00	9.95	1.05
12,050.00	75.69	358.84	11,496.14	-1,926.54	-829.79	-1,928.85	10.00	9.96	0.99
12,100.00	80.67	359.31	11,506.38	-1,877.62	-830.57	-1,879.93	10.00	9.96	0.94
12,150.00	85.64	359.77	11,512.34	-1,827.99	-830.97	-1,830.31	10.00	9.96	0.92
12,193.73	90.00	0.16	11,514.00	-1,784.30	-831.00	-1,786.61	10.00	9.96	0.91
12,200.00	90.00	0.16	11,514.00	-1,778.03	-830.98	-1,780.35	0.00	0.00	0.00
12,300.00	90.00	0.16	11,514.00	-1,678.03	-830.70	-1,680.35	0.00	0.00	0.00
12,400.00	90.00	0.16	11,514.00	-1,578.04	-830.41	-1,580.35	0.00	0.00	0.00
12,500.00	90.00	0.16	11,514.00	-1,478.04	-830.13	-1,480.35	0.00	0.00	0.00
12,600.00	90.00	0.16	11,514.00	-1,378.04	-829.84	-1,380.35	0.00	0.00	0.00
12,700.00	90.00	0.16	11,514.00	-1,278.04	-829.56	-1,280.35	0.00	0.00	0.00
12,800.00	90.00	0.16	11,514.00	-1,178.04	-829.27	-1,180.35	0.00	0.00	0.00
12,900.00	90.00	0.16	11,514.00	-1,078.04	-828.99	-1,080.35	0.00	0.00	0.00
13,000.00	90.00	0.16	11,514.00	-978.04	-828.70	-980.35	0.00	0.00	0.00
13,100.00	90.00	0.16	11,514.00	-878.04	-828.42	-880.35	0.00	0.00	0.00
13,200.00	90.00	0.16	11,514.00	-778.04	-828.13	-780.35	0.00	0.00	0.00
13,300.00	90.00	0.16	11,514.00	-678.04	-827.84	-680.35	0.00	0.00	0.00
13,400.00	90.00	0.16	11,514.00	-578.04	-827.56	-580.35	0.00	0.00	0.00
13,500.00	90.00	0.16	11,514.00	-478.04	-827.27	-480.35	0.00	0.00	0.00
13,600.00	90.00	0.16	11,514.00	-378.04	-826.99	-380.35	0.00	0.00	0.00
13,700.00	90.00	0.16	11,514.00	-278.04	-826.70	-280.35	0.00	0.00	0.00
13,800.00	90.00	0.16	11,514.00	-178.04	-826.42	-180.35	0.00	0.00	0.00
13,900.00	90.00	0.16	11,514.00	-78.04	-826.13	-80.35	0.00	0.00	0.00
14,000.00	90.00	0.16	11,514.00	21.96	-825.85	19.65	0.00	0.00	0.00
14,100.00	90.00	0.16	11,514.00	121.96	-825.56	119.65	0.00	0.00	0.00
14,200.00	90.00	0.16	11,514.00	221.96	-825.28	219.65	0.00	0.00	0.00
14,300.00	90.00	0.16	11,514.00	321.96	-824.99	319.65	0.00	0.00	0.00
14,400.00	90.00	0.16	11,514.00	421.96	-824.71	419.65	0.00	0.00	0.00
14,500.00	90.00	0.16	11,514.00	521.96	-824.42	519.65	0.00	0.00	0.00
14,600.00	90.00	0.16	11,514.00	621.96	-824.14	619.65	0.00	0.00	0.00
14,700.00	90.00	0.16	11,514.00	721.96	-823.85	719.65	0.00	0.00	0.00



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Wellbore: Wellbore #1
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**Local Co-ordinate Reference:** 

TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Well #102H

RKB = 33' @ 3396.00usft RKB = 33' @ 3396.00usft

Grid

lanned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
14,800.00	90.00	0.16	11,514.00	821.96	-823.57	819.65	0.00	0.00	0.00
14,900.00	90.00	0.16	11,514.00	921.95	-823.28	919.65	0.00	0.00	0.00
15,000.00	90.00	0.16	11,514.00	1,021.95	-823.00	1,019.65	0.00	0.00	0.00
15,100.00	90.00	0.16	11,514.00	1,121.95	-822.71	1,119.65	0.00	0.00	0.00
15,200.00	90.00	0.16	11,514.00	1,221.95	-822.43	1,219.65	0.00	0.00	0.00
15,300.00	90.00	0.16	11,514.00	1,321.95	-822.14	1,319.65	0.00	0.00	0.00
15,400.00	90.00	0.16	11,514.00	1,421.95	-821.86	1,419.65	0.00	0.00	0.00
15,500.00	90.00	0.16	11,514.00	1,521.95	-821.57	1,519.65	0.00	0.00	0.00
15,600.00	90.00	0.16	11,514.00	1,621.95	-821,28	1,619.65	0.00	0.00	0.00
15,700.00	90.00	0.16	11,514.00	1,721.95	-821.00	1,719.65	0.00	0.00	0.00
15,800.00	90.00	0.16	11,514.00	1,821.95	-820.71	1,819.65	0.00	0.00	0.00
15,900.00	90.00	0.16	11,514.00	1,921.95	-820.43	1,919.65	0.00	0.00	0.00
16,000.00	90.00	0.16	11,514.00	2,021.95	-820.14	2,019.65	0.00	0.00	0.00
16,100.00	90.00	0.16	11,514.00	2,121.95	-819.86	2,119.65	0.00	0.00	0.00
16,200.00	90.00	0.16	11,514.00	2,221.95	-819.57	2,219.65	0.00	0.00	0.00
16,300.00	90.00	0.16	11,514.00	2,321.95	-819.29	2,319.65	0.00	0.00	0.00
16,400.00	90.00	0.16	11,514.00	2,421.95	-819.00	2,419.65	0.00	0.00	0.00
16,500.00	90.00	0.16	11,514.00	2,521.95	-818.72	2,519.65	0.00	0.00	0.00
16,600.00	90.00	0.16	11,514.00	2,621.95	-818.43	2,619.65	0.00	0.00	0.00
16,700.00	90.00	0.16	11,514.00	2,721.95	-818.15	2,719.65	0.00	0.00	0.00
16,800.00	90.00	0.16	11,514.00	2,821.95	-817.86	2,819.65	0.00	0.00	0.00
16,900.00	90.00	0.16	11,514.00	2,921.95	-817.58	2,919.65	0.00	0.00	0.00
17,000.00	90.00	0.16	11,514.00	3,021.95	-817.29	3,019.65	0.00	0.00	0.00
17,100.00	90.00	0.16	11,514.00	3,121.95	-817.01	3,119.65	0.00	0.00	0.00
17,200.00	90.00	0.16	11,514.00	3,221.95	-816.72	3,219.65	0.00	0.00	0.00
17,300.00	90.00	0.16	11,514.00	3,321.95	-816.44	3,319.65	0.00	0.00	0.00
17,400.00	90.00	0.16	11,514.00	3,421.94	-816.15	3,419.65	0.00	0.00	0.00
17,500.00	90.00	0.16	11,514.00	3,521.94	-815.87	3,519.65	0.00	0.00	0.00
17,600.00	90.00	0.16	11,514.00	3,621.94	-815.58	3,619.65	0.00	0.00	0.00
17,700.00	90.00	0.16	11,514.00	3,721.94	-815.29	3,719.65	0.00	0.00	0.00
17,800.00	90.00	0.16	11,514.00	3,821.94	-815.01	3,819.65	0.00	0.00	0.00
17,900.00	90.00	0.16	11,514.00	3,921.94	-814.72	3,919.65	0.00	0.00	0.00
18,000.00	90.00	0.16	11,514.00	4,021.94	-814.44	4,019.65	0.00	0.00	0.00
18,100.00	90.00	0.16	11,514.00	4,121.94	-814.15	4,119.65	0.00	0.00	0.00
18,200.00	90.00	0.16	11,514.00	4,221.94	-813.87	4,219.65	0.00	0.00	0.00
18,300.00	90.00	0.16	11,514.00	4,321.94	-813.58	4,319.65	0.00	0.00	0.00
18,400.00	90.00	0.16	11,514.00	4,421.94	-813.30	4,419.65	0.00	0.00	0.00
18,500.00	90.00	0.16	11,514.00	4,521.94	-813.01	4,519.65	0.00	0.00	0.00
18,600.00	90.00	0.16	11,514.00	4,621.94	-812.73	4,619.65	0.00	0.00	0.00
18,700.00	90.00	0.16	11,514.00	4,721.94	-812.44	4,719.65	0.00	0.00	0.00
18,800.00	90.00	0.16	11,514.00	4,821.94	-812.16	4,819.65	0.00	0.00	0.00
18,900.00	90.00	0.16	11,514.00	4,921.94	-811.87	4,919.65	0.00	0.00	0.00
19,000.00	90.00	0.16	11,514.00	5,021.94	-811.59	5,019.65	0.00	0.00	0.00
19,100.00	90.00	0.16	11,514.00	5,121.94	-811.30	5,119.65	0.00	0.00	0.00
19,200.00	90.00	0.16	11,514.00	5,221.94	-811.02	5,219.65	0.00	0.00	0.00
19,300.00	90.00	0.16	11,514.00	5,321.94	-810.73	5,319.65	0.00	0.00	0.00
19,400.00	90.00	0.16	11,514.00	5,421.94	-810.45	5,419.65	0.00	0.00	0.00
19,500.00	90.00	0.16	11,514.00	5,521.94	-810.16	5,519.65	0.00	0.00	0.00
19,600.00	90.00	0.16	11,514.00	5,621.94	-809.88	5,619.65	0.00	0.00	0.00
19,700.00	90.00	0.16	11,514.00	5,721.94	-809.59	5,719.65	0.00	0.00	0.00
19,716.77	90.00	0.16	11,514.00	5,738.70	-809.54	5,736.42	0.00	0.00	0.00
19,766.77	90.00	0.16	11,514.00	5,788.70	-809.40	5,786.42	0.00	0.00	0.00



EDM 5000.1.13 Single User Db Database:

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Well: #102H Wellbore: Wellbore #1 PERMIT Design:

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method:

Well #102H

RKB = 33' @ 3396.00usft RKB = 33' @ 3396.00usft

Grid

Minimum Curvature

Design Targets									
Target Name - hit/miss target D - Shape	)ip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PLU29-20BS #102H: - plan hits target cer - Point	0.00 nter	0.01	0.00	0.00	0.00	403,042.40	664,126.00	32.1069705	-103.8032725
PLU29-20BS #102H: - plan hits target cer - Point	0.00 nter	0.01	11,514.00	5,788.70	-809.40	408,831.10	663,316.60	32.1228941	-103.8057950
PLU29-20BS #102H: - plan misses target - Point	0.00 center by		11,514.00 19716.76u	5,738.70 sft MD (1151	-809.50 4.00 TVD, 5	408,781.10 738.70 N, -809.5	663,316 <b>.</b> 50 <b>4</b> E)	32.1227567	-103.8057961
PLU29-20BS #102H: - plan hits target cer - Point	0.00 nter	0.01	11,514.00	-1,784.30	-831.00	401,258.10	663,295.00	32.1020768	-103.8059844

Point

Formations						
	Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
	963.00	963.00	Rustler			
	1,276.00	1,276.00	Salado (Top Salt)			
	4,028.04	3,968.00	Base Salt			
	4,258.37	4,189.00	Delaware			
	5,216.13	5,108.00	Cherry Canyon			
	6,980.54	6,801.00	Brushy Canyon			
	8,320.79	8,087.00	Bone Spring			
	9,342.12	9,067.00	1st Bone Spring Ss			
	10,096.66	9,791.00	2nd Bone Spring Ss			
	10,550.01	10,226.00	3rd Bone Spring Lm			
	11,391.21	11,040.00	3rd Bone Spring Ss			
	11,913.29	11,447.00	Wolfcamp			
	12,007.12	11,484.00	Wolfcamp X			

12,193.73

11,514.00 LP

## PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

**OPERATOR'S NAME:** | XTO Permian Operating

**WELL NAME & NO.:** Poker Lake Unit 29-20 BS 102H

LOCATION: Sec 29-25S-31E-NMP COUNTY: Eddy County, New Mexico

COA

H <sub>2</sub> S	No	C Yes							
Potash / WIPP	None	<ul> <li>Secretary</li> </ul>	○ R-111-P	□ WIPP					
Cave / Karst	C Low	Medium	் High	Critical					
Wellhead	Conventional	• Multibowl	O Both	Diverter					
Cementing	Primary Squeeze	Cont. Squeeze	EchoMeter	✓ DV Tool					
Special Req	Break Testing	Water Disposal	□ COM	✓ Unit					
Variance	▼ Flex Hose	Casing Clearance	Pilot Hole	Capitan Reef					
Variance	Four-String	Offline Cementing	Fluid-Filled	Open Annulus					
	☐ Batch APD / Sundry								

#### A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

#### **B. CASING**

- 1. The 11-3/4 inch surface casing shall be set at approximately 1250 feet (a minimum of 70 feet (Eddy County) into the Rustler Anhydrite, above the salt, and below usable fresh water) 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 will be a minimum of **8** hours or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
  - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours

Page 1 of 8

- 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.

## Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

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

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
  - Cement to surface. If cement does not circulate, contact the appropriate BLM office. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, Capitan Reef, or potash.
- ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- 3. 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.

#### C. PRESSURE CONTROL

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- 2. Operator has proposed a multi-bowl wellhead assembly. 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.
  - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.

Page 2 of 8

- 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. 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.
- e. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172 must be followed.

#### D. SPECIAL REQUIREMENT (S)

#### **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.

#### **Commercial Well Determination**

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

#### **BOPE Break Testing Variance**

- BOPE Break Testing is ONLY permitted for 5M BOPE or less. (Annular preventer must be tested to a minimum of 70% of BOPE working pressure and shall be higher than the MASP)
- BOPE Break Testing is NOT permitted to drilling the production hole section.
- Variance only pertains to the intermediate hole-sections and no deeper than the Bone Springs formation.
- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle.
- Any well control event while drilling require notification to the BLM Petroleum Engineer (575-706-2779) prior to the commencement of any BOPE Break Testing operations.
- A full BOPE test is required prior to drilling the first deep intermediate hole section. If any subsequent hole interval is deeper than the first, a full BOPE test will be required. (200' TVD tolerance between intermediate shoes is allowable).
- The BLM is to be contacted (575-361-2822 Eddy County) 4 hours prior to BOPE tests.
- As a minimum, a full BOPE test shall be performed at 21-day intervals.
- In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per Onshore Oil and Gas Order No. 2.
- If in the event break testing is not utilized, then a full BOPE test would be conducted.

#### **Offline Cementing**

Page 3 of 8

Contact the BLM prior to the commencement of any offline cementing procedure.

#### **GENERAL 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
    Email or call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, BLM\_NM\_CFO\_DrillingNotifications@BLM.GOV (575) 361-2822
  - Lea County
     Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 689-5981
- 1. 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.
  - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
  - b. When the operator proposes to set surface casing with Spudder Rig
    - Notify the BLM when moving in and removing the Spudder Rig.
    - Notify the BLM when moving in the 2<sup>nd</sup> Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
    - BOP/BOPE test to be conducted per **43 CFR part 3170 Subpart 3172** as soon as 2nd Rig is rigged up on well.
- 2. 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 are located, this does not include the dog house or stairway area.
- 3. 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

Page 4 of 8

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.

#### A. CASING

- 1. 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.
- 2. Wait on cement (WOC) for Potash Areas: 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 for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. 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. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. 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.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. 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.

Page 5 of 8

- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.
- B. PRESSURE CONTROL
- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in 43 CFR part 3170 Subpart 3172 and API STD 53 Sec. 5.3.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. 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.
- 3. 5M or higher 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.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
  - 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. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR part 3170 Subpart 3172 must be followed.
  - e. 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.
- 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

Page 6 of 8

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 cement), 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. In potash areas, 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. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to 43 CFR part 3170 Subpart 3172 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. 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.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. 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.
- g. 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.
- h. 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

Page 7 of 8

does not exclude the test prior to drilling out the casing shoe as per 43 CFR part 3170 Subpart 3172.

## C. DRILLING MUD

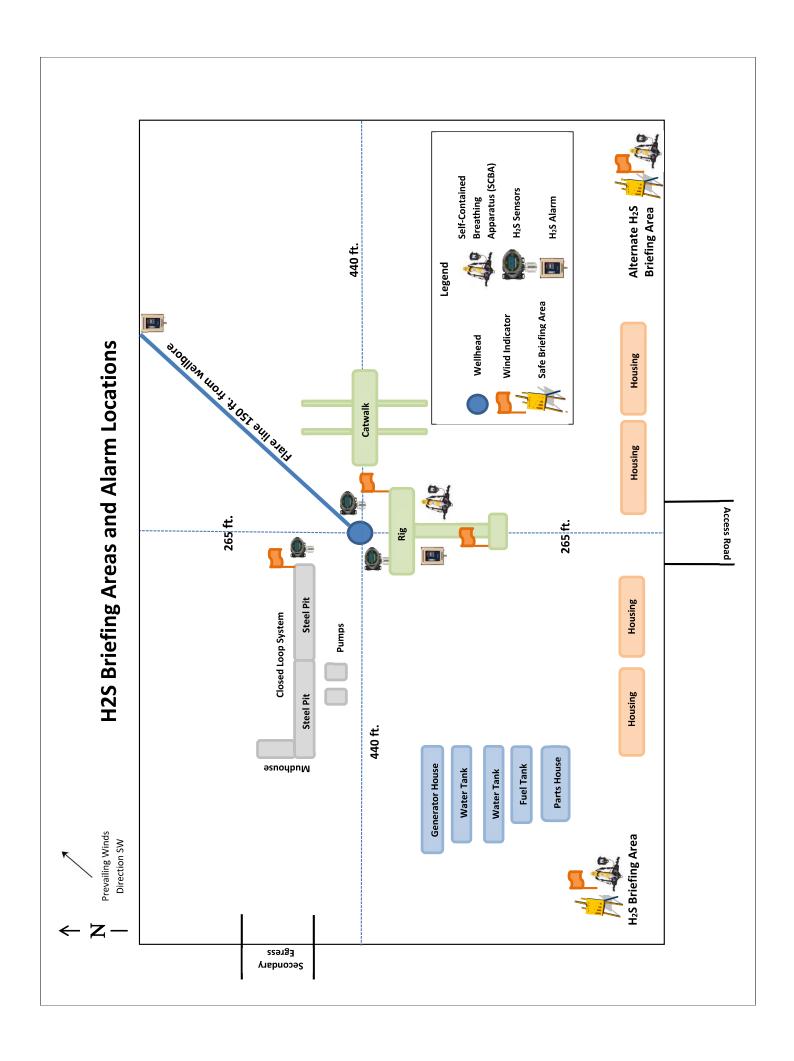
Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

#### D. 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.

Page 8 of 8





# **HYDROGEN SULFIDE (H2S) CONTINGENCY PLAN**

# **Assumed 100 ppm ROE = 3000'**

100 ppm H2S concentration shall trigger activation of this plan.

## **Emergency Procedures**

In the event of a release of gas containing H<sub>2</sub>S, the first responder(s) must

- Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- Evacuate any public places encompassed by the 100 ppm ROE.
- Be equipped with H<sub>2</sub>S monitors and air packs in order to control the release.
- Use the "buddy system" to ensure no injuries occur during the response
- Take precautions to avoid personal injury during this operation.
- Contact operator and/or local officials to aid in operation. See list of phone numbers attached.
- · Have received training in the
  - o Detection of H<sub>2</sub>S, and
  - o Measures for protection against the gas,
  - o Equipment used for protection and emergency response.

#### **Ignition of Gas source**

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO<sub>2</sub>). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally, the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever this is an ignition of the gas.

## Characteristics of H<sub>2</sub>S and SO<sub>2</sub>

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H₂S	1.189 Air = I	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO <sub>2</sub>	2.21 Air = I	2 ppm	N/A	1000 ppm

## **Contacting Authorities**

All XTO location personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available including directions to site. The following call list of essential and potential responders has been prepared for use during a release. (Operator Name)'s response must be in coordination with the State of New Mexico's "Hazardous Materials Emergency Response Plan" (HMER).

# <u>CARLSBAD OFFICE – EDDY & LEA COUNTIES</u>

3104 E. Greene St., Carlsbad, NM 88220 Carlsbad, NM	575-887-7329
XTO PERSONNEL:  Kendall Decker, Drilling Manager Milton Turman, Drilling Superintendent Jeff Raines, Construction Foreman Toady Sanders, EH & S Manager Wes McSpadden, Production Foreman	903-521-6477 817-524-5107 432-557-3159 903-520-1601 575-441-1147
SHERIFF DEPARTMENTS: Eddy County Lea County	575-887-7551 575-396-3611
NEW MEXICO STATE POLICE:	575-392-5588
FIRE DEPARTMENTS: Carlsbad Eunice Hobbs Jal Lovington	911 575-885-2111 575-394-2111 575-397-9308 575-395-2221 575-396-2359
HOSPITALS: Carlsbad Medical Emergency Eunice Medical Emergency Hobbs Medical Emergency Jal Medical Emergency Lovington Medical Emergency	911 575-885-2111 575-394-2112 575-397-9308 575-395-2221 575-396-2359
AGENT NOTIFICATIONS: For Lea County: Bureau of Land Management – Hobbs New Mexico Oil Conservation Division – Hobbs	575-393-3612 575-393-6161
For Eddy County: Bureau of Land Management - Carlsbad New Mexico Oil Conservation Division - Artesia	575-234-5972 575-748-1283

**Operator Name: XTO PERMIAN OPERATING LLC** 

Well Name: POKER LAKE UNIT 29-20 BS Well Number: 102H

Safe containment attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL

**FACILITY** 

Disposal type description:

Disposal location description: A licensed 3rd party contractor will be used to haul and dispose of human waste.

### **Reserve Pit**

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit? NO

Reserve pit length (ft.) Reserve pit width (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

# **Cuttings Area**

**Cuttings Area being used? NO** 

Are you storing cuttings on location? Y

**Description of cuttings location** Cuttings. The well will be drilled utilizing a closed-loop mud system. Drill cutting will be held in roll-off style mud boxes and taken to a New Mexico Oil Conservation Division (NMOCD) approved disposal site. Drilling fluids. These will be contained in steel mud pits and then taken to a NMOCD approved commercial disposal facility. Produced fluids. water produced from the well during completion will be held temporarily in steel tanks and then taken to a NMOCD approved commercial disposal facility, oil produced during operations will be stored in tanks until sold.

Cuttings area length (ft.) Cuttings area width (ft.)

Cuttings area depth (ft.) Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

**WCuttings** area liner

Cuttings area liner specifications and installation description

# **Section 8 - Ancillary**

Are you requesting any Ancillary Facilities?: N

**Ancillary Facilities** 

Comments:

## State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Oil Conservation Division

1220 South St. Francis Dr. Santa Fe, NM 87505

## NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

# Section 1 – Plan Description Effective May 25, 2021

I. Operator: _XTO Permian Operating	OGRID: <u>373075</u>	<b>Date:</b> _ <u>5/24/2023</u> _
<b>II. Type:</b> ⊠ Original □ Amendment due to □ 19.15.27.9.D(6)(	a) NMAC   19.15.27.9.D(6)(b) NMAC	☐ Other.
If Other, please describe:		

**III.** Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated	Anticipated	Anticipated
				Oil BBL/D	Gas MCF/D	Produced
						Water BBL/D
Poker Lake Unit 29-20 BS 102H		C-29-25S-31E	531'FNL & 1575'FWL	2000 BBL/D	3500 MCF/D	2500 BBL/D
Poker Lake Unit 29-20 BS 121H		C-29-25S-31E	531'FNL & 1515'FWL	2000 BBL/D	3500 MCF/D	2500 BBL/D
Poker Lake Unit 29-20 BS 105H		B-29-25S-31E	537' FNL & 1422' FEL	2000 BBL/D	3500 MCF/D	2500 BBL/D
Poker Lake Unit 29-20 BS 126H		B-29-25S-31E	537' FNL & 1452' FEL	2000 BBL/D	3500 MCF/D	2500 BBL/D
Poker Lake Unit 29-20 BS 122H		C-29-25S-31E	531'FNL & 1545'FWL	2000 BBL/D	3500 MCF/D	2500 BBL/D

IV. Central Delivery Point Name: PLU 29 CTBE & PLU 29 CTBW [See 19.15.27.9(D)(1) NMAC]

**V. Anticipated Schedule:** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date TD Reached Date		Completion	Initial	First
				Commencem	Flow	Production
				ent Date	Back Date	Date
Poker Lake Unit 29-20 BS 102H		TBD	TBD	TBD	TBD	TBD
Poker Lake Unit 29-20 BS 121H		TBD	TBD	TBD	TBD	TBD
Poker Lake Unit 29-20 BS 105H		TBD	TBD	TBD	TBD	TBD
Poker Lake Unit 29-20 BS 126H		TBD	TBD	TBD	TBD	TBD
Poker Lake Unit 29-20 BS 122H		TBD	TBD	TBD	TBD	TBD

VI. Separation Equipment: 
☐ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ⊠ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: 
☐ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

# Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☑ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

## IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

## X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in
			Surv Burv	or system segment the m

XI. Map. $\square$ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the
production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of
the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system $\square$ will $\square$ will not have capacity to gather 100% of the anticipated	d natural gas
production volume from the well prior to the date of first production.	

**XIII.** Line Pressure. Operator  $\Box$  does  $\Box$  does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

Attach O	perator's	plan to	manage	production	in res	ponse to	the	increased	line	pressure

**XIV.** Confidentiality: 
Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

# Section 3 - Certifications <u>Effective May 25, 2021</u>

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

□ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☑ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. *If Operator checks this box, Operator will select one of the following:* 

**Well Shut-In.**  $\boxtimes$  Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or – *Updated NGMP will be submitted prior to well completion. See attachments*.

**Venting and Flaring Plan.**  $\square$  Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- **(b)** power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- **(f)** reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

# **Section 4 - Notices**

- 1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:
- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- (b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: Caso i Wave-
Printed Name: Cassie Evans
Title: Regulatory Coordinator
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Date: 11/28/23
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OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

#### **VI. Separation Equipment:**

XTO Permian Operating, LLC. production tank batteries include separation equipment designed to efficiently separate gas from liquid phases to optimize gas capture based on projected and estimated volumes from the targeted pool in conjunction with the total number of wells planned to or existing within the facility. Separation equipment is upgraded prior to well being drilled or completed, if determined to be undersized or needed. The separation equipment is designed and built according to the relevant industry specifications (API Specification 12J and ASME Sec VIII Div I). Other recognized industry publications such as the Gas Processors Suppliers Association (GPSA) are referenced when designing separation equipment to optimize gas capture.

#### **VII. Operational Practices:**

#### **1.** Subsection B.

- During drilling, flare stacks will be located a minimum of 150 feet from the nearest surface hole location. All gas is captured or combusted. If an emergency or malfunction occurs, gas will be flared or vented for public health, safety and the environment and be properly reported to the NMOCD pursuant to 19.15.27.8.G.
- Measure or estimate the volume of natural gas that is vented, flared or beneficially used during drilling, completion and production operations, regardless of the reason or authorization for such venting or flaring.
- At any point in the well life (drilling, completion, production, inactive) an audio, visual and olfactory (AVO) inspection will be performed weekly (at minimum) to confirm that all production equipment is operating properly and there are no leaks or releases except as allowed in Subsection D of 19.15.27.8 NMAC.

#### 2. Subsection C.

During completion operations, operator does not produce oil or gas but maintains adequate well control through completion operations.

For emergencies, equipment malfunction, or if the operator decides to produce oil and gas during well completion:

- o Flowlines will be routed for flowback fluids into a completion or storage tank and, if feasible under well conditions, flare rather than vent and commence operation of a separator as soon as it is technically feasible for a separator to function.
- Measure or estimate the volume of natural gas that is vented, flared or beneficially used during drilling, completion and production operations, regardless of the reason or authorization for such venting or flaring.
- At any point in the well life (drilling, completion, production, inactive) an audio, visual and olfactory (AVO) inspection will be performed weekly (at minimum) to confirm that all production equipment is operating properly and there are no leaks or releases except as allowed in Subsection D of 19.15.27.8 NMAC.

#### 3. Subsection D.

- At any point in the well life (drilling, completion, production, inactive) an audio, visual and olfactory (AVO) inspection will be performed weekly (at minimum) to confirm that all production equipment is operating properly and there are no leaks or releases except as allowed in Subsection D of 19.15.27.8 NMAC.
- Monitor manual liquid unloading for wells on-site or in close proximity (<30 minutes' drive time), take reasonable actions to achieve a stabilized rate and pressure at the earliest practical time, and take reasonable actions to minimize venting to the maximum extent practicable.

 Measure or estimate the volume of natural gas that is vented, flared or beneficially used during drilling, completion and production operations, regardless of the reason or authorization for such venting or flaring.

#### 4. Subsection E.

- All tanks and separation equipment are designed for maximum throughput and pressure to minimize waste.
- Flare stack was installed prior to May 25, 2021 but has been designed for proper size and combustion efficiency. Flare currently has a continuous pilot and is located more than 100 feet from any known well and storage tanks.
- At any point in the well life (drilling, completion, production, inactive) an audio, visual and olfactory (AVO) inspection will be performed weekly (at minimum) to confirm that all production equipment is operating properly and there are no leaks or releases except as allowed in Subsection D of 19.15.27.8 NMAC.

#### 5. Subsection F.

- Measurement equipment is installed to measure the volume of natural gas flared from process piping or a flowline piped from the equipment associated with a well and facility associated with the approved application for permit to drill that has an average daily production greater than 60 mcf of natural gas.
- Measurement equipment installed is not designed or equipped with a manifold to allow diversion of natural gas around the metering equipment, except for the sole purpose of inspecting and servicing the measurement equipment, as noted in NMAC 19.15.27.8 Subsection G.

#### **VIII. Best Management Practices:**

- 1. During completion operations, operator does not produce oil or gas but maintains adequate well control through completion operations.
- 2. Operator does not flow well (well shut in) during initial production until all flowlines, tank batteries, and oil/gas takeaway are installed, tested, and determined operational.
- 3. Operator equips storage tanks with an automatic gauging system to reduce venting of natural gas.
- 4. Operator reduces the number of blowdowns by looking for opportunities to coordinate repair and maintenance activities.
- 5. Operator combusts natural gas that would otherwise be vented or flared, when feasible.
- 6. Operator has a flare stack designed in accordance with need and to handle sufficient volume to ensure proper combustion efficiency. Flare stacks are equipped with continuous pilots and securely anchored at least 100 feet (at minimum) from storage tanks and wells.
- 7. Operator minimizes venting (when feasible) through pump downs of vessels and reducing time required to purge equipment before returning equipment to service.
- 8. Operator will shut in wells (when feasible) in the event of a takeaway disruption, emergency situation, or other operations where venting or flaring may occur due to equipment failures.

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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** 

CONDITIONS

Action 289256

#### **CONDITIONS**

Operator:	OGRID:
XTO PERMIAN OPERATING LLC.	373075
	Action Number:
MIDLAND, TX 79707	289256
	Action Type:
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

#### CONDITIONS

Created By	Condition	Condition Date
ward.rikala	Notify OCD 24 hours prior to casing & cement	11/30/2023
ward.rikala	Will require a File As Drilled C-102 and a Directional Survey with the C-104	11/30/2023
ward.rikala	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	11/30/2023
ward.rikala	Cement is required to circulate on both surface and intermediate1 strings of casing	11/30/2023
ward.rikala	If cement does not circulate on any string, a CBL is required for that string of casing	11/30/2023
ward.rikala	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system	11/30/2023