

GOODNIGHT REBUTTAL EXHIBIT I

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD
APR 30 2012
RECEIVED

State of New Mexico
Energy, Minerals & Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

AMENDED REPORT

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

¹ Operator Name and Address XTO Energy, Inc. 200 N. Loraine, Ste. 800 Midland, TX 79701		² OGRID Number 005380
⁴ Property Code 300717		³ API Number 30- 025-29622
⁵ Property Name Eunice Monument South Unit		⁶ Well No. 462
⁹ Proposed Pool 1 EUNICE MONUMENT; GRAYBURG-SAN ANDRES		¹⁰ Proposed Pool 2 EUNICE MONUMENT; GRAYBURG-SAN ANDRES

⁷ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
L	9	21S	36E		2590	SOUTH	50	WEST	Lea

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County

Additional Well Location

¹¹ Work Type Code p	¹² Well Type Code W O	¹³ Cable/Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3590' GL
¹⁶ Multiple N	¹⁷ Proposed Depth 4998	¹⁸ Formation Grayb-SA	¹⁹ Contractor N/A	²⁰ Spud Date 7/1987
Depth to ground water		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume _____ bbls Drilling Method.				
Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
20"	16"	65	416'	472 sxs C1 C	surface
14-3/4"	11-3/4"	54	2700'	1100 sxs C1 C	surface
10-5/8"	8-5/8"	32	4325'	550 sxs C1 C	2600'
10-5/8"	5-1/2"	17	4200	760 sxs	

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

XTO Energy, Inc requests to convert EMSU #462 from a Water Source Well to an Oil Producer with the following proposition:
 (1) Set CIBP @ 4260' closing off current Grayb-SA OH (2) Run 5-1/2" prod csg to 4200' (3) cmt w/ 760 sxs.
 (4) Perf Grayb from 3794'-3900', 2spf, 80 shots total, (5) Acidize Grayb Perfs w/ 3650 gals of 20% 90/10 Acid, (6) Put Well on Prod

Permit Expires 2 Years From Approval

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines a general permit , or an (attached) alternative OCD-approved plan
 Signature: *Stephanie Rabadue*

Drilling Underway
Plugback
 OIL CONSERVATION DIVISION

Printed name: STEPHANIE RABADUE

Approved by: *[Signature]*

Title: Regulatory Analyst

Title: *[Signature]*

E-mail Address: stephanie.rabadue@xtoenergy.com

MAY 02 2012

Date: 04/26/2012

Phone: 432-620-6714

Conditions of Approval:
Attached

MAY 02 2012

GOODNIGHT REBUTTAL EXHIBIT I

District I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources

Form C-102
Revised October 12, 2005

District II
1301 W. Grand Avenue, Artesia, NM 88210

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-29622	² Pool Code 2300	³ Pool Name Eunice Monument; Grayburg-San Andres
⁴ Property Code 300717	⁵ Property Name Eunice Monument South Unit	
⁷ OGRID No. 005380	⁸ Operator Name XTO Energy, Inc	⁶ Well Number 462
⁹ Elevation 3590' GL		

10 Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	9	21S	36E		2590'	South	50	West	Lea

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>16</p> </div>	<p>17 OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</i></p> <p style="text-align: right;"> Date: 04/26/2012 </p> <p style="text-align: center;"> STEPHANIE RABADUE Printed Name REGULATORY ANALYST </p>
<p>18</p>	<p>18 SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief</i></p> <p>Date of Survey _____ Signature and Seal of Professional Surveyer _____</p> <p>Certificate Number _____</p>

GOODNIGHT REBUTTAL EXHIBIT I

**Eunice Monument South Unit #462 WSW
Convert Well from WSW to Oil Producer in Grayburg
Lea County, New Mexico
December 1, 2011**

RECOMMENDED PROCEDURE

*(Verify that anchors have been set and tested per NMOCD and OSHA guidelines)
This is a STATE well.*

1. MIRU PU. MI and rack 4300' 2-7/8" 6.5ppf, N-80, EUE, 8rd work string.
2. ND WH. NU BOP with 2-7/8" rams.
3. RU wireline company. RIH with gauge ring to 4280'. POOH and LD gauge ring.
4. RIH with 8-5/8" CIBP on wireline and set CIBP at 4260'. POOH and RD wireline.
5. RIH with 8-5/8" packer on 2-7/8" WS and set packer at 4250'.
6. Load tubing and test CIBP with brine water to 1000 psig. POOH with 2-7/8" tubing and LD 8-5/8" packer.
7. MI and rack 4400' of 5-1/2" 17ppf, J-55, LTC casing. ND BOP with 2-7/8" rams. RU welder. Weld on new 5-1/2" casing bowl to WH. NU BOP with 5-1/2" rams.
8. RIH with 5-1/2" float shoe, 1jt of 5-1/2" 17ppf casing, float collar, 5-1/2" 17ppf casing to CIBP at 4260'. Space 5-1/2" centralizers from 4260' to 3600'.
9. RU cement company. Establish circulation out 8-5/8" x 5-1/2" annulus with 20 bbls fresh water with the following mixture:

Lead Slurry: Mix and circulate 275 sx EconoCem-HLC (Halliburton) cement at 12.4ppg.
Tail Slurry: Mix and circulate 260 sx VersaCem-C (Halliburton) cement at 14.4ppg

Circulate out 8-5/8 x 5-1/2" annulus at surface. Drop wiper plug and displace with ~~brine~~ ^{fresh?} water. RD cement company. WOC over night.
10. Set 5-1/2" casing slips. ND BOP with 5-1/2" rams. Cut off excess 5-1/2" 17ppf casing and weld on WH. NU BOP with 2-7/8" rams.
11. RIH with 4-3/4" bit on 2-7/8" WS and CO to 4210'. POOH with 2-7/8" WS and LD 4-3/4" bit.

GOODNIGHT REBUTTAL EXHIBIT I

**Eunice Monument South Unit #462 WSW
Convert Well from WSW to Oil Producer in Grayburg
Lea County, New Mexico
December 1, 2011**

12. Load and test 5-1/2" 17ppf casing with brine water to 500 psig.
fresh?
13. RU wireline company. RIH with 3-1/8" casing gun on wireline loaded with premium charges and perforate 2 SPF the following intervals:

Top	Bottom	Length	Type	Formation	SPF	Shots	Date	Comments
3794	3797	3	Perf	Grayburg	2	6	2011	
3811	3814	3	Perf	Grayburg	2	6	2011	
3818	3821	3	Perf	Grayburg	2	6	2011	
3826	3828	2	Perf	Grayburg	2	4	2011	
3835	3842	7	Perf	Grayburg	2	14	2011	
3859	3862	3	Perf	Grayburg	2	6	2011	
3873	3887	14	Perf	Grayburg	2	28	2011	
3890	3893	3	Perf	Grayburg	2	6	2011	
3898	3900	2	Perf	Grayburg	2	4	2011	
Total =						80		

14. RIH with 5-1/2" treating packer on 2-7/8" WS. **Set packer at 3730'.**
15. MIRU acid company. Test lines to 4000 psig. Load and test TCA with brine to 500 psig and monitor during job. Acidize Grayburg perforations from 3794' – 3900' with **3650 gal of 20% 90/10 acid** while spacing **120 - 1.3 SG ball sealers** at 5 BPM and a maximum pressure of 3000 psig with the following schedule.
- Load tubing with brine.
 - Spot 150 gal acid across perforations and let sit 30 minutes.
 - Establish injection rate with brine water.
 - Pump 500 gal acid.
 - Pump 3000 gal acid while dropping 120 - 1.3 SG ball sealers evenly throughout stage.
 - Flush to bottom perf with brine.
- Note:** Record ISIP and 5-10-15 minute pressures.
16. RDMO acid company. Shut well in for two hours for acid to spend. Release packer. RIH with 5-1/2" packer to 3900' to knock balls off of perforations. PUH with 5-1/2" packer and set at 3730'.
17. RU swab and swab back acid load. Determine flow rate and oil cut. Report results to Midland. POOH and LD 5-1/2" packer and 2-7/8" WS.

GOODNIGHT REBUTTAL EXHIBIT I



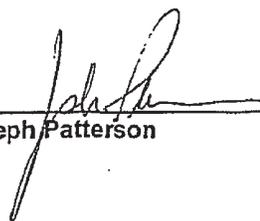
**Eunice Monument South Unit #462 WSW
Convert Well from WSW to Oil Producer in Grayburg
Lea County, New Mexico
December 1, 2011**

18. MI and rack 4000' of 2-7/8" 6.5ppf, J-55, EUE, 8rd tubing. RIH with production equipment sized as per swab results. Land pump intake at 3900'. ND BOP. Set TAC. NU WH. Make electrical and flow line connections.

19. RWTP. Put well in test. RDMO PU.

Prepared by:

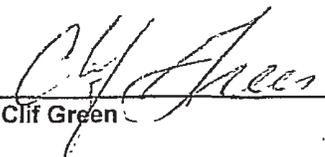
Approved by:



Joseph Patterson 12/1/2011
Date



Trey Krampf 11/01/12
Date



Cliff Green 1-16-12
Date

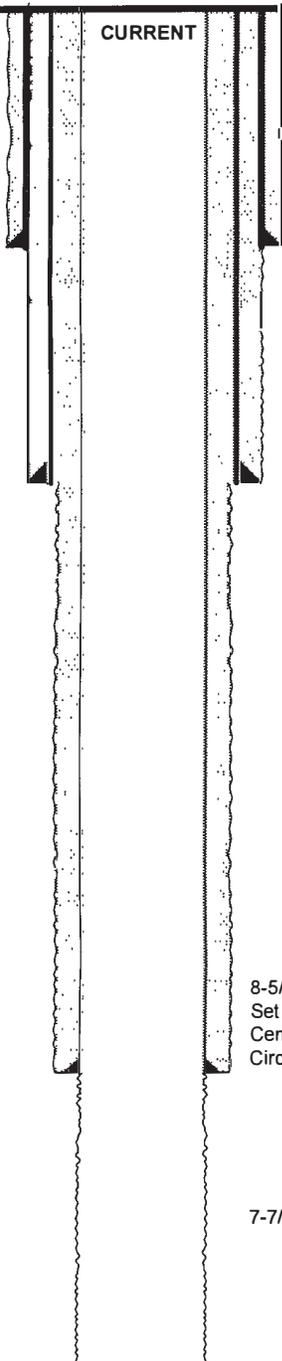
GOODNIGHT REBUTTAL EXHIBIT I

XTO ENERGY



Well: EMSU 462 WSW
 Location: Section 9-21S-36E
 2590' FSL & 50' FWL
 County: Lea
 Elevation: 3590' GL 3607' KB

WI:
 NRI:
 Spud: 7/87
 State: New Mexico



CURRENT STATUS:
 Shut-in

PRODUCTION TUBING:
 None

16" 65 ppf,
 Set at 416'.
 Cemented with 472 sx.
 Circulated

Int. Csg: 11 3/4", 54 ppf
 Set @ 2700'.
 Cmt'd w/ 1100 sx.
 Circulated

8-5/8" 32 ppf
 Set at 4315'.
 Cemented with 850 sx.
 Circulated.

7-7/8" openhole

TD 4998'

PREPARED BY: Jeff Gasch

DATE: 10/26/05

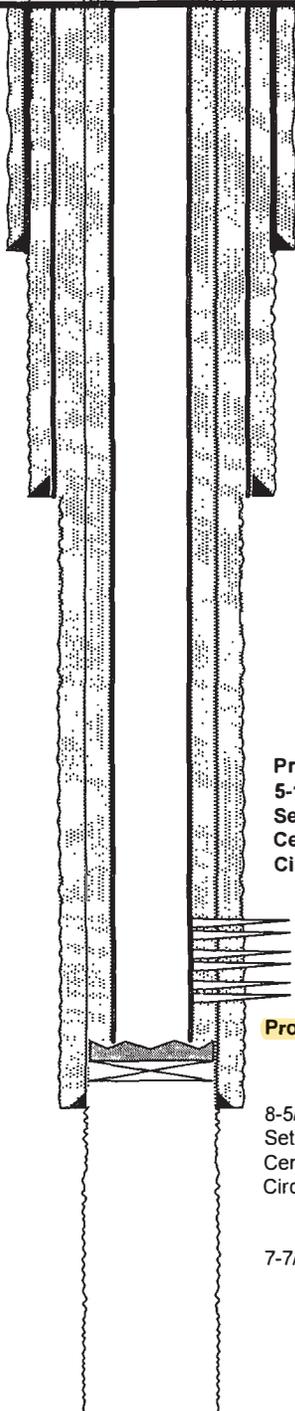
GOODNIGHT REBUTTAL EXHIBIT I

XTO ENERGY



Well: EMSU 462 WSW
 Location: Section 9-21S-36E
 2590' FSL & 50' FWL
 County: Lea
 Elevation: 3590' GL 3607' KB

WI:
 NRI:
 Spud: 7/87
 State: New Mexico



PROPOSED

CURRENT STATUS:
Shut-in

PRODUCTION TUBING:
None

16" 65 ppf,
 Set at 416'.
 Cemented with 472 sx.
 Circulated

Int. Csg: 11 3/4", 54 ppf
 Set @ 2700'.
 Cmt'd w/ 1100 sx.
 Circulated

Proposed Production Casing:
 5-1/2" 17ppf
 Set at 4200'.
 Cemented with 760 sx.
 Circulated.

Grayburg
Proposed Perfs:
3794' - 3900'

Proposed CIBP at 4260'

8-5/8" 32 ppf
 Set at 4315'.
 Cemented with 850 sx.
 Circulated.

7-7/8" openhole

TD 4998'

PREPARED BY: JWP

DATE: 11/17/2011