

Form 3160-3  
(June 2015)

FORM APPROVED  
OMB No. 1004-0137  
Expires: January 31, 2018

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

|  |   |   |
|--|---|---|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER   |   | 5. Lease Serial No.<br>NMLC0063875A                                   |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other  |   | 6. If Indian, Allottee or Tribe Name                                  |
| 1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone   |   | 7. If Unit or CA Agreement, Name and No.<br>NMMN 071016X              |
| 2. Name of Operator<br>XTO PERMIAN OPERATING LLC   |   | 8. Lease Name and Well No.<br>POKER LAKE UNIT 26 BD<br>154H           |
| 3a. Address<br>6401 Holiday Hill Road, Bldg 5, Midland, TX 79707   | 3b. Phone No. (include area code)<br>(432) 682-8873 | 9. API Well No.<br>30 015 47990                                       |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *)<br>At surface SENW / 2155 FNL / 1915 FWL / LAT 32.102599 / LONG -103.85424<br>At proposed prod. zone SESW / 200 FSL / 2310 FWL / LAT 32.079768 / LONG -103.853067 |   | 10. Field and Pool, or Exploratory<br>PURPLE SAGE WOLFCAMP GAS/null   |
| 14. Distance in miles and direction from nearest town or post office*  |   | 11. Sec., T. R. M. or Blk. and Survey or Area<br>SEC 26/T25S/R30E/NMP |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>330 feet</b>  |   | 12. County or Parish<br>EDDY  |
| 16. No of acres in lease<br>1920   |   | 13. State<br>NM   |
| 17. Spacing Unit dedicated to this well<br>480.0   |   |   |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>30 feet</b>  |   | 20. BLM/BIA Bond No. in file<br>FED: COB000050                        |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br>3313 feet   | 22. Approximate date work will start*<br>08/01/2020 | 23. Estimated duration<br>45 days                                     |
| 24. Attachments  |   |   |

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- |  |   |
|--|---|
| 1. Well plat certified by a registered surveyor.   | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan.  | 5. Operator certification.  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be requested by the BLM.            |

|   |  |                    |
|---|--|--------------------|
| 25. Signature (Electronic Submission)           | Name (Printed/Typed)<br>Kelly Kardos / Ph: (432) 682-8873      | Date<br>10/18/2019 |
| Title<br>Regulatory Coordinator                 |  |                    |
| Approved by (Signature) (Electronic Submission) | Name (Printed/Typed)<br>Christopher Walls / Ph: (575) 234-2234 | Date<br>05/19/2020 |
| Title<br>Petroleum Engineer                     |  |                    |

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



(Continued on page 2)

\*(Instructions on page 2)

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

|   |  |   |  |   |                                  |
|---|--|---|--|---|----------------------------------|
| <sup>1</sup> API Number<br>30-015 47990 |  | <sup>2</sup> Pool Code<br>98220                           |  | <sup>3</sup> Pool Name<br>PURPLE SAGE; WOLFCAMP |                                  |
| <sup>4</sup> Property Code<br>329859    |  | <sup>5</sup> Property Name<br>POKER LAKE UNIT 26 BD       |  |   | <sup>6</sup> Well Number<br>154H |
| <sup>7</sup> OGRID No.<br>373075        |  | <sup>8</sup> Operator Name<br>XTO PERMIAN OPERATING, LLC. |  |   | <sup>9</sup> Elevation<br>3,313' |

<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| F             | 26      | 25 S     | 30 E  |         | 2,155         | NORTH            | 1,915         | WEST           | EDDY   |

<sup>11</sup> 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N             | 35      | 25 S     | 30 E  |         | 200           | SOUTH            | 2,310         | WEST           | EDDY   |

|                                      |                               |                                  |                         |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>480 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

**16**

GEODETIC COORDINATES  
NAD 83 NME  
SURFACE LOCATION  
Y = 401,391.8  
X = 689,685.7  
LAT. = 32.102599°N  
LONG. = 103.854240°W

FIRST TAKE POINT  
NAD 83 NME  
Y = 400,526.7  
X = 690,082.2  
LAT. = 32.100216°N  
LONG. = 103.852973°W

LAST TAKE POINT  
NAD 83 NME  
Y = 393,217.8  
X = 690,085.9  
LAT. = 32.080125°N  
LONG. = 103.853066°W

BOTTOM HOLE LOCATION  
NAD 83 NME  
Y = 393,087.8  
X = 690,086.1  
LAT. = 32.079768°N  
LONG. = 103.853067°W

CORNER COORDINATES TABLE  
NAD 83 NME

|   |               |   |               |   |
|---|---------------|---|---------------|---|
| A | Y = 400,883.8 | N | X = 690,424.7 | E |
| B | Y = 400,877.5 | N | X = 689,098.2 | E |
| C | Y = 398,218.5 | N | X = 690,423.4 | E |
| D | Y = 398,211.5 | N | X = 689,099.6 | E |
| E | Y = 395,552.5 | N | X = 690,429.4 | E |
| F | Y = 395,542.5 | N | X = 689,100.7 | E |
| G | Y = 392,890.6 | N | X = 690,435.4 | E |
| H | Y = 392,880.1 | N | X = 689,105.9 | E |

CORNER COORDINATES TABLE  
NAD 27 NME

|   |               |   |               |   |
|---|---------------|---|---------------|---|
| A | Y = 400,825.8 | N | X = 649,239.4 | E |
| B | Y = 400,819.5 | N | X = 647,912.9 | E |
| C | Y = 398,160.6 | N | X = 649,238.0 | E |
| D | Y = 398,153.6 | N | X = 647,914.2 | E |
| E | Y = 395,494.7 | N | X = 649,243.9 | E |
| F | Y = 395,484.7 | N | X = 647,915.2 | E |
| G | Y = 392,832.8 | N | X = 649,249.8 | E |
| H | Y = 392,822.3 | N | X = 647,920.3 | E |

GEODETIC COORDINATES  
NAD 27 NME  
SURFACE LOCATION  
Y = 401,333.8  
X = 648,500.4  
LAT. = 32.102475°N  
LONG. = 103.853760°W

FIRST TAKE POINT  
NAD 27 NME  
Y = 400,468.8  
X = 648,896.9  
LAT. = 32.100092°N  
LONG. = 103.852492°W

LAST TAKE POINT  
NAD 27 NME  
Y = 393,160.0  
X = 648,900.3  
LAT. = 32.080000°N  
LONG. = 103.852586°W

BOTTOM HOLE LOCATION  
NAD 27 NME  
Y = 393,030.0  
X = 648,900.5  
LAT. = 32.079643°N  
LONG. = 103.852587°W

**17 OPERATOR CERTIFICATION**

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.

*Kelly Kardos* 10/17/19

Signature Date

**Kelly Kardos**  
Printed Name

**kelly\_kardos@xtoenergy.com**  
E-mail Address

**18 SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

07-25-2019  
Date of Survey

Signature and Seal of Professional Surveyor:

MARK DILLON HARP 23786  
Certificate Number AR 2018010073

Intent  As Drilled

|                |  |  |  |  |                |  |  |  |             |
|----------------|--|--|--|--|----------------|--|--|--|-------------|
| API #          |  |  |  |  |                |  |  |  |             |
| Operator Name: |  |  |  |  | Property Name: |  |  |  | Well Number |

Kick Off Point (KOP)

| UL       | Section | Township | Range | Lot | Feet      | From N/S | Feet | From E/W | County |
|----------|---------|----------|-------|-----|-----------|----------|------|----------|--------|
| Latitude |         |          |       |     | Longitude |          |      |          | NAD    |

First Take Point (FTP)

| UL       | Section | Township | Range | Lot | Feet      | From N/S | Feet | From E/W | County |
|----------|---------|----------|-------|-----|-----------|----------|------|----------|--------|
| Latitude |         |          |       |     | Longitude |          |      |          | NAD    |

Last Take Point (LTP)

| UL       | Section | Township | Range | Lot | Feet      | From N/S | Feet | From E/W | County |
|----------|---------|----------|-------|-----|-----------|----------|------|----------|--------|
| Latitude |         |          |       |     | Longitude |          |      |          | NAD    |

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

|                |  |  |  |  |                |  |  |  |             |
|----------------|--|--|--|--|----------------|--|--|--|-------------|
| API #          |  |  |  |  |                |  |  |  |             |
| Operator Name: |  |  |  |  | Property Name: |  |  |  | Well Number |

KZ 06/29/2018

## PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

|                             |                            |
|-----------------------------|----------------------------|
| <b>OPERATOR'S NAME:</b>     | XTO Permian Operating LLC  |
| <b>WELL NAME &amp; NO.:</b> | Poker Lake Unit 26 BD 154H |
| <b>LOCATION:</b>            | Sec 26-25S-30E-NMP         |
| <b>COUNTY:</b>              | Eddy County, New Mexico    |

COA

|                      |   |  |  |
|----------------------|---|--|--|
| H2S                  | <input type="radio"/> Yes               | <input checked="" type="radio"/> No        |  |
| Potash               | <input checked="" type="radio"/> None   | <input type="radio"/> Secretary            | <input type="radio"/> R-111-P            |
| Cave/Karst Potential | <input type="radio"/> Low               | <input checked="" type="radio"/> Medium    | <input type="radio"/> High               |
| Cave/Karst Potential | <input type="radio"/> Critical          |  |  |
| Variance             | <input type="radio"/> None              | <input checked="" type="radio"/> Flex Hose | <input type="radio"/> Other              |
| Wellhead             | <input type="radio"/> Conventional      | <input checked="" type="radio"/> Multibowl | <input type="radio"/> Both               |
| Other                | <input type="checkbox"/> 4 String Area  | <input type="checkbox"/> Capitan Reef      | <input type="checkbox"/> WIPP            |
| Other                | <input type="checkbox"/> Fluid Filled   | <input type="checkbox"/> Cement Squeeze    | <input type="checkbox"/> Pilot Hole      |
| Special Requirements | <input type="checkbox"/> Water Disposal | <input type="checkbox"/> COM               | <input checked="" type="checkbox"/> Unit |

### 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 **13-3/8** inch surface casing shall be set at approximately 1075 feet (a minimum of 70 feet (Eddy County) into the Rustler Anhydrite and above the salt) and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - b. Wait on cement (WOC) time for a primary cement job 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

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.
2. The minimum required fill of cement behind the 7 inch intermediate casing is:
    - Cement to surface. If cement does not circulate see B.1.a, c-d above. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst 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 7 inch production casing is:
    - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.
  4. The minimum required fill of cement behind the **4-1/2** inch production liner is:
    - Cement should tie-back **100 feet** into the previous casing. 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. This assembly will only be tested when installed on the surface casing. 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. Variance is approved to use a 5000 (5M) Annular which shall be tested to 3,500 psi.**
  - 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. 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 OOGO2.III.A.2.i 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.

## **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

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,  
(575) 361-2822

Lea County

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

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 Onshore Oil and Gas Order No. 2 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 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 integrity 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.
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 Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
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 OOGO2.III.A.2.i 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 done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
  - b. 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 plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
  - c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 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 does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

#### 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.



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

# Drilling Plan Data Report

05/20/2020

APD ID: 10400049764

Submission Date: 10/18/2019

Highlighted data  
reflects the most  
recent changes

Operator Name: XTO PERMIAN OPERATING LLC

Well Name: POKER LAKE UNIT 26 BD

Well Number: 154H

[Show Final Text](#)

Well Type: CONVENTIONAL GAS WELL

Well Work Type: Drill

## Section 1 - Geologic Formations

| Formation ID | Formation Name | Elevation | True Vertical Depth | Measured Depth | Lithologies        | Mineral Resources                           | Producing Formation |
|--------------|----------------|-----------|---------------------|----------------|--------------------|---|---------------------|
| 566534       | PERMIAN        | 3310      | 0                   | 0              | OTHER : Quaternary | NONE  | N                   |
| 566525       | RUSTLER        | 2360      | 950                 | 950            | SILTSTONE          | USEABLE WATER                               | N                   |
| 566526       | TOP SALT       | 2210      | 1100                | 1100           | SALT               | OTHER : Produced Water                      | N                   |
| 566527       | BASE OF SALT   | -548      | 3858                | 3858           | SALT               | OTHER : Produced Water                      | N                   |
| 566523       | DELAWARE       | -640      | 3950                | 3950           | SANDSTONE          | NATURAL GAS, OIL,<br>OTHER : Produced Water | N                   |
| 566524       | BONE SPRING    | -4462     | 7772                | 7772           | SANDSTONE          | NATURAL GAS, OIL,<br>OTHER : Produced Water | N                   |
| 566542       | WOLFCAMP       | -7826     | 11136               | 11136          | SHALE              | NATURAL GAS, OIL,<br>OTHER : Produced Water | Y                   |

## Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M

Rating Depth: 12088

**Equipment:** Once the permanent WH is installed on the 13-3/8 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. MASP should not exceed 4235 psi. 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:** · XTO requests to not utilize centralizers in the curve and lateral · 9-5/8" Collapse analyzed using 50% evacuation based on regional experience. · 4-1/2" 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 Permanent Wellhead – GE RSH Multibowl System A. Starting Head: 13-5/8" 10M top flange x 13-3/8" SOW bottom B. Tubing Head: 13-5/8" 10M bottom flange x 7-1/16" 15M top flange 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. XTO requests a variance to be able to batch drill this well if necessary. In doing so, XTO will set 7" casing and ensure that the well is cemented properly and the well is static. With floats holding, no pressure on the csg annulus, and the installation of a 10K TA cap as per GE recommendations, XTO will contact the BLM to skid the rig to drill the remaining wells on the pad. Once surface and both intermediate strings are all completed, XTO will begin drilling the production hole on each of the wells.

**Testing Procedure:** All BOP testing will be done by an independent service company. Annular pressure tests will be limited to 50% of the working pressure. When nipping up on the 13 3/8", 5M bradenhead and flange, the BOP test will be limited to

**Operator Name:** XTO PERMIAN OPERATING LLC

**Well Name:** POKER LAKE UNIT 26 BD

**Well Number:** 154H

5000 psi. When nipling up on the 7-0", the BOP will be tested to a minimum of 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\_26\_BD\_5MCM\_20191014092514.pdf

PLU\_26\_BD\_10MCM\_20191014092533.pdf

**BOP Diagram Attachment:**

PLU\_26\_BD\_5MBOP\_20191014092546.pdf

PLU\_26\_BD\_5M10M\_BOP\_20191014092555.pdf

PLU\_26\_BD\_Multi\_20191014092837.pdf

**Section 3 - Casing**

| Casing ID | 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      | 17.5      | 13.375   | NEW       | API      | N              | 0          | 1075          | 0           | 1075           | 3313        | 2238           | 1075                        | J-55  | 54.5   | ST&C       | 2.32        | 2.27     | BUOY          | 8.77     | DRY          | 8.77    |
| 2         | INTERMEDIATE | 12.25     | 9.625    | NEW       | API      | N              | 0          | 3880          | 0           | 3880           |             | -567           | 3880                        | J-55  | 40     | ST&C       | 2.11        | 1.13     | DRY           | 2.91     | DRY          | 2.91    |
| 3         | PRODUCTION   | 8.75      | 7.0      | NEW       | API      | N              | 0          | 11625         | 0           | 11625          | 3500        | -8312          | 11625                       | P-110 | 32     | BUTT       | 1.78        | 1.31     | DRY           | 2.41     | DRY          | 2.41    |
| 4         | LINER        | 6         | 4.5      | NEW       | API      | N              | 10590      | 19876         | 10590       | 12088          | -7279       | -8775          | 9286                        | P-110 | 13.5   | BUTT       | 1.6         | 1.31     | DRY           | 2.08     | DRY          | 2.08    |

**Casing Attachments**

**Operator Name:** XTO PERMIAN OPERATING LLC

**Well Name:** POKER LAKE UNIT 26 BD

**Well Number:** 154H

**Casing Attachments**

---

**Casing ID:** 1                    **String Type:** SURFACE

**Inspection Document:**

**Spec Document:**

**Tapered String Spec:**

**Casing Design Assumptions and Worksheet(s):**

PLU\_26\_BD\_154H\_Csg\_20191018131636.pdf

---

**Casing ID:** 2                    **String Type:** INTERMEDIATE

**Inspection Document:**

**Spec Document:**

**Tapered String Spec:**

**Casing Design Assumptions and Worksheet(s):**

PLU\_26\_BD\_154H\_Csg\_20191018131654.pdf

---

**Casing ID:** 3                    **String Type:** PRODUCTION

**Inspection Document:**

**Spec Document:**

**Tapered String Spec:**

**Casing Design Assumptions and Worksheet(s):**

PLU\_26\_BD\_154H\_Csg\_20191018131715.pdf

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**Operator Name:** XTO PERMIAN OPERATING LLC

**Well Name:** POKER LAKE UNIT 26 BD

**Well Number:** 154H

**Casing Attachments**

**Casing ID:** 4      **String Type:** LINER

**Inspection Document:**

**Spec Document:**

**Tapered String Spec:**

**Casing Design Assumptions and Worksheet(s):**

PLU\_26\_BD\_154H\_Csg\_20191018131808.pdf

**Section 4 - Cement**

| String Type  | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft  | Excess% | Cement type     | Additives |
|--------------|-----------|------------------|--------|-----------|--------------|-------|---------|--------|---------|-----------------|-----------|
| SURFACE      | Lead      |                  | 0      | 1075      | 570          | 1.87  | 12.9    | 1065.9 | 100     | EconoCem-HLTRRC | none      |
| SURFACE      | Tail      |                  |        |           | 300          | 1.35  | 14.8    | 405    | 100     | Halcem-C        | 2% CaCl   |
| INTERMEDIATE | Lead      |                  | 0      | 3880      | 1030         | 1.87  | 12.9    | 1926.1 | 100     | EconoCem-HLTRRC | none      |
| INTERMEDIATE | Tail      |                  |        |           | 360          | 1.35  | 14.8    | 486    | 100     | Halcem-C        | 2% CaCl   |
| PRODUCTION   | Lead      |                  | 0      | 11625     | 1100         | 1.88  | 12.9    | 2068   | 100     | Halcem-C        | 2% CaCl   |
| PRODUCTION   | Tail      |                  |        |           | 220          | 1.33  | 14.8    | 292.6  | 100     | Halcem-C        | 2% CaCl   |
| LINER        | Lead      |                  | 10590  | 19876     | 580          | 1.61  | 13.2    | 933.8  | 30      | VersaCem        | none      |

**Operator Name:** XTO PERMIAN OPERATING LLC

**Well Name:** POKER LAKE UNIT 26 BD

**Well Number:** 154H

### 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:** A Pason or Totco will be used to detect changes in loss or gain of mud volume.

### Circulating Medium Table

| Top Depth | Bottom Depth | Mud Type                  | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | PH | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics  |
|-----------|--------------|---------------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|---|
| 1059<br>0 | 1208<br>8    | OIL-BASED<br>MUD          | 11.2                 | 11.5                 |                     |                             |    |                |                |                 | 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 |
| 3880      | 1162<br>5    | OTHER : FW /<br>Cut Brine | 8.7                  | 10                   |                     |                             |    |                |                |                 | 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 |
| 0         | 1075         | OTHER :<br>FW/Native      | 8.4                  | 8.8                  |                     |                             |    |                |                |                 | 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                         |

**Operator Name:** XTO PERMIAN OPERATING LLC

**Well Name:** POKER LAKE UNIT 26 BD

**Well Number:** 154H

| Top Depth | Bottom Depth | Mud Type      | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | PH | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics  |
|-----------|--------------|---------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|---|
|           |              |               |                      |                      |                     |                             |    |                |                |                 | as a closed loop system   |
| 1075      | 3880         | OTHER : Brine | 9.8                  | 10.2                 |                     |                             |    |                |                |                 | 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 |

### Section 6 - Test, Logging, Coring

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

Open hole logging to include will not be done on this well.

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

COMPENSATED NEUTRON LOG, DIRECTIONAL SURVEY, GAMMA RAY LOG, MUD LOG/GEOLOGIC LITHOLOGY LOG,

**Coring operation description for the well:**

No coring will take place on this well.

### Section 7 - Pressure

**Anticipated Bottom Hole Pressure:** 6700

**Anticipated Surface Pressure:** 4235

**Anticipated Bottom Hole Temperature(F):** 160

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

**Describe:**

Potential loss of circulation through the Capitan Reef.

**Contingency Plans geohazards description:**

The necessary mud products for weight addition and fluid loss control will be on location at all times. 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. Lost circulation could occur but is not expected to be a serious problem in this area and hole seepage will be compensated for by additions of small amounts of LCM in the drilling fluid.

**Contingency Plans geohazards attachment:**

**Operator Name:** XTO PERMIAN OPERATING LLC

**Well Name:** POKER LAKE UNIT 26 BD

**Well Number:** 154H

**Hydrogen Sulfide drilling operations plan required?** YES

**Hydrogen sulfide drilling operations plan:**

PLU\_26\_BD\_H2S\_Dia\_2E\_20191014095000.pdf

PLU\_26\_BD\_H2S\_Dia\_2W\_20191014095011.pdf

PLU\_26\_BD\_H2S\_Plan\_20191014094949.pdf

## Section 8 - Other Information

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

PLU\_26\_BD\_154H\_Layout\_20191018131927.pdf

**Other proposed operations facets description:**

The surface fresh water sands will be protected by setting 13 3/8" inch casing @ 1075' (25' above the salt) and circulating cement back to surface. The salt will be isolated by setting 9-5/8" inch casing at 3880' and circulating cement to surface. The second intermediate will isolate from the salt down to the next casing seat by setting 7-0" inch casing through the curve at 11625' and bringing TOC back 200' inside the previous shoe. A 6-0" inch lateral hole will be drilled to MD/TD and a 4-1/2 inch liner will be set at TD and cemented.

**Other proposed operations facets attachment:**

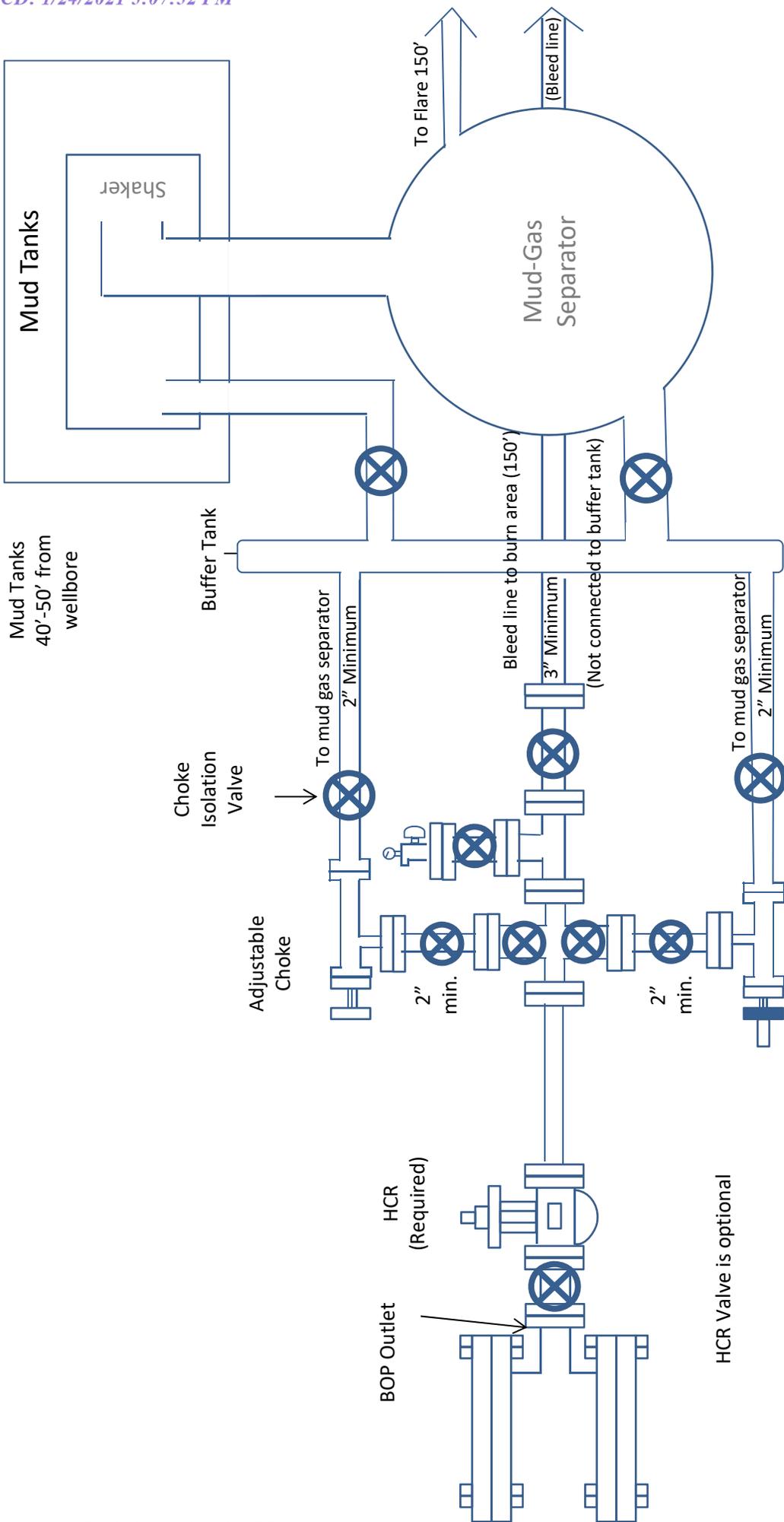
PLU\_26\_BD\_GCPE\_20191018125724.pdf

PLU\_26\_BD\_GCPW\_20191018125731.pdf

**Other Variance attachment:**

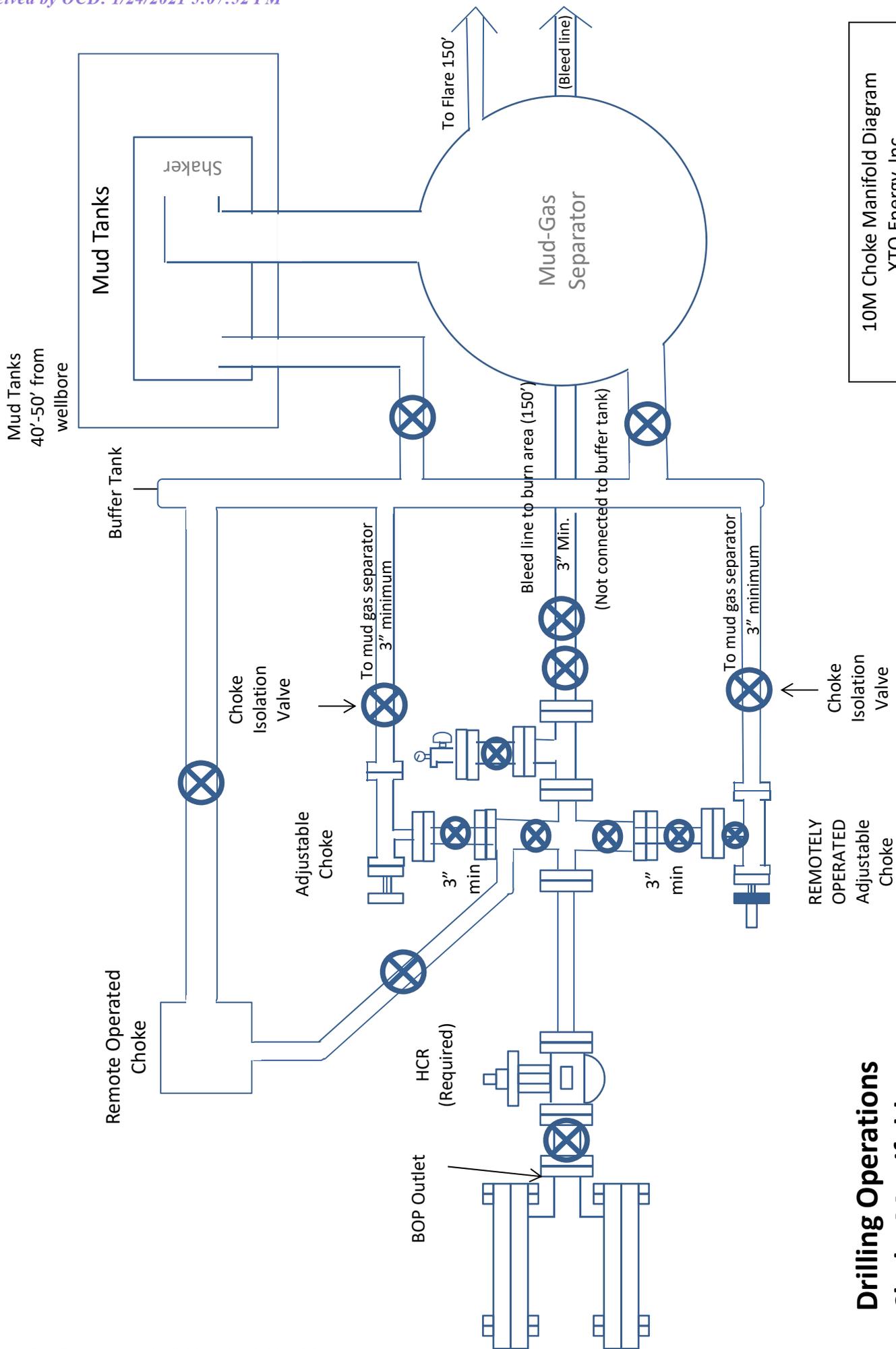
PLU\_26\_BD\_FH\_20191014095156.pdf

PLU\_26\_BD\_WWC\_20191014095240.pdf



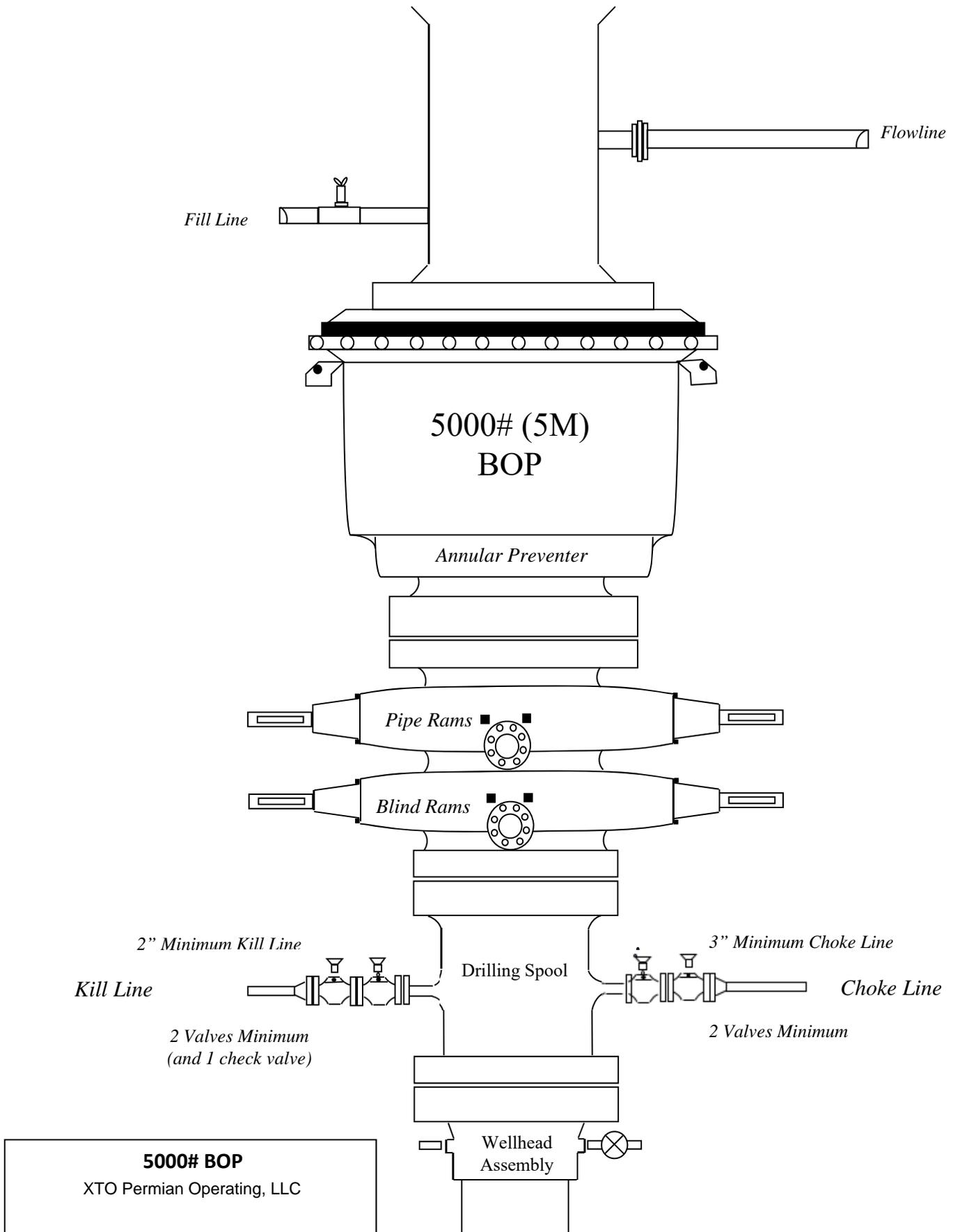
5M Choke Manifold Diagram  
 XTO Permian Operating, LLC

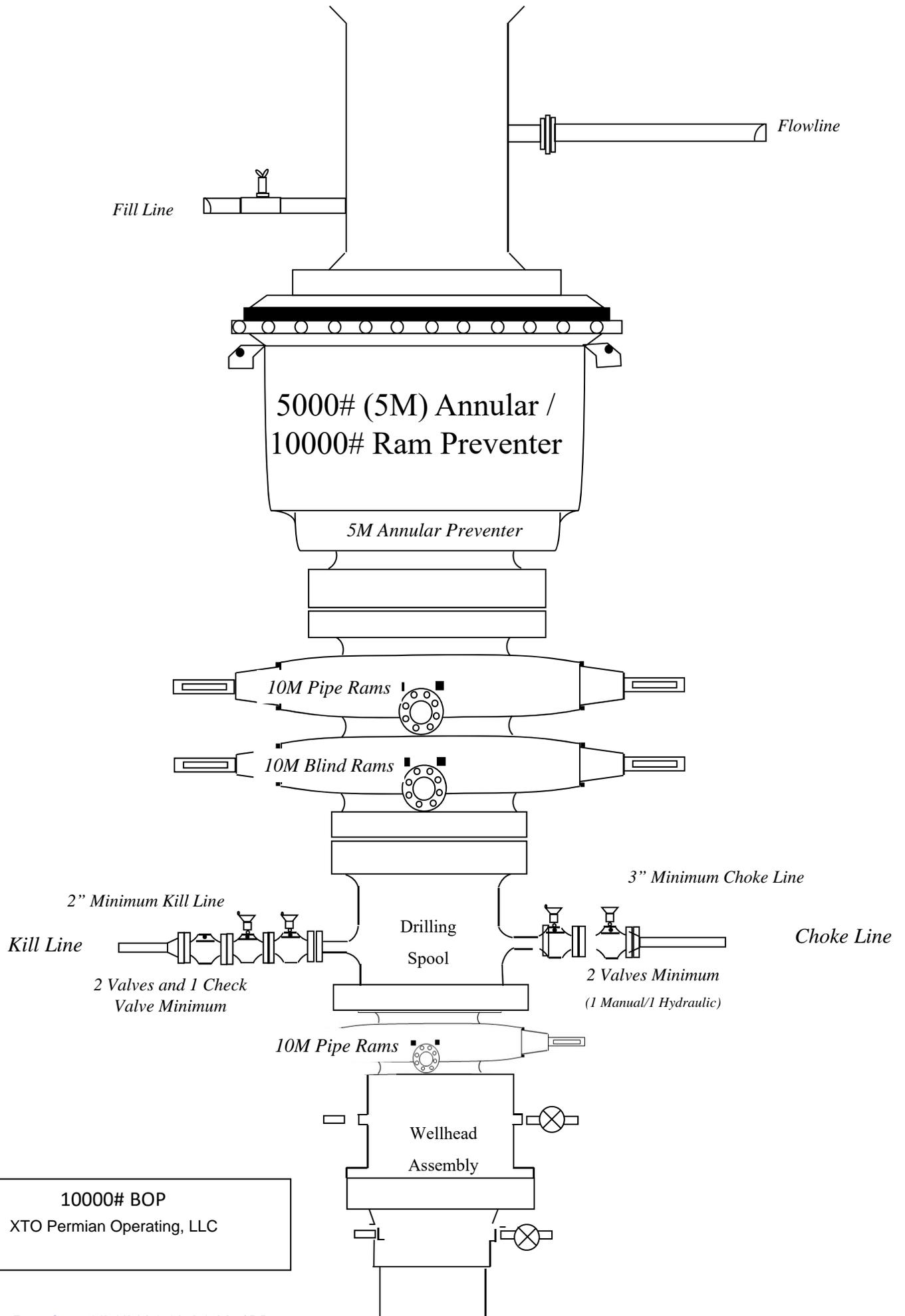
**Drilling Operations  
 Choke Manifold  
 5M Service**



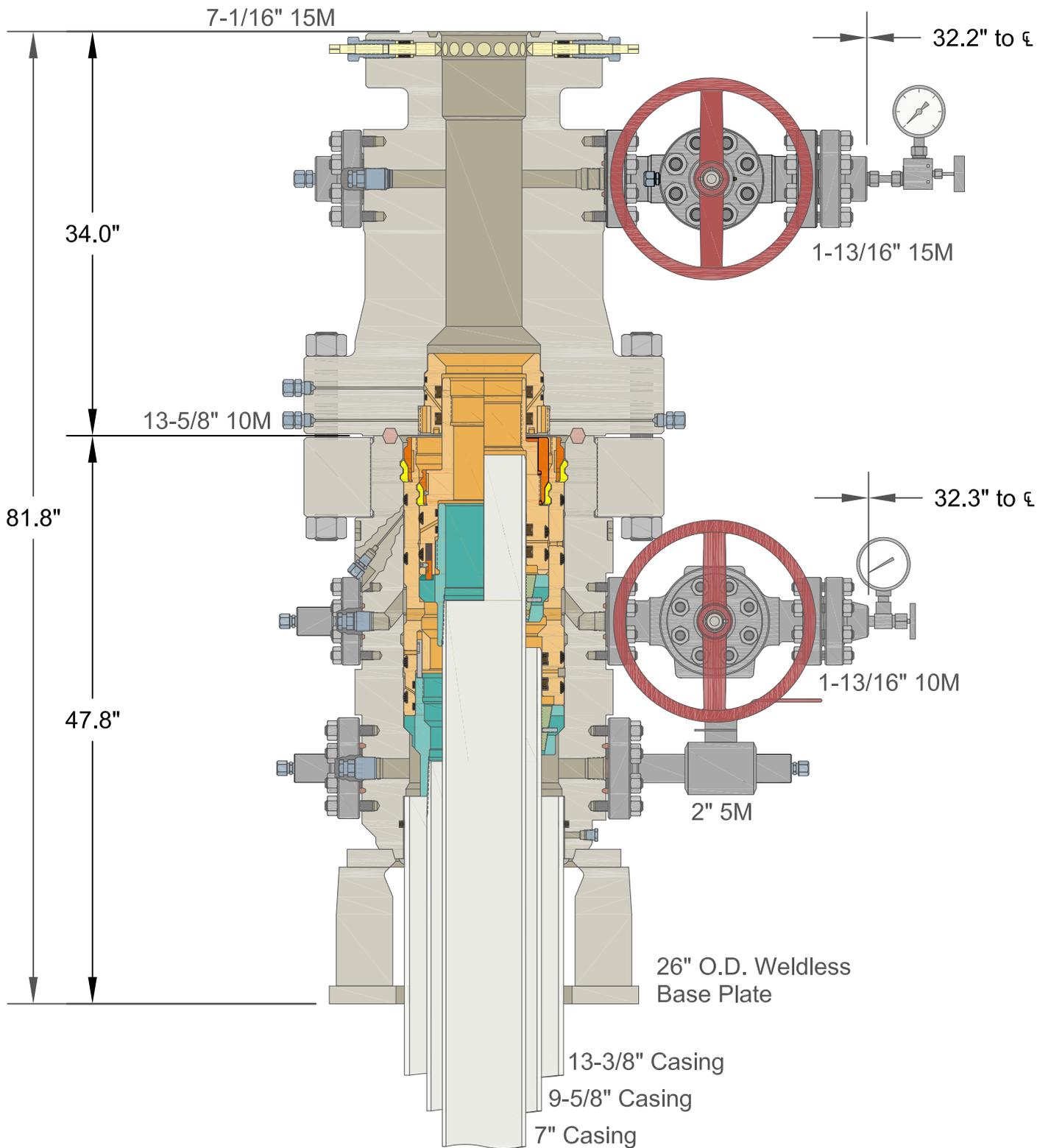
10M Choke Manifold Diagram  
XTO Energy, Inc.

**Drilling Operations  
Choke Manifold  
10M Service**





10000# BOP  
XTO Permian Operating, LLC

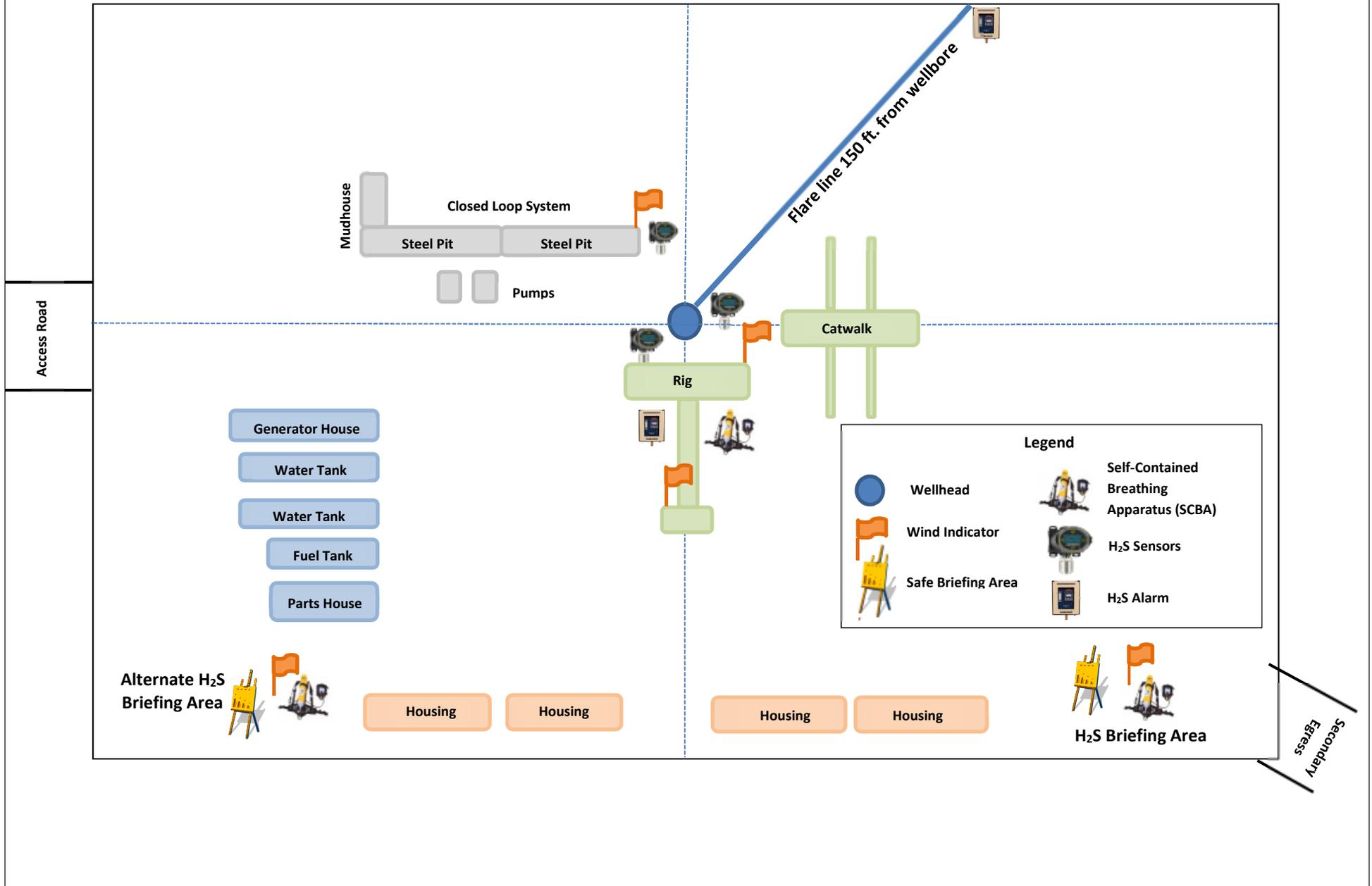


|  |   |                      |             |
|--|---|----------------------|-------------|
|  | <b>Pressure Control</b><br>13-3/8" x 9-5/8" x 7" 15M RSH-2 Wellhead Assembly, With T-EBS-F-HP Tubing Head   |                      |             |
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| DRAWN BY: VJK  |   | DRAWING NO. HP180197 |             |
| REVIEWED BY:   |   | Rev. NC              | Sht. 1 of 1 |
| APPROVED BY:   |   | DATE: 31OCT18        |             |
| ALL DIMENSIONS ARE APPROXIMATE, NOT FOR MANUFACTURING USE.                         |   |                      |             |

XTO ENERGY, INC.

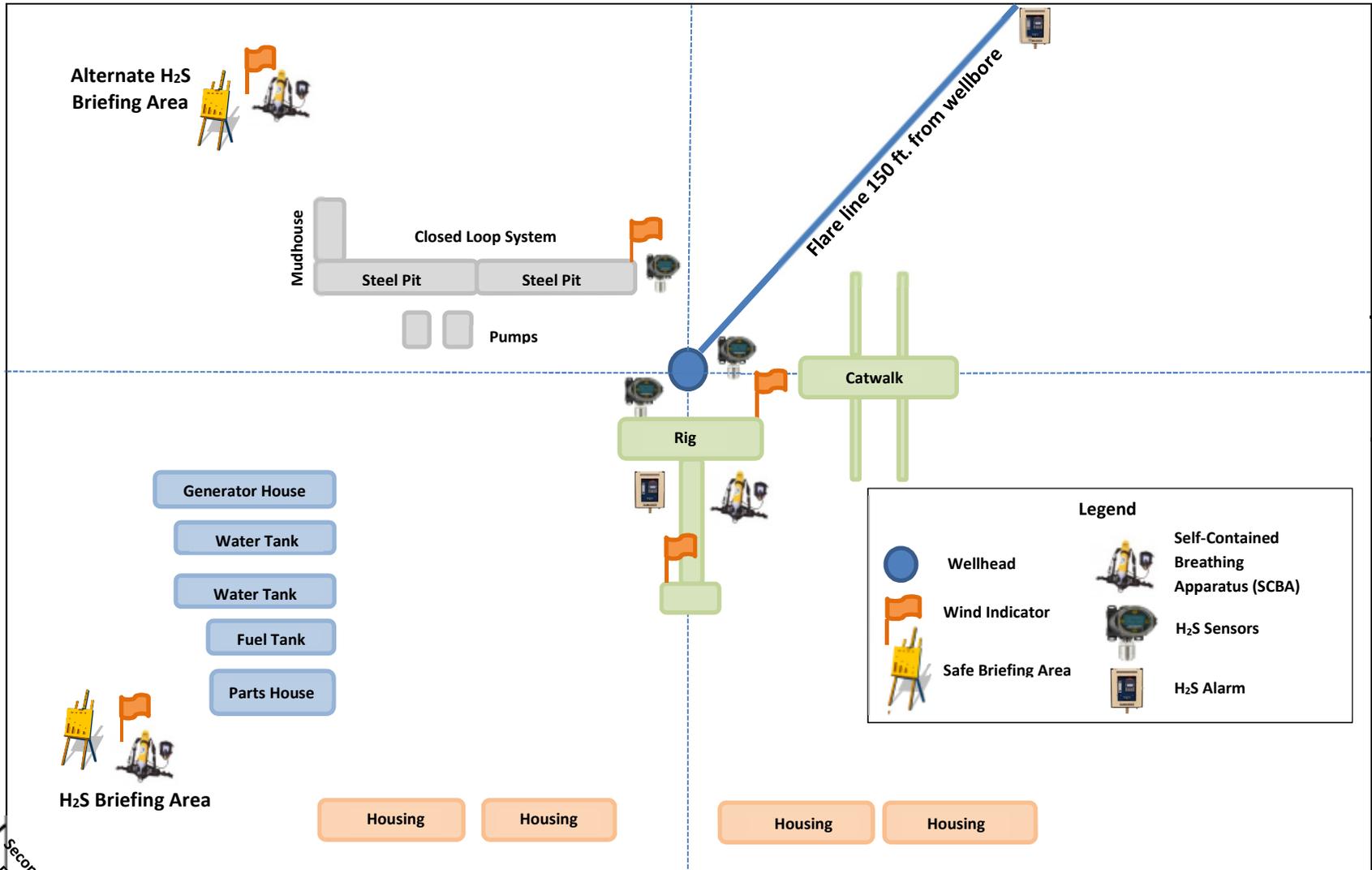
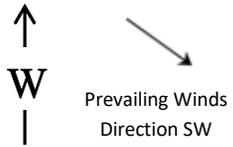
# H<sub>2</sub>S Briefing Areas and Alarm Locations

↑  
E  
|  
Prevaling Winds  
Direction SW





# H<sub>2</sub>S Briefing Areas and Alarm Locations







## HYDROGEN SULFIDE (H<sub>2</sub>S) CONTINGENCY PLAN

### Assumed 100 ppm ROE = 3000'

100 ppm H<sub>2</sub>S 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 | H <sub>2</sub> S | 1.189 Air = 1    | 10 ppm          | 100 ppm/hr      | 600 ppm              |
| Sulfur Dioxide   | SO <sub>2</sub>  | 2.21 Air = 1     | 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).

**CARLSBAD OFFICE – EDDY & LEA COUNTIES**

3104 E. Greene St., Carlsbad, NM 88220  
Carlsbad, NM 575-887-7329

**XTO PERSONNEL:**

Kendall Decker, Drilling Manager 903-521-6477  
Milton Turman, Drilling Superintendent 817-524-5107  
Jeff Raines, Construction Foreman 432-557-3159  
Toady Sanders, EH & S Manager 903-520-1601  
Wes McSpadden, Production Foreman 575-441-1147

**SHERIFF DEPARTMENTS:**

Eddy County 575-887-7551  
Lea County 575-396-3611

**NEW MEXICO STATE POLICE:**

575-392-5588

**FIRE DEPARTMENTS:**

911  
Carlsbad 575-885-2111  
Eunice 575-394-2111  
Hobbs 575-397-9308  
Jal 575-395-2221  
Lovington 575-396-2359

**HOSPITALS:**

911  
Carlsbad Medical Emergency 575-885-2111  
Eunice Medical Emergency 575-394-2112  
Hobbs Medical Emergency 575-397-9308  
Jal Medical Emergency 575-395-2221  
Lovington Medical Emergency 575-396-2359

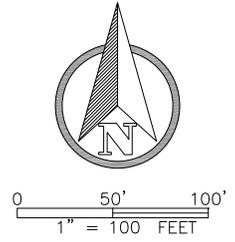
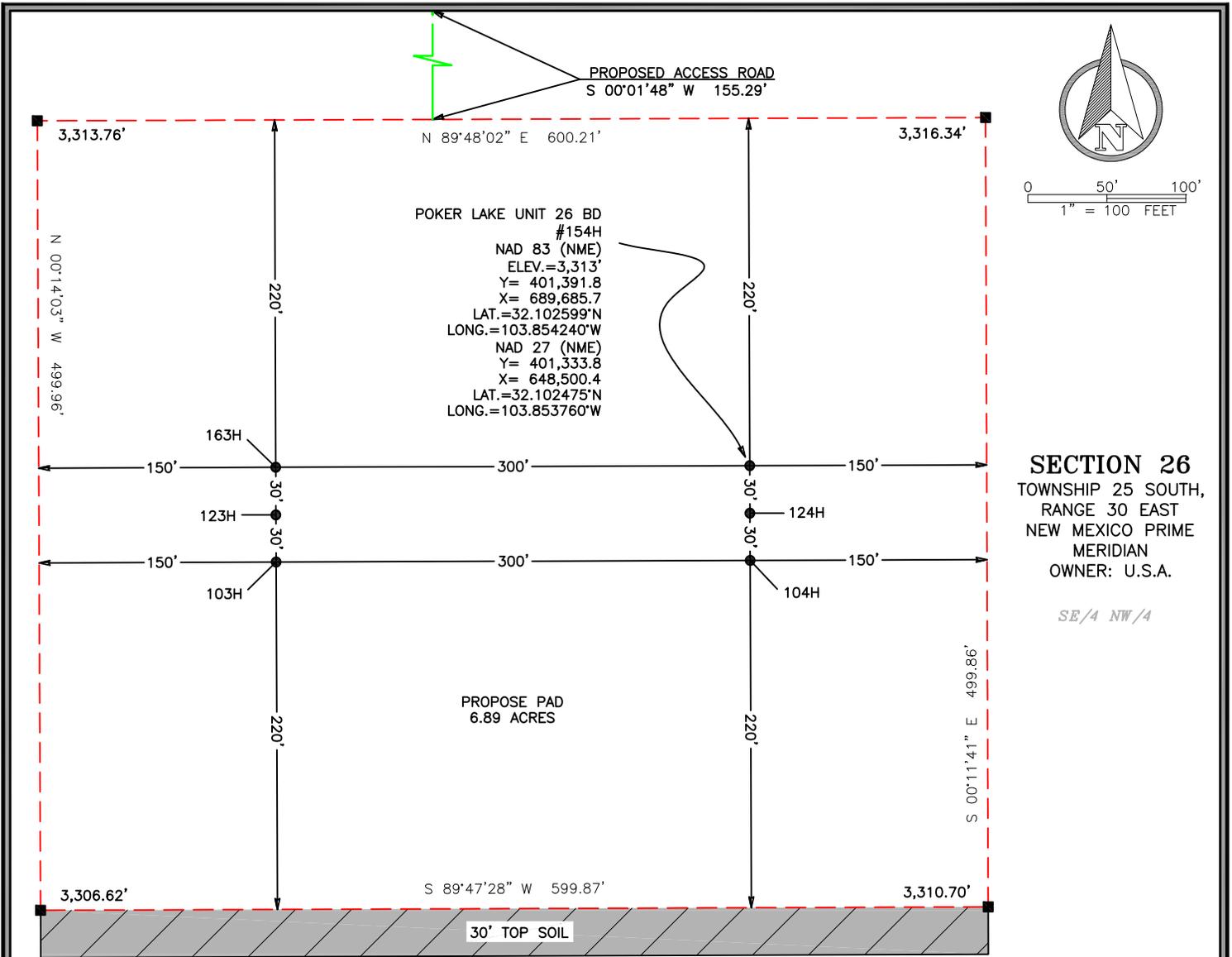
**AGENT NOTIFICATIONS:**

**For Lea County:**

Bureau of Land Management – Hobbs 575-393-3612  
New Mexico Oil Conservation Division – Hobbs 575-393-6161

**For Eddy County:**

Bureau of Land Management - Carlsbad 575-234-5972  
New Mexico Oil Conservation Division - Artesia 575-748-1283



**SECTION 26**  
 TOWNSHIP 25 SOUTH,  
 RANGE 30 EAST  
 NEW MEXICO PRIME  
 MERIDIAN  
 OWNER: U.S.A.  
 SE/4 NW/4

**DIRECTIONS TO THIS LOCATION:**

FROM THE INTERSECTION OF HIGHWAY 128 AND BUCK JACKSON RD. GO SOUTHWEST ON BUCK JACKSON RD. (GRAVEL) APPROX. 11.5 MILES TO A "Y" INTERSECTION. TURN RIGHT (SOUTHWEST) ON ROCK DOVE RD. AND GO APPROX. 1.2 MILES. TURN LEFT (SOUTH) ON LEASE ROAD AND GO APPROX. 1.4 MILES. TURN LEFT (EAST) ON HEDGEHOG RD. AND GO APPROX. 0.3 MILES, ARRIVING AT THE PROPOSED ROAD AND THE LOCATION IS TO THE NORTH.

**GENERAL NOTES**

- BEARINGS AND COORDINATES SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983.
- LATITUDE AND LONGITUDE VALUES SHOWN HEREON ARE RELATIVE TO THE NORTH AMERICAN DATUM (NAD83).

I, MARK DILLON HARP, NEW MEXICO PROFESSIONAL SURVEYOR NO. 23786, DO HEREBY CERTIFY THAT THIS SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO, AND THAT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

MARK DILLON HARP  
 REGISTERED PROFESSIONAL LAND SURVEYOR  
 STATE OF NEW MEXICO NO. 23786



**LEGEND**

- PROPOSED PAD
- PROPOSED ACCESS RD

**XTO PERMIAN OPERATING, LLC.**

---

**WELL SITE PLAN**

POKER LAKE UNIT 26 BD #154H  
 LOCATED 1,915 FEET FROM THE WEST LINE  
 AND 2,155 FEET FROM THE NORTH LINE OF  
 SECTION 26, TOWNSHIP 25 SOUTH, RANGE 30  
 EAST, N.M.P.M. EDDY COUNTY, NEW MEXICO

|             |            |             |            |
|-------------|------------|-------------|------------|
| DATE:       | 09-25-2019 | PROJECT NO: | 2018010073 |
| DRAWN BY:   | AR         | SCALE:      | 1" = 100'  |
| CHECKED BY: | AW         | SHEET:      | 1 OF 1     |
| FIELD CREW: | BK         | REVISION:   |            |

**FSC INC** SURVEYORS+ENGINEERS  
 550 Bailey Ave., 205 - Fort Worth, TX 76107  
 Ph: 817.349.9800 - Fax: 979.732.5271  
 TBPE Firm 17957 | TBPLS Firm 10193887  
 www.fscinc.net

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District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Submit Original  
to Appropriate  
District Office

**GAS CAPTURE PLAN**

Date: 10/10/2019

Original Operator & OGRID No.: XTO Permian Operating, LLC [373075]  
 Amended - Reason for Amendment: \_\_\_\_\_

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

*Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).*

**Well(s)/Production Facility – Name of facility: Poker Lake Unit 26 BD East CTB**

The well(s) that will be located at the production facility are shown in the table below.

| Well Name                  | API | Well Location (ULSTR) | Footages            | Expected MCF/D | Flared or Vented | Comments |
|----------------------------|-----|-----------------------|---------------------|----------------|------------------|----------|
| Poker Lake Unit 26 BD 154H |     | F-26-25S-30E          | 2155'FNL & 1915'FWL | 2800           | Flared/Sold      |          |
| Poker Lake Unit 26 BD 163H |     | F-26-25S-30E          | 2155'FNL & 1615'FWL | 2800           | Flared/Sold      |          |

**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 LUCID and will be connected to LUCID low/high pressure gathering system located in Eddy County, New Mexico. It will require 2442.44' of pipeline to connect the facility to low/high pressure gathering system. XTO PERMIAN OPERATING, LLC provides (periodically) to LUCID 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 LUCID have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Red Hills Processing Plant located in Sec.32, Twn. T32S, Rng 28E, 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 LUCID system at that time. Based on current information, it is XTO PERMIAN OPERATING, LLC'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
  - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
  - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

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

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

Submit Original  
to Appropriate  
District Office

**GAS CAPTURE PLAN**

Date: 10/10/2019

Original Operator & OGRID No.: XTO Permian Operating, LLC [373075]  
 Amended - Reason for Amendment: \_\_\_\_\_

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

*Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).*

**Well(s)/Production Facility – Name of facility: Poker Lake Unit 26w BD East CTB**

The well(s) that will be located at the production facility are shown in the table below.

| Well Name                  | API | Well Location (ULSTR) | Footages            | Expected MCF/D | Flared or Vented | Comments |
|----------------------------|-----|-----------------------|---------------------|----------------|------------------|----------|
| Poker Lake Unit 26 BD 154H |     | F-26-25S-30E          | 2155'FNL & 1915'FWL | 2800           | Flared/Sold      |          |
| Poker Lake Unit 26 BD 163H |     | F-26-25S-30E          | 2155'FNL & 1615'FWL | 2800           | Flared/Sold      |          |

**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 LUCID and will be connected to LUCID low/high pressure gathering system located in Eddy County, New Mexico. It will require 831.58' of pipeline to connect the facility to low/high pressure gathering system. XTO PERMIAN OPERATING, LLC provides (periodically) to LUCID 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 LUCID have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Red Hills Processing Plant located in Sec.32, Twn. T32S, Rng 28E, Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

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  - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines



GATES E & S NORTH AMERICA, INC  
 DU-TEX  
 134 44TH STREET  
 CORPUS CHRISTI, TEXAS 78405

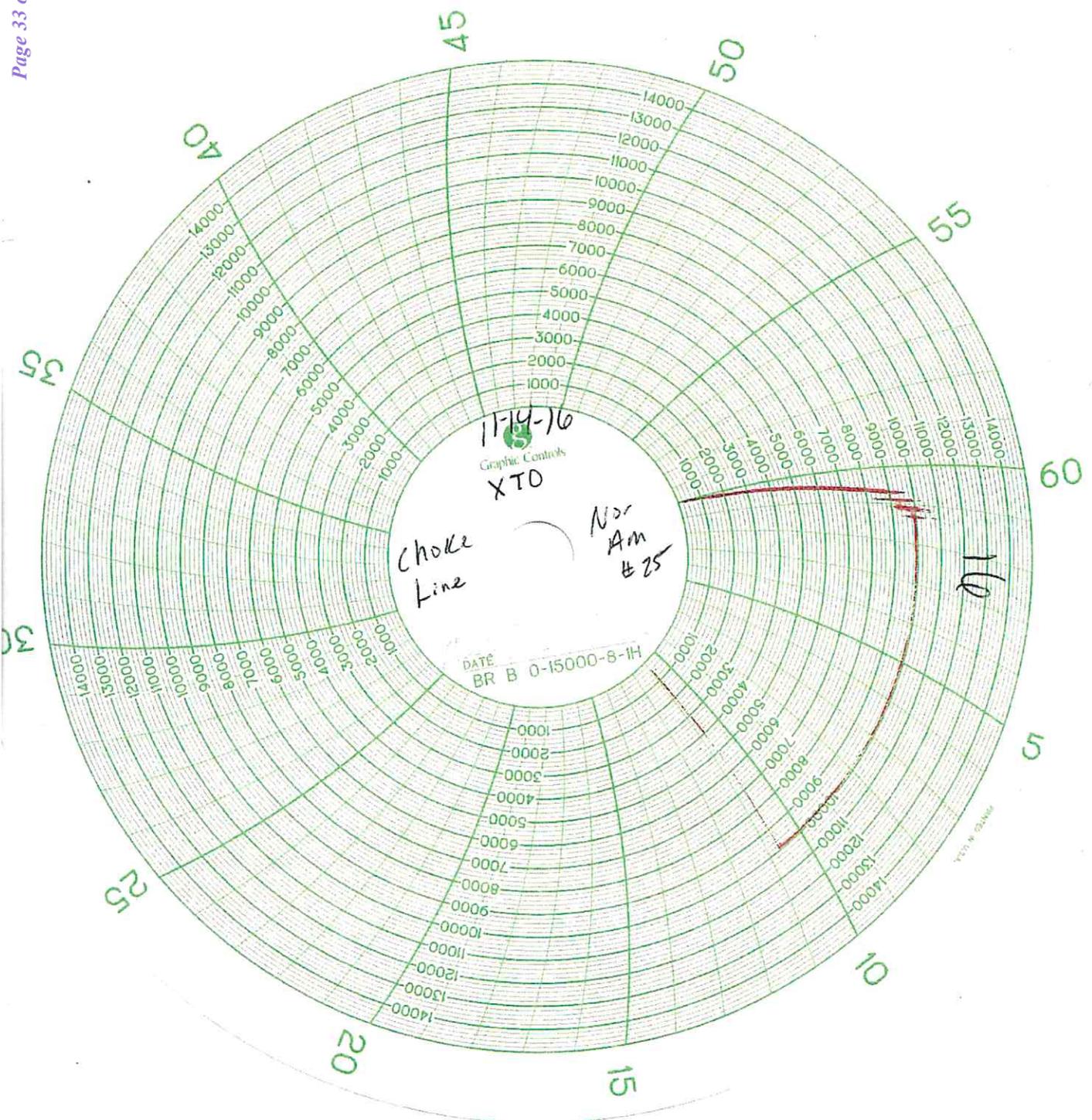
PHONE: 361-887-9807  
 FAX: 361-887-0812  
 EMAIL: crpe&s@gates.com  
 WEB: www.gates.com

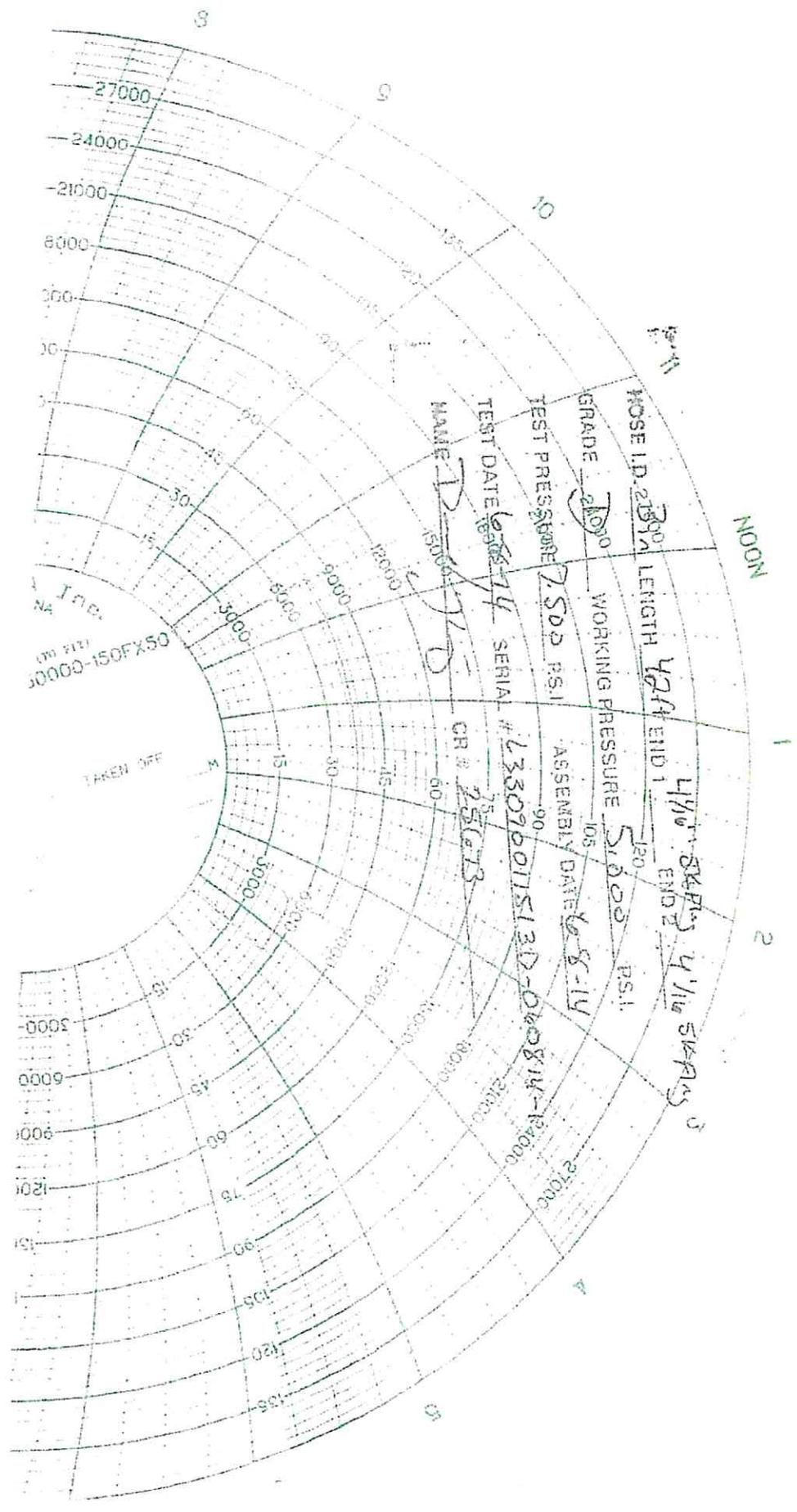
**GRADE D PRESSURE TEST CERTIFICATE**

|                      |                             |                  |                        |
|----------------------|-----------------------------|------------------|------------------------|
| Customer:            | AUSTIN DISTRIBUTING         | Test Date:       | 6/8/2014               |
| Customer Ref.:       | PENDING                     | Hose Serial No.: | D-060814-1             |
| Invoice No.:         | 201709                      | Created By:      | NORMA                  |
| Product Description: | FD3-042.0R41/16.5KFLGE/E LE |                  |                        |
| End Filling 1:       | 4 1/16 in. SK FLG           | End Filling 2:   | 4 1/16 in. SK FLG      |
| Gates Part No.:      | 4774-6001                   | Assembly Code:   | L33090011513D-060814-1 |
| Working Pressure:    | 5,000 PSI                   | Test Pressure:   | 7,500 PSI              |

Gates E & S North America, Inc. certifies that the following hose assembly has been tested to the Gates Oilfield Roughneck Agreement/Specification requirements and passed the 15 minute hydrostatic test per API Spec 7K/Q1, Fifth Edition, June 2010, Test pressure 9.6.7 and per Table 9 to 7,500 psi in accordance with this product number. Hose burst pressure 9.6.7.2 exceeds the minimum of 2.5 times the working pressure per Table 9.

|                       |            |            |             |
|-----------------------|------------|------------|-------------|
| Quality:              | QUALITY    | Signature: | [Signature] |
| Date:                 | 6/8/2014   | Date:      | 6/8/2014    |
| Technical Supervisor: | PRODUCTION | Signature: | [Signature] |





NA Inc.  
 (700 717)  
 10000-150FX50

TAKEN OFF

HOSE I.D. 2 1/2" LENGTH 424' END 1 4 1/2" BEARING 4 1/2" STARS  
 END 2  
 GRADE 2100 WORKING PRESSURE 5120 PS.I.  
 TEST PRESSURE 7500 PS.I. ASSEMBLY DATE 10-8-14  
 TEST DATE 10-8-14 SERIAL # L33076017513D-010814-124000  
 NAME D. J. D. CR # 25013

## 10,000 PSI Annular BOP Variance Request

XTO Energy/XTO Permian Op. request a variance to use a 5000 psi annular BOP with a 10,000 psi BOP stack. The component and compatibility tables along with the general well control plans demonstrate how the 5000 psi annular BOP will be protected from pressures that exceed its rated working pressure (RWP). The pressure at which the control of the wellbore is transferred from the annular preventer to another available preventer will not exceed 3500 psi (70% of the RWP of the 5000 psi annular BOPL).

### 1. Component and Preventer Compatibility Tables

The tables below outline the tubulars and the compatible preventers in use. This table, combined with the drilling fluid, documents that two barriers to flow will be maintained at all times.

| 8-1/2" Production Hole Section<br>10M psi Requirement |                     |                   |     |  |            |
|---|---------------------|-------------------|-----|--|------------|
| Component   | OD                  | Primary Preventer | RWP | Alternate Preventer(s)                     | RWP        |
| Drillpipe   | 5.000" or<br>4.500" | Annular           | 5M  | Upper 3.5"-5.5" VBR<br>Lower 3.5"-5.5" VBR | 10M<br>10M |
| HWDP  | 5.000" or<br>4.500" | Annular           | 5M  | Upper 3.5"-5.5" VBR<br>Lower 3.5"-5.5" VBR | 10M<br>10M |
| Jars  | 6.500"              | Annular           | 5M  | -  | -          |
| DCs and MWD tools                                     | 6.500"-8.000"       | Annular           | 5M  | -  | -          |
| Mud Motor   | 6.750"-8.000"       | Annular           | 5M  | -  | -          |
| Production Casing                                     | 5-1/2"              | Annular           | 5M  | -  | -          |
| Open-Hole   | -                   | Blind Rams        | 10M | -  | -          |

## 2. Well Control Procedures

Below are the minimal high-level tasks prescribed to assure a proper shut-in while drilling, tripping, running casing, pipe out of the hole (open hole), and moving the BHA through the BOPs. At least one well control drill will be performed weekly per crew to demonstrate compliance with the procedure and well control plan. The well control drill will be recorded in the daily drilling log. The type of drill will be determined by the ongoing operations, but reasonable attempts will be made to vary the type of drill conducted (pit, trip, open hole, choke, etc.). This well control plan will be available for review by rig personnel in the XTO Energy/Permian Operating drilling supervisor's office on location and on the rig floor. All BOP equipment will be tested as per Onshore O&G Order No. 2 with the exception of the 5000 psi annular which will be tested to 70% of its RWP.

### General Procedure While Drilling

1. Sound alarm (alert crew)
2. Space out drill string
3. Shut down pumps (stop pumps and rotary)
4. Shut-in well (uppermost applicable BOP, typically annular preventer, first. HCR & choke will already be in the closed position.)
5. Confirm shut-in
6. Notify toolpusher/company representative
7. Read and record the following:
  - a. SIDPP & SICP
  - b. Pit gain
  - c. Time
8. Regroup and identify forward plan

9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

#### General Procedure While Tripping

1. Sound alarm (alert crew)
2. Stab full-opening safety valve & close
3. Space out drill string
4. Shut-in well (uppermost applicable BOP, typically annular preventer, first. HCR & choke will already be in the closed position.)
5. Confirm shut-in
6. Notify toolpusher/company representative
7. Read and record the following:
  - a. SIDPP & SICP
  - b. Pit gain
  - c. Time
8. Regroup and identify forward plan
9. If pressure has built or is anticipated during the kill to reach 70% of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

#### General Procedure While Running Production Casing

1. Sound alarm (alert crew)
2. Stab crossover and full-opening safety valve and close
3. Space out string
4. Shut-in well (uppermost applicable BOP, typically annular preventer, first. HCR & choke will already be in the closed position.)
5. Confirm shut-in
6. Notify toolpusher/company representative
7. Read and record the following:
  - a. SIDPP & SICP
  - b. Pit gain
  - c. Time
8. Regroup and identify forward plan
9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure With No Pipe In Hole (Open Hole)

1. Sound alarm (alert crew)
2. Shut-in with blind rams (HCR & choke will already be in the closed position)
3. Confirm shut-in
4. Notify toolpusher/company representative
5. Read and record the following:
  - a. SICP
  - b. Pit gain
  - c. Time
6. Regroup and identify forward plan

General Procedures While Pulling BHA Through Stack

1. PRIOR to pulling last joint of drillpipe through stack:
  - a. Perform flow check. If flowing, continue to (b).
  - b. Sound alarm (alert crew)
  - c. Stab full-opening safety valve and close
  - d. Space out drill string with tool joint just beneath the upper variable bore rams
  - e. Shut-in using upper variable bore rams (HCR & choke will already be in the closed position)
  - f. Confirm shut-in
  - g. Notify toolpusher/company representative
  - h. Read and record the following:
    - i. SIDPP & SICP
    - ii. Pit gain
    - iii. Time
  - i. Regroup and identify forward plan
2. With BHA in the stack and compatible ram preventer and pipe combination immediately available:
  - a. Sound alarm (alert crew)
  - b. Stab crossover and full-opening safety valve and close
  - c. Space out drill string with upset just beneath the upper variable bore rams
  - d. Shut-in using upper variable bore rams (HCR & choke will already be in the closed position)
  - e. Confirm shut-in
  - f. Notify toolpusher/company representative
  - g. Read and record the following:
    - i. SIDPP & SICP

- ii. Pit gain
    - iii. Time
  - h. Regroup and identify forward plan
- 3. With BHA in the stack and NO compatible ram preventer and pipe combination immediately available:
  - a. Sound alarm (alert crew)
  - b. If possible, pull string clear of the stack and follow "Open Hole" procedure.
  - c. If impossible to pull string clear of the stack:
  - d. Stab crossover, make up one joint/stand of drillpipe and full-opening safety valve and close
  - e. Space out drill string with tooljoint just beneath the upper variable bore ram
  - f. Shut-in using upper variable bore ram (HCR & choke will already be in the closed position)
  - g. Confirm shut-in
  - h. Notify toolpusher/company representative
  - i. Read and record the following:
    - i. SIDPP & SICP
    - ii. Pit gain
    - iii. Time
  - j. Regroup and identify forward plan

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(575) 393-6161 Fax:(575) 393-0720

**District II**  
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**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
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**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

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

COMMENTS

Action 15461

**COMMENTS**

|   |  |                  |                         |                             |
|---|--|------------------|-------------------------|-----------------------------|
| Operator:<br>XTO PERMIAN OPERATING LLC.<br>BUILDING 5 | 6401 HOLIDAY HILL ROAD<br>MIDLAND, TX79707 | OGRID:<br>373075 | Action Number:<br>15461 | Action Type:<br>FORM 3160-3 |
|---|--|------------------|-------------------------|-----------------------------|

| Created By | Comment                 | Comment Date |
|------------|-------------------------|--------------|
| kpickford  | KP GEO Review 1/25/2021 | 01/25/2021   |

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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 15461

**CONDITIONS OF APPROVAL**

|           |  |  |                  |                         |                             |
|-----------|--|--|------------------|-------------------------|-----------------------------|
| Operator: | XTO PERMIAN OPERATING LLC.<br>BUILDING 5 | 6401 HOLIDAY HILL ROAD<br>MIDLAND, TX79707 | OGRID:<br>373075 | Action Number:<br>15461 | Action Type:<br>FORM 3160-3 |
|-----------|--|--|------------------|-------------------------|-----------------------------|

| OCD Reviewer | Condition  |
|--------------|--|
| kpickford    | Notify OCD 24 hours prior to casing & cement   |
| kpickford    | Will require a File As Drilled C-102 and a Directional Survey with the C-104   |
| kpickford    | 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 |
| kpickford    | 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                  |