Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

EMNRD-OCD ARTESIA RECEIVED: 3/23/2020

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

5. Lease Serial No. NMNM120895

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an

abandoned we	6. If Indian, Allottee or	Tribe Name				
SUBMIT IN T	TRIPLICATE - Other instructions	on page 2		7. If Unit or CA/Agreen	nent, Name and/or No.	
Type of Well	8. Well Name and No. CHAIN-BLUE LIGHTNING 26 FED 167H					
Name of Operator XTO ENERGY INCORPORAT	9. API Well No. 30-015-46646-00	-X1				
3a. Address 6401 HOLIDAY HILL ROAD B MIDLAND, TX 79707		No. (include area code) -620-4374		10. Field and Pool or Ex BONE SPRINGS	ploratory Area	
4. Location of Well (Footage, Sec., T.	., R., M., or Survey Description)			11. County or Parish, St	ate	
Sec 23 T25S R29E SESE 365 32.109158 N Lat, 103.948265				EDDY COUNTY, NM		
12. CHECK THE AF	PPROPRIATE BOX(ES) TO INDIC	CATE NATURE OF	F NOTICE, I	REPORT, OR OTHE	ER DATA	
TYPE OF SUBMISSION		TYPE OF	ACTION			
Notice of Intent	☐ Acidize ☐ I	Deepen	☐ Production	on (Start/Resume)	☐ Water Shut-Off	
_	☐ Alter Casing ☐ H	Iydraulic Fracturing	☐ Reclamat	tion	■ Well Integrity	
☐ Subsequent Report	☐ Casing Repair ☐ N	New Construction	□ Recompl	ete	⊠ Other	
☐ Final Abandonment Notice	☐ Change Plans ☐ F	lug and Abandon	□ Temporarily Abandon		Change to Original A PD	
	☐ Convert to Injection ☐ F	lug Back	g Back			
Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fix XTO Energy Inc. requests per program. XTO requests to not utilize certain XTO requests a variance to be each casing string and ensure floats holding, no pressure on recommendations, XTO will complete the string and ensure floats holding, no pressure on recommendations, XTO will complete the string and ensure floats holding, no pressure on the string and ensure floats holding, no pressure on the string and ensure floats holding, no pressure on the string and ensure floats holding, no pressure on the string and ensure floats holding, no pressure on the string and ensure floats.	mission to change the casing & centralizers in the curve and lateral. e able to batch drill this well if neces that the well is cemented properly the csg annulus, and the installation that the BLM to skid the rig to drill e strings are all completed, XTO will	on file with BLM/BIA tiple completion or recordal requirements, including the sary. In doing so, X and the well is statich of a 10K TA cap at the remaining wells	. Required subsimpletion in a neing reclamation. attached drill TO will set b. With s per GE s on the pad.	sequent reports must be fi ew interval, a Form 3160- , have been completed and ling	led within 30 days 4 must be filed once	
	Electronic Submission #502093 ver For XTO ENERGY INCORI nmitted to AFMSS for processing by F	PORAŤED, sent to the PRISCILLA PEREZ or	ne Carlsbad n 02/06/2020 (
, , , , , , , , , , , , , , , , , , ,		1,2002				
Signature (Electronic S	Submission)	Date 02/05/20	020			
	THIS SPACE FOR FEDE	RAL OR STATE (OFFICE US	SE		
	d. Approval of this notice does not warrant uitable title to those rights in the subject leas		UM ENGINE	ER	Date 02/20/2020	
which would entitle the applicant to condu	Office Carlsbac					
Fitle 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a crime for an statements or representations as to any matter	y person knowingly and r within its jurisdiction.	willfully to mal	ke to any department or ag	gency of the United	

Additional data for EC transaction #502093 that would not fit on the form

32. Additional remarks, continued

Chain-Blue Lightning 26 Fed 167H 30-015-46646 Chain-Blue Lightning 26 Fed 107H 30-015-46642 Chain-Blue Lightning 26 Fed 127H 30-015-46645

Revisions to Operator-Submitted EC Data for Sundry Notice #502093

Operator Submitted BLM Revised (AFMSS)

Sundry Type: APDCH **APDCH** NOI NOI

NMNM120895 Lease: NMNM120895

Agreement:

Operator:

XTO ENERGY INC. 6401 HOLIDAY HILL RD BLDG 5 MIDLAND, TX 79707 XTO ENERGY INCORPORATED 6401 HOLIDAY HILL ROAD BLDG 5 MIDLAND, TX 79707

Ph: 432-620-4374 Ph: 432.683 2277

KELLY KARDOS REGULATORY COORDINATOR Admin Contact:

KELLY KARDOS REGULATORY COORDINATOR E-Mail: kelly_kardos@xtoenergy.com E-Mail: kelly_kardos@xtoenergy.com

Ph: 432-620-4374 Ph: 432-620-4374

Tech Contact:

KELLY KARDOS REGULATORY COORDINATOR E-Mail: kelly_kardos@xtoenergy.com KELLY KARDOS REGULATORY COORDINATOR E-Mail: kelly_kardos@xtoenergy.com

Ph: 432-620-4374 Ph: 432-620-4374

Location:

State: County: NM EDDY NM EDDY

Field/Pool: PURPLE SAGE; WOLFCAMP **BONE SPRINGS**

Well/Facility:

CHAIN-BLUE LIGHTNING 26 FED 167H Sec 23 T25S R29E Mer NMP SESE 365FSL 523FEL CHAIN-BLUE LIGHTNING 26 FED 167H Sec 23 T25S R29E SESE 365FSL 523FEL 32.109158 N Lat, 103.948265 W Lon

DRILLING PLAN: BLM COMPLIANCE (Supplement to BLM 3160-3)

XTO Energy Inc.

Chain Blue Lightening 26 Fed 167H Projected TD: 16666' MD / 11366' TVD

SHL: 365' FSL & 523' FEL , Section 23, T25S, R29E BHL: 200' FSL & 990' FEL , Section 32, T25S, R29E Eddy County, NM

1. Geologic Name of Surface Formation

A. Permian

2. Estimated Tops of Geological Markers & Depths of Anticipated Fresh Water, Oil or Gas:

Formation	Wall Dooth (T)(D)	Water/Oil/Gas
Formation	Well Depth (TVD)	water/Oil/Gas
Rustler	614'	Water
Top of Salt	794'	Water
Base of Salt	3080'	Water
Delaware	3270'	Water
Bone Spring	7065'	Water/Oil/Gas
1st Bone Spring Ss	8008'	Water/Oil/Gas
2nd Bone Spring Ss	8870'	Water/Oil/Gas
3rd Bone Spring Ss	9936'	Water/Oil/Gas
Wolfcamp	10282'	Water/Oil/Gas
Wolfcamp A	10424'	Water/Oil/Gas
Wolfcamp B	10760'	Water/Oil/Gas
Wolfcamp D	11218'	Water/Oil/Gas
Target/Land Curve	11366'	Water/Oil/Gas

^{***} Hydrocarbons @ Brushy Canyon

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands will be protected by setting 16 inch casing @ ' (794' above the salt) and circulating cement back to surface. The salt will be isolated by setting 11-3/4 inch casing at 690' and circulating cement to surface. A 10-5/8 inch vertical hole will be drilled to 10524' and 8-5/8 inch casing ran and cemented 500' into the 11-3/4 inch casing. An 7-7/8 inch curve and lateral hole will be drilled to MD/TD and 5-1/2 casing will be set at TD and cemented back 300' into the 8-5/8 inch casing shoe.

3. Casing Design

Hole Size	Depth	OD Csg	Weight	Collar	Grade	New/Used	SF Burst	SF Collapse	SF Tension
14-3/4"	0' - 690'	11-3/4"	47	BTC	J-55	New	1.18	4.21	14.71
10-5/8"	0' - 4130'	8-5/8"	32	BTC	CYP-110	New	1.39	1.29	2.99
10-5/8"	4130' – 10524'	8-5/8"	32	BTC	HCL-80	New	1.01	1.44	2.17
7-7/8"	0' – 16666'	5-1/2"	20	ВТС	P-110	New	1.18	1.39	2.49

- · XTO requests to not utilize centralizers in the curve and lateral
- ·8-5/8" Collapse analyzed using 50% evacuation based on regional experience.
- ·8-5/8 casing will be a split string with CYP-110 run from surface to 3380' & HCL-80 from 3380' to TD because the 8-5/8" HCL-80 casing fails at SF burst at surface. The split string design passes our internal requirements
- ·5-1/2" tension calculated using vertical hanging weight plus the lateral weight multiplied by a friction factor of 0.35
- \cdot Test on Casing will be limited to 70% burst of the casing or 1500 psi, whichever is less

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^{***} Groundwater depth 40' (per NM State Engineers Office).

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

4. Cement Program

Surface Casing: 11-3/4", 47 New J-55, BTC casing to be set at +/- 690'

Lead: 170 sxs Halcem-C + 2% CaCl (mixed at 12.8 ppg, 1.88 ft3/sx, 9.61 gal/sx water)

Tail: 190 sxs Halcem-C + 2% CaCl (mixed at 14.8 ppg, 1.35 ft3/sx, 6.39 gal/sx water)

Compressives: 12-hr = 900 psi 24 hr = 1500 psi

Top of Cement: Surface

Intermediate Casing: 8-5/8", 32 New CYP-110, BTC casing to be set at +/- 10524"

ECP/DV Tool to be set at 4130'

1st Stage

Lead: 640 sxs Halcem-C + 2% CaCl (mixed at 12.8 ppg, 1.87 ft3/sx, 9.61 gal/sx water)

Tail: 260 sxs Halcem-C + 2% CaCl (mixed at 14.8 ppg, 1.35 ft3/sx, 6.39 gal/sx water)

Compressives: 12-hr = 900 psi 24 hr = 1500 psi

2nd Stage

Lead: 1190 sxs Halcem-C + 2% CaCl (mixed at 12.8 ppg, 1.88 ft3/sx, 9.61 gal/sx water)

Tail: 310 sxs Halcem-C + 2% CaCl (mixed at 14.8 ppg, 1.33 ft3/sx, 6.39 gal/sx water)

Compressives: 12-hr = 900 psi 24 hr = 1500 psi

Top of Cement: 200' inside previous casing shoe

Production Casing: 5-1/2", 20 New P-110, BTC casing to be set at +/- 16666'

Lead: 1000 sxs Halcem-C + 2% CaCl (mixed at 11.5 ppg, 1.88 ft3/sx, 9.61 gal/sx water)

Tail: 1000 sxs VersaCem (mixed at 13.2 ppg, 10266 ft3/sx, 8.38 gal/sx water)

Compressives: 12-hr = 1375 psi 24 hr = 2285 psi

Top of Cement: 300' inside previous casing shoe

5. Pressure Control 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 10M 3-Ram BOP. MASP should not exceed 5478 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.

All BOP testing will be done by an independent service company. Annular pressure tests will be limited to 50% of the working pressure. When nippling up on the 13-5/8" 10M bradenhead and flange, the BOP test will be limited to 10000 psi. When the 11-3/4" and 8-5/8" casing is set, the packoff seals will be tested to a minimum of 10000 psi. All BOP tests will include a low pressure test as per BLM regulations. The 10M BOP diagrams are attached. Blind rams will be functioned tested each trip, pipe rams will be functioned tested each day.

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 each casing string 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 intermediate strings are all completed, XTO will begin drilling the production hole on each of the wells.

6. Proposed Mud Circulation System

INTERVAL	Hole Size	Mud Type	MW (ppg)	Viscosity (sec/qt)	Fluid Loss (cc)	
0' to 690'	14-3/4"	FW / Native	8.4-8.8	30-40	NC	
690' to 10524'	10-5/8"	Brine / Cut Brine / WBM	8.7-9.8	29-32	NC - 20	
10524' to 16666'	7-7/8"	FW / Cut Brine / Polymer/ OBM	13.2-13.8	32-50	NC - 20	

The necessary mud products for weight addition and fluid loss control will be on location at all times.

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 water-based mud. 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.

7. Auxiliary Well Control and Monitoring Equipment

- A. A Kelly cock will be in the drill string at all times.
- B. A full opening drill pipe stabbing valve having appropriate connections will be on the rig floor at all times.
- C. H2S monitors will be on location when drilling below the 11-3/4" casing.

8. Logging, Coring and Testing Program

Mud Logger: Mud Logging Unit (2 man) below 1st intermediate casing.

Open hole logging will include Yes

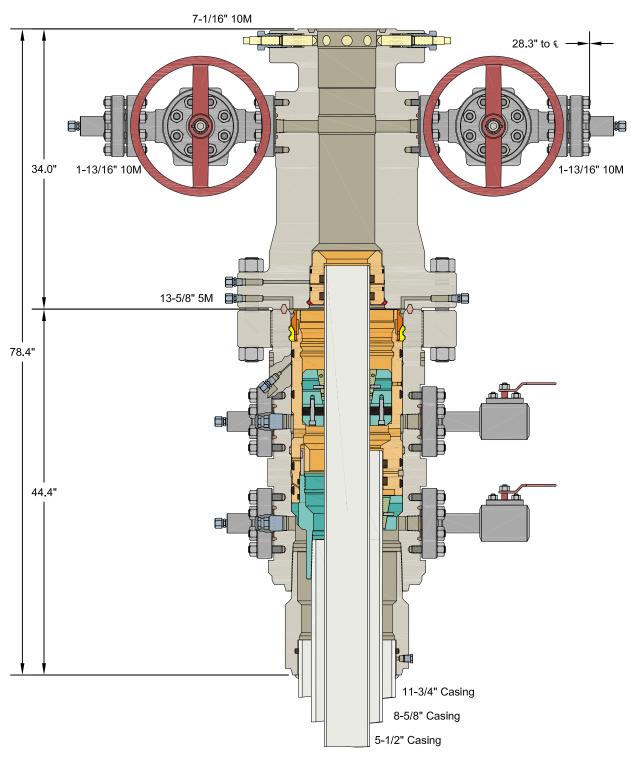
9. Abnormal Pressures and Temperatures / Potential Hazards

None Anticipated. BHT of 150 to 170 F is anticipated. No H2S is expected but monitors will be in place to detect any H2S occurrences. Should these circumstances be encountered the operator and drilling contractor are prepared to take all necessary steps to ensure safety of all personnel and environment. 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. The maximum anticipated bottom hole pressure for this well is 7979 psi.

10. Anticipated Starting Date and Duration of Operations

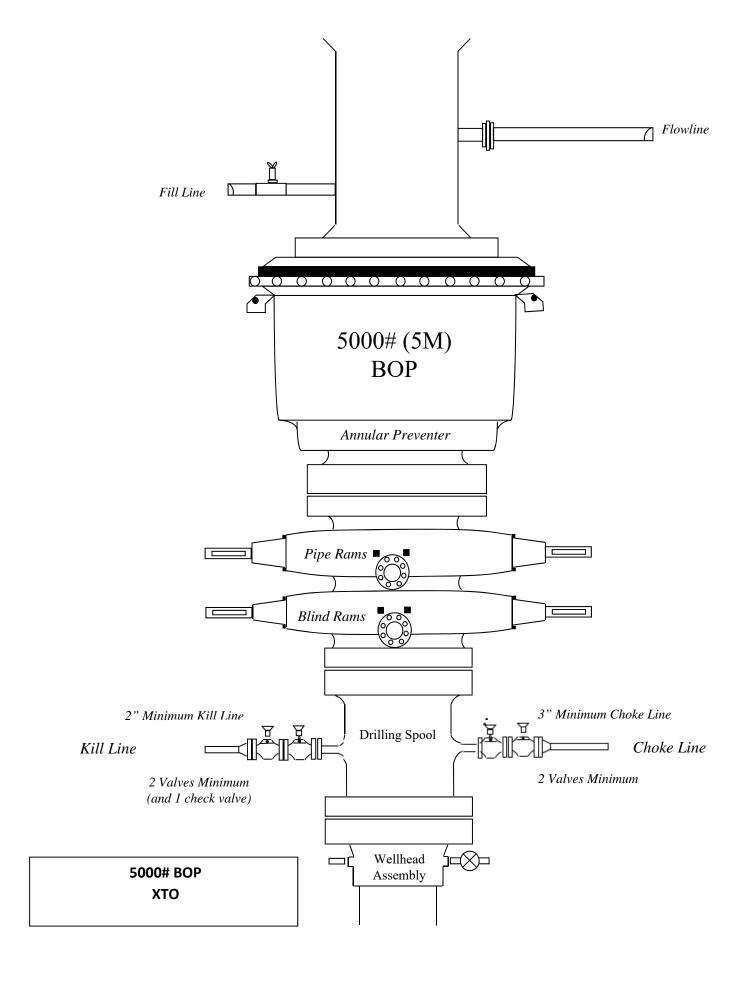
Road and location construction will begin after Santa Fe and BLM have approved the APD. Anticipated spud date will be as soon after Santa Fe and BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 40 days. If production casing is run, an additional 30 days will be needed to complete well and construct surface facilities and/or lay flow lines in order to place well on production.

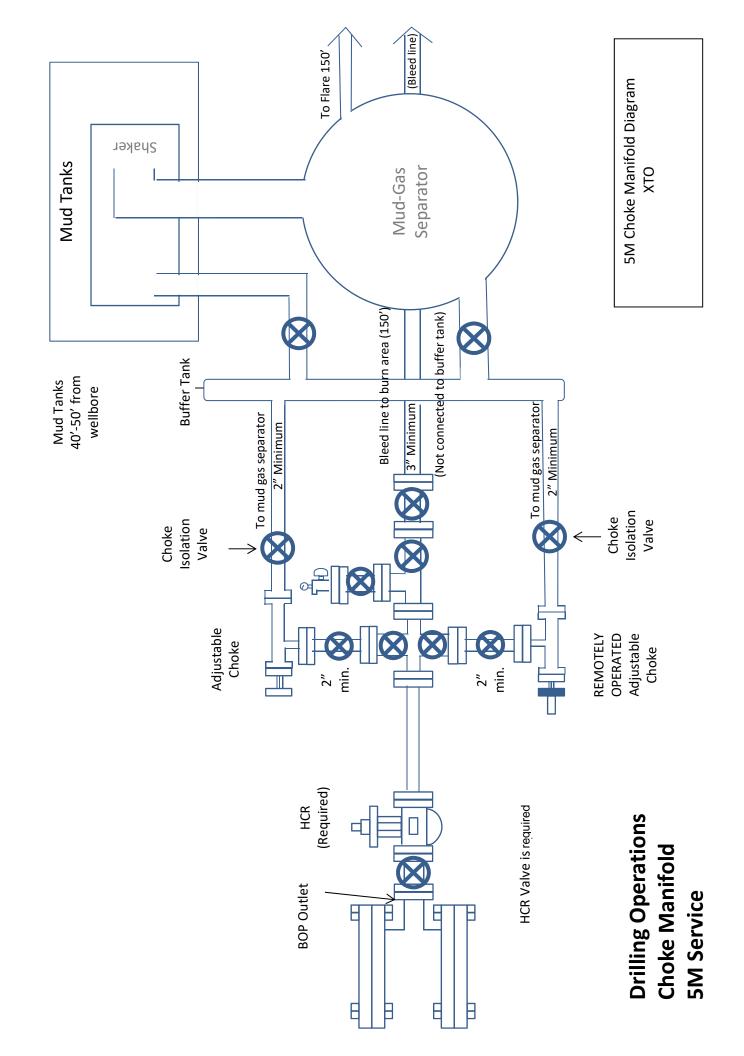


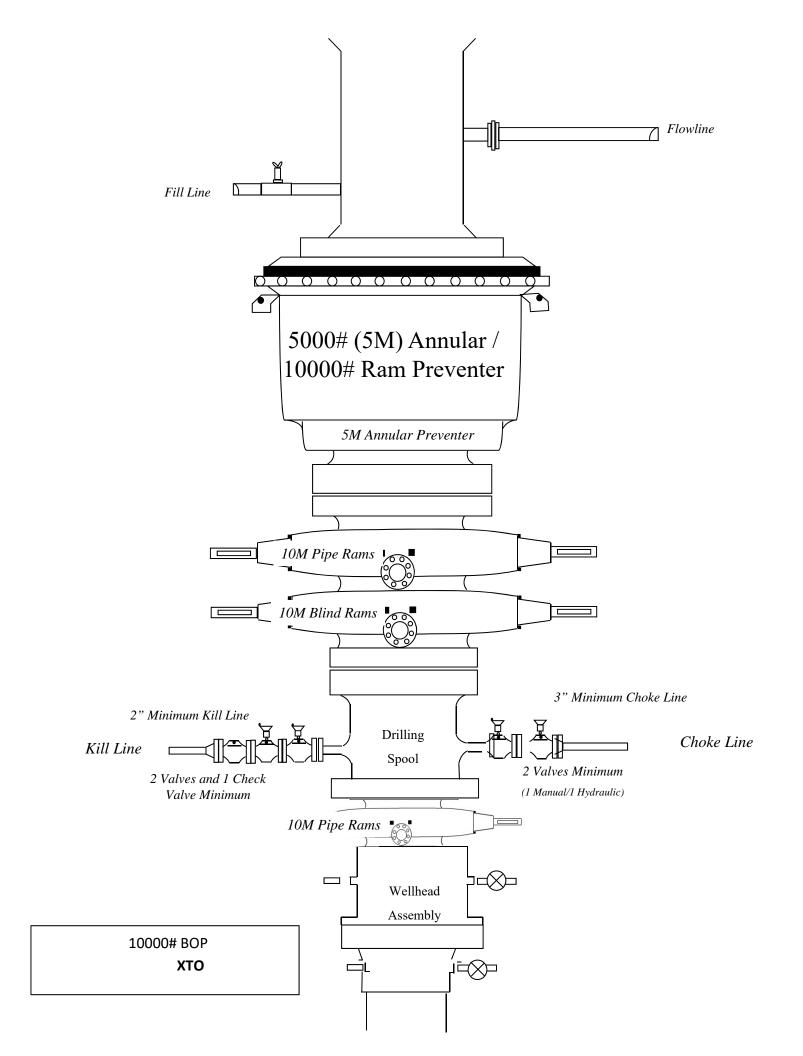


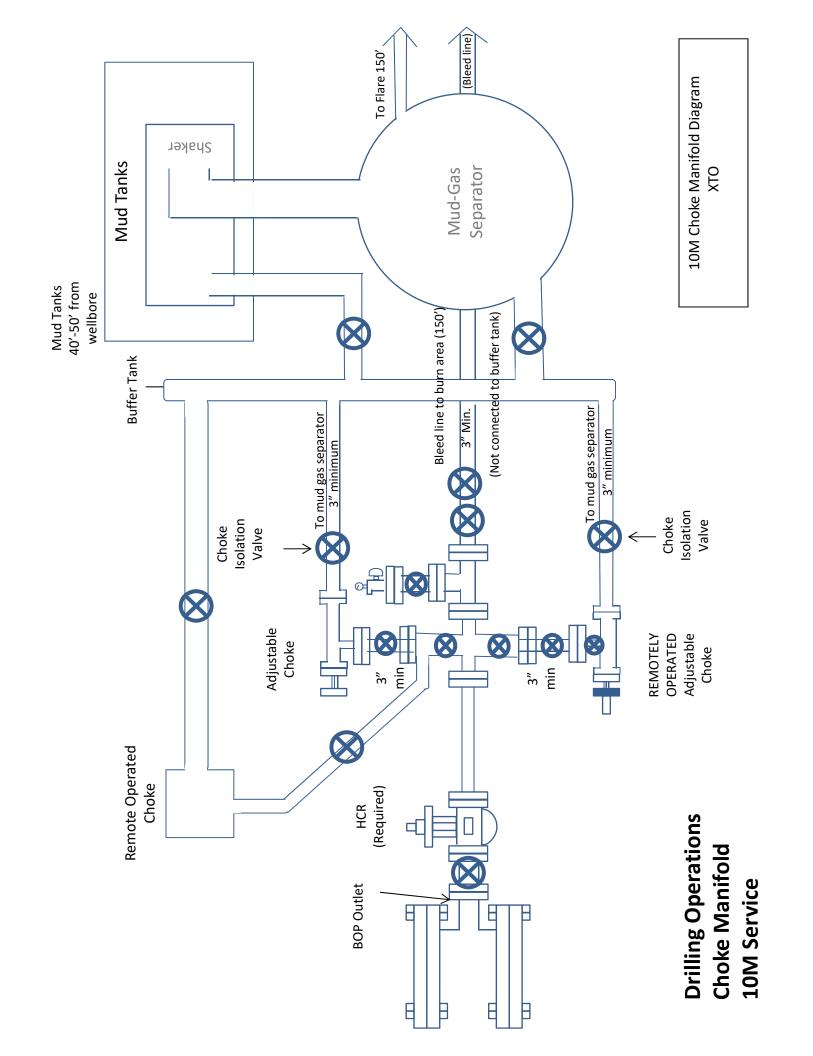
ALL DIMENSIONS ARE APPROXIMATE

This drawing is the property of GE Oil & Gas Pressure Control LP and is considered confidential. Unless otherwise approved in writing, neither it nor its contents may be used, copied, transmitted or reproduced except for the sole purpose of GE Oil & Gas Pressure Control LP.	XTO ENERGY, INC.			
11-3/4" x 8-5/8" x 5-1/2" 10M RSH-2 Wellhead	DRAWN	VJK	31OCT16	
	APPRV	KN	310CT16	
Assembly, With T-EBS-F Tubing Head	prawing no. 10012358			









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 10M psi Requirement								
Component	OD	Primary Preventer	RWP	Alternate Preventer(s)	RWP			
Drillpipe	5.000" or	Annular	5M	Upper 3.5"-5.5" VBR	10M			
	4.500"			Lower 3.5"-5.5" VBR	10M			
HWDP	5.000" or	Annular	5M	Upper 3.5"-5.5" VBR	10M			
	4.500"			Lower 3.5"-5.5" VBR	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



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: Customer Ref. :

Invoice No.:

AUSTIN DISTRIBUTING

PENDING 201709

Test Date:

Hose Senal No.:

Created By:

6/8/2014

D-060814-1

NORMA

Product Description:

FD3.042.0R41/16.5KFLGE/E LE

End Fitting 1:

Gates Part No. :

Working Pressure:

4 1/16 in.5K FLG 4774-6001

5,000 PSI

End Fitting 2:

Assembly Code:

Test Pressure:

4 1/16 in.5K FLG

L33090011513D-060814-1

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:

Date:

Signature:

QUALITY 6/8/2014 Technical Supervisor:

Date:

Signature:

PRODUCTION

6/8/2014

Form PTC - 01 Rev.0 2

