Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
OCD Artesia

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No.
NMNM [illegible]

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM137573

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
HARROUN RANCH FED COM 20702 3H

2. Name of Operator
BTA OIL PRODUCERS
Contact: CHAD SMITH
E-Mail: csmith@btaoil.com

9. API Well No.
30-015-43438-00-S1

3a. Address
104 SOUTH PECOS STREET
MIDLAND, TX 79701

3b. Phone No. (include area code)
Ph: 432-682-3753

10. Field and Pool or Exploratory Area
LAGUNA SALADO

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 20 T23S R29E SESW 170FSL 2465FWL

11. County or Parish, State
EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☒ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

BTA Oil Producers, LLC is planing on constructing a flare pad and two 3.5" steel flare lines in Section 20 T23S R29E Eddy County New Mexico. The flare pad will be a 200'x200' pad. The pad will be constructed just East of where the Harroun Ranch 3H & 4H well pad is. The flare lines will come off the Harroun Ranch Tank Battery pad. The line coming off the 4 Battery pad will be 658.8' long and will be 3.5" wide. The line coming off the 2 & 3 Battery pad will be 300' long and will be 3.5" wide The lines will be carrying natural gas produced from the Harroun Ranch Federal 3H Well. The Lines will be buried. Construction will begin as soon as possible and will take a week to complete.

NM OIL CONSERVATION
ARTESIA DISTRICT
OCT 02 2019
RECEIVED

GC 10/10/19
Accepted for record - NMOCD

Approved. MR. 09/25/2019. 001-BLM-NM-P020-2019-1067-EA. Stipulations Attached.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #476432 verified by the BLM Well Information System
For BTA OIL PRODUCERS, sent to the Carlsbad
Committed to AFMSS for processing by JUANA MEDRANO on 08/02/2019 (19JM0085SE)

Name *(Printed/Typed)* CHAD SMITH — Title LANDMAN

Signature (Electronic Submission) — Date 08/02/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By Cody R. Layton — Title AFM-L&M — Date 09/25/2019

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

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Revisions to Operator-Submitted EC Data for Sundry Notice #476432

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	NEWCON NOI	NEWCON NOI
Lease:	NMNM119271	NMNM119271
Agreement:		NMNM137573 (NMNM137573)
Operator:	BTA OIL PRODUCERS, LLC 104 SOUTH PECOS MIDLAND, TX 79701 Ph: 432-682-3753	BTA OIL PRODUCERS 104 SOUTH PECOS STREET MIDLAND, TX 79701 Ph: 432.682.3753 Fx: 432.683.0325
Admin Contact:	CHAD SMITH LANDMAN E-Mail: csmith@btaoil.com Ph: 432-682-3753	CHAD SMITH LANDMAN E-Mail: csmith@btaoil.com Ph: 432-682-3753
Tech Contact:	CHAD SMITH LANDMAN E-Mail: csmith@btaoil.com Ph: 432-682-3753	CHAD SMITH LANDMAN E-Mail: csmith@btaoil.com Ph: 432-682-3753
Location: State: County:	 NM EDDY COUNTY	 NM EDDY
Field/Pool:	WC-015 G-07 S232932A	LAGUNA SALADO
Well/Facility:	20702 HARROUN RANCH FEDERAL 3H Sec 20 T23S R29E SWSE 170FSL 2493FEL	HARROUN RANCH FED COM 20702 3H Sec 20 T23S R29E SESW 170FSL 2465FWL

BLM LEASE NUMBER: NMNM 119271
COMPANY NAME: BTA Oil Producers
ASSOCIATED WELL NAME: Harroun Ranch Fed Com 20702 3H

BURIED PIPELINE STIPULATIONS

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

5. All construction and maintenance activity will be confined to the authorized right-of-way.

6. The pipeline will be buried with a minimum cover of **36** inches between the top of the pipe and ground level.

7. The maximum allowable disturbance for construction in this right-of-way will be **30** feet:

- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed **30** feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation.*)

- Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed **30** feet. The trench and bladed area are included in this area. (*Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.*)

- The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)

8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately 6 inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.

9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

( ) seed mixture 1	( ) seed mixture 3
(X) seed mixture 2	( ) seed mixture 4
( ) seed mixture 2/LPC	( ) Aplomado Falcon Mixture

13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2.

14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number,

and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

17. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes associated roads, pipeline corridor and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

18. Escape Ramps - The operator will construct and maintain pipeline/utility trenches [that are not otherwise fenced, screened, or netted] to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

Special Status Plant Species (SSPS) Habitat Stipulations:

Vehicles and equipment will be kept on existing roads and approved surfaces only, and will avoid travel across undisturbed surfaces; workers will be instructed not to park off the roads or ROW in undisturbed areas. Alterations to project design and additions of project components will require SSPS surveys and re-analysis of impacts if those project elements intersect SSPS suitable habitat.

Hydrology:

Any water erosion that may occur due to the construction of the flare pad during the life of the pad will be quickly corrected and proper measures will be taken to prevent future erosion. Stockpiling of topsoil is required. The top soil shall be stockpiled in an appropriate location to prevent loss of soil due to water or wind erosion and not used for berming or erosion control.
When crossing ephemeral drainages the pipeline(s) will be buried to a minimum depth of 36 inches from the top of pipe to ground level. Erosion control methods such as gabions and/or rock aprons should be placed on both up and downstream sides of the pipeline crossing. In addition, curled (weed free) wood/straw fiber wattles/logs and/or silt fences should be placed on the

downstream side for sediment control during construction and maintained until soils and vegetation have stabilized. Water bars should be placed within the ROW to divert and dissipate surface runoff. A pipeline access road is not permitted to cross these ephemeral drainages. Traffic should be diverted to a preexisting route. Additional seeding may be required in floodplains and drainages to restore energy dissipating vegetation.

Prior to pipeline installation/construction a leak detection plan will be developed. The method(s) could incorporate gauges to detect pressure drops, situating valves and lines so they can be visually inspected periodically or installing electronic sensors to alarm when a leak is present. The leak detection plan will incorporate an automatic shut off system that will be installed for proposed pipelines to minimize the effects of an undesirable event.

Cave/Karst Surface Mitigation

The following stipulations will be applied to minimize impacts during construction, drilling and production:

Construction:

General Construction:

- No blasting
- The BLM, Carlsbad Field Office, will be informed immediately if any subsurface drainage channels, cave passages, or voids are penetrated during construction, and no additional construction shall occur until clearance has been issued by the Authorized Officer.
- All linear surface disturbance activities will avoid sinkholes and other karst features to lessen the possibility of encountering near surface voids during construction, minimize changes to runoff, and prevent untimely leaks and spills from entering the karst drainage system.
- All spills or leaks will be reported to the BLM immediately for their immediate and proper treatment.

Pad Construction:

- The pad will be constructed and leveled by adding the necessary fill and caliche – no blasting.
- The entire perimeter of the well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad.
- The compacted berm shall be constructed at a minimum of 12 inches high with impermeable mineral material (e.g., caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.
- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.
- The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.
- Any access road entering the well pad shall be constructed so that the integrity of the berm height surrounding the well pad is not compromised (i.e. an access road crossing the berm cannot be lower than the berm height).
- Following a rain event, all fluids will vacuumed off of the pad and hauled off-site and disposed at a proper disposal facility.

Tank Battery Construction:

- The pad will be constructed and leveled by adding the necessary fill and caliche – no blasting.
- All tank battery locations and facilities will be lined and bermed.
- The liner should be at least 20 mil in thickness and installed with a 4 oz. felt backing, or equivalent, to prevent tears or punctures.
- Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank.

Road Construction:

- Turnout ditches and drainage leadoffs will not be constructed in such a manner as to alter the natural flow of water into or out of cave or karst features.
- Special restoration stipulations or realignment may be required if subsurface features are discovered during construction.

Buried Pipeline/Cable Construction:

- Rerouting of the buried line(s) may be required if a subsurface void is encountered during construction to minimize the potential subsidence/collapse of the feature(s) as well as the possibility of leaks/spills entering the karst drainage system.

Powerline Construction:

- Smaller powerlines will be routed around sinkholes and other karst features to avoid or lessen the possibility of encountering near surface voids and to minimize changes to runoff or possible leaks and spills from entering karst systems.
- Larger powerlines will adjust their pole spacing to avoid cave and karst features.
- Special restoration stipulations or realignment may be required if subsurface voids are encountered.

Surface Flowlines Installation:

- Flowlines will be routed around sinkholes and other karst features to minimize the possibility of leaks/spills from entering the karst drainage system.

Leak Detection System:

- A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating values and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present.
- A leak detection plan will be submitted to BLM that incorporates an automatic shut off system (see below) to minimize the effects of an undesirable event that could negatively sensitive cave/karst resources.
- Well heads, pipelines (surface and buried), storage tanks, and all supporting equipment should be monitored regularly after installation to promptly identify and fix leaks.

Automatic Shut-off Systems:

- Automatic shut off, check values, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

Cave/Karst Subsurface Mitigation

The following stipulations will be applied to protect cave/karst and groundwater concerns:

Closed Loop System:

- A closed loop system using steel tanks will be utilized during drilling – no pits
- All fluids and cuttings will be hauled off-site and disposed of properly at an authorized site

Rotary Drilling with Fresh Water:

- Fresh water will be used as a circulating medium in zones where caves or karst features are expected. SEE ALSO: Drilling COAs for this well.

Directional Drilling:

- The kick off point for directional drilling will occur at least 100 feet below the bottom of the cave occurrence zone. SEE ALSO: Drilling COAs for this well.

Lost Circulation:

- ALL lost circulation zones between surface and the base of the cave occurrence zone will be logged and reported in the drilling report.
- If a void of four feet or more and circulation losses greater than 70 percent occur simultaneously while drilling in any cave-bearing zone, regardless of the type of drilling machinery used, the BLM will be notified immediately by the operator. The BLM will assess the situation and work with the operator on corrective actions to resolve the problem.

Abandonment Cementing:

- Additional plugging conditions of approval may be required upon well abandonment in high and medium karst potential occurrence zones.
- The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

Pressure Testing:

- The operator will perform annual pressure monitoring on all casing annuli and reported in a sundry notice.
- If the test results indicated a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

Seed Mixture 2, for Sandy Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law (s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

Species	lb/acre
Sand dropseed (Sporobolus cryptandrus)	1.0
Sand love grass (Eragrostis trichodes)	1.0
Plains bristlegrass (Setaria macrostachya)	2.0

*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed

Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
NMOCD
Artesia
JUL 23 2019
DISTRICT II-ARTESIA O.C.D.

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

SUNDRY NOTICES AND REPORTS ON WELLS

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5. Lease Serial No.
NMLC063136A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM71016X

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
POKER LAKE UNIT 28 BS 125H

2. Name of Operator
XTO PERMIAN OPERATING, LLC
Contact: KELLY KARDOS
E-Mail: kelly_kardos@xtoenergy.com

9. API Well No.
30-015-45508

3a. Address
6401 HOLIDAY HILL RD BLDG 5
MIDLAND, TX 79707

3b. Phone No. (include area code)
Ph: 432-620-4374

10. Field and Pool or Exploratory Area
PURPLE SAGE; WOLFCAMP

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 28 T25S R31E Mer NMP SWNE 2310FNL 1980FEL

11. County or Parish, State
EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
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XTO Permian Operating, LLC requests permission to make the following changes to the original APD:

? Change BHL from 200?FSL & 2310?FEL to 200?FSL & 2010?FEL.

? Change the casing and cement design from 3-string to a 4-string design per the attached procedure.

See COAs

In addition, XTO requests a variance to be able to batch drill these wells if necessary. In doing so, XTO will set intermediate casing and ensure that the well is cemented properly and the well is dead. With floats holding, no pressure on the intermediate csg annulus, and the installation of a TA cap as per GE recommendations, XTO will contact the BLM to skid the rig to drill the surface and intermediate for the remaining wells on the pad. Once surface and intermediate are all completed,

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #472482 verified by the BLM Well Information System
For XTO PERMIAN OPERATING, LLC, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 07/09/2019 ()

Name *(Printed/Typed)* KELLY KARDOS — Title REGULATORY COORDINATOR

Signature (Electronic Submission) — Date 07/08/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By — Title APPROVED 7/12/19 — Date

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

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(Instructions on page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RWP 10-29-19

Additional data for EC transaction #472482 that would not fit on the form

32. Additional remarks, continued

XTO will begin drilling the production hole on each of the wells.

Poker Lake Unit 28 BS 905H ? 30-015-45509
Poker Lake Unit 28 BS 126H ? 30-015-45484
Poker Lake Unit 28 BS 125H ? 30-015-45508
Poker Lake Unit 28 BS 106H ? 30-015-45507

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

[1] API Number	[2] Pool Code	[3] Pool Name
30-015- 45508	98220	PURPLE SAGE; WOLFCAMP

[4] Property Code	[5] Property Name	[6] Well Number
	POKER LAKE UNIT 28 BS	125H

[7] OGRID No.	[8] Operator Name	[9] Elevation
373075	XTO PERMIAN OPERATING, LLC.	3,339'

[10] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	28	25 S	31 E		2,310	NORTH	1,980	EAST	EDDY

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	4	26 S	31 E		200	SOUTH	2,010	EAST	EDDY

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
800			

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 27 NME
SURFACE LOCATION
Y= 401,300.3
X= 671,201.1
LAT.= 32.102084'N
LONG.= 103.780453'W

GEODETIC COORDINATES
NAD 83 NME
SURFACE LOCATION
Y= 401,358.2
X= 712,386.7
LAT.= 32.102208'N
LONG.= 103.780931'W

FIRST TAKE POINT
NAD 27 NME
Y= 400,618.0
X= 671,169.8
LAT.= 32.100209'N
LONG.= 103.780565'W

FIRST TAKE POINT
NAD 83 NME
Y= 400,675.9
X= 712,355.4
LAT.= 32.100333'N
LONG.= 103.781043'W

CORNER COORDINATES TABLE
NAD 27 NME
A - Y= 400,956.5 N, X= 670,521.7 E
B - Y= 400,962.8 N, X= 671,850.9 E
C - Y= 398,304.2 N, X= 670,514.6 E
D - Y= 398,312.1 N, X= 671,845.7 E
E - Y= 395,652.3 N, X= 670,529.0 E
F - Y= 395,681.9 N, X= 671,859.4 E
G - Y= 393,002.3 N, X= 670,543.3 E
H - Y= 393,012.5 N, X= 671,873.1 E
I - Y= 390,337.1 N, X= 670,552.3 E
J - Y= 390,347.9 N, X= 671,881.5 E
K - Y= 387,673.5 N, X= 670,561.3 E
L - Y= 387,683.4 N, X= 671,889.6 E

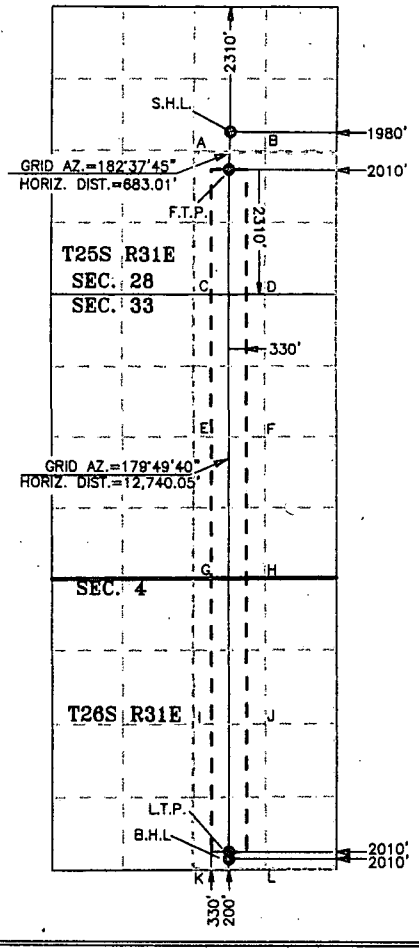
CORNER COORDINATES TABLE
NAD 83 NME
A - Y= 401,014.4 N, X= 711,707.3 E
B - Y= 401,020.7 N, X= 713,036.5 E
C - Y= 398,362.0 N, X= 711,700.3 E
D - Y= 398,369.9 N, X= 713,031.4 E
E - Y= 395,710.0 N, X= 711,714.8 E
F - Y= 395,719.6 N, X= 713,045.2 E
G - Y= 393,060.0 N, X= 711,729.2 E
H - Y= 393,070.2 N, X= 713,059.0 E
I - Y= 390,394.7 N, X= 711,738.3 E
J - Y= 390,405.5 N, X= 713,067.5 E
K - Y= 387,731.1 N, X= 711,747.4 E
L - Y= 387,741.0 N, X= 713,075.8 E

LAST TAKE POINT
NAD 27 NME
Y= 388,008.3
X= 671,207.2
LAT.= 32.065545'N
LONG.= 103.780653'W

LAST TAKE POINT
NAD 83 NME
Y= 388,065.9
X= 712,393.3
LAT.= 32.065670'N
LONG.= 103.781129'W

BOTTOM HOLE LOCATION
NAD 27 NME
Y= 387,878.3
X= 671,207.6
LAT.= 32.065188'N
LONG.= 103.780654'W

BOTTOM HOLE LOCATION
NAD 83 NME
Y= 387,935.9
X= 712,393.7
LAT. = 32.065313'N
LONG.= 103.781130'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 — 7/8/19
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.

05-14-2019
Date of Survey

Signatue and Seal of Professional Surveyor:

MARK DILLON HARP 23786
Certificate Number

AW/TM 2017070994

RWP 10-29-19

Intent [X] As Drilled [ ]

API #
30-015-45508

Operator Name:	Property Name:	Well Number
XTO Permian Operating, LLC	Poker Lake Unit 28 BS	125H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
G	28	25S	31E		2310	North	1980	East	Eddy

Latitude	Longitude	NAD
32.102208	-103.780831	NAD83

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
J	28	25S	31E		2310	South	2010	East	Eddy

Latitude	Longitude	NAD
32.100333	-103.781043	NAD83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
O	4	26S	31E		330	South	2010	East	Eddy

Latitude	Longitude	NAD
32.065670	-103.781129	NAD83

Is this well the defining well for the Horizontal Spacing Unit? [N]

Is this well an infill well? [Y]

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

API #
30-015-45540

Operator Name:	Property Name:	Well Number
XTO PERMIAN OPERATING, LLC	POKER LAKE UNIT 28 BS	108H

KZ 06/29/2018

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

XTO Energy Inc.
Poker Lake Unit 28 BS 125H
Projected TD: 24957' MD / 11674' TVD
SHL: 2310' FNL & 1980' FEL , Section 28, T25S, R31E
BHL: 200' FSL & 2010' FEL , Section 4, T26S, R31E
Eddy County, NM

1. Geologic Name of Surface Formation

A. Quaternary

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

Formation	Well Depth (TVD)	Water/Oil/Gas
Rustler	911'	Water
Top of Salt	1274'	Water
Base of Salt	4010'	Water
Delaware	4224'	Water
Bone Spring	8166'	Water/Oil/Gas
3rd Bone Spring Lime	10244'	Water/Oil/Gas
Wolfcamp	11527'	Water/Oil/Gas
Wolfcamp Y	11651'	Water/Oil/Gas
Target/Land Curve	11674'	Water/Oil/Gas

*** Hydrocarbons @ Brushy Canyon
*** Groundwater depth 40' (per NM State Engineers Office).

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 18-5/8 inch casing @ 1090' (184' above the salt) and circulating cement back to surface. The salt will be isolated by setting 13-3/8 inch casing at 4110' and circulating cement to surface. 9-5/8 inch intermediate casing will be set at 10390' and cemented into the 13-3/8 inch casing shoe. An 8-3/4 inch curve and lateral hole will be drilled to TD, where 5-1/2 inch casing will be set and cemented back up to the 9-5/8 inch casing shoe.

3. Casing Design

Hole Size	Depth	OD Csg	Weight	Collar	Grade	New/Used	SF Burst	SF Collapse	SF Tension
24"	0' – 1090'	18-5/8"	87.5	STC	J-55	New	1.76	1.65	7.91
17-1/2"	0' – 4110'	13-3/8"	68	STC	J-55	New	1.31	1.51	2.42
12-1/4"	0' – 10390'	9-5/8"	40	LTC	HCL-80	New	1.40	1.58	2.01
8-3/4"	0' – 24957'	5-1/2"	20	BTC	P-110	New	1.33	1.66	1.93

- XTO requests to not utilize centralizers in the curve and lateral
- 18-5/8" Collapse analyzed using 75% evacuation. Casing to be filled while running.
- 13-3/8" & 9-5/8" Collapse analyzed using 50% evacuation based on regional experience.
- 5-1/2" tension calculated using vertical hanging weight plus the lateral weight multiplied by a friction factor of 0.35
- Test on 2M Annular & Casing will be limited to 70% burst of the casing or 1500 psi, whichver is less

Wellhead:

Temporary Wellhead

- 18-5/8" SOW bottom x 21-1/4" 2M top flange.

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" 15M 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 9-5/8" casing per BLM Onshore Order 2
- Wellhead manufacturer representative will not be present for BOP test plug installation

4. Cement Program

Surface Casing: 18-5/8", 87.5 New J-55, STC casing to be set at +/- 1090'

Lead: 2830 sxs EconoCem-HLTRRC (mixed at 12.9 ppg, 1.87 ft3/sx, 10.13 gal/sx water)
Tail: 300 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

1st Intermediate Casing: 13-3/8", 68 New J-55, STC casing to be set at +/- 4110'

Lead: 2830 sxs EconoCem-HLTRRC (mixed at 12.9 ppg, 1.87 ft3/sx, 10.13 gal/sx water)
Tail: 300 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 Intermediate Casing: 9-5/8", 40 New HCL-80, LTC casing to be set at +/- 10390'

Lead: 1890 sxs Halcem-C + 2% CaCl (mixed at 12.9 ppg, 1.88 ft3/sx, 9.61 gal/sx water)
Tail: 230 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

Production Casing: 5-1/2", 20 New P-110, BTC casing to be set at +/- 24957'

Tail: 2950 sxs VersaCem (mixed at 13.2 ppg, 1.61 ft3/sx, 8.38 gal/sx water)
Compressives: 12-hr = 1375 psi 24 hr = 2285 psi

5. Pressure Control Equipment

The blow out preventer equipment (BOP) on surface casing/temp. wellhead will consist of a 21-1/4" minimum 2M Hydril. MASP should not exceed 1276 psi.

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 4109 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. When nippling up on the 13-5/8" 5M bradenhead and flange, the BOP test will be limited to 5000 psi. Since a multibowl system will be used, subsequent BOP pressure tests will be performed as necessary based on required testing schedule (i.e., at least every 30 days). 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.

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.

6. Proposed Mud Circulation System

INTERVAL	Hole Size	Mud Type	MW (ppg)	Viscosity (sec/qt)	Fluid Loss (cc)
0' - 1090'	24"	FW/Native	8.4-8.8	35-40	NC
1090' - 4110'	17-1/2"	Brine	9.8-10.2	30-32	NC
4110' to 10390'	12-1/4"	FW/Cut Brine	8.7-10.0	30-32	NC
10390' to 24957'	8-3/4"	FW / Cut Brine / Polymer /OBM	10.7 - 11	29-32	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. Drill out from under 18-5/8" surface casing with brine solution. A 9.8ppg-10.2ppg brine mud will be used while drilling through the salt formation. 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 13-3/8" casing.

8. Logging, Coring and Testing Program

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

Open hole logging will include quad combo.

9. Abnormal Pressures and Temperatures / Potential Hazards

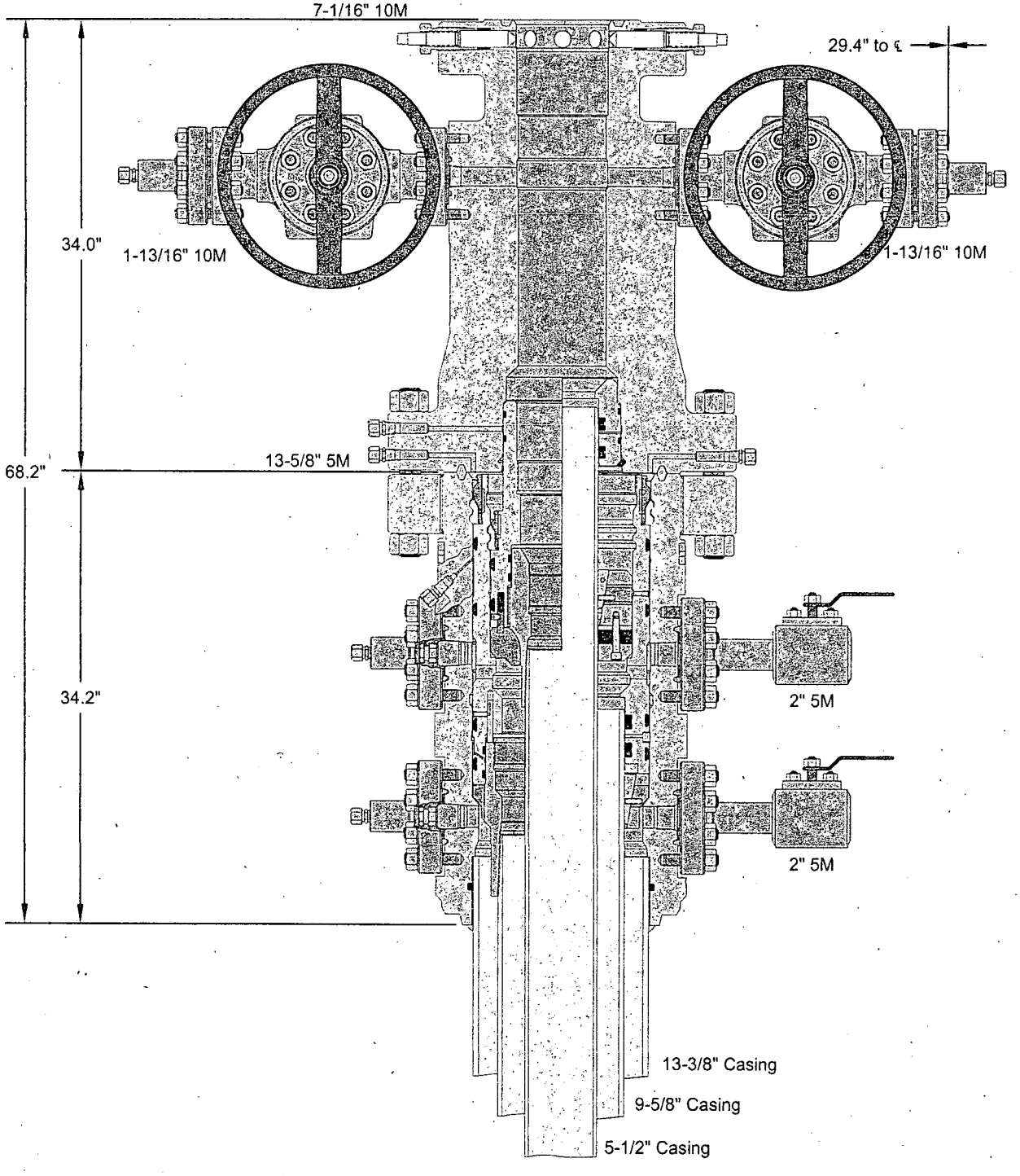
None Anticipated. BHT of 155 to 175 F is anticipated. No H2S is expected but monitors will be in place to detect any H2S occurrences. Should these circumstances be encountered the operator and drilling contractor are prepared to take all necessary steps to ensure safety of all personnel and environment. 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 6678 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.

XTO requests a variance to be able to batch drill these wells if necessary. In doing so, XTO will set intermediate casing and ensure that the well is cemented properly and the well is dead. With floats holding, no pressure on the intermediate csg annulus, and the installation of a TA cap as per GE recommendations, XTO will contact the BLM to skid the rig to drill the surface and intermediate for the remaining wells on the pad. Once surface and intermediate are all completed, XTO will begin drilling the production hole on each of the wells.

GE Oil & Gas



ALL DIMENSIONS ARE APPROXIMATE

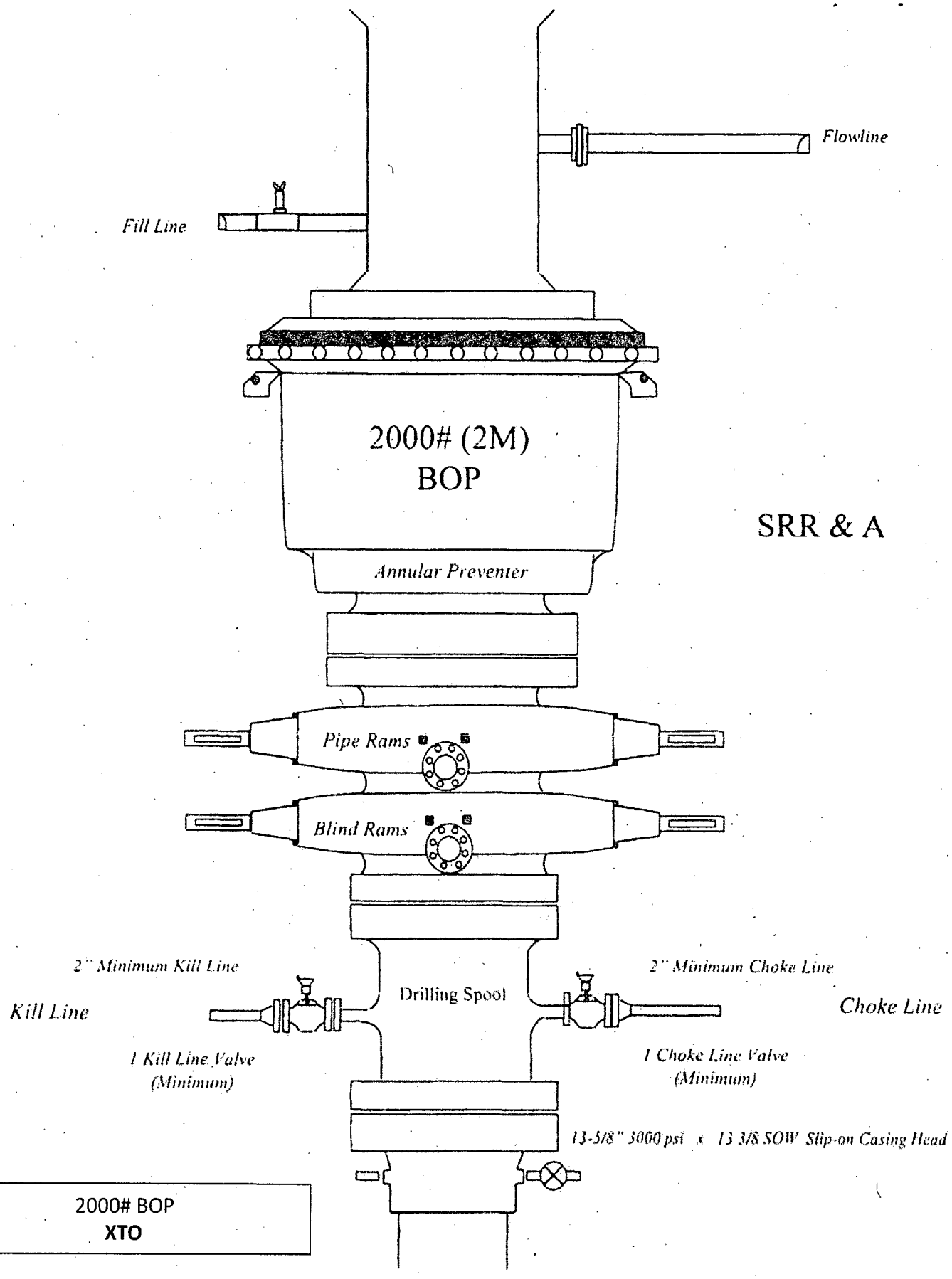
XTO ENERGY, INC.

13-3/8" x 9-5/8" x 5-1/2" 10M RSH-2 Wellhead Assembly, With T-EBS-F Tubing Head

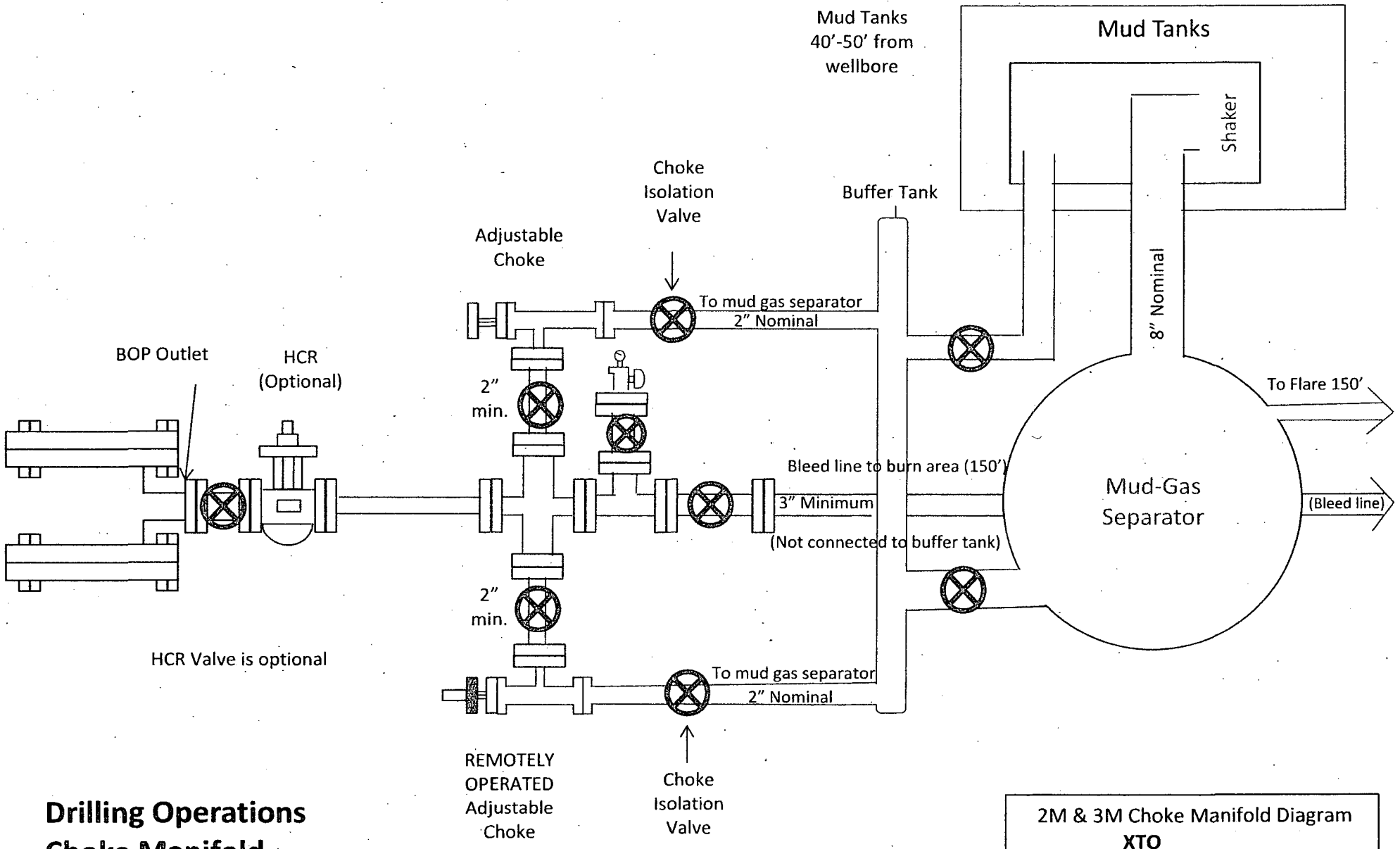
DRAWN	VJK	16FEB17
APPRV	KN	16FEB17

FOR REFERENCE ONLY

DRAWING NO. 10012842

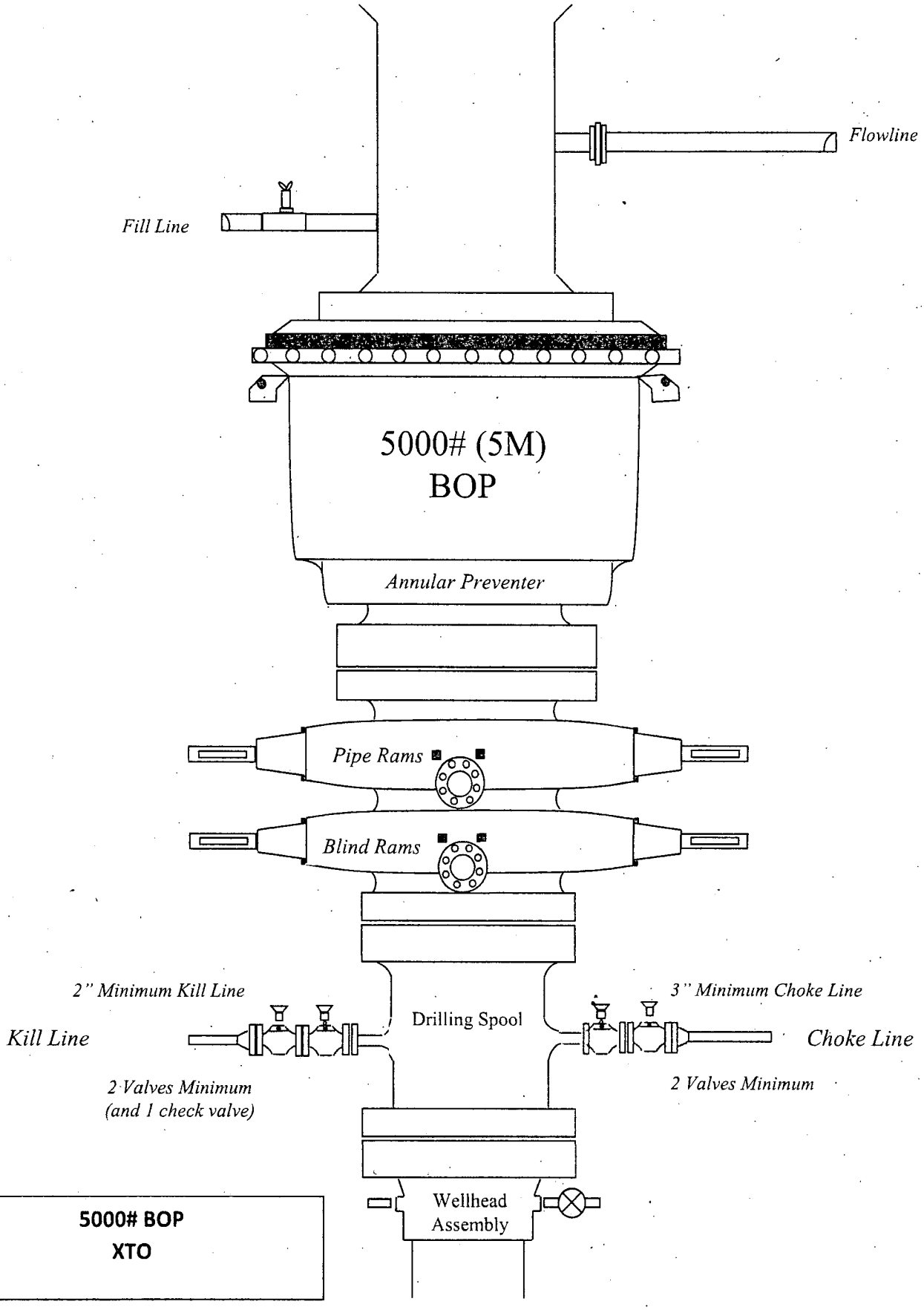

Flowline
Fill Line
2000# (2M)
BOP
SRR & A
Annular Preventer
Pipe Rams
Blind Rams
2" Minimum Kill Line
Kill Line
Drilling Spool
2" Minimum Choke Line
Choke Line
1 Kill Line Valve
(Minimum)
1 Choke Line Valve
(Minimum)
13-5/8" 3000 psi x 13 3/8 SOW Slip-on Casing Head

2000# BOP
XTO

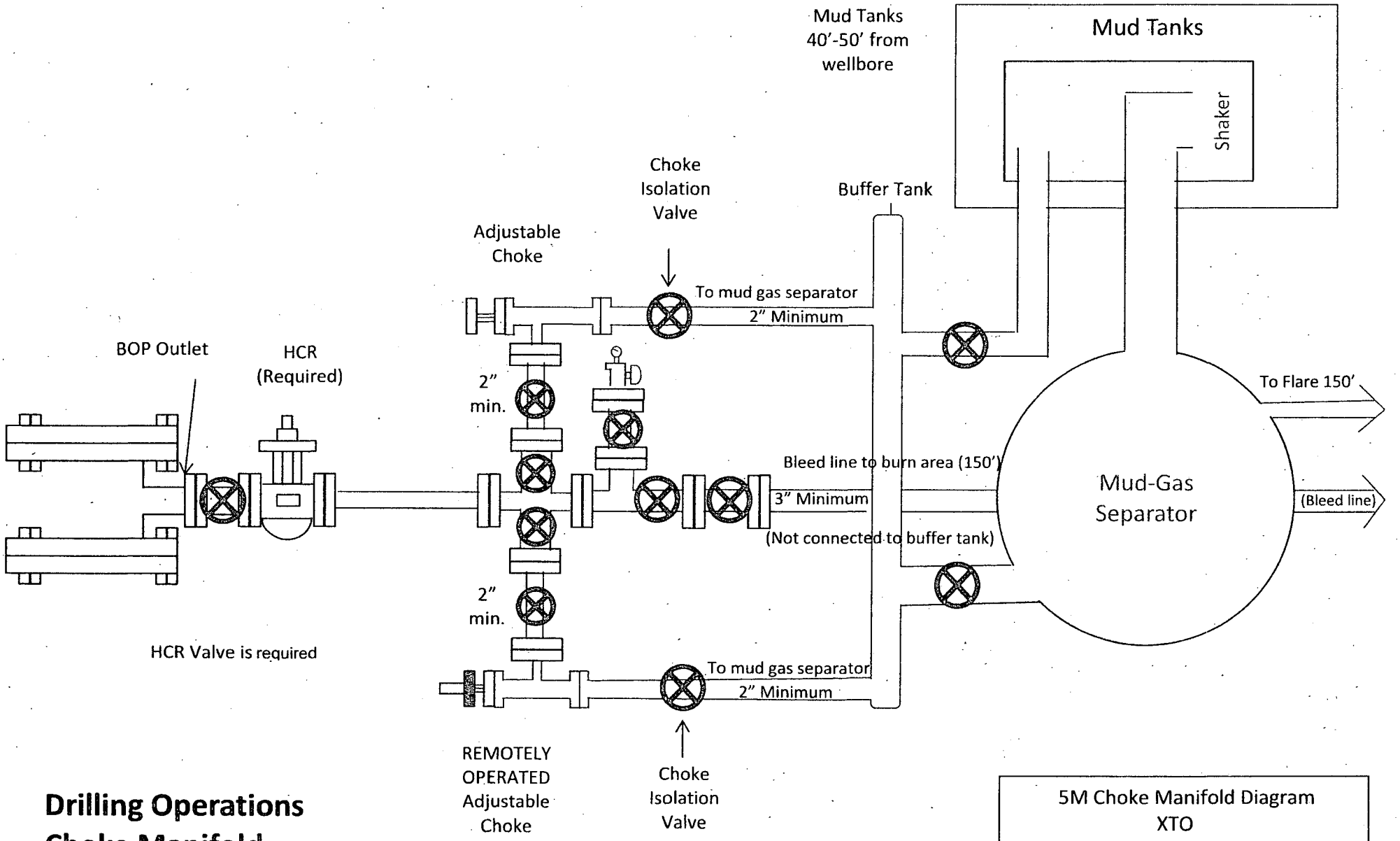


Drilling Operations
Choke Manifold
2M & 3M Service

2M & 3M Choke Manifold Diagram
XTO


Flowline
Fill Line
5000# (5M)
BOP
Annular Preventer
Pipe Rams
Blind Rams
2" Minimum Kill Line
3" Minimum Choke Line
Kill Line
Drilling Spool
Choke Line
2 Valves Minimum
(and 1 check valve)
2 Valves Minimum
Wellhead
Assembly

5000# BOP
XTO



Drilling Operations
Choke Manifold
5M Service

5M Choke Manifold Diagram
XTO

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

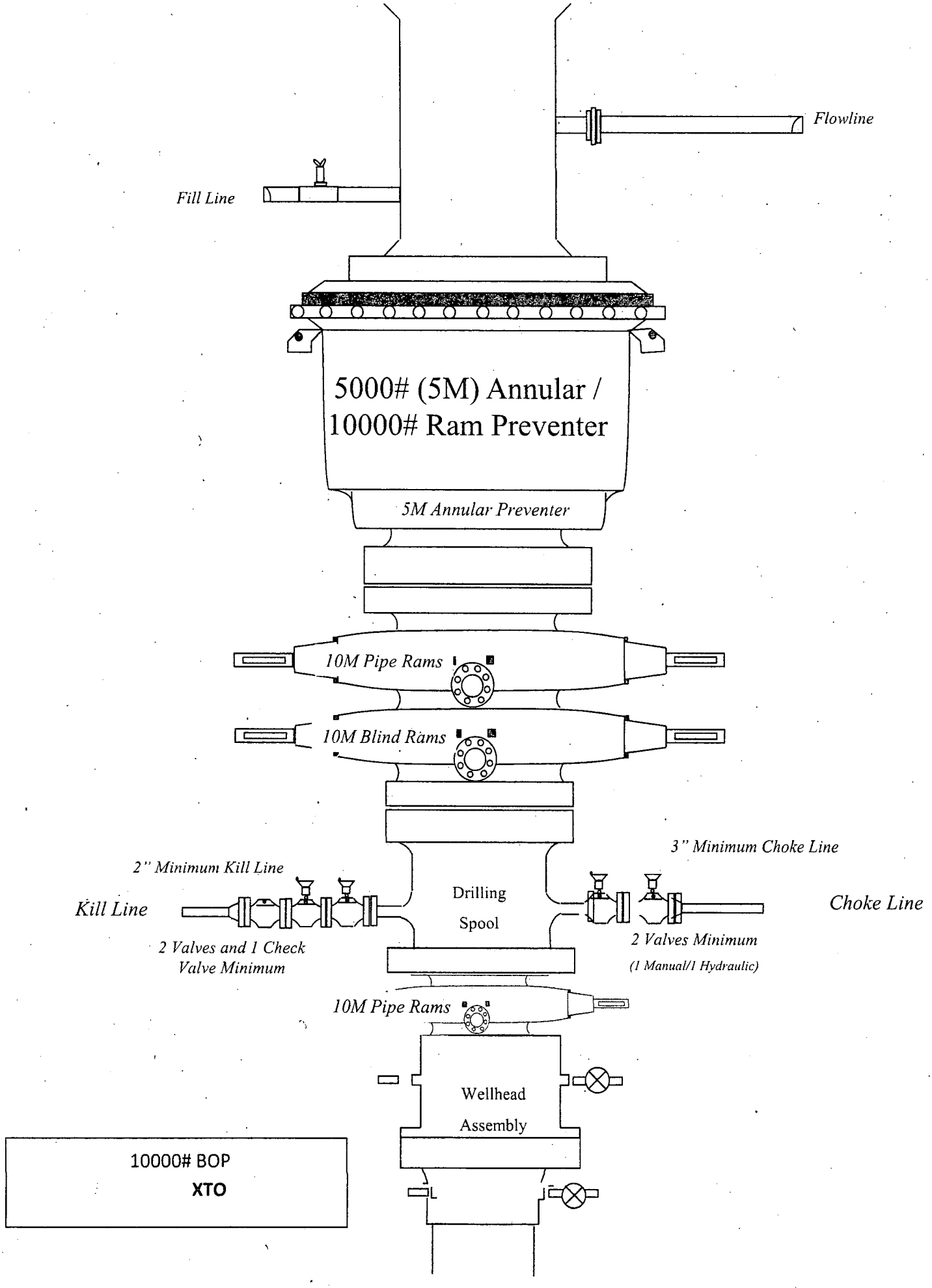
Customer :	AUSTIN DISTRIBUTING	Test Date:	6/6/2014
Customer Ref. :	PENDING	Hose Serial No.:	D-060814-1
Invoice No. :	201709	Created By:	NORMA

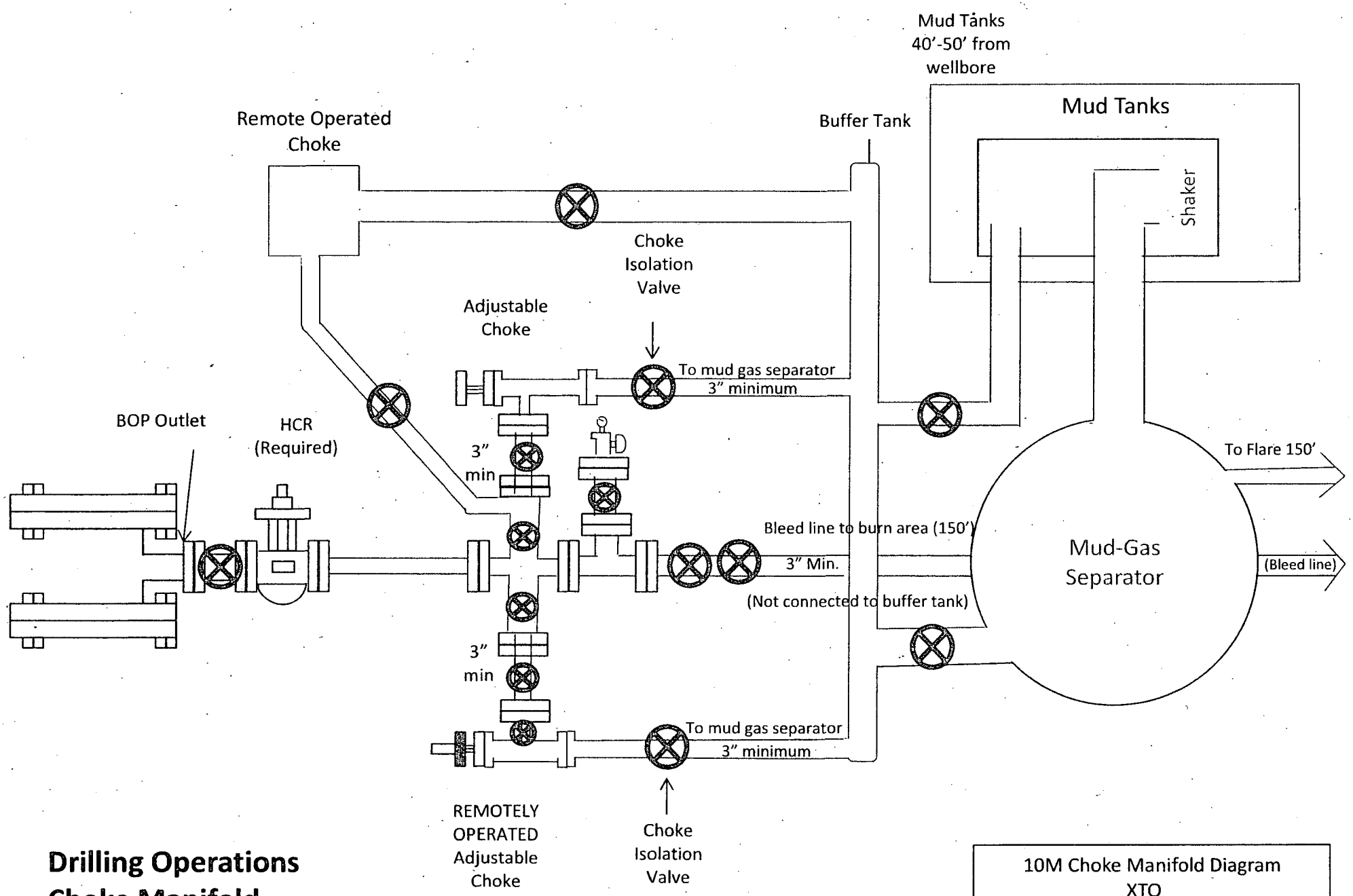
Product Description:	FD3.0-12.0R41/16.5KFLGE/E LE

End Fitting 1 :	4 1/16 in.5K FLG	End Fitting 2 :	4 1/16 in.5K 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	Technical Supervisor :	PRODUCTION
Date :	6/8/2014	Date :	6/8/2014
Signature :		Signature :	


Flowline
Fill Line
5000# (5M) Annular /
10000# Ram Preventer
5M Annular Preventer
10M Pipe Rams
10M Blind Rams
3" Minimum Choke Line
2" Minimum Kill Line
Kill Line
Drilling
Spool
Choke Line
2 Valves and 1 Check
Valve Minimum
2 Valves Minimum
(1 Manual/1 Hydraulic)
10M Pipe Rams
Wellhead
Assembly
10000# BOP
XTO



Drilling Operations
Choke Manifold
10M Service

10M Choke Manifold Diagram
XTO

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 4.500"	Annular	5M	Upper 3.5"-5.5" VBR Lower 3.5"-5.5" VBR	10M 10M
HWDP	5.000" or 4.500"	Annular	5M	Upper 3.5"-5.5" VBR Lower 3.5"-5.5" VBR	10M 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

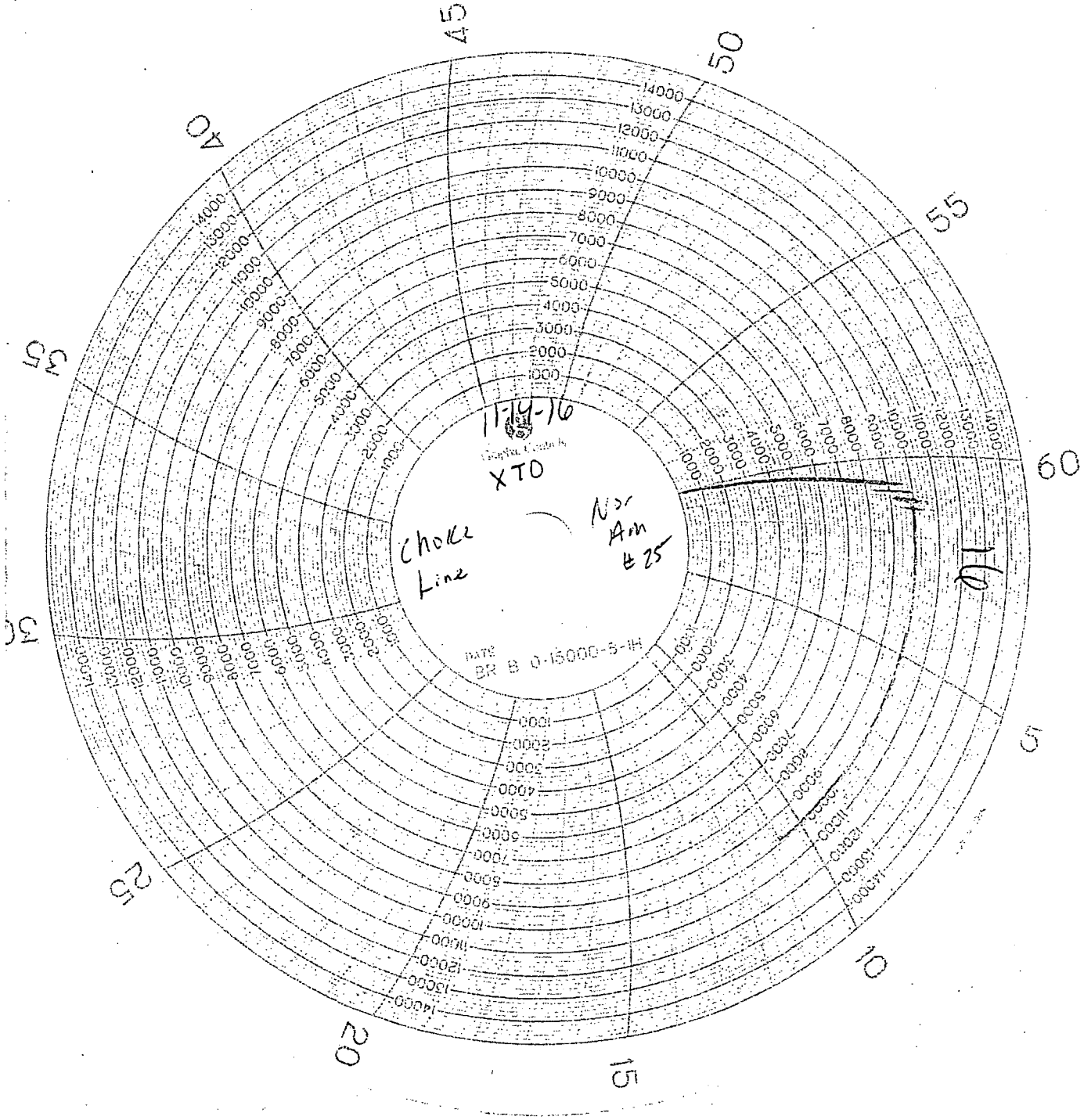
General Procedures While Pulling BHA Through Stack

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


11-14-16
XTO
Choke Line
NDr Am #25
RATE
BR B 0-15000-5-IH

Schlumberger

XTO Energy PLU 28 BS 125H Rev0 JP 15May19 Proposal Geodetic Report

(Non-Def Plan)

Report Date:	May 16, 2019 - 10:15 AM	**Survey / DLS Computation:**	Minimum Curvature / Lubinski
Client:	XTO Energy	**Vertical Section Azimuth:**	179.830 ° (Grid North)
Field:	NM Eddy County (NAD 27)	**Vertical Section Origin:**	0.000 ft, 0.000 ft
Structure / Slot:	XTO Energy PLU 28 BS 125H / New Slot	**TVD Reference Datum:**	RKB
Well:	PLU 28 BS 125H	**TVD Reference Elevation:**	3369.000 ft above MSL
Borehole:	PLU 28 BS 125H	**Seabed / Ground Elevation:**	3339.000 ft above MSL
UWI / API#:	Unknown / Unknown	**Magnetic Declination:**	6.686 °
Survey Name:	XTO Energy PLU 28 BS 125H Rev0 JP 15May19	**Total Gravity Field Strength:**	998.4233mgn (9.80665 Based)
Survey Date:	May 15, 2019	**Gravity Model:**	GARM
Tort / AHD / DDI / ERD Ratio:	101.000 ° / 13746.502 ft / 6.472 / 1.178	**Total Magnetic Field Strength:**	47805.803 nT
Coordinate Reference System:	NAD27 New Mexico State Plane, Eastern Zone, US Feet	**Magnetic Dip Angle:**	59.728 °
Location Lat / Long:	N 32° 6' 7.50199", W 103° 46' 49.62931"	**Declination Date:**	May 15, 2019
Location Grid N/E Y/X:	N 401300.300 ftUS, E 671201.100 ftUS	**Magnetic Declination Model:**	HDGM 2019
CRS Grid Convergence Angle:	0.2938 °	**North Reference:**	Grid North
Grid Scale Factor:	0.99994266	**Grid Convergence Used:**	0.2938 °
Version / Patch:	2.10.760.0	**Total Corr Mag North->Grid North:**	6.3917 °
		Local Coord Referenced To:	Well Head

Comments	MD (ft)	Incl (°)	Azim Grid (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")
SHL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	401300.30	671201.10	N 32 6 7.50	W 103 46 49.63
Nudge 1.5° DLS	3300.00	0.00	348.00	3300.00	0.00	0.00	0.00	0.00	401300.30	671201.10	N 32 6 7.50	W 103 46 49.63
Hold	3666.67	5.50	348.00	3666.10	-17.21	17.20	-3.66	1.50	401317.50	671197.44	N 32 6 7.67	W 103 46 49.67
Drop 1.5° DLS	5006.73	5.50	348.00	5000.00	-142.92	142.83	-30.36	0.00	401443.13	671170.74	N 32 6 8.92	W 103 46 49.97
Hold to KOP	5373.40	0.00	348.00	5366.10	-160.14	160.03	-34.02	1.50	401460.33	671167.09	N 32 6 9.09	W 103 46 50.02
KOP, Build 8° DLS	10965.10	0.00	348.00	10957.80	-160.14	160.03	-34.02	0.00	401460.33	671167.09	N 32 6 9.09	W 103 46 50.02
Landing Point XTO Energy	12090.09	90.00	179.83	11674.00	556.06	-556.16	-31.88	8.00	400744.17	671169.22	N 32 6 2.00	W 103 46 50.03
PLU 28 BS 125H - PBHL	24956.79	90.00	179.83	11674.00	13422.76	-13422.80	6.50	0.00	387878.30	671207.60	N 32 3 54.68	W 103 46 50.35

Survey Type: Non-Def Plan

Survey Error Model: ISCWSA Rev 0 *** 3-D 95.000% Confidence 2.7955 sigma
Survey Program:

Description	Part	MD From (ft)	MD To (ft)	EOU Freq (ft)	Hole Size (in)	Casing Diameter (in)	Expected Max Inclination (deg)	Survey Tool Type	Borehole / Survey
	1	0.000	30.000	1/100.000	30.000	30.000		NAL_MWD_IFR1+MS-Depth Only	PLU 28 BS 125H / XTO Energy PLU 28 BS 125H Rev0 JP 15May19
	1	30.000	24956.790	1/100.000	30.000	30.000		NAL_MWD_IFR1+MS	PLU 28 BS 125H / XTO Energy PLU 28 BS 125H Rev0 JP

PECOS DISTRICT DRILLING
CONDITIONS OF APPROVAL

OPERATOR'S NAME:	**XTO Permian Operating, LLC**
LEASE NO.:	**NMLC-063136A**
WELL NAME & NO.:	**Poker Lake Unit 28 BS 125H**
SURFACE HOLE FOOTAGE:	**2310' FNL & 1980' FEL**
BOTTOM HOLE FOOTAGE LOCATION:	**0200' FSL & 2010' FEL Sec. 04, T. 26 S., R 31 E. Section 28, T. 25 S., R 31 E., NMPM**
COUNTY:	**Eddy County, New Mexico**

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

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.

A. DRILLING OPERATIONS 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

1. A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Delaware** formation. **As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.**

2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. **If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a "Major" violation.**

3. **Alternative when using skid/walking rig**
   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 wells.

4. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.

5. **The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.**

B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size 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.

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

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.

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.

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

Medium Cave/Karst
Possibility of water flows in the Salado and Castile.
Possibility of lost circulation in the Red beds, Rustler, and Delaware.
Abnormal pressures may be encountered upon penetrating the 3rd Bone Spring Sandstone and all subsequent formations.

1. The **18-5/8** inch surface casing shall be set at approximately **1090** feet (**in a competent bed below the Magenta Dolomite, which is a Member of the Rustler, and if salt is encountered, set casing at least 25 feet above the salt**) and cemented to the surface.

    a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

    b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.

    c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.

    d. If cement falls back, remedial cementing will be done prior to drilling out that string.

13-3/8'' 1st Intermediate casing shall be kept fluid filled while running into hole to meet BLM minimum collapse requirements.

2. The minimum required fill of cement behind the **13-3/8** inch 1st 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.**

Formation below the 13-3/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

If cement does not circulate to surface on the 13-3/8 1st intermediate casing, the cement on the 9-5/8'' 2nd intermediate casing must come to surface.

9-5/8'' 2nd Intermediate casing shall be kept fluid filled while running into hole to meet BLM minimum collapse requirements.

3. The minimum required fill of cement behind the **9-5/8** inch 2nd intermediate casing is:

☒ Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

Formation below the 9-5/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe and the mud weight for the bottom of the hole. Report results to BLM office.

Centralizers required through the curve and a minimum of one every other joint.

4. The minimum required fill of cement behind the **5-1/2** inch production casing is:

☒ Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

5. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API 53.

2. Variance approved to use flex line from BOP to choke manifold. 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.** If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).

3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M)** psi.

4. **Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the 13-3/8 1st intermediate casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 13-3/8 1st intermediate casing shoe shall be 5000 (5M) 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. **Operator shall perform the 9-5/8" casing integrity tests to 70% of the casing burst. This will test the multi-bowl seals.**
    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.**

5M system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.

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).

    a. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**.

b. 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.

c. The results of the test shall be reported to the appropriate BLM office.

d. 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.**

e. 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.

f. 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.

D. 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.

E. DRILL STEM TEST

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

F. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

JAM 071219