

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

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
June 16, 2008

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address XTO Energy, Inc. ✓		² OGRID Number 005380 ✓
³ Property Code 38531 ✓	⁵ Property Name Goldenchild 6 State ✓	³ API Number 30 - 015 - 38544 ✓
⁹ Proposed Pool 1 Willow Lake Delaware ✓ <i>WZ</i>		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	06	25 S	29 E		2080	South	990	East	Eddy ✓

⁸ Proposed Bottom Hole Location If Different From Surface

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

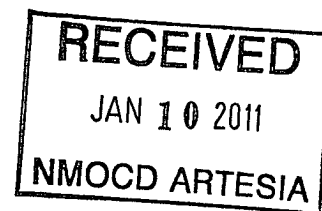
Additional Well Information

¹¹ Work Type Code N ✓	¹² Well Type Code O ✓	¹³ Cable/Rotary R ✓	¹⁴ Lease Type Code S ✓	¹⁵ Ground Level Elevation 2891 ✓
¹⁶ Multiple No ✓	¹⁷ Proposed Depth 5300 ✓	¹⁸ Formation Brushy Canyon ✓	¹⁹ Contractor	²⁰ Spud Date

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	600'	380	Surface ✓
7 7/8"	5 1/2"	17#	5300'	790	Surface ✓

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



²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Barry W. Hunt

Printed name: Barry W. Hunt

Title: Permit Agent for XTO Energy

E-mail Address: specialtpermitting@gmail.com

Date: 1/07/11

Phone: 575-361-4078

OIL CONSERVATION DIVISION

Approved by:

Jaqueline R. Geology

Title:

Approval Date:

✓ 3/9/2011

Expiration Date:

3/9/2013

Conditions of Approval Attached ☐

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DRILLING PROGRAM

XTO Energy Inc., 200 North Loraine, Suite 800, Midland, TX

Goldenchild 6 State #1

2080' FSL & 990' FEL

Unit I, Section 6, T-25-S, R-29-E

Eddy County, NM

Projected TD: 5300' TVD/MD

1. GEOLOGIC NAME OF SURFACE FORMATION: Quaternary

2. ESTIMATED TOPS OF GEOLOGICAL MARKERS & DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS:

Formation	Well Depth (ft)	Water / Oil / Gas
Base of Castille	2722	Water/Oil/Gas
Bell Canyon	2782	Water/Oil/Gas (*)
Base Manzanita	3774	Water/Oil/Gas
Cherry Canyon E1	4672	Water/Oil/Gas
Cherry Canyon E2	4792	Water/Oil/Gas
Cherry Canyon E3	4891	Water/Oil/Gas
Cherry Canyon E4	5029	Water/Oil/Gas (*)
Cherry Canyon E5	5106	Water/Oil/Gas
Brushy Canyon	5204	Water/Oil/Gas

(*) Primary hydrocarbon-bearing strata

3. CASING PROGRAM:

The surface fresh water sands will be protected by setting 8-5/8" casing at $\pm 600'$ and circulating cement back to surface. The hydrocarbon productive Bell Canyon and Cherry Canyon intervals will be isolated by setting 5-1/2" casing to total depth and circulating cement to surface.

Hole Size	Depth	OD Csg	Weight	Collar	Grade	New/Used	SF Burst	SF Collapse	SF Tension
12-1/4"	0' – 600'	8-5/8"	24#	STC	J-55	New API	1.19	5.29	30.29
7-7/8"	0' – 5300'	5-1/2"	17#	LTC	J-55	New API	2.58	1.98	3.51

WELLHEAD:

A. Starting head: 11" 3000 psi top flange x 8-5/8" SOW bottom.

B. Tubing spool: 11" 3000 psi bottom flange x 7-1/16" 3000 psi top flange

4. CEMENT PROGRAM:

A. Surface Cement:

Slurry: 380 sx HalCem-C + 2% CaCl
(14.8 ppg, 1.35 cu ft/sk, 6.39 gal/sk)
Compressive Strengths: 12 hr – 607 psi, 24 hr – 993 psi

All volumes 100% excess. Cement to surface.

B. Production Cement:

Lead Slurry: 385 sx EconoCem-HLC + 5% salt + .25 pps Poly-E-Flake
(12.4 ppg, 2.09 ft³/sk, 11.58 gal wtr/sk)
Compressive Strengths: 12 hr – 220 psi 24 hr – 450 psi

Tail Slurry: 405 sx HalCem-C + 0.4% LAP-1 + 0.3% CFR-3 + 0.25 pps D-AIR 3000
(14.8 ppg, 1.33 ft³/sk, 6.30 gal/sx wtr)
Compressive Strengths: 12 hr – 515 psi, 24 hr – 1247 psi

All volumes to be adjusted per caliper log. Cement to surface.

5. PRESSURE CONTROL EQUIPMENT:

The blowout preventer stack for the production hole will consist of a double ram blowout preventer and annular preventer rated to 3000 psi working pressure. All BOP's and accessory equipment will be tested before drilling out. A hydraulic closing unit will be a part of this equipment and will be function tested daily.

6. PROPOSED MUD CIRCULATION SYSTEM:

INTERVAL	Hole Size	Mud Type	MW (ppg)	Viscosity (sec/qt)	Fluid Loss (cc)
0' to 600'	12-1/4"	FW/Native	8.5-9.0	32-34	NC
600' to 5000'	7-7/8"	Brine/ Poly-Sweeps	10.0-10.1	29	NC
5000' to 5300'	7-7/8"	Brine/Poly-Starch	10.0-10.1	32-34	12-15

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

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. Hydrogen sulfide detection equipment and breathing apparatus will be in operation from drilling out the 8-5/8" casing shoe until the 5-1/2" casing is cemented.

8. LOGGING, CORING AND TESTING PROGRAM:

- A. Potential drill stem tests will be based on geological sample shows.
- B. No coring is anticipated.
- C. Mudlogger unit will be on and working from 2700' to TD.
- D. Open hole logging to include Density/Neutron/Dual Laterlog/Gamma from TD to surface casing, with Neutron/Gamma continuing to surface.

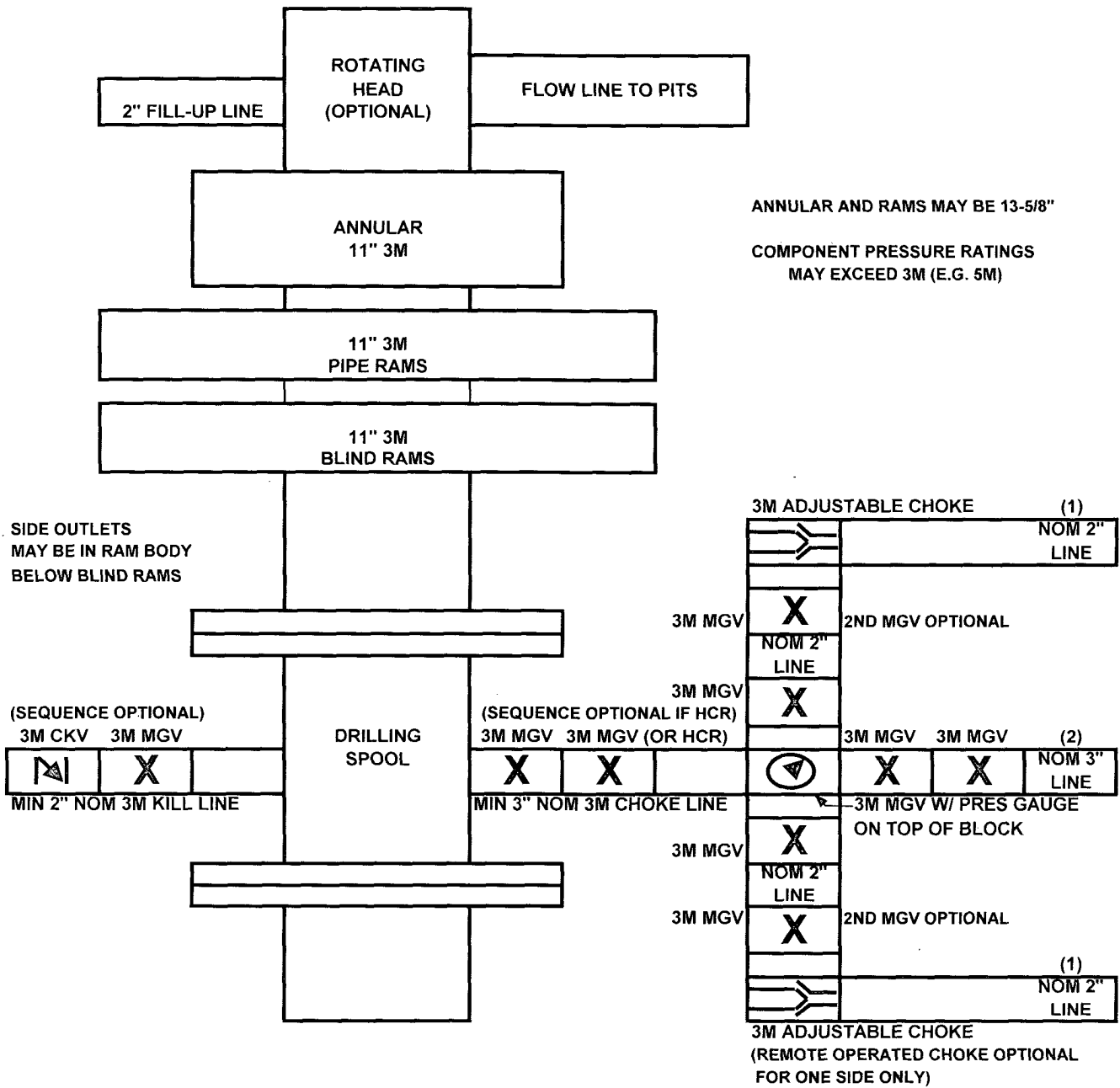
9. ABNORMAL PRESSURES AND TEMPERATURES / POTENTIAL HAZARDS:

No abnormal pressures are anticipated. Max bottom hole pressure should not exceed 2465 psi (a normal saltwater gradient). BHT of 100° F is anticipated. H₂S is not expected but will be watched for. Monitors will be in place to detect H₂S occurrences (as mentioned above). 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. Should any abnormal or hazardous circumstances be encountered personnel on location will take necessary steps to ensure safety of all personnel and environment.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

Road and location construction will begin after OCD has approved APD. Anticipated spud date will be as soon as possible after OCD approval and a rig becomes available. Move in operations and drilling is expected to take 15 days. If production casing is run then 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.

3M BOP SCHEMATIC



- (1) Line to mud gas separator and/or pit
(2) Bleed line to pit

MGV - Manual Gate Valve

CKV - Check Valve

HCR - Hydraulically Controlled Remote Valve

Choke Manifold

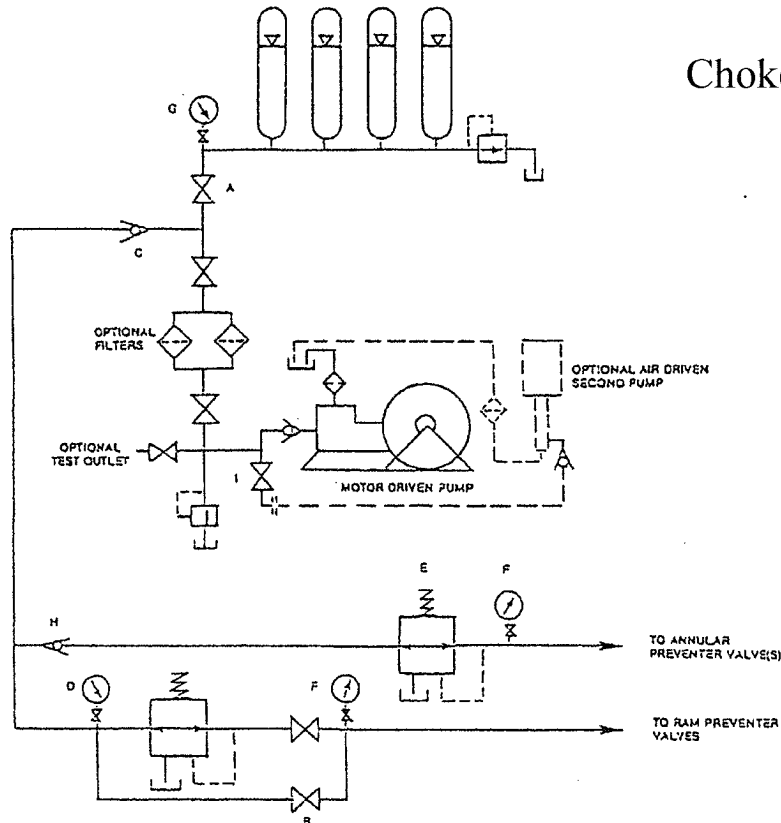


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

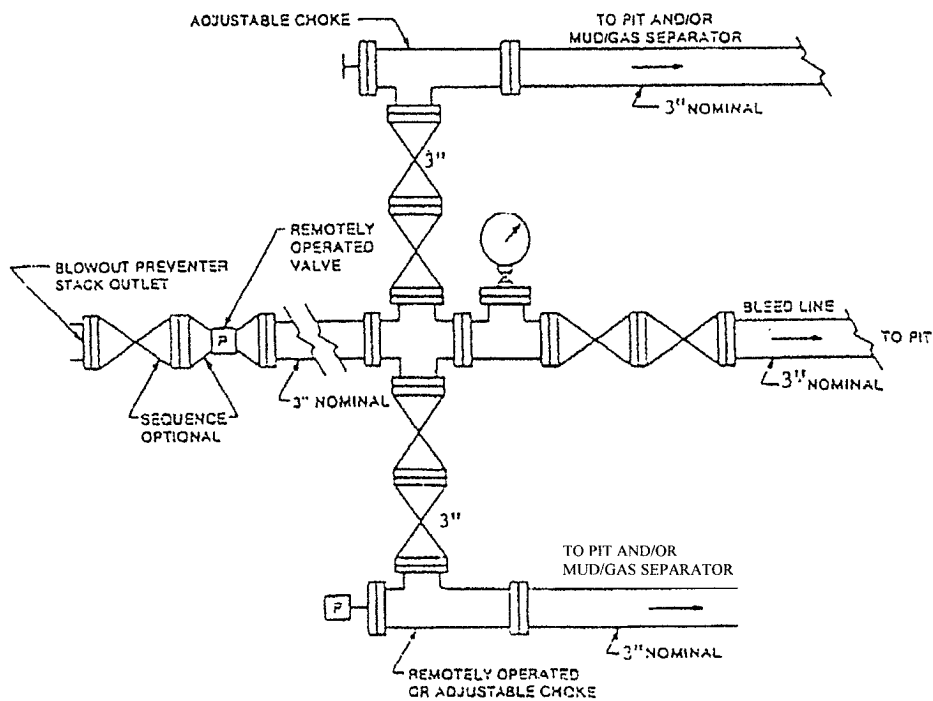
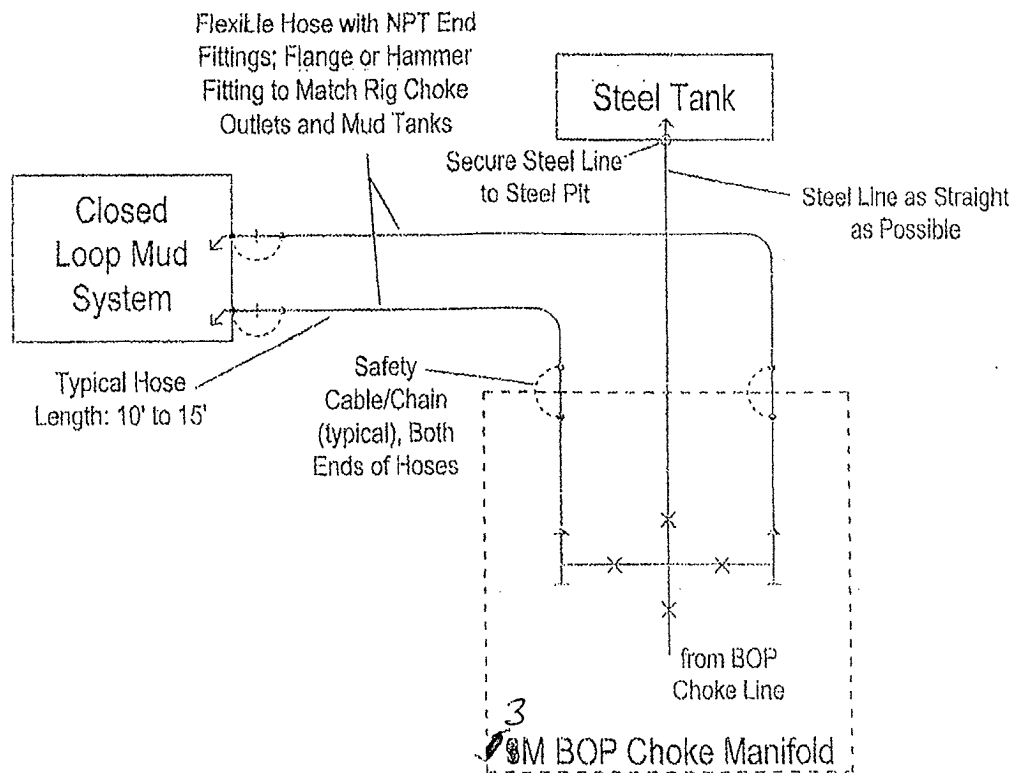
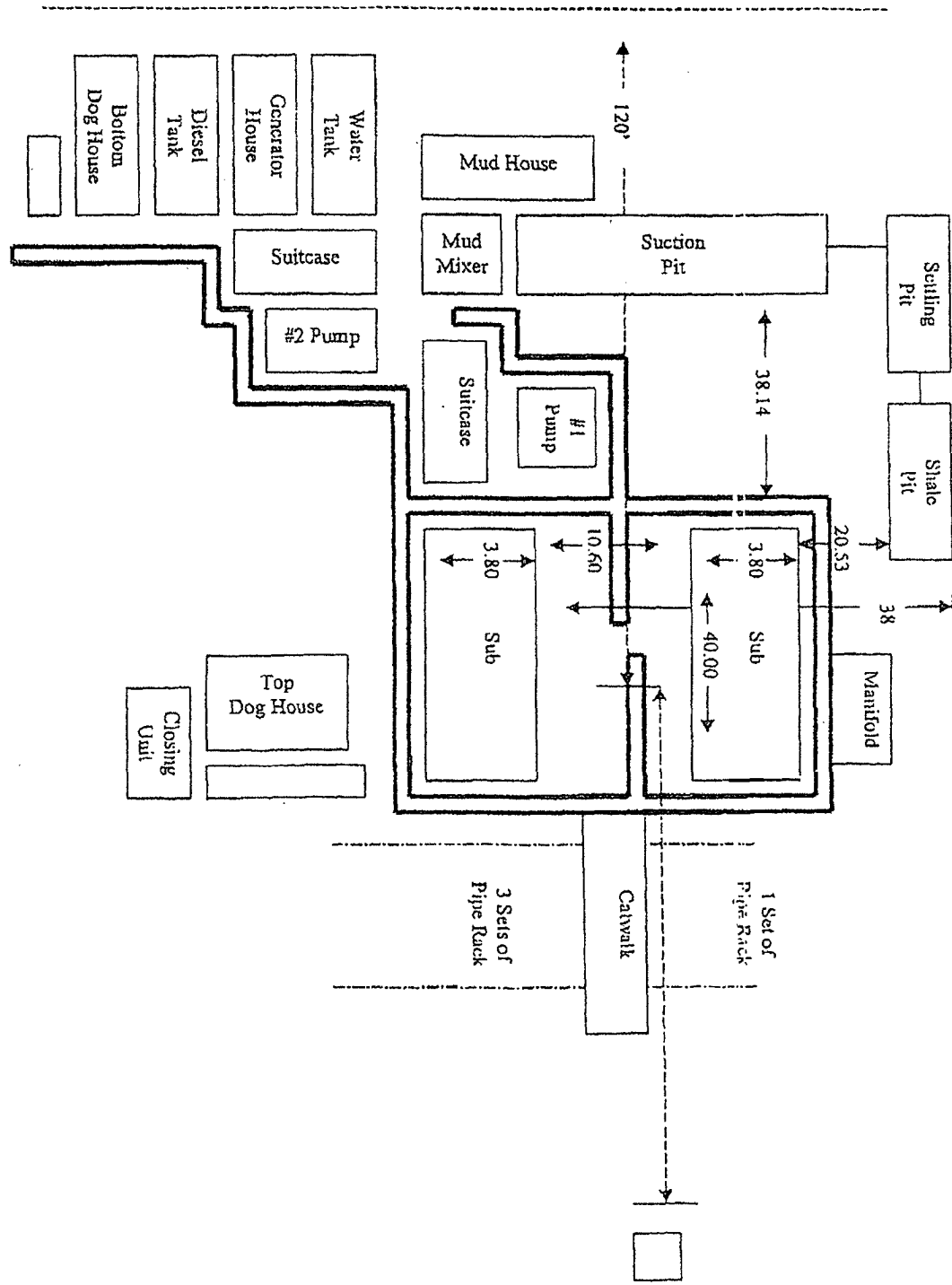


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service – surface installation.



Plat for Closed Loop System





HYDROGEN SULFIDE (H₂S) CONTINGENCY PLAN

Assumed 100 ppm ROE = 3000'

100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

In the event of a release of gas containing H₂S, the first responder(s) must

- Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- Evacuate any public places encompassed by the 100 ppm ROE.
- Be equipped with H₂S monitors and air packs in order to control the release.
- Use the "buddy system" to ensure no injuries occur during the response
- Take precautions to avoid personal injury during this operation.
- Contact operator and/or local officials to aid in operation. See list of phone numbers attached.
- Have received training in the
 - o Detection of H₂S, and
 - o Measures for protection against the gas,
 - o Equipment used for protection and emergency response.

Ignition of Gas source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever this is an ignition of the gas.

Characteristics of H₂S and SO₂

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H ₂ S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO ₂	2.21 Air = 1	2 ppm	N/A	1000 ppm

Contacting Authorities

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

EUNICE OFFICE – EDDY & LEA COUNTIES

EMSU @ Oil Center, NM, 8/10ths mile west of Hwy 8 on Hwy 175
Eunice, NM 575-394-2089

Buckeye Office @ Lea County: From Hobbs, NM take Hwy 62/180 West
Approx. 10 miles to SH 529, turn NW on SH 529 for 3 miles, turn North
On Hwy 238, proceed North approx 8 miles to Buckeye field office
(1/4 mile North of Buckeye store) 575-396-0542

XTO ENERGY INC PERSONNEL:

Boogie Armes, Sr. Drilling Superintendent	432-556-7403
Bob Chance, Drilling Superintendent	432-296-3926
Chip Amrock, Sr. Drilling Engineer	432-638-8372
Jeff Raines, Construction Foreman	432-557-3159
Dudley McMinn, EH & S Manager	432-557-7976
Rick Wilson, Production Foreman	575-441-1147
Jerry Parker, Buckeye Production Foreman	575-441-1628
David Paschal, Eunice Monument Production Foreman	575-390-7167
Gene Hudson, Maintenance Foreman	575-441-1634
Guy Haykus, Production Superintendent	575-634-5677

SHERIFF DEPARTMENTS:

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

NEW MEXICO STATE POLICE: 575-392-5588

FIRE DEPARTMENTS:

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

HOSPITALS:

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

AGENT NOTIFICATIONS:

Bureau of Land Management	575-393-3612
New Mexico Oil Conservation Division	575-393-6161
Mosaic Potash - Carlsbad	575-887-2871

CONTRACTORS:

ABC Rental – Light Towers	575-394-3155
Bulldog Services – Trucking/Forklift	575-391-8543
Champion – Chemical	575-393-7726
Indian Fire & Safety	575-393-3093
Key – Dirt Contractor	575-393-3180
Key Tools – Light Towers	575-393-2415
Sweatt – Dirt Contractor	575-397-4541
RWI – Contract Gang	575-393-5305



December 8, 2010

To Whom It May Concern:

Mr. Barry Hunt is employed by XTO Energy Inc. to sign as their agent for APD's and Right of Ways in the state of New Mexico and Texas.

If you have any questions, please contact me at my office at 432-682-8873.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Eubank".

Don Eubank
XTO Energy Inc.
Drilling Manager