

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



December 2, 2019

XTO Permian Operating, LLC (OGRID 373075)
c/o Tracie Cherry, Regulatory Coordinator
E-mail contact: Tracie_Cherry@xtoenergy.com

RE: Administrative Order SWD-1746; Extension of Deadline to Inject
Well: Big Eddy Unit 14 Federal SWD Well No. 1 (API 30-015-43649)
Located: Unit M, Sec 14, T20S, R31E, NMPM, Eddy County, New Mexico
Order Date: August 28, 2018
Injection formations: Devonian and Silurian formations; 14,260 feet to 15,230 feet [as completed]

Dear Ms. Cherry:

Reference is made to your August 21, 2019 request on behalf of XTO Permian Operating, LLC (the "operator") to extend the deadline stipulated in the above titled order to commence injection for the above referenced well for reasons outlined in your correspondence. The current deadline date to commence injection under said order is one year after issuance of the order: August 28, 2019.

It is the Division's understanding from your correspondence that since the date of issuance of this permit, there have been no changes in affected parties and no additional wells that penetrate the approved injection interval drilled in the one-mile Area of Review.

The Division finds that for reasons you have stated, the granting of this request to extend this administrative order is in the interest of conservation, will prevent waste, and will protect the environment. Therefore, the deadline to commence injection for the existing order is hereby extended until August 28, 2020.

All requirements of the above referenced administrative order and agreements in the application remain in full force and effect.

Any additional extension of the deadline to commence injection for this administrative order will not be considered unless the operator has already commenced drilling of the subject well. Otherwise, the injection authority shall expire under the terms of the extended administrative order and the operator shall be required to submit a new application to obtain injection authority for the referenced well.

A handwritten signature in black ink, appearing to read "AS", is written over a horizontal line.

ADRIENNE SANDOVAL
Director

AS/prg

cc: Oil Conservation Division – Hobbs District Office
Bureau of Land Management – Carlsbad Field Office
Order SWD-1754 and well file for 30-015-43649



Tracie J Cherry
Regulatory Analyst
XTO Energy Inc.
500 West Illinois, Suite 100
Midland, TX 79701
(432) 221-7379

August 22, 2019

Ms. Adrienne Sandoval, Director
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Administrative Order SWD-1746
Big Eddy Unit 14 Federal SWD, Well No. 1
API 30-015-43649

Ms. Sandoval:

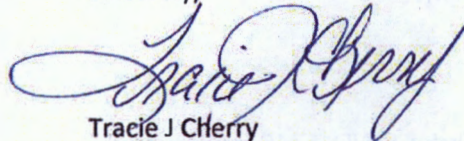
XTO Permian Operating, LLC (XTO) respectfully requests an extension to the subject Administrative Order for a produced water disposal well. XTO is requesting a six (6) month extension to this order.

Administrative Order SWD-1746 was approved August 28, 2018 giving XTO one year to begin injection operations. The well has been drilled and completed; required mechanical integrity testing (MIT) is scheduled to begin in approximately ten (10) days. Due to a delay in obtaining a required surface use permit from the Bureau of Land Management (BLM), construction of the facilities associated with the well was delayed and is still underway. Construction and well testing also must be coordinated with active drilling operations in the area. Construction should be finalized and the facility operational within six (6) months. As this well is drilled and completed, XTO fully intends to begin injection operations as soon as the facility is fully operational.

The original area of review for this well was a one-half mile radius. An additional review has been done using a one mile radius, per the current requirements for high volume disposal wells. As the entirety of the AOR is contained within the Big Eddy Unit, no additional operators require notification. The wells shown on the enclosed map are permitted wells operated by XTO; none are proposed to penetrate the disposal interval. The lone plugged and abandoned well shown does not penetrate the injection interval.

If you have any questions or need any additional information, please feel free to contact me at 254-221-7379.

Sincerely,



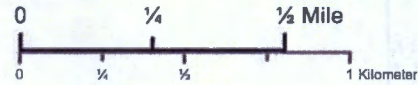
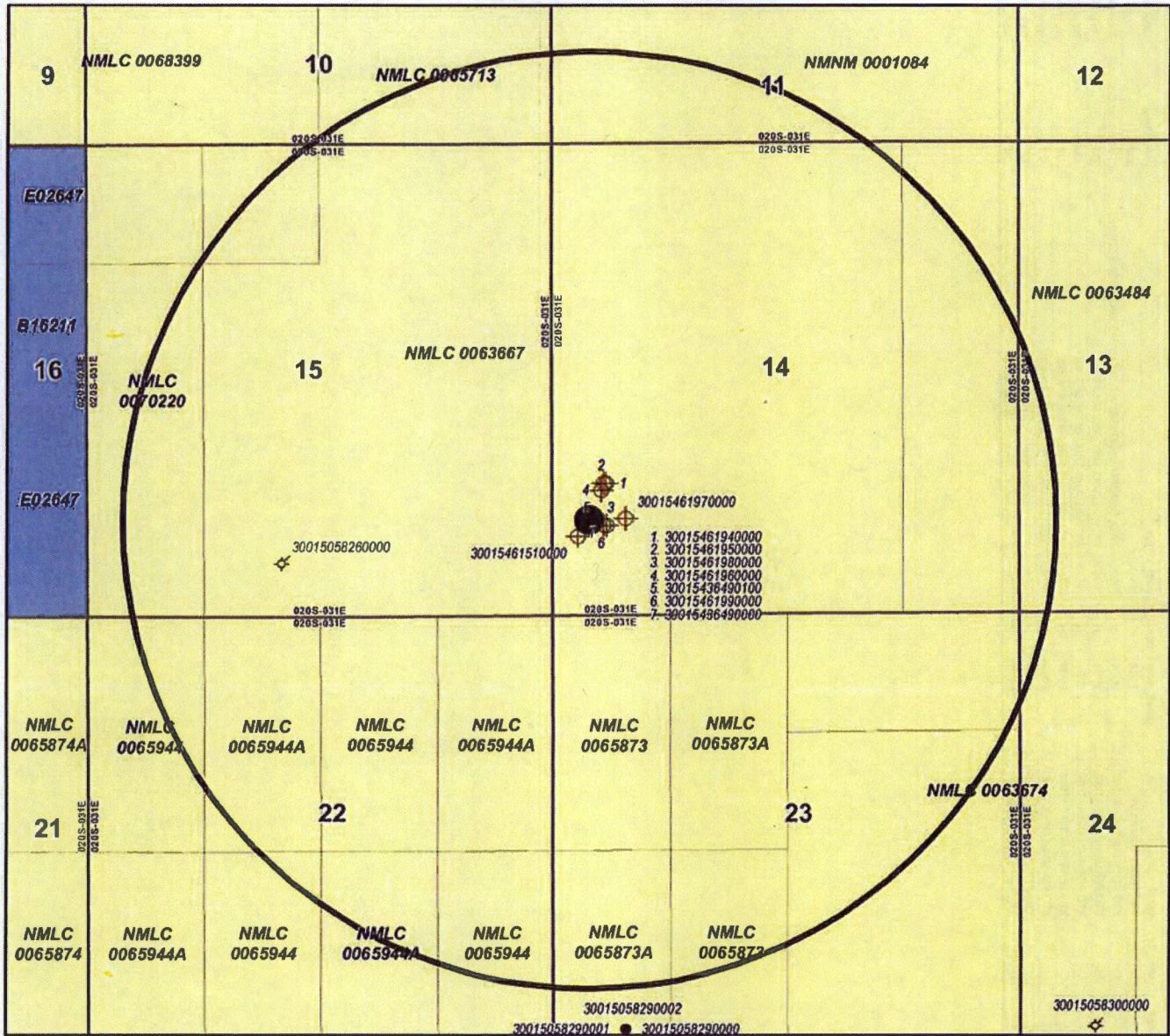
Tracie J Cherry
Regulatory Lead

Enclosures

Big Eddy Unit 14 SWD

Eddy County, New Mexico

One Mile Area of Review



- | | | | |
|-------------------|------------------------------|-----------------------|--|
| ----- wellbore | Well Status Name | ☐ NON-PRODUCING OTHER | known operators in buffer
BOPCO LP
TEXACO INC
XTO PERMIAN OPER LLC |
| ■ State Lease | ⚙️ GAS | ○ CO2 | |
| ■ Federal Lease | 🔗 INJECTION | ☒ DRY | |
| ⊖ one mile buffer | ⊙ MULTI OIL AND GAS PRODUCER | ⊙ STORAGE | |
| | ● OIL | ⚙️ CBM | |
| | ⚙️ OIL AND GAS PRODUCER | ⚙️ OTHER PRODUCING | |
| | ⊙ MULTIPLE GAS PRODUCER | ⚙️ WATER SUPPLY WELL | |
| | ⊙ MULTIPLE OIL PRODUCER | ⊙ WELL PERMIT | |
| | ✕ ABANDONED | ⊙ WELL START | |
| | ⚙️ DRILLING | | |

Wells Within One Mile Radius

API	well_type	wellname	section	township	range	unit_itr	cgrid_name	spud_year	fractional	str_pool_id	list	Well Type	Well Status
30-015-05826	O	Genevieve Riley #001	15	20S	31E	N	THE TEXAS COMPANY	1944	0	No Data		Oil	Plugged (Site Released)
30-015-43649	S	BIG EDDY UN T 14 FEDERAL SWD #001	14	20S	31E	M	XTO PERMIAN OPERATING LLC.	2018	V	[96101] SWD, DEVONIAN; [97650] WC WILLIAMS SINK, BONE SPRING		Oil	New (Not Drilled/Completed)
30-015-46151	O	BIG EDDY UN T 30W SKYWALKER #112H	14	20S	31E	M	XTO PERMIAN OPERATING LLC.	9999	H	[97650] WC WILLIAMS SINK, BONE SPRING		Salt Water Disposal	New (Not Drilled/Completed)
30-015-46154	O	BIG EDDY UN T 30E SKYWALKER #100H	14	20S	31E	L	XTO PERMIAN OPERATING LLC.	9999	H	[97650] WC WILLIAMS SINK, BONE SPRING		Oil	New (Not Drilled/Completed)
30-015-46195	O	BIG EDDY UN T 30E SKYWALKER #101H	14	20S	31E	L	XTO PERMIAN OPERATING LLC.	9999	H	[97650] WC WILLIAMS SINK, BONE SPRING		Oil	New (Not Drilled/Completed)
30-015-46196	O	BIG EDDY UN T 30E OBI WAN #102H	14	20S	31E	L	XTO PERMIAN OPERATING LLC.	9999	H	[97650] WC WILLIAMS SINK, BONE SPRING		Oil	New (Not Drilled/Completed)
30-015-46197	O	BIG EDDY UN T 30E ANAKIN #102H	14	20S	31E	M	XTO PERMIAN OPERATING LLC.	9999	H	[97650] WC WILLIAMS SINK, BONE SPRING		Oil	New (Not Drilled/Completed)
30-015-46198	O	BIG EDDY UN T 30E JEDI #102H	14	20S	31E	M	XTO PERMIAN OPERATING LLC.	9999	H	[97650] WC WILLIAMS SINK, BONE SPRING		Oil	New (Not Drilled/Completed)

Cherry, Tracie

From: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>
Sent: Wednesday, August 21, 2019 4:33 PM
To: Cherry, Tracie
Cc: McMillan, Michael, EMNRD
Subject: RE: SWD-1746

Categories: External Sender

RE: Big Eddy Unit 14 Federal SWD No. 1; SWD-1746;

Tracie:

This is to acknowledge that XTO has filed a written request for extension of this SWD order within the prescribed period detailed in the order. The Division will maintain this filing as record but shall require additional information for the extension. This information is a correspondence to Director providing:

- Basic well and injection information (name/API/Order/etc.);
- Proposed extension period;
- Reason for the extension along with an estimated date for the well to be spud;
- An evaluation of noticed affected parties from original application with additional notice to new parties not in the original application (including changes in operators); and
- An evaluation of the original Area of Review for new wells completed since the approval date of the injection order (either noting no change or providing well diagrams of new wells in the AOR).

Two things: –

1. I see that the well has been drilled, so XTO can demonstrate a commitment to complete the well has been met; and
2. A decision by management as to whether this activity is covered under the fee structure, so prepare a letter as described that includes this e-mail showing the submittal prior to the expiration date.

I will try to get back to you as soon as possible. PRG

Phillip Goetze, PG
Engineering Bureau, Oil Conservation Division, NM EMNRD
1220 South St. Francis Drive, Santa Fe, NM 87505
Direct: 505.476.3466
E-mail: phillip.goetze@state.nm.us

From: Cherry, Tracie <Tracie_Cherry@xtoenergy.com>
Sent: Wednesday, August 21, 2019 1:18 PM
To: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>; McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Subject: [EXT] SWD-1746

Importance: High

Good afternoon gentlemen.

Attached is a request for an extension on the referenced order. Please advise if the original needs to be sent to your attention.

Goetze, Phillip, EMNRD

From: Cherry, Tracie <Tracie_Cherry@xtoenergy.com>
Sent: Wednesday, November 6, 2019 1:29 PM
To: Goetze, Phillip, EMNRD
Subject: [EXT] RE: SWD-1746

Importance: High

Hello Phillip.

Can you give me an update if the renewal on this permit has been approved?

Thank you...Tracie

From: Goetze, Phillip, EMNRD [mailto:Phillip.Goetze@state.nm.us]
Sent: Wednesday, August 21, 2019 4:33 PM
To: Cherry, Tracie <Tracie_Cherry@xtoenergy.com>
Cc: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Subject: RE: SWD-1746

RE: Big Eddy Unit 14 Federal SWD No. 1; SWD-1746;

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Phillip Goetze, PG
Engineering Bureau, Oil Conservation Division, NM EMNRD
1220 South St. Francis Drive, Santa Fe, NM 87505

Direct: 505.476.3466
E-mail: phillip.goetze@state.nm.us

From: Cherry, Tracie <Tracie_Cherry@xtoenergy.com>
Sent: Wednesday, August 21, 2019 1:18 PM
To: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>; McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Subject: [EXT] SWD-1746
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Thank you...Tracie Cherry

Tracie J Cherry
Regulatory Coordinator
Direct number 432-221-7379



From: noreply2@xtoenergy.com [<mailto:noreply2@xtoenergy.com>]
Sent: Wednesday, August 21, 2019 2:12 PM
To: Cherry, Tracie <Tracie_Cherry@xtoenergy.com>
Subject: Attached Image