

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.5. Lease Serial No.
NMNM25533

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 27. If Unit or CA/Agreement, Name and/or No.
891000303X

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.
POKER LAKE UNIT 18 TWR 128H

2. Name of Operator

XTO PERMIAN OPERATING LLC

Contact: KELLY KARDOS

E-Mail: kelly_kardos@xtoenergy.com

9. API Well No.

30-015-46606-00-X1

3a. Address

6401 HOLIDAY HILL ROAD 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 (GAS)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 19 T24S R31E NENE 140FNL 566FEL
32.209682 N Lat, 103.811035 W Lon

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 | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Change to Original A |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | PD |

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 recompleat 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 recompleat 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.

XTO Permian Operating, LLC requests permission to make the following changes to the original APD:

Change the casing/cement design per the attached drilling program.

Batch drill this well if necessary. In doing so, XTO will set each casing string and ensure that the well is cemented properly and the well is static. With floats holding, no pressure on the csg annulus, and the installation of a 10K TA cap as per GE recommendations, XTO will contact the BLM to skid the rig to drill the remaining wells on the pad. Once surface and intermediate strings are all completed, XTO will begin drilling the production hole on each of the wells.

ONLY test broken pressure seals on the BOP equipment when moving from wellhead to wellhead which is in compliance with API Standard 53. API standard 53 states, that for pad drilling operation, moving

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

Electronic Submission #509771 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 04/06/2020 (20PP1948SE)

Name (Printed/Typed) KELLY KARDOS

Title REGULATORY COORDINATOR

Signature (Electronic Submission)

Date 04/06/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ALLISON MORENCY

Title PETROLEUM ENGINEER

Date 04/20/2020

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 Carlsbad

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 ****

Accepted for Record 04/24/2020 - KMS NMOC

Additional data for EC transaction #509771 that would not fit on the form

32. Additional remarks, continued

from one wellhead to another within 21 days, pressure testing is required for pressure-containing and pressure-controlling connections when the integrity of a pressure seal is broken. Based on discussions with the BLM on February 27th 2020, we will request permission to ONLY retest broken pressure seals if the following conditions are met: 1. After a full BOP test is conducted on the first well on the pad (First well will be the deepest Intermediate) 2. When skidding to drill an intermediate section does not penetrate into the Wolfcamp 3. Full BOP test will be required prior to drilling the production hole.

A variance is requested to cement offline for the surface and intermediate casing strings.

Attachments:
Casing/Cement Design
5MBOP/5MCM

Revisions to Operator-Submitted EC Data for Sundry Notice #509771

| | Operator Submitted | BLM Revised (AFMSS) |
|--------------------------------|--|---|
| Sundry Type: | APDCH NOI | APDCH NOI |
| Lease: | NMNM25533 | NMNM25533 |
| Agreement: | NMNM71016X | 891000303X (NMNM71016X) |
| Operator: | XTO PERMIAN OPERATING, LLC 6401 HOLIDAY HILL RD BLDG 5 MIDLAND, TX 79707 Ph: 432-620-4374 | XTO PERMIAN OPERATING LLC 6401 HOLIDAY HILL ROAD BLDG 5 MIDLAND, TX 79707 Ph: 432.683 2277 |
| Admin Contact: | KELLY KARDOS REGULATORY COORDINATOR E-Mail: kelly_kardos@xtoenergy.com Ph: 432-620-4374 | KELLY KARDOS REGULATORY COORDINATOR E-Mail: kelly_kardos@xtoenergy.com Ph: 432-620-4374 |
| Tech Contact: | KELLY KARDOS REGULATORY COORDINATOR E-Mail: kelly_kardos@xtoenergy.com Ph: 432-620-4374 | KELLY KARDOS REGULATORY COORDINATOR E-Mail: kelly_kardos@xtoenergy.com Ph: 432-620-4374 |
| Location: State: County: | NM EDDY | NM EDDY |
| Field/Pool: | PURPLE SAGE WOLFCAMP | PURPLE SAGE-WOLFCAMP (GAS) |
| Well/Facility: | POKER LAKE UNIT 18 TWR 128H Sec 19 T24S R31E Mer NMP NENE 140FNL 566FEL | POKER LAKE UNIT 18 TWR 128H Sec 19 T24S R31E NENE 140FNL 566FEL 32.209682 N Lat, 103.811035 W Lon |

Kardos, Kelly

From: amorency@blm.gov
Sent: Monday, April 20, 2020 9:05 AM
To: Kardos, Kelly
Subject: Well POKER LAKE UNIT 18 TWR 128H
Attachments: EC509771.pdf

Categories: External Sender

External Email - Think Before You Click

The sundry for Change to Original APD you submitted has been approved by the BLM. Your original Electronic Commerce (EC) transmission was assigned ID 509771. Please be sure to open and save all attachments to this message, since they contain important information.

04/20/20 - AM

Same COAs apply. Offline cementing and shell testing not approved.

Poker Lake Unit 18 TWR 128H
 Projected TD: 22138' MD / 11758' TVD
 SHL: 140' FNL & 566' FEL , Section 19, T24S, R31E
 BHL: 200' FSL & 330' FEL , Section 30, T24S, R31E
 Eddy County, NM

Casing Design

The surface fresh water sands will be protected by setting 13-3/8 inch casing @ 800' (150' above the salt) and circulating cement back to surface. A 12-1/4 inch vertical hole will be drilled to 10961' and 9-5/8 inch casing ran and cemented 200' into the 13-3/8 inch casing. An 8-3/4 inch curve and lateral hole will be drilled to MD/TD and 5-1/2 casing will be set at TD and cemented back 300' into the 9-5/8 inch casing shoe.

| Hole Size | Depth | OD Csg | Weight | Collar | Grade | New/Used | SF Burst | SF Collapse | SF Tension |
|--------------|-------------|---------|--------|--------|--------|----------|----------|-------------|------------|
| 17-1/2" | 0' – 800' | 13-3/8" | 68 | BTC | J-55 | New | 1.27 | 5.39 | 19.65 |
| 12-1/4" | 0' – 10961' | 9-5/8" | 40 | BTC | HCL-80 | New | 1.39 | 1.40 | 2.09 |
| 8-3/4-8-1/2" | 0' – 22138' | 5-1/2" | 20 | BTC | P-110 | New | 1.03 | 1.65 | 2.05 |

XTO requests to utilize centralizers after KOP and only a minimum of one every other joint.

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

Wellhead:

Permanent Wellhead – Multibowl System

A. Starting Head (RSH System): 13-3/8" SOW bottom x 13-5/8" 5M top flange

B. Tubing Head: 13-5/8" 5M bottom flange x 7-1/16" 10M top flange

Wellhead will be installed by manufacturer's representatives.

Manufacturer will monitor welding process to ensure appropriate temperature of seal.

Operator will test the 9-5/8" casing per Onshore Order 2.

Wellhead manufacturer representative may not be present for BOP test plug installation

Cement Program

Surface Casing:

Lead: 370 sxs Halcem-C + 2% CaCl (mixed at 12.8 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

Intermediate Casing:

ECP/DV Tool to be set at 4770'

1st Stage

Lead: 940 sxs Halcem-C + 2% CaCl (mixed at 11.0 ppg, 3.45 ft3/sx, 21.14 gal/sx water)

Tail: 470 sxs Halcem-C + 2% CaCl (mixed at 14.8 ppg, 1.32 ft3/sx, 6.39 gal/sx water)

Compressives: 12-hr = 500 psi 24 hr = 1151 psi

2nd Stage

Lead: 690 sxs Halcem-C + 2% CaCl (mixed at 11.0 ppg, 3.45 ft3/sx, 21.14 gal/sx water)

Tail: 450 sxs Halcem-C + 2% CaCl (mixed at 14.8 ppg, 1.32 ft3/sx, 6.39 gal/sx water)

Compressives: 12-hr = 500 psi 24 hr = 1151 psi

Production Casing:

Tail: 2610 sxs VersaCem (mixed at 13.2 ppg, 1.33 ft3/sx, 8.38 gal/sx water)

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

Mud Circulation Program

| INTERVAL | Hole Size | Mud Type | MW (ppg) | Viscosity (sec/qt) | Fluid Loss (cc) |
|------------------|--------------|----------------------------------|-----------|--------------------|-----------------|
| 0' to 800' | 17-1/2" | FW/Native | 8.4-8.8 | 35-40 | NC |
| 800' to 10961' | 12-1/4" | FW / Cut Brine / Direct Emulsion | 8.5-9.5 | 29-32 | NC - 20 |
| 10961' to 22138' | 8-3/4-8-1/2" | FW / Cut Brine / Polymer/ OBM | 10.7-11.5 | 32-50 | NC - 20 |

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

XTO Energy Inc.
PLU 18 TWR 128H
Projected TD: 22138' MD / 11758' TVD
SHL: 140' FNL & 566' FEL , Section 19, T24S, R31E
BHL: 200' FSL & 330' FEL , Section 30, T24S, R31E
Eddy County, NM

1. Geologic Name of Surface Formation

A. Permian

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

| Formation | Well Depth (TVD) | Water/Oil/Gas |
|--------------------|------------------|---------------|
| Rustler | 605' | Water |
| Top of Salt | 950' | Water |
| Base of Salt | 4070' | Water |
| Delaware | 4270' | Water |
| Bone Spring | 8145' | Water/Oil/Gas |
| 1st Bone Spring Ss | 9135' | Water/Oil/Gas |
| 2nd Bone Spring Ss | 9935' | Water/Oil/Gas |
| 3rd Bone Spring Ss | 11098' | Water/Oil/Gas |
| Wolfcamp Shale | 11500' | Water/Oil/Gas |
| Target/Land Curve | 11758' | 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 13-3/8 inch casing @ 800' (150' above the salt) and circulating cement back to surface. A 12-1/4 inch vertical hole will be drilled to 10961' and 9-5/8 inch casing ran and cemented 200' into the 13-3/8 inch casing. An 8-3/4 inch curve and lateral hole will be drilled to MD/TD and 5-1/2 casing will be set at TD and cemented back 300' into the 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 |
|--------------|-------------|---------|--------|--------|--------|----------|----------|-------------|------------|
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9-5/8" Collapse analyzed using 50% evacuation based on regional experience.

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WELLHEAD:

Permanent Wellhead – GE RSH Multibowl System

A. Starting Head (RSH System): 13-3/8" SOW bottom x 13-5/8" 5M top flange

B. Tubing Head: 13-5/8" 5M bottom flange x 7-1/16" 10M top flange

- Wellhead will be installed by manufacturer's representatives.
- Manufacturer will monitor welding process to ensure appropriate temperature of seal.
- Operator will test the 9-5/8" casing per Onshore Order 2.
- Wellhead manufacturer representative may not be present for BOP test plug installation

4. Cement Program

Surface Casing: 13-3/8", 68 New J-55, BTC casing to be set at +/- 800'

Lead: 370 sxs Halcem-C + 2% CaCl (mixed at 12.8 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

Top of Cement: Surface

2nd Intermediate Casing (Stage 2): 9-5/8", 40 New HCL-80, BTC casing to be set at +/- 10961'

ECP/DV Tool to be set at 4770'

1st Stage

Lead: 940 sxs Halcem-C + 2% CaCl (mixed at 11.0 ppg, 3.45 ft³/sx, 21.14 gal/sx water)

Tail: 470 sxs Halcem-C + 2% CaCl (mixed at 14.8 ppg, 1.32 ft³/sx, 6.39 gal/sx water)

Compressives: 12-hr = 500 psi 24 hr = 1151 psi

2nd Stage

Lead: 690 sxs Halcem-C + 2% CaCl (mixed at 11.0 ppg, 3.45 ft³/sx, 21.14 gal/sx water)

Tail: 450 sxs Halcem-C + 2% CaCl (mixed at 14.8 ppg, 1.32 ft³/sx, 6.39 gal/sx water)

Compressives: 12-hr = 500 psi 24 hr = 1151 psi

Top of Cement: 200' inside previous casing shoe

Production Casing: 5-1/2", 20 New P-110, BTC casing to be set at +/- 22138'

Lead: 0 sxs Halcem-C + 2% CaCl (mixed at 11.5 ppg, 1.88 ft³/sx, 9.61 gal/sx water)

Tail: 2610 sxs VersaCem (mixed at 13.2 ppg, 1.33 ft³/sx, 8.38 gal/sx water)

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

Top of Cement: 300' inside previous casing shoe

5. Pressure Control Equipment

Once the permanent WH is installed on the 13-3/8 casing, the blow out preventer equipment (BOP) will consist of a 13-5/8" minimum 5M Hydril and a 13-5/8" minimum 5M 3-Ram BOP. MASP should not exceed 4139 psi. In any instance where 10M BOP is required by BLM, XTO requests a variance to utilize 5M annular with 10M ram preventers (a common BOP configuration, which allows use of 10M rams in unlikely event that pressures exceed 5M). Also a variance is requested to test the 5M annular to 70% of working pressure at 3500 psi.

All BOP testing will be done by an independent service company. Annular pressure tests will be limited to 70% of the working pressure. When nipling up on the 13-3/8", 5M bradenhead and flange, the BOP test will be limited to 5000 psi. All BOP tests will include a low pressure test as per BLM regulations. The 5M BOP diagrams are attached. Blind rams will be functioned tested each trip, pipe rams will be functioned tested each day.

A variance is requested to allow use of a flex hose as the choke line from the BOP to the Choke Manifold. If this hose is used, a copy of the manufacturer's certification and pressure test chart will be kept on the rig. Attached is an example of a certification and pressure test chart. The manufacturer does not require anchors.

XTO requests a variance to be able to batch drill this well if necessary. In doing so, XTO will set each casing string and ensure that the well is cemented properly and the well is static. With floats holding, no pressure on the csg annulus, and the installation of a 10K TA cap as per wellhead manf. recommendations, XTO will contact the BLM to skid the rig to drill

the remaining wells on the pad. Once surface and intermediate strings are all completed, XTO will begin drilling the production hole on each of the wells.

A variance is requested to ONLY test broken pressure seals on the BOP equipment when moving from wellhead to wellhead which is in compliance with API Standard 53. API standard 53 states, that for pad drilling operation, moving from one wellhead to another within 21 days, pressure testing is required for pressure-containing and pressure-controlling connections when the integrity of a pressure seal is broken. Based on discussions with the BLM on February 27th 2020, we will request permission to ONLY retest broken pressure seals if the following conditions are met: 1. After a full BOP test is conducted on the first well on the pad (First well will be the deepest Intermediate) 2. When skidding to drill an intermediate section does not penetrate into the Wolfcamp 3. Full BOP test will be required prior to drilling the production hole.

A variance is requested to cement offline for the surface and intermediate casing strings.

6. Proposed Mud Circulation System

| INTERVAL | Hole Size | Mud Type | MW (ppg) | Viscosity (sec/qt) | Fluid Loss (cc) |
|------------------|--------------|----------------------------------|-----------|--------------------|-----------------|
| 0' to 800' | 17-1/2" | FW/Native | 8.4-8.8 | 35-40 | NC |
| 800' to 10961' | 12-1/4" | FW / Cut Brine / Direct Emulsion | 8.5-9.5 | 29-32 | NC - 20 |
| 10961' to 22138' | 8-3/4-8-1/2" | FW / Cut Brine / Polymer/ OBM | 10.7-11.5 | 32-50 | NC - 20 |

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

Spud with fresh water/native mud. Drill out from under 13-3/8" surface casing with brine / oil direct emulsion mud. Use fibrous materials as needed to control seepage and lost circulation. Pump viscous sweeps as needed for hole cleaning. Pump speed will be recorded on a daily drilling report after mudding up. A Pason or Totco will be used to detect changes in loss or gain of mud volume. A mud test will be performed every 24 hours to determine: density, viscosity, strength, filtration and pH as necessary. Use available solids controls equipment to help keep mud weight down after mud up. Rig up solids control equipment to operate as a closed loop system.

7. Auxiliary Well Control and Monitoring Equipment

- A. A Kelly cock will be in the drill string at all times.
- B. A full opening drill pipe stabbing valve having appropriate connections will be on the rig floor at all times.
- C. H2S monitors will be on location when drilling below the 13-3/8" casing.

8. Logging, Coring and Testing Program

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

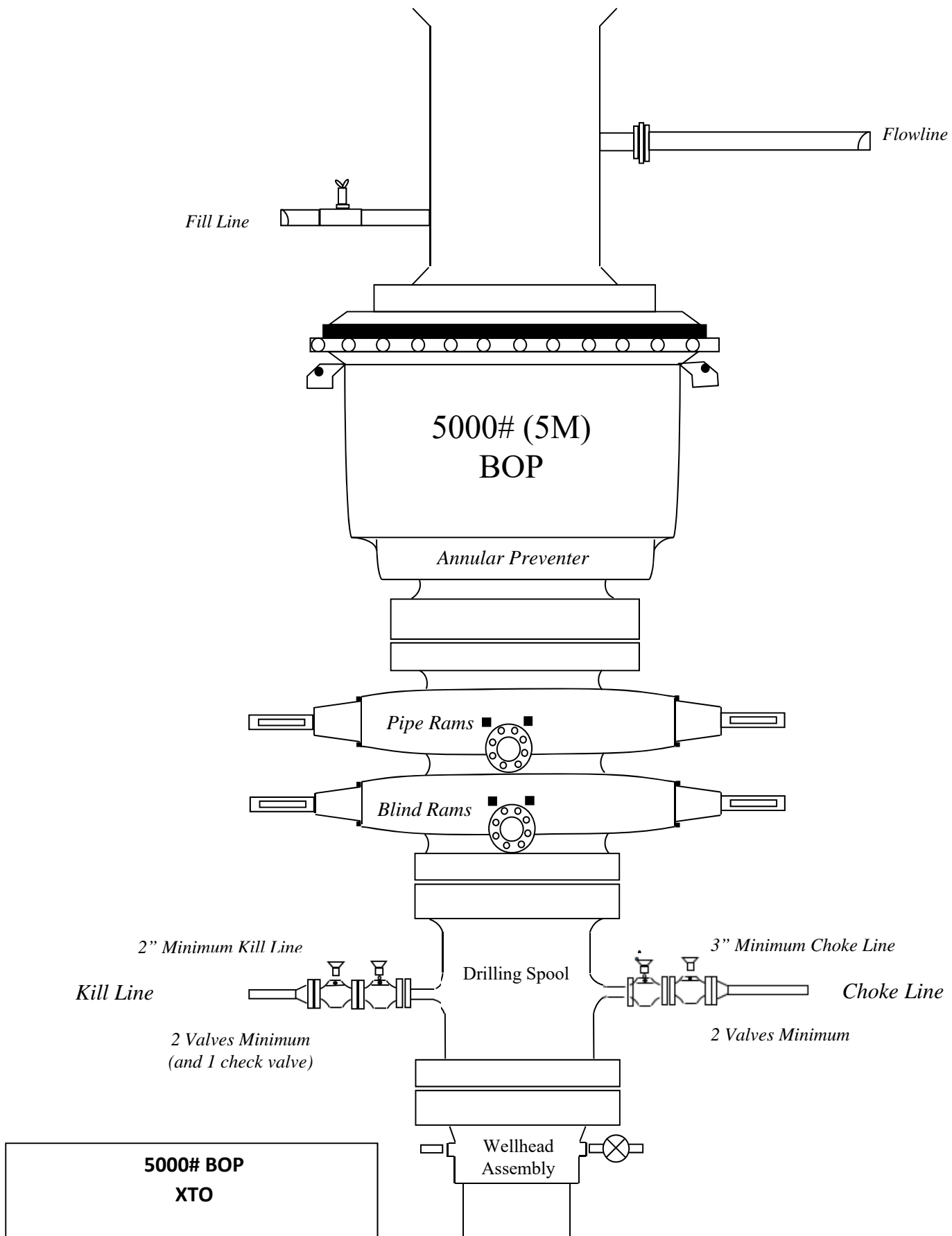
Open hole logging will not be done on this well.

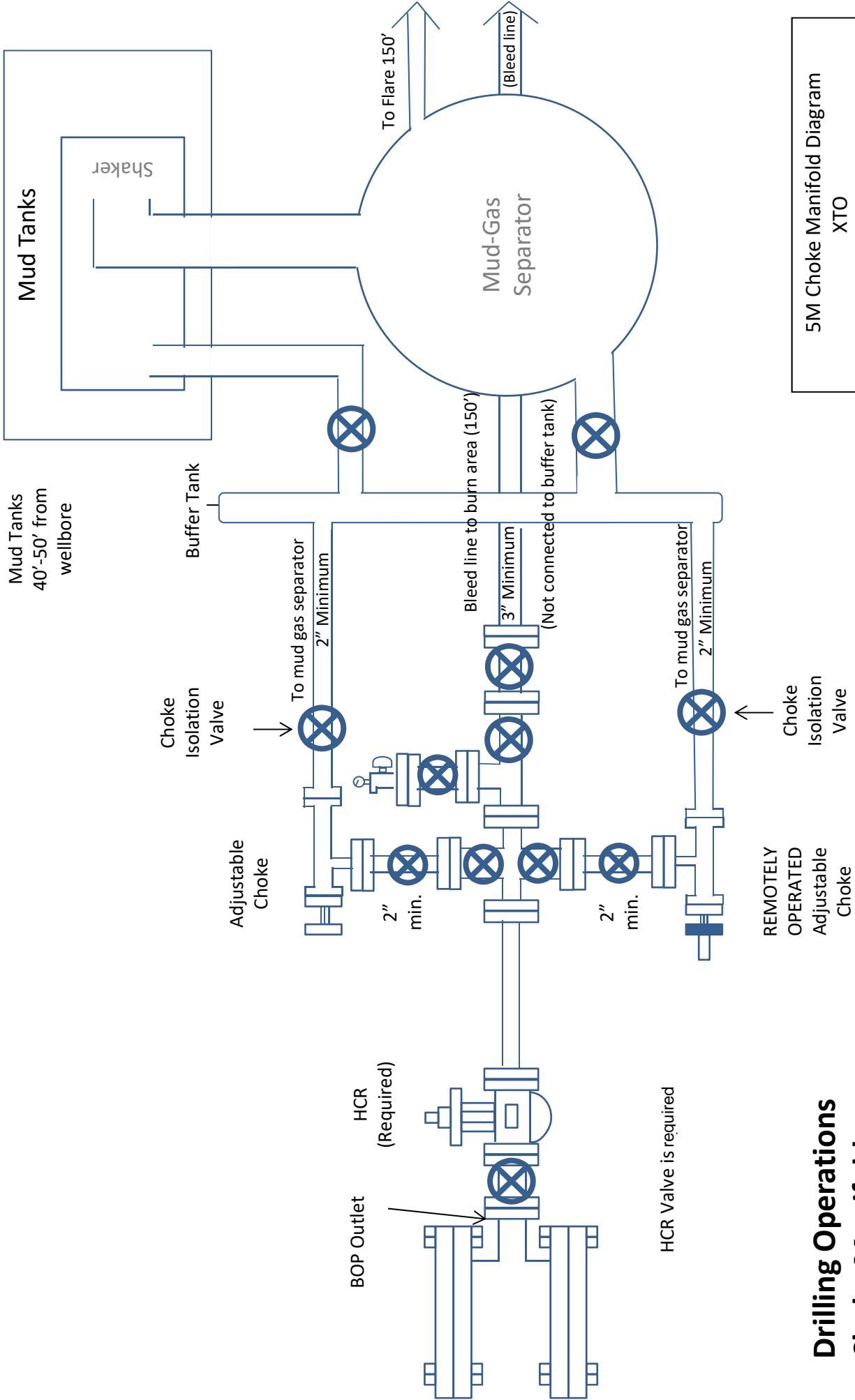
9. Abnormal Pressures and Temperatures / Potential Hazards

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 6726 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.





5M Choke Manifold Diagram
XTO

Drilling Operations Choke Manifold 5M Service