

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

Form C-101
Revised July 18, 2013

Energy Minerals and Natural Resources
Oil Conservation Division

HOBBS OCD

AMENDED REPORT

1220 South St. Francis
HJD 01 2019

Santa Fe, NM 87505

RECEIVED

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

1. Operator Name and Address XTO Energy, Inc. 6401 HOLIDAY HILL ROAD, MIDLAND TX 79707		2. OGRID Number 005380
4. Property Code 28243		3. API Number 30-025-48176
5. Property Name Estancia SED State		6. Well No. 704H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
N	31	23S	33E		426	SOUTH	2,259	WEST	LEA

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
B	31	23S	33E		50	NORTH	2,573	EAST	LEA

9. Pool Information

Pool Name TRIPLE X; BONE SPRING WEST	Pool Code 96674
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Additional Well Information

11. Work Type N	12. Well Type OIL	13. Cable/Rotary R	14. Lease Type STATE	15. Ground Level Elevation 3,652'
16. Multiple	17. Proposed Depth 16419	18. Formation BONE SPRING	19. Contractor	20. Spud Date 01/01/20
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1250'	1032	0'
Int1	12.25	9.625	40	5039'	1264	1000'
Prod	8.75	5.5	17	16419'	2285	0'

Casing/Cement Program: Additional Comments

Prod: 8-3/4" hole fr/0-11286'. 8-1/2" hole fr/11286'-16419'. 5-1/2" P-110 csg will be run fr/0-16419'. DV tool may be set in 9-5/8" fr/1300' - 5000'. If cmt is not circulated to surf on 5.5 csg, it will be brought at least 500' into interm shoe.

Type	Working Pressure	Test Pressure	Manufacturer
DOUBLE RAM	5000	5000	CAMERON

<p>23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/>, if applicable. Signature: <i>Kelly Kardos</i> Printed name: Kelly Kardos Title: Regulatory Coordinator E-mail Address: kelly_kardos@xtoenergy.com Date: 6/28/19 Phone: 432-620-4374</p>	OIL CONSERVATION DIVISION	
	Approved By: <i>[Signature]</i>	
	Title: <i>Petroleum Engineer</i>	
	Approved Date: 07/02/19	Expiration Date: 07/02/19
	Conditions of Approval Attached See Attached	

Conditions of Approval

Postmark 6/29/19 BOC

Get Rec 07/01/19 NGL

CONDITIONS OF APPROVAL

XTO ENERGY INC

ESTANCIA SED STATE # 704H

- 1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface --
- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
- 3) If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
- 4) Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
- 5) Will require a directional survey with the C-104
- 6) Will require a administrative order for non-standard location prior to placing the well on production
- 7) The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being
- 8) Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days
- 9) Completion Reports & Logs are to be submitted within 45 days
- 10) Deviation / Directional Drill Survey are to be filed with or prior to C-104
- 11) It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD.
- 12) When using Stage Tools
 - a) Must notify OCD Hobbs Office prior to running Stage Tool at 5753703186
 - b) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe.
 - c) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.