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State of New Mexico
Energy, Minerals & Natural Resources

Form C-101

May 27, 2004

District I

1625 N. French-Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88240

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

DEC 13 2010

HOBBSOCD

Oil Conservation Division

1220 S. 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. 200 N. Loraine, Ste. 800 Midland, TX 79701		² OGRID Number 005380 ✓
⁴ Property Code 18305 ✓		³ API Number 30- 025-29792 ✓
⁵ Property Name Dauron ✓		⁶ Well No. 2 ✓
⁹ Proposed Pool 1 Tubb		¹⁰ Proposed Pool 2 Drinkard

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
J	1	21S	37E	10	3535	North	1980	East	Lea ✓

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 Location

¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary	¹⁴ Lease Type Code P ✓	¹⁵ Ground Level Elevation 3545' GL
¹⁶ Multiple Yes-Downhole Commingle	¹⁷ Proposed Depth 7860" - TD	¹⁸ Formation Abo	¹⁹ Contractor N/A	²⁰ Spud Date Orig Date
Depth to ground water No record found		Distance from nearest fresh water well +1000'		Distance from nearest surface water +1000'
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume _____ bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
11"	8 5/8"	24#	1601'	525 sxs	surface
7 7/8"	5 1/2"	15.5# & 17#	7854'	775 sxs	3337' TS

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.

Well is currently producing.

Production zone currently is: ABO

Proposed Zone: Tubb & Drinkard. Proposed PBD is 7090' & CIBP @ 7120' Date Unless Drilling Underway

Formation @ TD: ABO

*Proposed Program Attached

Permit Expires 2 Years From Approval

Date Unless Drilling Underway

Plugback

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 the drilling pit will be constructed according to NMOC guidelines ☐ a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Signature: *Patty Urias*

Printed name: Patty Urias

Title: Regulatory Analyst

E-mail Address: patty.urias@xtoenergy.com

Date: 12/7/10

Phone: 432-620-4318

OIL CONSERVATION DIVISION

Approved by: *[Signature]*

Title: PETROLEUM ENGINEER

Approval Date: DEC 16 2010

Expiration Date:

Conditions of Approval:

Attached ☐

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

RECEIVED State of New Mexico
Energy, Minerals & Natural Resources
DEC 13 2010
OIL CONSERVATION DIVISION
220 South St. Francis Dr.
HOBBS NM 87505
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-29792	² Pool Code 60240	³ Pool Name Tubb
⁴ Property Code 18305	⁵ Property Name Dauron	⁶ Well Number 2
⁷ OGRID No. 005380	⁸ Operator Name XTO Energy, Inc.	⁹ Elevation 3545' GL

¹⁰ Surface Location

UL or lot no. 4	Section 1	Township 21S	Range 37E	Lot. Idn	Feet from the 3535	North/South line North	Feet from the 1980	East/West line East	County Lea
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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
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¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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		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. Signature: <u>Patty Urias</u> Date: <u>12/7/10</u> Printed Name: <u>Patty Urias</u>
		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. Date of Survey Signature and Seal of Professional Surveyer: Certificate Number

District I
1625 N. French Dr., Hobbs, NM 88240
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1301 W. Grand Avenue, Artesia, NM 88210
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State of New Mexico
Energy, Minerals & Natural Resources
RECEIVED
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-29792	² Pool Code 19190	³ Pool Name Drinkard
⁴ Property Code 18305	⁵ Property Name Dauron	⁶ Well Number 2
⁷ OGRID No. 005380	⁸ Operator Name XTO Energy, Inc.	⁹ Elevation 3545' GL

¹⁰ Surface Location

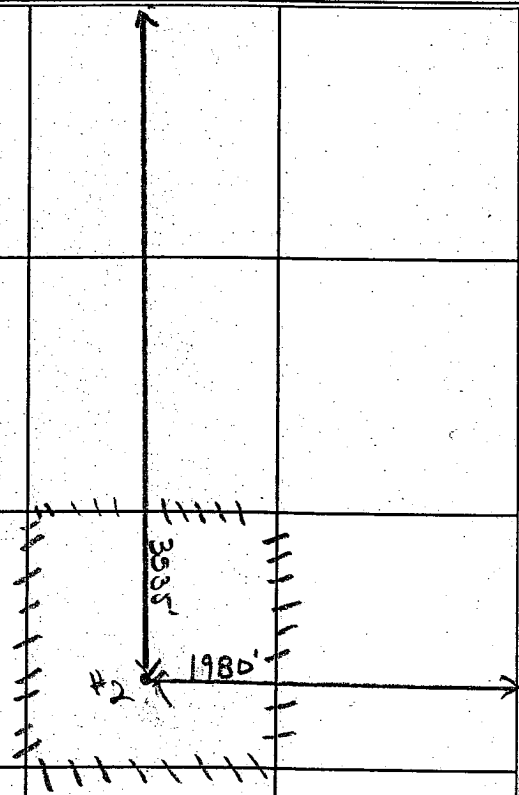
UL or lot no. 4	Section 1	Township 21S	Range 37E	Lot. Idn	Feet from the 3535	North/South line North	Feet from the 1980	East/West line East	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
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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		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. Signature: <u>Patty Urias</u> Date: <u>12/7/10</u> Printed Name: <u>Patty Urias</u>
		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. Date of Survey Signature and Seal of Professional Surveyer: Certificate Number



Dauron #2

Plug Back, OAP, Sand Frac Drinkard/Tubb/Blinbry

Lea County, New Mexico

October 8, 2010

ELEVATION:	GL – 3545'	TD – 7860'
	KB – 3561'	PBTD – 7799'
WELL DATA:		
Current Status:	Abo Producer: Last test – 7/28/2010 4 BO / 1 BW / 3 MCF	
Surface Casing:	8-5/8" 24 & 32 ppf J-55. Set at 1601'. Cemented with 525 sx. TOC at surface.	
Prod. Casing:	5-1/2" 15.5 & 17 ppf K-55. Set at 7854'. Cemented with 775 sx. TOC at 3337' by TS.	
COMPLETION:		
Abo Perfs:	7126 – 7781' (185' perfs, 185 holes)	
OBJECTIVE:	Plug Back Abo, OAP and Sand Frac Drinkard/Tubb/Blinbry	

RECOMMENDED PROCEDURE

(Verify that anchors have been set and tested per NM OCD & OSHA guidelines)

This well is a PRIVATE well

1. MIRU PU. MI and rack 7200' of 2-7/8" N-80 WS. POOH with pump and rods.
2. ND WH. NU BOP. POOH with production tubing.
3. PU and RIH with 4-3/4" bit and scraper on 2-7/8" WS to 7100'. POOH.
4. RIH with 5-1/2" CIBP on 2-7/8" WS. Set CIBP at 7085'. Test CIBP and casing to 3000 psig with 2% KCL water for 10 min.
5. PU and RIH 3-1/8" csg gun with premium charges, gamma ray tool and CCL. Correlate depth with the *Dual Laterolog, Micro Laterolog, GammarRay* run by Atlas on 12/27/1986. Selectively perforate the following intervals with 1 spf and 120 degree phasing as follows.
Drinkard: 6897', 6900', 6903', 6910', 6913', 6922', 6925',
6933', 6936', 6948', 6950', 6952', 6954', 6964',
6966', 6968', 6970', 6972', 6974', 6976', 6985',
6987', 6989', 6994', 6996', 6998', 7000', 7002',
7021', 7024' (Total 30', 30 holes)
6. PU and RIH with 5-1/2" packer assembly on 2-7/8" WS to 7024' and spot 2 BBL 15% NEFE HCL acid across perfs. PUH to 6825' and reverse circulate 2 bbls. Set packer at 6825'.



Dauron #2

Plug Back, OAP, Sand Frac Drinkard/Tubb/Blinebry

Lea County, New Mexico

October 8, 2010

7. MIRU frac company. NU frac valve. Test lines to 8500 psig. (XTO to provide 153,000 gal fresh water plus tank bottoms total for both fracs, and fresh water for annulus) Load backside with FW and pressure up to 2500 psig (set backside pop-off at 3250 psig). Monitor during job.
8. Frac the Drinkard perfs (6897 – 7024') via 2-7/8" WS with 55,000 gal of Delta Frac 200 R(21) carrying 100,000 LBS 20/40 Super LC Sand. Treat at 25 BPM and MAX treating pressure of **7500 psig** with the following pump schedule:

Tri-Stage	Stage Desc.	Fluid Desc.	Rate Liq+Prop	Clean Vol.	Proppant	Proppant Conc.	Proppant Mass
1-1	Pre-Pad	Water Frac G - R (5)	25	1,250		0	0
1-2	Acid	15% NEFE Acid	25	3,000		0	0
1-3	Pad	Delta Frac 200 R (21)	25	33,000		0	0
1-4	Proppant Laden Fluid	Delta Frac 200 R (21)	25	8,000	CRC-20/40	1	8,000
1-5	Proppant Laden Fluid	Delta Frac 200 R (21)	25	12,000	CRC-20/41	2	24,000
1-6	Proppant Laden Fluid	Delta Frac 200 R (21)	25	12,000	CRC-20/42	3	36,000
1-7	Proppant Laden Fluid	Delta Frac 200 R (21)	25	8,000	CRC-20/43	4	32,000
1-8	Flush	Water Frac G - R (5)	25	1,726		0	0
Totals				78,976			100,000

Drop Omega Plug in flush using remote activates valves. Slow down pump rate to 10 BPM prior to landing plug. Land Omega plug into 1.88" baffle. Pressure up to 1000 psig to land and test plug.

9. Once pug is landed, bleed off tubing pressure and release from XL overshot. POOH with 2-7/8" WS.
10. PU and RIH 3-1/8" csg gun with premium charges, gamma ray tool and CCL. Correlate depth with the *Dual Laterolog, Micro Laterolog, GammarRay run by Atlas on 12/27/1986*. Selectively perforate the following intervals with 1 spf and 120 degree phasing as follows.

Tubb: 6479', 6481', 6493', 6496', 6499', 6502', 6505',
6508', 6550', 6553', 6556', 6559', 6575', 6579',
6582', 6592', 6595', 6599', 6610', 6615', 6618',
6622', 6626', 6670', 6674', 6716', 6719', 6722',
6725', 6728' (Total: 30', 30 holes)

11. PU and RIH with 5-1/2" treating packer on 2-7/8" WS to **6728' and spot 4 BBL 15% NEFE HCL acid across perfs**. PUH to 6415' and reverse circulate 2 bbls. Set packer at 6415'.
12. MIRU frac company. NU frac valve. Test lines to 8500 psig. (XTO to provide 153,000 gal fresh water plus tank bottoms for frac, and fresh water for annulus) Load backside with FW and pressure up to 2500 psig (set backside pop-off at 3250 psig). Monitor during job.



Dauron #2

Plug Back, OAP, Sand Frac Drinkard/Tubb/Blinbry

Lea County, New Mexico

October 8, 2010

13. Frac the Tubb perms (6479 – 6731') via 2-7/8" WS with 55,000 gal of Delta Frac 200 R(21) carrying 100,000 LBS 20/40 Super LC Sand. Treat at 25 BPM and MAX treating pressure of **7500 psig** with the following pump schedule:

Trt-Stage	Stage Desc.	Fluid Desc.	Rate Liq+Prop	Clean Vol.	Proppant	Proppant Conc.	Proppant Mass
2-1	Pre-Pad	Water Frac G - R (5)	25	1,250		0	0
2-2	Acid	15% NEFE Acid	25	3,000		0	0
2-3	Pad	Delta Frac 200 R (21)	25	33,000		0	0
2-4	Proppant Laden Fluid	Delta Frac 200 R (21)	25	8,000	CRC-20/40	1	8,000
2-5	Proppant Laden Fluid	Delta Frac 200 R (21)	25	12,000	CRC-20/41	2	24,000
2-6	Proppant Laden Fluid	Delta Frac 200 R (21)	25	12,000	CRC-20/42	3	36,000
2-7	Proppant Laden Fluid	Delta Frac 200 R (21)	25	8,000	CRC-20/43	4	32,000
2-8	Flush	Water Frac G - R (5)	25	1,620		0	0
Totals				78,870			100,000

Flush 1 BBL short of top perf. SI and obtain ISIP, 5 min, 10 min & 15 min SI pressures. Shut well in over night. RDMO frac company.

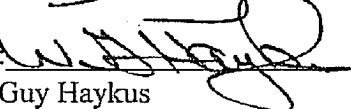
14. Run steel lines to tank. Open well up and flowback to tank until well dies. RU swab. Swab test perms. Report results to Midland.
15. Release packer. POOH with 2-7/8" WS and LD packer.
16. RIH with 2-7/8" WS and circulate sand off top of packer. Circulate well clean. Latch on and release packer. POOH with WS and LD packer
17. RIH with 2-7/8" production tubing and pump sized for 250 BFPD. Set pump at 6400'. ND BOP. NU WH. RIH with RHBO and rods.
18. RDMO PU. Put well in test. (Note: Pump will be lowered to 6800' following cleanup of the well in ~1-2 months.)

Prepared by: 
Nathan Franka

Date: 10/21/10

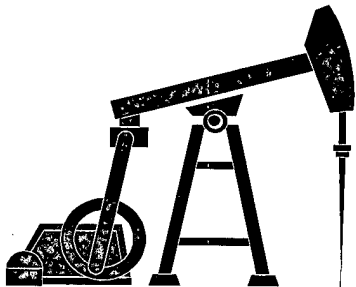
Approved by: 
Trey Krampf

Date: 10/21/10

Approved by: 
Guy Haykus

Date: 10/25/2010

DAURON #2 CURRENT



BETHLEHEM C160-173-86
W/40 HP MOTOR.
8.7 SPM X 86" SL.

ELEV: KB 3561'
GL 3545'
CORR 16'

11" HOLE

8-5/8" 24 & 32# J-55 @ 1601'.
CMT'D W/525SX. CIRC 153SX.

6-29-01: 215 JTS 2-7/8" TBG, TAC, 23
JTS 2-7/8", TK-99 SN JT, SN, PS &
BPMA. SN @ 7730'. TAC @ 6960'.

6-29-01: 2' X 7/8", 101-7/8", 183-3/4", 22-7/8"
RODS.

6-29-01: 2-1/2" x 1-1/4" x 16' RHBC W/
12' X 1/4" GA.

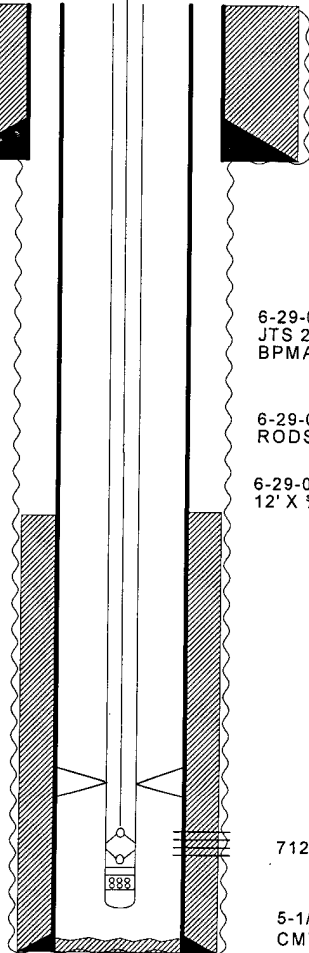
TOC 3337' (TS)

7-7/8" HOLE

7126'-7781' (ABO)

PBTD: 7799'
TD: 7860'

5-1/2" 15.5 & 17# J-55 @ 7854'.
CMT'D W/775SX.



"Proposed"



BETHLEHEM C160-173-86
W/40 HP MOTOR.
8.7 SPM X 86" SL.

ELEV: KB 3561'
GL 3545'
CORR 16'

11" HOLE

8-5/8" 24 & 32# J-55 @ 1601'.
CMT'D W/525SX. CIRC 153SX.

7-7/8" HOLE

6-29-01: 215 JTS 2-7/8" TBG, TAC, 23
JTS 2-7/8", TK-99 SN JT, SN, PS &
BPMA. SN @ 7730'. TAC @ 6960'.

6-29-01: 2' X 7/8", 101-7/8", 183-3/4", 22-7/8"
RODS.

6-29-01: 2-1/2" x 1-1/4" x 16' RHBC W/
12' X 3/4" GA.

TOC 3337' (TS)

PERFS: 6479', 6481', 6493', 6496', 6499', 6502', 6505',
6508', 6550', 6553', 6556', 6559', 6575', 6579', 6582',
6592', 6595', 6599', 6610', 6615', 6618', 6622', 6626',
6670', 6674', 6716', 6719', 6722', 6725', 6728' (Tubb)

PERFS: 6897', 6900', 6903', 6910', 6913', 6922', 6925',
6933', 6936', 6948', 6950', 6952', 6954', 3964', 6966',
6968', 6970', 6972', 6974', 6976', 6985', 6987', 6989',
6994', 6996', 6998', 7000', 7002', 7021', 7024' (Drinkard)

CIBP @ 7085'

7126'-7781' (ABO)

PBTD: 7799'
TD: 7860'

5-1/2" 15.5 & 17# J-55 @ 7854'.
CMT'D W/775SX.