

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

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

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

¹ Operator Name and Address Fasken Oil and Ranch, Ltd. 303 West Wall, Suite 1800 Midland, TX 79701		² OGRID Number 151416
³ Property Code 22232	⁵ Property Name Pecos "36" State	³ API Number 30 - 015 - 32722 Well No. 1

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
E	36	20S	26E		1980	North	660	West	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

⁹ Proposed Pool 1 Avalon;Morrow (Gas)	¹⁰ Proposed Pool 2
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¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3241'
¹⁶ Multiple N	¹⁷ Proposed Depth 10550'	¹⁸ Formation Morrow	¹⁹ Contractor NA	²⁰ Spud Date 4/14/03

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	400'	440 sx C	Surface
12 1/4"	9 5/8"	36#	2800'	900 sx C	Surface
7 7/8"	5 1/2"	17#	10550'	1000 sx Super H	6000'

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.

Please see the attached procedure, casing program and BOP schematic.

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

Signature:

Jimmy D. Canile

Printed name:

Jimmy D. Canile

Title:

Regulatory Affairs Coordinator

Date:

4/3/03

Phone: 915 687-1777

OIL CONSERVATION DIVISION

Approved by:

ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

Title:

Approval Date:

APR 3 2003

Expiration Date:

APR 3 2004

Conditions of Approval:

Attached ☐

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

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

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-32722	Pool Code 70920	Pool Name Avalon;Morrow (Gas)
Property Code	Property Name PECOS "36" STATE	Well Number 1
OGRID No. 151416	Operator Name FASKEN OIL & RANCH, LTD.	Elevation 3241'

Surface Location

UL or lot No. E	Section 36	Township 20 S	Range 26 E	Lot Idn	Feet from the 1980	North/South line NORTH	Feet from the 660	East/West line WEST	County EDDY
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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
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

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

		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p> Signature Jimmy D. Carlile Printed Name Regulatory Affairs Coordinator Title 4/3/03 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>APRIL 1, 2003 Date Surveyed Signature & Seal of Professional Surveyor W.O. No. 31854 Certificate No. Gary L. Jones 7977 Professional Land Surveyor</p>
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APPLICATION FOR PERMIT TO DRILL
FASKEN OIL AND RANCH, LTD.
PECOS "36" STATE NO. 1
1980' FNL & 660' FWL
SEC. 36, T20S, R26E
EDDY COUNTY, NM

1. The geologic surface formation is of Permian age.

2. Estimate tops of geologic markers are as follows:

Yates	200'
Delaware	1800'
Bone Spring	2450'
Wolfcamp	7500'
Cisco	8100'
Canyon	8700'
Strawn	9200'
Atoka	9550'
Morrow	9750'
Mississippi	10,550'

3. The estimated depths at which water, oil or gas formation are expected to be encountered:

Wolfcamp	7500'	Gas and oil
Cisco	8200'	Gas
Strawn	9200'	Gas
Atoka	9550'	Gas
Morrow	9750'	Gas

Groundwater to be protected by 13-3/8" surface casing with cement circulated to the surface. Potentially productive horizons to be protected by 5-1/2" production casing with cement top at approximately 6000'.

4. Proposed Casing Program:

String	Footage	Size	Weight	Grade	Thread
Surface	400'	13-3/8"	48.00#	H-40	ST&C
Intermediate	2,800'	9-5/8"	36.00#	J-55	ST&C
Production	10,550'	5-1/2"	17.00#	N-80	LT&C
Tubing	10,450'	2-3/8"	4.70#	N-80	EUE 8rd

5. Proposed Cementing Program:

Cement 13-3/8" casing with 440 sx Class "C" cement with 2% CaCl₂ (s.w. 14.8 ppg, yield 1.32 ft³/sx).

Cement 9-5/8" casing with 700 sx Class "C" with 4% gel and 2% CaCl₂, s.w. 13.51 ppg, yield 1.74 ft³/sx, plus 200 sx Class "C" with 2% CaCl₂, s.w. 14.8 ppg, yield 1.32 ft³/sx.

Cement 5-1/2" production casing (resin coated and centralized through pay zones) with an estimated 1000 sx Super "H" Modified (15 #/sx Poz A and 11 #/sx CSE), 0.5% FL-25, 0.5% FL-52 (s.w. 13.1 ppg, yield 1.74 ft³/sx). Top of cement planned for 6000'.

6. Pressure Control Equipment: BOP's to be pressure test with the rig pump prior to drilling out the intermediate. BOP stack and choke manifold to be hydrotested before drilling into the Upper Penn section at 7500'. See Exhibit #5 for BOP diagram. Request variance to use 13-5/8" 3000# annular preventor only to drill intermediate hole.

7. Mud Program:

<u>Depth</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Waterloss</u>
0-400'	Fresh Water	8.5	40	N.C.
400'-2800'	Fresh Water	8.5	28	N.C.
2800'-7000'	Fresh Water	8.5	28	N.C.
7000'-9200'	Cut Brine	9.5	28	N.C.
9200'-10,550'	Gel-Pac/Brine	10.0	40	10 cc

8. Auxiliary Equipment: Upper Kelly Cock, Full Opening Stabbing Valve, hydraulic choke.

9. Testing Logging and Coring Programs:

Logging: 2-man Mudlogging unit from 1700' to T.D.

Electric Logs: Platform Express with CNL-LDT, DLL-MSFL, GR and Caliper.

Coring: Rotary Sidewall possible in Delaware interval.

10. Abnormal Pressure, Temperatures or Other Hazards: Lost circulation is anticipated in the surface hole. Maximum bottomhole pressure is estimated to be 5300 psig.

11. Anticipated Starting Date: April 14, 2003.

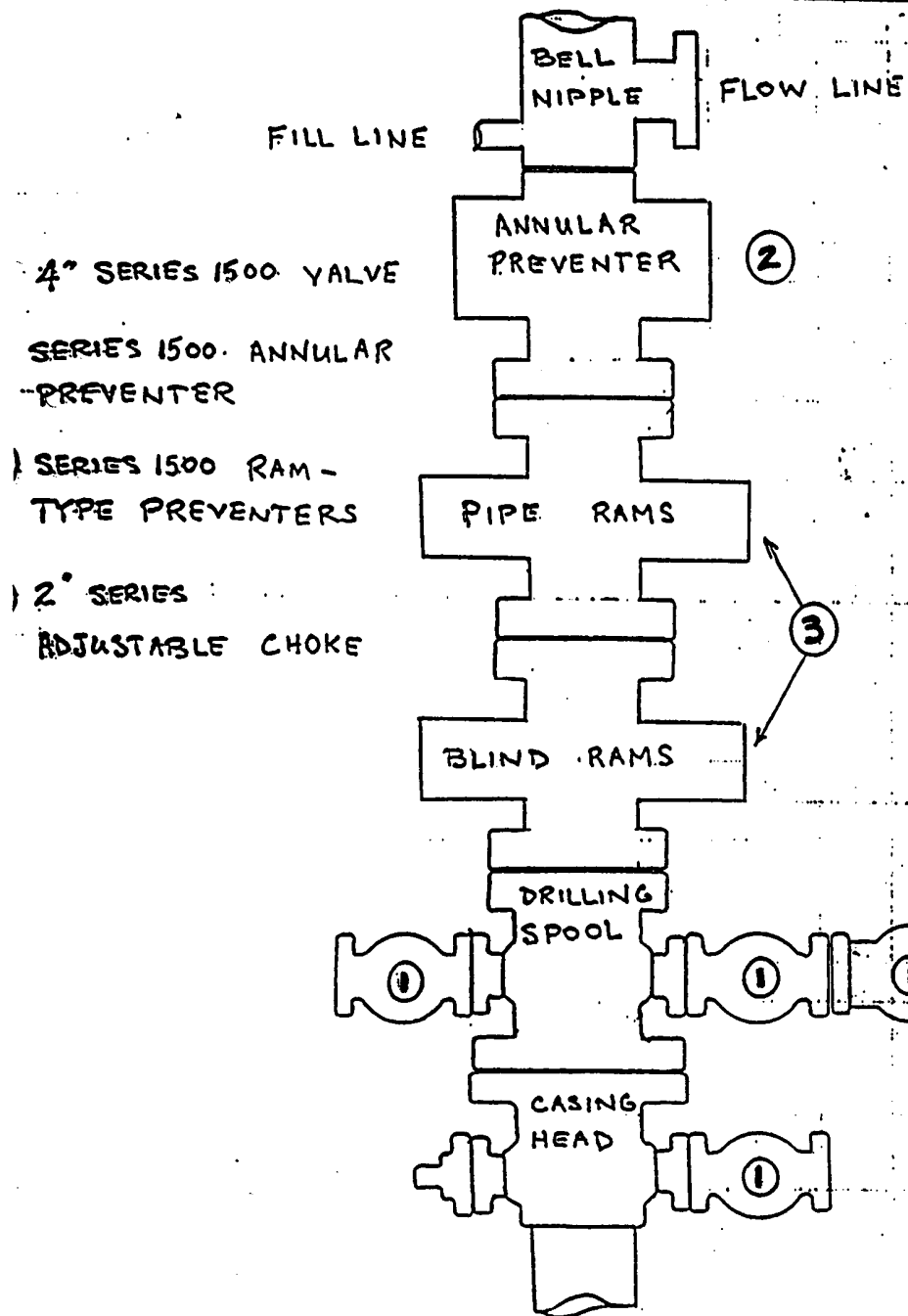
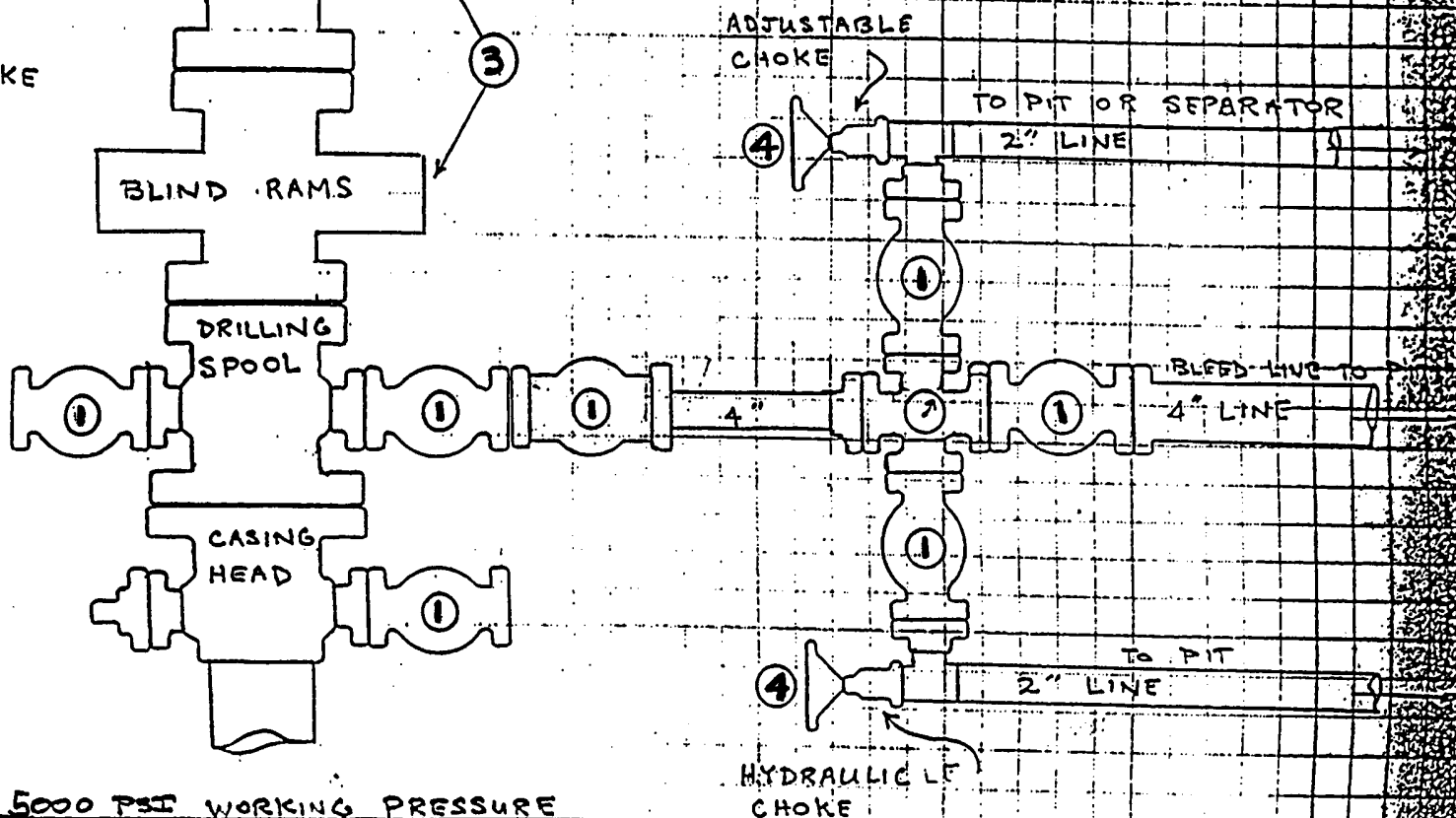


Exhibit No. 5



5000 PSI WORKING PRESSURE