

Office

Energy, Minerals and Natural Resources

May 27, 2004

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

HOBBS OGD

MAR 21 2013

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-40531

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Quail "16" State

8. Well Number 4H

9. OGRID Number

151416

10. Pool name or Wildcat

Lea; Bone Spring, South

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator

Fasken Oil and Ranch, Ltd.

3. Address of Operator

6101 Holiday Hill Road, Midland, TX 79707

4. Well Location BHL - Unit Letter C, 336' FNL and 1601' FWL

Unit Letter N : 200' feet from the South line and 1650' feet from the West lineSection 16 Township 20S Range 34E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3639' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐OTHER: ☒

Production Casing & MD

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1-4-2013 - 1-26-2013

Drilled a 8 3/4" hole from 5215' - 15,605'. KOP @ 10,500', MD @ 15,605', TVD @ 10,943'. Set 359 jts. 5-1/2" 17# P-110 LT&C and TTRS1 (Special Buttress) casing @ 15,587'. Cemented w/ Pumped 20 bfw followed by 1400 sx Light Weight Cement with 5% Salt, 10% gel, 0.2% D046 anti-foam, .134 lbs/sack cellophane flake, and 0.2% D112 (fluid loss) (s.w. 11.9 ppg, yield 2.50 ft3/sx), tailed in with 1250 sx Lateral Tail Slurry with 2% gel, 0.4% D167 (fluid loss), 0.2% D065 (dispersant), 0.2% D046 (anti-foam), 0.2% D800 (retarder), and 2.0% D174 (expander) (s.w. 14.5 ppg, yield 1.29 ft3/sx). Displaced plug with 2% KCL water. Plug down at 1:00 pm CST 1-25-13. Full returns throughout job, circulated pre-flush to surface. Final differential pressure 2806 psi. Floats held. Number of centralizers - 100. Pressure test 5-1/2" casing to 8500 psi for 15", ok.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Kim Tyson TITLE Regulatory Analyst DATE 3-20-2012

Type or print name Kim Tyson

E-mail address: kimt@forl.com

Telephone No. (432) 687-1777

For State Use Only

APPROVED BY: [Signature]TITLE Petroleum EngineerDATE APR 24 2013

Conditions of Approval (if any):