

8

LOCATION MAP

10

State

7-1-71(3)
05522

HALF

Argo
Brunner
2
TD 2803

Phillips 9-1-74
7552 KGS
10073 Price
Brunner

Price
Brunner
202652
Phillips
2061436

U.S.

Oil
- 61 (2)
06A
nit)

Scott Expl.
10-1-2007
V-6707
14700
D. Saikin

Seco
Street St.

Scott Expl.
10-1-2007
V-6719
TD 4013

Argo
Munroe
1
TD 2632

Forchall
St.
JFG
Little Eddy
Phillips
D. Saikin
2

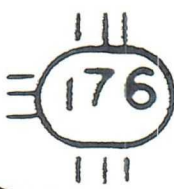
Seco

Rich E.
Bass
N. Shore
1-8
2728

Phillips
Plata Deep
Unit

15

Fasken Oil & Ranch
Laguna 16 State #1



Argo
Texas
TD 2696

Nearburg
Maverick St.
TD 5380
DIA 10-97
D. Saikin
Texas

Texas
State

Yates Pet.
Winnertou
St.

Continental
Langston
A-1
TD 2925

U.S.

Oil
- 71 (3)
752A

Richardson Oil
7-1-71(3)
065752A

20

32

Fasken Oil E, R
HBP
33955

Shell & Tex Cr
Big Eddy Unit
TD 7805
DIA 13-60

Texas
1
TD 3019

21

22

U.S.

US
Kenneth Smith

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 13107 Exhibit No. 2
Submitted by:
FASKEN OIL & RANCH LTD.
Hearing Date: July 24, 2003

Isom Oil
1-71(3)
5752A

S. R. Bass
ThruLine Inc et al
7-1-71(3)
065750A

Gulf
2-1-82
15024
U.S.

FASKEN OIL AND RANCH, LTD.

303 WEST WALL AVENUE, SUITE 1800
MIDLAND, TEXAS 79701-5116

(432) 687-1777

Jimmy D. Carlile
Regulatory Affairs Coordinator

May 13, 2003

Mr. Chris Williams
New Mexico Oil Conservation Division
1625 N. French Drive
Hobbs, NM 88240

Dear Mr. Williams,

Re: Fasken Oil and Ranch, Ltd.
Application for Permit to Drill
Laguna "16" State No. 1
Section 16, T20S, R32E
Lea County, New Mexico

Attached you will find the original and 5 copies of Fasken Oil and Ranch, Ltd.'s Application for Permit to Drill (Form C-101) the Laguna "16" State No. 1 located at 660' FSL and 660' FEL of Section 16, T20S, R32E, Lea County, New Mexico. Note this location is on a State of New Mexico lease in the potash area.

A copy of our letter to Mr. Jeff Albers of the New Mexico State Land Office is included in this package. Please note we have submitted a copy of our Application by "certified mail, return receipt requested" to both IMC Potash and Mississippi Potash as lessees in the area. Copies of the return receipt from both companies will be forwarded to you as soon as they are available.

Any questions concerning this Application may be addressed to either Mr. Tommy Taylor or me at the number listed above.

Yours truly,



Jimmy D. Carlile
Regulatory Affairs Coordinator

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
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 W. Wall Ave., Suite 1800 Midland, TX 79701-5116		² OGRID Number 151416
		³ API Number 30-025-
³ Property Code 32342	³ Property Name Laguna "16" State	⁶ Well No. 1

⁷ Surface Location **POTASH AREA**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	16	20S	32E		660	South	660	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

⁹ Proposed Pool 1
Wildcat (Morrow)

¹⁰ Proposed Pool 2

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3512'
¹⁶ Multiple No	¹⁷ Proposed Depth 13,400'	¹⁸ Formation Morrow	¹⁹ Contractor Not available	²⁰ Spud Date 5/25/03

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
26"	20"	133#	920'	1350 sx C	Surface
17 1/2"	13 3/8"	54.5/61#	2600'	2200 sx C	Surface
12 1/4"	9 5/8"	47#	4500'	1300 sx C/Lite	
8 1/2"	5 1/2"	17/20#	13,400'	1400 sx C/Lite	TOC 4000'

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 attachments for the procedure, casing program and BOP schematic.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Jimmy D. Carlile</i> Printed name: Jimmy D. Carlile Title: Regulatory Affairs Coordinator Date: 5/13/03 Phone: (915) 687-1777		OIL CONSERVATION DIVISION Approved by: <i>Denyed</i> Title: Approval Date: Expiration Date: Conditions of Approval: MAY 22 2003 Attached <input checked="" type="checkbox"/>	
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--

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-10
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 30-025-	Pool Code	Pool Name Wildcat (Morrow)
Property Code 32342	Property Name LAGUNA "16" STATE	Well Number 1
GRID No. 151416	Operator Name FASKEN OIL & RANCH, LTD.	Elevation 3512'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	16	20 S	32 E		660	SOUTH	660	EAST	LEA

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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature Jimmy D. Carlile Printed Name Regulatory Affairs Coord. Title May 13, 2003 Date	
	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. APRIL 24, 2003 Date Surveyed JONES Signature & Seal of Professional Surveyor 7977 W.D. No. 32342 Certification No. 7977 Jones BASIN SURVEYS	

Recommended Procedure

Laguna "16" State No. 1 ----- A.F.E. No. 646 ----- Wildcat - Morrow
660' FSL & 660' FEL
Sec. 16, T20S, R32E
Lea County, NM

1. Set and cement 30" conductor at 40'. MIRU rotary tools.
2. Drill 26" hole to 920' with spud mud. Set and cement 20" casing at 920'. Use inter-string cementing collar cementing casing through 4-1/2" drill pipe. Mix and pump 850 sx Class "C" with 4% gel and 2% CaCl_2 (s.w. 13.50 ppg, yield 1.74 ft^3/sx) and an estimated 500 sx Class "C" cement with 2% CaCl_2 (s.w. 14.8 ppg, yield 1.32 ft^3/sx). Continue mixing tail slurry until circulation of cement is established. WOC for 6 hrs. Cut-off casing and weld on 20-3/4" 3000# SOW bradenhead and NU 21-1/4" 2000# annular preventor with double studded adapter. WOC 12 hrs. before drilling out shoe joint.
3. Drill 17-1/2" hole to 2600' with 10 ppg brine water water. Control seepage with paper. Sweep hole with salt gel and paper to improve hole cleaning.
4. Set and cement 13-3/8" casing at 2600' with estimated 1600 sx BJ Lite with 12# salt and 1/4# celloseal (s.w. 12.4 ppg, yield 2.0 ft^3/sx), 400 sx Class "C" with 4% gel and 2% CaCl_2 (s.w. 13.5 ppg, yield 1.74 ft^3/sx) plus 200 sx Class "C" with 2% CaCl_2 (s.w. 14.8 ppg, yield 1.34 ft^3/sx). Set slips, cut-off casing, ND 20" annular and NU 20-3/4" 3000 psi x 13-5/8" 5000 psi intermediate spool and 13-5/8" 10,000 psi BOP stack with rotating head. WOC 12 hrs. before drilling out shoe joint. Set up DST test line complete with test tank. Install H_2S monitor equipment, escape packs, briefing stations and PVT equipment. Hook up mud gas separator. RU and begin mud logging at drill out of 13-3/8" shoe.
5. Drill 12-1/4" hole to 4500' with 9.0 ppg cut brine. Control seepage with paper. Sweep hole with salt gel/polymer and paper to improve hole cleaning. Partial or full returns may be lost in the Capitan Reef interval from 3000' through 4000'. Control losses with 75-100 bbl mud/LCM pills as necessary.
6. Set and cement 9-5/8" casing at 4500' with DV tool at 3000' as follows;

 First stage: 350 sx BJ Lite "C" with 8# salt, 5# gilsonite and 1/4# celloflake (s.w. 12.4 ppg, yield 2.00 ft^3/sx) plus 200 sx Class "C" neat (s.w. 14.8 ppg, yield 1.33 ft^3/sx).

 Second stage: 550 sx BJ Lite "C" with 8# salt and 1/4# celloflake (s.w. 12.4 ppg, yield 2.00 ft^3/sx) plus 200 sx Class "C" neat (s.w. 14.8 ppg, yield 1.33 ft^3/sx).
7. Install 13-5/8" 5000 psi x 11" 10,000 psi intermediate spool. NU 13-5/8" 10,000 psi B.O.P.'s. Install hydraulic Super Choke. WOC 12 hours. TIH and drill out DV tool. Pressure test casing and DV tool with rig pump to 1500 psig.
8. Drill 8-1/2" hole to total depth of 13,400'. Drill out using fresh water to a depth of 10,100'. Convert to 10.0 ppg brine water at 10,100' just above the 3rd Bone Springs sand. Mud up as dictated by hole conditions or by 11,500' with XCD, starch and PAC mud system. Increase viscosity with or polymer as needed to clean hole. Maintain 10.0-11.0 ppg and 10 cc water loss to total depth. NOTE: RU barite bin and be prepared to raise mud weight to 12 ppg in the Atoka-Morrow interval if necessary.
9. Hydrostatically test 200' of 9-5/8" casing to 5000 psig, casing spool, BOP's, and choke manifold to 300-7500 psig, and hydriil to 3000 psig on first bit trip or prior to reaching 9,000'.
10. DST all shows.

11. Log well with DLL-MSFL and CNL-LDT using Schlumberger Platform Express.
12. Install 5-1/2" BOP rams, run and cement 5-1/2" production casing (resin coated and centralized through pay zones) with DV tool at 10,300' as follows;

First Stage: 10 bfw + 500 gallons Mud Clean II + 10 bfw and 700 sx Super "C" Modified (15 #/sx Poz A and 11 #/sx CSE), 1% Salt, 1.4% FL-25 and 0.2% CD-32 (s.w. 14.0 ppg, yield 1.34 ft³/sx). Batch mix first stage slurry. Circulate 6 hrs. between stages.

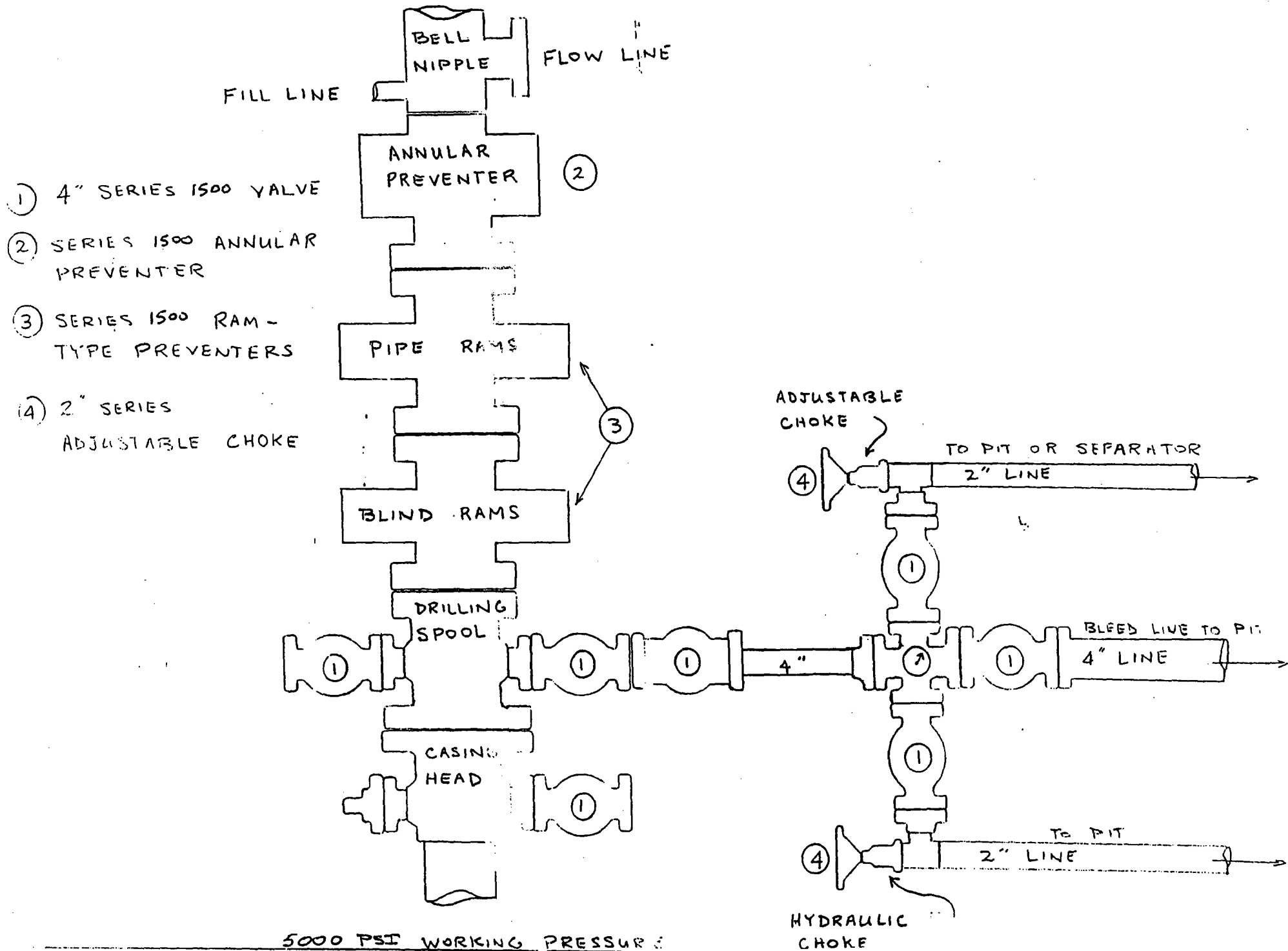
Second Stage: 500 sx BJ Lite "C" with 6% gel (s.w. 12.4 ppg, yield 2.01 ft³/sx) plus 200 sx Class "H" neat (s.w. 15.6 ppg, yield 1.18 ft³/sx). Calculate second stage cement volume for TOC at 4000'.
13. Set slips, nipple down BOP's and install 11"-10,000 psi x 7-1/16"- 10,000 psi tubinghead and flow tree.
14. Run temperature survey to locate cement top.
15. Rig down and move out rotary tools.
16. Level location, set mast anchors, move in and rig up completion unit.
17. Install BOP, RIW with 4-3/4" bit, casing scraper, 6 3-1/2" drill collars and 2-7/8" tubing. Drill out DV tool. Reciprocate scraper through DV 10 times. Pressure test casing to 3000 psig. RIW and drill out cement to float collar, circulate hole clean with 3% KCL water containing oxygen scavenger and corrosion inhibitor. Pressure test casing to 5000 psig. POW with tubing and lay down tools.
18. RIW with packer, T.O.S.S.D. with "F" profile nipple and 2-7/8" tubing. Set packer, install flow tree, swab down tubing and perforate pay interval.
19. Flow test well , evaluate, and stimulate if necessary.
20. RDPU. Clean and level location.
21. Run C.A.O.F.P. and pressure build up.
22. Connect surface equipment.

TET
(Laguna16State1drlgprc)

Recommended Casing Program
A.F.E. No. 646

Fasken Oil and Ranch, Ltd.-----**Laguna "16" State No. 1**-----**Wildcat-Morrow Field**
Lea County, NM

<u>String</u>	<u>Footage</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>
Surface	920'	20"	133.00#	K-55	ST&C
Intermediate (Salt)	900'	13-3/8"	54.50#	K-55	BT&C
	<u>1,500'</u>	13-3/8"	61.00#	K-55	BT&C
	2,600'				
Intermediate	4,500'	9-5/8"	47.00#	L-80	LT&C
Production	2,700'	5-1/2"	17.00#	N-80	BT&C
	5,900'	5-1/2"	17.00#	N-80	LT&C
	<u>4,600'</u>	5-1/2"	20.00#	N-80	LT&C
	13,200'				
Tubing	13,200'	2-7/8"	6.50#	N-80	EUE 8rd





IMC Potash Carlsbad Inc.
P. O. Box 71
1361 Potash Mines Road
Carlsbad, New Mexico 88221-0071
505.887.2871
505.887.0589 Fax

May 14, 2003
Mr. Jimmy D. Carlile
Fasken Oil and Ranch, Ltd.
303 West Wall Avenue, Suite 1800
Midland, Texas 79701-5116

RE: Proposed Gas Well: Laguna "16" State No. 1
Section 16, T20S-R32E, N.M.P.M.
660' SNL & 660' FEL
Lea County, New Mexico

Dear Mr. Carlile:

IMC Potash Carlsbad Inc. (IMC) received notice that Fasken Oil and Ranch, Ltd. intends to drill a deep well at the above referenced location. IMC is the tenant at will to a State Potash lease that is in the process of being approved on the East ½ of Section 16, and holds a Federal Potash lease on Sections 17 and 22. IMC **does object** to Fasken Oil drilling the well because the proposed location has measured potash reserves on it that were confirmed by core drilling. The area is inside IMC's "Life of Mine Reserves" LMR and will interfere with the development of potash resources controlled by IMC.

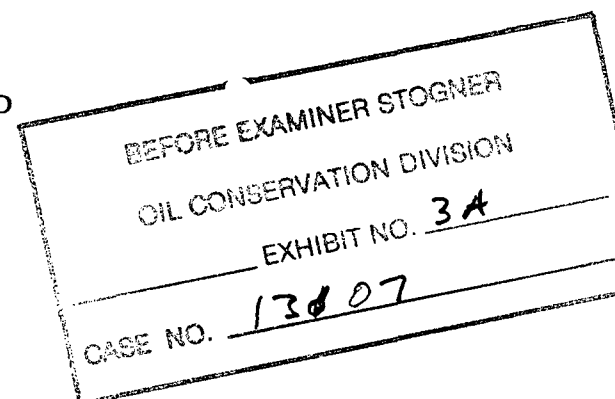
To prevent the waste of potash resources and provide a "buffer" between LMR ore and oil & gas activities, IMC suggests that Fasken consider a surface location for the proposed well in the West ½ of Section 16, at a point no more than 1650' FWL. The West ½ of Section 16 has several wells on it, and while another hole adds additional risk, locating the well in the West ½ of Section 16 minimizes its affects on potash.

The above consideration is based on the best available information at this time; as more information becomes available our estimates of the extent of the potash resources in the area may change. Therefore, please consider the "objections offered" and "no objection offered" to the well locations to be valid for one year only. If you are still considering a well location that a potash operator has or has not objected to, more than one year prior, notify us again at that time so we can make the decision based on current information.

Sincerely,

John Purcell
Chief Mine Engineer

cc: Don Purvis Charlie High Lori Wroteneery, OCD
Dan Morehouse, Craig Cranston, BLM Betty Hill, BLM



FASKEN OIL AND RANCH, LTD.

303 WEST WALL AVENUE, SUITE 1800
MIDLAND, TEXAS 79701-5116

(432) 687-1777

Jimmy D. Carlile
Regulatory Affairs Coordinator

May 13, 2003

Mississippi Potash, Inc.
P. O. Box 101
Carlsbad, NM 88220

Gentlemen:

Re: Fasken Oil and Ranch, Ltd.
Application for Permit to Drill
Laguna "16" State No. 1
Section 16, T20S, R32E
Lea County, New Mexico

Attached you will find a copy of Fasken Oil and Ranch, Ltd.'s Application for Permit to Drill (Form C-101) the Laguna "16" State No. 1 located at 660' FSL and 660' FEL of Section 16, T20S, R32E, Lea County, New Mexico.

Any questions concerning this Application may be addressed to either Mr. Tommy Taylor or me at the number listed above.

Yours truly,



Jimmy D. Carlile
Regulatory Affairs Coordinator

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 13107 Exhibit No. 4

Submitted by:

FASKEN OIL & RANCH LTD.

Hearing Date: July 24, 2003

FASKEN OIL AND RANCH, LTD.

303 WEST WALL AVENUE, SUITE 1800
MIDLAND, TEXAS 79701-5116

(432) 687-1777

Jimmy D. Carlile
Regulatory Affairs Coordinator

May 13, 2003

Mr. John Purcell
IMC Potash Carlsbad, Inc.
P. O. Box 71
Carlsbad, NM 88221-0071

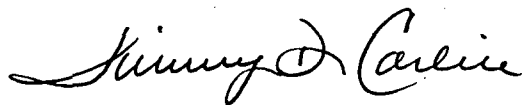
Dear Mr. Purcell,

Re: Fasken Oil and Ranch, Ltd.
Application for Permit to Drill
Laguna "16" State No. 1
Section 16, T20S, R32E
Lea County, New Mexico

Attached you will find a copy of Fasken Oil and Ranch, Ltd.'s Application for Permit to Drill (Form C-101) the Laguna "16" State No. 1 located at 660' FSL and 660' FEL of Section 16, T20S, R32E, Lea County, New Mexico.

Any questions concerning this Application may be addressed to either Mr. Tommy Taylor or me at the number listed above.

Yours truly,



Jimmy D. Carlile
Regulatory Affairs Coordinator

FASKEN OIL AND RANCH, LTD.

303 WEST WALL AVENUE, SUITE 1800
MIDLAND, TEXAS 79701-5116

(432) 687-1777

Jimmy D. Carlile
Regulatory Affairs Coordinator

May 8, 2003

Mr. Jeff Albers
New Mexico State Land Office
Oil and Gas Minerals Division
310 Old Santa Fe Trail
P. O. Box 1148
Santa Fe, NM 87504-1148

Dear Mr. Albers,

Re: Fasken Oil and Ranch, Ltd.
Notice of Application for Permit to Drill
in the Known Potash Leasing Area
Laguna "16" State No. 1
660' FSL, 660' FEL, Section 16, T20S, R32E
Lea County, New Mexico

This letter serves as notice that Fasken Oil and Ranch, Ltd. is filing an Application for Permit to Drill (Form C-101) with the New Mexico Oil Conservation Division to drill its Laguna "16" State No. 1 at the location listed above. The subject well is proposed as a Wildcat (Morrow) gas well to be drilled to a total depth of 13,200'.

If you have any questions concerning the drilling of this well, please contact me at (915) 687-1777.

Yours truly,



Jimmy D. Carlile
Regulatory Affairs Coordinator

- SENDER: COMPLETE THIS SECTION**
- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 - Print your name and address on the reverse so that we can return the card to you.
 - Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**JOHN PURCELL
IMC POTASH CARLSBAD INC.
PO BOX 71
CARLSBAD NM 88221-0071**

2. Article Number

(Transfer from service label)

7001 0320 0004 3745 3317

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-2509

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X *Robert Morton* ☐ Agent ☐ Addressee

B. Received by (Printed Name)
Robert Morton

C. Date of Delivery
14

D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**MISSISSIPPI POTASH INC
PO BOX 101
CARLSBAD NM 88220-0101**

2. Article Number

(Transfer from service label)

7001 0320 0004 3745 3300

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-2509

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X *Reynolds* ☐ Agent ☐ Addressee

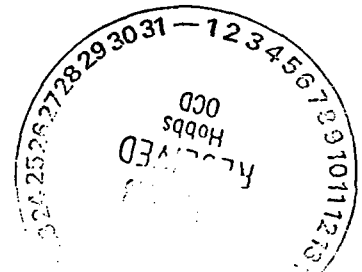
B. Received by (Printed Name)
Reynolds

C. Date of Delivery
14 MAY 2003

D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes



**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 07/22/03 11:08 AM

Page 1 of 2

01 02-25-1920;041STAT0447;30USC181 ET SE
Case Type 353301: POTASSIUM PREF RGT LSE
Commodity 480: POTASH,POTASSIUM L
Case Disposition: AUTHORIZED

Total Acres
2,360.000

Serial Number
NMNM-- 0 013298C

Serial Number: NMNM-- 0 013298C

Name & Address			Int Rel	% Interest
IMC POTASH CARLSBAD INC	PO BOX 71	CARLSBAD NM 88221	LESSEE	100.00000000

Serial Number: NMNM-- 0 013298C

Mer Twp	Rng	Sec	STyp	SNr	Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23 0200S	0320E	015	ALL			ENTIRE SECTION	CARLSBAD	LEA	BUREAU OF LAND MGMT
23 0200S	0320E	022	ALL			ENTIRE SECTION	CARLSBAD	LEA	BUREAU OF LAND MGMT
23 0200S	0320E	023	ALL			ENTIRE SECTION	CARLSBAD	LEA	BUREAU OF LAND MGMT
23 0200S	0320E	024	ALIQ			N2,N2SW,NWSE;	CARLSBAD	LEA	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

23 0200S	0320E	724	FF			S2S2,NESE ASGN;	CARLSBAD	LEA	BUREAU OF LAND MC
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Serial Number: NMNM-- 0 013298C

Act Date	Code	Action	Action Remarks	Pending Office
02/23/1953	387	CASE ESTABLISHED		
02/23/1953	420	PREF RGT LEASE APLN REC	LC068758,LC068759;/A/	
02/24/1953	496	FUND CODE	05;145003	
02/24/1953	535	RLTY RATE - 5%		
02/24/1953	868	EFFECTIVE DATE		
09/18/1953	241	AUTH OFFERED APPLICANT		
09/29/1953	237	LEASE ISSUED		
06/01/1963	898	ASGN EFFECTIVE	RECORD TITLE;	
06/27/1963	139	ASGN APPROVED		
06/27/1963	140	ASGN FILED	IMCC/HARROUN HAWORTH;	
06/28/1963	600	RECORDS NOTED		
05/28/1964	393	DEC ISSUED	LEASE MODIFIED;	
08/27/1964	140	ASGN FILED	HARROUN/KERMAC;	
09/03/1964	139	ASGN APPROVED		
09/03/1964	570	CASE SEGREGATED BY ASGN	NMNM0554863;	
02/04/1975	140	ASGN FILED	HARROUN HAWORTH/NEI;	
04/08/1976	139	ASGN APPROVED		
05/01/1976	898	ASGN EFFECTIVE	RECORD TITLE;	
12/21/1976	909	BOND ACCEPTED	NM0465;11/22/1976	
05/17/1982	321	LEASE READJUSTED		
06/03/1982	120	APPEAL FILED	IBLA 82-896;	
06/14/1982	042	CASE SENT TO	IBLA;	
02/10/1983	366	DEC REVRSD & REMANDED		
04/05/1983	393	DEC ISSUED	PRIOR LSE TERMS CONT;	
08/18/1987	625	RLTY REDUCTION APPV	1/1/88;	
01/01/1988	536	RLTY RATE - OTHER	2%;U/G	
08/18/1988	974	AUTOMATED RECORD VERIF	BTM/MIG;	
11/26/1989	624	RLTY REDUCTION FILED		
12/26/1989	625	RLTY REDUCTION APPV	1/1/90;	
01/01/1990	536	RLTY RATE - OTHER	2%;U/G	
01/05/1990	393	DEC ISSUED	12/26/89 DEC CORR;	
01/26/1990	974	AUTOMATED RECORD VERIF	AMR/LDT;	
01/08/1991	910	REPORT REQUESTED	READJUSTMENT REPORT;	
10/30/1991	624	RLTY REDUCTION FILED		
12/23/1991	625	RLTY REDUCTION APPV	1/1/92;	
01/01/1992	536	RLTY RATE - OTHER	2%;U/G	

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 13107 Exhibit No. 5

Submitted by:

FASKEN OIL & RANCH LTD.

Hearing Date: July 24, 2003

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 07/22/03 11:08 AM

Page 2 of 2

01/22/1992	974	AUTOMATED RECORD VERIF	AMR/JLV;
08/07/1992	321	LEASE READJUSTED	
09/01/1992	974	AUTOMATED RECORD VERIF	AMR;
02/24/1993	536	RLTY RATE - OTHER	SLIDING SCALE;U/G
02/24/1993	619	READJUSTMENT EFFECTIVE	
04/22/1994	140	ASGN FILED	NORANDA/IMC;
04/22/1994	478	BOND ADJUSTMENT RECD	NM0500;6/4/1975
02/29/1996	139	ASGN APPROVED	
02/29/1996	993	RIDER ACCEPTED	NM0500;3/1/1996
03/01/1996	378	BOND PERIOD TERMINATED	NM0465;
03/01/1996	898	ASGN EFFECTIVE	RECORD TITLE;
03/01/1996	993	RIDER ACCEPTED	NM0500;6/4/1975
08/05/1996	140	ASGN FILED	IMC GLOBAL/IMC KALIUM
09/26/1996	478	BOND ADJUSTMENT RECD	NM0500;6/4/1975
05/16/1997	624	RLTY REDUCTION FILED	CAT 1;
08/01/1997	536	RLTY RATE - OTHER	2%;U/G
08/06/1997	625	RLTY REDUCTION APPV	8/1/1997;
10/30/1997	139	ASGN APPROVED	
10/30/1997	993	RIDER ACCEPTED	NM0500;11/1/1997
11/01/1997	898	ASGN EFFECTIVE	RECORD TITLE;
12/31/1998	084	RENTAL RECEIVED BY MMS	\$2360.00;21/123100103
12/31/1998	084	RENTAL RECEIVED BY MMS	\$2360.00;25/123100103
12/31/1999	084	RENTAL RECEIVED BY MMS	\$2360;21/12310004
12/31/1999	084	RENTAL RECEIVED BY MMS	\$2360;25/12310004
03/27/2000	084	RENTAL RECEIVED BY MMS	\$2360;25/MULTIPLE
07/21/2000	624	RLTY REDUCTION FILED	CAT 1;
07/28/2000	084	RENTAL RECEIVED BY MMS	\$2360;25/7280004
12/20/2000	376	BOND FILED	\$160000;NM06780018IMC
12/20/2000	992	RIDER FILED	NM06780018;AMEND PRIN
12/29/2000	084	RENTAL RECEIVED BY MMS	\$2360;21/12290007
12/29/2000	084	RENTAL RECEIVED BY MMS	\$2360;25/12290007
02/28/2001	626	RLTY REDUCTION DENIED	ALREADY ON SL SCALE;
03/27/2001	120	APPEAL FILED	IBLA 2001 224;
03/27/2001	136	STAY REQUESTED	
06/19/2001	137	STAY GRANTED	
09/13/2001	378	BOND PERIOD TERMINATED	NM0500;
09/13/2001	909	BOND ACCEPTED	NM06780018;9/13/2001
09/13/2001	940	NAME CHANGE RECOGNIZED	9/13/2001;/B/
09/13/2001	993	RIDER ACCEPTED	NM06780018;9/13/2001
09/26/2001	974	AUTOMATED RECORD VERIF	NH;
05/09/2002	324	INSPECTION COMPLETED	INAC,1.083 HRS;
02/24/2011	247	FUTURE ACTION SUSPENSE	2 YR TRIGGER DATE;
02/24/2013	623	READJUSTMENT DUE	

Line Nr Remarks

Serial Number: NMNM-- 0 013298C

0002	BLM BOND NM06780018-\$160000-ST PAUL FIRE & MARINE
0003	INSURANCE CO;
0004	/A/NEW SER NUM ISSUED (NMNM013298C) FOR LANDS
0005	EMBRACED UNDER PRPER NMLC068758 & NMLC068759 - NO
0006	DATA ON FILE FOR PROS PERMITS;
0007	2/10/1983 - 71 IBLA 9 (1983);
0008	/B/NAME CHG FROM IMC KALIUM CARLSBAD POTASH CO TO
0009	IMC POTASH CARLSBAD INC, EFF 9/13/2001;
0010	5/9/2002-FY 02 INACTIVE LEASE INSP: COMPL;

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION


IN THE MATTER OF THE APPLICATION OF
FASKEN OIL & RANCH LTD FOR AN ORDER
AUTHORIZING THE DRILLING OF A WELL
IN THE POTASH AREA, LEA COUNTY,
NEW MEXICO

CASE NO. 13107

AFFIDAVIT

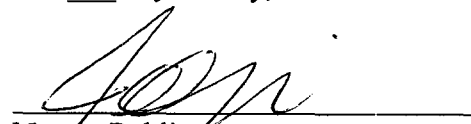
STATE OF NEW MEXICO)
)
COUNTY OF SANTA FE) ss.

Michael H. Feldewert, attorney in fact and authorized representative of Fasken Oil & Ranch, Ltd., the Applicant herein, being first duly sworn, upon oath, states that notice of the above-referenced Application was mailed to the addresses shown on Exhibit "A" attached hereto, and that true and correct copies of the notice letter and proof of receipt are attached hereto.



Michael H. Feldewert

SUBSCRIBED AND SWORN to before me this 23 day of July, 2003.



Notary Public

My Commission Expires:



OFFICIAL SEAL
JONNI LU POOL
NOTARY PUBLIC-STATE OF NEW MEXICO
My commission expires 11-25-06

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 13107 Exhibit No. 6
Submitted by:
FASKEN OIL & RANCH LTD.
Hearing Date: July 24, 2003

EXHIBIT A

Mr. Tom McGuire
Mississippi Potash
P.O. Box 101
Carlsbad, NM 88220

Mr. John Purcell
IMC Potash
P.O. Box 71
Carlsbad, NM 88220

Mr. Jeff Albers
New Mexico State Land Office
Oil & Gas Minerals Division
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, NM 87504-1148

HOLLAND & HART^{LLP}
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208
110 NORTH GUADALUPE, SUITE 1
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 983-4421
FACSIMILE (505) 983-6043

Michael H. Feldewert
mfeldewert@hollandhart.com
Recognized Specialist in the Area of
Natural Resources - oil and gas law -
New Mexico Board of Legal Specialization
46676-0002

June 26, 2003

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Tom McGuire
Mississippi Potash
P.O. Box 101
Carlsbad, NM 88220

Mr. John Purcell
IMC Potash
P.O. Box 71
Carlsbad, NM 88220

Mr. Jeff Albers
New Mexico State Land Office
Oil & Gas Minerals Division
P.O. Box 1148
Santa Fe, NM 87504-1148

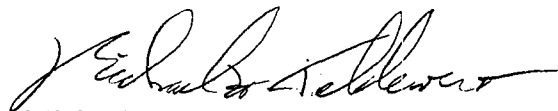
Re: Application of Fasken Oil & Ranch Ltd. for an Order Authorizing the Drilling of
a Well in the Potash Area, Lea County, New Mexico

Dear Affected Parties:

This letter is to advise you that Fasken Oil & Ranch Ltd. has filed the enclosed application with the New Mexico Oil Conservation Division. This application has been set for hearing before a Division Examiner on July 24, 2003. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Prehearing Statement three days in advance of a scheduled hearing. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Sincerely,



Michael H. Feldewert
Holland & Hart, LLP
Attorneys for Fasken Oil & Ranch Ltd.

MHF/jlp
Enclosure
3101019_1.DOC

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage)

OFFICIAL USE

Postage	\$ 60
Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.65

Sent To Mr. John Purcell
MC Potash
O. Box 71
City, State Carlsbad, NM 88220

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. John Purcell
MC Potash
O. Box 71
Carlsbad, NM 88220

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature X Mark Lujan Agent

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

7001 1140 0002 5601 6215

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

PS Form 3800, January 2001

See Reverse

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$ 60
Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.65

Sent To Mr. Tom McGuire
Mississippi Potash
O. Box 101
City, State, Zip Carlsbad, NM 88220

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. Jeff Albers
New Mexico State Land Office
Oil & Gas Minerals Division
O. Box 1148
Santa Fe, NM 87504-1148

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature X [Signature] Agent

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

7001 1140 0002 5601 6222

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage)

OFFICIAL

Postage	\$ 60
Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.65

Sent To Mr. Jeff Albers
New Mexico State Land Office
Oil & Gas Minerals Division
O. Box 1148
City, State Santa Fe, NM 87504-1148

Fasken Oil and Ranch

Laguna 16 State

Structure Map

Top of Morrow

Contour Interval = 100 Feet

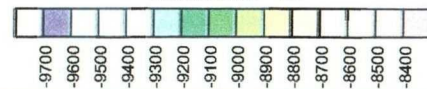


POSTED WELL DATA

FMTOPS - MORROW

CONTOURS

FMTOPS - MORROW - Top of Morrow
FMTOPSMORROW.GRD
Contour Interval = 100



WELL SYMBOLS

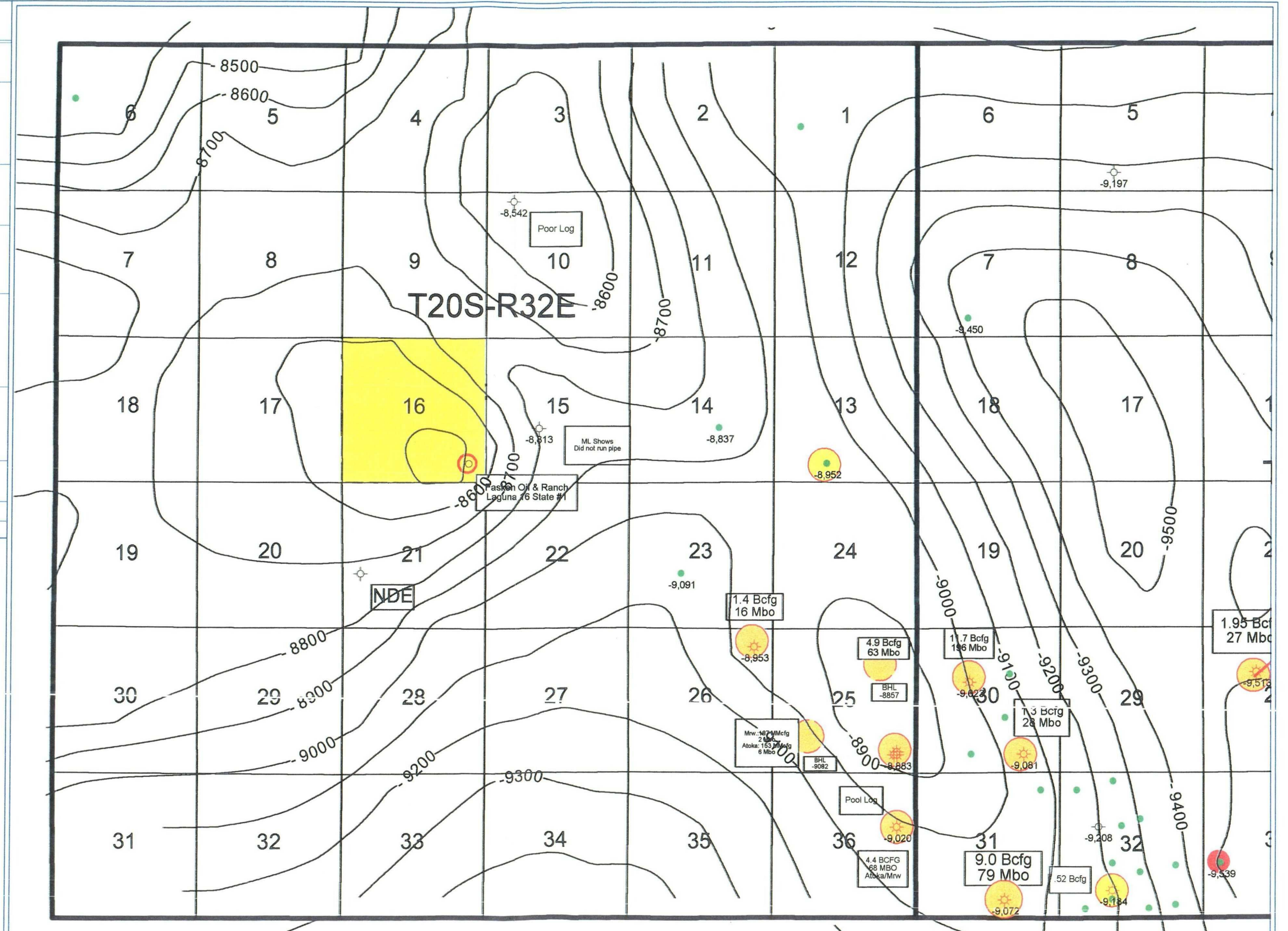
- Location Only
- Oil Well
- ★ Gas Well
- ⊙ Dry Hole

REMARKS

Wells in Orange Circle
produce from Morrow

By: John Worrall

July 17, 2003



Fasken Oil and Ranch

Laguna 16 State

Porosity Isopach Map

First Bone Spring Sandstone

Feet >12% Sandstone Porosity

05,01510,030

FEET

POSTED WELL DATA

WELL - FIRST_BONE_SPRING

CONTOURS

WELL - FIRST_BONE_SPRING - Porosity > 12%
WELLFIRST_BONE_SPRING.GRD
Contour Interval = 5

05101520253035404550556065707580859095100

WELL SYMBOLS

Location Only

Oil Well

Gas Well

Oil & Gas Well

Dry Hole

Plugged & Abandoned Oil Well

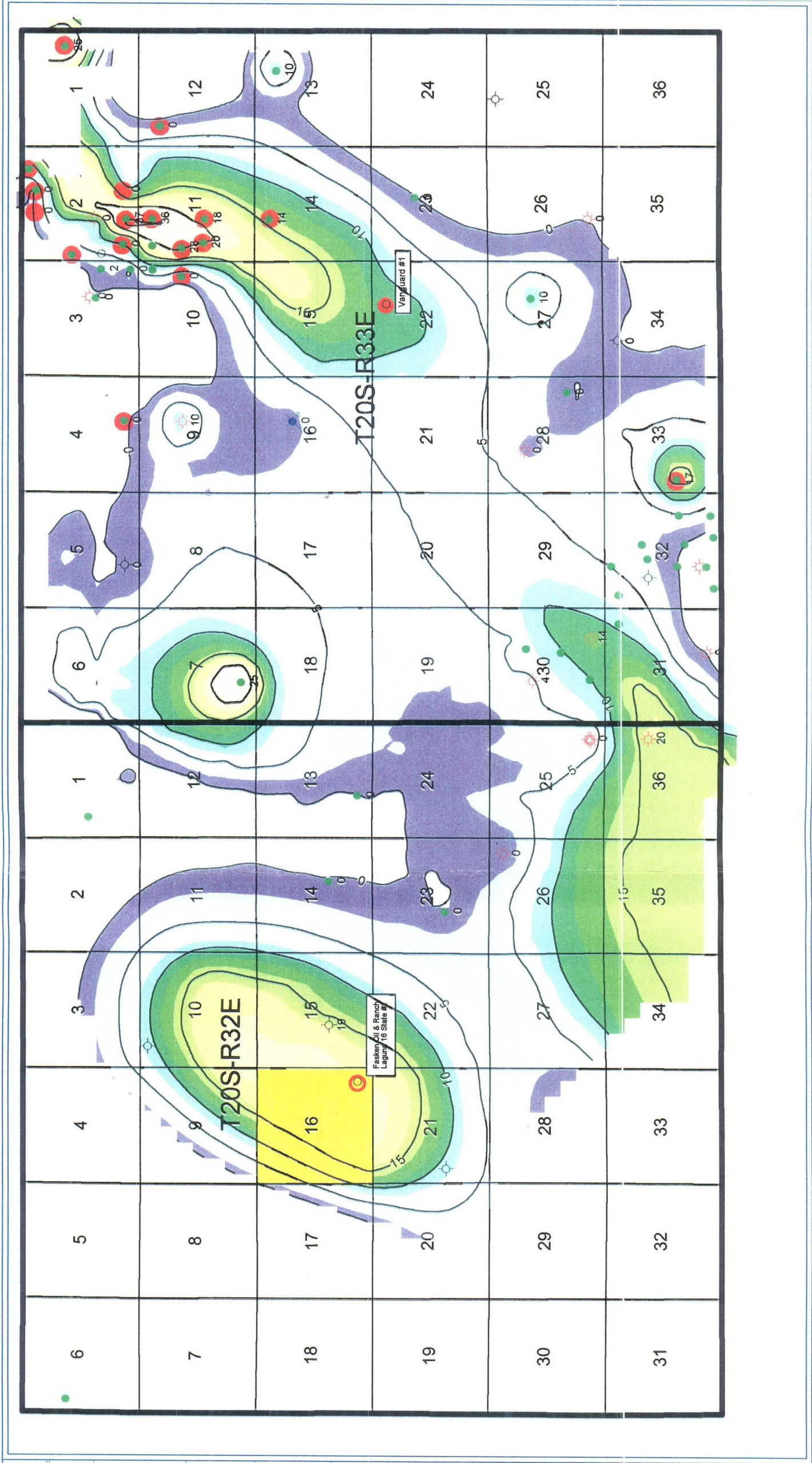
Converted Water-Input Well

REMARKS

Wells in Red Solid Circles
Produce From This Zone

By: John Worrall

July 17, 2003



PETRA 7/17/2003 10:35:19 AM