Form 3160-5 (September 2001)

UNITED STATES DEPARTMENT OF THE INTERIOR

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FORM APPROVED OM B No. 1004-0135 Expires: January 31, 2004

BUREAU OF LAND MANAGEMENT 5. Lease Serial No. LC-070315 SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an 6. If Indian, Allottee or Tribe Name abandoned well. Use Form 3160 - 3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on reverse Signature OCD 6 2014 8. Well Name and No. Gas Well□□ Paloma 21 Federal Com. No. 1H 2. Name of Operator Fasken Oil and Ranch, Ltd. API Well No. 3b. Phone No. (include area code) 3a Address 6101 Holiday Hill Road, Midland, TX 432-687-1777 10. Field and Pool, or Exploratory Area Lea, Bone Spring, South 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State SHL Sec. 21, T20S-R34E, 200' FNL & 675' FWL BHL Sec. 28, T20S-R34E, 2310' FNL & 330' FWL Lea, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE. REPORT. OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Well Integrity Alter Casing Fracture Treat Reclamation Other Use BOP Co-flex Casing Repair New Construction Recomplete Subsequent Report Change Plans hose. Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) Fasken Oil and Ranch, Ltd. requests a variance to drill this well using a co-flex line between the BOP and choke manifold. This will be an armored 3.5" 10,000 psi WP flex hose connecting the BOP and choke manifold. The hose is rated to 10,000 psi, and has

Fasken Oil and Ranch, Ltd. requests a variance to drill this well using a co-flex line between the BOP and choke manifold. This will be an armored 3.5" 10,000 psi WP flex hose connecting the BOP and choke manifold. The hose is rated to 10,000 psi, and has 10,000 psi flanges on each end. The hose will be tested to 5000 psi along with the rest of the BOP system as set out in the APD. The manufacturer of the hose does not require anchors to be installed.

Documentation for the hose is attached.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)				
	Title Sr. Drilling Engineer	•		
Signature Cory Frederich	Date	08/01/2014APPROVED_		
THIS SPACE FOR FEDERAL OR STATE OFFICE USE				
Approved by	Title	OCT 1/2014		
Conditions of approval, if any, are attached. Approval of this notice does not warran certify that the applicant holds legal or equitable title to those rights in the subject lear which would entitle the applicant to conduct operations thereon.	1 1 /	BURDAU OF LAXD MANAGEMENT CARL SRAW FIELD OFFICE		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any States any false, fictitious or fraudulent statements or representations as to any matter	person knowingly and willfull within its jurisdiction.	y to make to any department or agency of the United		
(Instructions on page 2)		/		

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not scaled off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing. liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seg., 351 et seg., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

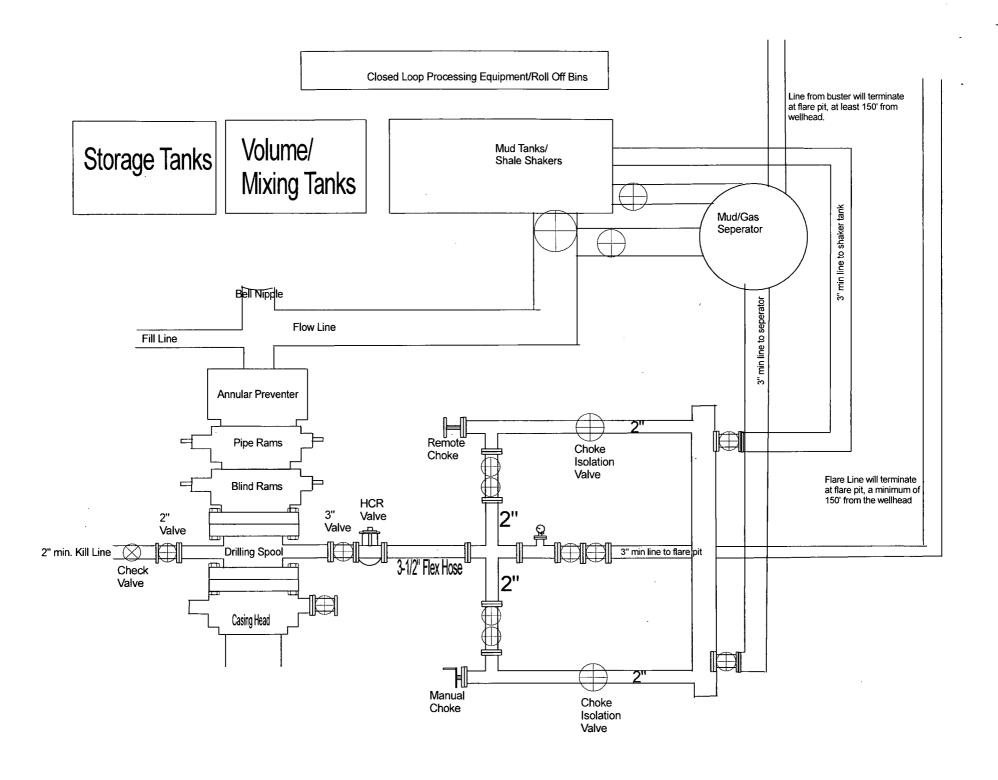
This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT

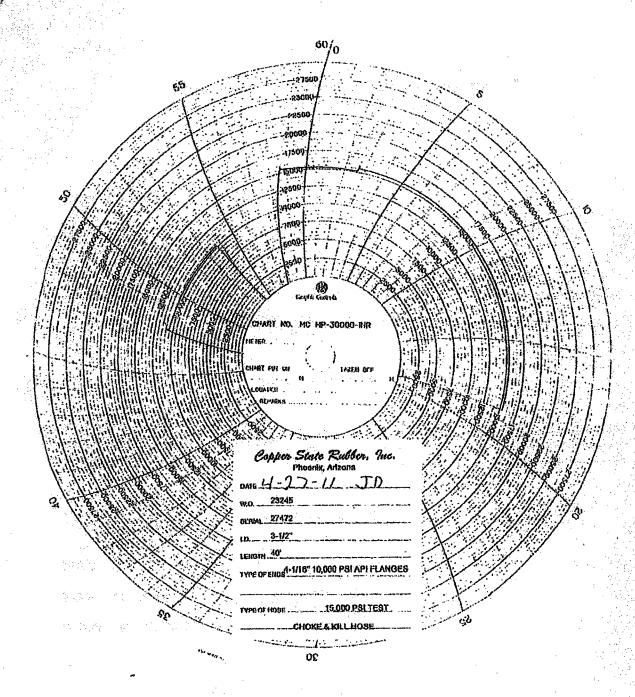
Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0135), Bureau Information Collection Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington D.C. 20240



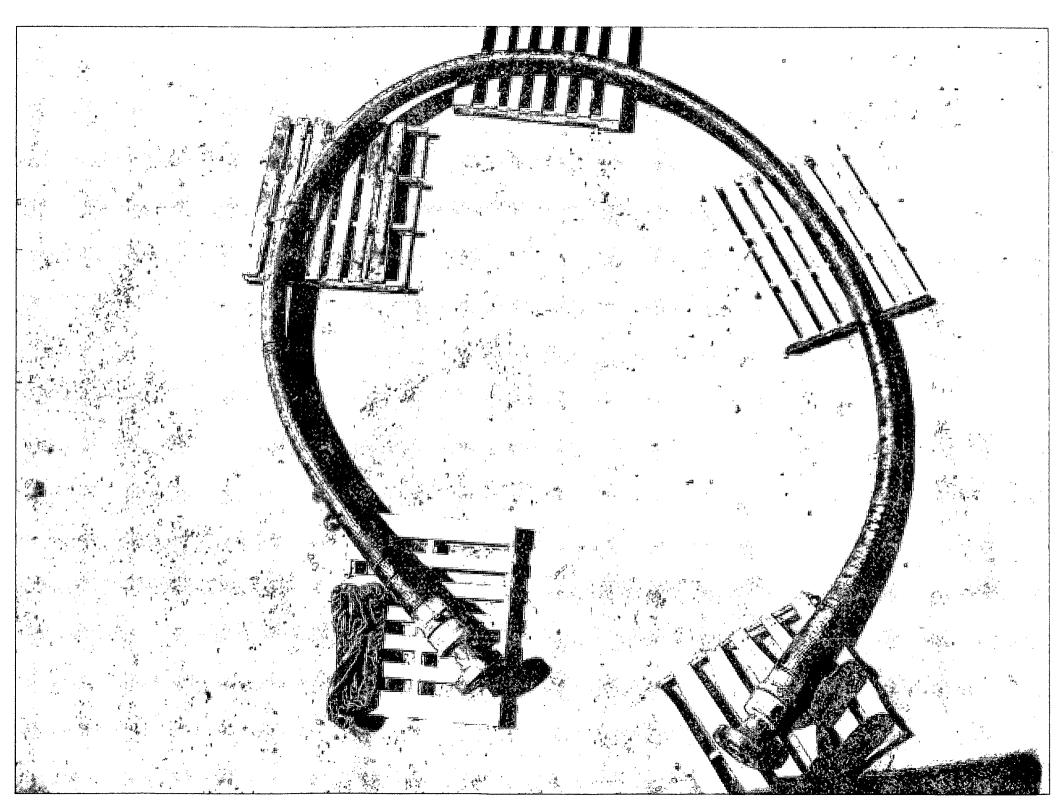
COPPER STATE RUBBER VISUAL INSPECTION / HYDROSTATIC TEST REPORT CHOKE & KILL / CEMENTING HOSE 10,000 P.S.I. W/P X 16,000 P.S.I. T/P SPEC: 090-1916 HS H28 SUITABLE

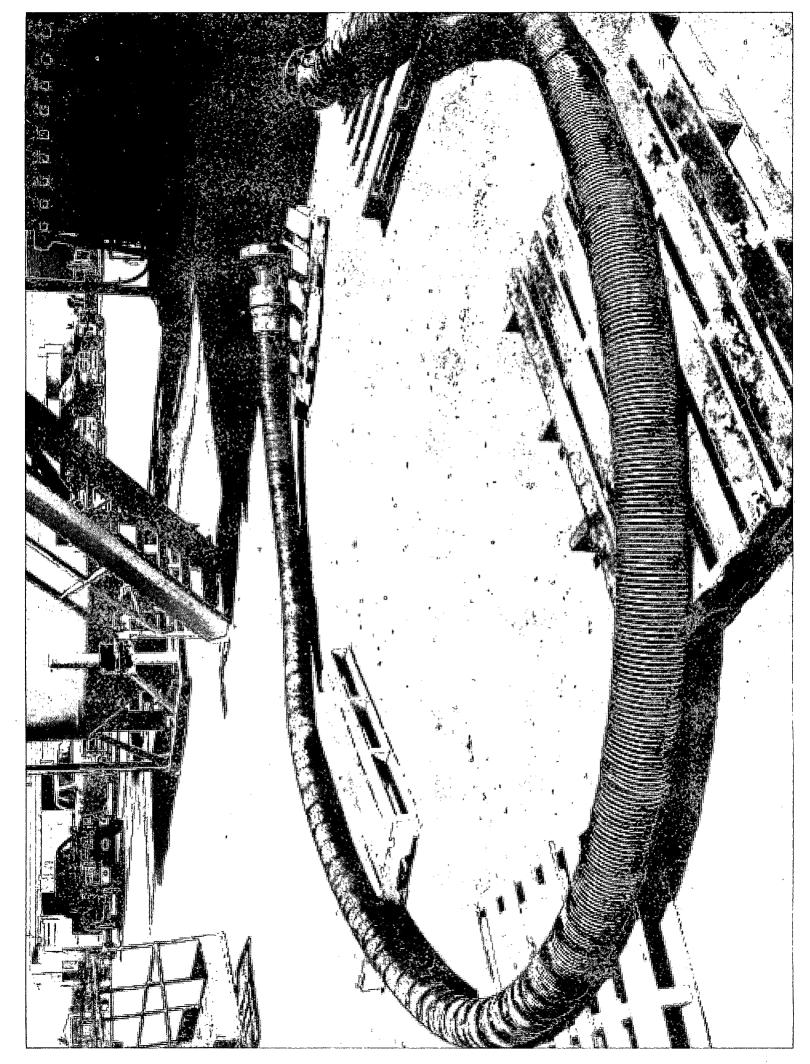
SHOP ORDER NO.:	23245	_ SIZE:	3-1/2" 1.D.
SERIAL NO.:	27472	LENGTH	<u>40</u> FT. IN.
CONNECTIONS:		4-1/16" 10,000 PSI	API FLANGES
	10A2 - 10/	43 - 08D2 - HT-GSZ - HT	
		SUAL INSPECTION	
(A) END CAPS / SLE (B) EXTERIOR / COV (C) INTERIOR TUBE:	ER / BRANDING		OK OK OK
	ну	DROSTATIC TEST	
5 MIN. @ 10,000 I	PSI		
2 MIN. @ 0 PSI		39' - 10"	OAL
15 MIN. @ 15,000	PSI		
· ·	Α.		· · · · · · ·
WITNESSED BY:	thil.	Spider	
DATE	April 27	, 2011	

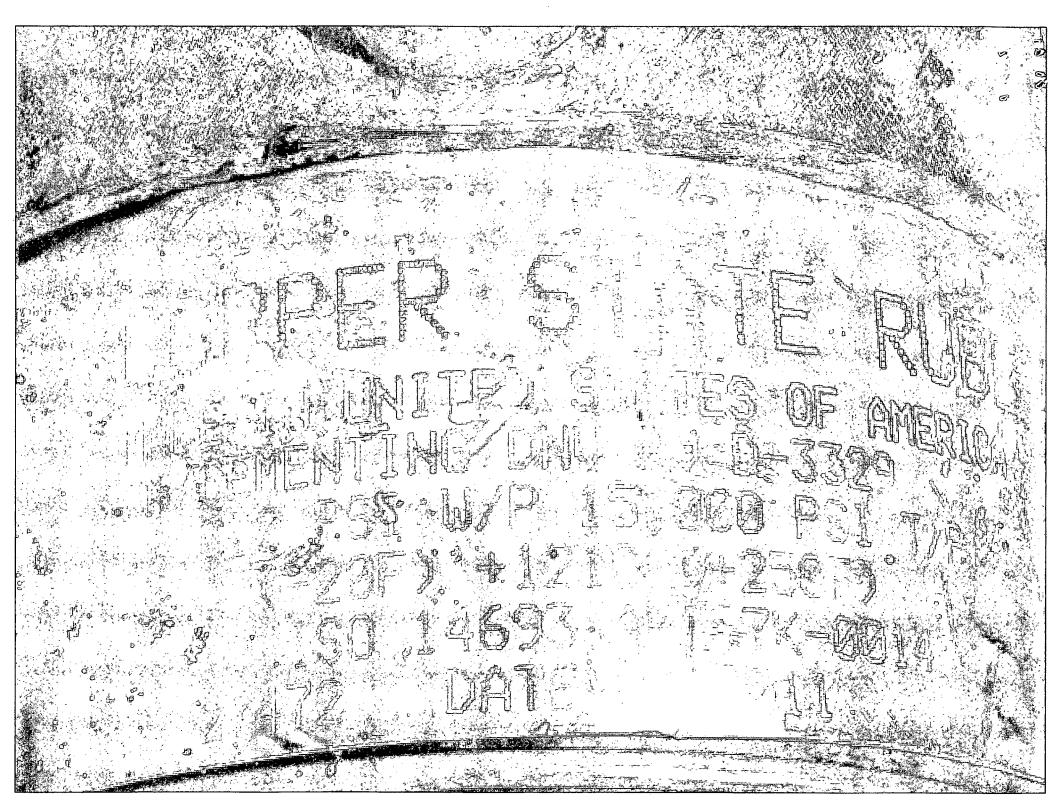
FORM QA-21- REV-3 9/07



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PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME: Fasken Oil & Ranch

LEASE NO.: NMLC-070315

WELL NAME & NO.: | Paloma 21 Federal Com 1H SURFACE HOLE FOOTAGE: | 0200' FNL & 0675' FWL

BOTTOM HOLE FOOTAGE | 2310' FNL & 0330' FWL Sec. 28, T. 20 S., R 34 E.

LOCATION: | Section 21, T. 20 S., R 34 E., NMPM

COUNTY: Lea County, New Mexico

The original COAs still stand with the following drilling modifications:

1. Variance approved to use flex line from BOP to choke manifold. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor. If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).

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