

OCD-HOBBS

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*HOBBS
NOV 14 2016
RECEIVED**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM96782 ✓
2. Name of Operator FASKEN OIL AND RANCH LTD. ✓		6. If Indian, Allottee or Tribe Name
Contact: ADDISON LONG E-Mail: addisonl@forl.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 6101 HOLIDAY HILL ROAD MIDLAND, TX 79707	3b. Phone No. (include area code) Ph: 432-687-1777	8. Well Name and No. FEDERAL "27" 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 27 T18S R33E SESE 660FSL 4830FEL ✓		9. API Well No. 30-025-29400 ✓
		10. Field and Pool, or Exploratory EK; BONE SPRING
		11. County or Parish, and State LEA COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 recompleat 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 consideration for the above well to be temporarily abandoned. The well should be TA'd rather than permanently plugged because the well still has potential from uphole zones with better oil prices, or as a disposal well. Please find attached the TA procedures, as well as the current and proposed wellbore diagrams.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #355211 verified by the BLM Well Information System For FASKEN OIL AND RANCH LTD., sent to the Hobbs Committed to AFMSS for processing by PAUL SWARTZ on 10/19/2016 ()	
Name (Printed/Typed) ADDISON LONG	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 10/19/2016
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By _____	Title _____ Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office _____
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	

APPROVED

NOV 11 2016

BUREAU OF LAND MANAGEMENT
FASUBMITTED*OFFICE**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

MSB/PCD 11/14/2016

Federal "27" No. 2
560' FSL & 660' FEL
Sec 27, T18S, R33E
API #30-025-29400
A.F.E. 3421

OBJECTIVE:	Temporarily Abandon
WELL DATA:	
13-3/8" 54.5# J-55 casing:	Set at 324' w/ 375 sx, circ. 110 sx cement
8-5/8" 24 & 28# casing:	Set at 3700.00" w/1500 sx, circ. 50 sx cement
5-1/2" 15.5#, 17#, & 20# casing:	Set at 10,700', DV Tool @ 6,803.27', 1 st stage cmt w/775 sx; 2 nd stage cmt w/750 sx- TOC 2885' by TS.
CIBP:	10,427' w/ 2.5 sx cmt. (TOC 10,405'), 8775' w/ 35' cmt
Perfs:	10,518'-24'; 9,468'-82'; 9,450'-54'; 9,440'-44'; 9,429'-34'; 8,828'-35'; 8,864'-66'; 8,890'-97'; 7365'-69'; 7372'-7388'; 5946'-73'
KB:	15.50'
TD:	10,700'
PBTD:	8740' - work performed 06/2008

1. Ensure mast anchors have been tested and tagged in last two years.
2. Check with Jimmy Carlile or Addison Long to make sure all necessary permits have been obtained and sundry notice submitted.
3. Notify NMOCD/BLM of intent to start temporary abandonment of well.
4. Set rig mats, catwalk, 2 sets pipe racks. RUPU.
5. POW with rods to rod part while visually inspecting for any signs of wear or corrosion. RIW with rods and fish rods. POW and LD pump and rods, continuing to visually inspect all rods.
6. Load tubing and drop standing valve. Pressure test tubing to 500 psi. Fish standing valve with sandline.
7. NDWH, release TAC, and NU 3k manual BOP. POW standing back tubing in derrick. Tally tubing while POW.
8. RIW with 5-1/2" 10k CIBP, setting tool, SN, and tubing. Set CIBP at 5900'.
9. Pick up 5'. Establish conventional circulation with 2% KCl water with corrosion inhibitor. Mix and spot 25 sx Class "C" cement on top of CIBP. Displace with 2% KCl water with corrosion inhibitor.
10. POW laying down all tubing and setting tool. Send tubing in for inspection.
11. RIW with 2 jts 2-7/8" tubing, ND BOP, and NUWH. Install tapped bull plug with gauge on tubing.
12. RU pump truck with chart recorder on casing. Perform mock MIT test on casing to 500 psi for 30 minutes. Report results to Midland office.
13. RDPU and release all rental equipment. Clean location.
14. Notify BLM of intent to perform MIT test. Conduct test per BLM instructions.

CLH

Federal "27" No. 2

Operator: **Fasken Oil and Ranch, Ltd.**
 Location: **560' FSL and 660' FEL**
Sec 27, T18S, R33E
Lea County, NM
 Compl.: **12/1/1985**
 API #: **30-025-29400**

TD: **10,700'**
 PBTD: **10,405'**
 Casing: **13-3/8" 54.5# J-55 @ 324'**
w/375sx, circ 110 sx to surf.
TOC surf
8-5/8" 24&28# J-55, S-80 @ 3700'
w/1200sx Lite + m300 sx "C", circ 50 sx to surf.
TOC surf
5-1/2" 15.5#, 17#, 20# @ 10,700'

DV: **6803.27'**
1st stg 400 sx Lite + 375 sx "H"
2nd stg 650 sx Lite + 100 sx "H"
TOC 2885' by Temp

Perfs: **Delaware**
5946'-73' (28 holes)
7365'-69' (5 holes)
7372'-88' (17 holes)
Bone Springs
8828'-35' (14 holes)
8839'-44' (10 holes)
8864'-66' (4 holes)
8890'-97' (14 holes)
9429'-34' (10 holes)
9440'-44' (8 holes)
9450'-54' (8 holes)
9468'-82' (28 holes)
10518'-24' (12 holes)

CIBP **10,427' w/ 2-1/2 sx cmt.**
8775' w/ 35' Class "H" cmt

Hole Sizes **17-1/2" 360'**
11" 3700'
7-7/8" 10,705'

Formation Tops

Rustler 1474' MD

Queen 4262' MD

Penrose 4538' MD

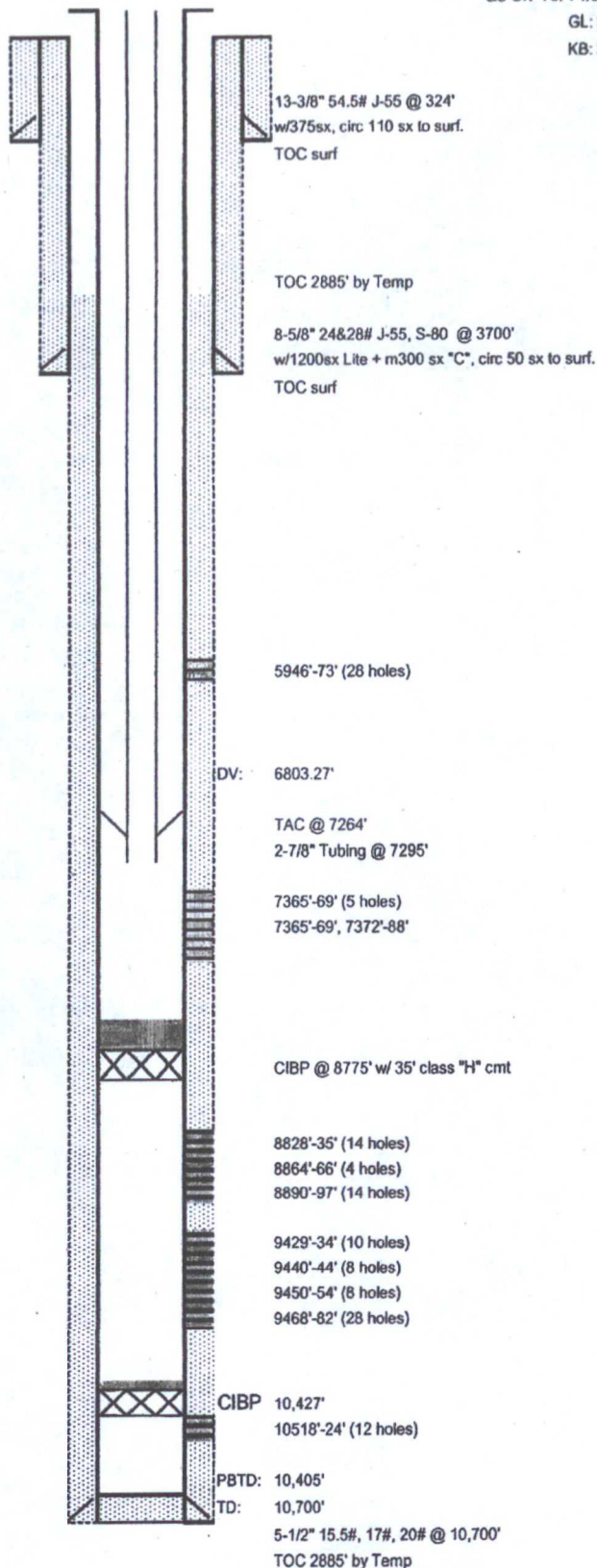
San Andres 5170' MD

Delaware 5673' MD

Bone Spring 7412' MD

Wolfcamp 10,521' MD

Current
 as of: **10/14/2016**
 GL: **3801'**
 KB: **3817'**



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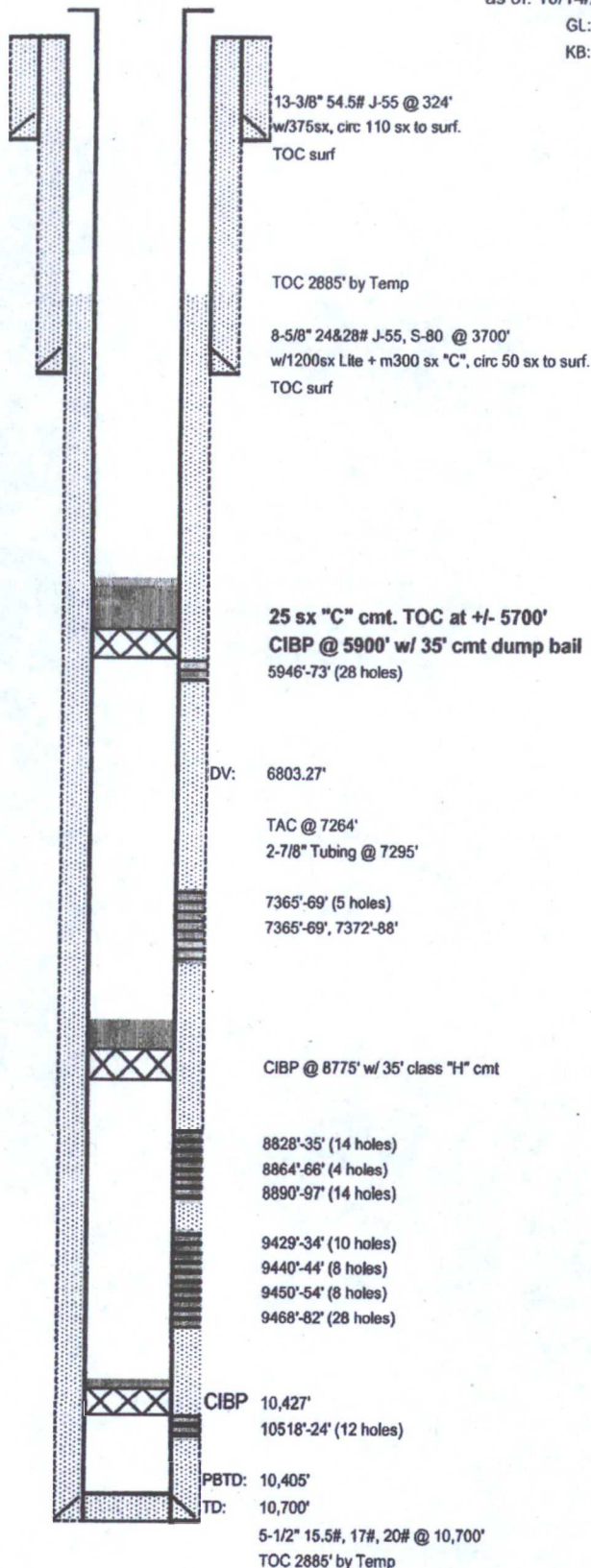
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Bone Spring 7412' MD

Wolfcamp 10,521' MD

Proposed T/A
 as of: **10/14/2016**

GL: **3801'**
 KB: **3817'**



Conditions of Approval

**Fasken Oil and Ranch LTD
Federal "27" - 02, API 3002529400
T18S-R33E, Sec 27, 560FSL & 660FEL
November 01, 2016**

- 1. Operator is required to have the BLM approved NOI procedure with applicable conditions of approval on location for this workover operation.**
2. Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15.
3. Before casing or a liner is added, replaced, or repaired prior BLM approval of the design is required. Use notice of intent Form 3160-5.
4. Subject to like approval by the New Mexico Oil Conservation Division.
5. Notify BLM 575-393-3612 Lea Co as work begins. Some procedures may be witnessed. If there is no response leave a voice mail with the API#, workover purpose, and a call back phone number.
6. Surface disturbance beyond the existing pad must have prior approval.
7. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
8. Functional H₂S monitoring equipment shall be on location.
9. 5000 (5M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels) equipment shall be installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.
10. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
11. The BLM PET witness is to run tbg tally and agree to cement volumes and placement. Sample each plug for cement curing time and tag and/or pressure test as requested by BLM PET witness.
- 12. Remove the CIBP at 8775 and tag the CIBP at 10427.**
- 13. Set a balanced Class "H" cement plug from the PBTD near 10427. Tag the plug with tubing at 10170 or less.**

14. Reset a CIBP within 100ft of 8828. Set a balanced Class "H" cement plug from the CIBP above 8828. Tag the plug with tubing at 250ft above the CIBP.
15. Set a balanced Class "H" cement plug across the Bone Spring formation top from 7550. Tag the plug with tubing at 7300 or less.
16. Set a CIBP at 5900 and dump bail a 35' cmt cap or place a 25sx Class "C" cement plug on the CIBP. Tag the cmt plug
17. This procedure is subject to the next three numbered paragraphs.
18. Mix cement plugs to cover a minimum of 100ft plus 10ft for every 1,000ft from the bottom of the plug, rounding the number of necessary sacks up to the nearest 5 sacks. Never use less than 25sx. Examples: A cement plug set at 8000 in 7" casing would require a min of 35sx. A 25sx plug in 5 1/2" casing should cover 250ft, which may exceed 100ft plus 10ft per 1000ft.
19. Class H > 7500ft & C < 7500ft) cement plugs(s) will be necessary. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water and "H" to be mixed 16.4#/gal, 1.06ft³/sx, 4.3gal/sx water.
20. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.
21. After setting the top plug, load the hole with packer fluid, shut down over night and schedule a **charted casing integrity test** of 500psig minimum. Document the pressure test on a one hour full rotation calibrated (within 6 months) recorder chart registering within 35 to 75 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Verify all annular casing vents are plumbed to surface and those valves open to the surface during this pressure test. Pressure leakoff will be evaluated site specifically and may restrict continued operation approval. Twenty four hours before the test contact BLM to witness Phone 575-393-3612 Lea Co.
22. Submit a subsequent Sundry Form 3160-5 relating the dated daily wellbore preparations, the casing integrity test chart, and CBL document. **File within 30 days with justification for temporary abandonment and expected time table for returning the well to "beneficial use"**.
23. Workover approval is good for 90 days (completion to be within 90 days of approval). A request is necessary for extension of that date.
24. Approval for WELLBORE TA PREPARATION ONLY. **BLM IS NOT APPROVING** a TA status for this well.
25. An inactive/shut-in well bore is a non-producing completion that is capable of "beneficial use" i.e. production in paying quantities or of service use. Should "beneficial use" not be achieved by 02/01/2018 submit for BLM approval a plan for plug and abandonment.