

PUNK 27

DATE IN 1/6/09	SUSPENSE	ENGINEER D. Brooks	LOGGED IN 1/7/09	TYPE NSL	APP NO. 0000900731711
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



API 30-025-38748  
 LING FEDERAL 004  
 FASKEN OIL & RANCH  
 LTD OGR 00151416

### ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify \_\_\_\_\_

2009 JAN 6 PM 4 11  
 RECEIVED

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note:** Statement must be completed by an individual with managerial and/or supervisory capacity.

Ocean Monnds-Dry Ocean Monnds-Dry attorney 1-6-09  
 Print or Type Name Signature Title Date  
 omondndry@hollandhart.com  
 e-mail Address



January 6, 2009

**HAND-DELIVERED**

Mark E. Fesmire, P.E.  
Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Re: Application of Fasken Oil and Ranch, Ltd. for Administrative Approval of an Unorthodox Well Location for its Ling Federal Well No. 4 located 1660 feet from the South line and 2310 feet from the East line of Section 31, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

Dear Mr. Fesmire:

Pursuant to the provisions of Division Rule 19.15.15.13, Fasken Oil and Ranch, Ltd. ("Fasken") hereby seeks administrative approval of an unorthodox well location for its Ling Federal Well No. 4 (API No. 30-025-38748) located 1660 feet from the South line and 2310 feet from the East line of Section 31, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico. The E/2 Section of 31 will be dedicated to the well.

This location is unorthodox because it is governed by the Division's statewide rules which provide for wells on 320-acre spacing to be located no closer than 660 feet to the outer boundary of the quarter section. The proposed location is unorthodox because it is only 330 feet from the western boundary of the spacing unit.

This well was originally drilled to the Morrow formation as authorized by Administrative Order NSL-5766, attached as Exhibit A. The well was drilled at its present location for topographical and geological reasons. While drilling, Fasken encountered the Atoka formation with a favorable gas show. Therefore, Fasken seeks to re-complete this well in the Atoka formation.

The proposed location is the most efficient and reasonable way to develop these reserves. It would not be economic to drill a new well to test this zone. Enclosed as Exhibit B is a geologic report from Mr. Harmon, Fasken's Exploration Manager. Mr. Harmon has provided production reports from the only two Atoka producers within two miles of the Ling Federal Well No. 4: the Laguna Deep Unit No. 7 and the Pennzoil 36



State No. 1 both located in Section 36, Township 19 South, Range 33 East. Also included is a map of the producing wells in the subject area and two cross-sections.

All of Section 31 is subject to Federal oil and gas lease NM-14496. The W/2 of the section has been communitized and is operated by Fasken. Notice is being sent to all working interest owners in the W/2 pursuant to Division rules. A list of the working interest owners is included as Exhibit C to this application.

Granting of this application would be in the best interest of conservation and the prevention of waste.

Your attention to this application is appreciated.

Sincerely,

*Ocean Munds-Dry*

Ocean Munds-Dry

ATTORNEY FOR FASKEN OIL AND RANCH, LTD.

Enclosures

cc: Mr. Jimmy Carlile

*Undesignated Dhaul  
Ridge; Atoka  
Gross Pool [96485]*

**Exhibit C**  
**Fasken Oil & Gas Ranch. Ltd.**  
**Ling Federal Well No. 4**  
**Affected Parties**

Robert Angevine  
202 Helen Greathouse Circle  
Midland, TX 79707

The Henry Trust  
James & Billie Jean Henry, Trustees  
3104 Shell Ave  
Midland, TX 79705

Brooks Oil and Gas Interests, Ltd.  
PO Box 23314  
Santa Fe, NM 87502-3314

Attn: OBO JIB  
Magnum Hunter Production Inc.  
Cimarex Energy Co.  
15 East 5th St. Suite 1000  
Tulsa, OK 74103-4246

Chesapeake Permian, LP  
PO Box 960161  
Oklahoma City, OK 73196-0161

RKC Inc  
7500 E. Arapahoe Rd. Ste 380  
Centennial, CO 80112-6116



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

January 17, 2008

W. Thomas Kellahin  
Kellahin & Kellahin  
Attorneys At Law  
706 Gonzales Road  
Santa Fe, NM 87501

RE: **Ling Federal Well No. 4**  
**1660 feet FSL & 2310 feet FEL (Unorthodox)**  
**E/2 Section 31, T-19 -S, R-34-E,**  
**Lea County, NMPM, New Mexico**

**Administrative Order NSL-5766**

Dear Mr. Kellahin:

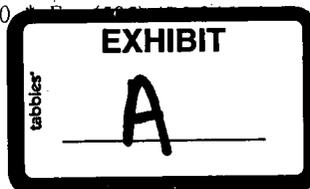
Reference is made to the following:

(a) your application (**administrative application reference No. pKVR0735228698**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on December 17, 2007, on behalf of Fasken Oil and Ranch, Ltd ("Fasken"); and

(b) the Division's records pertinent to Fasken's request.

Fasken Oil and Ranch, Ltd requests to drill its Ling Federal Well No. 4 at an unorthodox gas well location 1660 feet from the South line and 2310 feet from the East line (Unit J) of Section 31, Township 19 South, Range 34 East, N.M.P.M., in Lea County, New Mexico.

The E/2 of Section 31 will be dedicated to this well to form a standard 320-acre gas spacing and proration unit. Fasken Oil and Ranch, Ltd intend to test the Quail Ridge-Morrow Gas Pool. This pool is governed by the "Special Rules and Regulations for the Quail Ridge-Morrow Gas Pool as promulgated in the Commission Order No. R-3890 issued in case No. 4261 on December 3, 1969. This order provide for wells on 320-acre spacing units to be located no closer than 660 feet to the outer boundary of the quarter section, nor closer than 1980 feet to the nearest end boundary, nor closer than 330 feet to any quarter-quarter section or subdivision inner boundary.



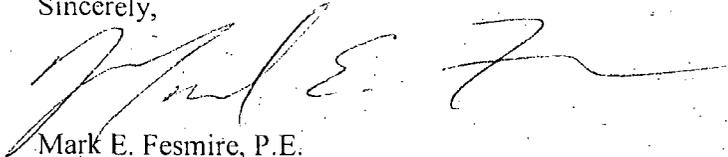
Your application on behalf of Fasken Oil and Ranch, Ltd has been duly filed under the provisions of Division Rules 104. F, and 1210.A(2), and Commission Order No. R-3890.

It is our understanding that the unorthodox location of this well is based upon a combination of topographical and geological reasons, and that the Bureau of Land Management (BLM) has approved this location.

Pursuant to the authority granted under the provisions of Division Rules 104. F(2), and Order No. R-3890, the above-described unorthodox Quail Ridge-Morrow Gas Pool location is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a long horizontal flourish extending to the right.

Mark E. Fesmire, P.E.  
Director

MEF/re

cc: New Mexico Oil Conservation Division – Hobbs  
Bureau of Land Management (BLM) - Carlsbad

Fasken Oil and Ranch, Ltd.

Non-Standard Location Application

Geologic Report – Atoka

Ling Federal No. 4  
1660' FSL, 2310' FEL  
Section 31, T19S, R34E

Fasken Oil and Ranch, Ltd. encountered a drilling break and gas show while drilling through an Atoka sand from 12,514' to 12,522' in the Ling Federal No. 4. Fasken continued to carry several thousand units of gas after cutting this zone all the way to total depth. Fasken plans on attempting a completion in this Atoka sand in the near future, possibly downhole commingling this zone with a marginally productive Morrow zone. A separate downhole commingle application will be submitted at a later date.

There have been only two Atoka producers within 2 miles of the Ling Federal No. 4. Both of these wells are in Section 35, T19S, R33E. The Laguna Deep Unit No. 7 has made 1,271,339 MCF from a lower Atoka zone in the Quail Ridge field. The Pennzoil 36 State No. 1 made 12,074 MCF from a correlative zone in the Vacuum Northeast field.

This data was researched and submitted by Dexter Harmon, Exploration Manager, Fasken Oil and Ranch, Ltd.



LEA NM  
LAGUNA DEEP UNIT 7  
GRUY PETROLEUM MANAGEMENT COMPANY  
ACTIVE

## Detailed Production Report

<b>Lease Name:</b>	LAGUNA DEEP UNIT	<b>Well Number:</b>	7
Lease Number:		Cum Oil:	47,361
Operator Name:	GRUY PETROLEUM MANAGEMEN	Cum Gas:	1,271,339
State:	NEW MEXICO	Cum Water:	9,725
County:	LEA	First Production Date:	JAN 2004
Field:	QUAIL RIDGE	Last Production Date:	AUG 2008
Sec Twn Rng:	36E 19S 33E	Spot:	E2 SW NW
Latitude/Longitude:	32.61838 -103.62168	Lat/Long Source:	IH
Regulatory #:		Completion Date:	OCT 10, 2003
API:	30025362550000	Total Depth:	13617
Production ID:	2300210253625596485	Upper Perforation:	12602
Reservoir Name:	ATOKA	Lower Perforation:	12620
Prod Zone:	ATOKA	Gas Gravity:	0.75
Prod Zone Code:	403ATOK	Oil Gravity:	53.4
Basin Name:	PERMIAN BASIN	Temp Gradient:	
Gas Gatherer:		N Factor:	0.59
Liquid Gatherer:		GOR:	
Status:	ACTIVE		
			GAS

**Annual Production (5 years)**

Year	Oil BBLs	Gas MCF	Water BBLs
Beginning Cum:			
2004	37,419	724,223	36
2005	7,441	397,565	2,176
2006	1,709	59,229	898
2007	353	43,458	1,933
2008	439	46,864	4,682
<b>Totals:</b>	47,361	1,271,339	9,725

**Monthly Production**

Date MO/YR	Oil BBLs	Gas MCF	Water BBLs	Cond Yld STB/MMCF	% Water	# of Wells	Days on
JAN 2004	5,171	68,831	27	75.13	0.52	1	31
FEB 2004	4,918	64,884	9	75.80	0.18	1	29
MAR 2004	3,127	44,911	0	69.63		1	24
APR 2004	0	0	0			0	0
MAY 2004	4,359	64,229	0	67.87		1	29

JUN 2004	4,247	70,328	0	60.39		1	30
JUL 2004	3,707	71,150		52.11		1	31
AUG 2004	3,141	66,892		46.96		1	31
SEP 2004	2,743	71,522		38.36		1	30
OCT 2004	2,409	73,199		32.92		1	31
NOV 2004	1,675	57,445		29.16		1	24
DEC 2004	1,922	70,832		27.14		1	30

Totals:							
2004	37,419	724,223	36				

JAN 2005	1,591	72,160	0	22.05		1	31
FEB 2005	1,134	63,753	0	17.79		1	27
MAR 2005	905	61,875	35	14.63	3.72	1	27
APR 2005	516	38,126	116	13.54	18.35	1	28
MAY 2005	527	28,102	433	18.76	45.10	1	31
JUN 2005	693	33,573	399	20.65	36.54	1	30
JUL 2005	609	33,703	386	18.07	38.79	1	31
AUG 2005	564	31,079	351	18.15	38.36	1	31
SEP 2005	407	20,508	256	19.85	38.61	1	28
OCT 2005	94	4,151	66	22.65	41.25	1	30
NOV 2005	198	4,149	7	47.73	3.41	1	30
DEC 2005	203	6,386	127	31.79	38.48	1	31

Totals:							
2005	7,441	397,565	2,176				

JAN 2006	194	6,106	33	31.78	14.54	1	31
FEB 2006	194	5,030	0	38.57		1	28
MAR 2006	198	5,865	11	33.76	5.26	1	31
APR 2006	183	5,424	0	33.74		1	30
MAY 2006	147	5,302	3	27.73	2.00	1	31
JUN 2006	155	4,932	0	31.43		1	30
JUL 2006	94	5,263	158	17.87	62.70	1	31
AUG 2006	69	5,194	190	13.29	73.36	1	31
SEP 2006	95	4,815	130	19.74	57.78	1	30
OCT 2006	87	3,952	87	22.02	50.00	1	29
NOV 2006	186	4,317	175	43.09	48.48	1	30
DEC 2006	107	3,029	111	35.33	50.92	1	31

Totals:							
2006	1,709	59,229	898				

JAN 2007	95	2,833	128	33.54	57.40	1	31
FEB 2007	44	2,073	77	21.23	63.64	1	22
MAR 2007	0	1,658	58			1	25
APR 2007	125	1,351	84	92.53	40.19	1	23
MAY 2007	0	681	48			1	23
JUN 2007	0	43	0			1	27
JUL 2007	3	333	4	9.01	57.14	1	14
AUG 2007	0	780	203			1	19
SEP 2007	0	6,272	750			1	26
OCT 2007	0	9,332	345			1	31
NOV 2007	0	6,967	67			1	30
DEC 2007	86	11,135	169	7.73	66.27	1	31

Totals:							
2007	353	43,458	1,933				

JAN 2008	82	10,458	155	7.85	65.40	1	31
FEB 2008	147	12,565	255	11.70	63.43	1	29

MAR 2008	105	13,537	180	7.76	63.16	1	19
APR 2008	41	4,707	187	8.72	82.02	1	25
MAY 2008	16	734	339	21.80	95.49	1	20
JUN 2008	48	327	1,503	146.79	96.91	1	25
JUL 2008		558	785			1	31
AUG 2008		3,978	1,278			1	25
Totals:							
2008	439	46,864	4,682				

**Gas Tests**

**Total count: 1**

API Number	Well Number	Test Date	WHSIP	WHFP	BHP	BHP/Z	Water B/D	Cond B/D	Gas MCFD	AOF MCFD
30025362550000	7	20031222	3650	3608					958	9

# PI/Dwights PLUS on CD Scout Ticket

## 7 LAGUNA DEEP UNIT

State: NEW MEXICO  
 County: LEA  
 Operator: BROWN TOM INC  
 API: 30025362550000 IC: 30025739372003  
 Initial Class: D  
 Target Objective: GAS  
 Final Well Class: DG  
 Status: GAS  
 Field: QUAIL RIDGE  
 Permit: on APR 18, 2003  
 First Report Date: FEB 20, 2003  
 Projected TD: 13700 Formation: MORROW  
 Hole Direction: VERTICAL  
 IP Summary: Oil Gas Water Top Form  
 1691 MCFD 0 BBL ATOKA

### Location

Section, Twp., Range: 36 19 S 33 E  
 Spot Code: E2 SW NW  
 Footage NS EW Origin: 1980 FNL 950 FWL CONGRESS SECTION  
 Surface Remark:  
 Principal Meridian: NEW MEXICO  
  
 Lat/Long: 32.6183803 / -103.6216833 IH  
 PBHL Footage NS EW Origin:  
 PBHL Section:  
 PBHL Remark:  
 ABHL Footage NS EW Origin:  
 ABHL Section:  
 ABHL Remark:  
 Location Narrative:
 

Type	Remark
SCALED_FOOT	REGULATORY
IRREG_SECT	N

### Dates and Depths

Spud: JUN 11, 2003 Spud Date Code: A  
 TD: 13617 on JUL 27, 2003  
 LTD:  
 TVD:  
 PlugBack Depth: 13125  
 Completed: OCT 20, 2003  
 Formation @ TD: 359MSSP Name: MISSISSIPPIAN  
 Ref. Elevation:  
 KB. Elevation:  
 Ground Elevation: 3599 GR  
 Contractor: PATTERSON-UTI ENERGY INCORPORATED  
 Rig Release Date: JUL 30, 2003 Rig # 46

### IP # 007

Top Formation: ATOKA  
 Base Formation: ATOKA  
 Oil: Condst: 141 BPD  
 Gas: 1691 MCFD Water: 0 BBL

# PI/Dwights PLUS on CD Scout Ticket

Interval: 12602 - 12620 Method: FLOWING  
 Duration of Test: Hours Choke: 8/64  
 Oil: Gravity: 53.7 GOR:  
 Prod Method: PERF  
 Pressures: FTP: 4750 SITP:  
 FCP: SICP:  
 Perforations: Interval Cnt Type Shots/Ft Top Formation  
 12602 - 12620 403ATOK ATOKA

**PT # 001**

Top Formation:  
 Base Formation:  
 Oil: Condst:  
 Gas: Water: 32 BBL  
 Interval: 13376 - 13382 Method: SWABBING  
 Duration of Test: Hours Choke:  
 Oil: Gravity: GOR:  
 Prod Method: PERF  
 Water:  
 Type: LWTR Salinity: Temp:  
 Perforations: 402MRRWL MORROW LOWER  
 Perf Interval: 13376 - 13382 Shots/Ft: 2 FT

Treatments: 1 Interval: 13376 - 13382  
 Fluid: 1500 GAL ACID Type: A  
 Additive:  
 Prop Agent:  
 Formation Break Down Pressure:  
 Average Injection Rate:  
 Stages: Remarks:

Remarks on PT Test # 001 SWBD 32 BLW & SWBD DRY; BRPG W/12 FT CMT ON TOP

**PT # 002**

Top Formation: MORROW UPPER  
 Base Formation: MORROW UPPER  
 Oil: Condst:  
 Gas: 76 MCFD Water:  
 Interval: 13168 - 13178 Method: FLOWING  
 Duration of Test: 15 Hours Choke: 3/64  
 Oil: Gravity: GOR:  
 Prod Method: PERF  
 Perforations: 402MRRWU MORROW UPPER  
 Perf Interval: 13168 - 13178 Shots/Ft: 6 FT

Treatments: 2 Interval: 13168 - 13178  
 Fluid: 1500 GAL ACID Type: A  
 Additive:  
 Prop Agent:  
 Formation Break Down Pressure:  
 Average Injection Rate:  
 Stages: Remarks:

**PT # 003**

Top Formation: MORROW UPPER  
 Base Formation: MORROW UPPER

# PI/Dwights PLUS on CD Scout Ticket

Oil:		Condst:	
Gas:	120 MCFD	Water:	
Interval:	13168 - 13178	Method:	FLOWING
Duration of Test:	1 Hours	Choke:	
Oil:	Gravity:	GOR:	
Prod Method:	PERF		
Perforations:	402MRRWU MORROW UPPER		
Perf Interval:	13168 - 13178	Shots/Ft:	

Treatments: 3 Interval: 13168 - 13178  
 Fluid: 38956 GAL FRAC Type: W  
 Additive:  
 Prop Agent: SAND 14966 LB  
 Formation Break Down Pressure:  
 Average Injection Rate:  
 Stages: Remarks:

**PT # 004**

Top Formation:	ATOKA		
Base Formation:	ATOKA		
Oil:	3 BPH	Condst:	
Gas:	1138 MCFD	Water:	
Interval:	12602 - 12620	Method:	FLOWING
Duration of Test:	Hours	Choke:	
Oil:	Gravity:	GOR:	
Prod Method:	PERF		
Perforations:	403ATOK ATOKA		
Perf Interval:	12602 - 12620	Shots/Ft:	

Treatments: 4 Interval: 12602 - 12620  
 Fluid: NTRL Type:  
 Additive:  
 Prop Agent:  
 Formation Break Down Pressure:  
 Average Injection Rate:  
 Stages: Remarks:

**RFT # 001**

Show:	Formation:	
Interval:	-	BHT
Choke:	Top:	Bottom:
Dst Test Remark:	RAN RFT'S, NO OTHER DETAILS	

**Casing, Liner, Tubing**

Casing	20 IN @	511 w/	910 sx
Casing	13 3/8 IN @	3140 w/	1570 sx
Casing	8 5/8 IN @	4873 w/	920 sx
Casing	5 1/2 IN @	13617 w/	1625 sx
Tubing	2 7/8 IN	@	12382 TUBING

**Drilling Journal**

# PI/Dwights PLUS on CD Scout Ticket

## Drilling Journal

Narrative: JUN 10, 2003 PREP TO MOVE IN  
 Narrative: JUN 17, 2003 @ 3140, PREP CMT CSG  
 Narrative: JUN 24, 2003 DRLG @ 6900  
 Narrative: JUN 25, 2003 DRLG @ 7687  
 Narrative: JUN 30, 2003 @ 9694, WO LOGGERS TO RUN CMT BOND LOG -  
 SUSPECT CSG MAY HAVE PARTED  
 Narrative: JUL 07, 2003 @ 11230, TRIP FOR BIT  
 Narrative: JUL 15, 2003 @ 11354, FISHING  
 Narrative: JUL 16, 2003 DRLG @ 12630  
 Narrative: JUL 22, 2003 DRLG @ 12982  
 Narrative: JUL 28, 2003 CONDITIONING HOLE  
 Narrative: JUL 29, 2003 DRLG @ 13617  
 Narrative: AUG 07, 2003 NO FURTHER DATA AVAILABLE  
 Narrative: SEP 11, 2003 WOCT  
 Narrative: OCT 02, 2003 TSTG  
 Narrative: OCT 16, 2003 FLWG TO SALES  
 Narrative: NOV 20, 2003 FLWG TO SALES  
 Narrative: DEC 04, 2003 FLWG TO SALES

## Formations and Logs

Log # 1 CALA @ -  
 Log # 2 DLL @ 4863 - 13592  
 Log # 3 DNL @ 100 - 13588  
 Log # 4 LSS @ 4863 - 13546

Top Formation	Measured Depth	Top TVD	Base Depth	Base TVD	Source	Lith- ology	Age code
SALT	1340				LOG		454
YATES	3286				LOG		453
SEVEN RIVERS	3698				LOG		453
QUEEN	4283				LOG		453
DELAWARE	6490				LOG		453
BONE SPRING	9252				LOG		452
WOLFCAMP	11020				LOG		451
PENNSYLVANIAN	11655				LOG		409
STRAWN	12065				LOG		404
ATOKA	12303				LOG		403
MISSISSIPPIAN	13470				LOG		359

## Dwights Energydata Narrative

Accumulated through 1997

Dwights number:

## Operator Address

Street or PO Box: P O BOX 2608

City: MIDLAND  
 State, Zip: TX , 79702  
 Country: USA  
 Phone: 4326829715

Fax:

E-Mail:  
 Agent Name: Agent Code:  
 Agent Remark: KRAMER JIM;SR DRLG ENGINEER;;;;;214;987;7128

LEA NM  
**PENNZOIL 36 STATE 1**  
**MALLON OIL COMPANY**  
**INACTIVE**

## Detailed Production Report

<b>Lease Name:</b>	<b>PENNZOIL 36 STATE</b>	<b>Well Number:</b>	<b>1</b>
Lease Number:	016284	Cum Oil:	4,414
Operator Name:	MALLON OIL COMPANY	Cum Gas:	12,074
State:	NEW MEXICO	Cum Water:	997
County:	LEA	First Production Date:	DEC 1995
Field:	VACUUM NORTHEAST	Last Production Date:	MAY 1997
Sec Twn Rng:	36I 19S 33E	Spot:	NE SE
Latitude/Longitude:	32.6147 -103.60972	Lat/Long Source:	IH
Regulatory #:		Completion Date:	OCT 29, 1993
API:	30025299180001	Total Depth:	13690
Production ID:	2300210252991896485	Upper Perforation:	12427
Reservoir Name:	ATOKA	Lower Perforation:	12513
Prod Zone:	ATOKA	Gas Gravity:	
Prod Zone Code:	403ATOK	Oil Gravity:	52
Basin Name:	PERMIAN BASIN	Temp Gradient:	0.969
Gas Gatherer:		N Factor:	
Liquid Gatherer:		GOR:	
Status:	INACTIVE		GAS

Annual Production	(3 years)		
Year	Oil BBLS	Gas MCF	Water BBLS

Beginning			
Cum:			
1995	415	963	67
1996	3,729	11,061	591
1997	270	50	339
Totals:	4,414	12,074	997

### Monthly Production

Date MO/YR	Oil BBLS	Gas MCF	Water BBLS	Cond Yld STB/MMCF	% Water	# of Wells	Days on
DEC 1995	415	963	67	430.95	13.90	1	24
Totals: 1995	415	963	67				
JAN 1996	411	987	76	416.42	15.61	1	30
FEB 1996	346	838	88	412.89	20.28	1	0
MAR 1996	415	879	28	472.13	6.32	1	0

APR 1996	365	781	38	467.35	9.43	1	30
MAY 1996	353	1,082	60	326.25	14.53	1	31
JUN 1996	304	884	0	343.90		1	30
JUL 1996	264	1,055	121	250.24	31.43	1	24
AUG 1996	355	1,035	0	343.00		1	24
SEP 1996	256	825	61	310.31	19.24	1	25
OCT 1996	252	790	0	318.99		1	22
NOV 1996	252	912	55	276.32	17.92	1	10
DEC 1996	156	993	64	157.10	29.09	1	15
Totals: 1996	<u>3,729</u>	<u>11,061</u>	<u>591</u>				
JAN 1997	0	3	0			1	1
FEB 1997	0	4	0			1	1
MAR 1997	33	4	197	8250.00	85.65	1	6
APR 1997	226	29	139	7793.11	38.08	1	30
MAY 1997	11	10	3	1100.00	21.43	1	10
Totals: 1997	<u>270</u>	<u>50</u>	<u>339</u>				

**Gas Tests**

**Total count: 3**

API Number	Well Number	Test Date	WHSIP	WHFP	BHP	BHP/Z	Water B/D	Cond B/D	Gas MCFD	AOF MCFD
First Test										
30025299180001	1	19931125		543				42	156	
30025299180001	1	19951003	1000		1339	1468				
30025299180001	1	19960907	900		1201	1308				

# PI/Dwights PLUS on CD Scout Ticket

## 1 PENNZOIL '36' STATE

State: NEW MEXICO  
 County: LEA  
 Operator: MALLON OIL CO  
 API: 30025299180001 IC: 300257062893  
 Initial Class: WPX  
 Target Objective: GAS  
 Final Well Class: WPD  
 Status: GAS-WO  
 Field: UNNAMED  
 Permit: on OCT 19, 1993  
 First Report Date: DEC 09, 1993  
 Projected TD: 13050 Formation: ATOKA  
 Hole Direction: VERTICAL  
 IP Summary: Oil Gas Water Top Form  
 156 MCFD ATOKA

### Location

Section, Twp., Range: 36 19 S 33 E  
 Spot Code: NE SE  
 Footage NS EW Origin: 1980 FSL 660 FEL CONGRESS SECTION  
 Surface Remark:  
 Principal Meridian: NEW MEXICO  
 Lat/Long: 32.6147029 / -103.6097178 IH  
 PBHL Footage NS EW Origin:  
 PBHL Section:  
 PBHL Remark:  
 ABHL Footage NS EW Origin:  
 ABHL Section:  
 ABHL Remark:  
 Location Narrative:
 

Type	Remark
LOCATION	14 MI SW BUCKEYE, NM
DST_PRODUCER	1/4 MI W/13172 (MRRW) GAS PROD IN QUAIL RIDGE FLD

### Dates and Depths

Spud: OCT 29, 1993 Spud Date Code:  
 TD: 13690 on  
 LTD:  
 TVD:  
 PlugBack Depth: 13030  
 Completed: NOV 25, 1993  
 Formation @ TD: 354BRNT Name: BARNETT /SH/  
 Ref. Elevation:  
 KB. Elevation:  
 Ground Elevation: 3598 GR  
 Contractor:  
 Rig Release Date: Rig #

### IP # 001

Top Formation: ATOKA  
 Base Formation: ATOKA  
 Oil: Condst: 42 BBL  
 Gas: 156 MCFD Water:

# PI/Dwights PLUS on CD Scout Ticket

Interval: 12427 - 12513 GROSS Method: FLOWING  
 Duration of Test: 24 Hours Choke: 99/64  
 Oil: Gravity: 52 GOR: 3714  
 Prod Method: PERF  
 Completed: G  
 Pressures: FTP: 530 SITP:  
 FCP: SICP:  
 Perforations: Interval Cnt Type Shots/Ft Top Formation  
 12427 - 12437 36 403ATOK ATOKA  
 12505 - 12513 36 403ATOK ATOKA

Treatments: 1 Interval: 12427 - 12513  
 Fluid: 2500 GAL FRAC Type: A  
 Additive: CO2  
 Prop Agent:  
 Formation Break Down Pressure:  
 Average Injection Rate:  
 Stages: Remarks: 7 1/2% MSA, ACFR:ORIG TREATMENT CD, CO2:ORIG ADDITIV  
 Remarks on IP Test # 001 22 TONS FCP: PKR GAS GTY - NO DETAILS

**PT # 001**

Top Formation: MORROW  
 Base Formation: MORROW  
 Oil:  
 Gas:  
 Interval: 13145 - 13333  
 Duration of Test: Hours  
 Oil: Gravity:  
 Prod Method: PERF  
 Perforations: 402MRRW MORROW  
 Perf Interval: 13145 - 13333 Shots/Ft:  
 Condst:  
 Water:  
 Method: UNDESIGNATED  
 Choke:  
 GOR:

**Casing, Liner, Tubing**

Tubing 2 7/8 IN @ 12344 TUBING

**Formations and Logs**

Log # 1 LLD @ -  
 Log # 2 NEC @ -  
 Log # 3 DN @ -

**Dwights Energydata Narrative**

Accumulated through 1997

IP: (Atoka 12427-12513) F 56 BCPD grav 52.0; 182 MCFGPD on 2 ck; no wtr;  
 IP: FTP 530  
 Perfs: - CIBP @ 13050  
 Perfs: 12427-12513 (Atoka )  
 Perfs: w/72 holes total @ 12427-12437, 12505-12513 - acid w/2500 gal 7 1/2%  
 Perfs: MSA - frac w/22 ton CO2  
 Dwights number: T4117511

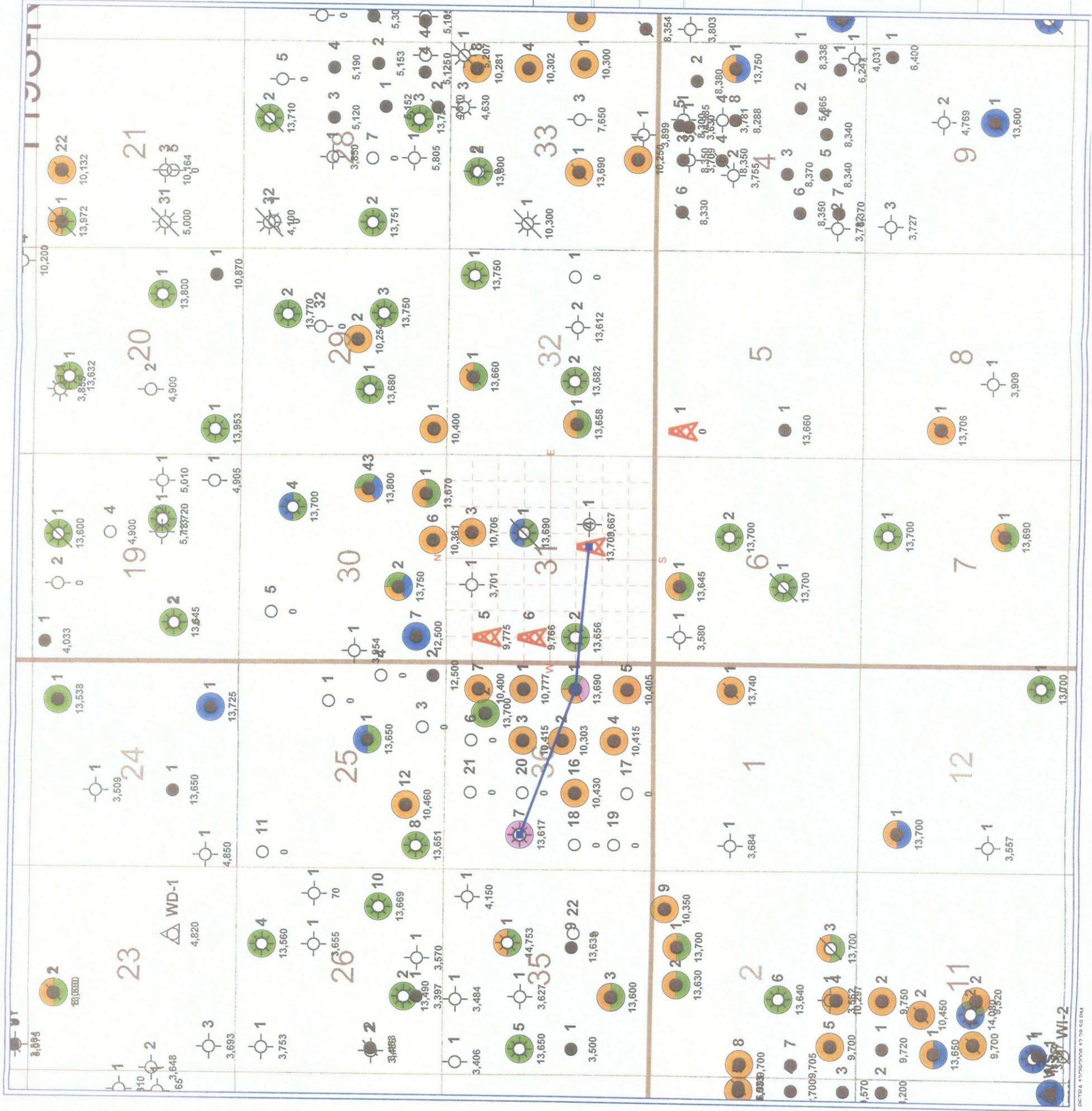
**Operator Address**

Street or PO Box:

## PI/Dwights PLUS on CD Scout Ticket

### Operator Address

City:  
State, Zip: ,  
Country:  
Phone: Fax:  
E-Mail:  
Agent Name: Agent Code:  
Agent Remark: JOE H COX, JR;VP OPER;;;;;;



# Fasken Oil & Ranch, Ltd.

Lea County, New Mexico

## Fasken Ling Fed #4

POSTED WELL DATA

● Well Number  
● WELL - TD

ATTRIBUTE MAP

- Zone: PRODUCTION - O\_BONE\_SPRING IS PRESENT
- Zone: PRODUCTION - O\_PENNSYLVANIAN IS PRESENT
- Zone: PRODUCTION - O\_STRAWN IS PRESENT
- Zone: PRODUCTION - G\_ATOKA IS PRESENT
- Zone: PRODUCTION - G\_MORROW IS PRESENT

SYMBOL HIGHLIGHT

By: DLH



December 29, 2008

DLH 170700018 17 08 00 D.M.

CIMAREX  
LAGUNA DEEP UNIT  
1980 FNL 950 FWL  
T19S R33E S36



TD : 13.617  
ELEV\_KB : 3,619

CIMAREX  
PENNZOIL '36' STATE  
1980 FSL 660 FEL  
T19S R33E S36



TD : 13.690  
ELEV\_KB : 3,616

FASKEN  
LING FEDERAL  
1660 FSL 2310 FEL  
T19S R34E S31



TD : 13.700  
ELEV\_KB : 3,641

404STRN

403ATOK

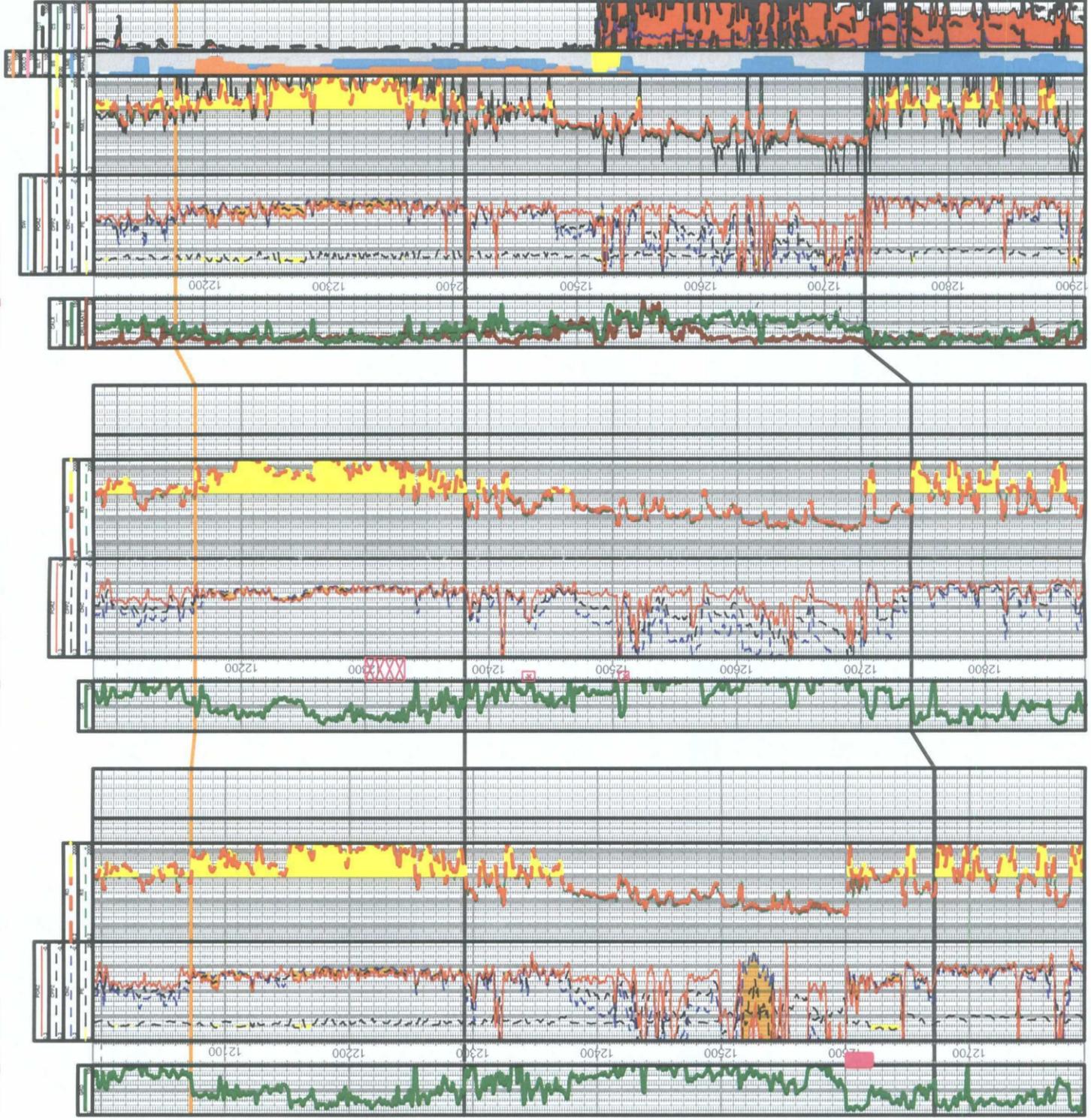
402MRRL

404STRN

403ATOK

402MRRL

SHOW  
12,514



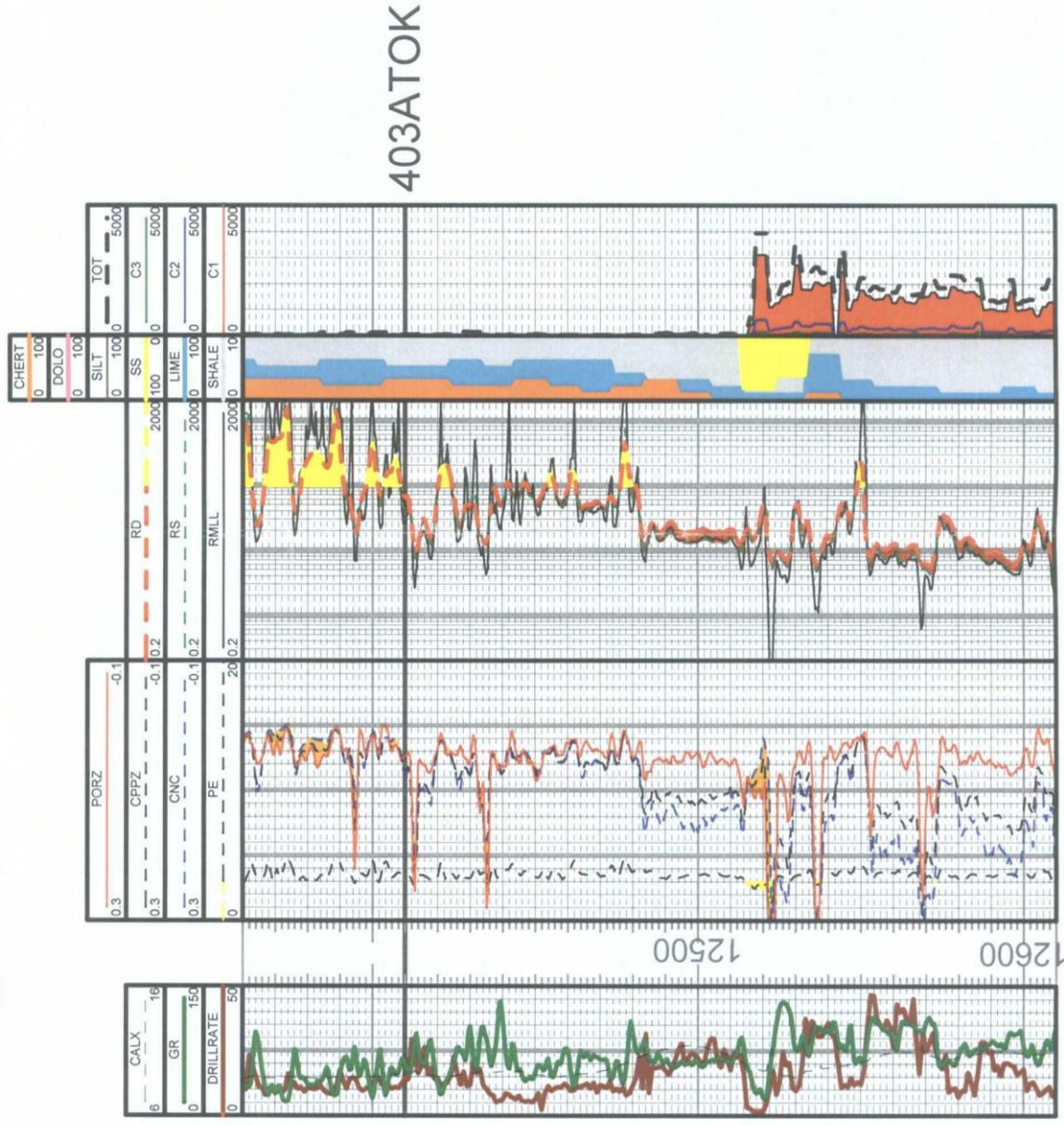
G\_ATOKA : 1,266,803  
O\_ATOKA : 47,361  
W\_ATOKA : 7,662

G\_ATOKA : 12,074  
O\_ATOKA : 4,414  
W\_ATOKA : 997

FASKEN  
LING FEDERAL  
1660 FSL 2310 FEL  
T19S R34E S31



TD : 13,700  
ELEV\_KB : 3,641



**Ezeanyim, Richard, EMNRD**

---

**From:** Ocean Munds-Dry [Omundsdry@hollandhart.com]  
**Sent:** Tuesday, February 03, 2009 4:52 PM  
**To:** Ezeanyim, Richard, EMNRD  
**Subject:** Fasken Ling Fed Well No. 4  
**Attachments:** Document.pdf

Richard: Here are the notice letter and green cards for the Ling Fed Well NO. 4.

Thanks,  
Ocean

-----Original Message-----

**From:** HP 4345 MFP [mailto:DSAdmin@hollandhart.com]  
**Sent:** Tuesday, February 03, 2009 10:47 AM  
**To:** Ocean Munds-Dry  
**Subject:** Scanned from the HP 4345 MFP

Please open the attached document. This document was digitally sent to you using an HP Digital Sending device.

---

This inbound email has been scanned by the MessageLabs Email Security System.

---

January 6, 2009

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO: WORKING INTEREST OWNERS**

Re: Application of Fasken Oil & Ranch, Ltd. for administrative approval of a non-standard well location for its Ling Federal Well No. 4 in Section 31, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date by Fasken Oil & Ranch, Ltd. for administrative approval of a non-standard well location for its Ling Federal Well No. 4. This well is located in Section 31, Township 19 South, Range 34 East, N.M.P.M., and will be re-completed in the Atoka formation at a location 1660 feet from the South line and 2310 feet from the East line of said Section 31, Lea County, New Mexico.

As an owner of an interest that may be affected by the proposed well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office that is located at 1220 South Saint Francis Drive, Santa Fe, New Mexico. 87505. If no objection is received within this twenty-day period, this application for an unorthodox well location may be approved.

Sincerely,

  
Ocean Munds-Dry  
Attorney for Fasken Oil & Ranch, Ltd.

Enclosures

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 [www.hollandhart.com](http://www.hollandhart.com)

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ☺

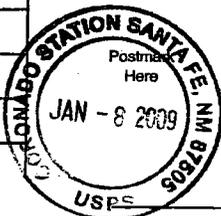
7006 2760 0001 6393 4022

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For delivery information visit our website at www.usps.com

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Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.41



Robert Angevine  
202 Helen Greathouse Circle  
Midland, TX 79707

Reverse for Instructions

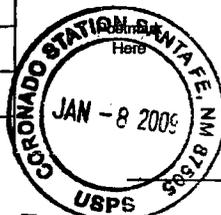
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Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.41



The Henry Trust  
James & Billie Jean Hendry, Trustees  
3104 Shell Ave  
Midland, TX 79705

Reverse for Instructions

7006 2760 0001 6393 3971

U.S. Postal Service  
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**OFFICIAL USE**

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Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.41

- 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:

Brooks Oil and Gas Int  
PO Box 23314  
Santa Fe, NM 87502-

Brooks Oil and Gas Interest, Ltd.  
PO Box 23314  
Santa Fe, NM 87502-3314

2. Article Number  
(Transfer from service label)

7006 2760 0001 6393 3971

**THIS SECTION ON DELIVERY**

A. Signature  
*David K. Probst*  Agent  Addressee

B. Received by (Printed Name) \_\_\_\_\_ C. Date of Delivery 1-16-09

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

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**CERTIFIED MAIL™ REC**  
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THIS SECTION ON DELIVERY

For delivery information visit our website at [www.usps.com](http://www.usps.com)

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Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 6.41</b>

- 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:

Attn: OBO JIB  
 Magnum Hunter Production Inc.  
 Cimarex Energy Co.  
 15 East 5<sup>th</sup> St. Suite 1000  
 Tulsa, OK 74103-4246

A. Signature  Agent  Addressee  
*[Signature]*

B. Received by (Printed Name)  Agent  Addressee  
*J WALLACE*

C. Date of Delivery

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

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7006 2760 0001 6393 3988

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL**

Postage	\$ 1.51
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 6.41</b>

- 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:

Chesapeake Permian, LP  
 PO Box 960161  
 Oklahoma City, OK 73196-0161

A. Signature  Agent  Addressee  
*Etolia Cunningham*

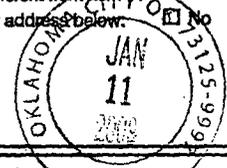
B. Received by (Printed Name)  Agent  Addressee

C. Date of Delivery

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



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Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 6.41</b>

- 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:

RKC Inc  
 7500 E. Araphoe Rd. Ste 380  
 Centennial, CO 80112-6116

A. Signature  Agent  Addressee  
*[Signature]*

B. Received by (Printed Name)  Agent  Addressee

C. Date of Delivery *1/12*

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

7006 2760 0001 6393 3995