

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
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.

5. Lease Serial No
NMLC-054908

6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
FAIR OIL, LTD. ✓

3a Address
P O BOX 689, TYLER, TX 75710

3b Phone No. (include area code)
(903) 592-3811

7. If Unit of CA/Agreement, Name and/or No.
N/A

8. Well Name and No
FAIR 18 FEDERAL #1 ✓

9 API Well No
30-015-39189

10. Field and Pool or Exploratory Area
CEDAR LAKE; GLORIETA-YESO

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2310' FNL & 840' FEL SEC 18, T 17 S, R 31 E, NMPM ✓

11. Country or Parish, State
EDDY COUNTY, NM

12 CHECK THE 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 checked="" type="checkbox"/> Other run 2 stage
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	with ECP @ 2,451'
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	& DV tool @ 2,428'

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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

We are requesting approval to set DV tool at 2,428' and external casing packer at 2,451' as described below
These 2 tools are planned to be set slightly higher than discussed this afternoon with Ed Fernandez.

13-3/8" 48# J-55 surface casing set at 383'.
Drilled intermediate 11" hole to 3,618'. Encountered water flow at 2,575'.
Proposing to do a 2 stage cement job with ECP & DV tool.
Will land 8-5/8" 32# J-55 casing @ 3,617' and will set ECP @ 2,451' and DV tool @ 2,428'.

Stage 1: Cmt 900 sx Class C with yield of 1.75 cu ft/sk, 13.5 ppg, 9.17 gps + 4% BWOC bentonite + 2% BWOC CaCl₂ + 1/8 #/sk cello flake

Stage 2: Lead with 1,380 sx Class C with yield of 2 16 cu ft/ sk, 13.5 ppg, 12.31 gps + 4% BWOC bentonite + 2% BWOC CaCl₂ + 1/8 #/sk cello flake.
Tail with 550 sx Class C with yield of 1.35 cu ft/sk, 14.8 ppg, 6.35 gps + 2% BWOC CaCl₂.

Total estimated cement volume = 4,732.5 cubic feet

cc: Bynum, Stewart

Accepted for record - NMOCD
DJ 9-7-11

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)
BRIAN WOOD

Title CONSULTANT (505 466-8288)

Signature

Date 08/23/2011

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.

(Instructions on page 2)

RECEIVED
SEP 06 2011
NMOCD ARTESIA

APPROVED
AUG 24 2011
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE