

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Artesia

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. LAKE SHORE SC 10 FEDERAL COM 4
2. Name of Operator FASKEN OIL AND RANCH LTD. Contact: ADDISON GUELKER E-Mail: addisong@forl.com	9. API Well No. 30-015-31569
3a. Address 6101 HOLIDAY HILL ROAD MIDLAND, TX 79707	3b. Phone No. (include area code) Ph: 432-687-1777
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T21S R26E NWNW 1310FNL 1160FWL	10. Field and Pool or Exploratory Area AVALON-DELAWARE
	11. County 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"/> Hydraulic Fracturing	<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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input 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 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 must 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 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.

Fasken Oil and Ranch, Ltd. has received approval for this recompletion and the work needed to be done by 2/1/18. The com agreement ended up taking longer than expected, and after we received that, we then have to apply for a non-standard location. With the holidays, and going back and forth with the law firm that submits this for us, we just officially applied for the NSL. I attached the application as well. But we would like to request an extension for the recompletion, as the NSL will atleast take 21 days for objections. And we will not make the deadline given.

SC 3-5-18 Accepted for record - NMOCD Extension approved until 8/15/2018

COAs from EC# 375740 still stand.

BUREAU OF LAND MANAGEMENT
ARTESIA DISTRICT

MAR 05 2018

RECEIVED

APPROVED

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #401371 verified by the BLM Well Information System
For FASKEN OIL AND RANCH LTD., sent to the Carlsbad
Committed to AFMS for processing by PRISCILLA PEREZ on 01/25/2018 ()**

Name (Printed/Typed) ADDISON GUELKER	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 01/18/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE MAR 15 2018

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 BUREAU OF LAND MANAGEMENT CARLSBAD FIELD 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)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

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



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

Applicant: Fasken Oil and Ranch, Ltd. **OGRID Number:** 151416
Well Name: Lake Shore SC 10 Federal Com No. 4 Well **API:** Pending
Pool: Avalon-Morrow Pool **Pool Code:** 70920

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

2018 JAN 16 P 4: 17
RECEIVED 000

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location - Spacing Unit - Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
- [I] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

3) **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.

Jordan L. Kessler
 Print or Type Name

Signature

January 16, 2018
 Date

505-988-4421
 Phone Number

jlkessler@hollandhart.com
 e-mail Address

HOLLAND & HART^{LLP}



Jordan L. Kessler
Associate

Phone (505) 988-4421

Fax (505) 983-6043

jkessler@hollandhart.com

January 16, 2018

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO AFFECTED PARTIES

Re: Application of Fasken Oil and Ranch, Ltd. for administrative approval of an 80.81-acre non-standard spacing unit and unorthodox location in the W/2 NW/4 of Section 10, Township 21 South, Range 26 East, NMPM, Eddy County, New Mexico.
Lake Shore SC 10 Federal Com No. 4 Well

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. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Linda Hicks
Fasken Oil and Ranch, Ltd.
(432) 687-1777
lindah@forl.com

Sincerely,

Jordan L. Kessler

ATTORNEY FOR FASKEN OIL AND RANCH, LTD

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

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

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

HOLLAND & HART^{LLP}



Jordan L. Kessler
Associate

Phone (505) 988-4421

Fax (505) 983-6043

jkessler@hollandhart.com

January 16, 2018

VIA HAND DELIVERY

Heather Riley
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

2018 JAN 16 P 4:17
RECEIVED OGD

Re: Application of Fasken Oil and Ranch, Ltd. for administrative approval of an 80.81-acre non-standard spacing unit and unorthodox location in the W/2 NW/4 of Section 10, Township 21 South, Range 26 East, NMPM, Eddy County, New Mexico.
Lake Shore SC 10 Federal Com No. 4 Well

Dear Ms. Riley:

Pursuant to NMAC 19.15.15.11.B(2) and 19.15.15.13, Fasken Oil and Ranch, Ltd. (OGRID No. 151416) hereby seeks administrative approval of an 80.81-acre non-standard spacing and proration unit comprised of the W/2 NW/4 of Section 10, Township 21 South, Range 26 East, NMPM, Eddy County, New Mexico and approval of an unorthodox location. The proposed non-standard spacing and proration unit will be dedicated to the **Lake Shore SC 10 Federal Com No. 4 Well**. The well was originally completed in the Avalon-Morrow Pool (70920), which is subject to 320-acre spacing and 660 foot setback requirements for gas wells. *See* NMAC 19.15.15.10. The well will now be re-completed in the Avalon Wolfcamp Pool (Pool Code 71120), which is subject to 40-acre spacing and 330 foot setbacks for oil wells. *See* NMAC 19.15.15.9.

The W/2 NW/4 of Section 10 is comprised of federal and state acreage. The State Land Office, in consultation with the Bureau of Land Management, has requested that the acreage and subject well be placed in an 80.81-acre communitization agreement due to the location of the well. Accordingly, Fasken seeks approval of a non-standard 80.81-acre spacing unit following the boundaries of the communitized area. The Division rules, 19.15.15.11.B(2) authorize administrative approval of non-standard spacing units when the non-standard spacing unit consists of a single quarter-quarter section or lot or quarter-quarter sections or lots joined by a common side and the non-standard spacing unit lies wholly within a single half section if the well is in a pool for which 320 acres is the standard spacing unit size. The proposed non-standard spacing unit consists of adjoining quarter-quarter sections and is located wholly within a single half-section.

Holland & Hart LLP

Phone (505) 988-4421 Fax (505) 983-6043 www.hollandhart.com

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

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☏



In addition, the location of the **Lake Shore SC 10 Federal Com No. 4 Well** is unorthodox because it was originally drilled to develop a 320-acre spacing unit. The **Lake Shore SC 10 Federal Com No. 4 Well** was drilled 1310 feet from the North line, 1160 feet from the West line. Since the Avalon Wolfcamp Pool (Pool Code 71120) is governed by the Division's statewide rules which provides for wells to be located no closer than 330 feet to the outer boundary of the spacing unit, this well will be unorthodox because it is closer than 330 feet to the eastern boundary of the spacing unit. Approval of Fasken's request for an unorthodox location will allow for efficient spacing and development of the oil pool underlying the W/2 NW/4 of Section 10.

Exhibit A is a copy of the Well Location and Acreage Dedication Plat (Form C-102) for the **Lake Shore SC 10 Federal Com No. 4 Well**.

Exhibit B is a copy of the Notice of Intent for the **Lake Shore SC 10 Federal Com No. 4 Well** to be recompleted in the Avalon Wolfcamp Pool (71120).

Exhibit C is a copy showing the proposed vertical well and the proposed spacing unit in the W/2 NW/4 of Section 10, as well as the offsetting tracts.

Exhibit D is a list of parties affected by Fasken's request for a non-standard spacing unit and unorthodox location. A copy of this application with all attachments has been sent by certified mail to each affected party advising them that if they have an objection it must be filed in writing with the division within 20 days from the date the division receives this application. A courtesy copy of this application has also been provided to the State Land Office and the Bureau of Land Management.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. L. Kessler', written over a horizontal line.

Jordan L. Kessler

ATTORNEY FOR FASKEN OIL AND RANCH, LTD

cc: New Mexico State Land Office
Bureau of Land Management

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOC
ARTESIA DISTRICT
RECEIVED
AUG 29 2017

FORM APPROVED
OMB NO. 1004-0137
Expires January 31, 2018

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
NMNM3606

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No
LAKE SHORE SC 10 FEDERAL COM 4

9. API Well No.
30-015-31569

10. Field and Pool or Exploratory Area
AVALON-DELAWARE
Upper Penn. 7100

11. County or Parish, State
Avalon W.P.M.P. 71120
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"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Hydraulic Fracturing
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input checked="" type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other

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 must 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 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.

Fasken Oil and Ranch, Ltd. proposes to recomplete the Lake shore SC 10 Fed. Com. No. 4 from the Strawn to the Upper Penn. We first plan to repair the suspected casing leak, and then will test the Upper Penn. If the Penn is unproductive, we will then test the Wolfcamp. We previously submitted a SN to recomplete to the Wolfcamp which was approved by you guys. We now just want to add in testing the Penn, and if it is commercial will produce out of the Penn. Please see attached procedure that includes the Penn, and if non-commercial the Wolfcamp procedure, and the current/proposed wellbore diagrams.

Note: Fasken is waiting on a com agreement to be approved, prior to doing this work.

AC 8-29-17
Accepted for record - NMOC

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #375740 verified by the BLM Well Information System For FASKEN OIL AND RANCH LTD., sent to the Carlsbad Committed to AFSSS for processing by DEBORAH MCKINNEY on 05/11/2017 ()

Name (Printed, Typed) ADDISON LONG Title REGULATORY ANALYST

Signature (Electronic Submission) Date 05/10/2017

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____

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 BUREAU OF LAND MANAGEMENT CARLSBAD FIELD 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.

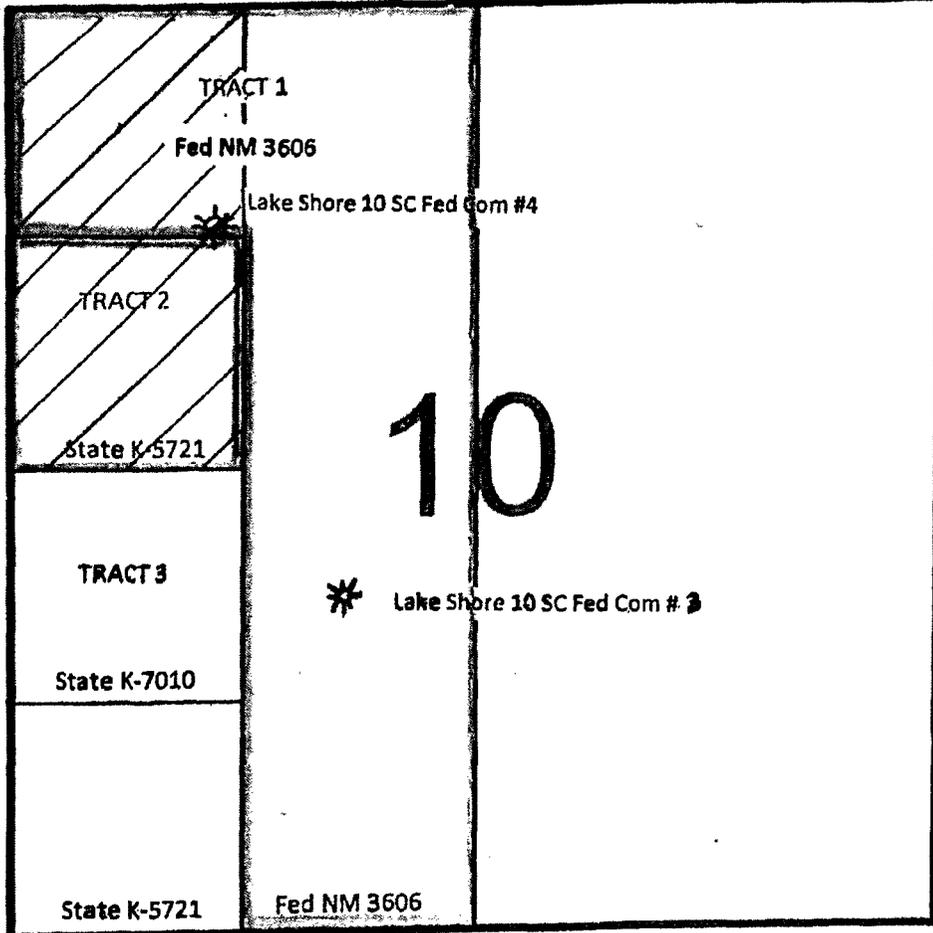
(Instructions on page 2)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **



RIN 10-6-17

Township 21 South, Range 26 East, N.M.P.M., Eddy County, New Mexico



PETRA 12/9/2017 3:35:32 PM

H:\Petra\Project\BSE\IN\OVERLAY\radius map.OVL

EXHIBIT
 C

EXHIBIT D

Operator of W/2 Section 10-21S-26E, Eddy County, New Mexico:

Fasken Oil and Ranch, Ltd.

Working Interest Owners in W/2 Section 10:

Fasken Land and Minerals, Ltd. and Fasken Acquisitions 02, Ltd.

6101 Holiday Hill Road

Midland, TX 79707

70171450000216969952

Devon Energy Production Company, LP

Attn: Katie Dean, Landman

333 West Sheridan Avenue

Oklahoma City, OK 73102-5015

70171450000216969969

Tract 1:

BLM

Carlsbad Field Office

Attn: Ms. Deborah Ham

620 E. Greene St.

Carlsbad, NM 88220-6292

70171450000216969976

Richard H. Coats

P.O. Box 2412

Midland, TX 79702-2412

70171450000216969983

Tim Goudeau

2102 North I Street

Midland, TX 79705-7523

70171450000216969990

Carol Ann Hollman Management Trust

1854 W. Cape Cod Way

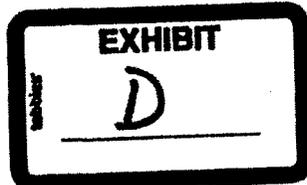
Littleton, CO 80120-5518

70171450000216970002

Monty D. Mclane

P.O. Box 9451

Midland, TX 79708-9451



Alan Jochimsen
4209 Cardinal Lane
Midland, TX 79707-1935
70171450000216970026

States Royalty LP
P.O. Box 911
Breckenridge TX 76424-0911
70171450000216970033

Andrea Wiggins
P.O. Box 5305
Austin, TX 78763-5305
70171450000216970040

Charles R. Wiggins
P.O. Box 10862
Midland, TX 79701-7862
70171450000216970057

Tract 2
State of New Mexico
Attn: Ms. Niranjana Khalsa
P.O. Box 1148
Santa Fe, New Mexico 87504-1148
70171450000216970064

Tract 3:
State of New Mexico
Attn: Ms. Niranjana Khalsa
P.O. Box 1148
Santa Fe, New Mexico 87504-1148
70171450000216970064

OXY USA WTP, LP
5 Greenway Plaza, Suite 110
Houston, TX 77046
70171450000216970071



Sanchez, Jennifer <j1sanchez@blm.gov>

Lakeshore 10 Fed Com #4 Recompletion Extension

1 message

Addison Guelker <addisong@forl.com>

Thu, Feb 15, 2018 at 8:58 AM

To: "Sanchez, Jennifer (j1sanchez@blm.gov)" <j1sanchez@blm.gov>

Jennifer,

This is Addison with Fasken. I had submitted a sundry notice back on Jan. 18 to ask for another extension for the Lakeshore 10 Fed. Com #4 to recomplete the well. We just found out today that we will have to go to hearing on March 22 for the non standard proration acreage we had applied for. Since you had signed off on the last extension, we were hoping you could tell us, if this were approved, what our deadline to recomplete the well would be?

Appreciate it,



Addison Guelker

Regulatory Analyst

Bus: 432-687-1777

Cell: 432-556-8661