

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPPLICATE

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Fasken Oil and Ranch, Ltd.

3. Address and Telephone No.

303 W. Wall, Suite 1800, Midland, TX 79701 (432) 687-1777

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface: 2762' FSL, 2075' FEL Bottom Hole: 615' FSL, 634' FWL Sec. 1, T21S, R26E

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

NM 13624

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Avalon "1" Federal No. 3

9. API Well No.

30-015-31199

10. Field and Pool, or Exploratory Area

Foster Draw Delaware

11. County or Parish, State

Eddy, NM

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

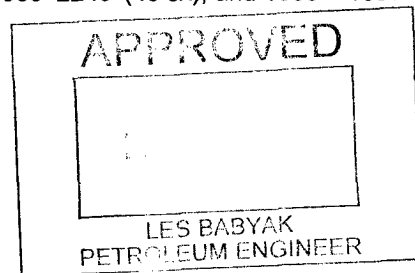
- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other temporarily abandon
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Fasken Oil and Ranch, Ltd. requests approval to run a mechanical integrity test of the 9 5/8" casing and then temporarily abandon the subject wellbore. The well was originally drilled to test the Delaware directionally under Lake Avalon. The Delaware target was a dry hole at the subsurface location. The wellbore was not plugged, but shut in pending approval for salt water disposal. The SWD application was denied by the New Mexico Oil Conservation Division. This wellbore has utility for future directional drilling access to any one of four potential Delaware proration unit locations. None of these locations can be accessed with a vertical well due to surface elevation restrictions around Lake Avalon. We are currently reviewing the project and are developing a work plan. We anticipate beginning directional work on this well within the next 12 months. We propose to set plugs across three intervals and the intermediate casing shoe. The intervals and cement volumes are 6275'-6108' (50 sx), 5204'-5070' (45 sx), 2369'-2249' (40 sx), and 1806' - 1697' (35 sx), all depths being measured depths. Please see the attached schematic for details.

Accepted for record
NMOC



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

Signed [Signature] Title Regulatory Affairs Coordinator Date 11/27/2007

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.

*See Instruction on Reverse Side