

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

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.
NM-911

6 If Indian, Allottee or Tribe Name

RECEIVED

DEC - 2 2009

7 If Unit of CA/Agreement Name and/or No.
NMOCD ARTESIA

8. Well Name and No
El Paso Federal No. 2

9. API Well No
30-015-21024

10 Field and Pool or Exploratory Area
Avalon; Morrow (Gas) & Avalon; Upp Penn N. (Gas)

11. Country or Parish, State
Eddy, New Mexico

1 Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator
Fasken Oil and Ranch, Ltd.

3a. Address
303 West Wall St., Suite 1800, Midland, TX 79701

3b. Phone No. (include area code)
432-687-1777

4. Location of Well (Footage, Sec., T, R, M, or Survey Description)
Unit M, 4196 5' FNL & 660' FWL, Sec 2, T21S, R26E

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 Disposal of Produced Water
	<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 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.)

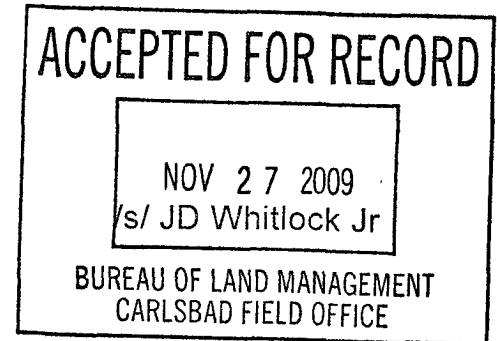
Fasken Oil and Ranch, Ltd. is disposing produced water from the El Paso #2 at the Exxon State SWD.

Submitted sundry with additional information to the BLM on 6-4-09. No approval was ever received. This is being re-submitted.

**SUBJECT TO LIKE
APPROVAL BY STATE**

RT - NMUCD
12/10/09

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**



14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
Kim Tyson

Title Regulatory Analyst

Signature

Kim Tyson

Date 11/16/2009

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)

WATER DISPOSAL ONSHORE ORDER #7

The following information is needed before your method of water disposal can be considered for approval.

1. Name(s) of formation (s) producing water on the lease.
Morrow (Gas) and Upper Penn. N. (Gas)
2. Amount of water produced from each formation in barrels per day.
1/4 bpd
3. A water analysis of produced water from each zone showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates.
See attached water analysis
4. How water is stored on the lease.
It is stored in a tank.
5. How water is moved to disposal facility.
It is moved by truck.
6. Operator's of disposal facility
 - a. Lease name or well name and number
 - b. Location by ¼ ¼ Section, Township, and Range of the disposal system
 - c. The appropriate NMOCD permit number

Answers

- a) Exxon State 1 SWD API #30-015-01091
- b) Sec. 15, T21S, R27E, 1268' FSL & 2032' FEL, Unit 0
- c) SWD-180

HALLIBURTON DIVISION LABORATORY

HALLIBURTON SERVICES

MIDLAND DIVISION

ARTESIA, NEW MEXICO 88210

LABORATORY WATER ANALYSIS

No. _____

To Mike DavisDate 4-12-86David Tasken

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by M. DavisDate Rec. 4-8-86

Well No. _____ Depth _____

Formation _____

County EddyField AvalonSource Storage tanksE.P. '3' Fed. #1E.P. Fed #2E.P. Fed. #3Resistivity 0.101 @ 68°F0.37 @ 68°F0.48 @ 68°FSpecific Gravity 1.0561.0131.009pH 5.85.55.5Calcium (Ca) 5550777278

*MPL

Magnesium (Mg) 1348202337Chlorides (Cl) 48,00011,0008000Sulfates (SO₄) nilnilnilBicarbonates (HCO₃) nilnilnilSoluble Iron (Fe) nilnilnilFormation MorrowCanyonCanyon

Remarks:

*Milligrams per liter

Respectfully submitted,

Analyst: _____
cc: _____

HALLIBURTON COMPANY

NOTICE

This report is limited to the described sample tested. Any user of this report agrees that Halliburton shall not be liable for any loss or damage, whether it be to act or omission, resulting from such report or its use.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED OPERATOR'S COPY

BLM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

MAY 06 2009

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NM-911

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Fasken Oil and Ranch, Ltd.

3a. Address

303 West Wall St., Suite 1800, Midland, TX 79701

3b. Phone No. (include area code)

432-687-1777

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

8. Well Name and No.
El Paso Federal No. 2

9. API Well No.
30-015-21024

10. Field and Pool or Exploratory Area
Avalon; Morrow (Gas) & Avalon; Upp. Penn N. (Gas)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Unit M, 4196.5' FNL & 660' FWL, Sec. 2, T21S, R26E

11. Country or Parish, State
Eddy, New Mexico

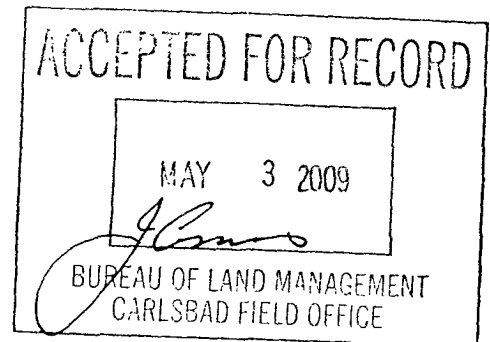
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 Disposal of Produced Water
	<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 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.)

Fasken Oil and Ranch, Ltd. is disposing produced water from the El Paso #2 at the Exxon State SWD.

* the Attached info is needed prior to Authorization



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

Kim Tyson

Title Regulatory Analyst

Signature

Kim Tyson

Date 04/27/2009

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)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

OPERATOR'S COPY

FORM APPROVED
OMB No 1004-0137
Expires: March 31, 2007

MAY 06 2009

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NM-911

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Fasken Oil and Ranch, Ltd.

3a. Address

303 West Wall St., Suite 1800, Midland, TX 79701

3b. Phone No. (include area code)

432-687-1777

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

Unit M, 4196 5' FNL & 660' FWL, Sec. 2, T21S, R26E

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

8. Well Name and No.
El Paso Federal No. 2

9. API Well No.
30-015-21024

10. Field and Pool or Exploratory Area

Avalon; Morrow (Gas) & Avalon; Upp. Penn N. (Gas)

11. Country or Parish, State

Eddy, New Mexico

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

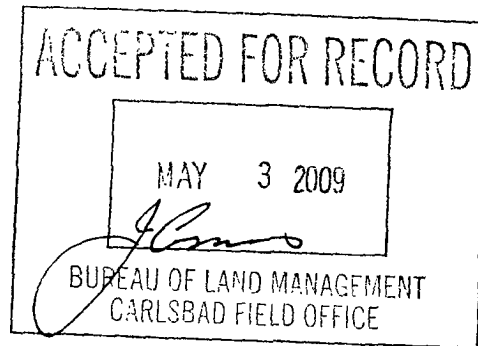
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 Disposal of Produced Water
	<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. is disposing produced water from the El Paso #2 at the Exxon State SWD.

* the Attached info is needed prior
to Authorization

Bureau of Land Management
RECEIVED
JUN 05 2009
Carlsbad Field Office
Carlsbad, NM



Title Regulatory Analyst

Date 04/27/2009

AL OR STATE OFFICE USE

Title	Date
Office	

on knowingly and willfully to make to any department or agency of the United States any false,

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Disposal of Produced Water From Federal Wells
Conditions of Approval**

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
8. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
9. If system is down prior to hauling to an alternate disposal site it must be approved.