

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. NMLC070315

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No. PALOMA 21 FEDERAL COM 4H

9. API Well No. 30-025-41947

10. Field and Pool, or Exploratory LEA; BONE SPRING, SOUTH

11. Sec., T., R., M., or Block and Survey or Area Sec 21 T20S R34E Mer NMP

12. County or Parish LEA 13. State NM

14. Date Spudded 07/28/2014 15. Date T.D. Reached 08/24/2014 16. Date Completed D & A Ready to Prod. 06/20/2015

17. Elevations (DF, KB, RT, GL)* 3643 GL

18. Total Depth: MD 16967 TVD 11085 19. Plug Back T.D.: MD 16946 TVD 11085 20. Depth Bridge Plug Set: MD 16946 TVD 11085

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) N/A 22. Was well cored? No Yes (Submit analysis) Was DST run? No Yes (Submit analysis) Directional Survey? No Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 17.500 | 13.375 C | 54.5 | 0 | 1662 | | 1350 | | 0 | |
| 12.250 | 9.625 C | 40.0 | 0 | 5203 | 3773 | 2070 | | 0 | |
| 8.750 | 5.500 C | 17.0 | 0 | 16953 | | 3400 | | 0 | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| | | | | | | | | |

25. Producing Intervals 26. Perforation Record

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|----------------|-------|--------|---------------------|-------|-----------|--------------|
| A) BONE SPRING | 11302 | 16717 | 11302 TO 16717 | 0.000 | 864 | OPEN |
| B) | | | | | | |
| C) | | | | | | |
| D) | | | | | | |

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

| Depth Interval | Amount and Type of Material |
|----------------|---|
| 11302 TO 16717 | FRAC W/ 4,750,139 GALS OF SLICKWATER AND ACID; 4,198,879 LBS OF SAND. |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 06/20/2015 | 06/28/2015 | 24 | → | 213.0 | 265.0 | 362.0 | 45.0 | 0.90 | FLOWERS FROM WELL |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| 10/64" | SI | 1800.0 | → | 213 | 265 | 362 | 1244 | POW | |

28a. Production - Interval B

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| | SI | | → | | | | | | |

ACCEPTED FOR RECORD
JUL 8 2015
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #308375 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

Reclamation
Date: 12/28/15

JUL 30 2015

pm
jm

28b. Production - Interval C

| | | | | | | | | | |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |

28c. Production - Interval D

| | | | | | | | | | |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|---------------|------|--------|------------------------------|---------------|-------------|
| | | | | | Meas. Depth |
| BELL CANYON | 5341 | 6189 | OIL/GAS | BELL CANYON | 5341 |
| CHERRY CANYON | 6189 | 7147 | OIL/GAS | CHERRY CANYON | 6189 |
| BRUSHY CANYON | 7147 | 8473 | OIL/GAS | BRUSHY CANYON | 7147 |
| BONE SPRING | 8473 | 11312 | OIL/GAS | BONE SPRING | 8473 |

32. Additional remarks (include plugging procedure):
kop @ 10279.

There is no production tubing, so no tubing pressure.
1800 psi is the flowing casing pressure.

Question #30: The bottom formation for the Bone Spring is estimated.

33. Circle enclosed attachments:

- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geologic Report
- 3. DST Report
- 4. Directional Survey
- 5. Sundry Notice for plugging and cement verification
- 6. Core Analysis
- 7. Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #308375 Verified by the BLM Well Information System.
For FASKEN OIL AND RANCH, LTD., sent to the Hobbs
Committed to AFMSS for processing by DEBORAH HAM on 07/08/2015 ()

Name (please print) ADDISON LONG Title REGULATORY ANALYST

Signature _____ (Electronic Submission) Date 07/07/2015

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.