

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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

NOV 05 2008

SUNDRIY 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 26692

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)
510' FSL & 510' FEL, Sec 26, T18S, R33E

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

8. Well Name and No.
Federal "26 A" No. 39 API Well No.
30-025-3900810 Field and Pool or Exploratory Area
EK; Bone Springs11 Country or Parish, State
Lea, 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 Perf, treat perms, &
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	complete well
	<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)

9-5-08 - 9-6-08

Pickled tubing w/ 500 gls of 15% Hcl double inhibited acid and flushed w/ 30 bbls 2% kcl water Reversed acid to pit and reverse circulated wellbore w/ 214 bbls 2% kcl water.

Pumped 500 gls of 7-1/2% Hcl acid containing 2 gal/M Clay Master 5-C, 4 gal/M LT-32, 1 gal/M I-22, 7 gal/M Forrotrol-300L, 8 gal/M Acetic Anhydride Blend and 1 gal I-22 and displaced w/ 35 bbls 2% kcl water to spot acid at 9790'.

Pressure tested casing and WH to 4600 psi w/ no pressure loss in 10" RU Gray WL w/ lubricator and RIW w/ 3-1/8" expendable slick casing gun and gamma gun and tagged PBTD @ 9888'. Ran correlation log from 9872'- 7700' correlated w/ Baker Hughes Compensated Z-Densilog dated Aug 11, 2008. Perforated lower Bone Springs w/ 2 JSPF, 60 degree phased, 0.40" EH, 30 holes at 9775'-90'. POW and RDWL. All shots fired. RU Petroplex on 5-1/2" casing and pumped 2.4 bbls of 2% Kcl water and pressured to 3000 psi and held. Increased pressure to 3800 psi in 100 psi increments w/ 5-10 psi bleed off. RIW w/ 2-3/8" x 5-1/2" packer, 2-3/8" SN and 2-3/8" tubing to 9639'. RU Petroplex on csg-tbg annulus and reversed spot acid into tbg w/ 7.7 bbls Kcl water. Set packer in 15,000# compression and trapped 1500 psi on csg-tbg annulus and monitored. RU on tbg and broke formation down at 4200 psi. Displaced 500 gals of acid into perforations w/ 12 bbls of 2% Kcl water @ 3 bpm @ 4000 psi. ISIP- 3012 psi, 5"- 2795, 10"- 2742, 15"- 2677. MTP- 4200 psi, ATP- 4000 psi, ATR- 3 bpm.

Please see attachment for the rest of the information.

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Kim Tyson

Title Regulatory Analyst

Signature

Kim Tyson

Date 10/17/2008

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

NOV 2 2008

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

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)

Fasken Oil and Ranch, Ltd.
Federal "26 A" #3
Sundry Notice Attachment

9-27-08

RUWL and RIW w/ 4.625" gauge ring and junk basket and tagged @ 9862' FS. POW and LD tools. RIW with 3-3/8" expendable slick casing gun and perforated 5-1/2" casing 9,775-9,790' 2 JSPF, 0.57" EH, 60° phasing, 32 holes with no change in FL static at 2600' FS.

9-30-08 - 10-1-08

RU Cudd Pumping Services and Tested lines to 4850 psi. Formation broke at 2959 @ 3 bpm. Started spacer and added 1/4# sand slug and 1/2# sand slug while pumping the pad. Finished fracing the 2nd Bone Springs Lower Sand with 133,107# 20/40 Super LC sand. Flushed to top perf with 225 bbls of 30# gel. ISIP 3771 psi, 5" 3696 psi, 10" 3595 psi, 15" 3553 psi. Closed frac valve and RUWL. RIW with 3-3/8" slick casing gun with 5-1/2" Weatherford 6k solid frac plug and found CCL was not working properly. POW with tools, replaced CCL, and RIW w/ wireline. Set frac plug @ 7,000' and perforated 1st Bone Springs Upper Sand from 9468'-75', 4 JSPF, 28 holes, 60° phasing, 0.57" EH, 30" pen. CCL activity indicated that formation was taking fluid after shots were fired. POW with wireline @ 4:20 p.m. CST and attempted to RD lubricator. Man-lift quit working, waited on new man lift for 30 minutes, RD lubricator and NU capping flange. Formation broke at 3858 psi while pumping at 3 bpm. Frac'd 2nd Bone Springs Upper Sand with 101,016 # of 20/40 Super LC sand. Finished pumping at 6:05 CST. ISIP = 3935 psi, 5" 3734 psi, 10" 3654 psi, 15" 3579 psi. Closed frac valve and NU lubricator. RIW with 3-3/8" slick casing gun and Weatherford 6k solid frac plug. Set plug @ 9230' and perforated 1st Bone Springs Lower Sand from 9075'-80' & 9127'-32', 2 JSPF, 20 holes, 0.57" EH, 60° phasing, 30" pen. POW with wireline and found all shots fired. RU Cudd pump truck and displaced spot acid into perforations @ 18 bpm and 3942 psi with 27 bbls of fresh water. Closed frac valve and SDON.

Opened frac valve and started job @ 8.20 CST. Established injection rate of 16.3 bpm @ 3772 psi. Frac'd 1st Bone Springs Lower Sand with 63,636# 20/40 Super LC sand. ISIP - 3359 psi, 5" 3110 psi, 10" 3014 psi, 15" 2981 psi. Turned well over to wireline @ 9:15 CST. RIW with 3-3/8" slick casing gun and 5-1/2" 6k Weatherford solid frac plug. Set frac plug @ 8830'. String weight dropped 40#, indicating plug was set. Attempted to pull up with tools and found that shear pins were not sheared. Pulled to 1300 psi over string weight attempting to shear pins without success. Bled casing pressure down to half-frac workover tank to verify plug was holding, ok. Pulled 2100 psi over string weight and pulled out of rope socket. POW with wireline, leaving rope socket, CCL, 3-3/8" casing gun, and 5-1/2" 6k frac plug in well (fish detail shown at end of report). RIW with 3-3/8" slick casing gun and perforated 1st Bone Springs Upper Sand from 8694'-8704', 4 JSPF, 40 holes, 60° phasing, 0.57" EH, 0.30" pen. POW w/ wireline, RD Gray Wireline, and NU capping flange. Started pumping @ 5:15 p.m. CST. Formation broke @ 4305 psi and 3 bpm. Pressure increased from 4197 psi to 4785 psi once 3# stage hit formation. Cut sand screws and went to flush, pumping @ 20 bpm and steadily decreasing rate as pressure increased to max pressure of 4880 psi. Pumped 80 bbls of flush before we killed all pumps. Waited 2 minutes and pressure decreased from 4800 psi to 3800 psi. Kicked pump #1 in gear @ 2 bpm, and pressure increased to 4800 psi in 45 seconds. Shut down all pumps. ISIP 4316 psi. Closed frac valve @ 6:15 p.m. CST. RD Cudd Pumping Services and Guardian Isolation tool, and RU flowback line to half-frac workover tank.

10-11-08

RIW 265- jts 2-3/8" EUE 8rd N-80 tubing @ 8,505.73'.

10-14-08

RIW pump and rods @ 8445.00'

10-15-08

RDPU and cleaned location.