

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OOD-ARTEDIA

SEP 22 2009

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.**

**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)  
Sec 3, T21S, R26E, 1180' FSL & 435' FWL

5. Lease Serial No  
NM-3606

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.  
SW-1035

8. Well Name and No  
Lake Federal No. 1

9. API Well No  
30-015-21503

10. Field and Pool or Exploratory Area  
Avalon; Upper Penn (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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input checked="" 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 recompletable 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 recompletable 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.)

8-4-09 – 9-4-09

Talked w/ Phil Hawkins w/ NMOCD at 8:58 am on 7-27-09 of intent to start plugging procedures and also talked w/ Paul Swartz w/ BLM at 9:05 am on 7-29-09 of intent to start plugging procedure and informed them of rig problems and we would start plugging procedures on 8-3-09. Contractor set rig mat and RUPU.

RIW w/ 254 jts total 2-3/8" tubing at @ 8150'. RIW w/ tbg and tagged bottom at 8940' and circulated well w/ 125 bbw w/ 9.5# salt gel mud w/ 12.5# of gel per barrel. Removed well head. Changed pipe rams in BOP and installed WH adapter flange. Terry Cartwright w/ BLM was on location.

RUWL and RIW w/ jet cutter and tagged at 8915' and cut 4-1/2" casing at 8874'. POW and LD 242 jts & 2 cut off jts' total of 4-1/2" 11.6# N-80 casing. Total footage of 8883.71'. Bob Hoskinson w/ BLM was on location.

RIW w/ 279 jts 2-3/8" tubing at 8940' and RU cement pump and mixed and pumped 75 sx Class C cement (sw.14.8 ppg; yield 1.32 ft3/sk) and displaced cement to 8650' w/ mud laden brine water. POW w/ 148 jts tubing and left EOT at @4190'. WOC. RIW w/ tubing and tag TOC at 8640', Bob Hoskinson w/ BLM was on location and witnessed tag. Left EOT at @ 4190'.

See attachment for further information.

Accepted as to plugging of the well bore.  
Liability under bond is retained until  
Surface restoration is completed.

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

Title Regulatory Analyst

Signature

Kim Tyson

Date 09/08/2009

ACCEPTED FOR RECORD

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Office

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)

BUREAU OF LAND MANAGEMENT

CARLSBAD FIELD OFFICE

ENTERED  
9-24-09

**Fasken Oil and Ranch, Ltd.**  
**Lake Federal No. 1**  
**Plug & Abandon**  
**Sundry Attachment**

8-4-09 – 9-4-09

RIW w/ 16' of tubing subs w/ EOT at 8635'. RU cement pump and mixed and pumped 200 sks Class "H" cement (sw.15.6 ppg; yield 1.18 ft<sup>3</sup>/sk). Displaced cement to 7750' w/ mud laden bw. POW w/ tubing and left EOT at @ 4190'. WOC. Darrell Carter w/ BLM was on location and witnessed tagging TOC @ 8640' and pumping of plug.

RIW w/ tubing and tagged TOC at 8090' (84' low) and POW w/ tubing w/ EOT at 4190' and waited for more Class "H" cement. RIW w/ tubing w/ EOT at 8088' and RU cement pump, mixed and pumped 40 sks Class "H" cement (sw.15.6 ppg; yield 1.18 ft<sup>3</sup>/sk) and displaced cement to 7750' w/ mud laden bw. Did not tag plug as instructed by Darrell Carter w/ BLM. POW w/ tubing and left EOT at 6550'. RU cement pump, mixed and pumped 65 sks Class "C" cement (sw. 14.8 ppg; yield 1.32 ft<sup>3</sup>/sk) and displaced cement to 6200'. Left EOT swinging at 4190'. WOC. Darrell Carter w/ BLM was on location and witnessed pumping of plug.

RIW w/ tubing and tagged TOC at 6295'. POW and LD tubing w/ EOT at 4269' and RU cement pump and mixed and pumped 80- sks Class "C" cement w/ 2% CaCl (sw.14.8 ppg; yield 1.32 ft<sup>3</sup>/sk) and displaced cement to 4000'. POW w/ tubing to 2000' and WOC. RIW w/ tubing and tagged TOC at 4044' and POW and LD tubing w/ EOT at 2343'. RU cement pump, mixed and pumped 40 sks Class "C" cement (sw.14.8 ppg; yield 1.32 ft<sup>3</sup>/sk) and displaced cement to 2202'. POW and LD tubing w/ EOT at 485' and RU cement pump and mixed and pumped 70 sks Class "C" cement (sw.14.8 ppg; yield 1.32 ft<sup>3</sup>/sk) and displaced cement to 227'. WOC. Darrell Carter w/ BLM was on location and witnessed tag and pumping of plugs.

RIW w/ tubing and tagged TOC at 190'. Gas was bubbling out of 8-5/8" casing. Pressured 8-5/8" casing to 250 psi and lost 100 psi in 70 minutes. Bled pressure from casing and left well open to frac tank. Darrell Carter w/ BLM was on location and witnessed tag and talked w/ Wesley Ingram w/ BLM who ordered well left open to tank over weekend.

Found 8-5/8" casing still bubbling gas to surface. Darrell Carter w/ BLM was on location and witnessed casing leaking. Talked w/ Roger Hall w/ BLM and was informed to run packer and test cement plug at 190'. Set packer at 167' w/ 20K tension and pressured 8-5/8" casing to 190 psi and lost 60 psi in 25" w/ no change on 8-5/8" x 13-3/8" surface casing and 2-3/8" x 8-5/8" annulus w/ pressure on cement plug. Talked w/ Jim Amos w/ BLM and was instructed to drill out cement plug from 190' to 485' and test plugs below. Tagged cement at 186'. Drilled from 186' to 322' and circulated well clean.

RIW w/ tubing and tagged TOC at 322' and drilled out 180' of cement. Fell out of cement at 502' and circulated well clean. RIW w/ EOT swinging at 2473' and found the cement plug that was spotted at 2350' was not in place. Circulated well and found thick black fluid and circulated gas out of casing. Pressured 8-5/8 x 2-7/8" to 500 psi and lost 35 psi in 30" w/ no change to 8-5/8" x 13-3/8" surface and bled off pressure and pressured to 550 psi and lost 5 psi in 15" and left pressure on casing and SDON as instructed by Darrell Carter w/ BLM.

Checked pressure on 8-5/8" casing and lost 240 psi in 13 hours. Notified Darrell Carter w/ BLM. Bled off pressure and circulated well w/ 160 bbw w/ 9.5 # cut brine salt gel mud w/ 12.5# gel per bbl. Set packer at 2394' w/ 20K tension. RU pump truck and pressured 8-5/8" x 2-7/8" annulus to 450 psi for 30" w/ no pressure loss. Darrell Carter w/ BLM was on location and witnessed test. RIW w/ 8-5/8" CIBP and set at 2300' and tested CIBP to 480 psi for 30" w/ no pressure loss. tagged CIBP at 2300' and RU cement pump and mixed and pumped 50 sks Class "C" cement (sw.14.8 ppg; yield 1.32 ft<sup>3</sup> / sk) and displaced cement to 2115'. EOT at 609' and mixed and pumped 100 sks Class "C" cement (sw.14.8 ppg; yield 1.32 ft<sup>3</sup> / sk) and displaced cement to 230'.

Well dead, opened well and found no flow or bubbles on 8-5/8" casing. Tagged TOC plug @ 216'. Witnessed by Darrell Carter w/ BLM. POW and LD 7 jts tubing, ND BOP and WH with no bubbles or activity in 8-5/8" casing. RIW w/ 2 jts tbg w/ EOT @ 63', pumped 20 sx class "C" cement to surface. POW w/ tbg, RDPU and released all rental equipment.

Contractor cut off wellheads and installed dry hole marker and cleaned location.