District I 1625 N French Dr , Hobbs, NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV

State of New Mexico

RECEIVED FEB 2 2 2010 Energy Minerals and Natural Resources NMOCD ARTESIA Submit to ap

Form C-101 June 16, 2008

District Office

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe NM 87505

☐ AMENDED REPORT

1220 S St F1				ит то	DDI		1 C, 1V				CD A C	or or	D 4 D	D A ZONE		
APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A Z								D A ZUNE								
Fasken Oil and Ranch, Ltd. 303 W. Wall St., Ste. 1800, Midland, TX 797							01				151416 'API Number					
`Property Code							Name "Well No						10			
State "32																
°Proposed Pool I Seven Rivers Hills, Atoka, N. ✓							¹⁹ Proposed Pool 2									
							ace Location									
UL or lot no B	Section 32	Township 20S	Range 25E	Lot Idn Feet fro			m the		outh line th	Feet from the 1980 *		East/West line East		County Eddy		
			⁸ Pi	cation I	If Different From Surface											
UL or lot no	Section	Township	Range	Lot Idn Feet fro			m the	North/South line Feet from the			e	East/West li	County			
Additional Well Information																
	Type Code A		¹² Well Type Co	Code 13 Cabl			e/Rotary 14 L R			Lease Type Coo	Lease Type Code S		15 Ground Level Elevation 3588 GL			
¹⁶ M N	ultiple O		¹⁷ Proposed Dep 9718	Pepth IN For Morro						19 Contractor	9 Contractor		²⁰ Spud Date 4-1-2010			
²¹ Proposed Casing and Cement Program																
Hole S	ıze	Cas	sing Size		g weight						Sacks of Cement			Estimated TOC		
			1/8" 48						424		625 sx "C"		Surface			
· · · · · · · · · · · · · · · · · · ·		5/8" 36					2999		1200 sx "C"			Surface				
8 3	8 3/4" 4 1/2"		1/2"	11.6			9766			1100 sx Super			6467' TS			
Describe the proposed program If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone Describe the blowout prevention program, if any Use additional sheets if necessary This well is currently completed in the Cemetery; Morrow (Gas) pool as a gas well with perfs from 9509' - 9544'. Fasken Oil and Ranch, Ltd. proposes to recomplete this well to the Seven Rivers Hills; Atoka, N. pool and downhole commingle it with the Cemetery; Morrow (Gas) pool. Please see attached for procedure and plat. The Surface Owner is the State of New Mexico.																
²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief							OIL CONSERVATION DIVISION									
Signature Kinn Dinn							Approved by ACALL House									
Printed name Kim Tyson							Title (700/09/8t									
Title Regulatory Analyst							Approval Date 3/4/2010 Expiration Date									
E-mail Address kimt@for1.com																
Date 2-1	9-2010)	Phone 4:	32-687	-177	7	Condition	ons of App	proval Atta	iched 📈 M	ust	hav	re s	Santa Fe		
							ap	prov	lal j	prior	40	Dh	tC	•		

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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised October 15,2009 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ APl Number 30-015-31544				Pool Code	a \perp	Seven Privers Hills; Atoka, W							
4 Property Code 5 Property Name 5 Well Number								Vell Number					
70GRID № 151416	T.	8 Ope	lame	° Elevation									
151416 Fasken Oil and Ranch, Ltd. 3588' GR Surface Location								O GK					
		Township	Range	Lot Idn	Feet from		North/South line	Feet from the		East/West line		County	
В 3.	2	20S	25E		660'	- J.f	North		980'	Eas	t	Eddy	
UL or lot no S	ction	Township	Range			m the	Different From		et from the	East/West line		County	
12 Dedicated Acres 320 No allowable will be division	ount or e ass		onsolidation C		der No Interests	have	been consolidated	or a r	non-standa	ard unit h	as been a	pproved by the	
16				#2	660		1980'		I hereby certify best of my know working interess bottom hole local a contract with voluntary pooling by the division. Signature Kim Tenneted Name 18 SURV I hereby certify hereby certify supervised best of my best of my best of Survival and the survival hereby certification.	that the information decige and belief or unleased mination or has a rian owner of such an owner of such an owner of such an owner of such and the triffed notes of such and that reflect of Profession and the Profession and	tion contained his and that this or meral interest in . ght to drill this vib h a mineral or w. a compulsory po	TIFICATION eran is true and complete to the regarization ather owns a the land including the proposed well at this location pursuant to orling interest, or to a polling order heretofore entered 2-19-2010 Date TIFICATION shown on this plat was easy made by me or under true and correct to the	

Recommended Commingle Procedure

State "32" Com No. 2 660' FNL & 1980' FEL Sec 32, T20S R25E AFE# 1795

OBJECTIVE:	Commingle Morrow and Atoka
WELL DATA:	
13-3/8" 48#/ft H-40 ST&C casing:	Set at 424.36' KB Cmt w/625 sx.
9-5/8" 36.0#/ft J-55 LT&C casing:	Set at 2998.96' KB, Cmt w/ 1000 sx, circ 510 sx to surf.
4-1/2" 11.6# N-80 LT&C casing:	Set at 9,765.71', Cmt w/ 1100 sx, TOC 6467' by temp survey.
1	Marker jts 10.52' @ 9292.16'; 10.87' @ 8783.83'; 10.63' @
	8233.68'
TD:	9,775'
PBTD:	9,717.50' KB float collar
TUBING:	9235.29' (292 jts 2-3/8" EUE 8rd AB/modified)
PACKER:	Arrowset 1 10K w/ 1.875" "F" frac hardened pn w/ WL entry

- 1. Make sure mast anchors have been tested and tank permits are in hand. Test flow line and coils in gas production unit to 3500 psi.
- 2 RUPU and set gas buster and lay line from wellhead and choke in flow line to gas buster with target tees and staked down.
- 3 RU slick line and RIW with 1 90" gauge ring and tag PN @ 9237', POW with gauge ring and RIW with 1.875" "F" blanking plug and set in profile nipple
- 4 Load tubing with 2% Kcl water with clay stabilizer and test plug to 250 psi NDWH and NU 5K BOP, release TOSSD from packer and swab down tubing casing annulus to 8500' FS
- 5 Install JU stripper, latch TOSSD back onto packer and release packer and POW with tubing, TOSSD and packer Inspect seal rings and replace if necessary and dope collars below AB modified seal ring
- 6. RUWL and 3K lubricator and RIW with gauge ring junk basket to 9300' FS. POW with gauge ring and RIW with 4-1/2" 10K flow through frac plug and set at 9300' FS using EM Hobbs perforating depth correlation log dated 9-24-04
- 7 RU tubing testers and test Arrowset 1X 10K packer with WL entry guide and 1 875" "F" profile nipple, TOSSD and tubing to 7500 psi above slips
- 8. Load casing with 2% Kcl water containing packer fluid and clay stabilizer. Set packer at 8850' +/- in 15 pts compression and test tubing casing annulus to 500 psi for 15", ND BOP and NUWH
- 9 RU swab and swab fluid level down to 7000' FS, (Atoka DST 8-15-01. 12" flow 3400 mcfpd, FTP-1000 psig, FSIP- 3513 psig, 180") Will be shooting under balanced by 2600 psi.
- 10 RUWL with 5K lubricator and RIW with 1-11/16" strip gun/CCL and perforate 4-1/2" casing 1 JSPF, 0 deg phasing @ 8921'- 8936' (16 holes) using EM Hobbs perforating depth correlation log dated 9-24-04
- 11. Flow well to tank to clean up and put online on high pressure sales and evaluate for further stimulation RDPU

Mtj1-19-10

(State32_2 commingle doc)