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NEW MEXICO OIL CONSERVATION COMMISSION

MAY 16 1980

O. C. D.
ARTESIA, OFFICE

30-015-23372

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
5. State Oil & Gas Lease No. L- 6869
7. Unit Agreement Name
8. Farm or Lease Name Maralo State
9. Well No. 2
10. Field and Pool, or Wildcat Morrow Undes. Baldrige Canyon
12. County Eddy
19. Proposed Depth 11,300'
19A. Formation Morrow
20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 4318.4' GR
21A. Kind & Status Plug. Bond Statewide
21B. Drilling Contractor Warton Drilling Co.
22. Approx. Date Work will start June 20, 1980

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> 2. Name of Operator DAVID FASKEN ✓ 3. Address of Operator 608 First National Bank Building, Midland, Texas 79701 4. Location of Well UNIT LETTER G LOCATED 1600 FEET FROM THE North LINE AND 1780 FEET FROM THE East LINE OF SEC. 18 TWP. 24-S RGE. 25-E NMPM	DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>
19. Proposed Depth 11,300'	
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PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	48	300'	350	Circulate
12-1/4"	8-5/8"	24 & 32	3,000'	1,100	Circulate
7-7/8"	4-1/2"	11.60# 13.50	11,300'	800	8000'

1. Please refer to attached Drilling & Completion Procedure.

2. Gas is not dedicated.

APPROVAL VAND
FOR 90 DAYS UNLESS
DRILLING COMMENCED,
EXPIRES 9-18-80

NSL-1201

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Robert H. Angevine Title Robert H. Angevine, Agent Date 5-9-80
(This space for State Use)

APPROVED BY W. A. Grissett TITLE SUPERVISOR, DISTRICT II DATE JUN 18 1980

CONDITIONS OF APPROVAL, IF ANY:

Cement must be circulated to
surface behind 13 3/8" 48 3/8" casing

Notify N.M.O.C.C. in sufficient
time to witness cementing
8 5/16"

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-120
Effective 1-1-66

All distances must be from the outer boundaries of the Section.

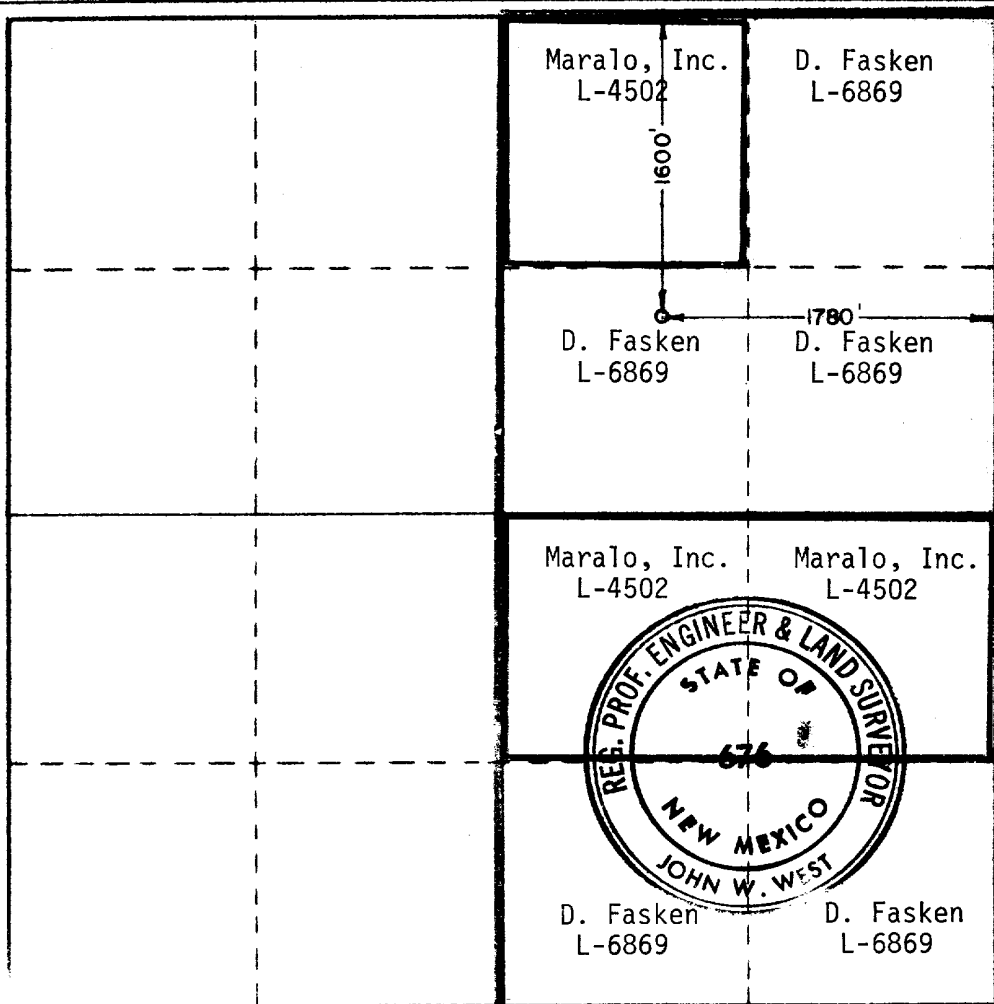
Operator David Fasken			Lease Maralo State		Well No. 2
Unit Letter G	Section 18	Township 24 South	Range 25 East	County Eddy	
Actual Footage Location of Well: 1600 feet from the North line and 1780 feet from the East line					
Ground Level Elev. 4318.4	Producing Formation Morrow		Pool Undes. Baldrige Canyon		Dedicated Acreage: 320± Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc? Working Interest Unit w/D. Fasken as operator.

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Robert H. Angevine
Name

Robert H. Angevine

Position

Agent

Company

DAVID FASKEN

Date

5-7-80

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

April 28, 1980

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. **JOHN W. WEST** 676
PATRICK A. ROMERO 5665

HENRY ENGINEERING
Petroleum Engineers
807 FIRST NATIONAL BANK BUILDING
MIDLAND, TEXAS 79701

May 15, 1980

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe Ramey

Re: Application to Drill
Unorthodox Location
David Fasken
Maralo State No. 2
1600' FNL & 1780' FEL
Section 18, T-24-S, R-25-E
Eddy County, New Mexico

Gentlemen:

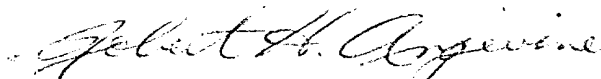
On behalf of our client, David Fasken, enclosed is application to drill the subject well with a request for administrative approval of an unorthodox location based upon terrain.

The proposed location is a suitable drill site barely large enough to accomodate the drilling operation. Please refer to a part of U.S.G.S. quadrangle map - Carlsbad Caverns East.

We are notifying the offset operators - Amoco Production Co., El Paso Natural Gas Co., Texas Oil and Gas Corp. and W. A. Moncrief, Jr. - by CERTIFIED MAIL of our client's intention to drill the subject well, and requesting that they forward to you a waiver of any objection to the proposed location.

Yours very truly,

HENRY ENGINEERING


Robert H. Angevine

RHA:jcs
Encls.

✓ cc: N.M.O.C.C.- Artesia
Offset Operators

RECOMMENDED DRILLING & COMPLETION PROCEDURE

A.F.E. NO. 453

David Fasken ----- MARALO STATE NO. 2 ----- Eddy County, New Mexico

1. Drill 17-1/2" hole to 300' with spud mud.
2. Set 13-3/8" casing at 300', cement to surface and install 12" x 3000 psi W.P. casinghead and B.O.P. stack. (Estimate 250 sxs Halliburton Lite w/1/4# Flocele per sack and 2% CaCl plus 100 sxs Class "C" with 2% CaCl.)
3. Drill 12-1/4" hole to 3000' with fresh water, control seepage with paper. Dry drill if complete loss of returns is encountered.
4. A - Set and cement 8-5/8" casing at 3000' with sufficient cement to circulate. (Estimate 900 sxs Halliburton Lite with 1/4# Flocele per sack, slurry weight 12.8#/gal. plus 200 sxs Class "C" with 2% CaCl, slurry weight 14.8#/gal.) W.O.C. 18 hours. If cement does not circulate, run temperature survey and stage cement outside pumped through 1" tubing and/or fill up with ready mix concrete - 6 sxs mix with pea gravel aggregate. Install 12" - 3000# W.P. x 10" - 3000# W.P. spool with secondary seal, bit guide, B.O.P.'s, Hydril and choke manifold.

B - It may be necessary to two-stage cement the 8-5/8" casing. This will depend upon the depth loss of circulation is encountered and the static fluid level. Cement volumes will be determined from the conditions observed while drilling the 12-1/4" hole.
5. On or before 7500' test 8-5/8" casing to 2200 psig and test B.O.P.'s, choke manifold and all wellhead valves to 3000 psig and Hydril to 1500 psig.
6. Install PVT, flow line sensor, and rotating head on or before 7500', and connect mud-gas separator.
7. Drill 7-7/8" hole to estimated T.D. of 11,300' with fresh water to 7500'. Control seepage with paper and P_h at 11.0 with lime.
8. At 7500' add potash to 4% KCl concentration, increase viscosity with salt water gel as required to maintain good hole conditions. Decrease water loss as necessary with salt water C.M.C. and starch. At top of Morrow reduce water loss to 10 cc and maintain to T.D.
9. Drill stem test all shows (test each Morrow Sand separately).
10. Run logs (combination CNL-FDC w/Gamma Ray, DLL and Dip Meter).
11. Set and cement 4-1/2" production casing (resin coated and centralized through pay zones) with 800 sxs Class "H" cement with 3.0# KCl per sx and 0.8% Halad-22 plus 0.4% CFR-2.
12. Install 10" - 3000 psi W.P. x 6" - 3000 psi W.P. tubinghead and Christmas tree.
13. Run temperature survey to locate cement top.
14. Rig down and move out rotary tools.
15. Set mast anchors and move in pulling unit.

Recommended Drilling & Completion Procedure
A.F.E. No. 453
David Fasken
Maralo State No. 2
Eddy County, New Mexico

16. Pressure test casing and Christmas tree to 3000 psig.
17. Run 2-3/8" tubing N-80, EUE 8RD c/w AB Modified couplings, and packer.
18. Displace fluid in well with 3% KCl water containing oxygen scavenger and corrosion inhibitor.
19. Set packer and install Christmas tree.
20. Swab fluid level to 9500' in tubing.
21. Run Gamma Ray correlation log and perforate Morrow for production.
22. Test well.
23. Stimulate as needed - acid and/or frac.
24. Clean up "load fluid" and test.
25. Run C.A.O.F.P. and pressure build up.
26. Install surface equipment.

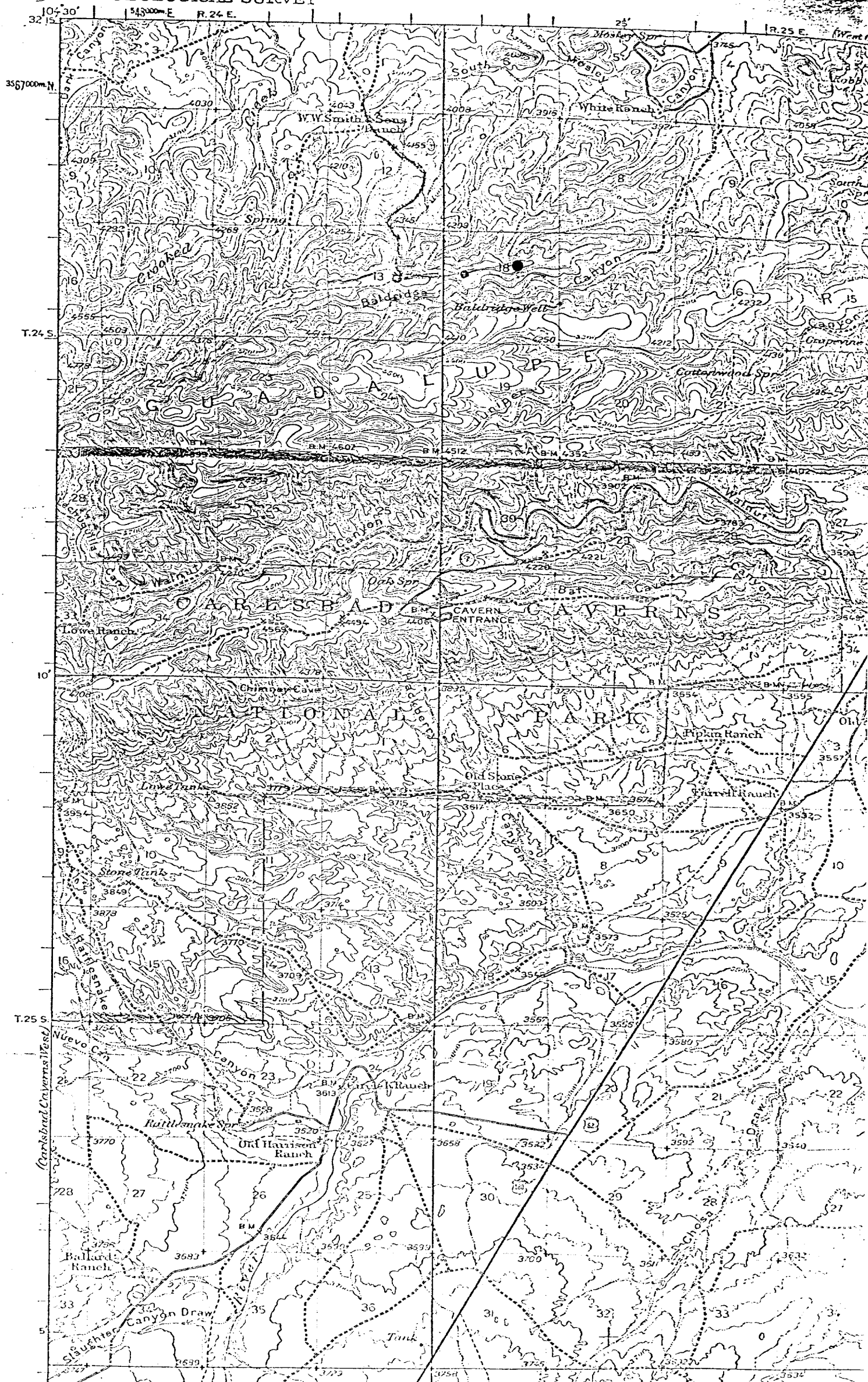
RECOMMENDED CASING PROGRAM

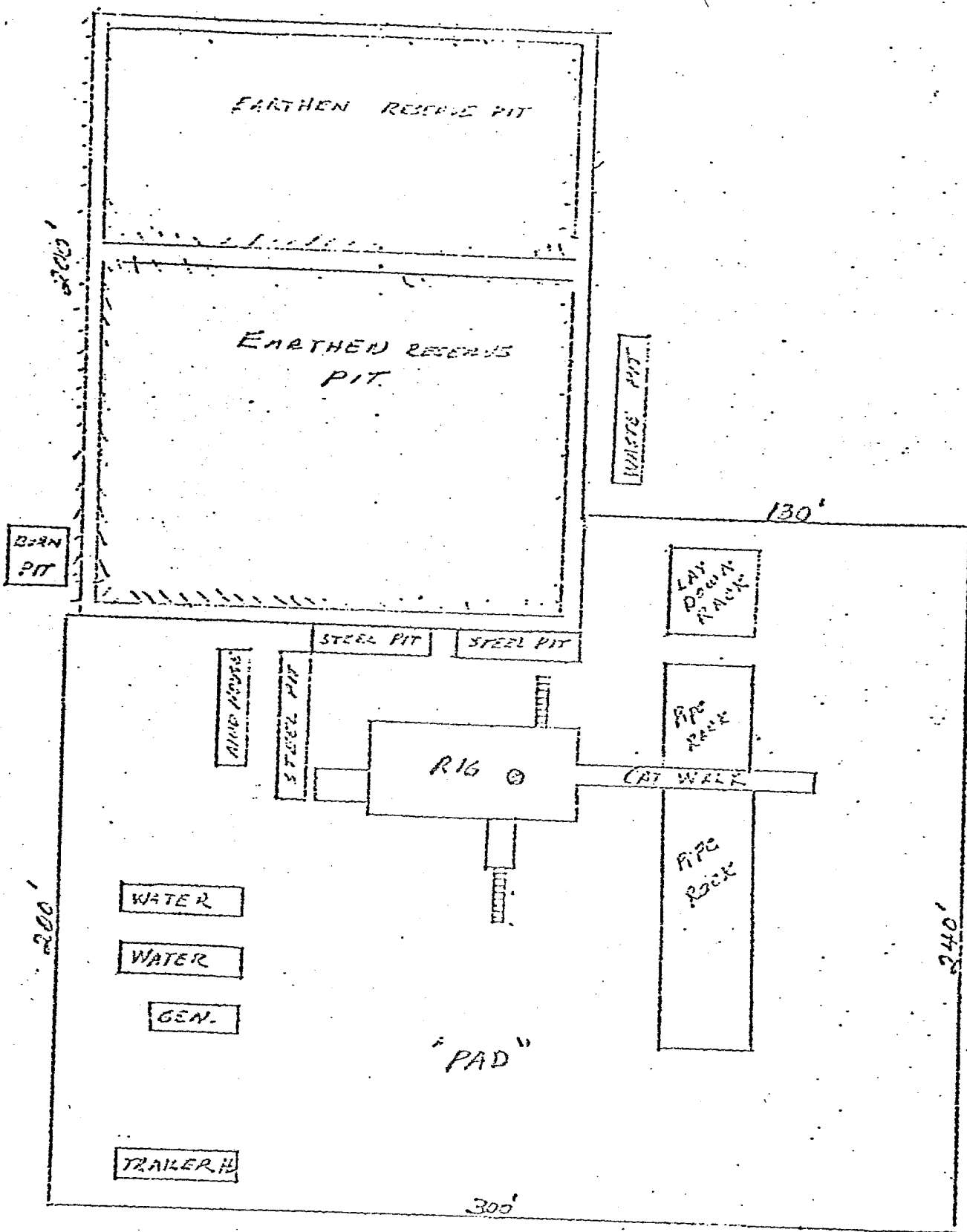
A.F.E. NO. 453

David Fasken ----- MARALO STATE NO. 2 ----- Eddy County, New Mexico

	<u>Footage</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>
Surface Casing	300'	13-3/8"	48.00#/Ft.	H-40	ST&C
Intermediate Casing	2,500'	8-5/8"	24#/Ft.	J-55	ST&C
	500'	8-5/8"	32#/Ft.	J-55	ST&C
	<u>3,000'</u>				
Oil String Casing	1,900'	4-1/2"	11.60#/Ft.	N-80	Buttress
	8,400'	4-1/2"	11.60#/Ft.	N-80	LT&C
	1,000'	4-1/2"	13.50#/Ft.	N-80	LT&C
	<u>11,300'</u>				

GEOLOGICAL SURVEY





HENRY ENGINEERING
MIDLAND, TEXAS

RIG & WELL SITE DIAG

HENRY ENGINEERING

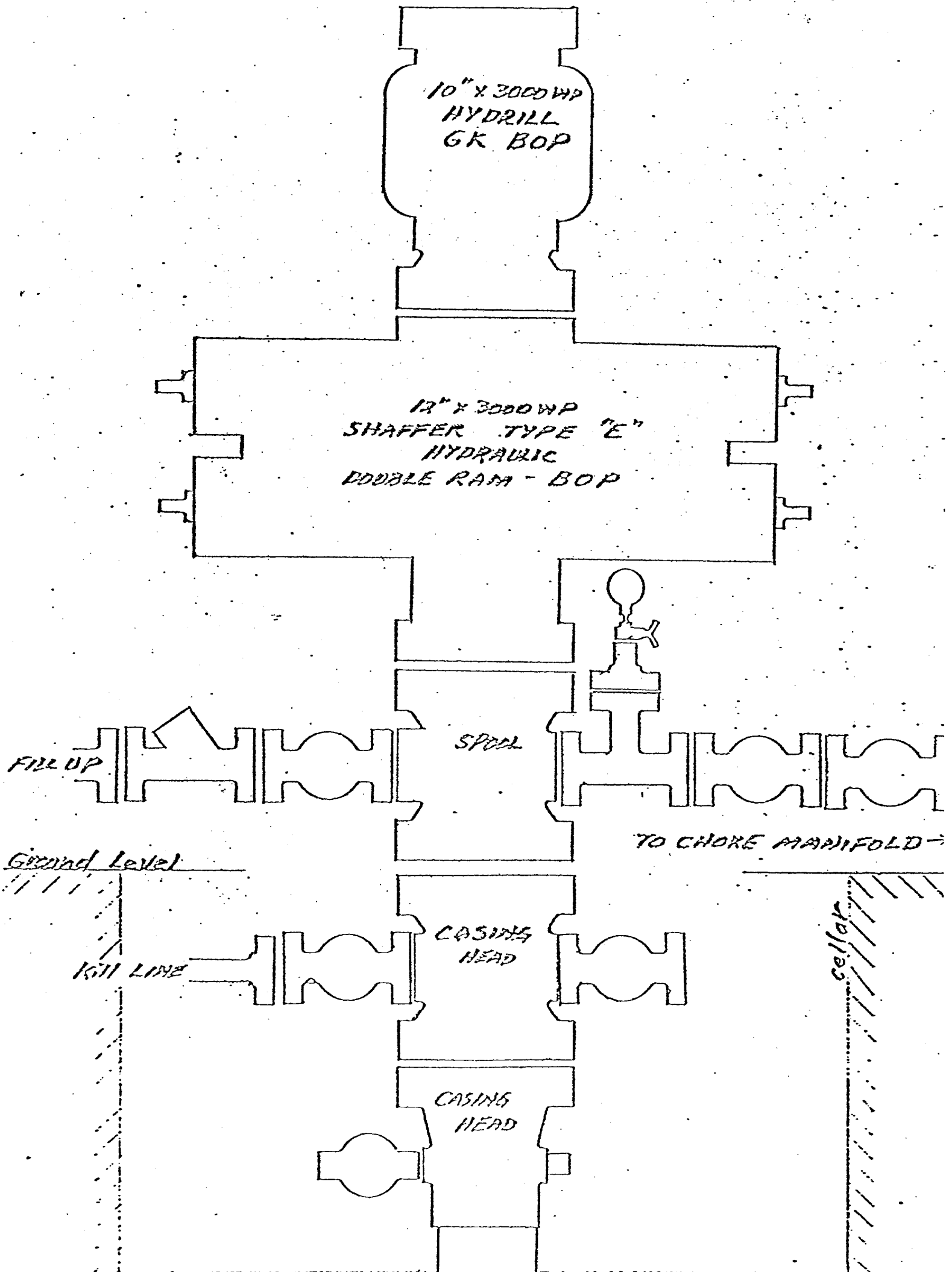
SUBJECT: BLOWOUT PREVENTER

FILE: _____

STACK

DATE: _____

ENGINEERING MEMORANDUM





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

June 9, 1980

RECEIVED

JUN 16 1980

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

O. C. D.
ARTESIA, OFFICE

Henry Engineering
807 First National Bank Building
Midland, Texas 79701

Attention: Mr. Robert H. Angevine

Administrative Order NSL-1201

Gentlemen:

Reference is made to your application on behalf of your client, David Fasken, for approval of a non-standard location for his Maralo State Well No. 2 to be located 1600 feet from the North line and 1780 feet from the East line of Section 18, Township 24 South, Range 25 East, NMPM, Pennsylvanian formation, Eddy County, New Mexico.

By authority granted me under the provisions of Rule 104 F of the Division Rules and Regulations, the above-described unorthodox location is hereby approved.

Sincerely,

JOE D. RAMEY,
Director

JDR/RLS/dr

cc: Oil Conservation Division - Artesia
Oil & Gas Engineering Committee - Hobbs
Oil & Gas Division - State Land Office - Santa Fe