DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
1/14/08	1/30/08	W Jones	1/14/08	SWD 1115	PKVR0801462490

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

RECEIVED
2008 JAN 14 PM 4 16

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jimmy D. Carlile	Jimmy D Carlile	Regualtory Affairs Coor.	1/4/08
Print or Type Name	Signature	Title	Date

jimmyc@forl.com
e-mail Address

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

FORM C-108
Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____Secondary Recovery _____Pressure Maintenance __X__Disposal _____Storage
Application qualifies for administrative approval? __X__Yes _____No

II. OPERATOR: Fasken Oil and Ranch, Ltd.

ADDRESS: 303 West Wall, Suite 1800 Midland, TX 79701

CONTACT PARTY: Jimmy D. Carlile PHONE: 432 687-1777

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____Yes __X__No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Jimmy D. Carlile TITLE: Regulatory Affairs Coor.

SIGNATURE: Jimmy D Carlile DATE: 1/4/08

E-MAIL ADDRESS: jimmyc@forl1.com

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

(1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.

(2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.

(3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

(1) The name of the injection formation and, if applicable, the field or pool name.

(2) The injection interval and whether it is perforated or open-hole.

(3) State if the well was drilled for injection or, if not, the original purpose of the well.

(4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.

(5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

(1) The name, address, phone number, and contact party for the applicant;

(2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;

(3) The formation name and depth with expected maximum injection rates and pressures; and,

(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

Side 1

INJECTION WELL DATA SHEET

OPERATOR: Fasken Oil and Ranch, Ltd.

WELL NAME & NUMBER: Avalon State No. 1

WELL LOCATION: 1440' FSL, 1650' FWL | K | 7 | 21S | 26E

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC

See attached for current and proposed wellbore schematics

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17 1/2/12 1/4 Casing Size: 9 5/8, 40#, J-55 set at 2327'

Cemented with: 2350 sx. ~~or~~ MK and 648 ft^3

Top of Cement: Surface Method Determined: Visual

Intermediate Casing

Hole Size: 8 3/4" Casing Size: 5 1/2, 17#, N-80 set at 4000'

Cemented with: 850 sx. *or* ft^3

Top of Cement: surface Method Determined: Visual

Production Casing

Hole Size: Casing Size:

Cemented with: sx. *or* ft^3

Top of Cement: Method Determined:

Total Depth: 8000'

Injection Interval

4000 feet to 8000

~~(Perforated or~~ Open Hole; ~~indicate which)~~

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8, J-55, IPC Lining Material: plactic coated

Type of Packer: Weatherford Arrowset 1-X

Packer Setting Depth: 3950'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? _____ Yes X No

   If no, for what purpose was the well originally drilled? Morrow gas well, dry and abandoned

2. Name of the Injection Formation: Bone Springs

3. Name of Field or Pool (if applicable): NA

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: See Geologic data

Avalon State No. 1

as of 10-23-1972
GL: 3305' KB 3321'

Operator: **David Fasken**
Location: 1400' FSL and 1650' FWL
Sec 7, T21S, R26E
Eddy County, NM
Compl.: D&A 10-23-1972
API #: 30-015-20743

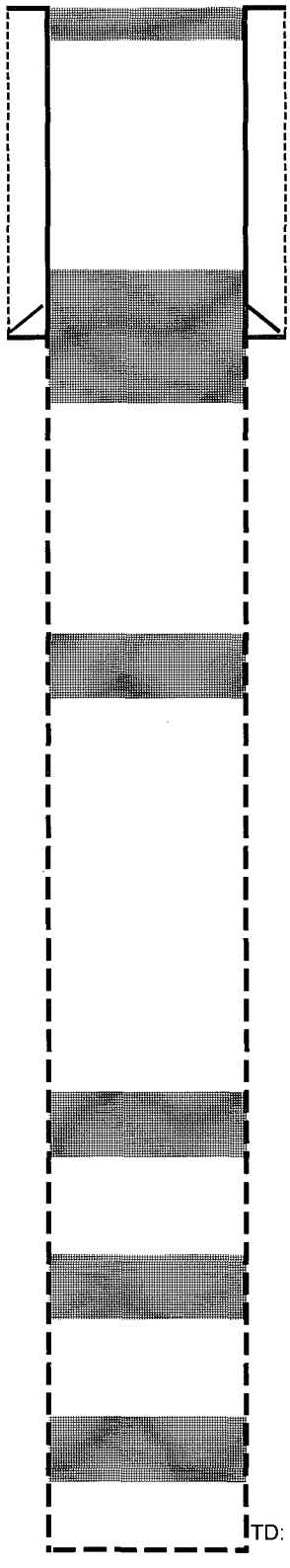
TD: 10800'

Casing: 9-5/8" 40#/ft J-55 @ 2327' KB
w/450sx Incor w/2% CaCl2
Did not circ, TOC 1340' by Temp
Pump 1900 sx on stage jobs down
annulus + 648cu ft ready mix
Concrete, TOC surface

Hole Sizes
17-1/2" 520'
12-1/4" 520'-2327'
8-3/4" 2327'-10800'

Cement plugs
Surface 11 sx
2200'-2400' w/ 84 sx
3900'-4000' w/42 sx
8100'-8200' w/42 sx
8900'-9000' w/42 sx
10300'-10400' w/42 sx

Total 76 holes (2 DML/ft + 2 Densijets/ft)



CURRENT

cwb
1/4/2008
AvalonSt1 wb diagram.xls

Avalon State No. 1

Operator: **Fasken Oil and Ranch, Ltd.**

Proposed SWD
GL: 3305'
KB: 3321'

Location: 1400' FSL and 1650' FWL
Sec 7, T21S, R26E
Eddy County, NM

Compl.: 10/24/1972 released rig
API #: 30-015-20743
PBTD: 10300'
TD: 10,800'

Casing: 9-5/8" 40# J-55 @ 2327' KB
w/2350sx + 648 cuft concrete
TOC surf

Proposed 5-1/2" at 4000'

Proposed Injection Interval
Open Hole: 4000'-8000'

Proposed Tubing:
298- jt 2-3/8" EUE 8rd N-80 IPC tbg
Pkr set at 3950'

Proposed Plug:
42 sx 8000'-8100' proposed

Current plugs as fo 10-24-72:
42 sx 8100'-8200' existing
42 sx 8900'-9000' existing
42 sx 10300'-10400' existing
42 sx 10725'-10625' existing

Hole Sizes 17-1/2" 320'
12-1/4" 320'-2327"
8-3/4" 10,800'

Tops

Bone Spring 3940'

1st Bone Spr Sd 5500'

3rd Bone Spr Sd 7558'

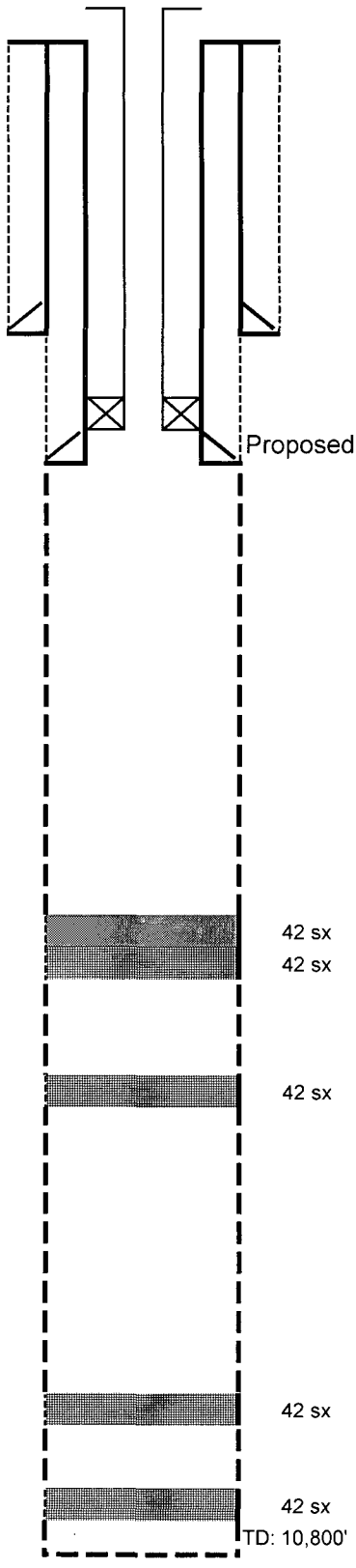
Wolfcamp 8020'

Penn Lime 8850'

Atoka 9765'

Morrow 10322'

Barnett 10708'



PROPOSED

cwb
1/4/2008
Avalon St wb diagram 4-23-07.xls

Fasken Oil and Ranch, Ltd.

Avalon State No. 1

Application for Authorization to Inject

Table of Wells within ½ Mile

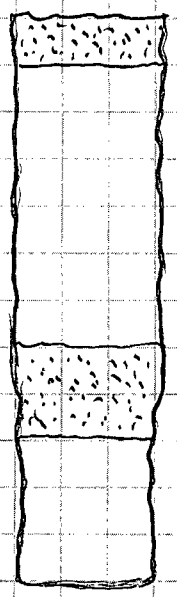
Well Name/No./Operator/API No.	Location	Spud Date	Type	Total Depth	Completion Record
Fasken Federal No. 1 Monsanto Company 30-015-21130	F, 1980' FNL, 1980' FWL Sec. 7, T21S, R26E	3/15/74	D&A	505'	No casing run Seven Rivers, dry hole
Soapberry Draw "7" State No. 1 Fasken Oil and Ranch, Ltd. 30-015-32696	K, 2100' FSL, 1980' FWL Sec. 7, T21S, R26E	4/18/03	Oil	4,000'	13 3/8" @ 379' w/ 440 sx, surface 8 5/8" @ 1916' w/ 1075 sx, surface 5 ½" @ 3998' w/ 425 sx, 480' TS Delaware perfs 3056' – 3213'
Adobe Flats "18D" State Com No. 1 Samson Resources 30-015-31133	D, 660' FNL, 660' FWL Sec. 18, T21S, R26E	6/21/00	TA	10,722'	13 3/8" @ 493' w/ 450 sx, surface 8 5/8" @ 2100' w/ 1015 sx, surface 4 ½" @ 10722' w/ 400 sx, 8500' calc

TRIPLE N SERVICES INC.
OILWELL CEMENTING SERVICES – PLUGGING & ABANDONMENT
P.O. BOX 10451 • MIDLAND, TEXAS 79702
(432) 687-1994
FAX (432) 687-0066
triplenservices.com

Subject _____ Date _____

Monsanto Company
Fasken Federal No. 1
30-015-21130

1980' FNL, 1980' FWL
Sec. 7, T-21S, R-26E



Seven Rivers Dry & Abandoned

P & A'd 4/2/74

III. Well Data

A) Tabular Well Data

4. Packer Type – 5-1/2" x 2-3/8" nickel plated Weatherford Arrowset 1-X Double Grip Casing Packer with T-2 on/off tool, 316 SS Top Sub and 2-3/8" x 1.781" "F" SS seal nipple. Packer will be set at 3950'.

B) Proposed Injection Formation Data

1. Injection Formation Name: Bone Springs
2. Injection Interval – 4000' to 8000' open hole.
3. Original Purpose of Well – Morrow gas test (Drilled & Abandoned)
4. Perforated Intervals – none
5. Next Higher Oil/Gas Productive Zone – Delaware @ 1870' To 3,906
   Next Lower Oil/Gas Productive Zone – Wolfcamp @ 8020'

VII. Proposed Operation

1. Average Daily Rate – 500 BPD
   Maximum Daily Rate – 3000 BPD
   Volume of Fluids to be Injected – 6,000,000 bbls
2. This will be a closed system.
3. Average Injection Pressure – 500 psi
   Maximum Injection Pressure – 800 psi
4. Produced water from the Delaware will be injected into the Bone Springs interval. (See attached compatibility analysis)
5. See attached Bone Springs chemical analysis.

VIII. Geologic Data

1. Formation Tops

Geologic Name	Measured Depth (ft)	Sub Sea Depth (ft)	Total Vertical Depth (ft)
Delaware	1,870	1,451	1,870
Top Orange SS	2,350	971	2,350
Base Orange SS	2,415	906	2,415
Top Brown SS	2,463	858	2,463
Base Brown SS	2,493	828	2,493
Top 1st Green SS	2,553	768	2,553
Base 1st Green SS	2,563	758	2,563
Top 2nd Green SS	2,569	752	2,569
Base 2nd Green SS	2,583	738	2,583
Top 3rd Green SS	2,588	733	2,588
Base 3rd Green SS	2,608	713	2,608
Top Blue SS	3,154	167	3,154
Base Blue SS	3,189	132	3,189
Top Purple SS	3,363	-42	3,363
Bottom Purple SS	3,401	-80	3,401
Bone Spring	3,906	-585	3,906
1st Bone Spring SS	5,500	-2,179	5,500
3rd Bone Spring SS	7,598	-4,277	7,598

Wolfcamp	8,020	-4,699	8,020
Cisco	8,850	-5,529	8,850
Atoka	9,765	-6,444	9,765
Top Morrow Clastics	10,344	-7,023	10,344

2. Injection Zone Lithology

Depth From (ft)	Depth To (ft)	Thickness (ft)	Lithology
2320	3940	1640	Sand and Shale
3940	5500	1560	Lime
5500	5630	130	Sand
5630	7550	1920	Lime
7550	8100	550	Sand
8100	8175	75	Shale
8175	8250	75	Lime
8250	8850	600	Shale
8850	9763	913	Lime w/ Shale Streaks
9763	10344	581	Shale lime and chert
10344	10710	366	Sand and Shale
10710	10800	90	Shale

3. The Capitan Reef is a freshwater bearing formation and is located from 310' – 650' in this area. This formation is sealed off from the wellbore with 2327' of 9-5/8" 40# J-55 casing that was cemented to surface with 2340 sx of "Incor" containing 2% $CaCl_2$ + 648 ft^3 ready mix concrete.

IX. Stimulation Program (See Attached Procedure)

X. Logging and Test Data

1. Logging data previously filed with Commission.

2. Test Data

DST # 1, 9017' – 9098'

Tool open 20 minutes, shut in one hour, reopened one hour, shut in two hours, GTS in 15 minutes – TSTM, continued throughout test. Recovered 670' water. IHP 4722, Preflow 128-171, ISIP 3671, IFP 171, FFP 236, FSIP 3588, FHP 4235.

DST # 2, 9490' – 9542'

Tool open in 20 minutes, shut in one hour, reopened 30 minutes, shut in one hour, GTS in 10 minutes after final shut in. Recovered 65' drilling water. IHP 4635, Preflow 64-64, ISIP 215, IFP 64, FFP 64, FSIP 300, FHP 4635.

DST # 3, 9685' – 9736'

Tool open initially 20 minutes, shut in one hour, reopened for 1 hour, shut in for 2 hours, GTS in 1 hour and 25 minutes @ 20 mcf/day. Recovered 250' drilling water. IHP 4758, Preflow 77-77, ISIP 3821, IFP 96, FFP 96, FSIP 3977, FHP 4739.

DST #4, 9940' – 10,025'

Tool open 20 minutes, shut in one hour, reopened one hour, shut in 2 hours, GTS in 25 minutes - TSTM, recovered 940' formation water. IHP 4970, Preflow 107-172, ISIP 4109, IFP 214, FFP 429, FSIP 3900, FHP 4949.

DST #5, 10,325' – 10, 381'

Tool open 20 minutes, shut in one hour, reopened 1-1/2 hrs, shut in one hour, good blow. Recoverd 7238' salt water. IHP 4835, Preflow 423 – 1250, ISIP 4231, IFP 1442, FFP 3218, FSIP 4055, FHP 4758.

DST #6, 10,448' – 10,500'

Tool open 20 minutes, shut in one hour, reopened and packer failed.

DST #7, 10,671' – 10,712'

Tool open 20 minutes, shut in one hour, reopened and packer failed.

DST #8, 10,640' – 10,684' (Straddle Test)

Tool open 2 hours with weak blow throughout, shut in 4 hours, recovered 10' water plus 80' mud cut water. IHP 5109, IFP 66, FFP 99, FSIP 199, FHP 5109.

XI. Affirmative Statement

I, Clayton Stuart Lamb, have examined available geologic and engineering data and have found no evidence of any open faults or hydrologic connection between the proposed disposal zone and any underground sources of drinking water.

Re-enter and Covert to Salt Water Disposal
Avalon State No. 1
1400' FSL & 1650' FWL
Sec 7, T21S R26E
Eddy County, New Mexico

AFE 1376

OBJECTIVE:		Re-enter and Convert to Salt Water Disposal
WELL DATA:		
	9-5/8" 40# J-55:	Set at 2327' KB. Cmt w/ 2350sx + 648 ft^3 concrete. TOC surf.
	Cement Plugs:	11 sx 0'-35 84 sx 2200'-2400' 42 sx 3900-4000' 42 sx 8100'-8200' 42 sx 8900'-9000' 42 sx 10,300'-10,400' 42 sx 10625'-10725'
	Hole Sizes:	17-1/2" to 320'; 12-1/4" 320'-2327'; 8-3/4" 2327'-10,800'.
	TD:	11,800'

1. Notify New Mexico OCD office 48 hours prior to rigging up on well. Notify plans to covert to SWD well per NMOCD Administrative Orders.
2. Install rig mast anchors on location.
3. Dig out 9-5/8" casing stub with backhoe. Weld on +/-6' 9-5/8" casing stub to surface with 9-5/8" SOW x 9-5/8" SOW slip collar.
4. Install 9-5/8" x 11" 3000 psi bradenhead on top of 9-5/8" casing. Wax wrap casing to surface.
5. Level location, prepare pad, and install standard cellar around wellhead.
6. Set rig matting boards, 2 sets of pipe racks, cat walk and steel half-frac open top workover tank on location. Build flowline from wellhead to test tank.
7. Receive 8,000' of 2-7/8" EUE 6.5# 8rd N-80 workstring and a set of 2-7/8" EUE 8rd N-80 tubing subs.
8. RUPU, NU 11" x 3000 psi hydraulic BOP and BIW stripper head with new stripper rubber. Set reverse unit and fill reverse tanks with brine water.
9. RU power swivel (make sure to have kelly valve below swivel) and RIW with 8-3/4" bit, bit sub, 12 – 4" drill collars, xo, and 2-7/8" tubing and drill out cement plugs at surface(11sx), 2200' – 2400'(42sx), and 3900'-4000'(42sx). Circulate bottoms up after drilling out each cement plug. RIW with bit to cement plug @ 8100' and circulate hole clean. POW and LD drill collars and bit.
10. RIW open-ended and mix and spot a 50 sx Class "H" cement plug @ 8100'. POW with 4 jts of 2-7/8 tubing and reverse out excess cement. Displace cement with brine water. POW to 7000', WOC 4 hrs and RIW and tag TOC @ +/-8000'. Must tag above 8000'.
11. POW with tubing making sure to keep the hole full of brine water.
12. Receive 4,000' of 5-1/2" 17# N-80 casing, 5-1/2" float shoe, and 5-1/2" float collar.
13. Install 5-1/2" rams in BOP and set and cement 5-1/2" casing @ 4000' with 10 bfw, 500 gallons Mud Flush, 10 bfw, 650 sx Halliburton Lite with 6# salt & ¼# Flocele (s.w. 12.6ppg, yield 2.06 ft^3/sx) plus 200 sx Halliburton Class "C" cement (s.w. 14.8 ppg, yield 1.36 ft^3/sx) Displace with brine water.

    Note: Centralize middle of first joint and every third joint up to 2400'.

14. ND stripper head and BOP, set slips, cut off casing, and install 11" x 7-1/16" x 3000 psi tubing head. NU BIW stripper head with new stripper rubber, hydraulic BOP, and finish WOC for 12 hrs.
15. RIW w/ 4-3/4" bit, 1 3-1/2" drill collar, 5-1/2" casing scraper, 5 3-1/2" drill collars, xo, and 2-7/8" tubing and drill out float collar and shoe joint with brine water.
16. Run injectivity test by pumping 100 bbls of produced water at 2 bpm and record pressure. Notify Midland Office of the results.
17. POW with bit and LD BHA. Send workstring back to Midland stock for inspection.
18. Receive 4,000' of 2-3/8" EUE 8rd J-55 IPC injection tubing.
19. RIW with 5-1/2" x 2-3/8" Weatherford Arrowset 1X double-grip nickel plated casing packer with IPC top sub and mandrel, 4-1/2" OD x 2-3/8" x 1.781" "F" stainless profile TOSSD, xo, and 2-3/8" IPC injection tubing.
20. Set packer @ 3950' with 10,000# compression. Release TOSSD overshot and displace tubing/casing annulus with packer fluid.
21. Engage TOSSD overshot, ND BIW stripper head and hydraulic BOP and NUWH. Notify OCD of intent to run MIT test on annulus. Test well on chart recorder to 500 psi and notify Midland Office of the results. RDPU.
22. Build 2" 2500 psi WP line from well to Soapberry Draw "7" State tank battery and prepare well for disposal.
23. After approval is given from Midland Office and NMOCD, start injecting water into well. Maximum allowable injection pressure - 800 psi.
24. Report rate, injection volume, and pressure to Midland Office on daily drilling report.

CSL

(AFE_1376_AvalonState1_ConvertSWD_proc.doc)

Laboratory Services, Inc.
4016 Fiesta Drive
Hobbs, New Mexico 88240
Telephone: (505) 397-3713

Water Analysis

COMPANY Bonneville Fuels

SAMPLE Water Well
SAMPLED BY Joe-Hughs Christensen

DATE TAKEN
REMARKS Water supply well - Sagebrush Draw "7" State Com No. 1
Sec 7, T21S-R26E Eddy Co. NM

Barium as Ba	0
Carbonate alkalinity PPM	0
Bicarbonate alkalinity PPM	272
pH at Lab	6.99
Specific Gravity @ 60°F	1.004
Magnesium as Mg	503
Total Hardness as CaCO3	868
Chlorides as Cl	268
Sulfate as SO4	1,275
Iron as Fe	0
Potassium	0.25
Hydrogen Sulfide	8
Rw	
Total Dissolved Solids	2,480
Calcium as Ca	365
Nitrate	24.2
Sulfides	3.05
Sulfites	20

Results reported as Parts per Million unless stated

Langelier Saturation Index -0.04

Analysis by: Vickie Walker
Date: 12/30/98

Martin Water Laboratories, Inc.

Analysts & Consultants since 1953
Bacterial & Chemical Analysis

December 10, 2007

Mr. Clay Lamb
Fasken Oil & Ranch, Ltd.
303 W. Wall Street, Suite 1800
Midland, TX 79701

Dear Mr. Lamb:

In hypothetically evaluating the Bone Springs water that is represented by the Haliburton DST analysis with the Delaware sample represented by the submitted BJ Services analysis for compatability, we see no significant scaling potential from calcium carbonate, calcium sulfate, or barium sulfate.

Sincerely,

Greg Ogden, B.S.

1342-A

HALLIBURTON DIVISION LABORATORY
HALLIBURTON COMPANY
LOVINGTON, NEW MEXICO

LABORATORY WATER ANALYSIS No. W74-759

To David Fasken

807 1st National Bank Building

Midland, Texas 79701

Date 10-14-74

Submitted by _____ Date Rec. 10-14-74

Well No. El Paso Federal #3 Depth 5400' Formation Bone Springs

County Eddy Field W.C. Source DST #1

	Sampler	Tool Top	Top of Fluid
Resistivity	0.058 @ 70° F.	0.058 @ 70° F.	0.136 @ 70° F.
Specific Gravity	1.119		
pH	6.8		
Calcium (Ca)	2,500		*MPL
Magnesium (Mg)	120		
Chlorides (Cl)	108,000	108,000	35,000
Sulfates (SO_4)	4,650		
Bicarbonates (HCO_3)	2,440		
Soluble Iron (Fe)	Nil		

Pit Sample - Res. @ 70° F. - 1.36 Chlorides, mpl - 2,100

Remarks:

*Milligrams per liter

JSH
RHA
PAC
RLS
EAH
SLP
SH
BI
FILE

Respectfully submitted,

Analyst: Brewer

cc:

HALLIBURTON COMPANY

By W. L. Brewer
CHEMIST

NOTICE

Attn: Jimmy Davis
Fax # 1-915-687-6311

B J Services Water Analysis

Artesia **District** Laboratory
(505)-746-3140

Date:	20-May-03	**Test #:**	
Company:	Fasken Oil & Ranch	**Well #:**	#1
Lease:	Soapberry Draw 7	**County:**	Eddy
State:	NM	**Formation:**	Delaware
Depth:	3056-3123	**Source:**	

pH	6.92	**Temp (F):**	62.6
Specific Gravity	1.005		

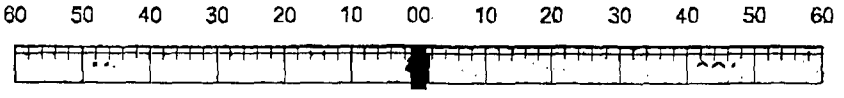
CATIONS	mg/l	me/l	ppm
Sodium (calc.)	1238	53.9	1232
Calcium	160	8.0	160
Magnesium	24	2.0	24
Barium	< 25	---	---
Potassium	< 10	---	---
Iron	25	0.9	25
ANIONS			
Chloride	2000	56.4	1990
Sulfate	199	4.1	198
Carbonate	< 1	---	---
Bicarbonate	268	4.4	267
Total Dissolved Solids(calc.)	3915		3896
Total Hardness as CaCO3	501	10.0	498

COMMENTS: Resistivity (ohm-meters--calc.) 1.647737

SCALE ANALYSIS:

CaCO3 Factor	13051.36	Calcium Carbonate Scale Probability-->	Remote
CaSO4 Factor	32080	Calcium Sulfate Scale Probability -->	Remote

Stiff Plot



Affidavit of Publication

NO. 19958

STATE OF NEW MEXICO

County of Eddy:

GARY D. SCOTT being duly

sworn,says: That he is the **PUBLISHER** of The

Artesia Daily Press, a daily newspaper of general

circulation, published in English at Artesia, said county

and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said

Artesia Daily Press,a daily newspaper duly qualified

for that purpose within the meaning of Chapter 167 of

the 1937 Session Laws of the state of New Mexico for

1 Consecutive week/days on the same

day as follows:

First Publication November 9, 2007

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Gary D. Scott

Subscribed and sworn to before me this

29th Day November 2007

Amanda K. Lamb

Notary Public, Eddy County, New Mexico

My Commission expires April 5, 2011

Copy of Publication:

Fasken Oil and Ranch, Ltd., 303 West Wall, Suite 1800, Midland, TX 79701, is filing Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, Avalon State No. 1, is located 1440' FSL and 1650' FWL of Section 7, Township 21 South, Range 26 East, Eddy County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware formation. The disposal water will be injected into the Bone Spring formation at a depth of 4000' – 8000' at a maximum surface pressure of 800 psi and a maximum rate of 3000 BWPD. Any interested party who has an objection to this application must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, Santa Fe, New Mexico, 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Jimmy D. Carlile at Fasken Oil and Ranch, Ltd., 303 West Wall, Suite 1800, Midland, TX 79701, or call (432) 687-1777.

Published in the Artesia Daily Press, Artesia, New Mexico 9, 2007.

Legal 19958

Fasken Oil and Ranch, Ltd.

Avalon State No. 1

List of Affected Parties within ½ Mile

Offset Operators

Chevron Mid-Continent LP
15 Smith Road
Midland, TX 79705

Yates Petroleum Corporation
105 South 4th Street
Artesia, NM 88210

XOG Operating LLC
1801 W. Texas
Midland, TX 79701

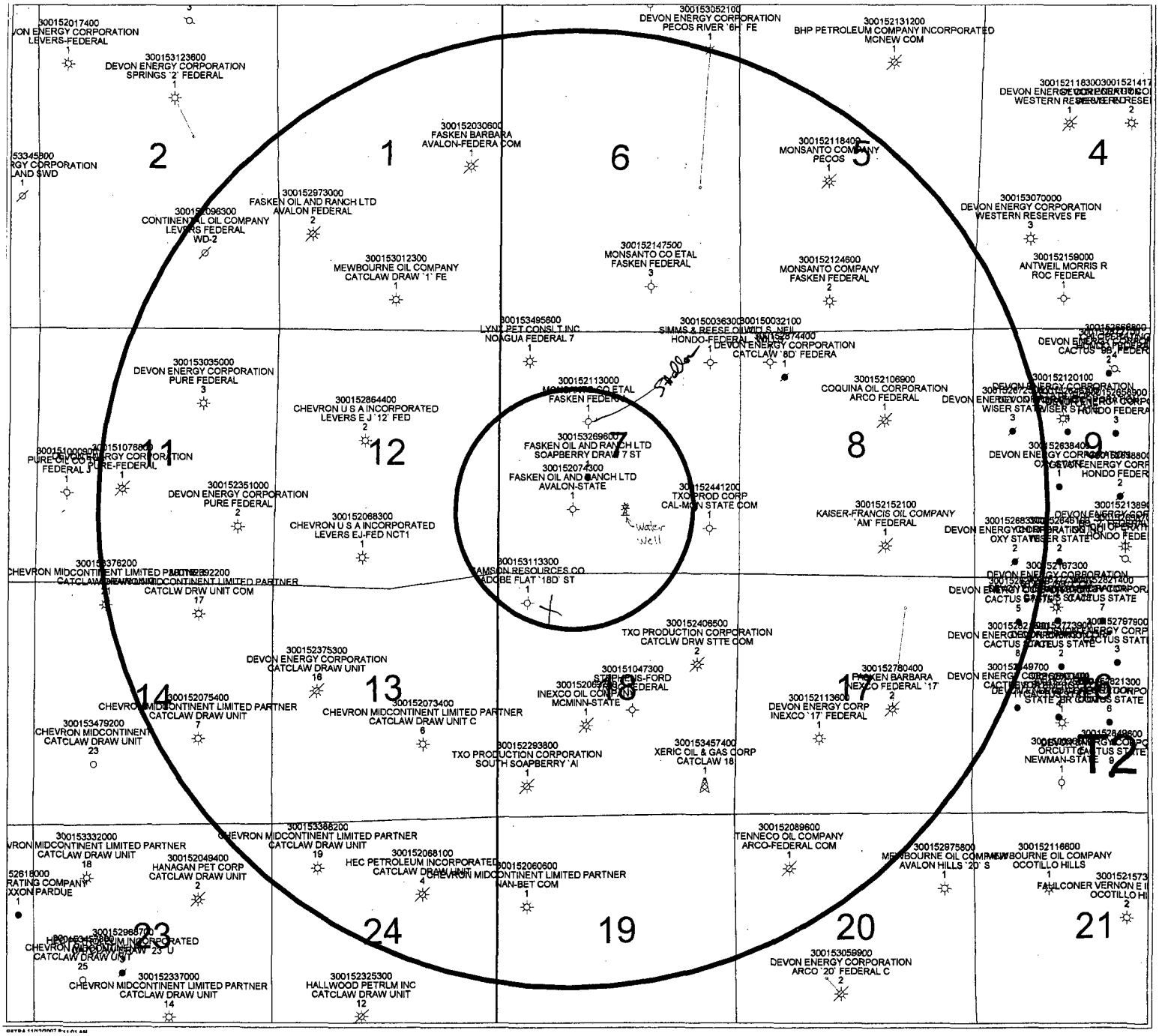
Devon Energy
20 N. Broadway
Oklahoma City, OK 73102

Lynx Petroleum Consulting
P. O. Box 1708
Hobbs, NM 88241

Samson Resources
200 N. Loraine, Suite 1010
Midland, TX 79701

Surface Owner

New Mexico State Land Office
P. O. Box 1148
Santa Fe, NM 87504


300152017400
ON ENERGY CORPORATION
LEVERS-FEDERAL
1
300153123600
DEVON ENERGY CORPORATION
SPRINGS `2` FEDERAL
1
53345800
RGY CORPORATION
AND SWD
1
2
300153052100
DEVON ENERGY CORPORATION
PECOS RIVER `6H` FE
1
300152131200
BHP PETROLEUM COMPANY INCORPORATED
MCNEW COM
1
300152118300300152141700
DEVON ENERGY CORPORATION
WESTERN RESERVES FE
1
2
4
300152030600
FASKEN BARBARA
AVALON-FEDERA COM
1
1
6
300152118400
MONSANTO COMPANY
PECOS
1
5
300152973000
FASKEN OIL AND RANCH LTD
AVALON FEDERAL
2
300152096300
CONTINENTAL OIL COMPANY
LEVERS FEDERAL
WD-2
300153012300
MEWBOURNE OIL COMPANY
CATCLAW DRAW `1` FE
1
300152147500
MONSANTO CO ETAL
FASKEN FEDERAL
3
300152124600
MONSANTO COMPANY
FASKEN FEDERAL
2
300153070000
DEVON ENERGY CORPORATION
WESTERN RESERVES FE
3
300152158000
ANTWEIL MORRIS R
ROC FEDERAL
1
300153495600
LYNX PET CONSLT INC
NOAGUA FEDERAL 7
1
300150036300300150032100
SIMMS & REESE OIL(WILLS, NEIL
HONDO-FEDERAL
1
300152674400
DEVON ENERGY CORPORATION
CATCLAW `6D` FEDERA
1
300153035000
DEVON ENERGY CORPORATION
PURE FEDERAL
3
300152113000
MONSANTO CO ETAL
FASKEN FEDERAL
1
300152106900
COQUINA OIL CORPORATION
ARCO FEDERAL
1
300152120100
DEVON ENERGY CORPORATION
WISER STATE
3
9
300152864400
CHEVRON U S A INCORPORATED
LEVERS E J `12` FED
2
12
11
8
300153696000
FASKEN OIL AND RANCH LTD
SOAPBERRY DRAW 7 ST
1
300152074300
FASKEN OIL AND RANCH LTD
AVALON-STATE
1
300151076800
PURE-FEDERAL
1
300152351000
DEVON ENERGY CORPORATION
PURE FEDERAL
2
300152441200
TXO PROD CORP
CAL-MON STATE COM
1
300152152100
KAISER-FRANCIS OIL COMPANY
`AM` FEDERAL
1
300152068300
CHEVRON U S A INCORPORATED
LEVERS E J FED NCT1
1
300153113300
SAMSON RESOURCES CO
ADOBE FLAT `18D` ST
1
300153376200
CATCLAW DRAW UNIT COM
17
300152408500
TXO PRODUCTION CORPORATION
CATCLW DRW STTE COM
2
300152375300
DEVON ENERGY CORPORATION
CATCLAW DRAW UNIT
16
300151047300
STEPHENS-FORD
INEXCO OIL COMPANY
MCMINN-STATE
1
300152780400
FASKEN BARBARA
INEXCO FEDERAL `17`
2
300152075400
CHEVRON MIDCONTINENT LIMITED PARTNER
CATCLAW DRAW UNIT
7
14
13
10
17
16
300153479200
CHEVRON MIDCONTINENT
CATCLAW DRAW UNIT
23
300152073400
CHEVRON MIDCONTINENT LIMITED PARTNER
CATCLAW DRAW UNIT C
6
300152113600
DEVON ENERGY CORP
INEXCO `17` FEDERAL
1
300152293800
TXO PRODUCTION CORPORATION
SOUTH SOAPBERRY `A`
1
300153457400
XERIC OIL & GAS CORP
CATCLAW 18
1
300153332000
CATCLAW DRAW UNIT
18
300153386200
CHEVRON MIDCONTINENT LIMITED PARTNER
CATCLAW DRAW UNIT
19
300152089600
TENNECO OIL COMPANY
ARCO-FEDERAL COM
1
300152975800
MEWBOURNE OIL COMPANY
AVALON HILLS `20` S
1
300152116600
MEWBOURNE OIL COMPANY
OCOTILLO HILLS
1
300152049400
HANAGAN PET CORP
CATCLAW DRAW UNIT
2
300152068100
HEC PETROLEUM INCORPORATED
CATCLAW DRAW UNIT
4
300152060600
CHEVRON MIDCONTINENT LIMITED PARTNER
HANAN-BET COM
1
300152337000
CHEVRON MIDCONTINENT LIMITED PARTNER
CATCLAW DRAW UNIT
14
300152325300
HALLWOOD PETRLM INC
CATCLAW DRAW UNIT
12
300153059900
DEVON ENERGY CORPORATION
ARCO `20` FEDERAL C
2
23
24
19
20
21

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15 SMITH RD
MIDLAND TX 79705-5400

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20 N BROADWAY AVE STE 1500
OKLAHOMA CITY OK 73102-8260

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XOG OPERATING LLC
1801 W TEXAS AVE
MIDLAND TX 79701-6561

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City, State, ZIP+4

SAMSON RESOURCES
200 N LORAINE ST STE 1010
MIDLAND TX 79701-4755

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Restricted Delivery Fee (Endorsement Required)	
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Street, Apt. No.; or PO Box No.
City, State, ZIP+4

LYNX PETROLEUM CONSULTING
PO BOX 1708
HOBBS NM 88241-1708

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Restricted Delivery Fee (Endorsement Required)	
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PO BOX 1148
SANTA FE NM 87504-1148

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U.S.G.S.		
LAND OFFICE		
OPERATOR	1	

RECEIVED
JAN 31 1973
O. C. C.
ARTESIA, OFFICE

Form C-103
Supersedes Old C-102 and C-103
Effective 1-1-65

NEW MEXICO OIL CONSERVATION COMMISSION

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT —" (FORM C-101) FOR SUCH PROPOSALS.)

5a. Indicate Type of Lease: State [xx] Fee [ ]

5. State Oil & Gas Lease No.

1. OIL WELL [ ] GAS WELL [ ] OTHER- Dry Hole

7. Unit Agreement Name

2. Name of Operator: David Fasken

8. Farm or Lease Name: Avalon State

3. Address of Operator: 608 First National Bank Bldg., Midland, Texas 79701

9. Well No.: 1

4. Location of Well: UNIT LETTER K, 1650 FEET FROM THE West LINE AND 1440 FEET FROM THE South LINE, SECTION 7 TOWNSHIP 21-S RANGE 26-E NMPM.

10. Field and Pool, or Wildcat: Undesignated

15. Elevation (*Show whether DF, RT, GR, etc.*): 3305 GL, 3321 KB

12. County: Eddy

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK [ ]	PLUG AND ABANDON [X]	REMEDIAL WORK [ ]	ALTERING CASING [ ]
TEMPORARILY ABANDON [ ]		COMMENCE DRILLING OPNS. [ ]	PLUG AND ABANDONMENT [ ]
PULL OR ALTER CASING [ ]	CHANGE PLANS [ ]	CASING TEST AND CEMENT JOB [ ]	
OTHER [ ]		OTHER [ ]	

17. Describe Proposed or Completed Operations (*Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work*) SEE RULE 1103.

1. Drilled to T.D. 10,800'.
10625-725 w/42 sx 10300-400 w/42 sx
2. Spot~~ted~~ cement plugs: 9000-8900' w/42 sxs., 8200-8100' w/42 sxs., 2400-2200' w/84 sxs., and 11 sxs. at surface.
3. Cut off casing. 3900-4000 w/42 sx
4. Fill cellar.
5. Level location and pits.

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

SIGNED J. B. Henry TITLE Agent DATE 1-28-73

APPROVED BY W. A. Gressett TITLE OIL AND GAS INSPECTOR DATE FEB 1 1973

CONDITIONS OF APPROVAL, IF ANY:
as noted above

Report as of 8:00 a.m.

Sept. 23, 1972 - Drilled to T.D. 2327', no returns at T.D. and no returns while cementing. Set 70 jts. of 9-5/8", 40#, J-55, LT&C casing. Cemented through shoe w/450 sxs. Incor w/2% CaCl and ½# flocele. Shut down 6 hrs. Ran temperature survey, top of cement at 1340'. Prep to cement with additional stages.

Sept. 24, 1972 - Pumped 200 sxs. Incor with 5% CaCl, ½#flocele + 200 sxs. Incor with 3% CaCL & ½# flocele down annulus @ 10 BPM, WOC 3 hrs. Ran temperature survey # 2, top of cement @ 1320'. WOC 3 hrs., pumped 200 sxs. Incor with 5% CaCl & ½# flocele down annulus @ 10 BPM, WOC 5 hrs. Pumped 200 sxs. Incor w/5% CaCl & ½# flocele down annulus. WOC 3 hrs. Ran temperature survey # 3 & # 4, top of cement @ 1320'. WOC 1 hr. Pumped 200 sxs. Incor w/3% CaCl & ½# flocele @ 10 BPM down annulus. WOC 45 mins. Ran 1¼" sash weight on wireline down annulus, stopped @ 505'. WOC 15 mins. Pumped 200 sxs. Incor w/3% CaCl & ½# flocele.

Sept. 25, 1972 - WOC 6 hrs. & 20 mins. Ran temperature survey # 5, top of cement @ 1320'. Ran 3/4" O.D. sash wt. on wireline in annulus to 650'. Pumped 700 sxs. Incor w/6% CaCl & ½# flocele down annulus @ 10 BPM, WOC 3 hrs. Ran temperature survey # 6, top of cement @ 1320'. Ran 3/4" sash weight down annulus to 650'. Ran 8 yards (216 cu.ft.) ready-mix concrete down annulus, WOC 1½ hrs. Ran 3/4" sash wt. down annulus, top of concrete @ 234'. Ran 8 yards (216 cu. ft.) ready-mix concrete down annulus, WOC 30 mins. Ran 3/4" sash wt. down annulus, top of concrete @ 95'. Ran temp. survey # 7, warm anomaly from surface to 750', cool anomaly 750' - 1320'. Ran 8 yards (216 cu. ft.) ready-mix concrete, filled up into cellar 3½' below ground level. Total cement - 450 sxs. primary cementing job, 1900 sxs. on stage jobs down annulus, plus 648 cu. ft. ready-mix concrete. All operations witnessed by Mr. Mermiss and/or Mr. Gressett of N.M.O.C.C. Received approval to go ahead. Cut off 9-5/8" casing, welded on casinghead, tested between welds w/3000#, nippled up B.O.P., hydril & rotating head. Prep to connect choke manifold and test with Yellow Jacket testing service.

Sept. 26, 1972 - Ran Yellow Jacket test on B.O.P. stack, choke manifold, hydril, and casing. Tested B.O.P. stack to 3000#, hydril to 2000#, choke manifold to 3000#, and tested casing to 2600 psig for 30 mins. - held OK. This A.M. drilling @ 2635' in lime & sand, drld. 308' past 24 hrs. Bit # 5, 8-3/4", J-55, drlg. w/water. Ph 10.5, PP 2000# @ 65 SPM, Wt. 45,000# @ 56 RPM. Started drilling formation @ 10:45 p.m., 9-25-72.

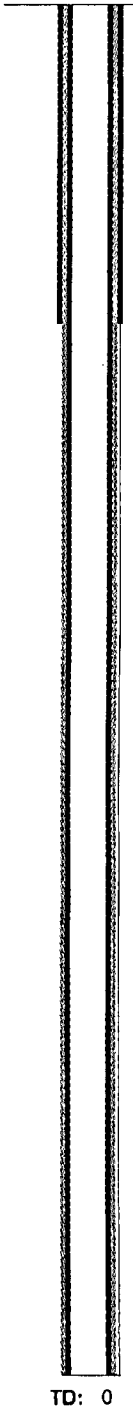
30-015-31133-00-00 **ADOBE FLAT 18D STATE COM No. 001**

Company Name: SAMSON RESOURCES CO

Location: Sec: 18 T: 21S R: 26E Spot:
Lat: 32.4854022596524 Long: -104.338832802888

Property Name: ADOBE FLAT 18D STATE COM

County Name: Eddy



Surface: 3.375 in. @ 493 ft.

Cement from 493 ft. to surface

Cement from 2100 ft. to surface

Production: 8.625 in. @ 2100 ft.

Hole: 8.625 in. @ 2100 ft.

TD: 0 **TVD:** 10722 **PBTD:**

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)
HOL2	2100	8.625		
PROD	2100	8.625	32	2100
SURF	493	3.375	48	493
HOL1	493	3.375		

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	2100	0	C	1015
SURF	493	0	C	450

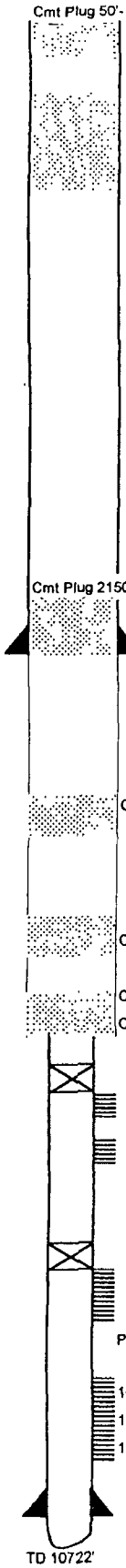
Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Sqz
9999	9999			
0	0			
99999	9999			

Formation Information

St Code	Formation	Depth
Preef	Capitan Reef	900
Pdel	Delaware	1875
Pbs	Bone Spring	4001
Pbs1sd	1st Bone Spring Sand	5280
Pbs2sd	2nd Bone Spring Sand	6366
Pbs3sd	3rd Bone Spring Sand	7500
Pwc	Wolfcamp	7980
Ppund	Pennsylvanian	8661
Ppcan	Canyon	8960
PPst	Strawn	9300
Ppat	Atoka	9670
Ppmorc	Morrow Clastics	10252
Mbtsh	Barnett Shale	10600

P&A Proposed



WELL NAME:	Adobe Flat 18D State Com #1	**FIELD:**	Avalon	**OPER:**	Devon	
STATE:	NM	**COUNTY:**	Eddy	**LOCATION:**	18-21-26, 660' FNL & 660' FWL	
API NO:	30-015-31133	**SPUD DATE:**	6/21/2000	**FORMATION:**	Morrow	
TD:	10722'	**PBTD:**	10635'	**ELEVATION:**	3264' GL, KB 3281' (17')	

PIPE RECORD

CSG	OD	GRADE	THD	WT/FT	TOP	BTM	# JTS
Surf	13 375"	H40	STC	48 0#	0'	493'	
Inter	8 625"	J55	LTC	32 0#	0'	2100'	
Prod	4 500"	P-110		11 6#	0'	10718'	251
Tbg					0'	9096'	

CEMENT & HOLE DATA

BIT SIZE	DEPTH	SX	WT.	TOC
		450		Surf
		1015		Surf
		430		8670'/CBL

Remarks:

8/21/06: (Perfs 10556'-10600') Frac w/33,900# 20/40 XRT Gold, 111 tons CO2, and 320 bbls fluid

9/11/06: (Perfs 10378'-10420') Frac w/49,000# 20/40 XRT Gold, 145 tons CO2 dh, and 401 bbls fluid

12/27/06: (Formation @ 10556'-10600') Trtd w/1000 gal clay safe acid, 2000 gal Optikleen Flushed w/60 bbls 7% KCL

4/4/07: (Perfs 8874'-9638') Acdz w/4500 gals 15% NEFE acid Had good ball action balled out @ 7500# w/30 balls on.

CAPACITIES	(bbl/ft)	(ft/bbl)	(cf/ft)
TBG in #			
CSG 8 625 in 32#			

VOLUME BETWEEN	(bbl/ft)	(ft/bbl)	(cf/ft)
TBGxCSG x8 625			
TBGxCSG			
CSGxHOLE			
TBGxHOLE			
TBGxHOLE			

PERFORATION RECORD

DATE	TOP	BTM	ZONE	STATUS	SPF
8/17/2006	10580'	10600'	Morrow	Abandon	
8/17/2006	10574'	10580'	Morrow	Abandon	
8/17/2006	10556'	10561'	Morrow	Abandon	
9/7/2006	10414'	10420'	Morrow #2	Abandon	3
9/7/2006	10396'	10398'	Morrow #2	Abandon	3
3/7/2006	10378'	10382'	Morrow #2	Abandon	3
4/3/2007	9249'	9638'	Strawn	Abandon	
4/3/2007	8874'	8996'	Strawn	Abandon	

SRC WI%:

LOGS:

LANDMAN:

GEOLOGIST:

TUBULAR GOODS PERFORMANCE

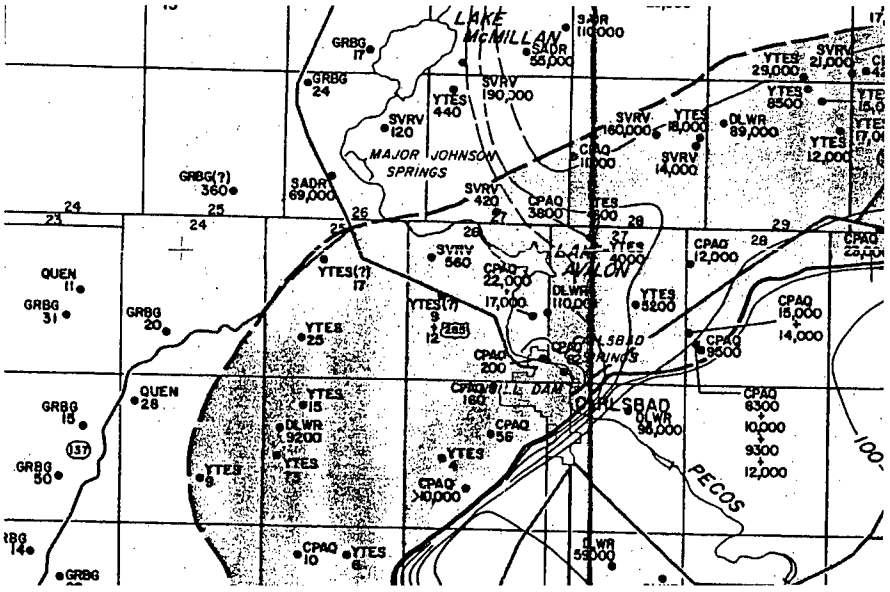
Material	ID (in)	Drift (in)	Collapse* (psi)	Burst* (psi)	Tensile* (lbs)
13 375" H40 STC 48#					
8 625" J55 LTC 32#					
" #					

* Safety Factor Not Included

PREPARED BY: R. Burditt **OFFICE:**

DATE: 6/19/2007 (WIP) **FAX:**

Updated:


LAKE MCMILLAN
MAJOR JOHNSON SPRINGS
LAKE AVALON
CARLSBAD SPRINGS
CARLSBAD
DAM
PECOS
GRBG 17
GRBG 24
SVRV 120
YTES 440
SVRV 190,200
SADR 55,000
SADR 110,000
YTES 29,000
SVRV 21,000
YTES 8500
SVRV 160,000
YTES 18,000
DLWR 89,000
YTES 12,000
CPAQ 10,000
SVRV 14,000
GRBG(?) 360
SADR 69,000
SVRV 420
CPAQ 3800
YTES 600
SVRV 560
CPAQ 22,000
17,000
DLWR 110,000
YTES 5200
CPAQ 12,000
CPAQ 15,000
14,000
CPAQ 9500
YTES(?) 17
YTES(?) 9
12
285
YTES 25
CPAQ 200
CPAQ 160
CPAQ 56
YTES 4
CPAQ >10,000
DLWR 98,000
CPAQ 8300
10,000
9300
12,000
QUEN 11
GRBG 31
GRBG 20
QUEN 28
GRBG 15
YTES 15
DLWR 9200
YTES 73
YTES 5
GRBG 50
137
CPAQ 10
YTES 6
DLWR 59,000
GRBG 14
GRBG
23
24
25
26
27
28
29

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Wednesday, February 13, 2008 3:19 PM
To: 'jimmyc@forl.com'
Cc: Ezeanyim, Richard, EMNRD; Macquesten, Gail, EMNRD; Phillips, Dorothy, EMNRD
Subject: SWD Application from Fasken Oil & Ranch, LTD. for the Avalon State Well No. 1 API No. 30-015-20743

http://www.emnrd.state.nm.us/OCD/OCDPermitting/Report/Stats/InactiveWellFinancialAssuranceReport.aspx?Operator=151416

Hello Jimmy:
I can have this ready to release today - with some conditions, but the Financial Assurance Report shows some violations. Rule 40 prevents me from releasing this permit until the required well bonds are sent to Dorothy Phillips (505-476-3461) in Santa Fe. The inactive well list is fine.

Conditions of the permit:
Re-enter and equip this well as proposed in the application.
Plugging the Adobe Flat 18D State Com No. 1 owned by Samson as Samson has proposed to do last year.
Running initial and periodic injection surveys on the long open hole.

Please let me know as soon as those bonds are sent to Dorothy and I can release?

Regards,

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

2/27/08
1/30 ; inactive = OK
well Bonds = OK

Injection Permit Checklist 2/8/07

SWD Order Number 1113 Dates: Division Approved ________ District Approved ________

? Well Name/Num: Avalon State #1 Date Spudded: 10/24/72

~~API Num:~~ (30-) 015-20743 County: EDDY

Footages 1440 FSL/1650FWL Sec 7 Tsp 21S Rge 26E

Operator Name: Fasken Oil & Ranch, Ltd. Contact Jimmy D. Carlile

Operator Address: 303 West Wall, Suite 1800, Midland, TX 79701

Current Status of Well: P & A Planned Work: ________ Inj. Tubing Size: 2 3/8 @ 3950'

	Hole/Pipe Sizes	Depths	Cement	Top/Method
Surface	17 1/2 ~~13 3/8~~	~~350~~ 470'	~~300 SX~~	~~CIRC~~
Intermediate	12 1/4 9 5/8	2327	2350 SX	Surf.
Production (proposed)	8 3/4 5 1/2	~~10800~~ 4000'	850 SX	
Last DV Tool				
Open Hole/Liner		(11,800 TD)		
Plug Back Depth				

(@1320' Cavern ?)

Diagrams Included (Y/N): Before Conversion ✓ After Conversion ✓

Checks (Y/N): Well File Reviewed ______ ELogs in Imaging ______

OGRID = 151416

Intervals:	Depths	Formation	Producing (Yes/No)
Salt/Potash			
(Capitan Reef)	310'–650'		
~~Cliff House, Etc:~~ DEL ≅	1870'–3966'		
Formation Above	3940'	BS	
Top Inj Interval	4000	BS	
Bottom Inj Interval	8000	BS	
Formation Below	8020'	W.C.	

800 PSI Max. WHIP

✓ Open Hole (Y/N)

No Deviated Hole (Y/N)

Fresh Water: Depths: ?–? Wells(Y/N) ______ Analysis Included (Y/N): ______ Affirmative Statement ✓ = Prod. water

Salt Water Analysis: Injection Zone (Y/N/NA) ______ DispWaters (Y/N/NA) ______ Types: Delaw is <10,000 ; BS is >10,000 ? → 900' = ?Fm

Notice: Newspaper(Y/N) ✓ Surface Owner SLO ________ Mineral Owner(s) ________

Other Affected Parties: Yates, Chevron, Devon, Samson, LYNX, XOG OP

AOR/Repairs: NumActiveWells 19 Repairs? ______ Producing in Injection Interval in AOR ______

AOR Num of P&A Wells (2) Repairs? — Diagrams Included? — RBDMS Updated (Y/N) ______

3

Well Table Adequate (Y/N) ______ AOR STRs: Sec ______ Tsp ______ Rge ______ UIC Form Completed (Y/N) ______

New AOR Table Filename ________ Sec ______ Tsp ______ Rge ______ This Form completed ______

Conditions of Approval: Sec ______ Tsp ______ Rge ______ Data Request Sent ______

Set PLUG @ 8100'-8000', Run 5 1/2" @ 4000' - Design CMT TO CIRC.

FIX (and) to Adobe Flat 18D State Com No. 1' 30-015-31133

Find TOC & SQZ To above 4000' or Pull 4 1/2" & PLUG To isolate member of BS.

AOR Required Work: Samson owned

Required Work to this Well: ________