,	(
DATE IN	0-7-09 SUSPENS	ENGINEER JONES LOGGED IN 10-7-09 TYPE DHC APP NO. 092805 3717
	RE	CEIVED ABOVE THIS LINE FOR DIVISION USE ONLY Fasten Of R
	2009 OC	1220 South St. Francis Drive, Santa Fe, NM 87505 Ling Fed. Well #4
		ADMINISTRATIVE APPLICATION CHECKLIST 30-025-38748
TH	IIS CHECKLIST IS MA	ANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS
Applic	[DHC-Down [PC-Poe	ndard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] hole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] ol Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] ified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]
[1]	TYPE OF AP [A]	PLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD
	Check [B]	One Only for [B] or [C] Commingling - Storage - Measurement X DHC CTB PLC PC OLS OLM
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
	[D]	Other: Specify
[2]	NOTIFICATI [A]	ON REQUIRED TO: - Check Those Which Apply, or Does Not Apply 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]	\boxed{X} For all of the above, Proof of Notification or Publication is Attached, and/or,
	[F]	Waivers are Attached
[3]		CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE TION INDICATED ABOVE.
r 4 1	OPDTIFICAT	

1

[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.

Kim Tyson	Rim Lynn	Regulatory Analyst	10-5-09
Print or Type Name	Signature	Title	Date
		kimt@for1.com	

e-mail Address

District I	State of N	New Mexico	Form C-107A	۱
1625 N. French Drive, Hobbs, NM 88240	Energy, Minerals and Nat	tural Resources Department	Revised June 10, 2003	3
District II				
1301 W. Grand Avenue, Artesia, NM 88210	Oil Conser	rvation Division	APPLICATION TYPE	
District III	1220 Sou	th St. Francis Dr.	<u>X</u> Single Well	
1000 Rio Brazos Road, Aztee, NM 87410	Santa Fe, N	lew Mexico 87505	Establish Pre-Approved Pools	
District IV			EXISŢING WELLBORE	E
1220 S. St. Francis Dr., Santa Fc, NN1 87505	APPLICATION FOR DO	WNHOLE COMMINGLING	<u>X</u> Yes No	-
			<u> </u>	-
			+ - 7610	
Fasken Oil and Ran	ch, Ltd. 303 W.	Wall St., Ste. 1	800, Midland, TX	79701
Operator	Add	iress		
Ling Federal	4 J, Sec.	31, T19S, R34E	Lea	
Lease	Well No. Unit Letter-	Section-Township-Range	County	
OGRID No. 151416 Property Co	de API No.30-0	25-38748 Lease Type:	X Federal State Fee	
DATA ELÉMENT	UDDED ZONE		LOWED ZONE	7

,

DATA ELEMENT	UPPERZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Apache Ridge; Bone Spring		Camp Ol
Pool Code	2260		59500
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Perforated 9380' - 10,112'		Perforated 11,022' - 12,162'
Method of Production (Flowing or Artificial Lift)	Artifical Lift		Artifical Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	Data not required - see note		Data not required - see note
Oil Gravity or Gas BTU (Degree API or Gas BTU)	39.2° API	· · · · · · · · · · · · · · · · · · ·	46° API
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: N/A Rates:	Date: Rates:	Date: 9-28-09 16 BO + 178W Rates:+ 37 MCF
Fixed Allocation Percentage (Note: If allocation is based upon something other	Oil Gas	Oil Gas	Oil Gas
than current or past production, supporting data or explanation will be required.)	80 % 69 %	% %	20 % 31 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes X Yes	No No
Are all produced fluids from all commingled zones compatible with each other?	Yes X	No
Will commingling decrease the value of production?	Yes	No X
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes X	No
NMOCD Reference Case No. applicable to this well:		
Attachments: C-102 for each zone to be comminated showing its spacing unit and acreaue dedication		

C-102 for each zone to be commingled showing its spacing unit and acreage dedication. Production curve for each zone for at least one year. (If not available, attach explanation.) For zones with no production history, estimated production rates and supporting data. Data to support allocation method or formula. Notification list of working, royalty and overriding royalty interests for uncommon interest cases. Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application. Bottomhole pressure data.

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

SIGNATURE Kim Jym	
TYPE OR PRINT NAME Kim Tyson	TELEPHONE NO. (432) 687-1777
E-MAIL ADDRESS kimt@for1.com	

District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztee, NM 87410 District IV 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 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

☐ AMENDED REPORT

		W	ELL LO	DCATIO	N AND ACR	EAGE DEDIC	ATION PL	AT		
1 A	PI Number	r		² Pool Code	2		' Pool	Name		
30-025-	38748			2260		Apache Ridge	e; Bone :	Springs		
⁺ Property C	ode				⁵ Property !				۴v	Vell Number
	[Ling Fed	eral				4
⁷ OGRID N	io.				* Operator	Name		1	,	Elevation
151416				Faske	n Oil and	Ranch, Ltd.			3	623'GL
				_	¹⁰ Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn			Feet from t	he East	t/West line	County
J	31	19S	34E		1660'	South	2310'	Eas	t	Lëa
			¹¹ Bo	ottom Ho	le Location I	f Different Fron	n Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from t	he East	t/West line	County
							_			
¹² Dedicated Acres	¹³ Joint of	r Infill ¹⁴ C	onsolidation (Code ¹⁵ Or	der No.					
40										

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

• #5	• #3		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore emered by the division.
• #6	• #1		Kim 2gym 10-5-09 Signature Date Kim Tyson Printed Name
(● #2	#4 •	2310'	¹⁸ SURVEYOR CERTIFICATION 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 belief.
	1660'		Signature and Seal of Professional Surveyor:

District 1 1625 N. French Dr., Hobbs, NM 88240 District 11 1301 W. Grand Avenue, Artesia, NM 88210 District 111 1000 Rio Brazos Rd., Aztec, NM 87410 District 112 1220 S. St. Francis Dr., Santa Fe, NM 87505

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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 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

☐ AMENDED REPORT

		W	ELL LO	DCATIO	N-AND ACR	EAGE DEDIC	ATION PLA	Τ	
30-025-	API Number -38748	r		' Pool Code 59500	2	WCI	Pool Nar Onteo Wolfc		
⁴ Property C	Code		<u>2</u>		[*] Property M Ling Fed			6 V	Vell Number 4
⁷ OGRID M	No.				* Operator 1	Name			[°] Elevation
151416				Fas	ken 0il ar	d Ranch, Lt	d.	36	23' GL
	·				¹⁰ Surface	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	31	19S	34E		1660'	South	2310	East	Lea
			¹¹ Be	ottom Ho	le Location It	f Different Fron	1 Surface	·	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres	¹³ Joint or	·Infill ["Co	nsolidation	Code ¹⁵ Or	der No.				
40									

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

• #5	• #3		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
• #6	● #1		<u>Kim Tyson</u> <u>Rim Tyson</u> <u>Rim Tyson</u>
● #2	#4 • <u>2310</u>	, r 	¹⁸ SURVEYOR CERTIFICATION 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 belief.
	1660'		Signature and Seal of Professional Surveyor:

Fasken Oil and Ranch, Ltd.

Ling Federal No. 4

Application for Downhole Commingling

Additional Data

A production plot for the Wolfcamp is attached and is currently averaging 16 bopd and 24 mcfpd with an estimated ultimate recovery of 9,600 bo & 28,000 mcf. Production for the Bone Spring zone in this well is not available since it has yet to be opened. However, a production projection curve was created based upon offset well's production histories, hydrocarbon pore volume mapping, and volumetrics derived from electric log properties. Based on this data, the projected Bone Springs curves begin at 36 bopd and 45 mcfpd, ultimately recovering 39,000 mbo and 63,600 mcf.

Using the projected production curves and ultimate recoveries of both oil and gas for each zone, a production allocation for the Wolfcamp and Bone Springs was created:

	<u>EUR OIL</u>		EUR GAS	
Wolfcamp	9.6 mbo	20%	28,000 mcf	31%
Bone Springs	39 mbo	80%	63,600 mcf	69%

Once the Bone Springs has been completed, the production allocation will be fine-tuned using actual production volumes from the Bone Springs.

	Zone	Depth	Depth to	X-plot Φ	мS	Pay, h	MVB	ψφ	hcf Ф*h*(1-sw)	w) Temp °F	°F Bo (rb/stb)	Recovery Factor	Acres	EUR MBO
LING FED	ING FEDERAL NO. 4													
Rw	1ST BONE SPRING	J												
0.034	"A" SAND	9360.00	9420.00	10.83%	47.95%	4	0.0519	0.4331	0.2254	142	1.50	0.15	40	6:99
0.034	"B" SAND	9420.00		•	47.05%	21	0.0645	2.8776	1.5238	143	1.50	0.15	40	47.29
0.034	"C" SAND	9474.00			0.00%	0	0.0000	0.0000	0.0000	144	1.50	0.15	40	00.0
0.034	ORANGE SAND	9570.00		14.89%	49.28%	۲	0.0734	0.1489	0.0755	145	1.50	0.15	40	2.34
	Total 1st BS:			10.96%	32.74%	77.5	0.0359	8.4944	5.7130					56.62

Ling Federal No. 4 Petrophysical Properties

•

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Ling Federal No. 4 Volumetrics from HCPV Mapping

"A" Sand	"B" Sand	"C" Sand	"Orange" Sand	Total 00IP	Total EUR
Ling 3 296,270	124,010	23,970	90'9'06	534,920	80,238
		0	13,740	250,800	37,620
Ling 5 9,200		59,500	31,690	164,260	
N	52,700	11,870	29,790	123,770	

Recovery Factor = 15% Each Well is Assumed to Drain 40 Acres

Date: 9/30/2009 Time: 9:55 AM Oil Gas Water Oil Gas Water Forecast History 2017 Operator: FASKEN OIL AND RANCH LTD EUR GAS 28,364 mcf EUR OIL 9,645 bbl CUM OIL 1,372 bbl; CUM GAS 5,607 mcf FIRST PROD DATE 08/2009 2016 Field Name: QUAIL RIDGE Project: J:\PIAPPS\D\VIGHTS\Ptools90\Projects\CSL\LEA_NM.mdb 2015 LING FEDERAL WOLFCAMP UPDATED - QUAIL RIDGE Actual Wolfcamp Production and Future Projections 2014 2013 Time 2012 Lease Name: LING FEDERAL WOLFCAMP UPDATED (4) 2011 2010 Location: 16G 20S 34E SW NE Rate/Time Graph County, ST: LEA, NM 10 2009 10,000 1,000 100 Monthly Rate

Rate/Time Graph

Project: J:\PIAPPS\DVVIGHTS\Ptools90\Projects\CSL\ApacheRidge2.mdb

Date: 9/28/2009 Time: 10:45 AM

> Lease Name: LING FEDERAL - BONE SPRINGS_RECOMPLETE (4) County, ST: LEA, NM Location: 3 21S 26E

Operator: FASKEN OIL AND RANCH LTD Field Name: APACHE RIDGE



Form 3160-5 (February 2005) UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 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.				FORM APPROVED OMB No. 1004-0137 Expires: March 31, 2007 5. Lease Serial No. NM-14496		
					6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRIPLICATE – Other instructions on page 2.				7. If Unit of CA/Agre	ement, Name and/or No.	
1. Type of Well	Gas Well Other			8. Well Name and No Ling Federal No. 4	· · · · · · · · · · · · · · · · · · ·	
2. Name of Operator Fasken Oil and Ranch, Ltd.				9. API Well No. 30-025-38748		
3a. Address 303 West Wall St., Suite 1800, Midland,	TX 79701	3b. Phone No. (incl 432-687-1777	ude area code)		10. Field and Pool or Exploratory Area Apache Ridge; Bone Springs	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1660' FSL & 2310' FEL, Sec. 31, T-19-S, R-34-E			11. Country or Parish, State Lea, New Mexico			
12.	CHECK THE APPROPRIATE B	OX(ES) TO INDICA	E NATURE O	F NOTICE, REPORT OR OTH	ER DATA	
TYPE OF SUBMISSION			TYPE	OF ACTION		
Notice of Intent	Acidize	Deepen Fracture T		Production (Start/Resume) Reclamation	Water Shut-Off Well Integrity	
Subsequent Report	Casing Repair	New Cons		Recomplete Temporarily Abandon	Other Downhole Commingle	
Final Abandonment Notice	Convert to Injection	Plug Back	[Water Disposal		
following completion of the testing has been completed. determined that the site is rea Fasken Oil and Ranch, Ltd. pr The percentages of Oil and Ga Oil	Final Abandonment Notices must ady for final inspection.) roposes to down-hole comming as from each zone are listed be Gas	tion results in a multip be filed only after all le the Tonto Wolfca slow as requested ir	le completion or requirements, ir mp with the Ap	r recompletion in a new interva ncluding reclamation, have been bache Ridge; Bone Springs p	h, a Form 3160-4 must be filed once n completed and the operator has	
Wolfcamp 9.6 mbo		31%				
Bone Springs 39 mbo	80% 63,600 mcf	69%				
Please see attached procedur This for you information only.	e as requested in the Conditior	ns of Approval.				
 14. I hereby certify that the foregoing is true and correct. Name (<i>Printed/Typed</i>) Kim Tyson 			e Regulatory	Analyst	· · · · · · · · · · · · · · · · · · ·	
			Date 10/01/2009			
		FOR FEDERA	L OR STAT	E OFFICE USE		
Approved by						
			Title		Date	
Conditions of approval, if any, are a that the applicant holds legal or equi entitle the applicant to conduct operation	itable title to those rights in the subjections thereon.	ect lease which would	Office			
Title 18 U.S.C. Section 1001 and Ti fictitious or fraudulent statements o			knowingly and w	villfully to make to any departme	nt or agency of the United States any false,	

· ·

Fasken Oil and Ranch, Ltd. Ling Federal No. 4 1660' FSL & 2310' FEL Sec 31, T19S R34E AFE 1715

OBJECTIVE:	Recomplete to Bone Springs
WELL DATA:	
	Set at 1586.5' KB. Cmt w/600 sx "C" w/ 2% CaCl2 (13.5
	ppg, 1.74 cuft/sx) + 400 sx "C" w/ 2% CaCl2 (14.8 ppg,
	1/32 ft3/sx).
9-5/8" 40# HCK55&36#J55 csg:	Set at 5172:2' KB, DV @ 3480.66' KB, Cmt 1 st stage
	400sx HLC (12.6ppg,2.013ft3/sx)+300sx "C" (14.8ppg,
	1.32 cuff/sk). Circ 61 sx thru DV. 2 nd stage 1200sx HLC
	(12.6ppg,2.01ft3/sx) +300sx "C" (14.8ppg, 1.32 cuft/sk).
5 4/0° 4749004 M 00.	9-5/8" TOC surf, circ154sx
5-1/2" 17#&20# N-80:	Set at 13,569.67' KB, DV @ 10,662' KB, Cmt 1" stage
	270sx Econocem "H" Modified(11.9ppg,2.45cuft/sk) + 375 sx Super "H" Mod (13.2 ppg, 1.63 ft3/sx), Circ
	mudflush thru DV. Cmt 2 nd stage 860sx Halliburton
	Lite"H" (12.4 ppg, 2.03 ft3/sx) + 380sx Super "H"
	Modified (13.2 ppg, 1.63 ft3/sx). 5-1/2" TOC 3463' by
	Temp
	Marker its (drig tally): 11.87' @13,097.55', 11.50' @
	9208.42'
Tubing:	2-3/8" EUE 8rd N-80.
Perfs:	Morrow 13,190'-13,398'. Atoka - 12,516'-12,524',
	Wolfcamp 11,022'-12,160'
TD:	13,577
PBTD:	12,460' CIBP w/ 35' class "H" cmt on top.

- 1. Check with Jimmy Carlile or Kim Tyson beforehand to make sure we have pit permit and approval to recomplete.
- 2. Set and receive half-frac flowback tank and one set of pipe racks on location. Build flowline from wellhead to workover tank.
- 3. RUPU. Unseat pump and POW with rods and pump. Send pump into shop for inspection. LD X amount of rods and send to Fasken yard.
- 4. NDWH and NU 7-1/16" 5k manual BOP equipped with 2-3/8" pipe rams and blind rams.
- 5. Unseat TAC, POW and LD all but 10,150' of 2-3/8" N-80 EUE 8rd tubing.
- RIW with 5-1/2" RBP, setting tool, and 2-3/8" tubing and set RBP @ +/- 10,500'. Displace well with 2% KCI water and test RBP to 2,000 psi for 10". PU 5' off of RBP and pump 5 sx of sand and leave on top of RBP. POW with tubing.
- 7. POW and spot 250 gallons of 15% NEFE HCl acid containing clay stabilizer @ 10,115'. POW with tubing.

8. RUWL w/ packoff and RIW and perforate 2nd Bone Springs Stray Dolomite as follows w/ 3-1/8" casing gun:

10,107'-12' w/ 2 JSPF, 60 degree phased, 0.42" EH, 10h

Correlate to Enertech Wireline Services Perforating Depth Control Log w/Gamma Ray/CCL dated 12-2-2008. POW and RDWL.

- 9. RIW 5-1/2" HD-type treating packer, sn, and 2-3/8" tubing to10,080' and reverse acid into tubing.
- 10. ND BOP and NUWH, setting packer @ 10,080' in 14 pts compression. RU pump truck and displace spot acid into perforations using 6 bbls of 2% KCi water.
- 11. Swab back spot acid to workover tank. Evaluate fluid entry rates and fluid cuts.
- 12. If further stimulation is warranted, RU Team CO2. Pressure tubing/casing annulus to 500 psl and monitor throughout job. Acidize 2nd Bone Springs Stray Dolomite with 1,000 gals of 75Q 15% NEFE HCI. Drop 20 7/8" RCN ball sealers evenly spaced for diversion. Record instantaneous, 5", 10", and 15" shut-in pressures.
- 13. Flow and swab well back to tank until all of acid load is recovered. Evaluate fluid entry rates and oil out and report results to Midland office.
- Kill well if necessary using 2% KCI water. Release packer and POW to put packer @ 9615'. Displace well with 2% KCI water, spotting 500 gallons of 15% NEFE double-inhibited HCI @ 9615'. POW with tubing.
- 15. RUWL and packoff and perforate 1st Bone Springs Orange Dolomite w/ 3-1/8" slick casing gun as follows:

9604'-13' w/ 1 JSPF, 60 degree phased, 0.40" EH, 10h

- Total 10 holes. Make note of any changes in fluid level after perforating. POW w/ WL, make sure all shots fired and RDWL.
- 16. RIW with 5-1/2" 10k RBP, setting tool, 10' tubing sub, 5-1/2" treating packer w/ mechanical collar locator, sn, and 2-3/8" tubing and set RBP @ +/- 9650'. PU 10' on tubing, set packer, and test RBP to 2,000 psi for 10". Release packer and POW to put EOT @ +/- 9575'. Reverse acid into tubing, and set packer @ +/-9565' in 14 pts compression.
- Displace spot acld into perforations using 12 bbls of 2% KCl water containing clay stabilizer. Max pressure = 3,000 psi. Record instantaneous, 5", 10", and 15" shut-in pressures. Report results to Midland Office.
- 18. Swab back spent acid and load water and evaluate hourly fluid entry rates. If possible, shut well in over weekend for pressure readings. (If a consistent fluid level is observed, pressure readings may be unnecessary). RU slickline

lubricator and obtain pressure readings every 1000' and at the seating nipple for the Orange Dolomite. Report results to Midland Office.

- RU Team CO2. Pressure tubing/casing annulus to 500 psi and monitor throughout job. Acidize 1st Bone Springs Orange Dolomite with 2,000 gallons of 75Q 15% NEFE HCI acid containing clay stabilizer. Drop 20 7/8" RCN ball sealers evenly spaced for diversion. Record instantaneous, 5", 10", and 15" shut-in pressures. Report results to Midland Office.
- 20. Release packer and RIW and retrieve RBP @ 9650'. POW and reset RBP @ 9595' (correlated to log used for perforating above).
- POW w/ EOT @ 9584'. Spot 500 gallons of 7-1/2% double-inhibited NEFE HCI containing clay stabilizer @ 9593'. Displace acid with 2% KCI water. POW with tubing and packer.
- 22. ND BOP and NU Downing isolation frac sleeve, adaptor flange, and 10K frac valve with 4 outlet goat head.
- RU pump truck and pressure test 10k RBP, 5-1/2" casing, wellhead isolation sleeve, and 10k frac valve to 6,200 psi for 20". Notify Midland Office of the results.
- 24. RUWL and packoff. Perforate 1st Bone Springs Orange Sand with 3-1/8" slick casing gun as follows:

9575'-84' w/ 2 JSPF, 60 degree phased, 0.40" EH, 20h

Make note of any changes in fluid level after perforating. POW, make sure all shots fired, and RDWL.

FRAC 1ST BONE SPRINGS SANDS

- 25. Set 10 500 bbl clean frac tanks. Fill each to maximum capacity with 2% powdered KCl water. Have service company test water for fluid compatibility and add recommended amount of biocide to tanks the day before the frac.
- 26. RU Service Company. RU backside pump truck and pressure 5-1/2" x 9-5/8" annulus to 1,000 psi and monitor throughout job. Frac 1st Bone Springs in three stages via 5-1/2" casing according to frac proposal to follow. Max allowable surface treating pressure = 6,200 psi (80% of 17#/ft N-80 IYP of 7,740 psi):

Stage 1:

- a. Frac "Orange" Sand perfs 9575'-84' according to frac design to follow. On flush spot 1,000 gallons 15% HCL acid (blend as above) at 8471'-9471'.
- b. RUWL. RIW w/ 5-1/2" composite plug and 3-1/8" slick casing gun and set 6k composite plug at +/- 9520'. Perforate 1st Bone Springs "B" Sand as follows:

9442'-71' w/ 1 JSPF, 60 degree phased, 0.40" EH, 30h.

Correlate perfs to GR/CCL strip log obtained from above. POW w/ WL and make sure all shots fired.

Stage 2:

- a. Frac "B" Sand perfs 9442' 71' according to frac design to follow. Flush to top perf + 2 bbls and spot 1,000 gallons of 15% HCl acid @ 9404'- 8404'.
- b. RUWL. RIW with 5-1/2" composite plug and 3-/18" slick casing gun and set 6k composite plug @ 9415'. Perforate 1st Bone Springs "A" Sand as follows:

9380'-9404' & 9406'-12' w/1 JSPF, 60 degree phased, 0.40" EH, Total - 32 holes

Correlate perfs to GR/CCL strip log obtained from above. POW w/ WL and make sure all shots fired. RDWL.

Stage 3:

- a: Frac "A" Sand perfs 9380'-9404' according to frac design to follow. Flush to top perf.
- 27. RD frac company. Leave well shut-in 4 hours for resin-coated sand to set. NU 10k flowback manifold and flow back "A" sand to workover pit until well dies.
- 28. ND Frac Valve, wellhead isolation sleeve and adaptor flange and NU BOP. Set reverse tank and fill with 2% KCI water.
- 29. RIW with 4-3/4" mill, sn, and tubing to top of composite plug @ 9415'. NU BIW stripper rubber and power swivel. RU XH flowback manifold, chokes, and flowback iron with plug catcher on inlet side of manifold, and lay line to reverse pit, and test tank.
- 30. Drill out composite bridge plugs at 9415' & 9520'. Circulate well clean after each plug and check for sand entry while circulating. Continue RIW and clean out to 9590' and circulate well clean. <u>Note flow rate and pressure after drilling each plug and report on daily drilling reports.</u>
- 31. POW with tubing and LD BHA.
- 32. RIW with retrieving tool, sn, and 2-3/8" tubing to RBP @ 9595' and gently tag. RU pump truck and circulate out sand on top of RBP and latch on. Release RBP and POW with tubing and RBP.

- 33. RIW with production tubing and rods according to recommendation to follow. Hang well on bridle and put well back on production.
- 34. Clean location and wellhead. RDPU.
- 35. Report daily well test to Midland office on drilling reports.

RESTORE WOLFCAMP AND ADD 1ST BONE SPRINGS DOLOMITE

- 36. After well has pumped down and downhole commingle permit has been received, RUPU. Receive additional 2-3/8" tubing if needed. Check with Kim Tyson to make sure we have pit permit.
- 37. Unseat pump, and NU 5k manual BOP. Unseat TA and POW with tubing.
- 38. RIW with retrieving tool, sn, and 2-3/8" tubing to 10,500' and gently tag. RU pump truck and circulate out sand with 2% KCI water. Latch onto RBP and POW with tubing and RBP.
- 39, RUWL and packoff. RIW and perforate 1st Bone Springs Dolomite with 3-1/8 slick casing gun as follows:

9544'-9554' - 11 holes 9534'-9540' -- 7 holes 9508'-9511' - 4 holes

All shots should be 1JSPF, 0.42" EH, 60° phased, 22 total holes. Make note of any changes in fluid level after perforating. POW, make sure all shots fired, and RDWL.

- 40. RIW with 5-1/2" RBP with ball catcher, 10' tubing sub, 5-1/2" HD type treating packer with bypass and MCCL, sn, and 2-3/8" tubing and set RBP @ 9565'. LD 1 jt, set packer and test RBP to 2000 psi. Release packer and POW and set packer @ 9490' in 14 pts compression.
- 41. RU Team CO2. Open packer bypass and spot acid to EOT. Close bypass and acidize 1st Bone Springs Dolomite with 1,000 gallons of 75Q 15% NEFE HCI. Drop 44 7/8" RCN ball sealers evenly spaced for diversion. Record instantaneous, 5", 10", and 15" shut-in pressures and report results to Midland Office.
- 42. Flow and swab well back to workover tank. Evaluate fluid entry and oil cut.
- 43. Kill well if necessary with 2% KCl water containing clay stabilizers.
- 44. RIW and retrieve RBP @ 9565' and POW with tubing, packer, and RBP.
- 45. RIW with production tubing and rods according to recommendation to follow. Hang well on bridle and put well back on production.
- 46. Clean location and wellhead. RDPU.

500 A

47. Report daily well test to Midland office on drilling reports

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