| , | (| |
|---------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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

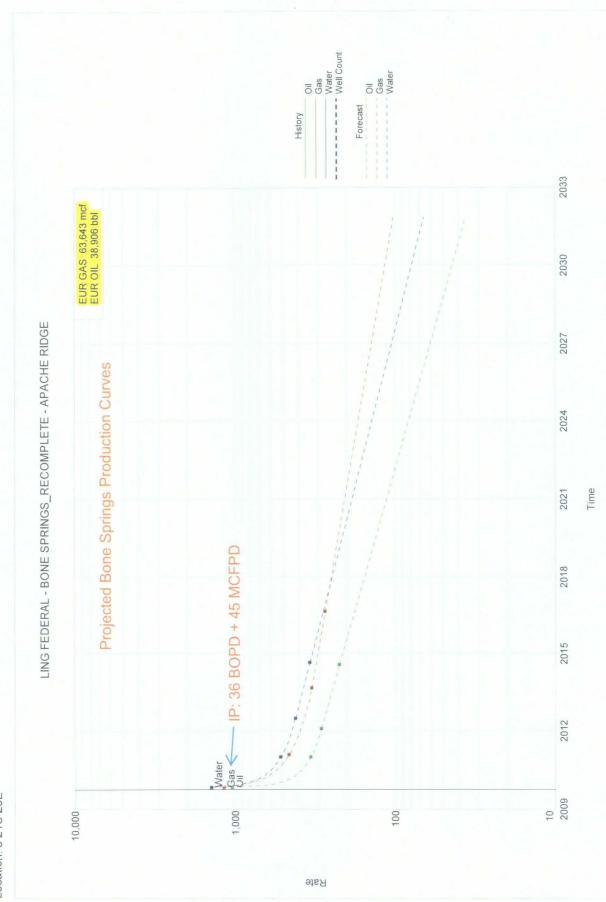
Rate/Time Graph

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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