(March 2012)

Subsequent Report

(Instructions on page 2)

Final Abandonment Notice

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Change Plans

Convert to Injection

OCD Artesia

FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2014

5. Lease Serial No NM-911

Do not use this	form for proposal. Use Form 3160-3	6. If Indian, Allottee or Tribe Name				
SUBMIT IN TRIPLICATE – Other instructions on page 2.			7. If Unit of CA/Agreement, Name and/or No.			
1. Type of Well Oil Well Gas	Well Other	8. Well Name and No. El Paso Federal No. 4				
2. Name of Operator Fasken Oil and Ranch, Ltd.		9. API Well No. 30-015-21305				
3a. Address 6101 Holiday Hill Road Midland, TX 79707		3b. Phone No. (include area co 432-687-1777	ode) 10. Field and Pool or Exploratory Area Avalon Strawn			
4. Location of WcII (Footage, Sec., T.,R.,M., or Survey Description) Unit C, 660' FNL & 1980' FWL, Section 3, T21S, R26E			11. County or Parish, State Eddy, New Mexico			
12. CHE	CK THE APPROPRIATE	BOX(ES) TO INDICATE NATUR	E OF NOTICE, REPORT OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION					
✓ Notice of Intent	Acidize Alter Casing	Deepen Fracture Treat	Production (Start/Resume) Water Shut-Off Reclamation Well Integrity			
Subsequent Report	Casing Repair	New Construction	Recomplete Other			

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Plug and Abandon

Plug Back

Water Disposal

Temporarity Abandon

ear. This well is currenlty on Fasken's Fasken Oil and Ranch, Ltd. respectfully request a Temporary Abandon status for the El Paso Federal No. 4 for and inactive well list. Granting a Temporary Abandon status would remove the well from the inactive well list while a determination is being made on whether to plug and abandon this well or recomplete it to the Penn or Bone Springs. Please find attached a procedure and current and proposed Temporary Abandonment wellbore diagrams.

NM OIL CONSERVATION

ARTESIA DISTRICT

NOV 07 2014

SEE ATTACHED FOR CONDITIONS OF APPROVAL

Workdone w/out approval

Accepted for record NMOCD RE

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)				
Kim Tyson	Title Regulatory Ar	nalyst	· · · · · · · · · · · · · · · · · · ·	
Signature Hen Dyn	Date 09/05/2014	FACCEDTI	D FOR RECO	RD
THIS SPACE FOR FEDER	RAL OR STATE	OFFICE USE	-DTOK III	
Approved by .	Title	/NC	N _{Date} 5	2
Conditions of approval, if any, are attached. Approval of this notice does not warrant or ce that the applicant holds legal or equitable title to those rights in the subject lease which wou entitle the applicant to conduct operations thereon.		BUREAU	OF LAND MANAGEMEN	IT
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any per fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		Ifully to make to any or hard	Hent or agency of the Unite	d States any false

Isolate and Perforate Additional Strawn Pay EL PASO FED. NO. 4 AFE # NA

OBJECTIVE:

Temporary Abandonment

WELL DATA:

13-3/8" 48# H-40 casing: 8-5/8" 24 & 32# J-55 casing:

Set at 346', cement circ. Set at 4260' cement circ.

4-1/2" 11.6 & 13.5# N-80 casing: Pkr 4-1/2"x2-3/8"Arrowset 1X 10K:

Set at 11,019.64 DV @ 6990', TOC @ 3750'. Set at 9598.7', TOSSD w/1.781" "F" profile.

Tubing:

305 jts 2-3/8" EUE 8rd N-80

Perfs & plugs:

Morrow: 10,648'- 10,652', 10,686' - 10,702', 10,770'-

10,786', 10,862' - 10870'.

CIBP @ 10470' w/1.5 sx "H" 4-14-09 CIBP @ 9744' w/35' "H" 4-15-09 Strawn: 9766'-71'; 9866'-79' 9638'-45' (4-15-09)

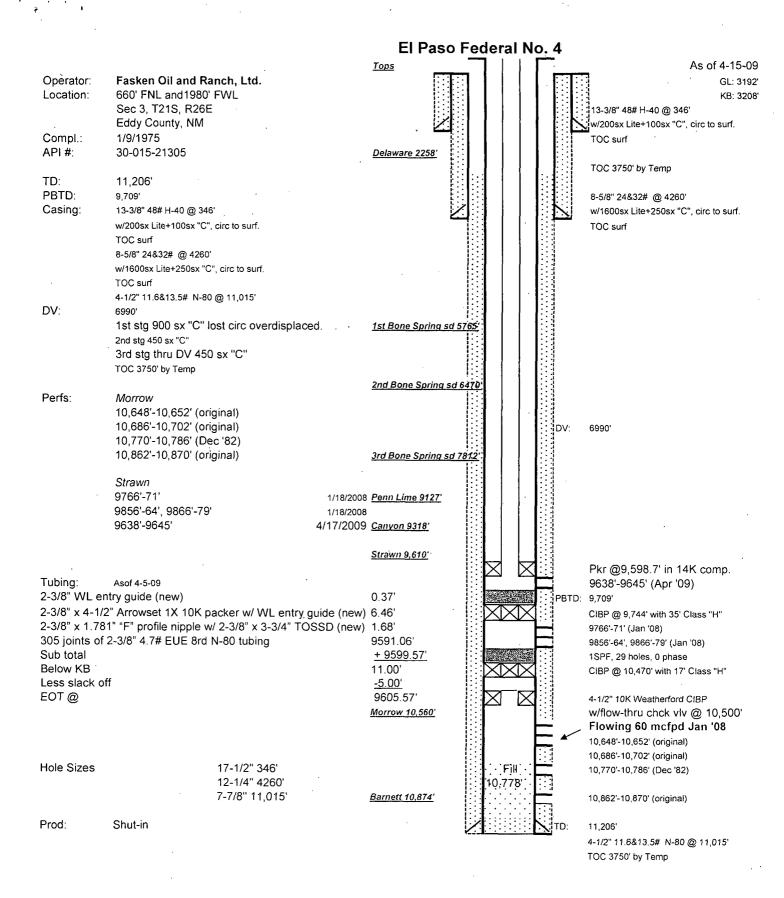
KB: 14' TD: 11,206' PBTD: 9709'

- 1. Set rig matting boards and half-frac open top workover tank. RUPU.
- NDWH and NU manual BOP. Kill well with 2% KCl water if necessary. Release packer @ 9660', and POW with tubing and packer. Send packer in for repair and storage.
- 3. RUWL. RIW with gauge ring and junk basket to PBTD. RIW and set 6K 4-1/2" CIBP @ 9590' and cap with 35' of Class "H" cement for PBTD 9555'. POW and RDWL.
- 4. RIW with 2-3/8" notched collar, SN, 2-3/8" 2-3/8" EUE 8rd N-80 tubing to +/-9500'.
- 5. RU pump truck and circulate well with 2% fresh water containing clay stabilizer, oxygen scavenger, and corrosion inhibitor. Test casing to 500 psi.
- 6. ND BOP and NUW.
- Call BLM representative and set up a MIT test time and date. Run MIT test on casing to 500
 psi for 30 minutes with chart recorder. Release pressure. Shut well in as Temporarily
 Abandoned.

CWB

9-4-14

 $\label{lem:mass} \mbox{M:\common\WELLFILE\E\E\Paso 4\Engineering\EP4\ TA\ proc\ 9-4-14.doc}$



El Paso Federal No. 4 Proposed TA 9-4-14 **Tops** Operator Fasken Oil and Ranch, Ltd. GL: 3192' Location: 660' FNL and 1980' FWL KB: 3208' Sec 3, T21S, R26E 13-3/8" 48# H-40 @ 346' Eddy County, NM w/200sx Lite+100sx "C", circ to surf. Compl.: 1/9/1975 TOC surf 30-015-21305 API#: Delaware 2258' TOC 3750' by Temp TD. 11.206 PBTD: Proposed PBTD 9555" 8-5/8" 24&32# @ 4260' Casing: 13-3/8" 48# H-40 @ 346' w/1600sx Lite+250sx "C"; circ to surf. TOC surf w/200sx Lite+100sx "C", circ to surf. TOC surf 8-5/8" 24&32# @ 4260' w/1600sx Lite+250sx "C", circ to surf. TOC surf 4-1/2" 11.6&13.5# N-80 @ 11,015" DV: 1st stg 900 sx "C" lost circ overdisplaced. 2nd stg 450 sx "C" 1st Bone Spr sd 5765' 3rd stg thru DV 450 sx "C" TOC 3750' by Temp 2nd Bone Spr sd 6470 Perfs: Morrow 10,648'-10,652' (original) DV: 6990' 10,686'-10,702' (original) 10,770'-10,786' (Dec '82) 10,862'-10,870' (original) 3rd Bone Spr sd 7812 Strawn Cline 8748' 9766'-71' 1/18/2008 9856'-64', 9866'-79' 1/18/2008 Penn Lime 9127' 9638'-9645' 4/17/2009 PBTD: Proposed PBTD 9555" Canyon 9318' Prop: CIBP @ 9,590' with 35' Class "H" Strawn 9,610' Pkr @9,598.7' in 14K comp. Tubing: Asof 4-5-09 9638'-9645' (Apr '09) 2-3/8" WL entry guide (new) 2-3/8" x 4-1/2" Arrowset 1X 10K packer w/\6.46" 2-3/8" x 1.781" "F" profile nipple w/ 2-3/8" x 1.68" CIBP @ 9,744' w/35' "H" 4-15-09 305 joints of 2-3/8" 4.7# EUE 8rd N-80 tubii 9591.06' 9766'-71' (Jan '08) Sub total + 9599.57' 9856'-64', 9866'-79' (Jan '08) Below KB 11.00 1SPF, 29 holes, 0 phase -5.00' Less slack off CIBP @ 10,470' with 17' Class "H" EOT @ 9605.57 4-1/2" 10K Weatherford CIBP w/flow-thru chck vlv @ 10,500' Morrow 10,560' Flowing 60 mcfpd Jan '08 10,648'-10,652' (original) 10,686'-10,702' (original) Hole Sizes 17-1/2" 346' ·Fill· 10,770'-10,786' (Dec '82) 12-1/4" 4260' 10,778' 7-7/8" 11,015 Barnett 10,874' 10,862'-10,870' (original) Prod: Shut-in 11,206 4-1/2" 11.6&13.5# N-80 @ 11,015" TOC 3750' by Temp cwb 9-4-14

EP4_WBD.xls

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Approved for a period of 6 months ending 05/05/2015 subject to conditions of approval.

Temporary Abandonment of Wells on Federal Lands Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

- 1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
- 2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging. CIBP must be capped with minimum 25 sacks cement, placed with tubing, or 35 feet of cement if placed with bailer.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leak-off will be evaluated.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
- 3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned. 43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon...wells in which oil or gas is not encountered in paying quantities...

Wells that successfully pass the casing integrity test **may** be approved for Temporary Abandonment (TA) status provided that the operator:

- 1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval with well bore diagram with all perforations and CIBP's and tops of cement on CIBP's.
- 2. Describes the temporary abandonment procedure.
- Attaches a clear copy or the original of the pressure test chart.
- 4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

- 1. A procedure to repair the casing so that a TA approval can be granted.
- 2. A procedure to plug and abandon the well.

El Paso Federal 4

- 1. Well is approved to be TA/SI for a period of 12 months or until 05/05/2015
- 2. This will be the last TA approval for this well.
- 3. Must submit NOI to recomplete or NOI to P&A. Must be submitted by 05/05/2015
- 4. COA's met at this time.