

**Avalon "1" Federal No. 3
API No. 30-015-31199
Fasken Oil and Ranch
November 27, 2006
Conditions of Approval**

Plugging of open hole.

- 1. Plug from 6275-6108' (50 sx) is for Bone Spring formation. Tag plug.**
- 2. Plug from 5104-5070' (45 sx) is for Brushy Canyon formation. Tag plug.**
- 3. Plug from 2369-2249' (40 sx) is for Cherry Canyon formation. Tag plug.**
- 4. Plug from 1806-1697' (35 sx) is for intermediate shoe. Tag plug.**
- 5. MIT to be performed on 9-5/8 inch casing to be performed and witnessed after tagging plug in step 4.**
- 6. Subsequent sundry submitted for TA approval.**

Avalon "1" Federal No. 3**Oper:** Fasken Oil and Ranch, Ltd.**Location:**

Surf: 2752' FSL and 2075' FEL
 BHL: 615' FSL, 684' FWL
 Sec 1, T-21-S, R-26-E
 Eddy County, New Mexico
 27/2001

Compl.:

API #: 30-015-31199

TD: 6368' MD, 4579' TVD

PBT: 1750' (9-5/8" CIBP)

Casing: 13-3/8", 54.5# @ 767'

w/200sx"Thix set" + 405sx Lite +

200 sx "C" w/2% CaCl₂1" w/350 sx "C" w/4% CaCl₂

TOC surf

9-5/8", 40# @ 1806'

w/150sx" + 250sx" C" 50:50 +

250sx" C" w/2% CaCl₂ +1" w/ 75 sx "C" w/3% CaCl₂

TOC surf

40 sx plug
 2369' - 2249'
 (120')

Open Hole:

3050' - 6272' MD

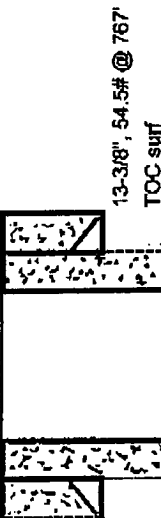
(2739' - 4509' TVD)

Hole Sizes 17-1/2" Surf - 767'

12-1/4" 767' - 1806'

8-3/4" 1806' - 6368'

GL: 3191', KB: 3208'



13-3/8", 54.5# @ 767'
 TOC surf

1750' (9-5/8" CIBP)

9-5/8", 40# @ 1806'

TOC surf

Base Capitan 1910' (1909' TVD)

Goat Seep 2180' (2169' TVD)

Cherry Cnyn 2369' (2334' TVD)

35 sx plug
 1806' - 1697' (109')

45 sx plug
 5204' - 5070'
 (134')

Brushy Crnyn 5204' (3798' TVD)

50 sx plug
 6275' - 6108'
 (167')

Bone Spring 6272' (4509' TVD)

cwb

11/27/2006

Av1Fed3 wb diag curr.xls

TD: 6368' MD, 4579' TVD