

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA



FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

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.

5. Lease Serial No
NMNM 101856

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other

FEB 21 2008

2. Name of Operator
Fasken Oil and Ranch, Ltd.

OCD-ARTESIA

8. Well Name and No
Shell Federal Com No. 5

9. API Well No
30-015-22900

3a. Address
303 West Wall, Suite 1800
Midland, Texas 79701

3b. Phone No. (include area code)
432-687-1777

10. Field and Pool or Exploratory Area

4. Location of Well (Footage, Sec., T, R, M., or Survey Description)

1835 N / 1980 W Sec 5 21S-24E

11. Country or Parish, State
Eddy, new Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

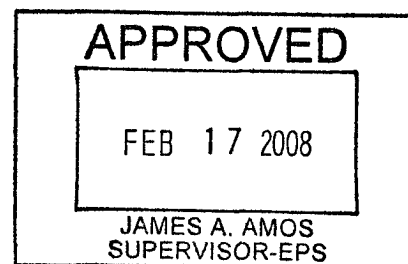
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation. Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If 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.)

Fasken Oil and Ranch, Ltd. proposes to plug and abandon the Shell Federal Com No. 5. Please see the attached proposed plugging procedure for details. Fasken Oil and Ranch, Ltd. has proposed to plug back the wellbore to the Canyon Sands on July 18, 2007, but the economics cannot justify this work. Our alternative is to plug and abandon the wellbore.

* Step 18 is not adequate. Need additional 5' x 6" to be adequate. (35' x 6" min) J. Amos

SEE ATTACHED FOR
CONDITIONS OF APPROVAL



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Jimmy D. Carlile

Title Regulatory Affairs Coordinator

Signature

Date 02/12/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Shell Federal #5
Plug and Abandon

AFE # 1386

Fasken Oil and Ranch, Ltd.
1835' FNL and 1980' FWL
Sec. 5, T21S, R24E
Eddy Co., NM

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OBJECTIVE:	Plug and Abandon Well
WELL DATA:	
13-3/8" 48# H-40 Casing	@ 400' w/350 sx. Circ. cmt to surf.
8-5/8" 32&24# K-55 Casing	@ 3005' w/1100 sx Circ. cmt to surf.
	4-1/2" 11.6# N-80 & K-55 Casing @
	10,000' w/950 sx Incor TOC 6300' by Temp &
	CBL Marker jt @ 9452'.
	Perfs: Morrow: 9852'-
	61'(6-8-79 40 holes) (6-13-79 set CIBP @
	9840' w/20' cmt on top) 9679', 77', 75', 73', 71',
	69', 67', 65', 63', 43', 9638'-33', 9621'-19' (6-13-
	79) 9547'-64', 9570'-73' (7-17-79) (Reperf'd
	twice w/2jspf 7-28-79, sqzd 8-24-79) 9663'-79',
	9643', 9633'-38', 9619'-21' (1-30-98) CIBP @
	9600' 9547'-64', 9570'-73' (8-31-79). Re-perf
	9547'-61' (10-10-97) 9497'- 9500', 9504'-06',
	9512'-14', 9528'-31' (11-9-93)
Strawn:	8641'-56' (5-98)
	8724'-27' (9-02)
	Pkr2: 4-1/2"
	Arrowset I 10K pkr @ 7954.36' w/TOSSD
	w/1.875" profile EOT @ 7960.'
	Pkr1: 4-1/2"
	Arrowset I 10K pkr @ 9460' w/TOSSD w/1.875"
	"F" profile nipple w/ check valve. Could not get
	tubing to release; cut tbg off 6' above pkr @
	9454' and left in hole.
CIBP:	8600' w/ 35 sx cmt, 9450' w/ 35 sx cmt, 9600',
	9810', 9840' w/ 20' cmt on top.
Tbg:	2-3/8" EUE 8rd N-80.
KB:	16 above GL
Completed:	February, 1980
TD:	10,000'

1. Notify BLM of the intent to plug and abandon 72 hours prior to rigging up on the well.
2. Make sure mast anchors have been tested and tagged within the last 24 months. Need 160 4-1/2" pin end thread protectors.
3. RUPU, set rig matting boards, cat walk, 3 sets of pipe racks, and half-frac workover tank on location.
4. Receive 25 additional joints of 2-3/8" EUE 8rd N-80 tubing and full set of N-80 tubing subs.
5. ND wellhead and NU 7-1/16" 3K manual BOP with 2-3/8" pipe rams and blind rams. You will also need a set of 4-1/2" pipe rams with the BOP.

6. Release packer and RIW with +/- 20 jts of 2-3/8" tubing and tag cement of CIBP @ +/- 8565'. PU 5' off bottom and spot enough 9.5# salt gel mud with a minimum of 12.5 pounds of gel per barrel to bring top of mud to 7482'. Displace mud with brine water.
7. POW and LD tubing to put EOT @ 7482'.
8. Pump enough mud laden brine water to bring top of mud to 6360' followed by a 5 bbl fresh water spacer ahead of cement. Mix and spot a 35 sx class "H" cement plug @ 7482'. Displace cement with a 5 bbl fresh water spacer and brine water.
9. Bleed pressure off of 4-1/2" x 8-5/8" annulus, and ND BOP and "C" section of wellhead.
10. Load both annulus wellheads with fresh water, weld 4-1/2" lift sub on top of 4-1/2" casing, and attempt to remove 4-1/2" slips from "B" section of wellhead. Casing jacks may be needed to remove wellhead slips.
11. RUWL and 3000 psi lubricator. RIW with wireline and chemical or jet cut 4-1/2" 11.6# N-80 K-55 casing @ 6300'. Make sure the 4-1/2" x 8-5/8" annulus is open before cutting the casing and install a valve and swage in top joint of casing. POW and RDWL.
12. Install tubing head and BOP complete with 4-1/2" rams. RU casing crew and LD 4-1/2" casing, doping and installing pin end protectors before laying down each joint. RD casing crew and send recovered casing back to Midland for inspection.
13. RIW with 2-3/8" tubing collar, 2-3/8" seating nipple, and 2-3/8" tubing to 6360'.
14. Drop standing valve and test tubing to 1000 psi and recover standing valve.
15. Pump enough mud laden brine to bring top of mud to 3615', followed by a 5 bbl fresh water spacer ahead of cement. Mix and spot a 60 sx Class "H" cement plug @ 6360'. Displace cement to 6105' with a 5 bbl fresh water spacer and brine water.
16. POW with 35 stands of tubing and WOC for 4 hours. RIW with tubing, tag cement, and notify Midland Office and NMOCD of the results. If TOC is below 6105', spot additional cement to achieve a TOC above 6105'.
17. POW and LD tubing to put EOT @ 3615'.
18. Pump enough mud laden brine to bring top of mud to 3055', followed by a 5 bbl fresh water spacer ahead of cement. Mix and spot a 30 sx Class "C" cement plug @ 3615'. Displace cement to 3485' with a 5 bbl fresh water spacer and brine water.
19. POW and stand back tubing in derrick and WOC for 4 hours. RIW with tubing, tag cement plug, and report results to Midland Office and BLM. If TOC is below 3485', spot additional cement to achieve a TOC greater than 3485'.
20. POW and LD tubing to put EOT @ 3055'.
21. Pump enough mud laden brine to bring top of mud to 450' (+/- 165 bbls), followed by a 5 bbl fresh water spacer ahead of cement. Mix and spot a 40 sx Class "C" cement plug with 2% CaCl_2 @ 3055'. Displace cement to 2950' with a 5 bbl fresh water spacer and an estimated 6 bbls of brine water.

22. POW with 35 stands of tubing and WOC for 4 hours. RIW with tubing, tag cement plug, and notify Midland Office and BLM of the results. If TOC is below 2950', spot additional cement to achieve a TOC above 2950'.
23. POW and LD tubing to put EOT @ 450'.
24. Pump enough mud laden brine to bring top of mud to surface, followed by a 5 bbl fresh water spacer ahead of the cement. Mix and spot a 35 sx Class "C" cement plug with 2% CaCl_2 @ 450'. Displace cement with brine water.
25. Stand tubing back in derrick and WOC for 4 hours. RIW with tubing, tag cement plug, and notify Midland Office and BLM of the results. If TOC is below 350', spot additional cement to achieve a TOC above 350'.
26. POW and LD all but 2 joints of tubing. ND BOP and RIW with 2 jts of tubing and fill up casing with cement for surface plug. POW and LD last two joints of tubing.
27. Dig out wellheads and cut-off below "A" section wellhead. Weld cap and dry hole marker on top of 13-3/8" casing stub. Install 1" 2000 psi ball valve on top of dry hole marker plate, pack valve in grease, close valve, and remove handle.
28. Send 2-3/8" tubing and wellheads to Midland for inspection.
29. Clean location, RDPU, and release all rental equipment. Remove mast anchors, rip caliche on location and install access barrier as per BLM stipulations.

Shell Federal No. 5

as of 7-16-07

GL: 3740'

KB: 3756'

Operator: Fasken Oil and Ranch, Ltd.

Location: 1835' FNL and 1980' FWL

Sec 5, T21S, R24E

Eddy County, NM

Compl.: 5/20/1979 released rig

API #: 30-015-22900

TD: 10,000'

PBDT: 9960'

Casing: 13-3/8" 48# H-40 @ 400'

w/350sx Lite + 100sx "C", circ 175 sx

TOC surf

8-5/8" 32&24# K-55 @ 3005' KB

w/900sx Lite + 200sx "C", circ 129 sx

TOC surf

4-1/2" 11.6# N-80 & K-55 @ 10000'

950 sx "H" w/5#KCL/sk

TOC 6300' by Temp

Tubing Detail:

1 - 3.50" OD WL Re-entry Guide 0.43'

1 - Arrowset 1x10K Packer (set @ 7954.52') 6.20'

1 - TOSSD w. 1.875" "F" Profile 1.71'

252 Jts 2-3/8" EUE 8rd N-80 tubing 7940.52'

7948.86'

Less tubing compression 3.87'

KB adjustment 16.00'

Bottom of String @ 7960.99'

Pkr 2: 7954.52' Arrowset 1X10K (12/05)

CIBP 8600' w/ 35 sx Class "H" cmt above (12/05)

CIBP 9450' w/ 35 sx Class "H" cmt above (12/05)

Pkr 1: 4-1/2"x2-3/8" Arrowset 1 10K @ 9460'

w/TOSSD w/1.875" "F" profile w/ check valve

(Unable to release, cut off tbg 6' above TOSSD @ 9454')

Perfs:

Strawn

8641'-56' (31h) 5/29/1998

8724'-27' (6h) 9/5/2002

Morrow

9497'-9500' 6h, 11-9-93 rate before

9504'-06' 4h, 11-9-93 152 mcf/d

9512'-14' 4h, 11-9-93 rate after

9528'-31' 6h, 11-9-93 150 mcf/d

orig comp 9547'-84' 18h perf 2x, sqzd, reperf, reperf Oct '97

orig comp 9570'-73' 4h perf 2x, sqzd, reperf

CIBP 9600' 5/28/1998

9619'-21' 6h A/10000 gal

9633'-38' 11h "

9643' 1h "

9663'-79' 17h "

Junk CIBP 9810' set Aug '79, pushed to 9810' Jan '98

CIBP 9840' 6/13/1979

9852'-81' 40h

13-3/8" 48# H-40 @ 400'

w/350sx Lite + 100sx "C", circ 175 sx

TOC surf

8-5/8" 32&24# K-55 @ 3005' KB

w/900sx Lite + 200sx "C", circ 129 sx

TOC surf

TOC 6300' by Temp

Pkr 2: 7954.52'

CIBP 8600' w/ 35 sx Class "H" cmt above

8641'-56'

8724'-27'

CIBP 9450' w/ 35 sx Class "H" cmt above

Pkr 1: 9460' (6' 2-3/8" EUE 8rd tbg above pkr)

9497'-9514'

9528'-31'

9547'-64', 9570'-73', Orig Compl.

CIBP 9600'

9619'-21'

9633'-38', 9643'

Junk CIBP 9810' pushed from 9612'

CIBP 9840'

9852'-61'

PBDT: 9960'

TD: 10,000'

4-1/2" 11.6# N-80 & K-55 @ 10000'

TOC 6300' by Temp

Shut-in 12-22-05

cwb

1/18/2008

Shell Fed 5 Well Diagram.xls

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

Permanent Abandonment of Federal Wells
Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.