Oil Cons. N.M. DIV-Dist. 2 1301 W. Grand Avenue Artesia, NM 88210

(June 1990)

FORM APPROVED

UNITED STATES Form 3160-5 Budget Bureau No. 1004-0135 Expires: March 31, 1993 DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT** 5. Lease Designation and Serial No. NM 911 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE i. Type of Well Oil Well 8. Well Name and No. RECEIVED 2. Name of Operator El Paso Federal No. 12 Fasken Oil and Ranch, Ltd. 9. API Well No. OCT 2 8 2003 30-015-30634 3. Address and Telephone No. 303 W. Wall, Suite 1800, Midland, TX 79701 (915) 687-1777 10. Field and Pool, or Exploratory Area OCD-ARTESIA Foster Draw (Delaware) 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 4379' FNL, 1780' FEL Section 1, T21S, R26E Eddy, NM 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion **New Construction** Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Add lower perforations Other Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled. give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Fasken Oil and Ranch, Ltd. proposes to add perforations in the lower zone of the Foster Draw (Delaware) pool. Please see the attached procedure for specific perforations and treatment. APPROVED OCT 24 LES BABYAK PETROLEUM ENGINEER 14. I hereby certify that the foregoing is true, and cor Regulatory Affairs Coordinator 10/13/2003 Date Approved by Conditions of approval, if any: Title Date

Title 18 U.S.C. Section 1001, makes 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.

Recommended Procedure El Paso Federal No. 12 4379' FNL & 1780' FEL Sec 1, T21S R26E **AFE 743**

OBJECTIVE:

Add Lower Delaware Pay

WELL DATA:

13-3/8" 48# H-40 casing:

Set at 397', circ.

8-5/8" 24# J-55 casing:

Set at 2295', circ.

5-1/2" 15.50# J-55 casing:

Set at 4602', TOC @ 925'; 7.72' marker it @ 3045.99' KB

KB: 15'

Perfs: Tubing:

3115'-3242' 127 holes, 0.46" EHD by TCP SN @ 3080', 99 its 2-3/8" EUE 8rd J-55

Packer: None

4603' TD:

PBTD: 4557' (temp. survey)

400 psi from 375 psi SITP 9-9-03 Estimated BHP:

- 1. RUPU, set pipe racks and test tank.
- 2. Pump 20 bbls 4% KCL water containing 0.5 gpt Claymaster 5C down casing. Be prepared to continue to pump at a low rate down the casing for well control.
- 3. Remove X-mas tree and install BOP with stripper head.
- 4. POW 99 its 2-3/8" 4.7#/ft EUE 8rd tubing and SN.
- 5. RIW w/SN, mechanical collar locator and 2-3/8" EUE 8rd J-55 tubing. Correlate to marker joint at 3045.99'-3053.71' KB.
- 6. Move SN to 3528' KB and pump 230 gallons 7-1/2% NEFE HCL containing 5 gpt Ferrotrol 300-L, 6 gpt Ferrotrol 270, 2 gpt Ferrotrol 271, 1 gpt Cl-27, ½ gpt Claymaster 5C, 1 gpt NE 940, 2 gpt LT-21, drop displacement wiper valve (DWV) and displace to SN with 13.6 bbl 4% KCL water containing 0.5 gpt Claymaster 5C.
- 7. Pull wet string 5 stands, retrieve DWV with sand line.
- 8. POW with 2-3/8" EUE 8rd J-55 tubing, mechanical collar locator and SN.
- 9. RU 2000 psi wireline lubricator, perforate Delaware from top down 3346'-3350' (7 holes), 3443'-3447' (7 holes) and 3524'-3528' (7 holes) total 21 holes with 3-3/8" casing gun 120 degree phased, EHD 0.34" by Schlumberger Three Detector Litho-Density Compensated Neutron log dated 9-16-99. Total 21 holes. RD wireline.
- 10. Displace 230 gal spot acid via casing with 4% KCL water containing 0.5 gpt Claymaster 5C.
- 11. RIW with 5-1/2" x2-3/8" Arrowset I packer, TOSSD with frac hardened 1.781" "F" profile nipple, 2-3/8" EUE 8rd J-55 tubing to +/- 3300'. Set packer in compression.
- 12. RU BJ services. Acidize perfs 3364'-3528' with additional 1500 gallons 7-1/2% NEFE HCL acid containing 6 gpt Ferrotrol 270, 2 gpt Ferrotrol 271, 2 gpt NE 940, 1 gpt CI-27, 1 gpt Claymaster 5C at 4-5 bpm, dropping 42 7/8" 1.3 sg RCN ball sealers in groups of 6 or 7 evenly spaced. Flush with 4% KCL water containing 0.5 gpt Claymaster 5C. Max pressure 2500 psi.

- 13. Swab back load and acid water and evaluate.
- 14. If fracture stimulation necessary, receive 3300' of new 2-7/8" 6.5#/ft EUE 8rd J-55 tubing. Clean threads on 2-7/8" of tubing.
- 15. RU slickline with 2000 psi lubricator and RIW with 1.781" "F" profile plug and set in profile nipple at +/-3300'. RD slickline.
- 16. Blow down tubing to pit to verify plug is holding. Release 2-3/8" tubing from TOSSD and POW laying down 2-3/8" tubing.
- 17. Change BOP pipe rams to 2-7/8".
- 18. PU and RIW with TOSSD, 2-3/8"x2-7/8" x-over, 20' 2-7/8" EUE 8rd N-80 blast joint, and 2-7/8" 6.5#/ft EUE 8rd J-55 tubing to packer at +/-3300'.
- 19. Swab water from casing above packer and flow upper perfs 3115'-3242' to pit. Engage TOSSD.
- 20. ND BOP and stripper head. NU 2-7/8" tree.
- 21. May need to pump 20 bbls 4% KCL water containing 0.5 gpt Claymaster 5C down tubing to equalize differential pressure across the plug.
- 22. Fill tubing with 20 bbls 4% KCL water containing 0.5 gpt Claymaster 5C down tubing to equalize differential pressure across the plug.
- 23. Test tubing to 1000 psi.
- 24. RU slickline with 2000 psi lubricator and retrieve 1.781" "F" profile plug. RD slickline.
- 25. Set four (4) clean, lined frac tanks; fill three (3) tanks with 480 bbl fresh water each and one (1) tank with 300 bbls fresh water for a total of 1740 bbl fresh water.
- 26. RU BJ Services. Install tree saver. Frac perfs 3364'-3528' via 2-7/8" tubing with 66,000 gal Medallion 3000 xlink fluid + 90000 lb 16/30 White sand + 30000lb Super LC 16/30 sand flushing with 900 gal 30# linear gelled 4% KCL water as follows (BJ Proposal No. 180261087A):
 - A. 30000 gal Medallion 3000 pad @ 30 bpm
 - B. 6000 gal Medallion 3000 @ 30 bpm w/ 1 ppg White 16/30 sand
 - C. 6000 gal Medallion 3000 @ 30 bpm w/ 2 ppg White 16/30 sand
 - D. 8000 gal Medallion 3000 @ 30 bpm w/ 3 ppg White 16/30 sand
 - E. 10000 gal Medallion 3000 @ 30 bpm w/ 4 ppg White 16/30 sand
 - F. 2000 gal Medallion 3000 @ 30 bpm w/ 5 ppg White 16/30 sand
 - G. 6000 gal Medallion 3000 @ 30 bpm w/ 5 ppg Super LC 16/30 resin coat sand
 - H. 887 gal Flush w/30# linear gelled 4% KCL water

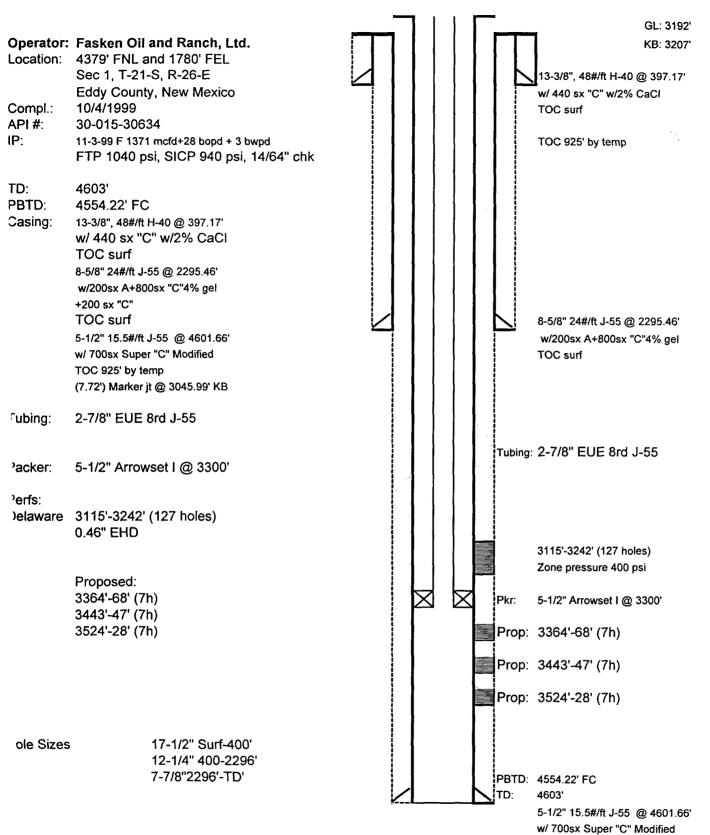
Max allowed surface pressure 5800 psi (80% of 7260 psi burst for 2-7/8" 6.5#/ft J-55 EUR 8rd). BJ estimated max pressure 3600 psi.

27. Flow and swab back and evaluate.

- 28. Put well on line to El Paso and clean up location. Pipe casing to compressor suction to allow production form upper perfs 3115'-3242'.
- 29. RDPU.
- 30. Evaluate for artificial lift.
- 31. Install heater treater at the battery.
- 32. RUPU. Kill well with 20 bbls 4% KCL water containing 0.5 gpt Claymaster 5C down tubing.
- 33. Receive 3300' 2-3/8" 4.7#/ft EUE 8rd J-55 tubing.
- 34. ND wellhead. NU BOP.
- 35. Release 5-1/2"X2-3/8" Arrowset I packer at 3300' and POW laying down 2-7/8" tubing and packer.
- 36. RIW with MA, PS, SN, TAC and 2-3/8" 4.7#/ft EUE 8rd J-55 tubing to +-3300'.
- 37. ND BOP. NU pumping tee.
- 38. RIW with insert pump and 76 rod string.
- 39. Set pumping unit with gas engine prime mover.
- 40. Put well on pump.

cwb 10-10-03 (ep12 afe743 pro.doc)

El Paso Federal No. 12



September 2003 prod: 74 mcfd+1.3 bopd+2 bwpd