Form 3160-5 (February 2005)

OCD-ARTESIA

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SEP 3 0 2009 5. Lease Serial No.

NM-911

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

SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. 1 Type of Well 8. Well Name and No. El Paso Federal No. 6 Oil Well Other Gas Well 2. Name of Operator Fasken Oil and Ranch, Ltd 9. API Well No. 30-015-23847 10 Field and Pool or Exploratory Area 3a Address 3b. Phone No. (include area code) 303 West Wall St., Suite 1800, Midland, TX 79701 Foster Draw: Delaware Oil 432-687-1777 4. Location of Well (Footage, Sec., T.,R., M., or Survey Description) 2530' FEL & 2430' FNL, Unit Letter J. Section 2, T-21-S, R-26-E 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 ACTION TYPE OF SUBMISSION Acıdıze Deepen Production (Start/Resume) Water Shut-Off ✓ Notice of Intent Well Integrity Alter Casing Fracture Treat Reclamation Casing Repair New Construction Recomplete Other Subsequent Report Plug and Abandon Change Plans Temporarily Abandon Final Abandonment Notice Convert to Injection V Plug Back 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. 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 the El Paso Federal No. 6 back from the Avalon; Morrow (Gas) to the Foster Draw; Delaware Oil. Please see attached procedure. SEE ATTACHED FOR CONDITIONS OF APPROVAL I hereby certify that the foregoing is true and correct Name (Printed/Typed) Kim Tyson Regulatory Analyst 09/09/2009 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by

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

Title

Office

Date

entitle the applicant to conduct operations thereon.

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

Fasken Oil and Ranch, Ltd. El Paso Federal No. 6 Workover Procedure A.P.I No. 30-015-23847

Objective: Recomplete to Delaware

Location: 2430" ENL & 2530" FEL Sec 2, T21S, R26E, Eddy Co., NM

GL: 3192.6" KB: 16.4' AGL Completed 8-28-81 TD: 11209'

PBTD: 10788; (CIBP@10800' w/1sk cmt)*

13-3/8" 54 5\$61#/ft K-55 @ 396 KB w/300 sx Halliburton Life +100sx "C" w/2% CaCl2; TOC surface w/4 cu

yds ready mix.

8-5/8" 24&32#/ft J-55 @ 3002' KB w/ 1000 sx Howco Lite + 300 sx Thickset w/2% CaCl2+158 sx "C" w/4%

CaCl2 by 1" tbg: TOC surface,circ 13 sx.

.4-1/2" 11:6&13,5#/ft N-80 @ .11215' KB (11.6# 10062' to surface); DV tool at 6908', Cmt 1st stg: 550 sx

Trinity Lite + 850 sx "H", circ 285 sx tru DV. 2nd stg: 1100 sx Trinity lite + 200sx "C" neat

TOC 1700' by temp.

Perfs Atoka (3-25-99): 10080'-84' (8h); 10154"-59" (10h), 10490'-99' (18h)

Morrow(1-22-85; reperf 4-14-88):10604-19; (27h;1-3-97); 10698'-10713' (16h+16h);

10726'-32' (7h), 10742'-62' (21h+21h)), 10763'-83' (21h+21h).

Junk Arrowdrill perm pkr w/6' 2 3/8" sub w/"F" plg @ 10780 Drilled out from 10599' and pushed

to PBTD 10788 1-29-00

CIBP 10788' (CIBP@10800' w/1sk cmt)

Pkr: Below CIBP 4-1/2" Otis WB @10840' w/2' J-55 sub w/1.79" "N" nipple

L. Morrow (9-4-81; reperf 5-30-84): 10858'-81; (24h+47h), 10889'-93' (5h+9h) 5256'-57; (2h), 5261, 5265', 5277'-90! (14h), 5304', 5310', 5315'-6((3h), 5324'-40' (17h), 5354'-63'

(10h), 5366'-76' (11h), 5404'-20' (17h), 5422'-29' (8h). Total 76 feet, 84 holes

Tubing: 344- jts 2-3/8" 4.7#/ft EUE 8rd N-80 AB tbg (10787.45"), 2-3/8" EUE 8rd SN (1-25/32" ID)

(1.10'), 2-3/8" EUE 8rd J-55 Perf sub w/ cplg on bottom (3.96'). SN @ 10805.05 KB.

NOTE: No packer on tubing.

Last tubing pulling report: 9/26/07 (K. Powers)

- 1 Make sure rig mast anchors have been tested and tagged in last 24 months. .
- 2. Make sure a tank permit is in hand for 500 bbl open top tank and 500 barrel test tank before rigging up on this well.
- 3. Set tanks and build flowline to wellhead from tanks with manifold to switch flow to open top tank or closed top tank and also be able to switch flow to flow line.
- 4 Set rig matting boards and RUPU.
- 5. Set 2 sets pipe racks.
- 6 Bleed pressure off tubing and tubing/casing annulus to open top blow down tank with gas buster.
- 7. RU pump truck on tubing and pump 42 bbls 3% KCL containing clay stabilizer and an additional 109 bbls 3% KCL water containing clay stabilizer while attempting to establish conventional circulation.
- 8. NDWH and NU BOP.
- POW while LD 2-3/8" EUE 8rd 4.7#/ft AB Modified tubing and installing pin end thread protectors on tubing Have pump truck continue trickling 3% KCL water down annulus as needed to keep annulus full for well control.

- 10. Send 2-3/8" AB modified N-80 tubing to Midland for inspection and receive +/- 4000' 2-3/8" EUE 8rd J-55 yellow band or new tubing for production tubing. Make FMT for tubing going to Fasken stock.
- RUWL. Install 3000 psi lubricator. RIW with 3-3/4" OD gauge ring and junk basket to 10,565' POW and LD tools.
- 12. RIW and set 4-1/2" CIBP at 10565' (above top Morrow perfs at 10,604'). Dump bail 2 sx (35') class "H" cement on top CIBP for PBTD 10530'. RIW and set a second CIBP at 10045' (above top Atoka perf 10080'). Dump 2 sx (35') class "H" cement on CIBP for PBTD 10010'. Run GR/CCL log 4500' 2900'. Correlated to Schlumberger Compensated Neutron/Litho Density Log dated 8-25-81.RIW and set 4-1/2" CIBP at +/-4000' in middle of joint not close to collar. POW and RDWL.
- RIW with 4' X 2-3/8" perf sub, 2-3/8" seating nipple and 2-3/8" EUE 8rd J-55 production tubing with EOt at +/- 3980' and circulate well with 3% Kcl water containing clay stabilizer. POW with EOT swinging at 3470'.
- 14. RU pumping service acid pump truck, close pipe rams open 4-1/2" X 8-5/8" annulus and pressure test 4-1/2" 11.6#/ft N-80 casing to 3000 psi for 20 minutes. Notify Midland office of results. Be sure the 4-1/2" x8-5/8" annulus valve is open before testing.
- 15. Release pressure and spot 300 gals 7-1/2 % NEFE acid containing 5 gpt Ferrotrol 300-L, 6 gpt Ferrtrol 270, 2 gpt Ferrtrol 271, 1 gpt Cl-27, ½ gpt Claymaster 5C, 1 gpt NE 940 and 2 gpt LT-21 (or equivalent). RD stimulation pump truck.
- 16 POW standing back 3470' of 2-3/8" EUE 8rd 4.7#/ft J-55 production tubing in derrick.
- RUWL, install 3000 psi full lubricator. Perforate Cherry Canyon Delaware at **3460'-70'** with 3-1/8" casing gun with 2 JSPF, 0.42" EHD, 60° phasing, total 21 holes by Schlumberger Compensated Neutron/Litho Density Log dated 8-25-81. RD POW with perf gun making sure all shots fired. RDWL.
- 18 RIW w/ 4-½" Arrowset IX packer, 2-3/8" seating nipple and 2-3/8" EUE 8rd 4 7#/ft J-55 tubing with packer swinging at +/-3350', reverse circulate 2 bbls into tubing.
- 19. ND BOP and NUWH with single wing and single master valve flow tree setting packer in 12 points compression.
- 20. Test 2-3/8"x4-1/2" annulus and packer to 500 psi and monitor during job
- 21. RU pump truck on tubing and attempt to break down perfs 3460'-70' with maximum pressure 3000 psi (EP10 zone 3662'-72' BDP was 2468 psi) and max rate 5 bpm Displace 300 gal spot acid flushing with 3% KCL water containing clay stabilizer.
- 22. Open well to test tank. Flow and swab back load and acid water and establish flow rate. Report results to Midland office.
- 23. RU acid pump truck. Trap 500 psi on annulus and monitor during job.
- 24. Acidize Delaware perfs 3460'-70' with 500 gals 7-1/2% NEFE acid with additives and 42- 1 3 sg ball sealers. Pump 100 gals acid followed by 400 gals acid dropping 4- 1.3 s.g. ball sealers in every bbl acid pumped. Attempt to achieve ball out with maximum pressure 3000 psi. Displace acid with 3% Kcl water containing clay stabilizer. Record ISIP, 5,10 and 15 minute SITP. Bled pressure off annulus and RD pumping service.
- 25. Open well to test tank. Flow and swab back load and acid water. Evaluate for further stimulation.

- 26. Kill well with 15 bbls 3% Kcl water with clay stabilizer. Release packer and POW with 2-3/8" EUE 8rd 4.7#/ft J-55 production tubing. Midland office will decide if tubing will be laid down or remain in derrick for frac job.
- 27. NDWH and NU 5k frac valve
- 28. Set clean frac tank and fill to recommendation specifications.
- 29. RU pumping service and frac Cherry Canyon Delaware perfs 3460'-3470' via 4-1/2" 11.6\$3/ft N-80 casing with +/-30,000 gal crosslinked gel plus +/-45,000# 16/30 mesh sand at maximum pressure 3000 psi. (Frac recommendation to follow).
- 30. Flow back frac load until well is dead.
- 31. ND frac valve and wellhead. NU BOP with 2-3/8" pipe rams and blind rams.
- 32. PU and RIW with 2-3/8" EUE 8rd J-55 perforated sub, SN, 10 jts 2-3/8" EUE 8rd 4.7#/ft J-55 tubing, 4-1/2" Model "B" TAC (with10 pts tension), and 2-3/8" EUE 8rd 4.7#/ft J-55 tubing with EOT +/-3430' (jt above top perforation 3460').
- 33. Run rods and pump per ALS recommendation to be included with procedure.
- 34. RDPU, clean location and release all rental equipment.
- 35. Set pumping unit with gas engine per ALS recommendation. Hang well on and space out per ALS recommendation.
- 36. Return well to production and report daily production on daily drilling reports to Midland office.

CWB/CGT 9/4/09

El Paso Federal No. 6 30-015-23847 Fasken Oil and Ranch, Ltd. September 18, 2009 Conditions of Approval

- 1. On future plug backs, submit before and after diagrams.
- 2. Surface disturbance beyond the existing pad must have prior approval.
- 3. Closed loop system required.
- 4. A 3M BOP is required and must be tested prior to performing work.
- 5. Contact BLM 575-361-2822 a minimum of 4 hours prior to setting CIBPs at 10,565' and 10,045'.
- 6. Prior to completing step 12 in procedure, spot a minimum of 25 sxs class H cmt at 8610'. WOC. Top of the Wolfcamp is at 8560'.
- 7. Spot a minimum of 25 sxs class C cmt at 6450'. Max 3000' between plugs in cased hole.
- 8. Spot a minimum of 25 sxs class C cmt at 4540'. WOC. Top of the Bone Spring is at 4486'.
- 9. Subsequent sundry and completion report required.

CRW 091809