

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCO 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.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No.
2. Name of Operator Fasken Oil and Ranch, Ltd.		8. Well Name and No. Salt Draw "28" Federal No. 1
3a. Address 303 West Wall St., Suite 1800, Midland, TX 79701	3b. Phone No. (include area code) 432-687-1777	9. API Well No. 30-015-26142
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 660' FEL, Unit Letter H, Sec. 28, T24S, R28E		10. Field and Pool or Exploratory Area Salt Draw; Atoka (Gas)
		11. Country or Parish, State Eddy, NM

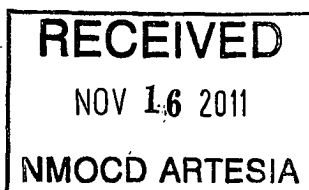
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

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 type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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 the Salt Draw "28" Federal No. 1 back from the Salt Draw; Atoka (Gas) to the Willow Lake (Bone Spring) pool and recomplete it as an oil well. Please see attached procedure and current and proposed plug back wellbore diagrams.

Accepted for record
NMOCD



**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Plugs / Tags To be Witness by BLM

14. I hereby certify that the foregoing is true and correct.	
Name (Printed/Typed) Kim Tyson	Title Regulatory Analyst
Signature <i>Kim Tyson</i>	Date 08/08/2011

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)

Sent to Well Fil 8-8-2011. 1005

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Recommended Recompletion Procedure
Salt Draw Fed"28" No. 1
1980' FNL & 660' FEL
Sec 28, T24S R28E

OBJECTIVE:	Recomplete to Bone Spring 8582'-8630'
WELL DATA:	
20" 106.5# K-55 ST&C casing:	Set at 600'. Cmt w/ 2405 sx + 7 yds of gravel to surface
13-3/8" 54.5#K55 ST&C casing:	Set at 2540'. Cmt w/ 3600 sx "C" to surface
9-5/8" 43.5# & 53.5# N-80, S-95, & P-110 csg:	Set at 9800'. Cmt w/ 1575 sx. TOC 5730' by TS
5-1/2" 23# N-80 & P-110 Liner:	Set @ 13,450' to 9,313'. Cmt w/ 1650 sx to top of liner (0.0211 bbl/ft)
Tubing:	(See WB diagram and 10-2-09 pull rpt) 347 jts of 2-3/8" N-80 AB Modified 4.7#/ft. EOT @ 11,162.85'
Packer:	5-1/2" Arrowset 1X 10K Big Bore @ 11,146' w/ 1.875" "F" profile in TOSSD
Perforations:	Atoka/Strawn: 11,566'-11,572', 11,604'-14', 11,660'-11,667' 45 holes,
CIBP:	11,690' with 7' cement (3-14-09)
Perforations:	Atoka/Strawn: 11,695'-704', 11,708'-14', 11,720'-30', 11,759'-63' (51 total holes)
CIBP:	12,250' with 35' cement
Perforations:	Morrow: 12,625'-45', 12,663'-68'
Backside content:	
TD:	13,610'
PBTD:	11,683'

** See COA*

1. Notify OCD of intent to rig up and start workover. Need to give 48 hours notice prior to starting work. Make sure we have a pit permit issued prior to starting this workover.
2. Receive 250 bbl steel half-frac workover tank with gas buster, one 500 bbl test tank, 7-1/6" x 10K hydraulic BOP with 11" 10K X 7-1/16" adaptor spool with 2-3/8" pipe rams and blind rams with extra set of 3-1/2" pipe rams, and 2 sets of pipe racks and catwalk on location.
3. RUPU. Build steel flowline from wellhead to blow down tank using EH tees with bull plugs and no 90 deg ells in line. Bleed pressure off tubing and tubing/casing annulus to blowdown tank.
4. NDWH and remove 11" wrap around, NU 11" 10K X 7-1/16" 10K spool and NU 7-1/16" 10K hydraulic BOP.
5. RU pump truck and pressure test tubing/casing annulus to 1500 psi with fresh water (test required for running CBL under pressure). Release TOSSD and allow differential pressure to equalize. Load tubing with fresh water. Reengage TOSSD and release Arrowset 1x 10k Big Bore Pkr at 11146'.
6. Pull packer checking for drag through collars (Note: 10-2-09 ran Pkr&BHA w/tight spots 10727'-834', '3-19-09 ran 4.5" string mills thru collars 10658'-11688').
7. Lay down BHA.
NOTE: If drag through 5-1/2" collars is severe, RU reverse unit and RIW w/ 2-3/8" x 7' muleshoed N-80 sub, X-O, 4.545" OD x 3.32' string mill, 3-1/8" x 5' drill collar sub, 4.545" OD x 3.29' string mill, 4 3-1/8" drill collars (as in Mar 2009 WO), and 2-3/8" EUE 8rd N-80 AB Modified N-80 tubing.

8. RU Gray WL and full lubricator. RIW with 4.5" OD gauge ring and junk basket to 11,500'. POW with gauge ring, and RIW with 5-1/2" CIBP and set @ 11,500'. Dump bail 35 feet (4sx) of Class "H" cement on top of CIBP (35' cmt requires 3.52 sx of "H" yield 1.18cuft/sk in 5-1/2" 23# capacity 0.1189 cuft/ft), for a PBTD of 11465'.

- * RU pump truck and test 9-5/8" casing, 5-1/2" liner, and CIBP at 11500' to 1000 psi. Run GR/CBL log under 1000 psi pressure in the 9-5/8" casing (53.5#/ft 110 surface to 6009', 43.5#/ft S-95 6009'-7321', and 43.5#/ft N-80 7321'-9600') from top of 5-1/2" liner at 9313' to TOC behind 9-5/8" casing, estimated at 5730' by temp survey. Correlate to Schlumberger's Cement Bond/VDL Log dated November 3, 1989 or Gray Wireline's Gamma Ray/CCL Log dated 8/11/08. RDWL.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

*See
COA*

9. RIW with 2-3/8" EUE 8rd tubing sub, SN and, 2-3/8" EUE 8rd AB mod N-80 tubing to PBTD 11465'. Establish circulation with pump truck. Mix and spot 45 bbls 9.5# salt gel mud with a minimum of 12.5 pounds of gel per barrel from 11435' to top of 5-1/2" liner at 9343'. *See COA*
10. POW to 9365' laying down +/-2070' 2-3/8" EUE 8rd AB mod N-80 tubing using 2-3/8" pin protectors.

See COA 11. Mix and spot 50 sx class "H" cement 9365'-9192' (50' below and 120' above top 5-1/2" liner; 5-1/2" 23# 0.1189 cuft/ft, 9-5/8" 43.5# 0.418 cuft/ft).

12. POW with tubing 30 stands and WOC 2 hours. RIW with tubing and TAG cement plug @ or above 9263' and notify Midland Office and BLM of the results.
13. POW to 8628' laying down +/-700' (leaving +/-8700' production tubing) 2-3/8" EUE 8rd AB mod N-80 tubing using 2-3/8" pin protectors.
14. RU pump truck and pressure test 9-5/8" casing to 1500 psi with fresh water.
15. RU stimulation company and spot 500 gal 7.5% HCL acid containing 6 gpt Ferrotrol-270, 2 gpt CI-25, 2 gpt FAW-18W, 2 gpt Ferrotrol-271, 2 gpt NE-940 (or equivalent) from 8628' to 8468' 9-5/8" 43.5# capacity 0.0744 bbl/ft). POW standing back 2-3/8" EUE 8rd AB mod N-80 tubing.
16. RU WL and full lubricator. RIW with a centralized Owen 4" TAG 3375-311 Gun system and perforate 3rd Bone Spring sand in 9-5/8" 43.5#/ft casing as follows:

8594'-8628' (69 holes, 2JSPF, 60° phased, 0.41" diam)

All perforations will be approximately **0.41" EH, 13" pen, 60° phased, 2 SPF, for 69 total holes.** Correlate perforations to Schlumberger's Cement Bond/VDL Log dated November 3, 1989 or Gray Wireline's Gamma Ray/CCL Log dated 8/11/08. RDWL.

17. RIW with 9-5/8" AS1X packer w/ TOSSD and 1.78 profile nipple and 2-3/8" EUE 8rd AB mod N-80 tubing to +/- 8400'. Reverse 5 bbls to put acid back into tubing. Set packer @ +/-8400' with +/- 15k compression. RU pump truck on tubing, break down perforations, and displace spot acid into formation with 12 bbls of fresh water. Max pressure 7,000 psi. Record ISIP, 5", 10", and 15" shut-in pressures.
18. Flow well to workover pit until well dies. RU swab and swab back acid load. Record hourly entry rates and fluid cuts. Report results to Midland office & proceed after approval is given.
19. RU stimulation company. Trap 1000 psi on backside and monitor throughout job. Acidize perms 10,314'-55' with 2,000 gals 7.5% HCL acid containing 6 gpt Ferrotrol-270, 2 gpt CI-25, 2 gpt FAW-18W, 2 gpt Ferrotrol-271, 2 gpt NE-940 (or equivalent) dropping 130 1.3 sg ball sealers evenly spaced for diversion. Max pressure 7,000 psi max pressure. Have pop-off set @ 7500 psi. Record ISIP, 5", 10", and 15" shut-in pressures.
20. Flow well back to workover pit until well dies. RU swab and swab back acid load. Record hourly entry rates and fluid cuts.
21. Receive 8800' of 3-1/2" 9.3# N-80 8rd EUE workstring tubing on location. Clean pins and boxes and tally. Replace 2-3/8" pipe rams with 3-1/2" pipe rams.
22. RIW with 9-5/8" x 2-7/8" Big Bore Arrowset 1X10K packer with frac hardened mandrel and frac hardened top sub, frac hardened profile nipple, frac hardened TOSSD with frac hardened top sub, 2-7/8" x 3-1/2" frac hardened xo, and 3-1/2" N-80 tubing. Test tubing to 9,500 psi above the slips while RIW. Received 10K flow tree.
23. Set packer @ +/- 8,400' in 20,000# compression. ND BOP and NU rental 3-1/2" 10k flowtree.
24. RU pump truck and pressure tubing/casing annulus to 1,500 psi and hold for 30 minutes. Check for communication into tubing. Bleed down annulus pressure to pit.

PROPOSED Recompletion

Well: Salt Draw "28" Federal No. 1
Operator: Fasken Oil and Ranch, Ltd.

GL: 3637'

KB: 2986'

Location: 1980' FNL and 660' FEL

Sec 28, T24S, R28E

Eddy County, NM

Compl.: Nov-89

API #: 30-015-26142

TD: 13,335'

PBTD: 12,333' (Top of Vann Gun Fish)

Casing: 20" 106.5# K-55 ST&C @ 600'

cmt. w/ 2405 sx + 7 yds of gravel to surface

TOC surf 1st Bn Spg Sd 7198

13-3/8" 54.5# K55 ST&C @ 2540'

3600 sx "C". 1" with 420 sx (cement to surface)

TOC surf 2nd Bn Spg St 7901

9-5/8" 43.5# & 53.5# N-80 & S-95 & P-110 @ 9800'

cmt with 1575 sx

TOC 5730' by TS

5-1/2" 23# N-80 & P-110 LT&C Liner @ 13450'

cmt with 1650 sx

Circ cement through top of liner

Del 2520

Bone Spring 6190

1st Bn Spg Sd 7198

2nd Bn Spg St 7901

3rd Bn Spg Sc 9038

Wolfcamp 9471

12/2/1989

3/14/2009

CIBP1 @ 12,520' with 35' cement

CIBP2 @ 11,690' with 7' cement

PROPOSED

	Depth
Packer	8400
Frac Strg: 3-1/2" 9.3#/ft N-80	8400
80% burst = .8x10160psi	8128 Max Psi

20" 106.5# K-55 ST&C @ 600'

TOC surf

13-3/8" 54.5# K55 ST&C @ 2540'

TOC surf

9-5/8" TOC 5730' by TS

9-5/8" Detail

53.5# P-110, Surf - 6009'

43.5# S-95: 6009' - 7321'

43.5# N-80: 7321' - 9800'

Frac Pkr

Tbg 8400'

3-1/2" 9.3#/ft N-80

8582'-8628'

Plug 1

Top of 5-1/2" Liner @ 9313'

9-5/8" @ 9800'

5-1/2" Detail

23# P-110 9,313'-10,488'

23# N-80: 10,488'-13,450'

Handwritten: TAG To be Witness by BLM
9192' Single Plug
9850' See COA

Handwritten: * See COA TAG To be Witness By BLM

Plug	Descr	Depth	Sacks/ft	Tag?
Plug 1	Liner top	9365'-9265'		
CIBP 3	Perfs	11500'	35 feet	Y

Strawn 11558

Atoka 11625

PROPOSED Bone Spring 8582'-8628'

Perforations:

Atoka	11,566'-72'	8/11/2008	3/25/2009	reperf
	11,604'-614'	8/11/2008	3/25/2009	
	11,660' - 11,667'	12/6/1989		
	11,695'-11,704'	8/11/2008		
	11,710'-14'	8/11/2008		
	11,720'-30'	8/11/2008		
	11,759'-63'	8/11/2008		
Morrow	12,625' - 12,645'	11/8/1989	##	
	12,663' - 12,668'	?		

Morr Clast ##

11/8/1989

?

TD: 13,335'

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Salt Draw 28 Federal #1 30-015-26142
Fasken Oil and Ranch, Ltd.
November 15, 2011
Conditions of Approval

- 1. Surface disturbance beyond the existing pad must have prior approval. Notify BLM of intent to rig up and plugback.**
- 2. Closed loop system required.**
- 3. 3000 (3M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (3M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.**
- 4. On step 8, Plug Back open perforation (Atoka/Strawn); Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. (Eddy County, call 575-361-2822). The cement plug shall be TAG at 11460' or shallower and witness by the BLM.**
- 5. On step 8, provide a copy of CBL to BLM for evaluation within 24 hours of running CBL. If it is determined that there is insufficient cement behind the 9 5/8" casing, operator is to submit a NOI Sundry prior to doing remedial cement work.**
- 6. On step 9, Mud requirement shall be from PBTD to 9850'**
- 7. On step 11 and 12, Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. (Eddy County, call 575-361-2822). The cement plug shall be from 9850' to 9192'; this is a required plug to cover the 9 5/8" casing shoe, top of 5-1/2" liner and top of Wolfcamp; wait on cement. The cement plug shall be TAG at 9192' or shallower and witness by the BLM.**
- 8. Continue on with plug back operations.**
- 9. Subsequent sundry and completion report with well test and wellbore schematic required.**
- 10. Operator to begin plugging back procedures within 90 days of receiving this approval.**