

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-22717
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NM-101856
7. Lease Name or Unit Agreement Name Shell Federal
8. Well Number 2
9. OGRID Number 151416
10. Pool name or Wildcat SWD; Devonian

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Fasken Oil and Ranch, Ltd.	
3. Address of Operator 6101 Holiday Hill Road, Midland, TX 79707	
4. Well Location Unit Letter <u>13</u> : <u>3300</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line Section <u>5</u> Township <u>21S</u> Range <u>24E</u> NMPM County <u>Eddy</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3766' GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Fasken Oil and Ranch, Ltd. repaired the hole in the tubing on the above well. Please see attached work, as well as the 2 charts that were run.

NM OIL CONSERVATION
ARTESIA DISTRICT

JUN 07 2017

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Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Addison Long TITLE Regulatory Analyst DATE 6-5-17

Type or print name Addison Long E-mail address: addisonl@forl.com PHONE: 432-687-1777

For State Use Only

APPROVED BY: Richard Ince TITLE COMPLIANCE OFFICER DATE 6/8/17
Conditions of Approval (if any):

Fasken Oil and Ranch, LTD.
COMBINED DAILY OPERATIONS REPORT
5/4/2017 thru 6/2/2017
Printed 6/2/2017 Page 1

NM OIL CONSERVATION
ARTESIA DISTRICT
JUN 07 2017

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Shell Federal # 2

Well ID: SH2000-02

3300' FSL & 660' FWL Section 5, Township T21S, Range 24E Eddy Co., NM

May 22, 2017 Monday

Notified Terry Wilson with the New Mexico State BLM at 3:33 P.M. 5-19-2017 of intent to rig up. SITP - 0 psi, SICP - 50 psi. Contractor tested anchors, moved in and set rig mats. RU Renegade slick line unit, RIW with 2.34" OD gauge ring tag @ 10,623'. POW, RIW with 2.25" type "F" plug and set in profile nipple. RU Stone pump truck on 3-1/2" EUE 8rd L-80 TK-99 IPC tubing. Took 6 bbls to load, pressured up on tubing to 800 psi and sheared off plug, POW with slickline. Bled down casing and intermediate, pressure up on tubing to 950 psi, good test, opened casing and tubing fell to 200 psi. RD Renegade slickline and Stone pump truck. MIRU Basic Rig # 1771. ND WH, due to weather was unable to NU BOP. NU WH with 4 studs w/ nuts to secure well, stab TIW on tubing and SDFD. (DLL)

Daily Cost: [REDACTED]

Total Daily Cost: [REDACTED]

Total Cum. Cost: [REDACTED]

May 23, 2017 Tuesday

SITP - 0 psi, SICP - 0 psi. ND WH NU BOP, released TOSSD, POW with 325 jts 3-1/2" 9.3# EUE 8rd N-80 IPC tubing. Cleaned and installed thread protectors on the pin ends while POW. Laid down bottom 4 jts due to severe pitting. Closed in and secured well, SDFD. (DLL)

Daily Cost: [REDACTED]

Total Daily Cost: [REDACTED]

Total Cum. Cost: [REDACTED]

May 24, 2017 Wednesday

SITP - 0 psi, SICP - 0 psi. Contractor delivered and unloaded 15 jts 3-1/2" 9.3# EUE 8rd N-80 IPC TK-99 TBG from Artesia yard and RU Triple A Testers. Cleaned, inspected, and tallied 4 of the 15 jts that were delivered to replace the bottom 4 jts that were bad. Ran 3-1/2" overshot TOSSD nickel plated, 3-1/2" EUE 8rd box x 2-7/8" EUE 8rd pin S.S. x-over, 4 jts 3-1/2" EUE 8rd N-80 IPC TK-99 TBG, and 201 jts 3-1/2" EUE 8rd N-80 IPC TK-99 tubing that was pulled from the well. Replaced top sub on TOSSD and x-over with new. Applied green Liquid-P-Ring 104 thread compound on pin ends and tested all tubing to 6000 psi. All tubing ran tested good. Closed in and secure well, SDFD. (DLL)

Daily Cost: [REDACTED]

Total Daily Cost: [REDACTED]

Total Cum. Cost: [REDACTED]

Fasken Oil and Ranch, LTD.
COMBINED DAILY OPERATIONS REPORT

5/4/2017 thru 6/2/2017

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Shell Federal # 2

Well ID: SH2000-02

3300' FSL & 660' FWL Section 5, Township T21S, Range 24E Eddy Co., NM

May 25, 2017 Thursday

SITP - 0 psi, SICP - 0 psi. Applied green Liquid-P-Ring 104 thread compound on pin ends RIW and tested remaining 120 jts 3-1/2" EUE 8rd N-80 IPC TK-99 tubing to 6000 psi. All tubing tested good, ran in well as follows:

1 - 3-1/2" OD TSSOD w/ SS top sub (new)	1.46'
1 - 2-7/8" pin x 3-1/2" box SS x-over (new)	0.54'
4jts - 3-1/2" 9.3# EUE 8rd N-80 IPC TK-99 TBG (new)	130.90'
321 jts - 3-1/2" 9.3# EUE 8rd N-80 IPC TK-99 TBG	+ 10,471.51'
Sub Total	10,604.41' ✓

Below KB	14.00'
Total	10,618.41'

RD Triple A Tubing Testers. Engaged TOSSD, closed BOP and pressure tested packer w/ plug and casing to 515 psi for 32 mins with a 10 lb pressure loss to 505 psi. Released TOSSD, PU 12" above profile nipple and circulated packer fluid mixed with FW. Pumped 20 bfw ahead with O2 scavenger & biocide added, followed with 135 bfw mixed with biocide, O2 scavenger and 14 gals packer fluid. Engaged TOSSD and pulled 15K tension above string wt at 95K to be sure tool is engaged. Closed BOP and tested casing to 550 psi with a 10% loss in psi in first 15 mins. Attempted to work air out of casing and retest with no success, still seeing over a 10% pressure drop on chart recorder. Bobby Girndt with BLM was on location to witness test. Will let well settle overnight and perform another MIT the next day. Closed in and secured well, SDFD. (DLL)

Daily Cost: XXXXXXXXXX

Total Daily Cost: XXXXXXXXXX

Total Cum. Cost: XXXXXXXXXX

May 26, 2017 Friday

SITP - 0 psi, SICP - 0 psi. Continued to bleed trapped air and test casing. With tubing open and BOP closed, tested casing to 550 psi with a 12% loss in psi in first 10 mins. Opened casing and left open for 30 mins to let casing breathe for any possible trapped air. Pressured back up on casing and saw same results with a 10-12% pressure loss in first 10 mins. Pressured up on tubing to 900 psi and had gain of pressure on casing. Bled down tubing to 360 psi and SI. Pressured up on casing to 620 psi. First 20 mins casing psi fell to 570 psi with tubing pressure up to 425 psi. With casing on chart recorder TBG/CSG pressure remained constant for 40 mins with no drop in pressure on either side. A good indication that casing and packer holding. Either TOSSD seals cut or profile nipple bad. Bled down casing and tubing, RD and released Stone pump truck and Basic Well Service crew. RU Renegade Slickline pull and recovered 2.25" type "F" plug, RD Renegade, closed in and secured well, SDFD. Jim Hughes with BLM was on location to witness testing. (DLL)

Daily Cost: XXXXXXXXXX

Total Daily Cost: XXXXXXXXXX

Total Cum. Cost: XXXXXXXXXX

Fasken Oil and Ranch, LTD.
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Shell Federal # 2

Well ID: SH2000-02

3300' FSL & 660' FWL Section 5, Township T21S, Range 24E Eddy Co., NM

May 27, 2017 Saturday

SITP - 0 psi, SICP - 0 psi. Opened BOP, released packer and POW with 325 jts 3-1/2" EUE 8rd N-80 IPC TK-99 TBG, 3-1/2" x 2-7/8" x-over, 3-1/2" OD overshot TOSSD, 5-1/2" 10K Arrowset 1X PKR with 2.25" "F" profile nipple, and 2-7/8" x 4' mule shoe FG sub. Cleaned and installed thread protectors on tubing pin ends while POW. Sent in packer with profile nipple, TOSSD to inspect and redress. Closed in and secured well, SDFD. (DLL)

Daily Cost: [REDACTED]

Total Daily Cost: [REDACTED]

Total Cum. Cost: [REDACTED]

May 28, 2017 Sunday

No activity. (DDL)

Daily Cost: [REDACTED]

Total Daily Cost: [REDACTED]

Total Cum. Cost: [REDACTED]

May 29, 2017 Monday

No activity. (DDL)

Daily Cost: [REDACTED]

Total Daily Cost: [REDACTED]

Total Cum. Cost: [REDACTED]

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Fasken Oil and Ranch, LTD.
COMBINED DAILY OPERATIONS REPORT

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Shell Federal # 2

Well ID: SH2000-02

3300' FSL & 660' FWL Section 5, Township T21S, Range 24E Eddy Co., NM

May 30, 2017 Tuesday

SITP - 0 psi, SICP - 0 psi. Sent packer to shop for redress, found damaged packer mandrel and TOSSD top sub, replaced 5-1/2" x 2-7/8" Arrowset 1X PKR, TOSSD SS top sub, and 2-7/8" pin x 3-1/2" box x-over. Applied green Liquid-P-Ring 104 thread compound on pin ends and RIW with as follows:

1-2-7/8" x 4' mule shoe fiberglass sub	4.00'
1-5-1/2" 17# nickel plated Arrowset 1X 10K casing PKR w/IPC parts	7.41'
1 - 2.25" "F" SS profile nipple with 3-1/2" OD overshot TOSSD nickel plated with SS top sub (new) w/ 3-1/2" box x 2-7/8" pin SS x-over (new)	2.00'
4 jts - 3-1/2" 9.3# EUE 8rd N-80 IPC TK-99 TBG (new)	130.90'
321 jts - 3-1/2" 9.3# EUE 8rd N-80 IPC TK-99 TBG	+ 10,471.51'

Sub total 10,615.82'

Below KB 14.00'

Total 10,629.82'

Set packer, closed BOP and pressure tested packer and casing to 580 psi for 35 mins with a 5 psi loss to 575 psi. Released TOSSD, PU 12" above profile nipple and circulated packer fluid mixed with FW @ 1.1 bpm. Pumped 20 bfw ahead with O2 scavenger & biocide added then followed with 135 bfw mixed with biocide, O2 scavenger and 14 gals packer fluid. Engaged TOSSD and pulled 15K tension above string wt of 98K to be sure tool is engaged. Closed BOP and retested casing/annulus to 575 psi for 30 mins on a chart recorder w/ no pressure loss. Good test, released pump truck. Closed in and secured well, SDFD. (DLL)

Daily Cost: [REDACTED]

Total Daily Cost: [REDACTED]

Total Cum. Cost: [REDACTED]

May 31, 2017 Wednesday

SITP - 0 psi, SICP - 0 psi. ND BOP, NUWH, RU pump truck on casing/annulus and ran 32 min chart for NMOCD MIT test. Starting psi 535 with ending pressure 495 psi. Ran a second MIT test with the same results 40# drop in pressure in 32 mins. Starting psi on second test 580 and ending psi 540. Richard Inge with NMOCD (575) 626-0831 was contacted on 5/30/17 @ 3:30 pm of intent to test next day. He informed that he would be unable to witness and gave permission to contact BLM to witness MIT test. Gabriel Beneway with BLM was on location to witness test. Mr. Beneway sent results into NMOCD and was given permission to put well on. Released pump truck and RD Basic Well Service rig #1771.

Daily Cost: [REDACTED]

Total Daily Cost: [REDACTED]

Total Cum. Cost: [REDACTED]

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Shell Federal # 2

Well ID: SH2000-02

3300' FSL & 660' FWL Section 5, Township T21S, Range 24E Eddy Co., NM

Jun 1, 2017 Thursday

TP -20 psi, CP 0 psi. Injected 675 bw in 24 hrs. Roustabout crew hauled 11 good jts and 4 bad jts of 3-1/2" 9.3# EUE 8rd N-80 IPC TK-99 tubing to the Artesia warehouse. (ORR)

Daily Cost:

Total Daily Cost:

Total Cum. Cost:

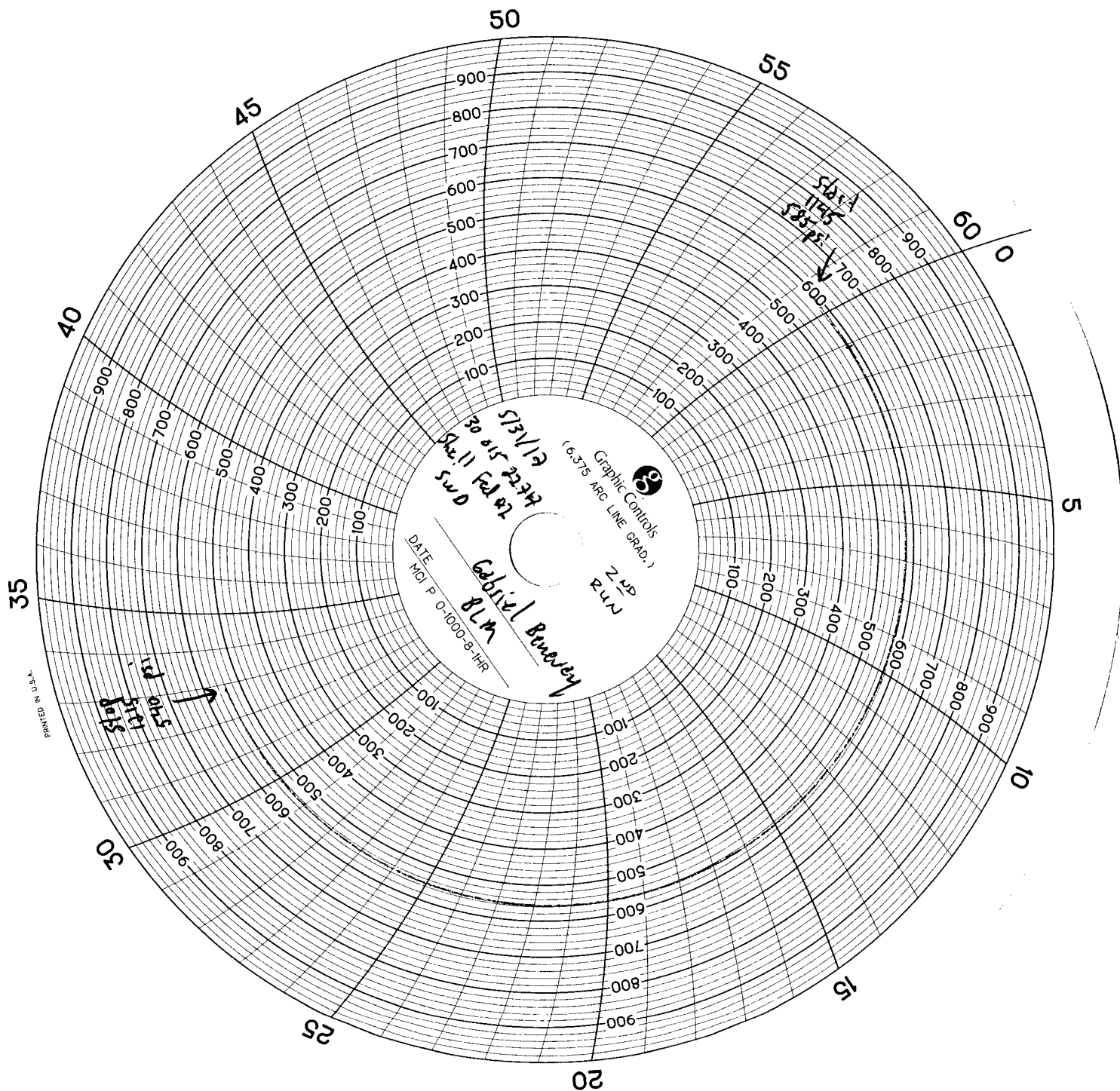
Jun 2, 2017 Friday

TP -20 psi, CP 0 psi. Injected 478 bw in 24 hrs. (ORR)

Daily Cost:

Total Daily Cost:

Total Cum. Cost:



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