

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter abandoned well. Use form 3160-3 (APD) for such proposals.

OCD Artesia

5. Lease Serial No.
NMNM3606
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
Multiple--See Attached

2. Name of Operator **FASKEN OIL & RANCH LIMITED** Contact: **ADDISON LONG**
E-Mail: **addisonl@forl.com**

9. API Well No.
Multiple--See Attached

3a. Address **6101 HOLIDAY HILL ROAD
MIDLAND, TX 79707** 3b. Phone No. (include area code)
Ph: **432-556-8661**

10. Field and Pool or Exploratory Area
Multiple--See Attached

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

11. County or Parish, State
EDDY COUNTY, 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"/> Hydraulic Fracturing	<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 checked="" type="checkbox"/> Other Surface Commingling
	<input type="checkbox"/> Change Plans	<input 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. requests approval to pool and lease commingle gas production only on the following wells at a common tank battery located on the Lakeshore 10 Federal No. 3.

AC 12-20-17
Accepted for record - NMOCD

Lakeshore 10 Federal No. 2, Lease NMNM3606, Section 10, T21S, R26E, API 30-015-29879. Field: Avalon Upper Penn.
CA-NM100717

*C1-STRAWN
C2-WIPER PENN.*

Lakeshore 10 Federal No. 3, Lease NMNM3606, Section 10, T21S, R26E, API 30-015-30480.
CA-NM101369

Lakeshore 10 Federal SC No. 5, Lease NMNM3606, Section 10, T21S, R26E, API 30-015-33234. Field: Catclaw Draw Delaware, East.

Avalon 10 Federal No. 22, Lease NMNM3606, Section 10, T21S, R26E, API 30-15-31653. Field: Catclaw

NM OIL CONSERVATION
ARTESIA DISTRICT

DEC 19 2017

RECEIVED

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

Electronic Submission #382795 verified by the BLM Well Information System
For FASKEN OIL & RANCH LIMITED, sent to the Carlsbad
Committed to AFMSS for processing by DEBORAH MCKINNEY on 08/22/2017 (17DLM2154SE)

Name (Printed/Typed) **ADDISON LONG**

Title **REGULATORY ANALYST**

Signature (Electronic Submission)

Date **07/27/2017**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

J.D. Whitlock

Title

TL PET

Date

12/15/17

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

CFO

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)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #382795 that would not fit on the form

7. If Unit or CA/Agreement, Name and No., continued

NMNM100717
NMNM101369

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM101369	NMNM3606	LAKE SHORE FED COM 10 3	30-015-30480-00-S1	Sec 10 T21S R26E NESW 1650FSL 1997FWL
NMNM3606	NMNM3606	AVALON 10 FEDERAL 22	30-015-31653-00-S1	Sec 10 T21S R26E SENW 1980FNL 1980FWL
NMNM3606	NMNM3606	LAKE SHORE 10 FEDERAL SC 5	30-015-33234-00-S2	Sec 10 T21S R26E SWNE 1500FNL 1980FEL
NMNM100717	NMNM3606	LAKE SHORE FED 10 COM 2	30-015-29879-00-C3	Sec 10 T21S R26E NESE 1750FSL 660FEL
NMNM100717	NMNM3606	LAKE SHORE FED 10 COM 2	30-015-29879-00-C1	Sec 10 T21S R26E NESE 1750FSL 660FEL

10. Field and Pool, continued

CATCLAW DRAW-DELAWARE

32. Additional remarks, continued

Draw Delaware, East.

Please see attached information, facility diagram, and map.

Application for Pool and Lease Gas Commingling

Proposal for Lakeshore Federal No. 2, 3, 5, and the Avalon Federal 10-22:

Fasken Oil and Ranch, Ltd. is requesting approval for the Lakeshore Federal No. 2, 3, 5, and the Avalon Federal 10-22 to be pool commingled at the Lakeshore Federal No. 3 meter location, gas production only. **AND LEASE**

The attached map shows all the wells. Also attached is the site facility diagram of the tank battery on the No. 3, and the BLM case Recordation of all wells. Please note the federal royalty is the same for all wells at 12.5%.

Gas Metering:

The Lakeshore Federal No. 3 has a gas meter that all wells will utilize for the gas production. Gas production will be measured at each wells location by a dry flow meter, and allocated back to each well by what went through DCP's EFM meter, located on the No. 3 location. The meters will be calibrated on a regular basis per API, NMOCD, and BLM specifications. The BLM and OCD will be notified of any future changes in the facilities.

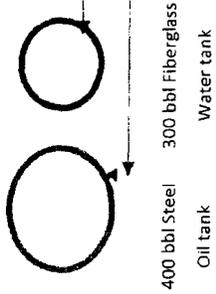
Pool Commingle Attachment for Gas Production for Lakeshore 10 Federal No. 2, 3, 5, and Avalon 10 Federal No. 22

Lease Name and No.'s	Pool Name And Code	API	Gravities/ BTU on Non-Commingled Production	Volumes MCFPD
Lakeshore 10 Federal No. 2	Avalon Upper Penn Gas (71000)	<i>C1- Strawn</i> 30-015-29879 <i>C2 upper Penn</i>	.6491 / 1117	75
Lakeshore 10 Federal No. 3	Avalon; Strawn (71080)	30-015-30480	.6491 / 1117	75
Lakeshore 10 Federal SC No. 5	Catclaw Draw Delaware, East (10500)	30-015-33234	.87 / 1333	2
Avalon 10 Federal No. 22	Catclaw Draw Delaware, East (10500)	30-015-31653	.87 / 1333	12

All wells have the same royalty rate of 12.5%. By commingling gas production, it will help the economics of the well immediately. Right now, we have the Lakeshore No. 2 and 3 shut in due to not being economical since the wells need a compressor, which the payout for it makes the wells uneconomic; therefore, the value of those 2 wells right now is 0. Once commingled, production will go up 150 MCFPD, and make the wells now economic and no compressor will be needed.

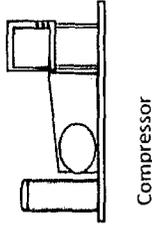
Fasken Oil and Ranch, Ltd.
 Site Facility Diagram - Commingled Gas

Lake Shore Federal Com 10 #3
 Lake Shore 10 Federal Com #2
 Lake Shore 10 Federal SC #5
 Avalon 10-22



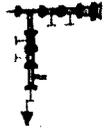
From:
 Lake Shore 10 Federal SC #5

From:
 Lake Shore 10 Federal Com #2
 Gas Sales Check Meter #



Compressor

Lake Shore Federal Com 10 #3
 NE/SW Sec 10 T21S R26E
 1650' FSL, 1997' FWL
 API: 30-015-30480
 Eddy County, NIM
 Lease #NIM3606



Gas Check Meter #



Gas Processing Unit



Gas Check Meter #

From:
 Avalon 10-22
 Gas Sales Check Meter #



DCP Gas Sales Meter #

Battery	Product	ProductionTtl	Jan	Feb	Mar	Apr	May	Jun
Avalon 10 Federal No 22	Oil	460	25	70	130	50	127	59
Avalon 10 Federal No 22	Gas	346	161	45	66	74	0	0
Avalon 10 Federal No 22	Wtr	3,783	668	552	672	621	647	623
Lakeshore 10 Federal No 2	Oil	0	0	0	0	0	0	0
Lakeshore 10 Federal No 2	Gas	0	0	0	0	0	0	0
Lakeshore 10 Federal No 2	Wtr	0	0	0	0	0	0	0
Lakeshore 10 Federal No 3	Oil	0	0	0	0	0	0	0
Lakeshore 10 Federal No 3	Gas	0	0	0	0	0	0	0
Lakeshore 10 Federal No 3	Wtr	0	0	0	0	0	0	0
Lakeshore 10 Federal Sc 5	Oil	725	115	149	108	101	145	106
Lakeshore 10 Federal Sc 5	Gas	1,416	209	313	257	233	165	239
Lakeshore 10 Federal Sc 5	Wtr	943	136	203	247	128	126	103

T21S, R26E

TR 1
Lot 3

TR 2
SW/4 NW/4

300153323400
LAKESHORE 10 FEDERAL #5

300153165300
AVALON 10 FEDERAL #22

10

300153048000
LAKE SHORE FEDERAL #3

300152987900
LAKE SHORE 10 FED #2

NMNM3606

* ALL WELLS ARE ON THE SAME LEASE NMNM 3606.



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FEET