

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Fasken Oil and Ranch, Ltd.

3. Address and Telephone No.
303 W. Wall, Suite 1800, Midland, TX 79701 (432) 687-1777

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

Unit C, 660' FNL, 1980' FWL, Section 3, T21S, R26E

5. Lease Designation and Serial No.

NM 911

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

El Paso Federal No. 4

9. API Well No. 015
30-026-21305

10. Field and Pool, or Exploratory Area
See below

11. County or Parish, State
Eddy, NM

RECEIVED

DEC - 1 2003

OCD-ARTESIA

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other downhole commingle

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ 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 downhole commingle the Avalon Strawn, Calabaza Draw Atoka and Avalon Morrow in this wellbore. Please see the attached downhole commingle application made to the New Mexico Oil Conservation Division.

SUBJECT TO
LIKE APPROVAL
BY NMOCD

APPROVED

NOV 26 2003

LES BABYAK
PETROLEUM ENGINEER

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

Signed Murray D. Carver

Title Regulatory Affairs Coordinator

Date 11/19/2003

(This space for Federal or State office use)

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.

*See Instruction on Reverse Side

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District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Fasken Oil and Ranch, Ltd. Address 303 West Wall, Suite 1800 Midland, TX 79701

Lease El Paso Federal Well No. 4 Unit Letter-Section-Township-Range C, Sec. 3, T21S, R26E County Eddy

OGRID No. 151416 Property Code 18202 API No. 30-015-21305 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Avalon Strawn	Calabaza Draw Atoka	Avalon Morrow
Pool Code	71080	73695	70920
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	9637' - 9879'	10322' - 10346'	10648' - 10870'
Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	4350 psig by DST	4600 psig (estimate)	500 psig, to be isolated by choke valve
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1000	1000	1000
Producing, Shut-In or New Zone	New Zone	New Zone	New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Estimate Rates: 0/180/0	Date: Estimate Rates: 0/30/0	Date: October 2003 Rates: 0/90/0
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 100 % 60 %	Oil Gas 0 % 10 %	Oil Gas 0 % 30 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐

Will commingling decrease the value of production? Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☐ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Jimmy D. Carlile TITLE Regulatory Affairs Coordinator DATE 11/21/03

TYPE OR PRINT NAME Jimmy D. Carlile TELEPHONE NO. (432) 687-1777

E-MAIL ADDRESS jimmyc@for1.com

Fasken Oil and Ranch, Ltd.

El Paso Federal No. 4

Application for Downhole Commingling

Additional Data

A production curve for the Morrow is attached and averages 80 mcf/d. The Morrow will be separated from the Atoka and Strawn zones by a check valve and packer. Production curves for the Atoka and Strawn zones are not available as these are all new completions in this well. Each of these zones is non-commercial in and of themselves, and we anticipate a total production from all three zones to be only 300 MCFPD.

Estimated production rates for the Atoka and Strawn are based on porosity-thickness in each zone coupled with a DST in the Strawn when drilled which measured 66 mcf/d. It is anticipated that the Strawn will produce 180 mcf/d after stimulation. The estimated gas and condensate rates and suggested percentages are as follows:

Avalon (Strawn)	180 mcf/d	60%	1 bcpd	100%
Calabaza Draw (Atoka)	30 mcf/d	10%	0 bcpd	0%
Avalon (Morrow)	90 mcf/d	30%	0 bcpd	0%

The condensate is assigned 100% to the Strawn zone since the depleted Morrow no longer produces significant condensate and the Atoka zone typically produces little condensate.

All working, royalty and overriding interests in this well are common and therefore, no notice is required.

Rate/Time Graph

Project: H:\PIAPPS\DWIGHTS\Tools50\Reserves2002\F012002 final.MDB

Date: 11/20/2003

Time: 11:23 AM

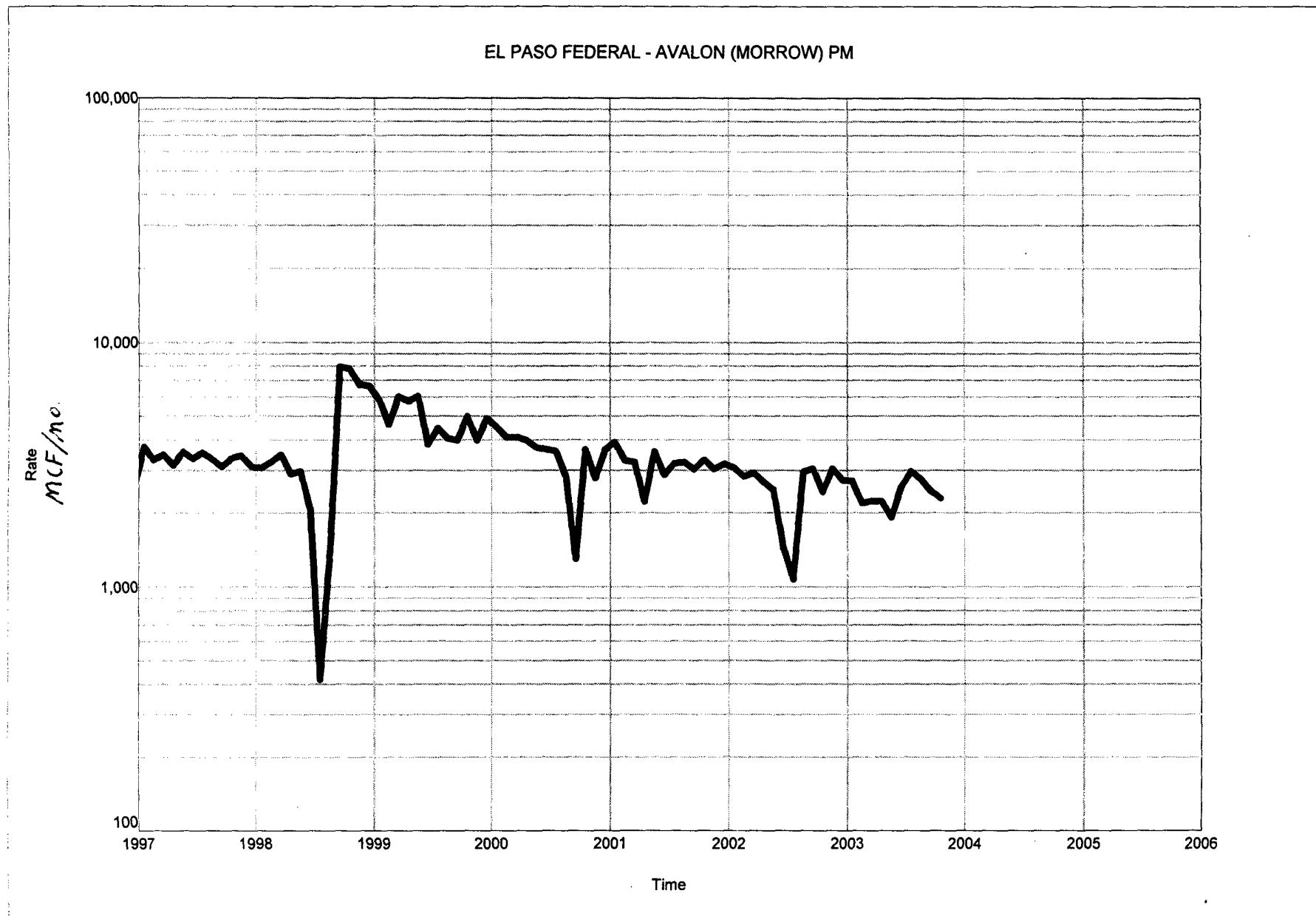
Lease Name: EL PASO FEDERAL (000004)

County, ST: EDDY, NM

Location: 0-0-0

Operator: FASKEN OIL & RANCH LTD

Field Name: AVALON (MORROW) PM



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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-21305	² Pool Code 71080	³ Pool Name Avalon Strawn
⁴ Property Code 18202	⁵ Property Name El Paso Federal	⁶ Well Number 4
⁷ OGRID No. 151416	⁸ Operator Name Fasken Oil and Ranch, Ltd.	⁹ Elevation 3192' GR

¹⁰ Surface Location

UL or lot no. C	Section 3	Township 21S	Range 26E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1980	East/West line West	County Eddy
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 277.18	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 	North Line of Section		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Jimmy D. Carlile Printed Name Regulatory Affairs Coordinator jimmyc@forl.com Title and E-mail Address November 21, 2003 Date	
				¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor:
				Certificate Number

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 3-0-015-21305		² Pool Code 73695		³ Pool Name Calabaza Draw Atoka	
⁴ Property Code 18202		⁵ Property Name El Paso Federal			⁶ Well Number 4
⁷ OGRID No. 151416		⁸ Operator Name Fasken Oil and Ranch, Ltd.			⁹ Elevation 3192' GR

¹⁰ Surface Location

UL or lot no. C	Section 3	Township 21S	Range 26E	Lot Ida	Feet from the 660	North/South line North	Feet from the 1980	East/West line West	County Eddy
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-21305		² Pool Code 70920		³ Pool Name Avalon Morrow	
⁴ Property Code 18202		⁵ Property Name El Paso Federal			⁶ Well Number 4
⁷ OGRID No. 151416		⁸ Operator Name Fasken Oil and Ranch, Ltd.			⁹ Elevation 3192' GR

¹⁰ Surface Location

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