

District I
1625 N French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720
District II
811 S First St., Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S St Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised August 1, 2011

Permit

HOBBS OCD

NOV 21 2011

RECEIVED

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Fasken Oil and Ranch, Ltd. 303 W. Wall St., Ste. 1800 Midland, TX 79701		² OGRID Number 151416
		³ API Number 30-025-40361
⁴ Property Code 38941	⁵ Property Name Quail State "16" Com	⁶ Well No 3H

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
M	16	20S	34E		660'	South	330'	West	Lea

⁸ Pool Information

POTASH AREA

Lea; Bone Spring	Pool Code - 37570
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Additional Well Information

⁹ Work Type N	¹⁰ Well Type O	¹¹ Cable/Rotary R	¹² Lease Type S	¹³ Ground Level Elevation 3640' GL
¹⁴ Multiple No	¹⁵ Proposed Depth 15,320' MD; 10,950' TVD	¹⁶ Formation Bone Springs	¹⁷ Contractor Patterson Drlg. #42	¹⁸ Spud Date 4-1-2012
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

¹⁹ Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	17 1/2"	13 3/8"	48 & 54.5	1600'	1050 sx "C"	Surface
Inter.	12 1/4"	9 5/8"	36 & 40	5200'	400 sx HLC & "C"	Surface
				DV Tool @ 4000'	1550 sx HLC & "C"	
Prod.	8 3/4"	5 1/2"	17	15,320'	2400 sx Versacem	5000'

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	Schaffer
Doubleram	5000	5000	Schaffer

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . <u>Earth Pit Application attached</u>		OIL CONSERVATION DIVISION	
Printed name. Kim Tyson <i>Kim Tyson</i>		Approved By: <i>[Signature]</i>	
Title. Regulatory Analyst		Title. <i>PETROLEUM ENGINEER</i>	
E-mail Address kimt@for1.com		Approved Date: DEC 09 2011 Expiration Date: DEC 09 2013	
Date 11-18-2011 Phone 432-687-1777		Permit Expires 2 Years From Approval Date Unless Drilling Underway	
Conditions of Approval Attached			

The application for a non-standard location will be submitted in the next few weeks.

OCD CONDITION OF APPROVAL for Drilling
Intend to drill ONLY --- CANNOT produce until the Non-Standard
Location has been approved by OCD Santa Fe office