

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

HOBBS OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505
APR 16 2013

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| WELL API NO. 30-025-40680 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name Laguna 16 State |
| 8. Well Number 2H |
| 9. OGRID Number 151416 |
| 10. Pool name or Wildcat Salt Lake; Bone Spring |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3516' GR |

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 Gas Well Other

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

3. Address of Operator
6101 Holiday Hill Road, Midland, TX 79707

4. Well Location BHL: A 367' North 439' East
 Unit Letter P : 475' feet from the South line and 610' feet from the East line
 Section 16 Township 20S Range 32E NMPM County Lea

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

| | |
|--|---|
| NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/> | SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: Completion of Well <input checked="" type="checkbox"/> |
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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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

12-28-2012- 3-8-2013

Contractor NU 10K 7-1/16" frac stack and tested 5-1/2" csg to 8500 psi for 30" ok. Closed bottom frac valve and tested frac stack to 9500 psi for 15", ok. NU coil tubing unit, BOP on frac stack and pressure tested lines and flowback manifold to 6500 psi, ok. Set 10K CIBP @ 13,850' and tested plug to 4200 psi and perforated the 2nd Bone Springs from 10,052' - 13,837', 420 holes, ED .50". Frac. perfs from 10,052' - 13,837' w/ 2,552,334 gals crosslink fluid & acid; 2,899,600 lbs sand. Drilled out plugs and flowed well back. RIW w/ 284 jts. of 2-7/8" EUE 8rd N-80 tubing @ 9144'. RIW with submersible pump. Rig down and cleaned location.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Kim Tyson TITLE Regulatory Analyst DATE 4-11-2013

Type or print name Kim Tyson E-mail address: kimt@forl.com Telephone No. (432) 687-1777

For State Use Only
 APPROVED BY: [Signature] TITLE Petroleum Engineer DATE MAY 02 2013
 Conditions of Approval (if any): _____

MAY 02 2013