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

HOBBS OCD
DEC 02 2013
RECEIVED

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised July 18, 2013

WELL API NO.
30-025-39340

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name
Quail "16" State

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

8. Well Number 2

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

9. OGRID Number
151416

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

10. Pool name or Wildcat
Laguna Valley; Morrow (Gas)

4. Well Location
Unit Letter N : 1230' feet from the South line and 1980' feet from the West line
Section 16 Township 20S Range 34E NMPM County Lea

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3636' KB

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER: Plug Back and Convert to SWD	☒			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. proposes to plug the Quail "16" State No. 2 back and convert to an SWD well. Please see attached current and proposed wellbore diagrams and procedure.

CLOSED LOOP SYSTEM WILL BE USED FOR THIS OPERATION

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 Kim Tyson TITLE Regulatory Analyst DATE 11-22-2013

Type or print name Kim Tyson E-mail address: kimt@forl.com PHONE: 432-687-1777

For State Use Only

APPROVED BY: Mark Whitaker TITLE Compliance Officer DATE 12-3-2013

Conditions of Approval (if any):

DEC 03 2013

Covert to Salt Water Disposal
Quail State 16 No. 2
1230' FSL & 1980' FWL
Sec 16, T20S R34E
Lea County, New Mexico

AFE 2826

OBJECTIVE:	Convert to Salt Water Disposal
WELL DATA:	
13-3/8" 54.5# K-55:	Set @ 1611'. Cmt w/ 900 sx to surface
9-5/8" 40/36# HCK55/K55:	Set @ 5247'. Cmt w/ 2450sx to surface. DV @ 4009'
5-1/2" 17# HCP-110:	Set @ 13,575'. Cmt w/ 2100 sx "H", TOC 3706' TS, DV @ 8483'
CIBPs:	13,465' w/35'cmt, 12,956' no test, 12,906' w/35' cmt.
PBTD:	12,889'
TD:	13,600'

1. Notify New Mexico OCD office 48 hours prior to rigging up on well. Notify of plans to plug back to the top of Bone Springs covert to SWD well per NMOCD Administrative Order XXXX. Be sure all permits are in house prior to rigging up pulling unit.
2. Inspect rig mast anchors on location and ensure they have been tested in previous two years.
3. Set rig matting boards, 2 sets of pipe racks, cat walk, 1 steel half-frac open top workover tanks, 500 bbl test tank, and reverse unit. Build flowline from wellhead to test tank.
4. RUPU and 3K manual BOP with 2-3/8" pipe rams and blinds. Release packer and POW while tallying tubing and lay down any bad joints. Make sure to have sugar to prevent cement from setting in steel tanks.
5. RIW with 5-1/2" tubing set 10K CIBP and set at 12,800'. Pressure test casing to 500 psi to ensure plug is holding. After test is obtained mix and spot 20 sx Class "H" neat cement on top of CIBP.
6. POW standing back tubing. LD CIBP setting tool. RIW with 2-3/8" perforated sub and 2-3/8" tubing to surface and tag the new PBTD estimated to be at 12,710'. **Must tag this plug**.
7. Displace well with 100 bbls of mud laden brine mixed with 25 sx of salt gel.
8. POW to 11,101'. Mix and spot 26 sx Class "H" neat cement (15.6 ppg and 1.18 cuft/sx). Not necessary to tag.
9. POW to 8533' laying down tubing. Mix and spot 25 sx Class "H" neat cement (15.6 ppg and 1.18 cuft/sx) and POW to 8298' laying down tubing and reverse excess cement out.
10. POW and stand back 4 stands of tubing and WOC for 4 hours.
11. RIW and tag new PBTD at 8298'. **Must tag this plug.**
12. POW standing back tubing to 8105' and spot 250 gals 7.5% NEFE HCl DI acid. POW and prepare to perforate.
13. RUWL and full 5K lubricator. RIW and perforate the Delaware 1 jspf, 0.5" EH, 60° phasing as follows:

7900'-8030' (130 holes)

8080'-8105' (25 holes)

155 holes total. Make sure all shots fired and RDWL.

14. RU pump truck on casing and displace spot acid into formation using produced water. Record ISIP, 5 min, 10 min, and 15 min pressures. Max pressure 3000 psi.
15. RIW with 5-1/2" HD packer, 2-3/8" SN, and 2-3/8" tubing to surface and set packer at 7850'. Trap 500 psi on tubing casing annulus and monitor during acid job. Acidize Delaware perforations with 2500 gals 7.5% NEFE HCl DI acid. Drop 230 7/8" RCN ball sealers evenly spaced throughout the job for diversion. Max Pressure 3500 psi. Record ISIP, 5 min, 10 min, and 15 min pressures.
16. Unseat packer and RIW below bottom perf to remove and ball sealers from perforations. POW and set packer at 7850' and obtain an injection rate and pressure with 300 bpw. Report results to Midland office. **NOTE: If results are inadequate we will move up to additional zones in which the procedure will be issued at this time. Move to next step only with office approval.**
17. Unseat packer and LD remainder of workstring and packer.
18. Send workstring back to Midland stock for inspection.
19. Receive +/-7,900' of 2-7/8" EUE 8rd J-55 IPC tubing and one 2-7/8" FG sub.
20. RIW with pump out plug, 2-7/8" FG sub, 5-1/2" x 2-7/8" Weatherford Arrowset IX double-grip nickel plated casing packer with IPC top sub and mandrel, 4-1/2" OD x 2-7/8" x 1.50" "F" stainless profile TOSSD, and 2-7/8" IPC tubing. (The shear on the pump out plug will be figured after the injection test). Handle all lined tubing with care and use stabbing guide on every joint. Set packer @ 7850'. Release overshot and displace tubing/casing annulus with packer fluid.
21. Engage TOSSD overshot, RU pump truck and pump out plug and establish injection rate.
22. Notify OCD of intent to run MIT test on annulus. Test well on chart recorder to 500 psi and notify Midland Office of the results. Send signed chart into Midland office to be filed with injection permit.
23. RDPU and clean location. Release all rental equipment.
24. Build surface injection facilities and run disposal lines from producing batteries to injection well.
25. After approval is given from Midland Office and NMOCD, start injecting water into well. Maximum allowable injection pressure - 1067 psi.
26. Report rate, injection volume, and pressure to Midland Office on daily drilling report.

PROPOSED

Well: **Quail State "16" No. 2**

Operator: **Fasken Oil and Ranch, Ltd.**

Location: 1230' FSL and 1980' FWL
Sec 16, T20S, R34E
Lea County, NM

Compl.: 7/24/2010 released rig

API #: 30-015-39340

TD: 13600'

PBTD: 13,562' (drl out FC@13,531.29')

Csg1: **13-3/8" 54.5# K55 & 48# H40** @ 1611.07'
w/900sx "C" w/4% gel & 2% CaCl2 (13.5 ppg, 1.74 cuft/sk)
+350sx "C" w/2% CaCl2 (14.8ppg,1.32 Cuft/sk)
TOC surf, circ 445 sx

Csg2: **9-5/8" 40, 36 & 55# HCK55&K55** @ 5247.37' KB
1st stg:350sx HLC w/15# salt, 1/8# Poly-E-Flake(12.6ppg,2.23ft3/sx)
+200sx "C"(14.8ppg, 1.32 cuft/sk). Circ 50 sx thru DV1.

DV1: 4009.50'
2nd stg:1500sxHLCw/15# salt, 1/8# Poly-E-Flake(12.6ppg,2.23ft3/sx)
+200sx "C"(14.8ppg, 1.32 cuft/sk).
9-5/8" TOC Surf, Circ 337 sx.

Csg3: **5-1/2" 17# HCP-110** @ 13,574.84'
1st stg: 1200sx Super"H" Modified(13.2ppg,1.63cuft/sk),
Circ 138 sx thru DV2.

DV2: 8493' (ACP 10 elelment @ 8492.96')
2nd stg: 700sx Light "H" w/1/8#Poly-E-Flake(12.4ppg,2.0ft3/sx)
+200sx "H" neat(15.6ppg, 1.28 cuft/sk). Diff 1700 psi prior to BP.

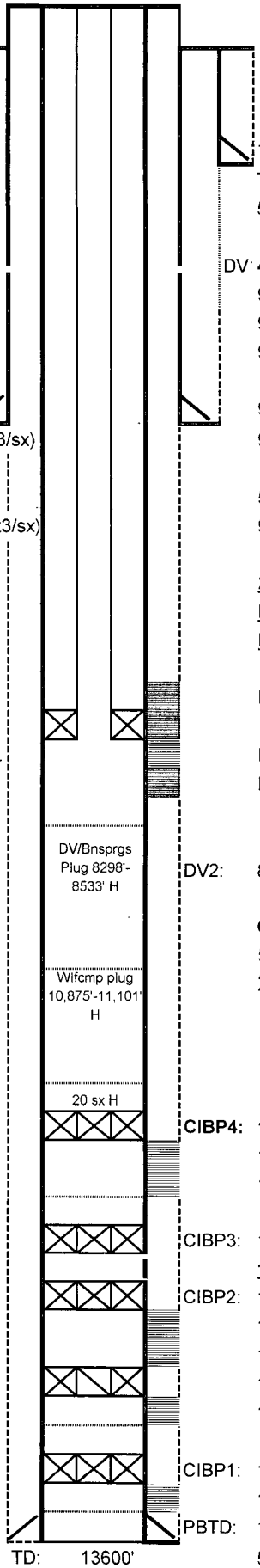
TOC: 5-1/2" TOC 3706' by Temp

Tubing

Perfs and Plugs:
Proposed

CIBP4:	**12,800' w/ 20 sx class "H" cmt**	
7/30/2013	12853-71' (1jspf, 0° ph, SG, 18h)	
7/30/2013	12830-42' (1jspf, 0° ph, SG, 12h)	
	12853-71' (0° ph, SG, ?h)	
CIBP3:	12889' PBTD , 12906' w/2sx "H" cmt	7/26/2013
CIBP2:	12956' **No test, csg collar lk 12860'**	7/17/2013
5/16/2010	122988-91' (2spf, 0° ph, SG, 6h)	U Morrow
5/16/2010	12,994'-13,000' (2spf, 0° ph, SG, 12h)	U Morrow
Pkr1:	13183.08' (AS 10K 1.781"F" PN w/blnk plug)	
9/17/2010	13296'-13321' (1spf, 0°ph,SG,26h)	M. Morrow 0.23"
CIBP1:	13465' PBTD , 13500' w/35' "H" cmt	9/13/2010
	13,520'-33' (1spf, 0°ph,SG,14h)	L. Morrow 0.23"

Hole Sizes: 17-1/2" Surf-1620; 12-1/4" 1620'-5248'; 8-3/4" 5248'-13600'



GL: 3636'
KB: 3655'

13-3/8" 54.5# K55 & 48# H40 @ 1611.07'
TOC surf, circ 445 sx
5-1/2" TOC 3706' by Temp

DV: 4009.50'
9-5/8"40# HCK55 0'-954.03'
9-5/8"36# K55 954.03'-4009.50'
9-5/8"40# 4009.50'-5247.37'

9-5/8" 40, 36 & 55# HCK55&K55 @ 5247.37'
9-5/8" TOC Surf, Circ 337 sx.

5-1/2" 20# casing weight:
9256.16' and below

2-7/8" Poly Lined to 7850'
Proposed 5-1/2" x 2-7/8" Injection Packer @ 7850'

Delaware Injection Interval 5334'-8355'

Perfs 7900'-8030' (130h)
Perfs 8080'-8105' (25h)

DV2: 8493'

Capacity	bbl/ft
5-1/2" 17#	0.0232
2-3/8" EUE 8rd AB Mod	0.00232

CIBP4: **12,800' w/ 20 sx class "H" cmt**
12853-71' (1jspf, 0° ph, SG, 18h)
12830-42' (1jspf, 0° ph, SG, 12h)

CIBP3: 12889' PBTD , 12906' w/2sx "H" cmt
12860' bad collar

CIBP2: 12956' No test, csg collar lk 12860'
122988-91' (2spf, 0° ph, SG, 6h)
12,994'-13,000' (2spf, 0° ph, SG, 12h)
13183.08' (AS 10K 1.781"F" PN w/blnk plug)
13296'-13321' (1spf, 0°ph,SG,26h)

CIBP1: 13465' PBTD , 13500' w/35' "H" cmt
13,520'-33' (1spf, 0°ph,SG,14h)

PBTD: 13,562' (drl out FC@13,531.29')

TD: 13600'

5-1/2" 17# HCP-110 @ 13,574.84'

cwb
9-18-13
QauilSt16_2 WB diagram.xls

as of 8-1-13

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Csg2: **9-5/8" 40, 36 & 55# HCK55&K55** @ 5247.37' KB
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TOC: 5-1/2" TOC 3706' by Temp

Tubing 8/1/2013 AJL = 31.60

1- WL Re-entry Guide		0.34
1- 1.875" XN Nipple		1.40
1- 5-1/2" x 2-3/8" Arrowset 1X10K Pkr w/ 1.81" "F"		7.26
1- 5-1/2" x 2-3/8" TOSSD		1.66
402- 2-3/8" EUE 8rd N80 AB Mod tbg		12702.76
	sub total	12713.42
	slack off	-6.20
	below KB	17.00
	EOT @	12724.22

Perfs and Plugs:

7/30/2013	12853-71' (1jspf, 0° ph, SG, 18h)		
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CIBP3:	12889' PBTD , 12906' w/2sx "H" cmt	7/26/2013	
CIBP2:	12956' **No test, csg collar lk 12860'**	7/17/2013	
5/16/2010	122988-91' (2spf, 0° ph, SG, 6h)	U Morrow	
5/16/2010	12,994'-13,000' (2spf, 0° ph, SG, 12h)	U Morrow	
Pkr1:	13183.08' (AS 10K 1.781"F" PN w/blnk plug)		
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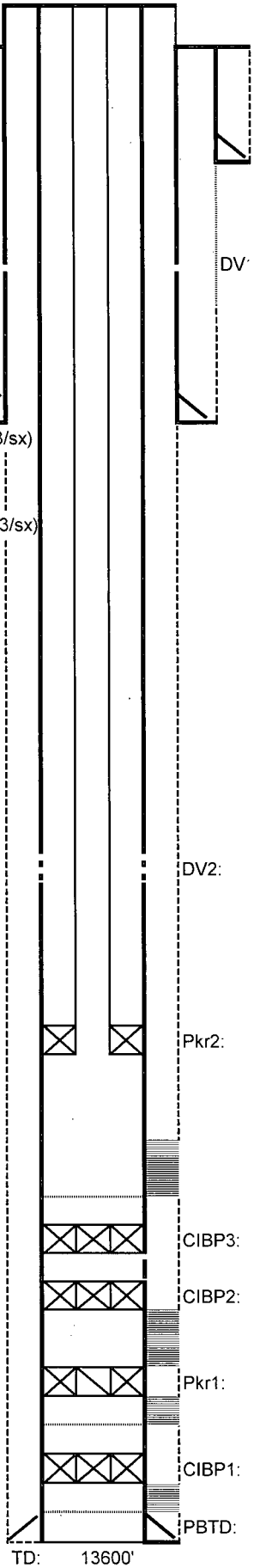

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