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

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 SWD Well HOBBS OCD

8. Well Number 2

2. Name of Operator
Fasken Oil and Ranch, Ltd. MAR 21 2014

9. OGRID Number
151416

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

10. Pool name or Wildcat
SWD ~~Quail Ridge~~; Delaware {96100}

RECEIVED

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' GR

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:	☐			OTHER: Recomplete & Convert to SWD	☒		

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.

1-9-2014 – 2-15-2014

Notified Mark Whitaker with the New Mexico OCD in Hobbs, NM on 1/8/14 at 3:00 p.m. of intent to start completion on Friday 1-10-14 and plug back to top of Bones Springs and convert to SWD per NMOCD Administrative Order SWD-1453. Verbal approval was given by Mr. Whitaker to proceed. RUPU. Set a 5-1/2" 10K CIBP @ 12,800'. Loaded well w/ 15 bbw containing biocide and tested the CIBP to 500 psi for 10" w/ no pressure loss. Notified Mark Whitaker w/ NMOCD, given approval to proceed with procedure.

Please see attached Sundry Notice Attachment for additional information.

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 3-20-2014

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

For State Use Only

APPROVED BY: Bill Lemanek TITLE Staff Manager DATE 3-26-14

Conditions of Approval (if any):
SWD-1453

MAR 26 2014

Fasken Oil and Ranch, Ltd.
Quail "16" State No. 2
API No. 30-025-39340
Convert to SWD
Sundry Notice Attachment

1-9-2014 – 2-15-2014

Mixed and spotted 25 sx Class "H" neat cement (15.6 ppg and 1.18 cuft/sx) (25 sx was pumped per request by Mark Whitaker with NMOCD for plug to be at least 100' above CIBP). Tagged plug @ 12,673'. Spotted 26 sx Class "H" neat cement (s.w. 15.6 ppg, yield 1.18 cuft/sk). Spotted 25 sx Class "H" neat cement (s.w. 15.6 ppg, yield 1.18 cuft/sk). WOC for 4 hrs. RIW and tagged new PBTD @ 8291'. Perforated Delaware w/ 1 JSPF, 0.5" EH, 60 degree phasing as follows: 7900'-8030' (130 holes) and 8080'-8105' (25 holes). POW and found all shots fired except shot at 7998' (154 total shots fired). Acidize perfs from 7900' – 8105' w/ 2750 gals of 7.5% NEFE HCI DI acid & 230 7/8" RCN 1.3 sg ball sealers evenly spaced for diversion. RIW below the bottom perforation @ 8105' and POW w/ HD packer to 8750' and reversed 15 bpw and reset packer, loaded tbg/csg annulus and pressured to 500 psi and monitored. Pumped step rate test as follows:

Rate	Beginning pressure	Ending pressure	Time	Bbls pumped
0.5 bpm	1213 psi	1325 psi	5"	2.5
1.0 bpm	1428 psi	1470 psi	5"	5.0
1.5 bpm	1630 psi	1660 psi	10"	15.0
2.0 bpm	1763 psi	1749 psi	10"	20.0
2.5 bpm	1951 psi	1992 psi	86"	220.0
2.0 bpm	1820 psi	1809 psi	10"	20.0
1.5 bpm	1660 psi	1654 psi	10"	15.0
1.0 bpm	1550 psi	1500 psi	5"	5.0
0.5 bpm	1411 psi	1410 psi	5"	2.5
			Total pumped	305 bpw

POW w/ 5-1/2" HD packer and RIW with 5-1/2" TS RBP. Set RBP @ 7050' and set packer @ 6998'. RU Warrior Energy acid trucks and tested RBP to 3500 psi for 10" w/ no pressure loss. RIW w/ 3-1/8" slick gun and perforated Delaware w/ 1 JSPF, 0.50" EH, 60 degree phasing as follows: 6961'-6999' (38 holes), 6923'-6933' (10 holes), 6748'-6812' (64 holes), and 6641'-6668' (27 holes). Acidized Delaware perforations from 6641' – 6999' w/ 4400 gals 15% NEFE HCI DI acid and 215 7/8" RCN 1.3 s.g. ball sealers evenly spaced for diversion. Released HD packer and RIW below the bottom perforation @ 6999' and POW to 6532' and reversed 10 bpw and reset packer. Loaded

tbg/csg annulus and pressured to 500 psi and monitored. Pumped step rate test as follows:

Rate	Beginning pressure	Ending pressure	Pump Time	Bbls pumped
0.5 bpm	1038 psi	1060 psi	5"	2.5
1.0 bpm	1160 psi	1201 psi	5"	5.0
1.5 bpm	1310 psi	1338 psi	5"	7.5
2.0 bpm	1525 psi	1541 psi	5"	10.0
2.5 bpm	1660 psi	1720 psi	100"	250.0
2.0 bpm	1533 psi	1534 psi	5"	0.0
1.5 bpm	1358 psi	1351 psi	5"	7.5
1.0 bpm	1247 psi	1237 psi	5"	5.0
0.5 bpm	1170 psi	1173 psi	5"	2.5
			Total pumped	300 bpw

Bled down the tbg/csg annulus and released 5-1/2" HD packer. RIW and engaged 5-1/2" TS RBP, released and POW w/ RBP and HD packer. Set RBP at 6620' and packer at 6595'. RU Warrior Energy Services and tested the plug to 4000 psi for 10" w/ no pressure loss and released packer. RIW with 3-1/8" slick gun and perforated (1 JSPF, 0.50" EH, 60 degree phasing) as follows: 6236'-6260' (24 holes), 6327'-6342' (15 holes), 6380'-6405' (25 holes), 6420'-6435' (15 holes), 6489'-6566' (77 holes), and 6585'-6590' (5 holes). Acidized Delaware perforations from 6236' – 6590' w/ 6000 gals 15% NEFE DI HCL acid and dropped 245 -7/8" RCN 1.3 s.g. ball sealers evenly spaced for diversion. RIW below the bottom perforations @ 6590' to remove any ball sealers from perforations. POW to 6114' and reversed 15 bpw, set the packer, loaded and test tbg/csg annulus to 500 psi w/ no pressure loss and monitored throughout step rate test. Pumped step rate test as follows:

Rate	Beginning pressure	Ending pressure	Pump Time	Bbls pumped
0.5 bpm	420 psi	550 psi	5"	2.5
1.0 bpm	680 psi	800 psi	5"	5.0
1.5 bpm	940 psi	1020 psi	5"	7.5
2.0 bpm	1150 psi	1200 psi	5"	10.0
2.5 bpm	1260 psi	1600 psi	80"	200.0
1.5 bpm	1260 psi	1235 psi	34"	50.0
1.0 bpm	1130 psi	1130 psi	25"	25.0
			Total pumped	300 bpw

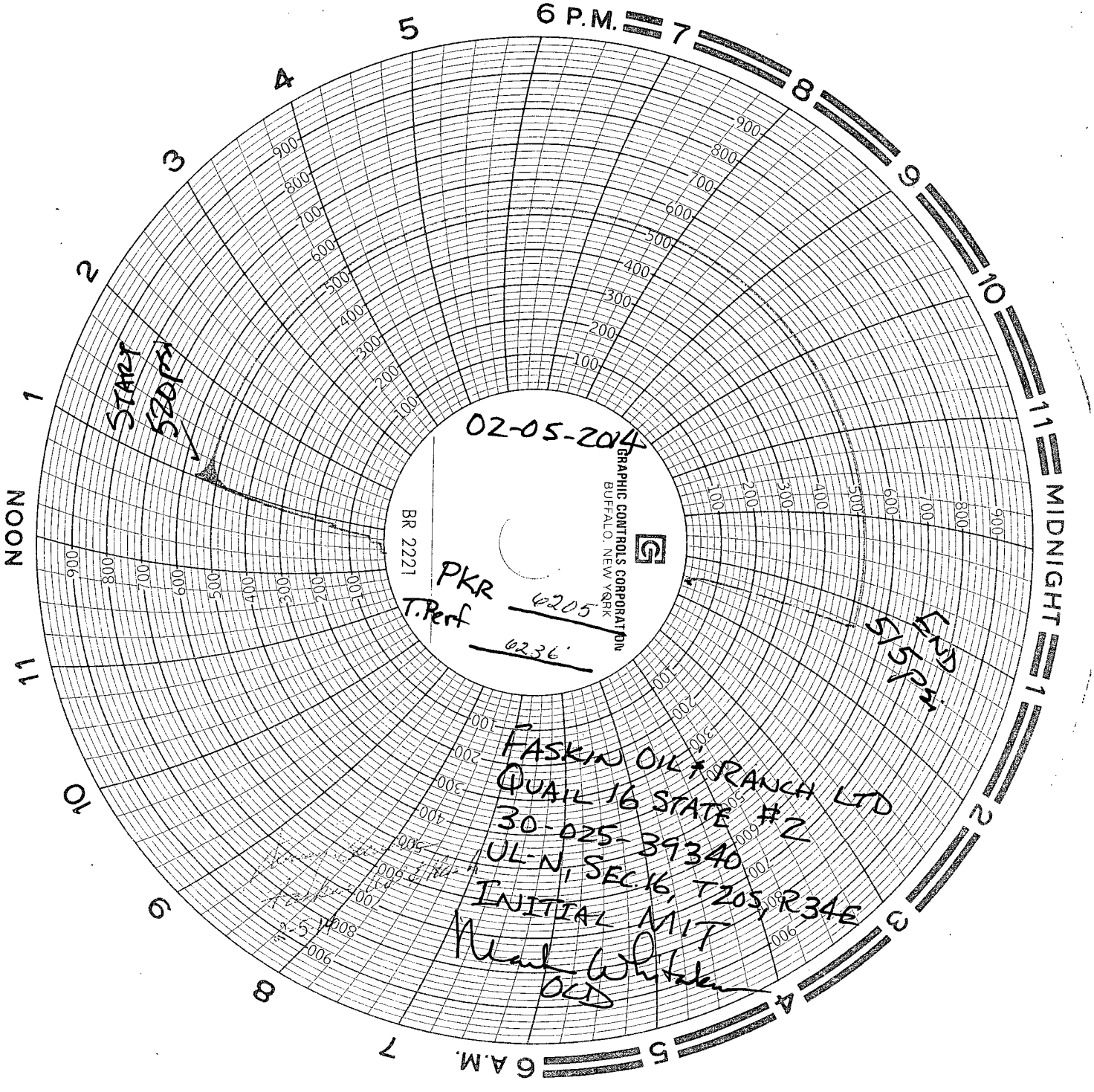
RD pump truck w/ SITP-1030 psi. SD for 1 hr w/ tubing pressure @ 940 psi and opened tubing to flow back tank for 1 hr and recovered 110 bpw. SITP-150 psi and well still flowing back. Bled down pressure and flowed back 8 bpw and well was dead. Released the HD packer and RIW and engaged the 5-1/2" TS RBP, released and POW w/ packer and plug. RIW and set 5-1/2" HD packer @ 6114', loaded the tbg/csg annulus w/ 1.5 bpw and tested to 500 psi w/ no pressure loss and monitored throughout test. Pumped step rate test as follows:

Rate	Beginning pressure	Ending pressure	Pump Time	Bbls pumped
0.5 bpm	550 psi	750 psi	40"	20.0
1.5 bpm	950 psi	1210 psi	163.35"	245.0
1.0 bpm	1130 psi	1120 psi	60"	60.0
2.0 bpm	1400 psi	1450 psi	37'	75.0
2.5 bpm	1575 psi	1620 psi	40"	100.0
			Total pumped	500 bpw

Notified Mark Whitaker with NMOCD of intent to run MIT test @ 8:00 am on 2-5-14. RIW w/ 191 jts c 2-7/8" EUE 8rd J-55 IPC-101 tubing @ 6219'. Spaced out and set 5-1/2" AS IX packer @ 6205' w/ 12K compression. Pressure tested tbg/csg annulus to 500 psi for 30" on chart recorder w/ no pressure loss. RD pump truck and installed a 2-7/8" (3705 W.P.) aluminum bronze gate valve on top of the tbg. SWI and SDON. Will perform MIT test on 2-5-14 at 8 am. RU pump truck w/ chart recorder and ran MIT test witnessed by Mark Whitaker with NMOCD. Please see attached chart. Released all rental equipment, cleaned location and RDPU. Left well shut in. SITP- vacuum. Backhoe leveled location and extended firewall around battery. Contractor began installing surface facilities.

2-15-14

Started pump at 3:30 pm injecting 1200 bpwpd at 880 psi.


6 P.M.
MIDNIGHT
6 A.M.
NOON
02-05-2014
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
BR 2221
PKR 6205
T.Perf 6236
Start 520psi
End 515psi
FASKEN OIL & RANCH LTD
QUAIL 16 STATE #2
30-025-39340
UL-N, SEC 16, T20S, R34E
INITIAL MIT
Mark Whitaker
OCD