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

HOBBS OCD
MAR 19 2014
RECEIVED

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 July 18, 2013

☐ AMENDED REPORT

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

1. Operator Name and Address	2. OGRID Number
Fasken Oil and Ranch, Ltd. 6101 Holiday Hill Road, Midland, TX 79707	151416
	3. API Number 30-025-41771

4. Property Code	5. Property Name	6. Well No.
32342	Laguna "16" State	5H

7. Surface Location POTASH AREA

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
M	16	20S	32E		330	South	330	West	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
D	16	20S	32E		330	North	330	West	Lea

9. Pool Information

Pool Name	Pool Code
Salt Lake; Bone Spring	53560

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
N	O	R	S	3513.3' GR
16. Multiple	**17. Proposed Depth**	**18. Formation**	**19. Contractor**	**20. Spud Date**
No	14,215' MD; 12,000' TVD	Bone Spring	TBD	5-1-2014

Depth to Ground water	Distance from nearest fresh water well	Distance to nearest surface water

☒ **We will be using a closed-loop system in lieu of lined pits**

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	26"	20"	133	1050'	1550 C	Surface
Salt Protect	17 ½"	13 3/8"	54.5 & 61	2600'	1350 LW C & 400 C	Surface
Intermediate	12 ¼"	9 5/8"	40	4600'/DV Tool @ 3000'	950 Light C & 450 C	Surface

Casing/Cement Program: Additional Comments

Production Csg. – 8 3/4" hole size, 5 1/2" csg., 17 #, 14,215', cemented w/ 1100 sx LW & 1350 sx LTS, TOC @ Surface.

22. Proposed Blowout Prevention Program

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

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. **I further certify that I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☐, if applicable.** Signature: Kim Tyson	OIL CONSERVATION DIVISION Approved By:
Printed name: Kim Tyson	Title: Petroleum Engineer
Title: Regulatory Analyst	Approved Date: 04/09/14 Expiration Date: 04/09/16
E-mail Address: kimt@forl.com	
Date: 3-14-2014 Phone: 432-687-1777	Conditions of Approval Attached

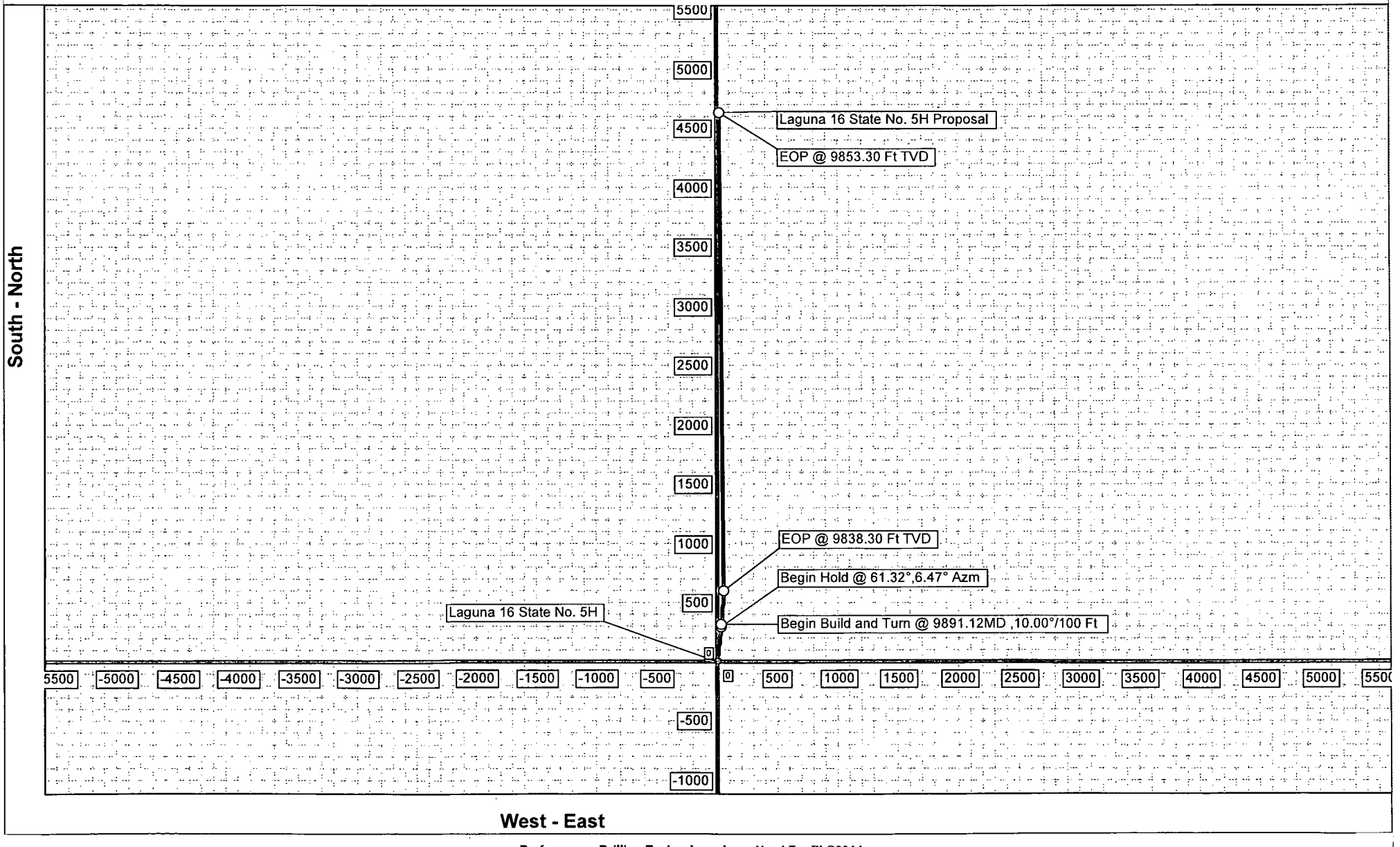
APR 14 2014

Fasken Oil and Ranch, Ltd.
Laguna "16" State No. 5H
Additional Remarks

This well will have a pilot hole drilled to a depth of 12,000 ' TVD. Then the well will be plugged back to 8800' where it will be completed as a Bone Springs horizontal. Please find attached the Cooperative Development Agreement between Fasken Oil and Ranch, Ltd., Intrepid, and Mosiac concerning the drilling and completeing of wells in this section.

Job Number: Laguna 5H
Company: Fasken Oil and Ranch
Lease/Well: Laguna 16 State No. 5H
Location: Southeast New Mexico
Rig Name: Nomac 54
State/County: New Mexico/ Lea
Country: USA
API Number:

Elevation (To MSL): 3513.30 ft
RKB: 25.00 ft
Projection System: US State Plane 1927 (Exact solution)
Projection Group: New Mexico East 3001
Projection Datum: CLARKE 1866
Magnetic Declination: 7.37
Grid Convergence: 0.29879 E
Date: Friday, March 07, 2014



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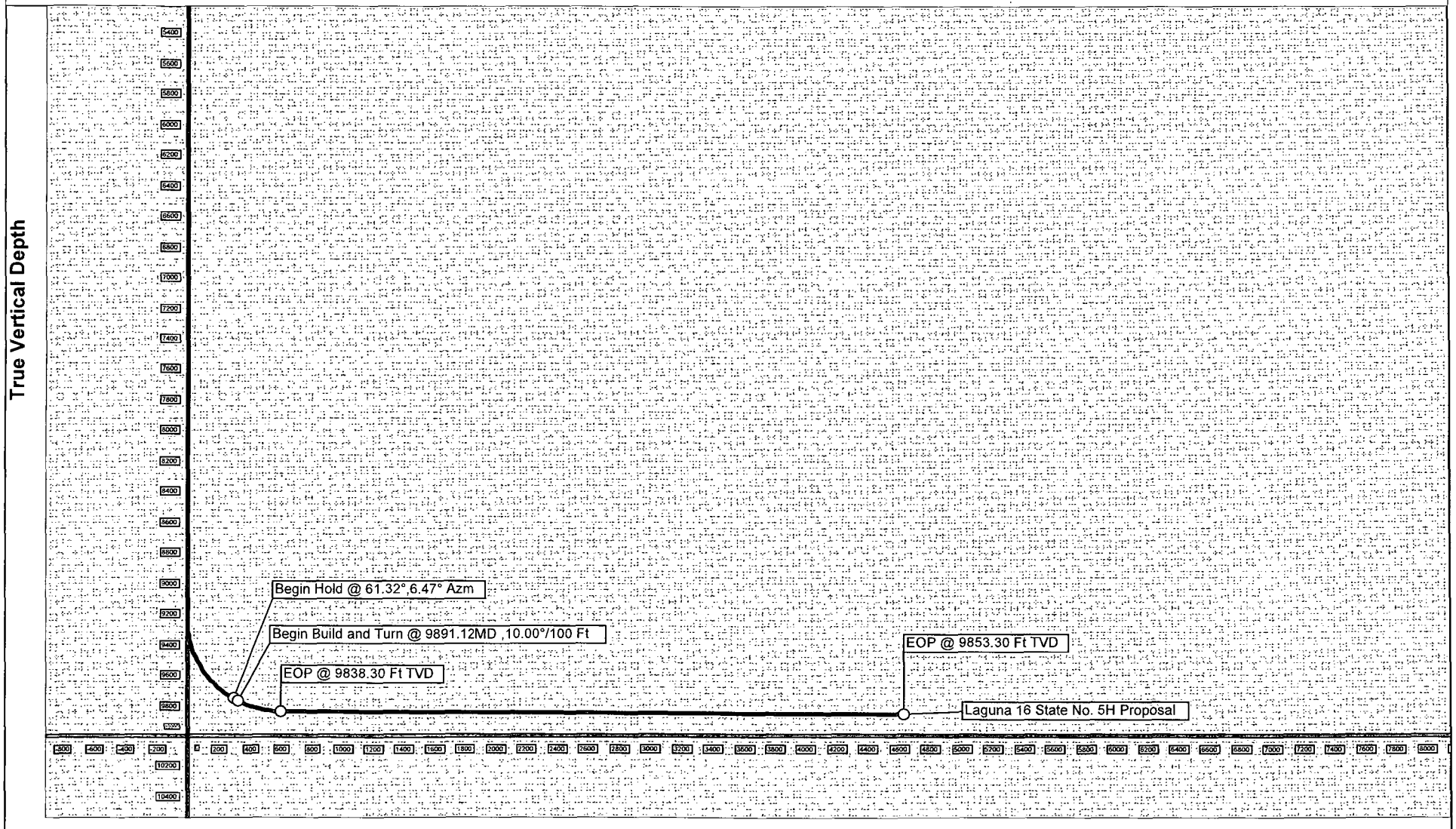
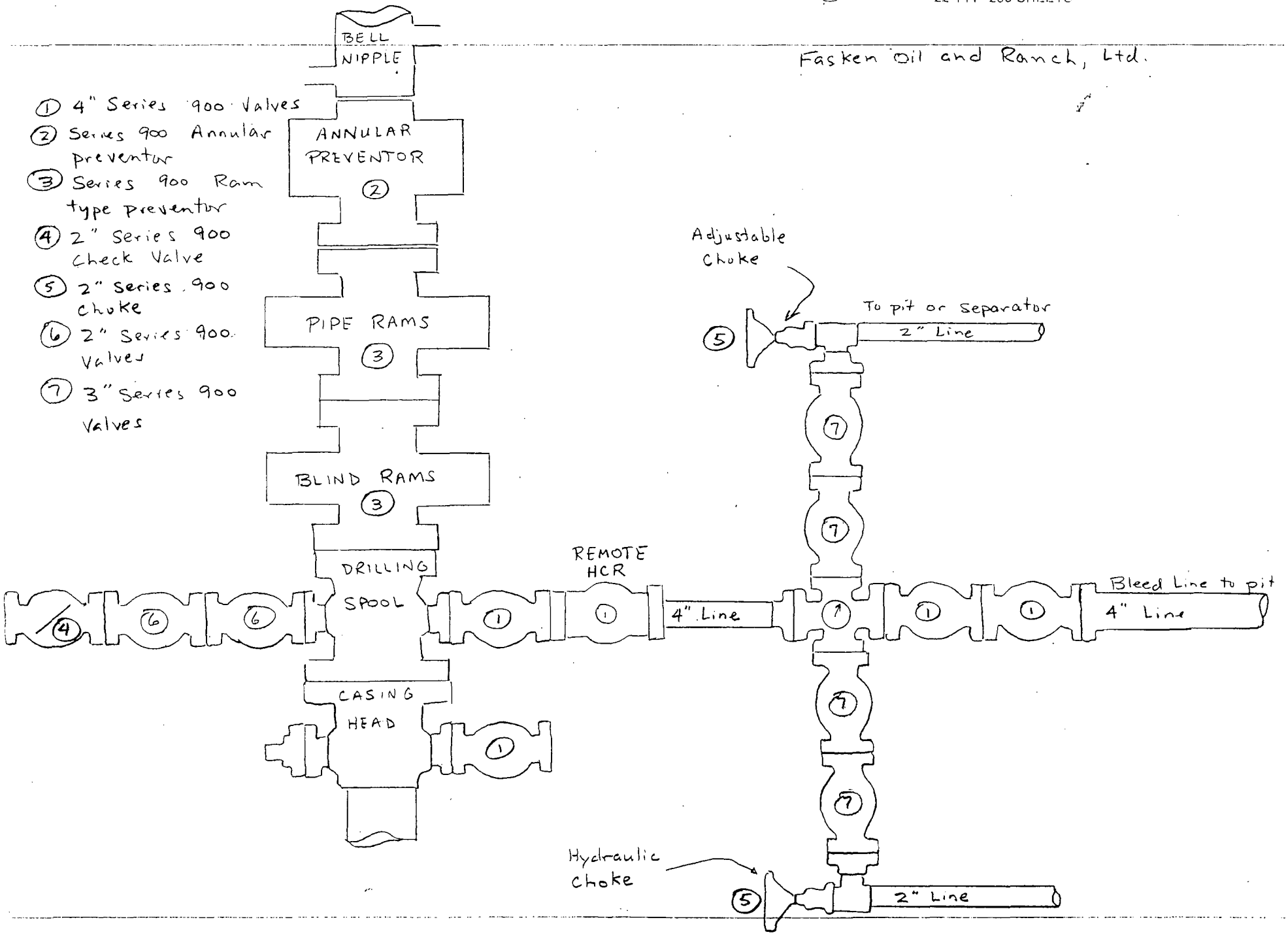


Job Number:	Laguna 5H	**Elevation GL:**	3513.30 ft **RKB:** 25.00 ft
Company:	Fasken Oil and Ranch	**Projection System:**	US State Plane 1927 (Exact solution)
Lease/Well:	Laguna 16 State No. 5H	**Projection Group:**	New Mexico East 3001
Location:	Southeast New Mexico	**Projection Datum:**	CLARKE 1866
Rig Name:	Nomac 54	**Mag. Declination:**	7.37° (C:\HawkEye\IGRF2005.MIF)
State/County:	New Mexico/ Lea	**Grid Convergence:**	0.30225 E
Country:	USA	**Date:**	Friday, March 07, 2014

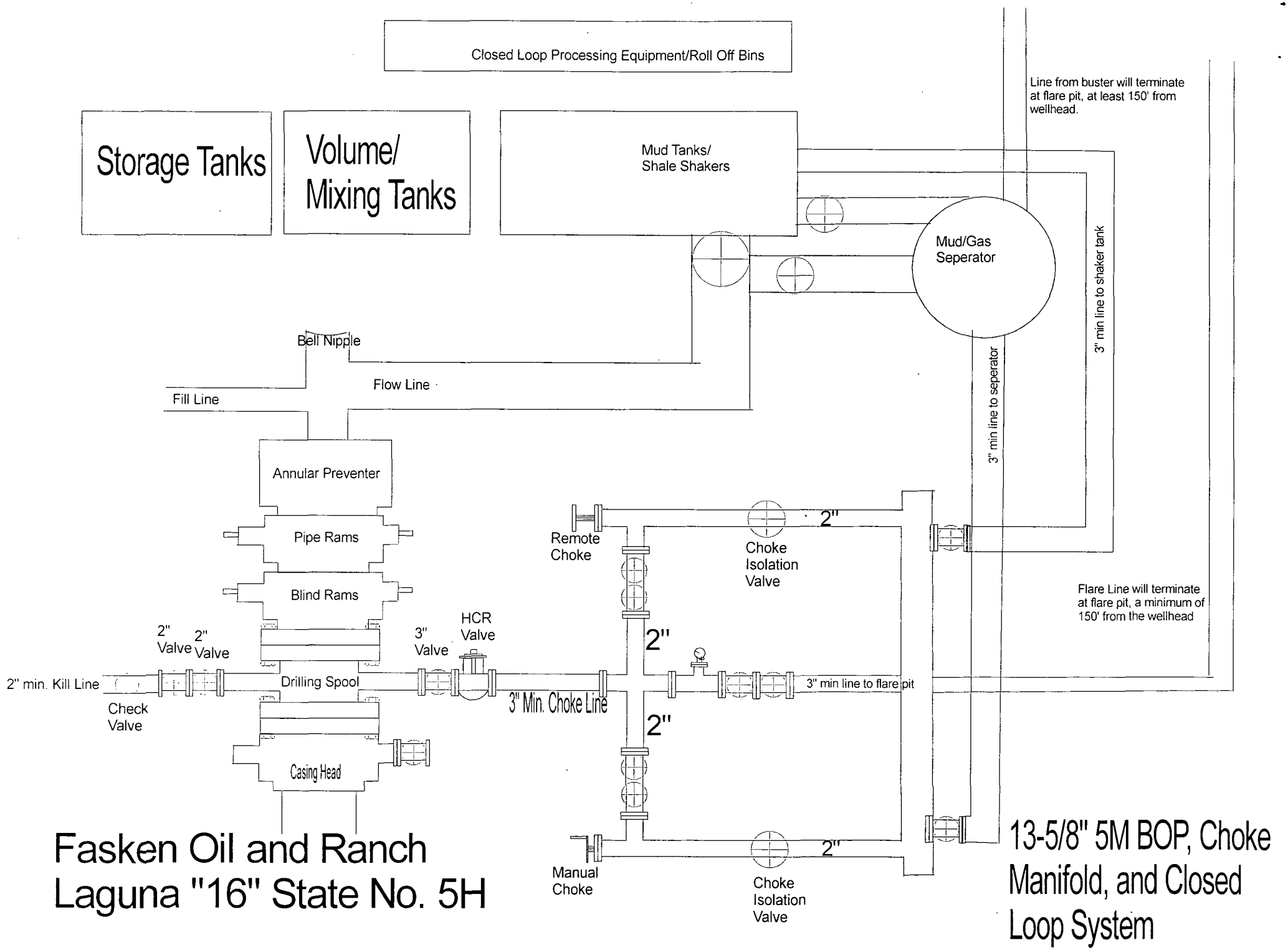
Calculated by HawkEye Software
Minimum Curvature Method
Vertical Section Plane 0.00°
Northing (US ft): 570346.90 Easting (US ft): 671000.60
Latitude: 32°34'0.3541" N Longitude: -103°46'41.7769" W
Well Location: 323.82 FSL, 333.82 FWL, Section 16, T20S, R32E, New Mexico Principal Meridian, Lea County, NM
Direction Reference: Grid North

Measured Depth (Ft)	INC Deg	AZM Deg	TVD (Ft)	EW (Ft)	NS (Ft)	VS (Ft)	Closure (Ft)	Walk Rate °/100 Ft	Build Rate °/100 Ft	DLS °/100 Ft
0.00	0.00	0.00	0.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
500.00	0.00	0.00	500.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
1000.00	0.00	0.00	1000.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
1500.00	0.00	0.00	1500.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
2000.00	0.00	0.00	2000.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
2500.00	0.00	0.00	2500.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
3000.00	0.00	0.00	3000.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
3500.00	0.00	0.00	3500.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
4000.00	0.00	0.00	4000.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
4500.00	0.00	0.00	4500.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
5000.00	0.00	0.00	5000.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
5500.00	0.00	0.00	5500.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
6000.00	0.00	0.00	6000.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
6500.00	0.00	0.00	6500.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
7000.00	0.00	0.00	7000.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
7500.00	0.00	0.00	7500.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
8000.00	0.00	0.00	8000.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
8500.00	0.00	0.00	8500.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
9000.00	0.00	0.00	9000.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
9250.00	0.00	0.00	9250.00	-1977.80	-392.10	-392.10	2016.29	0.00	0.00	0.00
9350.00	10.00	6.47	9349.49	-1976.82	-383.45	-383.45	2013.67	6.47	10.00	10.00
9450.00	20.00	6.47	9445.96	-1973.91	-357.77	-357.77	2006.07	0.00	10.00	10.00
9550.00	30.00	6.47	9536.48	-1969.15	-315.83	-315.83	1994.32	0.00	10.00	10.00
9650.00	40.00	6.47	9618.29	-1962.70	-258.91	-258.91	1979.70	0.00	10.00	10.00
9750.00	50.00	6.47	9688.91	-1954.74	-188.74	-188.74	1963.83	0.00	10.00	10.00
9850.00	60.00	6.47	9746.20	-1945.52	-107.44	-107.44	1948.49	0.00	10.00	10.00
9863.18	61.32	6.47	9752.65	-1944.23	-96.03	-96.03	1946.60	0.00	10.00	10.00
9891.12	61.32	6.47	9766.06	-1941.47	-71.68	-71.68	1942.79	0.00	0.00	0.00
9991.12	71.04	3.88	9806.41	-1933.30	19.32	19.32	1933.40	-2.59	9.72	10.00
10091.12	80.78	1.59	9830.73	-1928.72	116.08	116.08	1932.21	-2.30	9.75	10.00
10183.36	89.79	359.58	9838.30	-1927.80	207.90	207.90	1938.98	-2.17	9.76	10.00
10683.36	89.79	359.58	9840.15	-1931.46	707.88	707.88	2057.10	0.00	0.00	0.00
11183.36	89.79	359.58	9842.01	-1935.12	1207.87	1207.87	2281.15	0.00	0.00	0.00
11683.36	89.79	359.58	9843.87	-1938.78	1707.85	1707.85	2583.72	0.00	0.00	0.00
12183.36	89.79	359.58	9845.73	-1942.44	2207.83	2207.83	2940.68	0.00	0.00	0.00
12683.36	89.79	359.58	9847.59	-1946.10	2707.82	2707.82	3334.60	0.00	0.00	0.00
13183.36	89.79	359.58	9849.45	-1949.76	3207.80	3207.80	3753.87	0.00	0.00	0.00
13683.36	89.79	359.58	9851.31	-1953.42	3707.78	3707.78	4190.88	0.00	0.00	0.00
14183.36	89.79	359.58	9853.17	-1957.08	4207.77	4207.77	4640.63	0.00	0.00	0.00
14213.60	89.79	359.58	9853.29	-1957.30	4238.00	4238.00	4668.16	0.00	0.00	0.00

Fasken Oil and Ranch, Ltd.



1. 4" Series 900 Valves
2. Series 900 Annular preventor
3. Series 900 Ram type preventor
4. 2" Series 900 Check Valve
5. 2" Series 900 Choke
6. 2" Series 900 Valves
7. 3" Series 900 Valves


Closed Loop Processing Equipment/Roll Off Bins
Storage Tanks
Volume/
Mixing Tanks
Mud Tanks/
Shale Shakers
Line from buster will terminate at flare pit, at least 150' from wellhead.
Mud/Gas
Seperator
3" min line to shaker tank
3" min line to seperator
Bell Nipple
Flow Line
Fill Line
Annular Preventer
Pipe Rams
Blind Rams
2" Valve
2" Valve
3" Valve
HCR Valve
2" min. Kill Line
Drilling Spool
Check Valve
3" Min. Choke Line
Casing Head
Remote Choke
Choke Isolation Valve
2"
2"
2"
2"
3" min line to flare pit
Flare Line will terminate at flare pit, a minimum of 150' from the wellhead
Manual Choke
Choke Isolation Valve
Fasken Oil and Ranch
Laguna "16" State No. 5H
13-5/8" 5M BOP, Choke Manifold, and Closed Loop System