

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 OGD

State of New Mexico

Energy, Minerals and Natural Resources

Form C-103

Revised July 18, 2013

SEP 12 2016

RECEIVED

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

WELL API NO. 30-025-05290
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. NM-18164
7. Lease Name or Unit Agreement Name Denton ✓
8. Well Number 3Y ✓
9. OGRID Number 151416 ✓
10. Pool name or Wildcat Denton; Devonian
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3974.5' 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
 Unit Letter B : 660' feet from the North line and 1940' feet from the East line
 Section 11 Township 15S Range 37E NMPM County Lea

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- DOWNHOLE COMMINGLE
- CLOSED-LOOP SYSTEM
- OTHER:
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING/CEMENT JOB
- OTHER: Add Perfs/Acidize
- ALTERING CASING
- P AND A

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.

Please see attachment for all workover procedures.

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 Addison Long TITLE Regulatory Analyst DATE 9/9/16

Type or print name Addison Long E-mail address: addisonl@forl.com PHONE: 432-687-1777

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 09/22/16
 Conditions of Approval (if any):

Denton 3 – Add perforations and Acidized

7/20/16-9/7/16

Spotted rig on location. Loaded tubing w/ 30 bbls 2% KCl water w/ biocide added, tested plug to 1500 psi for 15" w/ 60 psi loss. Bled tubing down and pressured back up to 1500 psi and lost all pressure in 20 seconds. POW w/ packer and reset 1 jt higher. Attempted to test plug to 1500 psi w/ 450 psi loss in 5". Released packer, RIW, engaged & released plug and set 1 jt deeper. LD 1 jt and set packer. Loaded tubing w/ 16 bbls 2% KCl water w/ biocide added and attempted to test plug again w/ 600 psi loss in 5". Found top element on packer cut w/ ½ of it missing. RIW w/ new BHA as follows, 5-1/2" Kline RBP, retrieving head, 2-3/8" x 4' tubing sub, 5-1/2" Crest packer, XO, SN and 340 jts of tubing. Set RBP @ 10,653' and set packer @ 10,603'. Tested casing from RBP to surface to 540 psi for 35" w/ no pressure loss. Tagged fill at 11,779' (tbg tally) and cleaned out to 11,805'. Drilled RBP to 11,808' and RIW to 12,678' (tbg tally) w/ old PBTD @ 12,687'. Established reverse circulation and drilled hard for 4' then soft for 2.5'. Lost circulation and was unable to clear tbg plug. POW w/ BHA w/ bit swinging @ 11,601'. RIW w/ 32 jts, PU swivel and installed 2-7/8" stripper rubber. Established reverse circulation w/ 116 bbls of 2% KCl water w/ biocide added and drilled to 12,794' (tbg tally). Caught samples from returns w/ cast iron pieces, aluminum and pink color of hydro mite cement. Tested cement with 15% HCl acid with slow reaction. Bit started torqueing up on hard bottom. Pulled up 3' and displaced well w/ 300 bbls 2% KCl water w/ biocide added with clean returns at end of well displacement. LD swivel and POW w/ 240 jts tbg. Left bit swinging @ 5241' FS. Perforated well at (12,779'-12,793')(12,716'-12,766') with 3-1/8" gun, 2 jspf, 120 degree phased, charged with 21.0 gram, 0.42 EH, 42.26" penetration. Total of 132 holes with all shots fired. Set CIBP @ 12,680' and dump bailed 3 sx Class "H" on top and POW w/ 40' bailer. RIW w/ bailer and dump bailed 15 gallons of 15% HCl NEFE DI acid @ 12,339' and POW. RIW w/ full lubricator, 3-1/8" slick gun loaded w/ 2 jspf, 120 degree phased, .50 EH with 46" penetration, and perforated well @ (12,314'-12,340') and (12,263'-12,290'). POW w/ all shots fired and no change in well conditions. Total of 106 holes and RD Wireline. Spotted 500 gallons of 15% HCl NEFE DI acid w/ EOT @ 12,339'. POW w/ packer swinging @ 12,103', reversed 9 bpw and spaced out packer for 20 pts compression. ND BOP and NU flow tree w/ packer set in 20 pts compression. Attempted to break down perforations from 12,263'-12,290' and 12,314'- 12,340' with 2000 psi w/ no break. Notified Midland Office w/ results and given permission to increase pressure to 3000 psi in 100 psi increments w/ no success. RU pump truck, loaded tbg/csg annulus w/ 20 bpw with biocide added and maintained 300 to 500 psi on casing while increasing pressure to 4500 psi. Displaced acid w/ 17 bpw as follows; MIR-1.5 bpm, AIR-0.3 bpm, MIP-4530 psi, AIP-2500 psi, ISIP-4266 psi, 5"-3027 psi, 10"-2711 psi, 15"-2513 psi. Did not break but pumped into formation. RIW w/ tubing and 5-1/2" 10K CIBP and HD packer and set CIBP @ 12,225' FS. RU Petroplex Acidizing trucks, POW and LD 1 jt, set packer and tested CIBP w/ produced water w/ biocide added to 3083 psi for 15" w/ 183 psi loss. Bled off pressure, POW w/ EOT @ 12,159'. Established conventional circulation and pumped 500 gallons 15% NEFE DI HCl on balanced spot. Set packer @ 12,034' and loaded casing w/ 108 bpw w/ biocide added. Maintained and monitored 300-500 psi on casing

throughout acid job. Tested lines to 6500 psi and pumped acid as follows: 1) Pumped 2500 gallons of 15% NEFE DI HCl with Denton Devonian additives as recommended by Petroplex. Dropped 156 7/8" RCN 1.3 gravity ball sealers evenly spaced throughout acid job. RIW and retrieved plug, POW and set plug @ 12,034' and set packer @ 11,937'. Pumped 750 gallons of 15% NEFE DI HCl with Denton Devonian additives as recommended by Petroplex. Dropped 45 7/8" RCN 1.3 gravity ball sealers evenly spaced throughout acid job. RIW and retrieved plug, POW and set plug @ 11,937' and set packer @ 11,851'. Pumped 900 gallons of 15% NEFE DI HCl with Denton Devonian additives as recommended by Petroplex. Did not see a formation break. Dropped 54 7/8" RCN 1.3 gravity ball sealers evenly spaced throughout acid job. Casing pressure was stable @ 500-520 psi during 3rd acid job on perforations 11,882'- 11,900'. Moved packer and set @ 11,761'. Tested lines to 6500 psi and pumped acid as follows: 1) Pumped 1000 gallons of 15% NEFE DI HCl with Denton Devonian additives as recommended by Petroplex. Established rate 5.4 bpm @ 2654 psi Dropped 60 7/8" RCN, 1.3 gravity ball sealers evenly spaced throughout acid job. MIP-4260 psi, AIP-3465 psi, MIR- 5.4 bpm, AIR-4.4 bpm. ISIP-2467 psi, 5"-1491 psi, 10"-1148 psi, 15"-839 psi. Bled pressure off tubing in 5". Acid treatment showed good diversion with ball action. Released HD packer and RIW and released plug, RIW w/ plug and set @ 12,192'. POW w/ packer and set packer @ 11,761'. RIW w/ production tubing at 9083'. RIW w/ 2.5" x 1.75" x 34-6-2 RHBC pump and rods. Released all rental equipment, cleaned wellhead, location and RDPU.