

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM14496

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 2

8. Well Name and No.
LING FEDERAL 4

9. API Well No.
30-025-38748-00-C3

10. Field and Pool or Exploratory Area
APACHE RIDGE

11. County or Parish, State
LEA COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
FASKEN OIL & RANCH LIMITED

Contact: ADDISON GUELKER
E-Mail: addisong@forl.com

3a. Address
6101 HOLIDAY HILL ROAD
MIDLAND, TX 79707

3b. Phone No. (include area code)
Ph: 432-687-1777

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 31 T19S R34E NWSE 1660FSL 2310FEL
32.613986 N Lat, 103.598570 W Lon

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12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Fasken Oil and Ranch, Ltd. plans on abandoning the Wolfcamp, and adding perfs to the already producing Bone Springs. We would like to cancel the commingling permit between the Wolfcamp and Bone Springs. Please see attached procedure.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #438600 verified by the BLM Well Information System
For FASKEN OIL & RANCH LIMITED, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 10/30/2018 (19PP0244SE)

Name (Printed/Typed) ADDISON GUELKER Title REGULATORY ANALYST

Signature (Electronic Submission) Date 10/08/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By /s/ Jonathon Shepard Title Petroleum Engineer Date Oct 30 2018

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Carlsbad Field Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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**Recommended Procedure
Ling Federal No. 4
AFE No. 3761**

OBJECTIVE:	Test 3 rd Bone Spring Sand
WELL DATA:	
13-3/8" 48# H-40, 54.5# J-55 casing:	Set at 1586.5', cmt w/ 1000 sx "C", circ 128 sx to surface
9-5/8" 36#, 40# J-55, HCK-55 casing:	Set at 5172.2', DV tool @ 3480.66'. Cmt 1 st stg w/ 400 sx HLC + 300 sx "C", circ 61 sx to surface. Cmt 2 nd stg w/ 1200 sx HLC + 300 sx "C", circ 154 sx to surface
5-1/2" 17# (top 66 jts), 20# N-80 casing:	Set at 13,569.97', DV tool @ 10,662.01'. Cmt 1 st stg w/ 270 sx "H" + 375 sx Super "H", circ mud flush to surface. Cmt 2 nd stg w/ 860 sx "H" lite + 380 sx Super "H". TOC @ 3463' per temp survey
DV Tool:	10,662.01'
KB:	17' above GL
TD:	13,577'
PBTD:	12,425' current (12,460' CIBP + 35' cmt). 5-1/2" float collar @ 13,520'
Perforations:	Morrow- 13,392'-98' (36h), 13,378'-80' (12h), 13,289'-93' (5h), 13,282'-85' (4h), 13,264'-71' (8h), 13,248'-60' (13h), 13,205'-16' (12h), 13,190'-13,201' (12h) Atoka- 12,516'-24' (9h)- <u>These perms no longer active</u> Lower Wolfcamp- 12,160'-62' (7h), 12,110'-12' (8h), 12,066'-68' (8h), 12,014'-16' (9h), 11,970'-72' (8h), 11,914'-16' (8h) Middle Wolfcamp- 11,824'-26' (9h), 11,784'-86' (10h), 11,746'-48' (10h), 11,706'-08' (10h), 11,666'-68' (10h) Upper Wolfcamp- 11,530'-32' (8h), 11,490'-92' (9h), 11,450'-52' (9h), 11,410'-12' (9h), 11,370'-72' (9h), 11,330'-32' (9h) Lower Bone Spring- 11,218'-20' (10h), 11,168'-70' (13h), 11,122'-24' (11h), 11,072'-74' (11h), 11,022'-24' (11h) 2 nd Bone Spring Stray Dolomite- 10,107'-12' (10h) 1 st Bone Spring Orange Dolomite- 9604'-13' (10h)

1. Be sure mast anchors have been tested and tagged in last 2 years.
2. Set rig mats, pipe racks, and catwalk. Set 250 bbl gasbuster and build flowline from wellhead to gasbuster.
3. RUPU. POW with pump and rods, checking rods for any pitting and pump for any signs of scale. Send pump in for R&R.
4. NDWH, release TAC, and NU 5k manual BOP. POW with tubing, standing back 11,000' in derrick and laying down remainder of tubing. Collect samples of any solids recovered and give to ChemTech for analysis.
5. RIW with 4-1/2" bit, bit sub, 5-1/2" (20#) casing scraper, SN, and tubing to 11,050' while testing tubing to 5000 psi above the slips. Reciprocate scraper at 11,000' where CIBP will be set. POW and LD bit and scraper.

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6. RUWL and packoff. RIW with CCL, setting tool, and CIBP and correlate to EnerTech Perforating Depth Control Log dated 12/2/2008 (depths on EnerTech log already corrected to Halliburton Spectral Density Neutron Log). Set 10k CIBP @ 11,000' and dump bail 35' class "H" cement on top (new PBTD +/-10,965'). POW with CCL and setting tool.
7. Attempt to load 5-1/2" casing with 2% KCl water. If casing loads, determine pump rate required to maintain 500 psi. Report results to Midland office. Assuming 500 psi can be held, proceed to next step. **If well does not load, squeeze procedure for upper Bone Spring perforations will be provided.**
8. NU 3k lubricator. RIW with 3-1/8" slick gun and perforate 3rd Bone Spring sand as follows:
 - 10,800'-10,820' (2 jspf, 40h, 60 degree phased, 42" penetration)

Note any changes in well after perforating. POW and RDWL.
9. RIW with notched collar on 2 jts tailpipe, 5-1/2" (20# casing) HD packer, SN, and tubing. Set EOT @ 10,820'. RIW with swab cup on sandline and tag fluid level. RU pump truck and balance spot 400 gal 7.5% NEFE DI HCl based on fluid level.
10. POW to set packer at 10,300' (above top of acid in 5-1/2" 20#). Load backside with 2% KCl water with biocide added. Maintain 500 psi on annulus during breakdown.
11. Break down perforations and displace acid at max pressure 5000 psi. Increase tubing pressure in 500 psi increments while watching for breakdown. Note ISIP, 5", 10", 15" pressures.
12. Bleed pressure from annulus. Flow/swab back load plus tubing volume to tank. Note oil cut/fluid entry and report results to Midland office. A decision on further stimulation will be made at this time. If fracture stimulation is necessary, proceed to next step.
13. Release packer, POW and LD 2-3/8" tubing on pipe racks and move to edge of location. Receive +/- 11,000' of 3-1/2" EUE 8rd 9.3#/ft P-110 rental tubing with special clearance couplings (burst pressure = 13,970 psi. 80% = 11,176 psi). 3-1/2" PH6 12.95# P-110 tubing may be used due to availability. Clean threads and tally tubing. Replace 2-3/8" pipe rams with 3-1/2" pipe rams.
14. Set 15 frac tanks and manifold together. Fill frac tanks with fresh water treat with biocide. Give sample of fresh water to stimulation and chemical companies.
15. RIW with 5-1/2" x 2-7/8" Big-Bore Arrowset 1X packer with frac hardened mandrel, frac hardened top sub, frac hardened profile nipple, frac hardened TOSSD, 2-7/8" x 3-1/2" frac hardened XO, and 3-1/2" rental tubing while testing tubing to 10,000 psi above the slips.
16. Set packer at 10,720' and space out tubing to land in 20,000# compression. ND BOP and NU 3-1/2" 5k double-valve rental flow tree. Install isolation sleeve and test to 10,000 psi for 30 minutes on chart recorder. Depending on frac date, it may be necessary to RDPU.
17. RU stimulation company. Load and test lines to 9900 psi and set pop-off at 9850 psi. Have pop-off set on annulus at 1500 psi.
18. RU pump truck on tubing/casing annulus. Load annulus with 2% KCl water and maintain 500 psi with pump truck. ****Based on how upper perforations held fluid during breakdown earlier in job, may be necessary to have a full vacuum truck on standby so that pump truck does not run out of water**.**
19. Frac 3rd Bone Spring sand according to recommended frac procedure. Max pressure 9900 psi. Upon shutdown, obtain ISIP, and bleed pressure from tubing/casing annulus. SWI and RD stimulation company.
20. RU flowback manifold to flow tree and flow well to tank until well dies. Flow 40-50 bbls/hr to start. Note tubing pressure and oil cut during flowback.

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21. Release packer, POW and LD rental tubing. Backhaul tubing and move 2-3/8" tubing onto racks.
22. RIW with perforated sub and 2 jts tubing on sandline and tag PBTD. If tag depth is above 10,820', RIW with 4-1/2" bit, bit sub, and 2-3/8" tubing and clean out fill down to 10,900'. POW standing back tubing in derrick.
23. RIW with production tubing and rod string as per ALS recommendation. Swab well after running production tubing to further clean up well if necessary. RDPU and release rental equipment.
24. Hang well on and turn over to production department. Report volumes and pressures on daily drilling report.

FEET	JTS	DESCRIPTION	TOP OF ITEM (GL)
4.77	1	2-3/8" EUE 8rd PERFORATED SUB W/ BULL PLUG & COLLAR	12175.36
0.68	1	2-3/8" EUE 8rd MSS W/ 1" X 12" STRAINER NIPPLE (NEW)	12174.68
2695.97	83	2-3/8" EUE 8rd N-80 TUBING	9478.71
2.70	1	5-1/2" X 2-3/8" MODEL "B" TAC W/ 35K SHEAR (EXCHANGE)	9476.01
9430.37	290	2-3/8" EUE 8rd N-80 TUBING	45.64
31.64	1	2-3/8" EUE 8rd N-80 TUBING (NEW)	14.00
			0.00
14.00		KB	
		TAC SET W/ 15K TENSION	
12180.13		TOTAL TBG. STRING FOOTAGE	

5-1/2" casing detail

1 Howco float shoe	1.00
1 jt 20# N-80 LT&C	47.67
1 Howco float collar	1.20
2 jts 20# N-80 LT&C	94.32
6 jts 20# N-80 sandblasted LT&C	269.10
1 jt 20# N-80 LT&C	47.26
1 jt 20# N-80 LT&C marker	11.87
52 jts 20# N-80 LT&C	2433.34
1 Howco DV tool	2.20
22 jts N-80 LT&C	1037.72
6 jts 20# N-80 sandblasted LT&C	262.40
3 jts 20# N-80 LT&C	141.97
1 jt 20# N-80 LT&C marker	11.50
9 jts 20# N-80 LT&C	422.60
146 jts 17# N-80 LT&C	5868.59
1 jt 17# x-over	26.04
66 jts 17# N-80 BT&C	2895.61
	13574.39
less cut-off	-21.42
total pipe	13552.97
below KB	17.00
landed @	13569.97

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BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Conditions of Approval for Permanent Abandonment of a Production Zone

1. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612
2. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet, a 3M system for a well not deeper than 13,636 feet, or a 5M system for a well not deeper than 22,727 feet (all depths are for measured well depth).
3. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.
4. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the approved depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours. In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. Before pumping cement on top of CIBP, a tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary. Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.
5. **Subsequent Plug back Reporting:** Within 30 days after plug back work is completed, file a Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date work was completed. If plugging back to a new zone submit a Completion Report, form 3160-4 with the Subsequent Report.
6. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.
7. **If well location is within the Timing Limitation Stipulation Area for Lesser Prairie-Chicken:** From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted