

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

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.

HOBBS OCD

5. Lease Serial No.
NMNM96782

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
FEDERAL 27 02

9. API Well No.
30-025-29400-00-S2

10. Field and Pool or Exploratory Area
EK

11. County or Parish, State
LEA COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2 JAN 16 2019

1. Type of Well
 Oil Well Gas Well Other (15144)

2. Name of Operator
FASKEN OIL & RANCH LIMITED

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

RECEIVED

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 27 T18S R33E SESE 560FSL 660FEL

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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input checked="" 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 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 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. requests approval to plug and abandon the above well. Attached is the wellbore diagram and the procedure.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #449495 verified by the BLM Well Information System
For FASKEN OIL & RANCH LIMITED, sent to the Hobbs
Committed to AFMSS for processing by JIM AMOS on 01/09/2019 (19JA0011SE)

Name (Printed/Typed) ADDISON GUELKER Title REGULATORY ANALYST

Signature (Electronic Submission) Date 01/07/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By James C. Amos Title SPE T Date 1-14-19

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 CFW

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.

(Instructions on page 2)

** BLM REVISED ** BLM REVISED ** M REVISED ** BLM REVISED ** BLM REVISED **

FOR RECORD ONLY

Kerry Fortner NM OCD 1-17-19

**Federal "27" No. 2
560' FSL & 660' FEL
Sec 27, T18S, R33E
API #30-025-29400
AFE No. 3802**

OBJECTIVE:	Plug and Abandon
WELL DATA:	
13-3/8" 54.5# J-55 casing:	Set at 324' w/ 375 sx, circ. 110 sx cement
8-5/8" 24 & 28# casing:	Set at 3700.00" w/1500 sx, circ. 50 sx cement
5-1/2" 15.5#, 17#, & 20# casing:	Set at 10,700', DV Tool @ 6,803.27', 1 st stage cmt w/775 sx; 2 nd stage cmt w/750 sx- TOC 2885' by TS.
Perfs:	10,518'-24'; 9,468'-82'; 9,450'-54'; 9,440'-44'; 9,429'-34'; 8,828'-35'; 8,890'-97'; 8,864'-66'; 7365'-69'; 7372'-7388' 5946'-73', 5153'-68'
KB:	15.50'
TD:	10,700'
CIBP:	10,427' w/ 2.5 sx cmt. (TOC 10,405')
TA plugs:	45 sx "H" @ 10,097'-10,438' (tubing tally), CIBP @ 8778' w/ 40 sx "H" (cmt tagged @ 8306'), 40 sx "H spotted from 7557' (cmt tagged @ 6993'), CIBP @ 5902' w/ 25 sx "C" (cmt tagged @ 5673')
PBTD:	5673' (tagged- tubing tally)

****Current Status- recompletion unsuccessful. Set CIBP over Delaware perfs at 5105' and dump bailed 3 sx Class "H" cement on top of CIBP.****

1. Check with Jimmy Carlile and/or Addison Guelker to make sure all necessary permits have been obtained and sundry notice submitted.
2. Notify NMOCD/BLM of intent to start P&A work.
3. Set rig mats, pipe racks, and cat walk.
4. Set frac tank and plumb wellhead to tank.
5. RUPU, NDWH and NU 3k manual BOP with 2-3/8" pipe rams.
6. Clean threads and tally 2-3/8" workstring.
7. RIW with 4' perforated sub, SN, and 2-3/8" tubing and tag PBTD of +/-5065'. Establish conventional circulation and spot 40 bbls 9.5 ppg salt mud (all 9.5 ppg salt mud will be mixed at 25 sx gel per 100 bbls) from PBTD up to +/-3700'.
8. POW laying down tubing to 3750'. Mix and spot ⁶⁵ 40 sx Class "C" cement (1.32 ft³/sk) with 2% CaCl₂ and displace cement to 3350' with 9.5 ppg salt mud. POW standing back 1000' of tubing and WOC 4 hours.
3137
9. RIW and tag TOC. Notify BLM and Fasken office of tag depth. *3137 (shoe & T/yates)*
10. Establish conventional circulation and spot 50 bbls 9.5 ppg salt mud. POW laying down all but 1400' of tubing.
11. RUWL and packoff. RIW and perforate squeeze holes in 5-1/2" casing at 1530'. POW and RDWL.
12. RIW with perforated sub, SN, and tubing to 1350'. Close BOP rams and establish circulation out 5-1/2" x 8-5/8" annulus.
13. Mix and spot 45 sx Class "C" (1.32 ft³/sk) and displace cement to 1350'. POW with 200' tubing and displace well with 9.5 ppg salt mud. POW laying down tubing to 150'.
14. RUWL and packoff. Perforate squeeze holes with 1-11/16" strip gun at ⁴¹⁰ 380'. POW and RDWL.
15. RIW w/ tbg to ⁴¹⁰ 380', close pipe rams and establish circulation out 5-1/2" x 8-5/8" annulus. Mix and spot 30 sx Class "C" (1.32 ft³/sk) and displace cement to 260' with 9.5 ppg salt mud. POW w/ tubing and SWI and WOC 4 hours. *Circ. cmt surf annulus (5 1/2")*

16. RIW and tag TOC. Notify BLM and Fasken office of tag depth.
17. RIW with tubing to 100'. Mix and spot Class "C" cement (1.32³/sk) until cement is circulated to surface out 2-3/8" x 5-1/2" annulus. POW and LD tubing. Top off casing with cement. *IF step 15 did not circ. Perf @ 100' SQZ cement TO surf.*
18. ND BOP, RDPU, and release all rental equipment.
19. Dig out and cut off wellhead, weld on casing cap and marker pole with well and lease information. Notify BLM upon completion of P&A operations.

Federal "27" No. 2

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

Proposed P&A
as of: 12/27/2018

Location: 560' FSL and 660' FEL
Sec 27, T18S, R33E
Lea County, NM
Compl.: 12/1/1985
API #: 30-025-29400

GL: 3801'
KB: 3817'

TD: 10,700'
PBTD: 10,405'
Casing: 13-3/8" 54.5# J-55 @ 324'
w/375sx, circ 110 sx to surf.
TOC surf
8-5/8" 24&28# J-55, S-80 @ 3700'
w/1200sx Lite + m300 sx "C", circ 50 sx to surf.
TOC surf
5-1/2" 15.5#, 17#, 20# @ 10,700'

Formation Tops

Rustler 1474' MD ✓

Queen 4262' MD ✓

Penrose 4538' MD ✓

San Andres 5170' MD ✓

Delaware 5673' MD ✓

DV: 6803.27'
1st stg 400 sx Lite + 375 sx "H"
2nd stg 650 sx Lite + 100 sx "H"
TOC 2885' by Temp

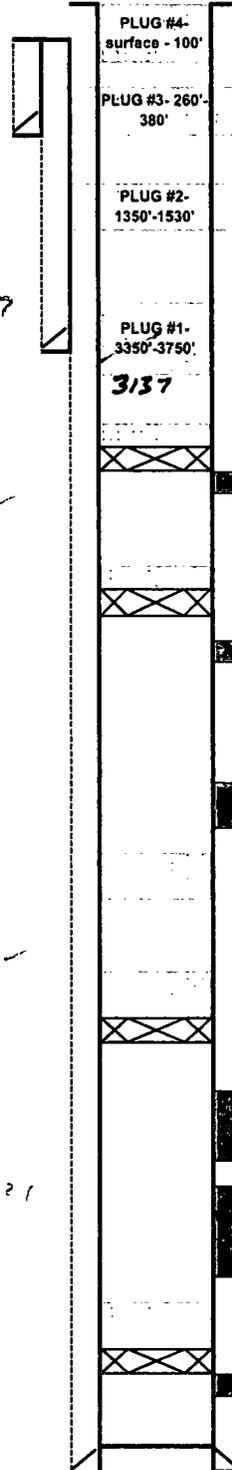
Perfs: Delaware
5946'-73' (28 holes)
7365'-69' (5 holes)
7372'-88' (17 holes)
Bone Spring
8828'-35' (14 holes)
8839'-44' (10 holes)
8864'-66' (4 holes)
8890'-97' (14 holes)
9429'-34' (10 holes)
9440'-44' (8 holes)
9450'-54' (8 holes)
9468'-82' (28 holes)
10518'-24' (12 holes)

CIBP 10,427' w/ 2-1/2 sx cmt.
8775' w/ 35' Class "H" cmt

Hole Sizes 17-1/2" 360'
11" 3700'
7-7/8" 10,705'

Bone Spring 7412' MD ✓

Wolfcamp 10521



17 1/2" hole
13-3/8" 54.5# J-55 @ 324' 360
w/375sx, circ 110 sx to surf.
TOC surf ✓

TOC 2885' by Temp
11" hole
8-5/8" 24&28# J-55, S-80 @ 3700'
w/1200sx Lite + m300 sx "C", circ 50 sx to surf.
TOC surf ✓

ABTD 5065' H
CIBP 5105' w/ 35' DE
5153'-5168' (2 jspt, 30h)

25 sx "C" cmt. TOC 5673' (tag)
CIBP @ 5902' ✓
5946'-73' (28 holes)

DV: 6803.27'

7365'-69' (5 holes) ✓
7365'-69', 7372'-88' ✓

40 sx "H" cmt @ 7557'. TOC 6993' (tag) ✓

40 sx "H" cmt. TOC 8306' (tag)
CIBP @ 8778' 35' - 2R 8740
PBTD

8828'-35' (14 holes) ✓ 39.11
8864'-66' (4 holes) ✓
8890'-97' (14 holes) ✓

9429'-34' (10 holes) ✓
9440'-44' (8 holes) ✓
9450'-54' (8 holes) ✓
9468'-82' (28 holes) ✓

TOC 10,097' (tag) ✓
45 sx "H" cmt spotted at 10,438' (tally).
CIBP 10,427' ✓ 10,405' ABTD (22')
10518'-24' (12 holes) ✓

PBTD: 10,405'
TD: 10,700' 7 7/8" hole
5-1/2" 15.5#, 17#, 20# @ 10,700'
TOC 2885' by Temp ✓
DV @ 6803

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Permanent Abandonment of Federal Wells
Conditions of Approval (LPC Habitat)

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within **ninety (90)** days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **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; and a 5M system for a well not deeper than 22,727 feet.

4. **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.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified 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. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, 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.

6. Below Ground Level Cap (Lesser Prairie-Chicken Habitat): All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.** Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging 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 well was plugged.**

8. 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.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.

Timing Limitation Stipulation/ Condition of Approval 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