OCD-HOBBS

Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

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.

SUBMIT IN TRIPLICATE – *Other instructions on page 2.*

5. Lease Serial No
NM 14496

6. If Indian, Allottee or Tribe Name

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

1 Type of Well
☑ Oil Well ☐ Gas Well ☐ Other

8 Well Name and No.
Ling Federal No. 3

2 Name of Operator
Fasken Oil and Ranch, Ltd.

9 API Well No.
30-025-38608

3a Address
303 West Wall, Suite 1800, Midland, Texas 79701

3b Phone No *(include area code)*
432-687-1777

10 Field and Pool or Exploratory Area
Apache Ridge; Bone Spring

4. Location of Well *(Footage, Sec , T ,R ,M , or Survey Description)*
660' FNL, 1980' FEL, Sec 31, T19S, R34E Unit B

11. Country or Parish, State
Lea, N. M.

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☑ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ 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 proposes to change the cement design for the production casing on the Ling Federal No. 3. The APD speicfied a single stage cement job; However, we propose a multistage cement job. Please see the attached procedure for details.

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First stage to circulate as proposed with second stage having a tie-back of at least 200' into the intermediate casing.

14 I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Jimmy D. Carlile

Title Regualorty Affairs Cood

Signature Jimmy D Carlile

Date 02/15/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

Approved by Chris Williams

OC DISTRICT SUPERVISOR/GENERAL MANAGER

Title

Date FEB 15 2008

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

WESLEY W. INGRAM
PETROLEUM ENGINEER

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)

Recommended Drilling and Completion Procedure

Fasken Oil and Ranch, Ltd.----------Ling Federal No. 3----------Apache Ridge (Bone Springs) Field
660' FNL & 1980' FEL **Lea County, New Mexico**
Sec. 31, T 19S, R 34E

1. Set 20" conductor at 40'. Dig rat hole and mouse hole.

2 Move in rotary tools.

3. Drill 17-1/2" hole to 400' with spud mud.

4. Set 13-3/8" casing at 400'. Cement to surface with 500 sx Class "C" with 2% $CaCl_2$ (s.w. 14.8 ppg, yield 1.32 ft^3/sx). Centralize casing at middle of shoe joint and every 4th joint to surface.

5. WOC 6 hrs. Install 13-5/8" 3000# bradenhead and BOP stack. Pressure test BOP and casing to 750# before drilling out shoe.

6. Drill 12-1/4" hole to 5200'. Drill with 10 ppg brine water to 5200'. Control seepage with paper. RU H_2S safety equipment package at 4000'.

7. Set 9-5/8" casing @ 5200'. Centralize casing at middle of shoe joint, top of 2nd joint, top of 6th joint and top of 10th joint

8. Cement casing with 1600 sx Halliburton Lite "C" with 15# salt and 1/8# Poly-E-Flake (s.w. 12.6 ppg, yield 2.23 ft^3/sx) plus 300 sx Class "C" (s.w. 14.8 ppg, yield 1.32 ft^3/sx).

9. Set slips, cut-off casing, install secondary seal unit and NU 13-5/8" 3000# x 11" 3000# intermediate spool. Install hydraulic Super choke. NU BOP and hydrotest BOP, choke manifold, and floor safety valves to 3000 psi, hydril to 1500 psi, and 200' of 9-5/8" casing to 2800 psi. RU mud gas separator complete with flare line and ignitor.

10. Drill 8-3/4" hole to 10,700'. Drill with fresh water to 9000'. Convert to 9.0 ppg brine at 9000' and mud up with white starch with properties of 9.0 ppg, 30 vis. And 12 cc water loss. Increase viscosity as necessary to maintain hole.

11. Run open hole logs; CNL-LDT, DLL-MSFL, and Full Wave Sonic. Side wall coring may be performed in selected intervals as determined by log shows.

12. Install 5-1/2" BOP rams, run and cement 5-1/2" production casing (resin coated and centralized through pay zones) with DV tool at estimate 8400' as follows;

    First Stage: Note, batch mix lead slurry. 10 bfw + 500 gallons Superflush + 10 bfw and 500 sx Super "H" with 0.6% LAP-1, 0.5 Halad-322, 2# salt, 5# Gilsonite, 1/8# Poly-E-Flake, and 0.10% HR-7 (s.w. 13.2 ppg, yield 1.61 ft^3/sx). Open DV tool and circulate 6 hours.

    Second stage: 625 sx Halliburton Lite "H" with 6% gel and 1/8# Poly-E-Flake (s.w. 12.6 ppg, yield 2.00 ft^3/sx) plus 200 sx Class "H" neat with 0.5% Halad-9 (s.w. 15.6 ppg, yield 1.18 ft^3/sx). Calculate second stage cement volume for TOC at 5000'.

13. Set slips, cut-off casing, install secondary seal unit and NU 3000# WP tubinghead and flowtree.

14. Move out rotary tools.

15. Level location and set mast anchors.

16. Complete well as per completion procedure

TET
(LingFed3drlgproc.doc)