

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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.

5. Lease Serial No.
~~LC-064944~~ NM96782
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Fasken Oil and Ranch, Ltd.

3a. Address

303 W. Wall Suite 1800, Midland, Texas

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

560' FSL & 660' FEL Section 27 T18S, R33E Unit 9

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

8. Well Name and No

Federal "27" No. 2

9. API Well No.

30-025-29400

10. Field and Pool or Exploratory Area

E-K; Delaware

11. Country or Parish, State

Lea, New Mexico

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"/> Fracture Treat	<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 type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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 recompleat 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 recompleat 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 is proposing to plug back the Federal "27" No. 2 to the EK Delaware pool. Please see the attached procedure.

RECEIVED

MAY 06 2008

HOBBS OCD

APPROVED

MAY 3 2008

JAMES A. AMOS
SUPERVISOR-EPS

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

Jimmy D Carlile

Title Regulatory Affairs Coordinator

Signature

Jimmy D Carlile

Date 4/24/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

OCD DISTRICT SUPERVISOR/GENERAL MANAGER

Date MAY 21 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

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 Bone Springs Completion Procedure

Federal "27" No. 2

560' FSL & 660' FEL

Sec 27, T-18-S, Range 33-E

API #30-025-29400

A.F.E. 1457

OBJECTIVE:

Re-Complete to Brushy Canyon

WELL DATA:

13-3/8" 48# H-40 casing:	Set at 324' w/ 375 sx, circ. 110 sx cement
8-5/8" 24 & 28# casing:	Set at 3700.00' w/1200 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/400 sx Halliburton Lite; 2 nd stage cmt w/650 sx Halliburton Lite – TOC 2885' by TS.
CIBP:	10,427' w/ 2.5 sx cmt. (TOC 10,405')
PERFS:	10,518'-24'; 9,468'-82'; 9,450'-54'; 9,440'-44'; 9,429'-34'; 8,828'-35'; 8,864'-66'; 8,890'-97'
KB:	15.50'
TD:	10,700'
PBTD:	10,405'

1. Make sure mast anchors have been tested within the past two years.
2. Set and receive half-frac flowback tank on location. Build all-steel XH flowline from wellhead to tank using XH tee's and bull plugs at turns.
3. RUPU.
4. POW and hang steel rods back in derrick until parted rod is recovered. (The pump was stuck and the rod string was parted while jarring on pump with 8K.)
5. LD parted rod and RIW with overshot, latch onto rod string and attempt to jar stuck pump loose and unseat pump. POW with remainder of rods and pump. Visually inspect all rods while POW, and LD any damaged or pitted rods.
6. If unable to fish rods, NDWH, and NU 7-1/16" 3K manual BOP with 2-7/8" pipe and blind rams. Release TAC and POW (obtain strap-out tally) with tubing to top of fish and attempt to jar pump loose. If able to fish rods then continue to step 7.
7. Strap out of well and stand remainder of tubing back in derrick.
8. RUWL and RIW with 4-1/2" OD gauge ring and junk basket to +/-8850'. POW and LD tools.
9. RIW w/ 5-1/2" CIBP and set @ +/- 8775' at least 10' from a casing collar. POW, LD setting tool, and RIW and dump bail a minimum of 35' of Class "H" cement on top of CIBP. POW and RDWL.
10. RU pump truck on casing and load with FW and pressure test casing and CIBP to +/-2,000 psi for 20" on chart recorder and report results to Midland Office.
11. RU pump truck on 8-5/8" X 5-1/2" casing annulus valve and make sure valve on 8-5/8" wellhead is open. If unsure if valve is open, dig out cellar to valve and make sure valve is open.
12. ND BOP, and NU 7-1/16" 5K frac valve and 5-1/2" casing saver. RU high-pressure pump truck and pressure 8-5/8" X 5-1/2" casing to +/- 500 psi and monitor. Pressure test 5-1/2" casing to 4,350 psi for 35 minutes on chart recorder and notify Midland office with results.
13. After obtaining a good test on casing, bleed pressure off casing and annulus. ND frac valve and casing saver, and NU BOP. Keep frac valve on location for frac job.

14. RIW with perforated tubing sub, seating nipple and tubing open-ended and displace well w/ 2% KCl water @ 7390'. Spot 500 gallons of 7-1/2% NEFE HCl acid containing 5 gpt Ferrotrol 300-L, 6 gpt Ferrotrol 270, 2 gpt Ferrotrol 271, 1 gpt Cl-27, 1/2 gpt Claymaster 5C, 1 gpt NE 940, 2 gpt LT-21 @ 7390'. (Same additives as used in El Paso 12 Foster Draw Delaware zone determined from core SEM work by BJ lab. Also used on the Soapberry Draw). POW, LD +/- 30 stands of tubing, and stand back remainder of tubing in derrick.
15. RUWL. RIW 3-1/8" Gamma slick casing gun and run a GR-CCL log from CIBP up to +/- 5800' (above perforations @ 5,946'-73') to correlate to the open hole log mentioned below. Perforate Brushy Canyon with the 3-1/8" Gamma slick casing gun @ 7365'-69' & 7372'-88', 22 total holes, 1 JSPF, 0.40" EH, 60 degree phasing correlated to Schlumberger Compensated Neutron-Litho Density Open-Hole Log dated 10-16-85. POW with gun, make sure that all shots fired, and RDWL.
16. RU pump truck on casing and displace spot acid into perforations at +/- 5 bpm with maximum pressure 3,500 psi. Record instantaneous, 5", 10", & 15" shut in pressures.
17. Flow well to half-frac workover tank until well dies.
18. RIW with 5-1/2" Fasken Model "R" packer, X-O, seating nipple and 2-7/8" tubing to 7,300' (test tubing to 6,000 psi above slips). Space out tubing using tubing subs and so that there will be 14-16 pts compression on packer @ 7300' when the wellhead is nipped up. RIW with swab and swab back acid load. After approval is received from Midland office continue to step 19.
19. ND BOP and NU flow tree. RU service company and acidize Brushy Canyon perforations with 2,500 gals of 7-1/2% NEFE HCl acid containing 5 gpt Ferrotrol 300-L, 6 gpt Ferrotrol 270, 2 gpt Ferrotrol 271, 1 gpt Cl-27, 1/2 gpt Claymaster 5C, 1 gpt NE 940, 2 gpt LT-21. Drop 45 1.3sg ball sealers for diversion. Max surface pressure = 3,500 psi. Record ISIP, 5", 10", & 15" shut in pressures.
20. Flow and swab back acid load water to half-frac workover tank and evaluate. Record hourly fluid entry rates and report results to Midland Office.
21. If oil cut warrants further stimulation, prepare to frac well. See step 31 if decision is made to abandon Brushy Canyon and test Delaware Dolomite.
22. ND flow tree and NU BOP. Unset packer, RIW past bottom perforation to knock off ball sealers from perforations, and POW with tubing and LD packer.
23. ND BOP and NU 5K frac valve and 5-1/2" casing saver. Set and fill frac tanks according to proposal to follow.
24. RU BJ Services. RU pump truck and pressure 8-5/8" x 5-1/2" annulus to 500 psi – be sure to test this to 500 psi beforehand. Frac Brushy Canyon perforations as per BJ Fracturing Proposal to follow. Max allowable surface pressure is 4,350 psi.
25. Flowback well via 5-1/2" casing until well dies according to flowback recommendations provided by BJ. ND frac valve and casing saver, and NU BOP.
26. RIW 2-7/8" notched collar, 2-7/8" seating nipple, and 2-7/8" tubing and tag sand fill. RU pump truck and circulate out sand to +/- 7700'. POW and LD BHA.
27. RIW with 3.5" MH slotted gas sep w/ BP and 2-3/8" XO, 5-1/2" X 2-3/8" TAC w/ 35K shear, 2-3/8" slotted SN, 2-3/8" mech SN w/ 20' X 1-1/4" gas anchor, and 2-7/8" EUE 8rd N-80 tubing to put EOT @ 7450' FS. ND BOP, set TAC with 16-18,000# tension, and NUWH.
28. RIW with pump and rods. A rod recommendation will be forwarded at a later date.
29. Space rods and pump out, hang well on bridle, and put well on production running by hand.

30. Clean location, release all rental equipment, and RDPU.

IF NECESSARY – UPPER DELAWARE DOLOMITE TEST

31. Pick up +/- 36" on tubing until packer bypass opens. After allowing fluid to equalize, pull one joint of tubing to jay-up packer. POW with tubing and LD packer. Send packer in to be re-dressed.
32. RUWL and RIW with 4-1/2" gauge ring to 7300'. POW w/ gauge ring and RIW with 5-1/2" CIBP and set @ 7300', dumping 35' of class "H" cement on top. POW and RDWL.
33. RIW with 2-7/8" tubing open-ended and spot 500 gallons of 15% NEFE HCl acid containing additives to follow @ 5975'. Displace water with 2% KCl. POW with tubing.
34. RUWL and RIW with 3-1/8" expandable slick casing gun and perforate Delaware Dolomite @ 5946'-73', 28 h, 1 JSPF, 60° phasing, and 0.40" EH, correlated to Schlumberger Compensated Neutron-Litho Density Log dated 10-16-85. POW w/ WL, make sure all shots fired, and RDWL.
35. RU pump truck on casing and displace spot acid into perforations at 5 bpm with maximum surface pressure = 3,500 psi. Record ISIP, 5", 10", and 15" shut-in pressures. Report results to Midland Office.
36. Swab and flow back load to half-frac workover tank.
37. RIW with 5-1/2" Fasken Model "R" packer, XO, seating nipple, and 2-7/8" tubing and set packer @ 5900' in 12-14 pts compression. ND BOP and NU flow tree.
38. RU service company. Pressure tubing/casing annulus to 500 psi and monitor during job. Acidize Delaware Dolomite perforations with 2,500 gallons of 15% NEFE HCl acid containing additives to follow. Drop 60 1.3 sg ball sealers for diversion. Max surface pressure = 3,500 psi. Record ISIP, 5", 10", & 15" shut-in pressures and report results to Midland Office.
39. Swab and flow back load to half-frac workover tank. Obtain hourly-fluid entry rate.
40. ND flow tree and NU BOP. Release packer, POW, and LD packer.
41. RIW with 3.5" MH slotted gas sep w/ BP and 2-3/8" XO, 5-1/2" X 2-3/8" TAC w/ 35K shear, 2-3/8" slotted SN, 2-3/8" mech SN w/ 20' X 1-1/4" gas anchor, and 2-7/8" EUE 8rd N-80 tubing to put EOT @ 6,000' FS. ND BOP, set TAC with 16-18,000# tension, and NUWH.
42. RIW with pump and rods. A rod recommendation will be forwarded at a later date.
43. Space rods and pump out, hang well on bridle, and put well on production running by hand.
44. Clean location, release all rental equipment, and RDPU.

CSL/CWB/CGT/JWD
(AFE_1457_Federal27-2_Recomplete_proc.doc)

Approved:

CSL 4-16-08	_____	Area Engineer
CWB 4-11-08	_____	Carl Brown
CGT 4-10-15	_____	Calvin Turner
JWD 4-15-08	_____	Jimmy Davis, Jr.