

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTCarlsbad Field Office  
OCD ArtesiaFORM 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.  
NMNM3606

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

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

## 1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

## 8. Well Name and No.

Multiple--See Attached

## 2. Name of Operator

FASKEN OIL &amp; RANCH LIMITED

Contact: ADDISON LONG

E-Mail: addisonl@forl.com

## 9. API Well No.

Multiple--See Attached

## 3a. Address

6101 HOLIDAY HILL ROAD  
MIDLAND, TX 79707

## 3b. Phone No. (include area code)

Ph: 432-556-8661

## 10. Field and Pool or Exploratory Area

Multiple--See Attached

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

Multiple--See Attached

## 11. County or Parish, State

EDDY COUNTY, NM

**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	Surface Commingling
	<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 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. requests approval to pool and lease commingle gas production only on the following wells at a common tank battery located on the Lakeshore 10 Federal No. 3.

Lakeshore 10 Federal No. 2, Lease NMNM3606, Section 10, T21S, R26E, API 30-015-29879. Field: Avalon Upper Penn.

CA-NM100717

C1-STRAWN  
C2-UPPER PENN.

Lakeshore 10 Federal No. 3, Lease NMNM3606, Section 10, T21S, R26E, API 30-015-30480.

CA-NM101369

Lakeshore 10 Federal SC No. 5, Lease NMNM3606, Section 10, T21S, R26E, API 30-015-33234. Field: Catclaw Draw Delaware, East.

Avalon 10 Federal No. 22, Lease NMNM3606, Section 10, T21S, R26E, API 30-15-31653. Field: Catclaw

NM OIL CONSERVATION  
ARTESIA DISTRICT

DEC 19 2017

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

Electronic Submission #382795 verified by the BLM Well Information System  
For FASKEN OIL & RANCH LIMITED, sent to the Carlsbad  
Committed to AFMSS for processing by DEBORAH MCKINNEY on 08/22/2017 (17DLM2154SE)

Name (Printed/Typed) ADDISON LONG

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 07/27/2017

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <u>J. D. Whitlock</u>	Title <u>TL PET</u>	Date <u>12/15/17</u>
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 <u>CFO</u>

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 \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**Additional data for EC transaction #382795 that would not fit on the form**

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

NMNM100717  
NMNM101369

**Wells/Facilities, continued**

<b>Agreement</b>	<b>Lease</b>	<b>Well/Fac Name, Number</b>	<b>API Number</b>	<b>Location</b>
NMNM101369	NMNM3606	LAKE SHORE FED COM 10 3	30-015-30480-00-S1	Sec 10 T21S R26E NESW 1650FSL 1997FWL
NMNM3606	NMNM3606	AVALON 10 FEDERAL 22	30-015-31653-00-S1	Sec 10 T21S R26E SENW 1980FNL 1980FWL
NMNM3606	NMNM3606	LAKE SHORE 10 FEDERAL SC 5	30-015-33234-00-S2	Sec 10 T21S R26E SWNE 1500FNL 1980FEL
NMNM100717	NMNM3606	LAKE SHORE FED 10 COM 2	30-015-29879-00-C3	Sec 10 T21S R26E NESE 1750FSL 660FEL
NMNM100717	NMNM3606	LAKE SHORE FED 10 COM 2	30-015-29879-00-C1	Sec 10 T21S R26E NESE 1750FSL 660FEL

**10. Field and Pool, continued**

CATCLAW DRAW-DELAWARE

**32. Additional remarks, continued**

Draw Delaware, East.

Please see attached information, facility diagram, and map.

## **Application for Pool and Lease Gas Commingling**

### **Proposal for Lakeshore Federal No. 2, 3, 5, and the Avalon Federal 10-22:**

Fasken Oil and Ranch, Ltd. is requesting approval for the Lakeshore Federal No. 2, 3, 5, and the Avalon Federal 10-22 to be pool commingled at the Lakeshore Federal No. 3 meter location, gas production only. **AND LEASE**

The attached map shows all the wells. Also attached is the site facility diagram of the tank battery on the No. 3, and the BLM case Recordation of all wells. Please note the federal royalty is the same for all wells at 12.5%.

### **Gas Metering:**

The Lakeshore Federal No. 3 has a gas meter that all wells will utilize for the gas production. Gas production will be measured at each wells location by a dry flow meter, and allocated back to each well by what went through DCP's EFM meter, located on the No. 3 location. The meters will be calibrated on a regular basis per API, NMOCD, and BLM specifications. The BLM and OCD will be notified of any future changes in the facilities.

**Pool Commingle Attachment for Gas Production for Lakeshore 10 Federal No. 2, 3, 5, and Avalon 10 Federal No. 22**

Lease Name and No.'s	Pool Name And Code	API	Gravities/ BTU on Non-Commingle Production	Volumes MCFPD
Lakeshore 10 Federal No. 2	Avalon Upper Penn Gas (71000)	<i>C1- Strawn</i> 30-015-29879 <i>C2 upper Penn</i>	.6491 / 1117	75
Lakeshore 10 Federal No. 3	Avalon; Strawn (71080)	30-015-30480	.6491 / 1117	75
Lakeshore 10 Federal SC No. 5	Catclaw Draw Delaware, East (10500)	30-015-33234	.87 / 1333	2
Avalon 10 Federal No. 22	Catclaw Draw Delaware, East (10500)	30-015-31653	.87 / 1333	12

All wells have the same royalty rate of 12.5%. By commingling gas production, it will help the economics of the well immediately. Right now, we have the Lakeshore No. 2 and 3 shut in due to not being economical since the wells need a compressor, which the payout for it makes the wells uneconomic; therefore, the value of those 2 wells right now is 0. Once commingled, production will go up 150 MCFPD, and make the wells now economic and no compressor will be needed.

Fasken Oil and Ranch, Ltd.

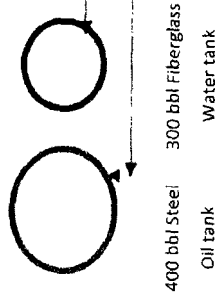
Site Facility Diagram - Commingled Gas

Lake Shore Federal Com 10 #3

Lake Shore 10 Federal Com #2

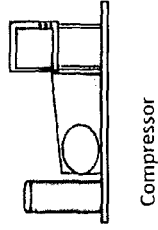
Lake Shore 10 Federal SC #5

Avalon 10-22



From:  
Lake Shore 10 Federal SC #5

From:  
Lake Shore 10 Federal Com #2  
Gas Sales Check Meter #



Compressor

Lake Shore Federal Com 10 #3  
NE/SW Sec 10 T21S R26E  
1650' FSL, 1997' FWL  
API: 30-015-30480  
Eddy County, NM  
Lease #NM3606



Gas Check Meter #



Gas Processing Unit



Gas Check Meter #

From:  
Avalon 10-22  
Gas Sales Check Meter #

DCP Gas Sales Meter #

Battery	Product	ProductionTtl	Jan	Feb	Mar	Apr	May	Jun
Avalon 10 Federal No 22	Oil	460	25	70	130	50	127	59
Avalon 10 Federal No 22	Gas	346	161	45	66	74	0	0
Avalon 10 Federal No 22	Wtr	3,783	668	552	672	621	647	623
Lakeshore 10 Federal No 2	Oil	0	0	0	0	0	0	0
Lakeshore 10 Federal No 2	Gas	0	0	0	0	0	0	0
Lakeshore 10 Federal No 2	Wtr	0	0	0	0	0	0	0
Lakeshore 10 Federal No 3	Oil	0	0	0	0	0	0	0
Lakeshore 10 Federal No 3	Gas	0	0	0	0	0	0	0
Lakeshore 10 Federal No 3	Wtr	0	0	0	0	0	0	0
Lakeshore 10 Federal Sc 5	Oil	725	115	149	108	101	145	106
Lakeshore 10 Federal Sc 5	Gas	1,416	209	313	257	233	165	239
Lakeshore 10 Federal Sc 5	Wtr	943	136	203	247	128	126	103

T21S, R26E

TR 1  
Lot 3

TR 2  
SW/4 NW/4

300153323400  
LAKESHORE 10 FEDERAL #5

300153165300  
AVALON 10 FEDERAL #22

10

300153048000  
LAKE SHORE FEDERAL #3

300152987900  
LAKE SHORE 10 FED #2

NMNM3606

\* ALL WELLS ARE ON THE SAME LEASE NMNM 3606.



0 656  
FEET

NMNM 0558274B 002

003

004

011

NMNM 0472639

014

2

5

NMNM 003606

010

22

3

015

009

NMNM 0400877

016



NMNM 071935

NMNM 071884

002

NMNM 058274B

NMNM 071938

003

004

NMNM 106858

NMNM 091056

011

NMNM 0472639

NMNM 103130

014 NMNM 105343

NMNM 100717

2

5

NMNM 003606

010

22

NMNM 101369

3

NMNM 101344

015 NMNM 100712

NMNM 0400877

009

016

**Fasken Oil and Ranch, Ltd.**  
**Pool Commingling Application for Lakeshore 10 Federal No. 2, 3, 5, and Avalon**  
**10 Federal No. 22 Gas Production Only**  
**List of Notified Parties**

The Beverage Company  
4305 North Garfield, Ste 235  
Midland, Tx 79705-4343

Richard H. Coats  
P.O. Box 2412  
Midland, TX 79702-2412

Devon Energy  
P.O. Box 843559  
Dallas, TX 75284

Carol Ann Hoffman  
1854 W. Cape Cod Way  
Littleton, CO 80120

Andrea Wiggins  
PO Box 5305  
Austin TX 78763

Monty McLane  
PO Box 9451  
Midland Tx 79708

Western Reserves Oil Co.  
4305 N. Garfield, STE 235  
Midland, TX 79705

Zia Enterprises  
PO Box 2160  
Hobbs, NM 88241

Carlsbad Irrigation District  
5117 Grandi Road  
Carlsbad, NM 88220

State Land Office  
P.O. Box 1148  
Santa Fe, NM 87504

Tim Goudeau  
2102 North I Street  
Midland, TX 79705

Bank of America  
100 North Tryon St.  
Charlotte, NC 28255

Alan Jochimsen  
4209 Cardinal Lane  
Midland, TX 79707

States Royalty LP  
PO Box 911  
Breckenridge, CO 76424

Charles Wiggins  
PO Box 10862  
Midland, TX 79701

OXY USA  
PO Box 841803  
Dallas, TX 75284

**BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(LIVE) SERIAL REGISTER PAGE**

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**01 02-25-1920;041STAT0437;30USC181ETSEQ**

**Total Acres**  
1,369.590

**Serial Number**  
NMNM-- - 003606

**Case Type 311211: O&G LSE SIMO PUBLIC LAND**

**Commodity 459: OIL & GAS**

**Case Disposition: AUTHORIZED Case File Juris:**

**Serial Number: NMNM-- - 003606**

Name & Address			Int Rel	%Interest
BECKER BUNNY	3603 HUMBLE	MIDLAND TX 79707	OPERATING RIGHTS	0.000000000
BECKER STEVE	3603 HUMBLE	MIDLAND TX 79707	OPERATING RIGHTS	0.000000000
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND TX 797014882	OPERATING RIGHTS	0.000000000
FASKEN ACQUISITIONS 02 LTD	6101 HOLIDAY HILL RD	MIDLAND TX 797071631	OPERATING RIGHTS	0.000000000
FASKEN ACQUISITIONS 02 LTD	6101 HOLIDAY HILL RD	MIDLAND TX 797071631	LESSEE	100.000000000
FASKEN LAND & MINERALS LTD	6101 HOLIDAY HILL RD	MIDLAND TX 79707	OPERATING RIGHTS	0.000000000
HUNTINGTON MORTGAGE	3920 GILLON AVE	DALLAS TX 75205	OPERATING RIGHTS	0.000000000
JOEL MILLER TRUSTEE	BOX 3003	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000
LEGACY RESERVES OPERATING LP	303 W WALL ST STE 1800	MIDLAND TX 797015106	OPERATING RIGHTS	0.000000000
LOVAN NORMAN A	3610 STANOLIND	MIDLAND TX 79707	OPERATING RIGHTS	0.000000000
MILLER BRIAN K	PO BOX 158	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000
MILLER JOEL R	PO BOX 3003	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000
NAUMANN JACK H JR	310 W TEXAS #302	MIDLAND TX 79701	OPERATING RIGHTS	0.000000000
NAUMANN OG INC	PO BOX 10159	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000
SMITH GREGORY G	2109 IDLEWILDE	RICHLAND MI 49083	OPERATING RIGHTS	0.000000000

**Serial Number: NMNM-- - 003606**

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0210S	0260E	002	LOTS	28;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATIO
23	0210S	0260E	003	LOTS	32,33,34;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATIO
23	0210S	0260E	004	LOTS	27-30,35,36;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATIO
23	0210S	0260E	009	LOTS	1;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATIO
23	0210S	0260E	010	LOTS	1-11;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATIO
23	0210S	0260E	011	LOTS	1-6,11;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATIO
23	0210S	0260E	012	ALIQ	E2SW,W2SE,SESE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

**Serial Number: NMNM 003606**

**Relinquished/Withdrawn Lands**

23	0210S	0260E	702	FF	L-12 RESURV;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATION
23	0210S	0260E	703	FF	NWSW,S2SW RESURV;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATION
23	0210S	0260E	703	FF	NWSW,S2SW RESURV;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0210S	0260E	704	FF	L-15,16,SE RESURV;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATION
23	0210S	0260E	704	FF	L-15,16,SE RESURV;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0210S	0260E	709	FF	NENE RESURV;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATION
23	0210S	0260E	709	FF	NENE RESURV;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0210S	0260E	710	FF	01 SENE,NESE,W2E2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0210S	0260E	710	FF	01 SENE,NESE,W2E2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATION
23	0210S	0260E	710	FF	02 E2W2,NWNW RESURV;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATION
23	0210S	0260E	710	FF	02 E2W2,NWNW RESURV;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0210S	0260E	711	FF	S2N2,N2SE,SWSE RESURV;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATION
23	0210S	0260E	711	FF	S2N2,N2SE,SWSE RESURV;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0210S	0260E	712	FF	E2SW,W2SE,SESE RESURV;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0210S	0260E	715	FF	SENW,NESW ASGN;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATION
23	0210S	0260E	715	FF	SENW,NESW ASGN;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

**Serial Number: NMNM-- - 003606**

Act Date	Code	Action	Action Remarks	Pending Office
10/11/1967	387	CASE ESTABLISHED	SPAR120;	
10/12/1967	888	DRAWING HELD		
11/01/1967	237	LEASE ISSUED		
12/01/1967	496	FUND CODE	05;145003	

NO WARRANTY IS MADE BY BLM  
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12/01/1967	530	RLTY RATE - 12 1/2%	
12/01/1967	868	EFFECTIVE DATE	
05/02/1973	246	LEASE COMMITTED TO CA	SW-740 EFF 02-20-1973
06/21/1973	140	ASGN FILED	INEXCO/ATLANTIC RICH
07/01/1973	570	CASE SEGREGATED BY ASGN	INTO NMNM3606-A;
07/16/1973	500	GEOGRAPHIC NAME	UNDEFINED FLD;
07/16/1973	510	KMA CLASSIFIED	
08/29/1973	315	RENTAL RATE DET/ADJ	\$2.00;
03/07/1974	660	MEMO OF 1ST PROD-ALLOC	SW893
06/24/1974	246	LEASE COMMITTED TO CA	SW893 EFF 03/15/74
11/13/1974	246	LEASE COMMITTED TO CA	SW932 EFF 11/01/74
09/02/1975	246	LEASE COMMITTED TO CA	SW1026 EFF 03/26/75
10/06/1975	246	LEASE COMMITTED TO CA	SW1035 EFF 08/01/75
10/17/1975	246	LEASE COMMITTED TO CA	SW1043 EFF 09/01/75
11/07/1979	932	TRF OPER RGTS FILED	
08/13/1982	660	MEMO OF 1ST PROD-ALLOC	RNM126
04/11/1983	933	TRF OPER RGTS APPROVED	EFF 07/01/79;
09/23/1983	660	MEMO OF 1ST PROD-ALLOC	RNM-127
11/14/1983	913	CONFORMED TO SRVY/RESRVY	RESURVEYED
11/30/1983	522	CA TERMINATED	SW-1043
02/27/1984	932	TRF OPER RGTS FILED	
03/07/1984	932	TRF OPER RGTS FILED	
03/20/1984	246	LEASE COMMITTED TO CA	RNM-126 EFF 12-10-82
03/20/1984	246	LEASE COMMITTED TO CA	RNM-127 EFF 06-01-83D
06/20/1984	932	TRF OPER RGTS FILED	KG
01/21/1985	933	TRF OPER RGTS APPROVED	EFF 04/01/84;
01/21/1985	933	TRF OPER RGTS APPROVED	EFF 07/01/84;
02/20/1985	963	CASE MICROFILMED/SCANNED	CNUM 100,385 GLC
03/03/1987	933	TRF OPER RGTS APPROVED	EFF 03/01/84;
10/20/1987	235	EXTENDED	THRU 11/30/85;
12/09/1987	660	MEMO OF 1ST PROD-ALLOC	RNM 126, RNM 127
04/18/1988	974	AUTOMATED RECORD VERIF	CJC/VG
08/17/1989	140	ASGN FILED	INEXCO/BONNEVILLE FLS
09/15/1989	139	ASGN APPROVED	EFF 09/01/89;
09/15/1989	974	AUTOMATED RECORD VERIF	DGT/MT
12/11/1990	899	TRF OF ORR FILED	(1)
12/11/1990	899	TRF OF ORR FILED	(2)
02/08/1991	899	TRF OF ORR FILED	(1)
02/08/1991	899	TRF OF ORR FILED	(2)
11/09/1992	932	TRF OPER RGTS FILED	EM NOMINEE/COATS R
01/13/1993	932	TRF OPER RGTS FILED	FINA/E M NOMINEE
01/28/1993	933	TRF OPER RGTS APPROVED	EFF 02/01/93;
01/28/1993	974	AUTOMATED RECORD VERIF	ANN/JS
01/31/1993	246	LEASE COMMITTED TO CA	NMNM90982;
02/16/1993	933	TRF OPER RGTS APPROVED	EFF 02/01/93;
02/16/1993	974	AUTOMATED RECORD VERIF	ST/JS
06/30/1993	932	TRF OPER RGTS FILED	BONNEVILLE/NAUMANN
06/30/1993	932	TRF OPER RGTS FILED	COATS/MILLER ET AL
09/04/1993	660	MEMO OF 1ST PROD-ALLOC	/2/NMNM90982;
09/17/1993	933	TRF OPER RGTS APPROVED	(1)EFF 07/01/93;

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**01 02-25-1920;041STAT0437;30USC181**

**Total Acres  
325.160**

**Serial Number  
NMNM-- - 100717**

**Case Type 318310: O&G COMMUNITIZATION AGRMT**

**Commodity 410: NATURAL GAS**

**Case Disposition: AUTHORIZED Case File Juris:**

**Serial Number: NMNM-- - 100717**

Name & Address	Int Rel	%Interest
BLM ROSWELL FO 2909 W 2ND ST ROSWELL NM 88201	OFFICE OF RECORD	0.000000000
FASKEN OIL & RANCH LTD 6101 HOLIDAY RD MIDLAND TX 797071631	OPERATOR	100.000000000

**Serial Number: NMNM-- - 100717**

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0210S	0260E	010	ALIQ	NENE,SESE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0210S	0260E	010	ALIQ	NENE,SESE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATIO
23	0210S	0260E	010	LOTS	1,5-8,11;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATIO

**Serial Number: NMNM-- - 100717**

Act Date	Code	Action	Action Remarks	Pending Office
04/17/1998	387	CASE ESTABLISHED		
04/17/1998	516	FORMATION	ATOK;ATOKA	
04/17/1998	516	FORMATION	MRRW06;MORROW	
04/17/1998	516	FORMATION	STRN06;STRAWN	
04/17/1998	516	FORMATION	WCAP;WOLFCAMP	
04/17/1998	525	ACRES-NONFEDERAL	28.84;8.98% FEE	
04/17/1998	525	ACRES-NONFEDERAL	40.00;12.46% ST	
04/17/1998	526	ACRES-FED INT 100%	256.32;78.82%	
04/17/1998	868	EFFECTIVE DATE	/A/	
05/30/1998	654	AGRMT PRODUCING	NMNM3606,2 LAKESHORE	
05/30/1998	690	AGRMT VALIDATED		
06/10/1998	580	PROPOSAL RECEIVED	CA RECD	
06/15/1998	334	AGRMT APPROVED		
06/17/1998	974	AUTOMATED RECORD VERIF	MO/MO	
07/01/2000	516	FORMATION	/B/ CSC002;CISCO	
07/01/2000	516	FORMATION	/B/CN03;CANYON	
09/13/2001	974	AUTOMATED RECORD VERIF	MO	
08/19/2002	940	NAME CHANGE RECOGNIZED	BONNEVILLE/CARBON ENE	
07/01/2003	672	SUCCESSOR OPERATOR	/D/CARBON/FASKEN OIL	
07/01/2003	974	AUTOMATED RECORD VERIF	MO	

**Line Nr Remarks Serial Number: NMNM-- - 100717**

0002	/A/	RECAPITULATION EFFECTIVE	04/17/1998	
0003	TR#	LEASE SERIAL NO	AC COMMITTED	% INTEREST
0004	1	NMNM 3606	244.08	75.0646
0005	2	CID	12.24	3.7643
0006	3	UNLEASED FEE	28.84	8.8695
0007	4	STATE	40.00	12.3016
0008		TOTAL	325.16	100.0000
0009	/B/	THIS CA WAS AMENDED BY LETTER DATED 09/13/2001		
0010		TO INCLUDE THE CISCO AND CANYON FORMATIONS		

**NO WARRANTY IS MADE BY BLM  
FOR USE OF THE DATA FOR  
PURPOSES NOT INTENDED BY BLM**

**BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 12/15/17 06:18 AM

Page 1 of 1

01 02-25-1920;041STAT0437;30USC181

Total Acres  
322.870

Serial Number  
NMNM-- - 101369

Case Type 318310: O&G COMMUNITIZATION AGRMT

Commodity 410: NATURAL GAS

Case Disposition: AUTHORIZED Case File Juris:

Serial Number: NMNM-- - 101369

Name & Address						Int Rel	%Interest	
BLM ROSWELL FO		2909 W 2ND ST		ROSWELL NM 88201		OFFICE OF RECORD	0.000000000	
FASKEN OIL & RANCH LTD		6101 HOLIDAY RD		MIDLAND TX 797071631		OPERATOR	100.000000000	
						Serial Number: NMNM-- - 101369		
Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0210S	0260E	010	ALIQ	SWNW,W2SW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0210S	0260E	010	ALIQ	SWNW,W2SW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATIO
23	0210S	0260E	010	LOTS	2,3,4,9,10;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF RECLAMATIO

Serial Number: NMNM-- - 101369

Act Date	Code	Action	Action Remarks	Pending Office
01/01/1999	387	CASE ESTABLISHED		
01/01/1999	516	FORMATION	ATOK;ATOKA	
01/01/1999	516	FORMATION	CNYN03;CANYON	
01/01/1999	516	FORMATION	CSCO02;CISCO	
01/01/1999	516	FORMATION	MRRW06;MORROW	
01/01/1999	516	FORMATION	STRN06;STRAWN	
01/01/1999	516	FORMATION	WCAP;WOLFCAMP	
01/01/1999	525	ACRES-NONFEDERAL	120.00;37.17% ST	
01/01/1999	526	ACRES-FED INT 100%	202.87;62.83%	
01/01/1999	868	EFFECTIVE DATE	/A/	
02/22/1999	334	AGRMT APPROVED		
02/22/1999	580	PROPOSAL RECEIVED	CA RECD	
02/22/1999	974	AUTOMATED RECORD VERIF	MO	
03/01/1999	654	AGRMT PRODUCING	NMNM3606,3 LAKESHORE	
06/19/2001	974	AUTOMATED RECORD VERIF	MO	
08/19/2002	940	NAME CHANGE RECOGNIZED	BONNEVILLE/CARBON ENE	
07/01/2003	672	SUCCESSOR OPERATOR	/B/CARBON/FASKEN OIL	
07/01/2003	974	AUTOMATED RECORD VERIF	MO	

Line Nr      Remarks      Serial Number: NMNM-- - 101369

0002	/A/	RECAPITULATION EFFECTIVE	01/01/1999	
0003	TR#	LEASE SERIAL NO	AC COMMITTED	% INTEREST
0004	1	NMNM	3606	202.87      62.8333
0005	2	STATE		80.00      24.7778
0006	3	STATE		40.00      12.3889
0007		TOTAL	322.87	100.0000
0008	/B/	CHANGE OF OPERATOR CARBON ENERGY CORP/FASKEN OIL		
0009		AND RANCH, LTD., EFF. 01/01/03.		

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PURPOSES NOT INTENDED BY BLM

**Bureau of Land Management  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972**

**See list of wells below**

**Fasken Oil and Ranch, LTD.  
December 15, 2017**

**Condition of Approval**

**Commingling of lease/CA gas production, and off lease/CA Measurement, & Sales of gas production  
Also included is Pool Commingling of gas production**

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. Gas measurement for allocation must be measured as per Onshore Order #5 or 43 CFR 3175 and API requirements for sales meters.
7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per 43 CFR 3179 to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer. These volumes are royalty bearing and shall be reported on OGOR "B" as disposition code "33".
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases/CAs require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
11. Submit gas allocation meter numbers within 30 days of this approval and provide updated facility diagram with meters numbers.

<b>Lake Shore Fed Com 10 #3,</b>	<b>3001530480, Strawn</b>	<b>Federal CA-NMNM101369</b>
<b>Lake Shore 10 Federal SC #5,</b>	<b>3001533234, Delaware</b>	<b>Federal Lease NMNM3606</b>
<b>Lake Shore Fed 10 Com 10 #2,</b>	<b>3001529879, C1 - Strawn</b>	<b>Federal CA-NMNM100717</b>
<b>Lake Shore Fed 10 Com 10 #2,</b>	<b>3001529879, C3 - Upper Penn</b>	<b>Federal CA-NMNM100717</b>
<b>Avalon 10 Federal #22,</b>	<b>3001531653, Delaware</b>	<b>Federal Lease NMNM3606</b>

**Federal Lease NMNM3606 has a Royalty Rate of 12.5%**

**CA – NMNM100717 Includes Fed Lease NMNM3606 75%, and CID, unleased FEE, & State 25%**

**CA – NMNM101369 Includes Fed Lease NMNM3606 62.8333% and State 31.1667%**