

DATE IN 08/22/13	SUSPENSE	ENGINEER DB	LOGGED IN 08/26/13	TYPE CTB/OLM	APP NO. CTB PRG1323859225
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



OLM PRG1323859792
CTB-682

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

4 wells
Faskin Oil
and Ranch

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD
 Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
☐ DHC ☒ CTB ☐ PLC ☐ PC ☒ OLS ☒ OLM
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
 [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
 [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

RECEIVED
MAY 22 7 29 PM
30-025-40361
Quail 16 State #3H
30-025-40531
Quail 16 State #4H
30-025-40492
40942 Quail 16 State #7H
30-025-40492
41366 Quail 16 State #8H

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kim Tyson
Print or Type Name

Kim Tyson
Signature

Regulatory Analyst
Title

8-20-2013
Date

kimt@forl.com
e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr. Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Fasken Oil and Ranch, Ltd.
OPERATOR ADDRESS: 6101 Holiday Hill Road, Midland, TX 79707
APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type: ☐ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code. Lea; Bone Spring, South 37570
(2) Is all production from same source of supply? ☒ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☐ Metering ☒ Other (Specify) - Monthly well tests.

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

- (1) Is all production from same source of supply? ☒ Yes ☐ No
(2) Include proof of notice to all interest owners. See attached certified receipts.

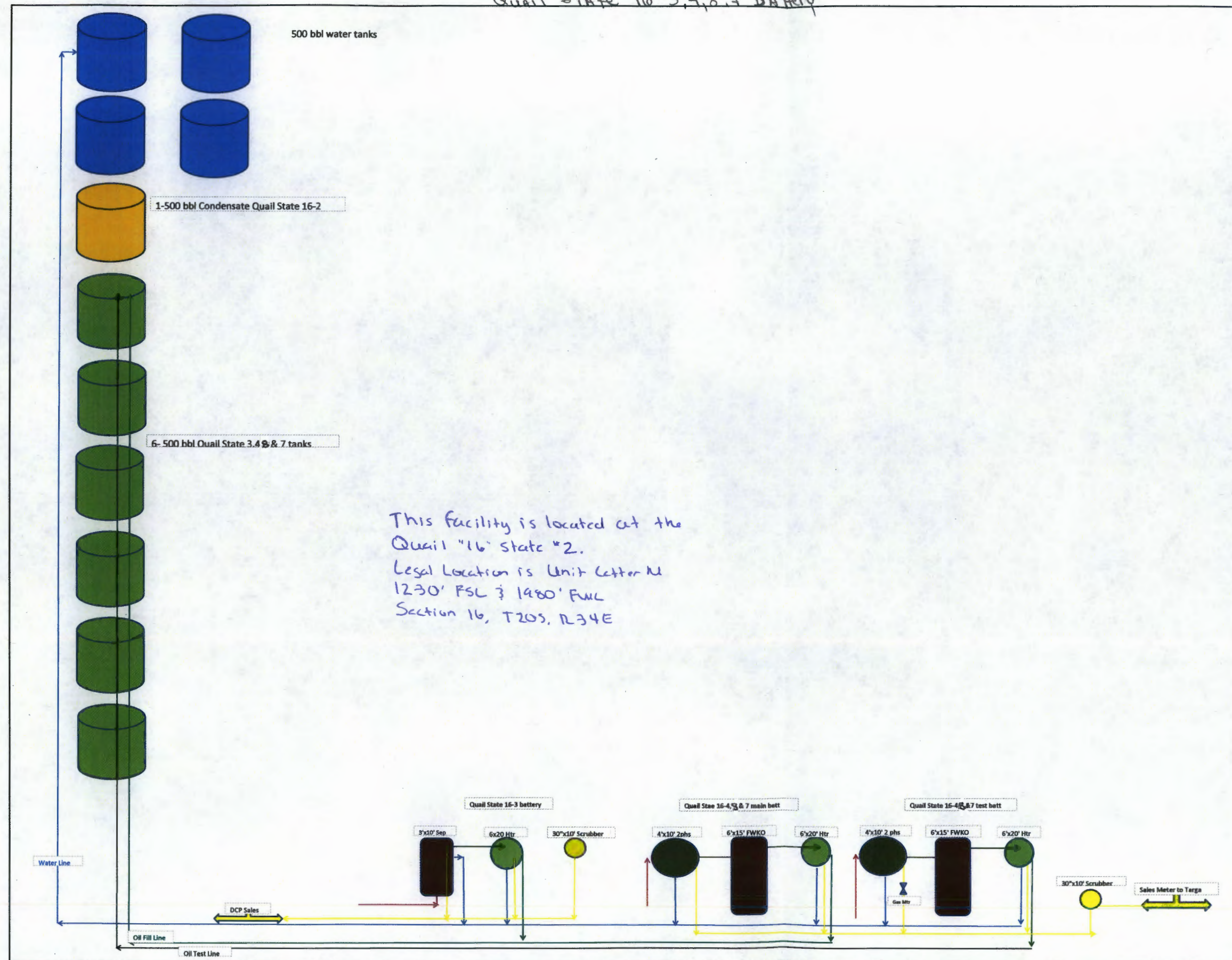
(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Kim Tyson TITLE: Regulatory Analyst DATE: 8-20-2013
TYPE OR PRINT NAME Kim Tyson TELEPHONE NO.: 432-687-1777
E-MAIL ADDRESS: kimt@forl.com

Quail State 16-3,4,8 & 7 Battery



16-20S-34E

State of New Mexico
VB-1149

80 Acres

State of New Mexico
B-154

520 Acres

State of New Mexico
VB-564

40 Acres

● QUAIL 16 STATE CO #3H

● QUAIL 16 STATE #4H

○ QUAIL 16 STATE #8H

⚡ QUAIL 16 STATE #7H P



**Well Identification Information
Attachment for Section E3**

Lease

Quail "16" State

Well Identification Information

Quail "16" State No. 3H

<u>API Number</u>	<u>Lease Number</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
30 42 -025-40361	B-154	M	16	20S	34E	Lea

Footages from lease lines

660' FSL & 300' FWL

Bottom Hole Location

Unit Letter – D, 381' FNL & 379' FWL

Prod 2013
29 B/P

Well Identification Information

Quail "16" State No. 4H

<u>API Number</u>	<u>Lease Number</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
30-025-40531	B-154	N	16	20S	34E	Lea

Footages from lease lines

200' FSL & 1650' FWL

Bottom Hole Location

Unit Letter – C, 336' FNL & 1601' FWL

Well Identification Information

Quail "16" State No. 7H

<u>API Number</u>	<u>Lease Number</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
30-025-40942	VB-1149	P	16	20S	34E	Lea

Footages from lease lines

200' FSL & 225' FEL

Proposed Bottom Hole Location

Unit Letter – A, 330' FNL & 330' FEL

*7A Not ~~or~~ reporting
production*

Production 709 BOPD

Well Identification Information

Quail "16" State No. 8H

<u>API Number</u>	<u>Lease Number</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
N/A	VB-1149	O	16	20S	34E	Lea

Footages from lease lines

262' FSL & 2080' FEL

Proposed Bottom Hole Location

330' FNL & 2080' FEL

The battery is located at the

Not reporting production.

Fasken Oil and Ranch, Ltd.
Surface Commingle Application for Quail "16" State No. 3H, 4H, 7H, &
8H
List of Notified Parties

J. Cleo Thompson &
James C. Thompson, Jr., L.P.
325 N. St. Paul, Suite 4300
Dallas, TX 75201
Attn: Wes Minshall

Marshall & Winston, Inc.
P.O. Box 50880
Midland, TX 79710
Attn: Kevin Hammit

Read & Stevens, Inc.
400 N. Pennsylvania, Suite 1000
Roswell, NM 88202
Attn: Dianna Doshier

CLM Production Company
P.O. Box 881
Roswell, NM 88202
Attn: John Maxey

Lincoln Oil & Gas, LLC
701 Three Cross
Roswell, NM 88201
Attn: Bill Bradshaw

Caza Petroleum
10077 Grogan's Mill Road, Suite 200
The Woodlands, TX 77380
Attn: Jay Brown

Chevron U.S.A. Inc. - ORR
1400 Smith Street
Houston, TX 77002
Attn: Mr. Tommy Morris

New Mexico State Land Office -
Royalty
P.O. Box 1148
Santa Fe, NM 87504-1148
Attn: Mr. Pete Martinez
Units and Commingling

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Postage	\$ 1.12
Certified Fee	3.10
Return Receipt Fee (Endorsement Required)	2.55
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.77

Attn: Jay Brown

Caza Petroleum

10077 Grogan's Mill Road, Suite 200
The Woodlands, TX 77380

Sent To

Street, Apt.

or PO Box

City, State

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Attn: Bill Bradshaw

Lincoln Oil & Gas, LLC

701 Three Cross
Roswell, NM 88201

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or PO Box

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Total Postage & Fees	\$ 6.77

Attn: Dianna Doshier

Read & Stevens, Inc.

400 N. Pennsylvania, Suite 1000
Roswell, NM 88202

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Restricted Delivery Fee (Endorsement Required)	
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Attn: Mr. Pete Martinez

Units and Commingling

New Mexico State Land Office - Royalty
P.O. Box 1148
Santa Fe, NM 87504-1148

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.77

Attn: Mr. Tommy Morris

Chevron U.S.A. Inc. - ORR

1400 Smith Street
Houston, TX 77002

Sent To

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or PO Box

City, State

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.77

Attn: John Maxey

CLM Production Company

P.O. Box 881
Roswell, NM 88202

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Street, Apt.

or PO Box

City, State

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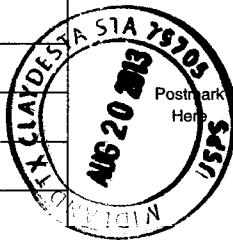
7011 3500 0001 7359 7247

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Total Postage & Fees	\$ 6.77



Sent To
 Street, A
 or PO Bx
 City, Sta.
Attn: Kevin Hammit
Marshall & Winston, Inc.
P.O. Box 50880
Midland, TX 79710

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7011 3500 0001 7359 7254

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.77



Sent To
 Street, A
 or PO Bx
 City, Sta.
Attn: Wes Minshall
J. Cleo Thompson &
James C. Thompson, Jr., L.P.
325 N. St. Paul, Suite 4300
Dallas, TX 75201

PS Form

uctions

Ezeanyim, Richard, EMNRD

From: Kim Tyson <kimt@forl.com>
Sent: Thursday, September 19, 2013 8:27 AM
To: Ezeanyim, Richard, EMNRD
Subject: Quail "16" State - Surface Commigling Application

Richard,

Sorry it took so long getting this information to you. I have listed below the spud and completion date and the production for the Quail "16" State wells that are being surface commingled.

Quail "16" State #3H – Spud date – 4-19-2012 – Completion date – 9-19-2012 – This well is producing 181 bbls of oil per day.

Quail "16" State #4H – Spud date – 12-20-2012 – Completion date – 2-16-2013 – This well is producing 581 bbls of oil per day.

Quail "16" State #7H – Spud date – 7-31-2013 – This well is currently waiting on completion.

Quail "16" State #8H – Spud date – 9-3-2013 – This well is currently drilling.

If you need any additional information or have any questions please call me at 432-687-1777 or e-mail me at kimt@forl.com.

Thanks for your help concerning this matter.

Kim Tyson