

DATE IN 8.23.10	SUSPENSE	ENGINEER RE	LOGGED IN 8,23,10	TYPE <i>PLC</i>	APP NO. 1023528430
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ABOVE THIS LINE FOR DIVISION USE ONLY

RECEIVED NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2010 AUG 20 1220 South St. Francis Drive, Santa Fe, NM 87505



Fasken
151416

Fed 26A #1,3,4,5,6

ADMINISTRATIVE APPLICATION CHECKLIST

30-025

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]

(1) 29249

(2) 39008

(4) 39809

(5) 39810

(6) 39811

[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

Lea Co
Called Kim
10/18/10 - She
will ask Land To
determine which well
The different ORR
Tracts own interest
will go

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[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

8-16-2010
Date

kimt@forl.com
e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, 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 June 10, 2003

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: 303 W. Wall St., Ste. 1800, Midland, TX 79701

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
EK; Delaware 21655	38°	37.6° API		\$12,000/day @ \$75/BD	120 BOPD
EK; Bone Spring 21650	34.5°				10 BOPD
Corbin; Queen, South	37°				30 BOPD
(Oil) 13290					

(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) Well Tests

(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. See Attachment

(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) 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 attach 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.

(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: 8-16-2010

TYPE OR PRINT NAME Kim Tyson TELEPHONE NO.: 432-687-1777

E-MAIL ADDRESS: kimt@for1.com

Section B Item No. 1 Attachment
Pool Name & Pool Code

<u>Pool Name</u>	<u>Pool Code</u>
EK; Delaware	21655
EK; Bone Springs	21650
Corbin; Queen, South (Oil)	13290

Well Identification Information Attachment for Section E3

Leases

Federal "26A" Lease

Well Identification Information

Federal "26A" No. 1

<u>API Number</u>	<u>Lease Number</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
30-025-29249	NM-26692	N	26	18S	33E	Lea

Footages from lease lines

660' FSL & 1980' FWL

Well Identification Information

Federal "26A" No. 3

<u>API Number</u>	<u>Lease Number</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
30-025-39008	NM-26692	P	26	18S	33E	Lea

Footages from lease lines

510' FSL & 510' FEL

Well Identification Information

Federal "26A" No. 4

<u>API Number</u>	<u>Lease Number</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
30-025-39809	NM-26692	E	26	18S	33E	Lea

Footages from lease lines

1525' FSL & 300' FEL

Well Identification Information

Federal "26A" No. 5

<u>API Number</u>	<u>Lease Number</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
30-025-39810	NM-26692	J	26	18S	33E	Lea

Footages from lease lines

1875' FSL & 2255' FEL

Well Identification Information

Federal "26A" No. ~~3~~ **6**

<u>API Number</u>	<u>Lease Number</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
30-025-39811	NM-26692	O	26	18S	33E	Lea

Footages from lease lines

930' FSL & 2120' FEL

The battery is located at the Federal "26A" #1 well.

26

30-025-39810
FEDERAL 26A

○ 5

26692

30-025-39811
FEDERAL 26A

○ 6

30-025-29249
FEDERAL 26-A

● 1

30-025-39809
FEDERAL 26A

○ 4

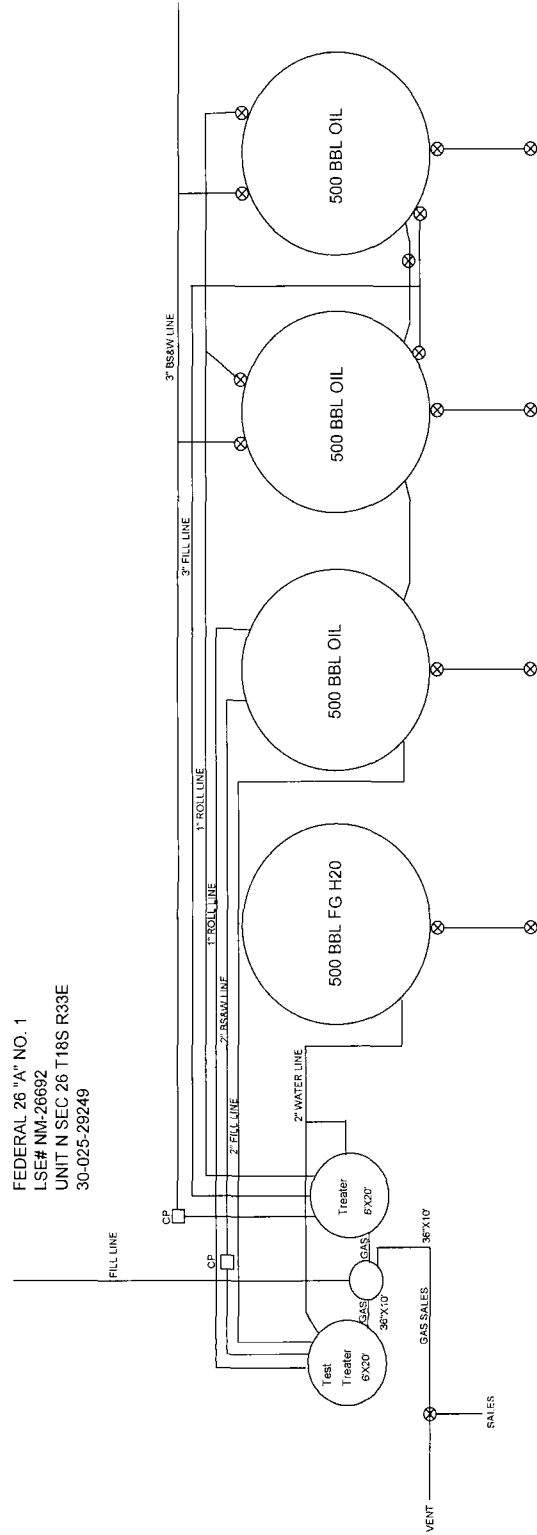
30-025-39008
FEDERAL 26 A

● 3



0 1,000
FEET

FEDERAL 26 "A" NO. 1
LSE# NM-26692
UNIT N SEC 26 T18S R33E
30-025-29249



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.

5. Lease Serial No.
NM - 26692

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
Federal "26A" No. 1, 3, 4, 5, & 6

2. Name of Operator
Fasken Oil and Ranch, Ltd.

9. API Well No.
30-025-29249, 39008, 39809, 39810, & 39811

3a. Address
303 West Wall St., Suite 1800, Midland, TX 79701

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

10. Field and Pool or Exploratory Area
EK; Delaware & Corbin; Queen, South (Oil)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
No. 1 - 660' FSL & 1980' FWL No. 4 - 1525' FSL & 300' FEL No. 6 - 930' FSL & 2120' FEL
No. 3 - 510' FSL & 510' FEL No. 5 - 1875' FSL & 2255' FEL All wells located in Sec. 26, T18S, R33E

11. Country or Parish, State
Lea, 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"/> 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 checked="" type="checkbox"/> Other <u>Surface Commingle</u>
	<input type="checkbox"/> Change Plans	<input 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 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. proposes to do lease and pool surface commingling on the Federal "26A" lease for well nos. 1, 3, 4, 5, & 6 pending approval of Surface Commingling Application from the NMOCD.

This is for your information only.

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

Name (Printed/Typed)
Kim Tyson

Title Regulatory Analyst

Signature Kim Tyson

Date 08/16/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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)

Fasken Oil and Ranch, Ltd.
Surface Commingle Application for Federal "26A" No. 1, 3, 4, 5, & 6
List of Notified Parties

Fasken Oil and Ranch, Ltd.
303 W. Wall St., Ste. 1800
Midland, TX 79701-5106

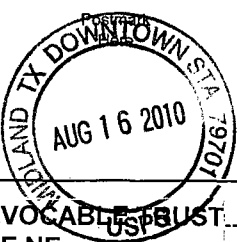
Jo Ann Guest Revocable Trust
Michelle Rathburn, Successor
4131 Dover Road
La Canada, CA 91011-4006

ORR only

The Watkins Revocable Trust
9108 Northridge N.E.
Albuquerque, NM 87111-2426

ORR only

7007 2560 0003 3657 7729

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.22
Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.32
	
Sent To	
Street, Apt. No., or PO Box No.	THE WATKINS REVOCABLE TRUST 9108 NORTHRIDGE NE
City, State, ZIP+4	ALBUQUERQUE NM 87111-2426
PS Form 3800, August 2006 See Reverse for Instructions	

7007 2560 0003 3657 7712

U.S. Postal Service™	
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For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.22
Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.32
	
Sent To	
Street, Apt. No., or PO Box No.	JO ANN GUEST REVOCABLE TRUST MICHELLE RATHBURN SUCCESSOR 4131 DOVER RD
City, State, ZIP+4	LA CANADA CA 91011-4006
PS Form 3800, August 2006 See Reverse for Instructions	

Jones, William V., EMNRD

From: Kim Tyson [kimt@forl.com]
Sent: Tuesday, October 19, 2010 10:05 AM
To: Jones, William V., EMNRD
Subject: Federal "26A" Surface Commingling Application

William,

I have the interest in all of the wells on the lease listed below for the parties that we notified for the surface commingling application.

The Jo Ann Guest Revocable Trust Michelle Rathburn, Successor Trustee has a 1% interest in all the wells on the Federal "26A" Lease.

The Bureau of Land Management has a 12.5% interest in all the wells on the Federal "26A" Lease.

The Watkins Revocable Trust has a 4% interest in all the wells on the Federal "26A" Lease.

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

Thanks for your help concerning this matter.

Kim Tyson