

District I
1625 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, 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-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
 Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

2005 OCT 17 APPLICATION FOR DOWNHOLE COMMINGLING

Range Operating New Mexico, Inc. 777 Main St., Ste. 800, Fort Worth, TX 76102
Operator Address

Simmons 3 G.5.22S.37E DHC-3569 Lea
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 227588 Property Code 301553 API No. 30-025-34043 Lease Type: Oil Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Eumont Yates SRQ		Penrose-Skelly Grayburg
Pool Code	22800		50350
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3503 - 3581		3660 - 3770
Method of Production (Flowing or Artificial Lift)	Pumping		Pumping
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	265		
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 9/17/05 Rates: 50 MCFD 2.0 BOPD	Date: Rates:	Date: 8/28/05 Rates: 20 MCFD 3.0 BOPD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 87 % Gas 71 %	Oil % Gas %	Oil 13 % Gas 29 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No

Are all produced fluids from all commingled zones compatible with each other? Yes No

Will commingling decrease the value of production? Yes No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Paula Hale TITLE Sr. Reg. Sp. DATE 10/14/05

TYPE OR PRINT NAME Paula Hale TELEPHONE NO. (817) 810-1916

E-MAIL ADDRESS phale@rangeresources.com

Lease Name: SIMMONS
County, State: LEA, NM
Operator: RB OPERATING COMPANY
Field: PENROSE-SKELLY
Reservoir: GRAYBURG
Location: 5 22S 37E

SIMMONS 3 30025340430000

