

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SEP 22 2008

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

COPY

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5 Lease Serial No. NM89872
2 Name of Operator Range Operating New Mexico, Inc.		6 If Indian, Allottee or Tribe Name
3a Address 100 Throckmorton St., Ste. 1200, Fort Worth, TX 76102	3b Phone No. (include area code) 817-869-4216	7. If Unit or CA/Agreement, Name and/or No
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 1650' FSL & 2310' FWL, Unit K, Sec. 17, T22S, R37E		8. Well Name and No. Federal 1-17 #3
		9 API Well No. 30-025-38550
		10. Field and Pool, or Exploratory Area Drinkard/Wantz; Abo
		11. County or Parish, State Lea County, TX

12. CHECK 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 DHC
	<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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

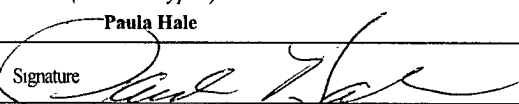
Application for Downhole Commingle:

- (i) According to R-11363 (OCD) established pre-approved pool & area
(ii) Pool Name: Drinkard (19190) Wantz; Abo (62700)
(iii) Perfs 6538 - 6544 6712 - 6752
(iv) Prod% Oil, Gas, Wtr 20,50,20 80,50,80
(v) The downhole commingling of oil & gas from the Drinkard and the Wantz; Abo will not reduce the value of the total remaining production.
(vi) Ownership between all pools is identical.
(vii) This is a Federal property.


DHC Order No. HOB-0272

Spud Date: 7/24/2008

Rig Release Date: 8-15-2008

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Paula Hale		Title Sr. Reg. Sp.
Signature 		Date 09/19/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ 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	PETROLEUM ENGINEER Title _____ Office 	Date OCT 27 2008
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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)

UNITED STATES
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OPERATOR COPY

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4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2310' FSL & 2310' FWL, Unit K, Sec. 17, 22S, 37E 1650' FSL & 2310' FWL, Unit K, Sec. 17, 22S, 37E		8. Well Name and No Federal #1 and Federal 1-17 #3
		9. API Well No 30-025-26304; 30-025-38550
		10. Field and Pool, or Exploratory Area Eum. Yates SRQ-Drinkard-Wantz Abo
		11. County or Parish, State Lea

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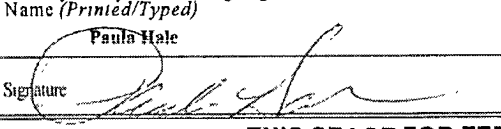
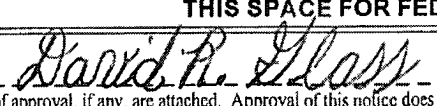

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	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
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Due to the Federal #1 and Federal 1-17 #3 having different interest owners, Range Operating New Mexico, Inc. requests to surface commingle the two wells. Both wells are in the same 40 acre unit and the same lease. The production from the Federal 1-17 #3 will be run through the test facilities every month in order maintain accurate allocation of volumes.

Please review attached OCD form C-107B, Application for Surface Commingling (Diverse Ownersip), and technical data.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Paula Hale		Title Sr. Reg. Sp.
Signature 		Date 09/17/2008
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by  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 PETROLEUM ENGINEER Date SEP 24 2008 
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(Instructions on page 2)		

**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220-6292
(505) 234-5972**

**Off-Lease Measurement, Storage, and Surface Commingling
Conditions Of Approval**

1. This agency be notified of any change in your sales method or location of the sales meter.
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 is subject to like approval by the New Mexico Oil Conservation Division.
5. Additional wells and/or leases require additional commingling approvals.
6. 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 to the BLM Carlsbad Field office at 620 East Greene Street, Carlsbad, New Mexico 88220-6292 for wells in Eddy or Lea County if you have not already done so.