

July 24, 2009

DATE IN: 7/28/09	SUSPENSE	ENGINEER Jones	LOGGED IN 7/28/09	TYPE DHC	APP NO.
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2009 JUL 28 AM 8 36

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



30-025-39023  
ELLIOTT B. FEL #20  
Range Operating  
L227588]

## 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]

- [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 \_\_\_\_\_

DHC-3921

- [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.

- [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.

Paula Hale

Print or Type Name	Signature	Title	Date
e-mail Address			

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  
No

APPLICATION FOR DOWNHOLE COMMINGLING

RECEIVED OGD

Range Operating New Mexico, Inc. 100 Throckmorton St., Ste. 1200, Fort Worth, TX 76102  
Operator Address  
Elliott B Federal 20 O-6-22S-37E Lea  
Lease Well No. Unit Letter-Section-Township-Range County  
OGRID No. 227588 Property Code 301545 API No. 30-025-39023 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Tubb Oil & Gas (C-102)	Drinkard	Wantz; Abo
Pool Code	60240	19190	62700
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6291 - 6295	6657 - 6663	6808 - 6884
Method of Production (Flowing or Artificial Lift)	Pumping	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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	32.1	32.1	32.1
Producing, Shut-In or New Zone	Producing	Producing	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: 12-20-2008 Rates: 46/41/69	Date: 12-20-2008 Rates: 48/41/57	Date: 12-20-2008 Rates: 55/14/174
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 31 % Gas 43 %	Oil 32 % Gas 43 %	Oil 37 % Gas 14 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X 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 X No  
Will commingling decrease the value of production? Yes No X  
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 X No  
NMOCD Reference Case No. applicable to this well: Administrative Order DHC-3921

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 7-23-2009  
TYPE OR PRINT NAME Paula Hale TELEPHONE NO. ( 817 ) 869-4216  
E-MAIL ADDRESS phale@rangeresources.com

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II  
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
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State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-025-39023	Pool Code 60240	Pool Name Tubb Oil & Gas
Property Code 301545	Property Name ELLIOTT "B" FEDERAL	Well Number 20
OGRID No. 227588	Operator Name RANGE OPERATING	Elevation 3447'

**Surface Location**

UL or lot No. 0	Section 6	Township 22 S	Range 37 E	Lot Idn	Feet from the 930	North/South line SOUTH	Feet from the 2310	East/West line EAST	County LEA
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**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<b>OPERATOR CERTIFICATION</b>  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.   Signature _____ Date 3-22-2009 Paula Hale Printed Name
	<b>SURVEYOR CERTIFICATION</b>  I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.  MARCH 22 2008 Date Surveyed Signature _____ Seal of Gary L. Jones Professional Surveyor W.O. 7977
	Certificate No. Gary L. Jones 7977
	BASIN SURVEYS

DISTRICT I  
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☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-025-39023	Pool Code 19190	Pool Name v Drinkard
Property Code 301545	Property Name ELLIOTT "B" FEDERAL	Well Number 20
OGRID No. 227588	Operator Name RANGE OPERATING	Elevation 3447'

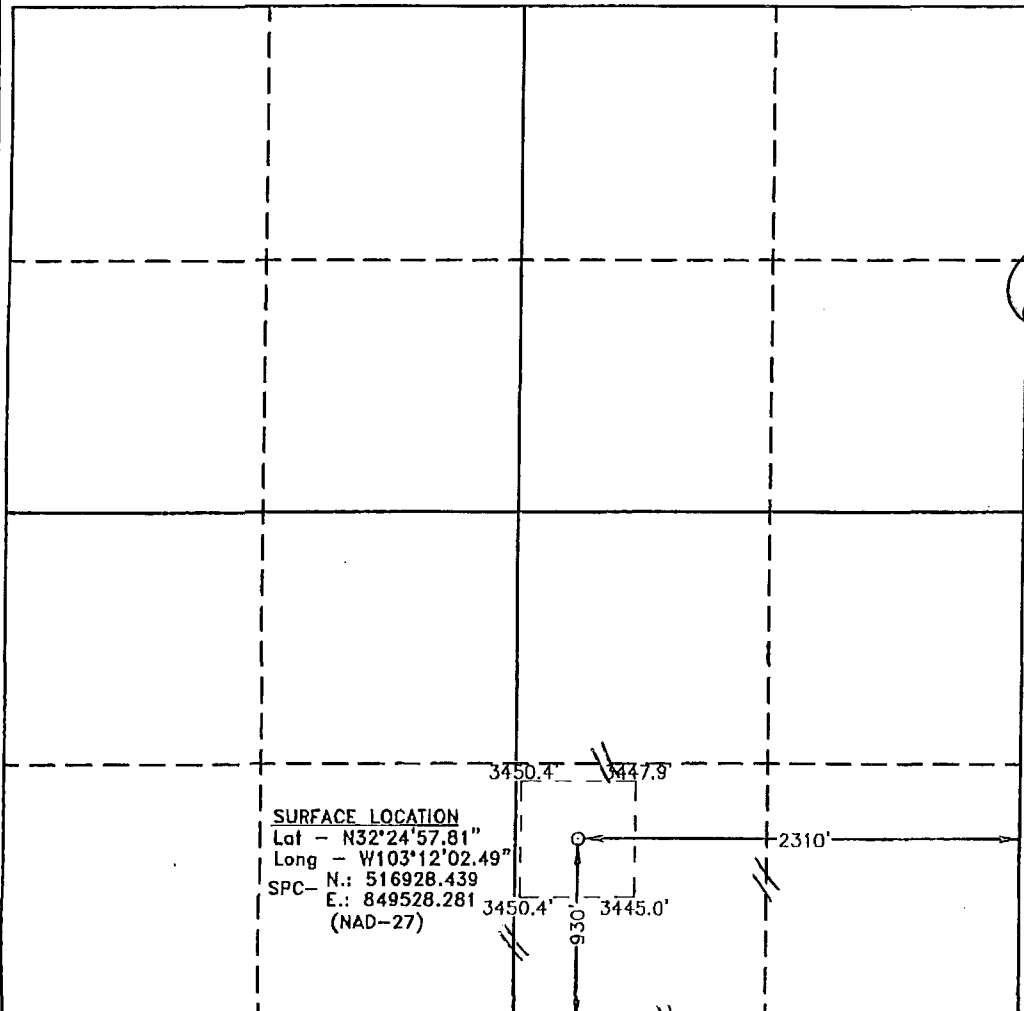
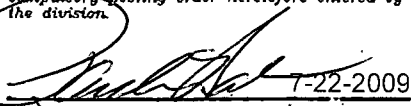
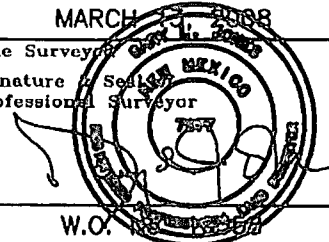
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Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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 <p><b>SURFACE LOCATION</b> Lat - N32°24'57.81" Long - W103°12'02.49" SPC- N.: 516928.439 E.: 849528.281 (NAD-27)</p>	<b>OPERATOR CERTIFICATION</b>  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.   7-22-2009 Signature Date  Paula Hale Printed Name	
	<b>SURVEYOR CERTIFICATION</b>  I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  MARCH 12, 2008 Date Surveyed Signature of Gary L. Jones Professional Surveyor  W.O. Jones Certificate No. Gary L. Jones 7977  BASIN SURVEYS	

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Energy, Minerals and Natural Resources Department

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Santa Fe, New Mexico 87505

☐ AMENDED REPORT

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Property Code 301545	Property Name ELLIOTT "B" FEDERAL	Well Number 20
OGRID No. 227588	Operator Name RANGE OPERATING	Elevation 3447'

**Surface Location**

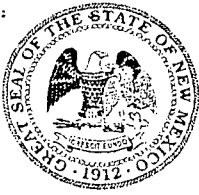
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	<b>SURVEYOR CERTIFICATION</b>  I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.  MARCH 13 2008 Date Surveyed Signature & Seal Professional Surveyor  W.O. Jones Certificate No. Gary L. Jones 7977  BASIN SURVEYS



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

Administrative Order DHC-3921

Application Reference Number: pTDS0721850591

RANGE OPERATING NEW MEXICO INC  
100 THROCKMORTON STREET, SUITE 1200  
FT WORTH, TX 76102

Attention: Paula Hale, Sr. Reg. Sp.

B J Well No. 002

API No: 30-025-38294

Unit P, Section 17, Township 22 South, Range 37 East, NMPM

Lea County, New Mexico

Pool: Undesignated DRINKARD Oil 19190

Names: Undesignated TUBB OIL AND GAS (Oil) Oil 60240  
WILDCAT; ABO

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable to the well and allocation of production from the well shall be as follows.

Undesignated DRINKARD Pool	Pct Gas: 10	Pct Oil: 10
Undesignated TUBB OIL AND GAS (OIL) Pool	Pct Gas: 50	Pct Oil: 50

WILDCAT; ABO Pool	Pct Gas: 40	Pct Oil: 40
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These percentages shall be amended only with written permission of the Division.

REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Order approved at Santa Fe, New Mexico on 8/7/2007.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



MARK E. FESMIRE, P.E.  
Director

cc: Oil Conservation Division – Hobbs