

ABOVE THIS LINE FOR DIVISION USE ONLY

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



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## 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** \_\_\_\_\_

**[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.**

Print or Type Name

Signature

Title

Date

e-mail Address

**RB OPERATING COMPANY**

777 MAIN STREET, SUITE 800  
FORT WORTH, TEXAS 76102  
817.870.2601  
817.870.2316 (FAX)

January 21, 2005

State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Re: **South Culebra Bluff 3-B Tank Battery**  
**Eddy County, NM**

Gentlemen:

RB Operating Company requests administrative approval for commingling of production of the following wells located in Section 23, T23S, R28E, Eddy County, NM:

<u>WELL</u>	<u>API Number</u>
Donaldson Community 'A' 1	30-015-22404
SCB 23-15	30-015-33783
SCB 23-5	30-015-26294
SCB 23-4	30-015-26285
SCB 23-13	30-015-30164
SCB 3-B	30-015-22700

The current SCB 3-B Tank Battery services the production from the Donaldson Community 'A' 1 well and the SCB 3-B well. RB Operating is requesting the consolidation of the Tank Batteries for the wells listed above into the SCB 3-B Tank Battery. The new proposed SCB 3-B Tank Battery will have separate oil, water, and gas metering of the Donaldson Community 'A' 1 and the SCB 23-15 wells, which have diversity of ownership from the other wells producing into the Tank Battery. The SCB 23-5, SCB 23-4, SCB 23-13, and the SCB 3-B wells (which have identical ownership) will be metered through common oil, water, and gas meters, but these wells will also be tested through a test separator with separate oil, water, and gas meters to obtain accurate well tests. Thus, all wells in the proposed SCB 3-B Tank Battery will be metered for oil, gas, and water prior to commingling production in the oil and water tanks. All meters in the SCB 3-B Tank Battery will be calibrated on a regular basis per API and NMOCD specifications. A schematic of the proposed SCB 3-B Tank Battery is also attached.

The royalty owners, overriding royalty owners, working interest owners, and the NMOCD have been notified of this proposal by certified mail (please see attached receipt list).

The commingling of production into the SCB 3-B Tank Battery is proposed to reduce operating expenses for the above referenced wells, resulting in an increase in the economic life of the wells. We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Should you have any questions, please do not hesitate to contact me at 817.870.2601.

Very truly yours,

A handwritten signature in cursive script that reads "Bill Frey".

Bill Frey  
Engineering Consultant

Enclosures

XC : Royalty Owners  
Overriding Royalty Interest Owners  
Working Interest Owners

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: RB Operating Company  
OPERATOR ADDRESS: 777 Main Street Suite 800 Fort Worth TX 76102  
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
Loving; Brushy Canyon, East 40350	40.9/1316	40.9/1316			

- (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.  
(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)

**(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

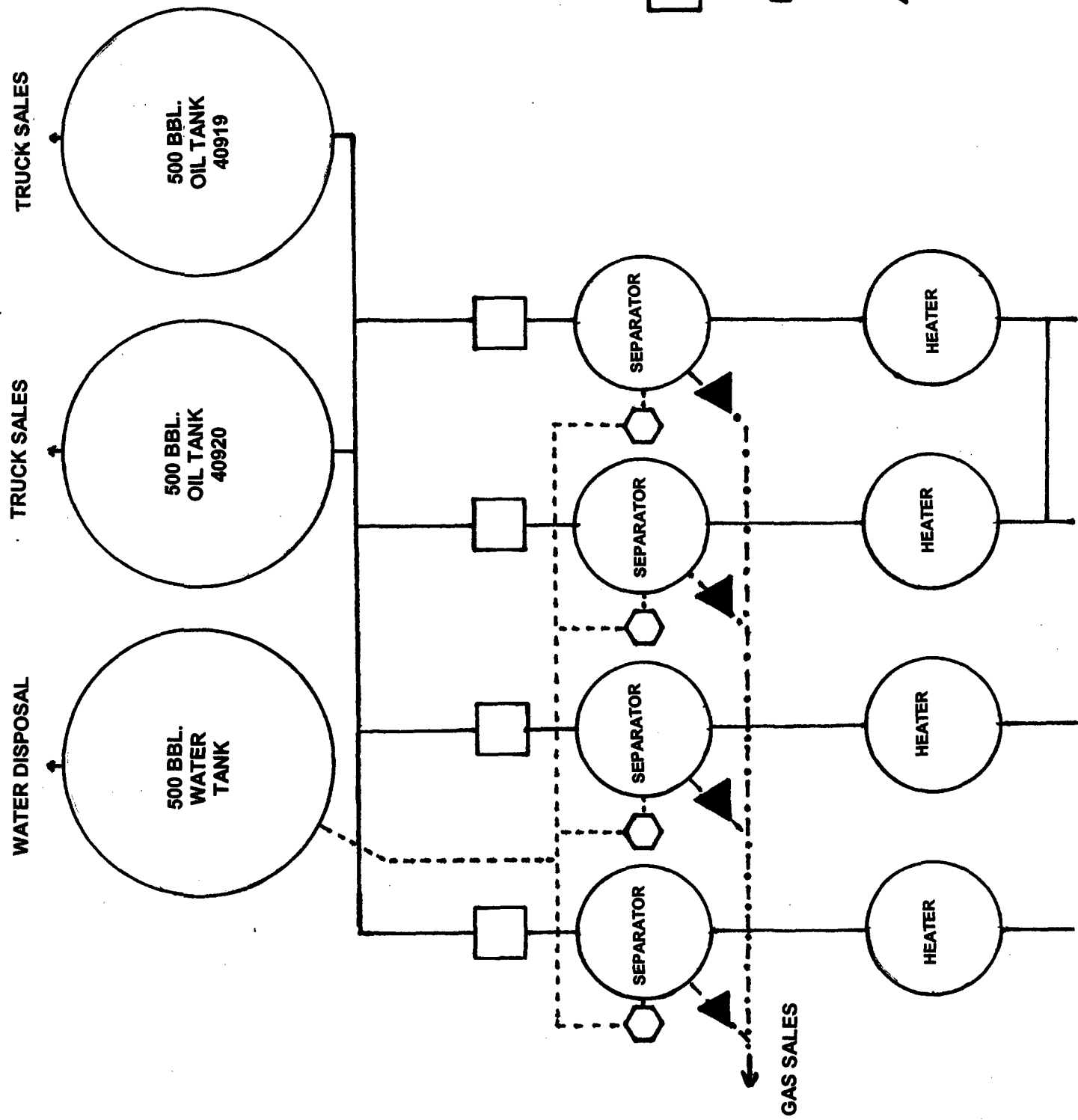
- (1) Is all production from same source of supply? ☒ Yes ☐ No  
(2) Include proof of notice to all interest owners.

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

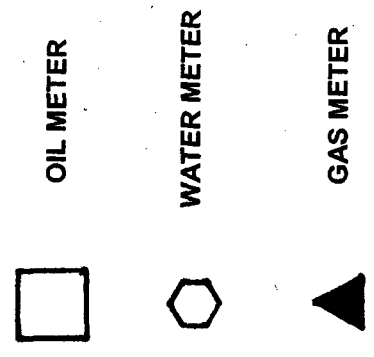
- (1) A schematic diagram of facility, including legal location.  
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

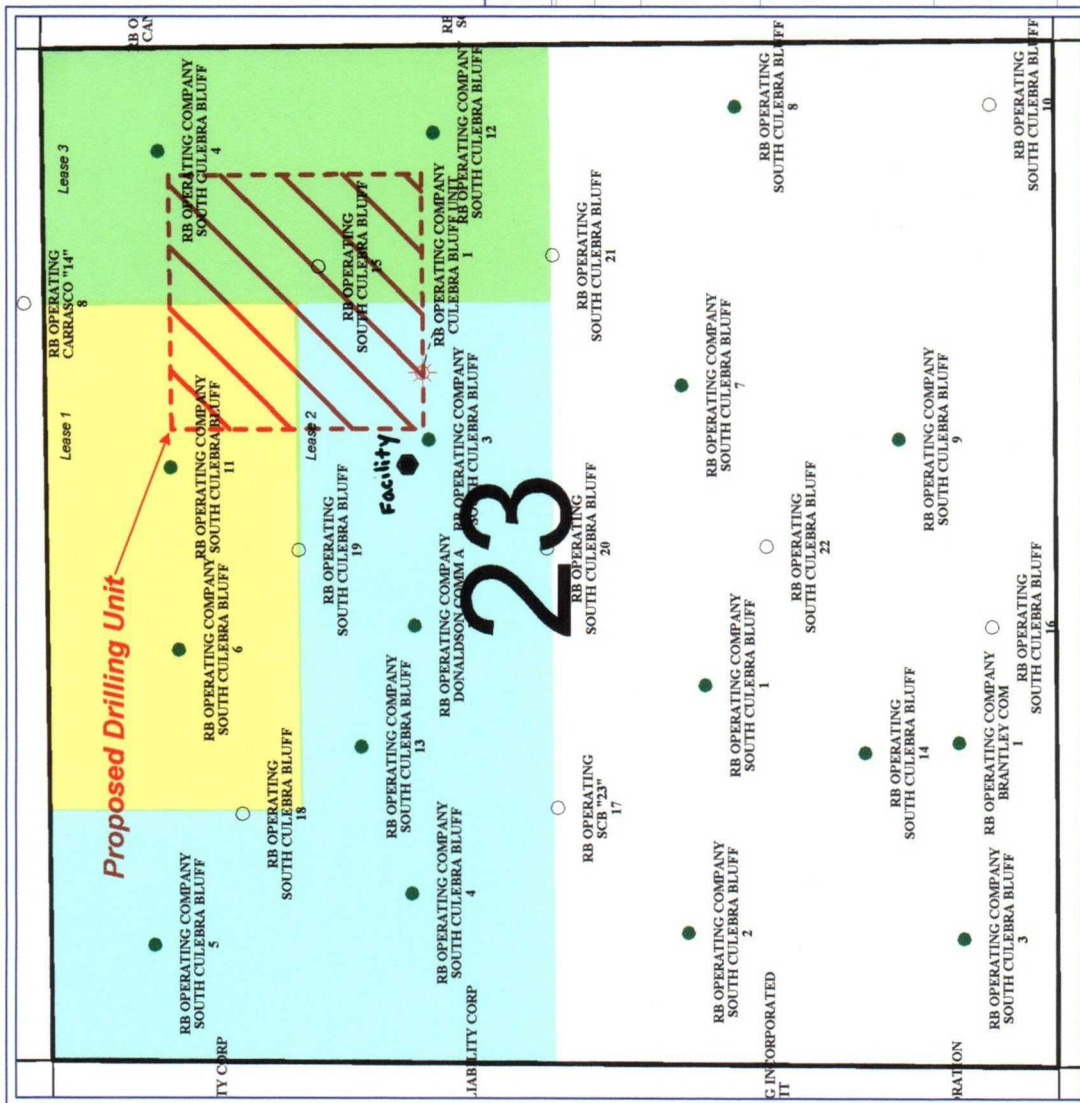
SIGNATURE: Linda C. Stiles TITLE: Sr. Engineering Tech DATE: 01/14/2005  
TYPE OR PRINT NAME Linda C Stiles TELEPHONE NO.: 817/810-1908  
E-MAIL ADDRESS: lstiles@rangeresources.com



# SCB 3-B TANK BATTERY



RB OPERATING  
EDDY CO., NM



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T-238- R 28E

RB OPERATING  
 EDDY COUNTY, NEW MEXICO  
 LEASE OWNERSHIP SURFACE COMINGLING

INTEREST OWNER	ATTENTION LINE	STREET ADDRESS	STATE ADDRESS	STATE ZIP CODE	CERTIFIED MAIL RECEIPT
CHESAPEAKE PERMIAN LP		P O BOX 960161	OKLAHOMA CITY OK	73196-0161	7001 1940 0004 6561 2262
DONALD PAAPE		P O BOX 3	FORT DAVIS TX	79734	7001 1940 0004 6561 2279
STENNIS FAMILY TRUST, MARIA STENNIS TRUSTEE		200 MICHELLE DRIVE	SANTA FE NM	87501	7001 1940 0004 6561 2286
JOHNNY L REID & JACKIE L REID		245 E LONDON RD	LOVING NM	88256	7001 1940 0004 6561 2293
LUCILLE PAAPE		14911 WUNDERLICH #1807	HOUSTON TX	77069	7001 1940 0004 6561 2309