STATE OF NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSES OF CONSIDERING:

CASE NO. 13875

APPLICATION OF RANGE OPERATING NEW MEXICO, INC TO AMEND DIVISION ORDER R-12601 EDDY COUNTY, NEW MEXICO.

AFFIDAVIT OF ROBERT EBEIER AND WILLIAM FREY

Before the Oil Conservation Division

Case 13875

Case 100 Operating

Exhibit No. 12007

Exhibit Range 1, 2007

Submitted by March 1, 2007

STATE OF TEXAS

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§ ss.

COUNTY OF TARRANT

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Before me, the undersigned authority, personally appeared Robert Ebeier and Andrew Tullis, who being fully sworn stated:

A. Our names and qualifications as experts are as follows:

Robert Ebeier

Education: BBA/Petroleum Land Management

Experience: Senior Landman for Range Operating New Mexico, Inc.

William Frey

Education:

BS in Petroleum Engineering

Experience:

Practicing petroleum engineer for 25 years. Registered

Professional Engineer in Texas and California.

B. We are over the age of majority and competent to make this Affidavit.

We are each responsible for and involved in preparing the necessary documents for submittal to the New Mexico Oil Conservation Division for this case.

We are each personally knowledgeable and familiar with the facts and circumstances of this case and the following factual statements.

NMOCD Case 13875 Range Operating New Mexico, Inc. Page 1 C. Our expert opinion are based on the following facts and events:

CHRONOLOGICAL SUMMARY OF SIGNIFICANT EVENTS

Range Operating New Mexico, Inc. ("Range") applies to the New Mexico Oil Conservation Division ("Division") for an amendment to Division Order R-12601 so that three of the six previously approved unorthodox injection wells location can be relocated all within Township 23 South, Range 28 East, as follows:

(1) SCB 23-18 Well:

Old Surface: 1815 feet FNL and 1200 feet FWL of Section 23 (Unit D) **Old Bottom hole:** 1000 feet FNL and 1300 feet FWL of Section 23 (Unit E)

New Surface: 1883 feet FNL and 1052 feet FWL of Section 23 (Unit D) New Bottom hole: 1000 feet FNL and 1300 feet FWL of Section 23 (Unit E)

(2) SCB 23-20 Well:

Old Surface & Bottom hole: 2520 feet FSL and 2460 feet FEL of Section 23 (Unit J)

New Surface & Bottom hole: 2460 feet FSL and 2460 feet FEL of Section 23 (Unit J)

(3) SCB 23-21 Well:

Old Surface & Bottom hole: 2531 FSL and 1252 FEL of Section 23 (Unit I)

New Surface & Bottom hole: 2460 FSL and 1160 FEL of Section 23 (Unit I)

for the East Loving-Delaware Leasehold Pilot Waterflood Project and in support states:

(1) Range is the operator of the East Loving-Delaware Pilot Waterflood Project that consists of 480-acre of fee lands, consisting of 6 different oil and gas leases, described as follows:

Township 23 South, Range 28 East, NMPM Section 23:

Tract 1: W/2NW/4; SE/4NW/4 and SW/4NE/4 (160-acres)

Tract 2: NE/4NW/4 and NW/4NE/4 (80-acres)

Tract 3: E/2NE/4 (80) acres)

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Range Operating New Mexico, Inc.
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Tract 4: N/2SW/4 (80-acres) Tract 5: N/2SE/4 (80-acres)

See Locator Map attached as Exhibit "A"

- (2) The Project is within the boundaries of the East Loving-Brushy Canyon Pool (formerly East Loving-Delaware Pool).
- (3) The Division has approved this waterflood project for the injection of produced water from the Brushy Canyon formation of the Delware Group in and around the pilot area, and in addition water as needed from a Cherry Canyon formation source well into the Brushy Canyon portions of the East Loving-Brushy Canyon Pool pursuant to a plan of operations.
- (4) In order to proceed with this approved project, Range proposes that three of the six injection wells be moved such that the surface and bottom hole locations will be within Tract 1 and Tract 5 of Section 23. See wellbore list for all injection wells attached as Exhibit "B"
- (5) The SCB-23-18 is being moved at the request of the landowner. The SCB 23-20 and SCB 23-21 are being moved to avoid a BP pipeline and El Paso pipeline, respectively.
- (6) By doing so, Range can then drill these injection wells in accordance with the implied easements available pursuant to the oil and gas lease for Tract 1 and Tract 5 that is held by Range as the oil and gas lessee or in accordance with the terms and conditions of the Injection Agreements executed by the necessary parties.
- (7) The amended locations do not adversely affect the planned pattern for the relationship between the injectors and the producing wellbores.
- (8) Approval of the proposed changes in the injection well locations should still provide an opportunity to recover additional oil and gas reserves from the project that may otherwise not be recovered, thereby preventing waste and protecting correlative rights.
- (9) Moving the location will not add or subtract any wellbores from the "area of review" previously examined and approved by the Division.
- (10) A copy of this application including notice of hearing will be sent to all mineral interest owners, including royalty and overriding royalty owners, within Section 23, T23S, R28E, NMPM as set forth on Exhibit "C" attached.

FURTHER AFFIANT SAYETH NOT:

Robert Ebeier

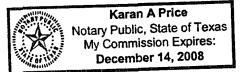
William F. Frey
William Frey

ACKNOWLEDGMENT

| STATE OF TEXAS |) |
|-------------------|-----|
| |)SS |
| COUNTY OF TARRANT |) |

BEFORE me, the undersigned, a Notary Public in and for said County and State, on this ____day of <u>February, 2007 per</u>sonally appeared Robert Ebeier and William, persons who subscribed the name of the maker thereof to the foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

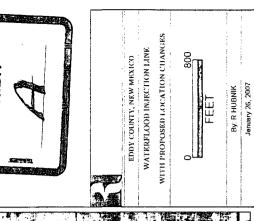
Given under my hand and seal the day and year last above written.

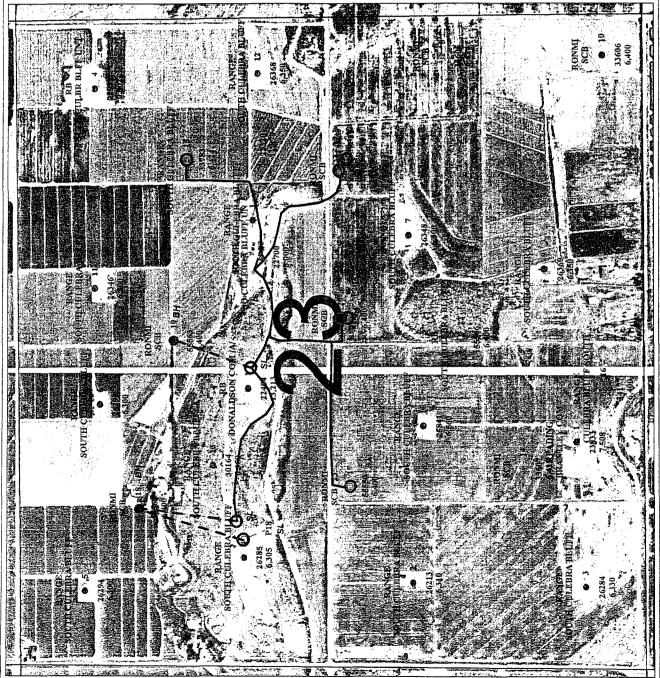


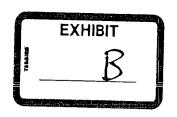
Notary Public

My Commission expires:









Order R-12601

Revised surface and bottom hole locations:

SCB 23-15 Well

Old Surface & Bottom hole: 1430 feet FNL and 1150

feet FEL of Section 23 (Unit H)

No Change

SCB 23-17 Well

Old Surface & Bottom hole: 2440 feet FSL and 1500

feet FWL of Section 23 (Unit K) SL & BHL

No Change

SCB 23-18 Well

Old Surface: 1815 feet FNL and 1200 feet FWL of

Section 23 (Unit D)

Old Bottom hole: 1000 feet FNL and 1300 feet FWL

of Section 23 (Unit E)

New Surface: 1883 feet FNL and 1052 feet FWL of

Section 23 (Unit D)

New Bottom hole: 1000 feet FNL and 1300 feet FWL

of Section 23 (Unit E)

SCB 23-19 Well

Old Surface: 1950 feet FNL and 2470 feet FWL of

Section 23 (Unit F)

Old Bottom hole: 1300 feet FNL and 2620 feet FEL of

Section 23 (Unit F)

No Change

SCB 23-20 Well

Old Surface & Bottom hole: 2520 feet FSL and 2460

feet FEL of Section 23 (Unit J)

New Surface & Bottom hole: 2460 feet FSL and 2460

feet FEL of Section 23 (Unit J)

SCB 23-21 Well

Old Surface & Bottom hole: 2531 FSL and 1252 FEL.

of Section 23 (Unit I)

New Surface & Bottom hole: 2460 FSL and 1160 FEL

of Section 23 (Unit I)

Chesapeake Permian LP PO Box 960161 Oklahoma City, OK 73196-0161

> Charles Randall Hicks 4836 Vista Del Oso Ct NE Albuquerque, NM 87109

Lucille Paape 14911 Wunderlich Drive #1807 Houston, TX 77069

Charmar, LLC 6212 Osuna Road NE Albuquergue, NM 87109-2561

Candelario Carrasco Jr & Emma Carrasco Box 26 Loving, NM 88256

> Bogle Oil Inc PO Box 460 Dexter NM 88230

Renee Ann Levine-Blonder 21234 Providencia Street Woodland Hills, CA 91364

Joe A Clem 43594 W Sparks Ct Maricopa, AZ 85239-1062

Judith Hamilton Fuhr 6833 North Central Ave Phoenix, AZ 85012-1488

Shayna Levine-Hoffman c/o Gloria G Margulies 20534 Miranda Place Woodland Hills, CA 91367 Minerals Management Service Mineral Revenue Management PO Box 5810 Denver, CO 80217-5810

Robert H Northington 1370 Sagebrook Drive Fairview, TX 75069-1252

Kenneth Jay Reynolds PO Box 10847 Midland, TX 79702

McLish Resources Partnership LP 633 Seventeenth Street #1650 Denver, CO 80202-3660

> Conrad Carrasco PO Box 88 Loving, NM 88256

Richard & Dea Holesapple PO Box 1250 Carmichael, CA 95609

Darrin M Margulies Trust Gloria G Margulies as Trustee Dated 10/15/86 5502 Murietta Avenue Sherman Oaks, CA 91401

John E Clem 6313 N Nickels Road Willcox, AZ 85643-3212

Emil Berger 1302 North Sweetzer Avenue #60 West Hollywood, CA 90069

> Dale Goldman 5819 Fountains Drive S Lake Worth, FL 33467

Donna H. Hamiga 6212 Osuna Road NE Albuquerque, NM 87109-2561

Wells Fargo FBO Donald Paape Bank By Mail PO Box 5629 A/C 375920956 Portland, OR 97228-5629

Vikki L Smith 9104 Haines NE Albuquerque, NM 87112

Occidental Permian LTD PO Box 100725 Atlanta, GA 30384

> Bogle Oil Inc PO Box 460 Dexter NM 88230

Marsha Kantor 555 Central Park Avenue #356 Scarsdale, NY 10583

> Marc Kantor 496 W Palm Aire Drive Pompano, FL 33069

Geraldine Clem Bolen 11801 S Halfmoon Dr Phoenix, AZ 85044

Solomon N Grover As Trustee Of Solomon N Grover Trust Agreement Dated 10/10/2000 22111 Oxnard Street Woodland Hills, CA 91367

William Kantor, MD 4524 St James Drive Plano, TX 75024 Gloria G Margulies As Trustee Wife's Trust CRTD Under the DA & Gloria G Margulies Trust Agr 5502 Murietta Avenue Sherman Oaks. CA 91401

Janice Pace Estate Mark V Pace, Pers Rep c/o Richardson & Silverman 423 South Mill Avenue Tempe, AZ 85281

Concepcion Onsurez PO Box 393 Loving, NM 88256

Corina C Urquidez, Trustee Urquidez Famíly Living Trust DTD 6/12/04 805 North Eighth Street Avondale, AZ 85323

Shrader Enterprises, LP 3349 South St Paul Wichita, KS 67217-1628

Burl Howard PO Box 984 Del Mar, CA 92014

David Kathryn Howard REV TR David/Kathryn Howard, Trustees 37610 NE 167th Ave Yacolt, WA 98675

Melissa Gay Williams 1820 South Skipworth Road Spokane, WA 99206

Marian Tracy Lelevier 26440 Potrero Valley Road Potrero, CA 92063

Claiborne M Power PO Box 3015 Carlsbad, NM 88221-3015 Julee Margulies-Metz 1530 N Curson Ave Los Angeles, CA 90046

William M & Francine L Baker
William M Baker & Francine L Baker Family
Trust DTD 6/27/91
488 W 6th Street
Claremont, CA 91711

Melinda Thompson 9131 Garrison St Westminster, CO 80021

Johnnny L Reid & Jackie L Reid 245 E London Road Loving, NM 88256

> Lawrence W Robinette 8023 S 88th E Avenue Tulsa, OK 74133

Crystal Howard 1563 Solana Avenue, BOX 325 Berkeley, CA 94707

Lanora (Williams) Allomong 14-644 County Road 8 Montpelier, OH 43543

Margaret L Pate 464 Prospect St Unit PH3 La Jolla, CA 92037-4745

Merland Inc PO Box 548 Carlsbad, NM 88220

Martha Stribling 520 Ranchitos Rd NW Albuquerque, NM 87114 Danielle Levine-Baum 4956 Sunnyslope Ave Sherman Oaks, CA 91423

Leslie B Einstein Trustee Leslie B Einstein Trust DTD 8/4/99 17017 Avenida De Santa Ynez Pacific Palisad, CA 90272

> Greg Martinez Jr 4023 W Lawrence Ln Phoenix, AZ 85051-3661

Antonio & Gloria Onsurez PO Box 598 Loving, NM 88256

Jared Howard 611 North Fourth Carlsbad, NM 88220

Roy Howard 6005 Brown Road Dunster, BC Canada VOJ 1JO

Draper Brantley, Jr. 706 W Riverside Dr Carlsbad, NM 88220-5222

Lovella Williams Kilman 8425 James Ave NE Albuquerque, NM 87111-3222

Cella B Milavec 119 Tierra Del Sol LP Belen NM 87002

Belinda Williams 13260 W 42nd Street Odessa, TX 79764

Linville Williams Glen Brady Williams Linda Sue Williams 2236 East Fairfield 3166 Co Line Road 33801 South Seas Drive Mesa, AZ 85213 Mountain Grove, MO 65711 Denham Springs, LA 70726 James C Williams James W Williams Terry Williams 743 North Oak 7985 Hwy 38 14644 County Road 8 Kermit, TX 79745 Mountain Grove, MO 65711 Montpelier, OH 43543-9354 Doris S Williams Juanell Port Mittie Beth Hayes PO Box 1021 5111 Ashdown Place 116 West Peach Lane Princeton, TX 75407 Midland, TX 79705 Carlsbad, NM 88220 Susie Belle Bindel George McBeath Tracy Cynthia Fay Lee 832 Churchill Drive 10504 Lexington Ave NE 1212 W Ural Drive Albuquerque, NM 87112 Carlsbad, NM 88220 Fredericksburg, VA 22407 Stennis Family Trust Margaret Williams Marian Jane Gordon Maria Stennis, Trustee PO Box 952 4927 Hwy 5 200 Michelle Drive Hartville, MO 65667 Carlsbad, NM 88221 Santa Fe. NM 87501 Roxie L Williams Trust Celia Valdez James Minor Alexander Margaret L Fate & Linville Williams, 4204 Thomason Road PO Box 58 Co-Trustees 2236 E Fairfield Carlsbad, NM 88220 Abilene, TX 79604 Mesa, AZ 85213 Barbara Lee Backman Inc Marilyn Guitar Galusha Leslie David Guitar 4407 N Division, Suite 900 PO Box 1438 PO Box 2228 Abilene, TX 79604 Spokane, WA 99207-1696 Brownwood, TX 76804 Earl B Guitar, Sr Earl B Guitar, Jr Phillip E Guitar PO Box 744 PO Box 744 PO Box 2213 Abilene, TX 79604 Abilene, TX 79604 Abilene, TX 79604 Presslev Hudson Guitar Laura Jean Hofer Jeri Alexander Lott

Gayle Nevill Trust & Virginia Nevill Trust
Betty Witherspoon Nevill, Trustee
5528 Tahoe Lane
Fairway, KS 66205

PO Box 5383

Abilene, TX 79608

Mary Guitar Polk Estate James Polk, Trustee/Executor PO Box 7366 Abilene, TX 79608-7366

11248 So Turner Ave

Ontario, CA 91761

Jane Alexander Rhodes PO Box 58 Abilene, TX 79604

9102 Vicksburg #17

Lubbock, TX 79424

Guy P Witherspoon III PO Box 100403 Ft Worth, TX 76185 Jack G Woods PO Box 1159 Abilene, TX 79604 Ruth G Murchison Trust Ruth G Murchison, Trustee PO Box 712 Red Bluff, CA 96080-0712

Catherine Gall Parker 3721 Pallos Verdas Drive Dallas, TX 75229 The Gall Family Trust Laura Woods Gall, Trustee 11409 Snow White Drive Dallas, TX 75229-2760

Kelly Woods Leach 312 Great View Circle Birmingham, AL 35226-2320

Jack G Woods, Jr 13 Glenway Drive Austin, TX 78738 Wende Witherspoon Morgan 1720 Southwicke Flower Mound, TX 75022 Caren G Lucas 1551 Rollingbrook Drive Allen, TX 75002

John Guitar Witherspoon, Jr 7404 Lemonwood Fort Worth, TX 76133 Whitten Guitar Witherspoon 4508 Tall Meadow Fort Worth, TX 76133 Brett Guitar Witherspoon 3833 Arroyd Rd Fort Worth, TX 76109-3412

John Guitar III 1234 Leggett Drive Abilene, TX 79605 Repps Bedford Guitar Jr PO Box 7252 Abilene, TX 79608 CE Estes 221 E London Loving, NM 88220