

**OCD-HOBBS**  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**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. <b>LC-032573-B</b>
2. Name of Operator <b>Range Operating New Mexico, Inc.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>777 Main St., Ste. 800, Fort Worth, TX 76102</b>	3b. Phone No. (include area code) <b>817-810-1916</b>	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>1650' FNL &amp; 330' FEL, Sec. 7, T22s, R37E, N.M.P.M.</b>		8. Well Name and No. <b>Elliott B Federal #16</b>
		9. API Well No. <b>30-025-37675</b>
		10. Field and Pool, or Exploratory Area <b>Pen-Sk-Grybrg/Eunice SA SW</b>
		11. County or Parish, State <b>Lea</b>

**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 checked="" 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 checked="" 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 <b>DHC</b>
	<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) Pool Names: **Penrose-Skelly Grayburg**                      **Eunice; San Andars, Southwest**  
(ii)                      **3720 - 3809**    **3886 - 3890**  
(iii) Prod. %                      **90% oil, 50% gas, 90% wtr**                      **10% oil, 50% gas, 10% wtr**  
(iv) The downhole commingling of oil & gas from the Penrose-Skelly Grayburg and the Eunice; San Andres, Southwest will not reduce the value of the total remaining production.  
(v) Method of production will be artifical lift.  
(vi) Reference is made to DHC 3629  
(vii) Ownership between all pools is identical.  
(viii) This is a Federal property.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Paula Hale**

Title Sr. Reg. Sp.

Signature

Date

**03/22/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

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

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)

**APPROVED**

**APR - 4 2006**

**LES BABYAK  
PETROLEUM ENGINEER**