

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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.**

5. Lease Serial No
NM-14496 & NM-10474

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Fasken Oil and Ranch, Ltd.

3a. Address
303 West Wall St., Suite 1800, Midland, TX 79701

3b. Phone No. (include area code)
432-687-1777

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No
Ling Federal Nos. 3, 5, 6, & 9

9. API Well No
30-025-38608, 39121, 39122, & 39454

10 Field and Pool or Exploratory Area
Apache Ridge; Bone Springs

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FNL & 1980' FEL, Unit Letter B, Sec. 31, T19S, R34E - #3 990' FNL & 660' FWL, Unit Letter D, Sec. 31, T19S, R34E - #5
2130' FNL & 660' FWL, Unit Letter E, Sec. 31, T19S, R34E - #6 530' FSL & 1980' FWL, Unit Letter C, Sec. 31, T19S, R34E - #9

11 Country or Parish, State
Lea, New Mexico

12. CHECK THE 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 <u>Surface Commingle</u>
	<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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Fasken Oil and Ranch, Ltd. proposes to amend Surface Commingling Order CTB - 598. This proposal will be for Lease Commingling and Off-Lease Storage and Measurement. The Ling Federal No. 9 is on a different lease than the Ling Federal No. 3, 5, & 6. All of these wells are completed or will be completed in the Apache Ridge; Bone Springs pool.

Please see attached for all attachments and information required by the Guidelines for Off-Lease Measurement, Storage, and Surface Commingling Approvals.

**SUBJECT TO LIKE
APPROVAL BY STATE**

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

RECEIVED

DEC 01 2009

HOBBSOCD

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

Title Regulatory Analyst

Signature

Kim Tyson

Date 10/29/2009

KZ PETROLEUM ENGINEER
DEC 18 2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

J. D. Whitford

Title

LIE7

Date

11/27/09

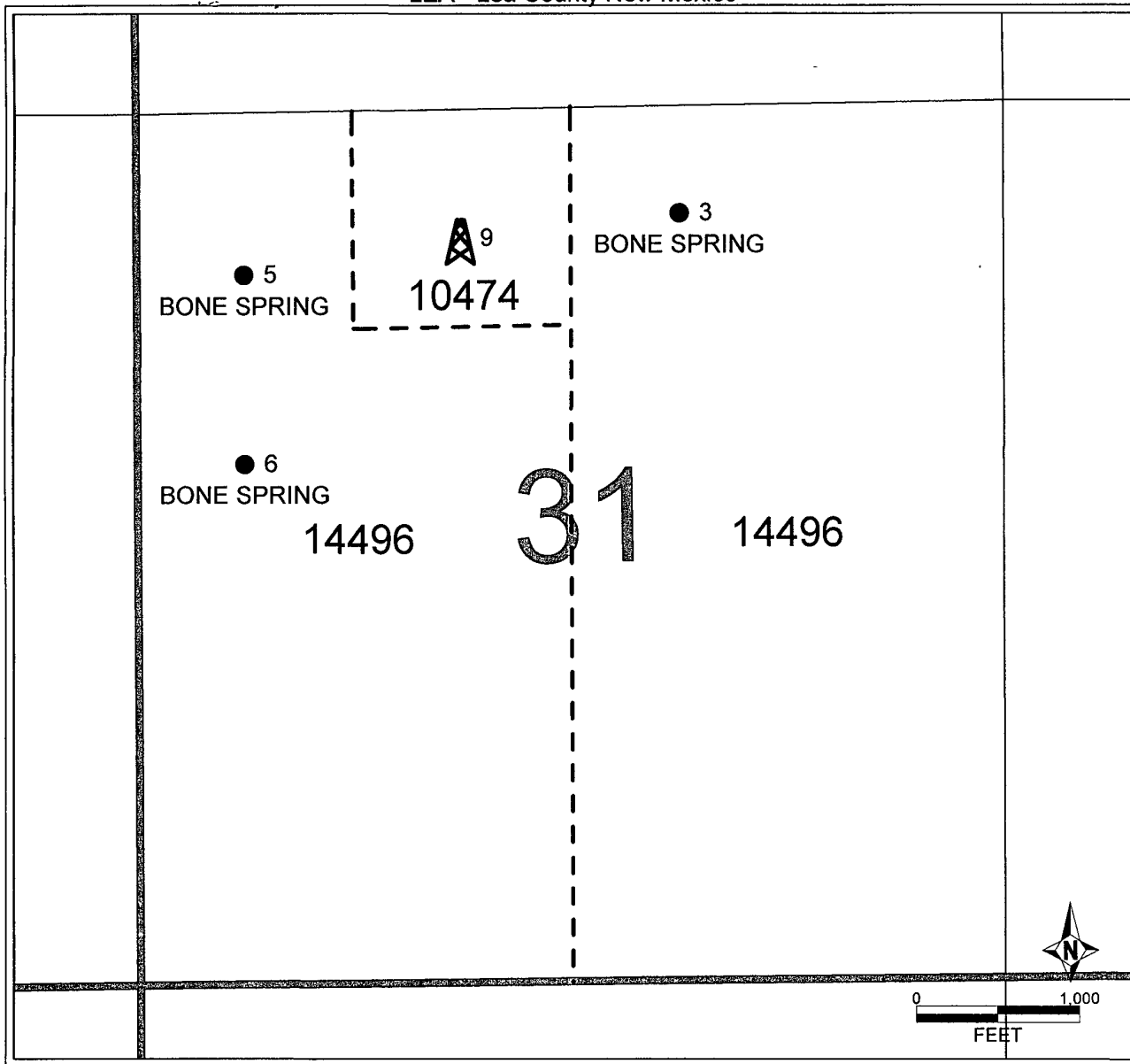
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

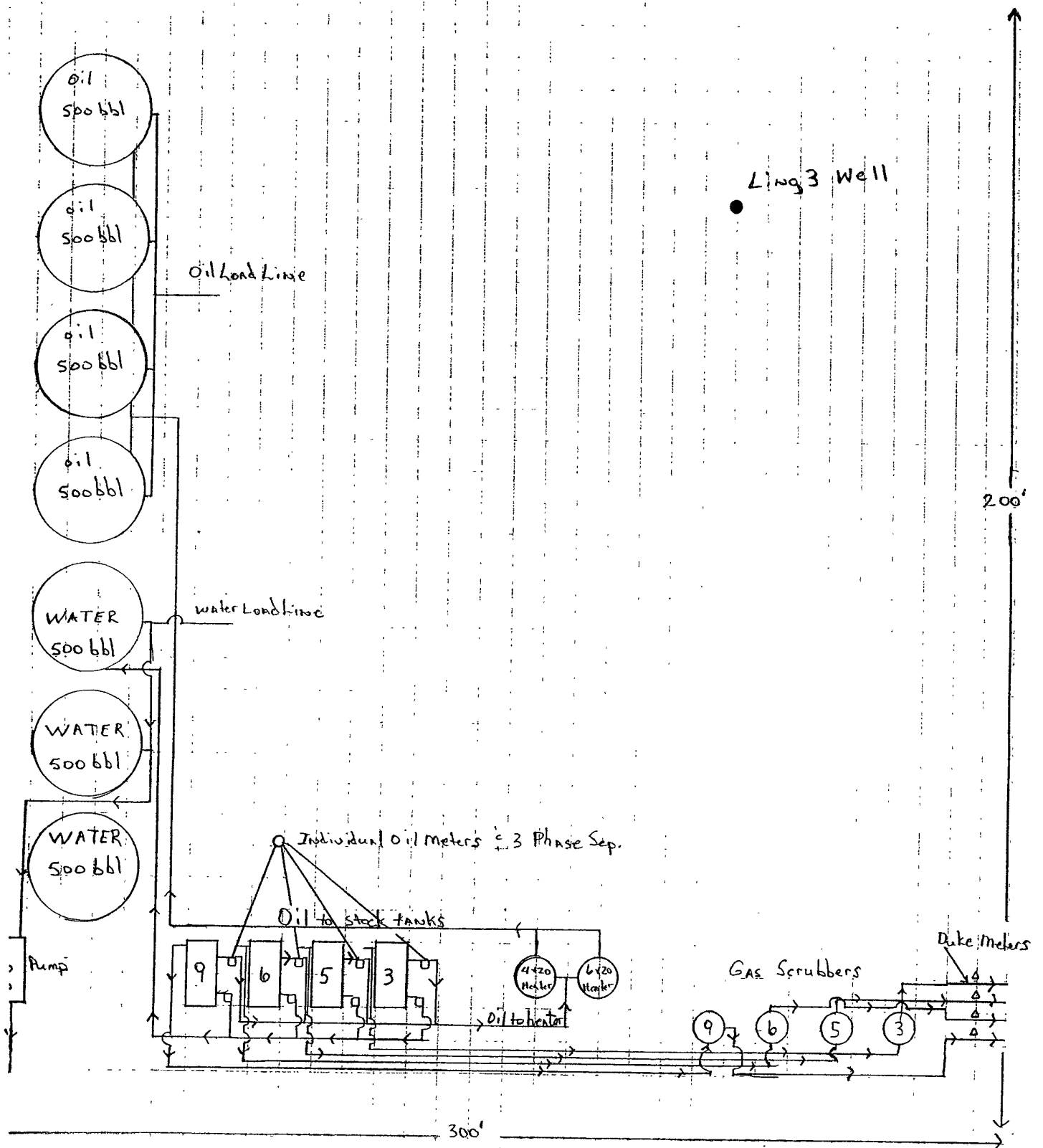
CFD

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)



Ling Battery Drawing



Fasken Oil and Ranch, Ltd. (Operator's Name) is requesting approval for surface commingling and off-lease storage and measurement of hydrocarbon production from the following formation(s) and well(s).

Federal Lease No. NM -- 14496

<u>Well Name</u>	<u>API No.</u>	<u>Loc: ¼ ¼ Sec.Twp.Rng.</u>	<u>Formation</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>	<u>BTU</u>
4-Deep Pockets 16 Federal	30015xxxxx	SWSW,Sec.15,T16S,R30E	Delaware	12	45.2/80	102	1315
Ling Federal #3	30-025-38608	NWNE, Sec. 31, T19S, R34E	Bone Springs	23	40.2/87°	350	1349
Ling Federal #5	30-025-39121	NWNW, Sec. 31, T19S, R34E	Bone Springs	45	40.2/87°	300	1300
Ling Federal #6	30-025-39122	SWNW, Sec. 31, T19S, R34E	Bone Springs	21	40.2/87°	275	1037

With hydrocarbon production from:

Federal Lease No. NM - 10474

<u>Well Name</u>	<u>API No.</u>	<u>Loc: ¼ ¼ Sec.Twp.Rng.</u>	<u>Formation</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>	<u>BTU</u>
4-Deep Pockets 16 Federal	30015xxxxx	SWSW,Sec.15,T16S,R30E	Delaware	12	45.2/80	102	1315
Ling Federal #9	30-025-39454	NENW, Sec. 31, T19S, R34E	Bone Springs	15	40.2/87°	200	1325

These figures are estimated due to the
Ling Federal No. 9 not being completed
yet.

The storage and measuring facility is located at NWNE ¼, Sec. 31, T 19 S, R 34 E, on Lease No. NM - 14496,
(Lea)Eddy (circle one), New Mexico. BLM will be notified if there is any future change in the facility location.

Details of the proposed method for allocating production to contributing sources are as follows:

The oil and water will be measured using PD Meters on the separator for each well.
The gas is measured through its own DCP meter for each well.

Fasken Oil and Ranch, Ltd.
Surface Commingle Application for Ling Federal #3, 5, 6, & 9
List of Notified Parties

Robert Angevine
202 Helen Greathouse Circle
Midland, TX 79707-6106

Brooks Oil and Gas Interests, Ltd.
P.O. Box 23314
Santa Fe, NM 87502-3314

The Henry Trust
James & Billie Jean Henry, Trustees
3104 Shell Avenue
Midland, TX 79705-8237

Leonard Oil and Gas Properties
4708 Mariner Ct.
Flower Mound, TX 75022-3314

RKC, Inc.
7500 E. Arapahoe Road, Ste. 380
Centennial, CO 80112-6116

Amanda J. Gates
Testamentary Trust
2364 Sherwood Dr.
Twin Falls, ID 83301-0831

Isiah Lee Gates
Debra L. Gates, Trustee
2364 Sherwood Dr.
Twin Falls, ID 83301-4452

John A. Gates
5280 Baombridge Dr.
Boise, ID 83703-3420

Margaret Gates
706 West Grand Ave.
Artesia, NM 88210-1935

Gates Properties, Ltd.
P.O. Box 81119
Midland, TX 79708-1119

Alice Ling
110 Cameron Station Blvd.
Alexandria, VA 22304-7737

T. David Ling
P.O. Box 971067
El Paso, TX 79997-1067

Annie Chong Ling
3506 Dundee St.
El Paso, TX 79925-2813

Arthur N. Rupe
3916 State Street
Santa Barbara, CA 93105

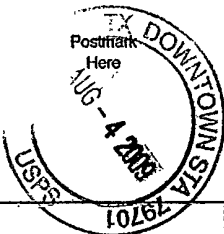
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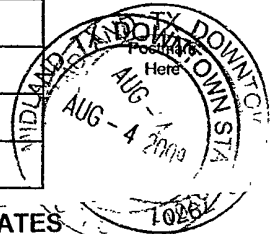
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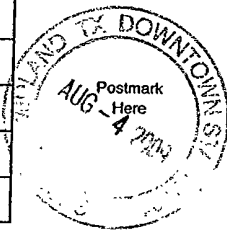
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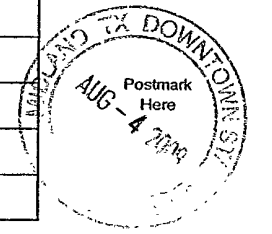
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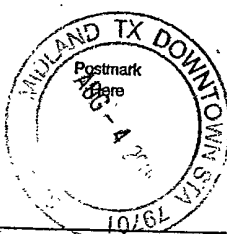
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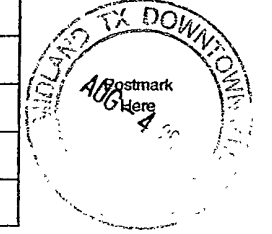
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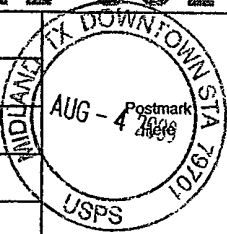
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 MIDLAND TX 79705-8237**

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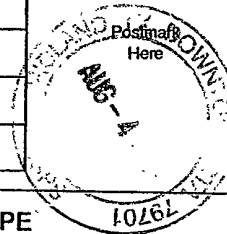
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Ling Federal # 3, 5, 6, 9

Fasken Oil & Ranch LTD

November 27, 2009

Condition of Approval

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
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 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 if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
7. PD meters shall be proved every $\frac{1}{4}$ and that factor shall be used to allocate production to that well.
8. PD meter reading shall be recorded on the pumpers log daily.
9. Any measurement issues shall be resolved as per Onshore Order #4 Measurement of oil, by using the LACT meter regulations.
10. BLM shall be notified 48 hrs. prior to meter proving so a representative can witness proving.