

RECEIVED
Form 3160-3
(April 2004)

MAR 23 2009

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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

HOBBSOCD

SUNDY 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
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
ARKLAND PRODUCING CO., INC.

3a. Address
400 N. Marienfeld, Suite 100 Midland, Texas 79701

3b. Phone No. (include area code)
432-682-2128

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FNL, 660' FWL
Sec.10, T-22-S, R-32-E

5. Lease Serial No.
NM 55952

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Barr None Federal #1

9. API Well No.
30-025-32221

10. Field and Pool, or Exploratory Area
Livingston Ridge, Delaware, East

11. County or Parish, State
Lea, NM

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 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 type="checkbox"/> Other
	<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 recomple 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 recomple 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.)

Off Lease gas Metering

RETURNED: Operator submitted insufficient information to approve. Attached a copy of Guidelines for Off-lease measurement storage, and surface commingling.

SUBJECT TO LIKE
APPROVAL BY STATE

Need to submit for a Right of Way for this line. Some of the Items needed to approve ROW are line size, line psi, length, type of line, buried or surface, Arc survey and need better maps. This line crosses lease boundaries as shown on map attached so it will require a ROW.

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

Mark Dehlinger

Title Engineer

Signature

Date

3/4/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or which would entitle the applicant to

Title 18 U.S.C. Section 1001 and Title States any false, fictitious or fraudulent

(Instructions on page 2)

PETROLEUM ENGINEER

Title

Date

DEC 22 2009

Office

OCD requires application for Surface commingling and Off Lease Measurement per Rule 19.15 12 9 and 19 15 12. 10 to be approved by the OCD Santa Fe Office before such commingling is done Submit application to Santa Fe and copy of application to the Hobbs office

and willfully to make to any department or agency of the United

Arkland Producing Co., Inc

400 N Marienfeld Ste. 100
Midland, Tx. 79701

Office 915-682-2128
Fax 915-686-7929
Mobile 915-528-6751

3/2/09

Supplement to 3160-S
Off Lease Metering

Barr None Fed.
NMNM 55952

Gentleman

The above described lease requests off lease metering for economic reasons.

- 1) There is only 1 lease and well going through meter. There is no commingling or combining with any other well or lease ahead of the meter.
- 2) There is absolutely no chance of the Royalty or working interest owners not receiving their correct interest since there are no other leases going into the meter.
- 3) Estimated monthly production is 250 mcf/month.
- 4) Gas purchaser will not bring line to well due to extreme low volume.

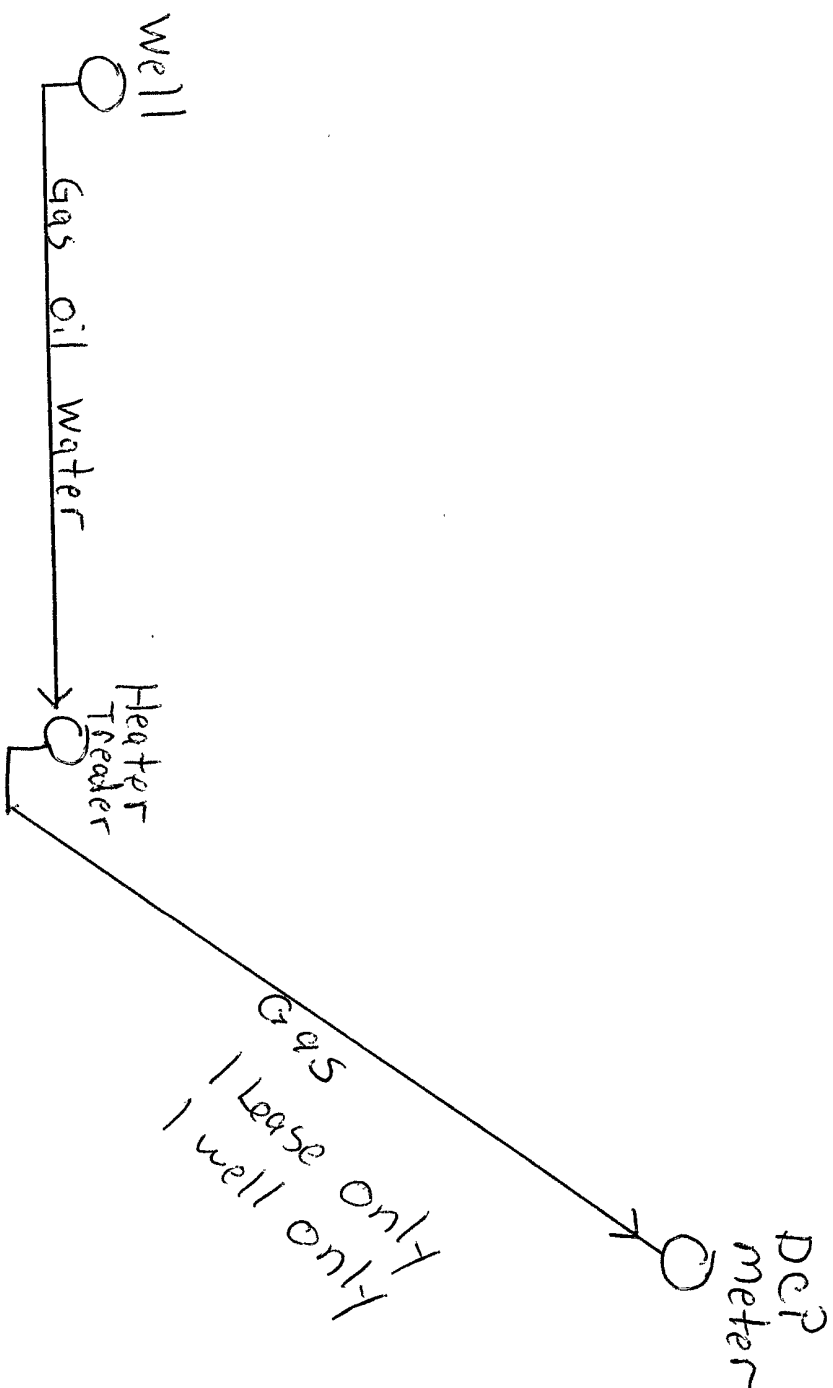
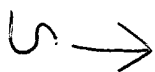
If you have any other questions please call me @ 432-528-6751.

Sincerely



Mark Dehlinger

Bar None Fed
NM 55952



S ↑

T-22-5
R-32-E

10

Bar
None
Fed

Use # NM-55959

Dec
meter

9

BARR NONE FEDERAL #003

Heater Treater Single Well

WHITE SWAN 9 FEDERAL #004

BARR NONE FEDERAL #001

2" SDR-11 Poly

T228
R32E

9

10

10

WHITE SWAN 9 FEDERAL #003

WILD TURKEY 9 STATE #001

WILD TURKEY 10 STATE #001

Master Riser Single Well

**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Guidelines for Off-Lease Measurement,
Storage, and Surface Commingling Approvals**

The following information must be included with any application to combine, store, or measure production off-lease:

1. A formal request (Sundry Notice Form 3160-5 or letter) for approval to combine, store, or measure production off-lease with an appropriate explanation and diagram(s) describing the proposed operation in detail.
2. A map showing the lease numbers and location of all leases and wells that will contribute production to the proposed commingling, off-lease measurement, and/or storage facility. All lease numbers, unitized or communitized areas, producing zones or pools must be clearly illustrated or detailed by suitable means. Any wells or leases proposed to be added to an approved commingling and off-lease storage and or measurement facility must be approved by the Authorized Officer prior to their being included in the facility.
3. A schematic diagram which clearly identifies and places all equipment that will be utilized.
4. Estimated monthly production from each contributing well, including type of product, gravity, and/or BTU content.
5. Details of the proposed method for measuring and allocating production for each lease involved. Include calculated "beneficial use" volumes both on and off-lease.
6. A statement that all interest owners have been notified of the proposal.
7. Evidence that Federal or Indian royalties will not be reduced through approval of the application.
8. Detailed economic justification, when the application to combine production is based on economic necessity, i.e., that approval is necessary to extend the economic life of the Federal or Indian Lease(s).

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.