

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

RECEIVED

MAY 17 AM 11:45

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Pure Resources c/o Mike Pippin LLC (Agent)

3a. Address

c/o: Pippin, 3104 N. Sullivan, Farmington, NM 87401

3b. Phone No. (include area code)

505-327-4573

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

817' FSL 2225' FWL (N) Sec. 13 T27N R07W

5. Lease Serial No.

SF - 079298

6. If Indian, Allottee or Tribe Name

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

Rincon Unit NMNM 78406D

8. Well Name and No.

Rincon Unit #177R

9. API Well No.

30-039-26977

10. Field and Pool, or Exploratory Area

Basin Dakota / Blanco Mesaverde

11. County or Parish, State

Rio Arriba County, New Mexico

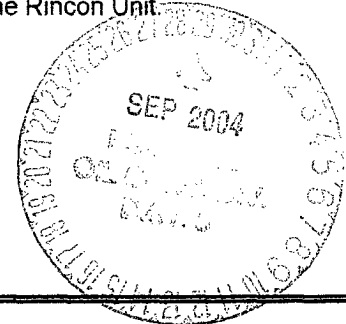
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
☒ Notice of Intent	☐ Acidize ☐ Deepen ☐ Production (Start/Resume) ☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing ☐ Fracture Treat ☐ Reclamation ☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair ☐ New Construction ☐ Recomplete ☒ Other
	☐ Change Plans ☐ Plug and Abandon ☐ Temporarily Abandon ☐ Commingle
	☐ Convert to Injection ☐ Plug Back ☐ Water Disposal ☐ Allocation

13. Describe Proposed or Completed Operations (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.)

We have submitted the following commingle allocation percentages to the State (DHC-881AZ) for this MV/DK well. The gas allocations are based on each formation's separate choke test, which was taken during completion operations. The Oil allocations are based on the average oil allocations from all the other MV/DK commingled wells in the Rincon Unit.

	GAS	OIL
DAKOTA	40%	51%
MESAVERDE	60%	49%



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Mike Pippin

Title

Petr. Engr. (Agent)

Signature

Mike Pippin

Date

May 14, 2004

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Ann Lovels

Title

Petr. Eng

Date

9/27/04

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.

Title 18 U.S.C. Section 1001, makes 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 reverse)

NMOCD

PURE RESOURCES LP
c/o Mike Pippin LLC
3104 N. Sullivan
Farmington, NM 87401
(505) 327-4573

5/14/04

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

Re: Rincon Unit #177R
N Section 13 T27N R7W
30-039-26977

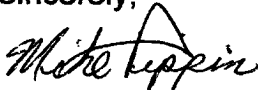
Gentlemen,

Attached is a copy of the commingling allocation calculations for the subject well that was completed on 3/28/03. DHC-881AZ was issued for this well.

Gas:	Dakota	40%
	Mesaverde	60%
Oil	Dakota	51%
	Mesaverde	49%

The gas allocations are based on each formation's separate test, which was taken during completion operations. The Oil allocations are based on the average oil allocations from all the other MV/DK commingled wells in the Rincon Unit. See the attached list of MV/DK commingled well allocations. Please let me know if you have any questions.

Sincerely,



Mike Pippin
Agent - Petroleum Engineer

Attachment: 2

PURE RESOURCES LP
RINCON UNIT #177R MV/DK
N Section 13 T27N R7W
5/14/2004

Commingle Allocation Calculations

GAS

The gas allocations are based on each formation's separate choke test, which was taken after its stimulation.

Dakota test was 250 psi on a 3/8" choke for 900 MCF/D

Mesaverde test was 390 on a 3/8" choke for 1375 MCF/D

Total gas is 2275 MCF/D

$$\% \text{ Dakota} = \frac{900}{2275} = 40\%$$

$$\% \text{ Mesaverde} = \frac{1375}{2275} = 60\%$$

	A	B	C	D	E	F	G	H	I
3	Gas					Oil			
4		DK %	MV %	Total %	Comments	DK %	MV %	Total %	Comments
78	RINCON #229M	0.83	0.17	1.00	New % May, 2002	1.00	0.00	1.00	Eff. Dec., 2001 - New % May, 2002
79	RINCON #231E	0.22	0.78	1.00		0.19	0.81	1.00	
80	RINCON #231R	0.92	0.08	1.00	Comgl May, 2002	0.49	0.51	1.00	Eff. May, 2002
81	RINCON #302	0.52	0.48	1.00				0.00	
82	RINCON #302M	0.77	0.23	1.00	Comgl Mar. 2002 - New % Nov, 2002	1.00	0.00	1.00	Eff. Mar., 2002 - New % Nov, 2002
83	RINCON #303	0.22	0.78	1.00		0.20	0.80	1.00	
84	RINCON #303M	0.40	0.60	1.00	New Comgle% eff. Nov. 2002	0.66	0.34	1.00	Eff. Apr., 2002 - New % Nov, 2002
85	RINCON #304	0.48	0.52	1.00		0.27	0.73	1.00	
86	RINCON #304M	0.28	0.72	1.00		0.41	0.59	1.00	
87	RINCON #306	0.58	0.42	1.00				0.00	
88	RINCON #306M	0.71	0.29	1.00	New Comgle% eff. Nov. 2002	0.83	0.17	1.00	Eff. Dec., 2001 - New % Nov, 2002
89									
90	AVERAGES	0.5972	0.4028	1.0000		0.5138	0.4862	0.8214	
91	Number of Commingled DK/MV wells in Rincon Unit as of Feb. 2004					84.00			

	A	B	C	D	E	F	G	H	I
1	Rincon MV/DK Commingling Percentages								
2	Wells commingled as of February 2004								
3	Gas					Oil			
4		DK %	MV %	Total %	Comments	DK %	MV %	Total %	Comments
5	RINCON 1E	0.62	0.38	1.00		0.50	0.50	1.00	
6	RINCON 11E	0.87	0.13	1.00		0.73	0.27	1.00	
7	RINCON 57	0.67	0.33	1.00		0.38	0.62	1.00	
8	RINCON 79A	0.70	0.30	1.00		0.50	0.50	1.00	Total Percentages 12-7-02
9	RINCON 125M	0.44	0.56	1.00		0.50	0.50	1.00	
10	RINCON 125P	0.41	0.59	1.00	eff May, 2003	0.50	0.50	1.00	Total Percentages
11	RINCON 125R	0.51	0.49	1.00	eff May, 2003	0.50	0.50	1.00	Total Percentages
12	RINCON 126	0.78	0.22	1.00		0.50	0.50	1.00	
13	RINCON 126M	0.48	0.52	1.00		0.50	0.50	1.00	
14	RINCON 127M	0.83	0.17	1.00		0.50	0.50	1.00	
15	RINCON 127R	0.72	0.28	1.00	eff May, 2003	0.50	0.50	1.00	
16	RINCON 128M	0.41	0.59	1.00		0.50	0.50	1.00	
17	RINCON 129M	0.73	0.27	1.00				0.00	
18	RINCON 130M	0.58	0.42	1.00	Comgl Jan. 2002 - New % May, 2002	0.30	0.70	1.00	Eff. Jan., 2002 - New % May, 2002
19	RINCON 131	0.58	0.42	1.00		0.49	0.51	1.00	
20	RINCON 131E	0.38	0.62	1.00		0.67	0.33	1.00	
21	RINCON 133R	0.57	0.43	1.00	eff May, 2003	0.50	0.50	1.00	
22	RINCON 134E	0.32	0.68	1.00		0.15	0.85	1.00	
23	RINCON 136E	0.92	0.08	1.00		0.50	0.50	1.00	
24	RINCON 137E (eff DK/MV)	0.63	0.37	1.00		0.50	0.50	1.00	Only gas is allocated to GL formation
25	RINCON 138	0.57	0.43	1.00		0.43	0.57	1.00	
26	RINCON 138E	0.63	0.37	1.00				0.00	
27	RINCON 139	0.77	0.23	1.00		0.50	0.50	1.00	
28	RINCON 139E	0.67	0.33	1.00				0.00	
29	RINCON 146M	0.68	0.32	1.00	Comgl Sep., 2002 - new % eff. Mar., 2002	0.33	0.67	1.00	Eff. Sep., 2001 - new % eff. Mar., 2002
30	RINCON 149M	0.45	0.55	1.00		0.95	0.05	1.00	
31	RINCON 150E	0.89	0.11	1.00				0.00	
32	RINCON 151M	0.74	0.26	1.00		0.50	0.50	1.00	
33	RINCON 155M	0.43	0.57	1.00		0.25	0.75	1.00	Eff. Sep., 2001
34	RINCON 156M	0.85	0.15	1.00	New % eff. May, 2002	0.60	0.40	1.00	Eff. Nov., 2001 New % May, 2002
35	RINCON 156R	0.50	0.50	1.00	eff May, 2003	0.50	0.50	1.00	
36	RINCON 157M	0.71	0.29	1.00	Comgl Sep., 2002 - new % eff. Mar., 2002	0.84	0.16	1.00	Eff. Sep., 2001 - new % eff. Mar., 2002
37	RINCON 158M	0.51	0.49	1.00		0.50	0.50	1.00	
38	RINCON 158R	0.70	0.30	1.00		0.70	0.30	1.00	
39	RINCON 159M	0.44	0.56	1.00		0.50	0.50	1.00	
40	RINCON 164R	0.74	0.26	1.00	New Comgle% eff. Nov., 2002 - eff May, 2003	0.50	0.50	1.00	Eff. Oct., 2002 New % Nov, 2002
41	RINCON 165M	0.46	0.54	1.00	New Comgle% eff. Nov., 2002	0.58	0.42	1.00	Eff. Feb., 2002 New % Nov, 2002
42	RINCON 166E	0.65	0.35	1.00		0.47	0.53	1.00	
43	RINCON #166R	0.98	0.02	1.00				0.00	
44	RINCON #167M	0.79	0.21	1.00				0.00	
45	RINCON #168	0.48	0.52	1.00		0.25	0.75	1.00	
46	RINCON #168E (eff DK/MV)	0.29	0.71	1.00		0.56	0.44	1.00	Only gas is allocated to GL formation
47	RINCON 168R	0.79	0.21	1.00	eff May, 2003	0.50	0.50	1.00	
48	RINCON #169	0.47	0.53	1.00		0.52	0.48	1.00	
49	RINCON #170	0.61	0.39	1.00		0.60	0.40	1.00	
50	RINCON #170M	0.75	0.25	1.00		0.50	0.50	1.00	
51	RINCON #171M	0.90	0.10	1.00				0.00	
52	RINCON #173M	0.72	0.28	1.00				0.00	
53	RINCON #174M	0.59	0.41	1.00				0.00	
54	RINCON 174R	0.44	0.56	1.00	New cmgl eff Feb, 2004 -	0.21	0.79	1.00	New % eff. Feb., 2004
55	RINCON #175M	0.61	0.39	1.00				0.00	
56	RINCON #176	0.71	0.29	1.00		0.24	0.76	1.00	
57	RINCON #176E	0.75	0.25	1.00		0.94	0.06	1.00	
58	RINCON #178	0.54	0.46	1.00		0.41	0.59	1.00	
59	RINCON #178E	0.71	0.29	1.00		0.71	0.29	1.00	
60	RINCON #179M	0.77	0.23	1.00		1.00	0.00	1.00	Approved % Dec., 2001
61	RINCON #180M	0.39	0.61	1.00				0.00	
62	RINCON 180R	0.69	0.31	1.00	eff May, 2003	0.50	0.50	1.00	Temporary Percentage
63	RINCON #181M	0.07	0.93	1.00		0.02	0.98	1.00	eff. Feb., 2002
64	RINCON 182R	0.61	0.39	1.00	eff May, 2003	0.50	0.50	1.00	Temporary Percentage
65	RINCON #183	0.38	0.62	1.00		0.38	0.62	1.00	
66	RINCON #183E	0.44	0.56	1.00		0.07	0.93	1.00	
67	RINCON #184M	0.96	0.04	1.00				0.00	
68	RINCON #185E	0.79	0.21	1.00		0.92	0.08	1.00	
69	RINCON #186M	0.06	0.94	1.00		0.01	0.99	1.00	
70	RINCON 186R	0.49	0.51	1.00	eff May, 2003	0.50	0.50	1.00	
71	RINCON #187E	0.86	0.14	1.00				0.00	
72	RINCON #193M	0.58	0.42	1.00		0.81	0.19	1.00	eff. Dec., 2001
73	RINCON #201	0.30	0.70	1.00		0.46	0.54	1.00	
74	RINCON 201R	0.62	0.38	1.00	New cmgl eff Feb, 2004 -	0.27	0.73	1.00	New % eff. Feb, 2004
75	RINCON #202	0.55	0.45	1.00		0.51	0.49	1.00	
76	RINCON #202M	0.61	0.39	1.00		0.64	0.36	1.00	Eff. Oct, 2001
77	RINCON #227M	0.40	0.60	1.00	Comgl Apr. 2002 - New % Nov, 2002	1.00	0.00	1.00	Eff. Apr., 2002 - New % Nov, 2002