

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30039064450000
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal
7. Lease Name or Unit Agreement Name CANDADO
8. Well No. 1
8. Pool name or Wildcat Flora Vista Gallup and Basin Dakota

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well:
Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
Cordillera Energy Inc.

3. Address of Operator
8450 E. Crescent Parkway, Suite 400 Greenwood Village Colorado 80111

4. Well Location
Unit Letter **M**: **920** feet from the **South** line and **1150** feet from the **West** line
Section **15** Township **26N** Range **7W** NMPM Rio Arriba County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
6157' GL

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: Down hole Commingling ☒

SUBSEQUENT REPORT OF:
REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Down hole commingling the Blanco Mesa Verde (72319) and Basin Dakota (71599) pools in this well bore. These are pre-approved pools as per NMOCD Order # 11563.

Attached are the following documents:

1. A well bore diagram showing the perforated intervals and well bore configuration.
2. The allocation method proposed and supporting data.
3. Statement of commingling showing no reduced value of the total remaining production.
4. Statement attesting that notice was sent to all interest owners and no objections were received.
5. Statement attesting a copy of this form was sent to the BLM

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE J.C. Ridens TITLE Vice President of Operations DATE March 5, 2002

Type or print name J.C. Ridens

Telephone No. 303-290-0990

(This space for State use)

APPROVED BY _____ TITLE _____

Conditions of approval, if any:

MAR - 7 2002

DATE: 06/ 01/ 01

GREYSTONE ENERGY INC

CURRENT WELLBORE CONFIGURATION

WELL NAME: CANDADO #1

SEC: 15 T26N R07W

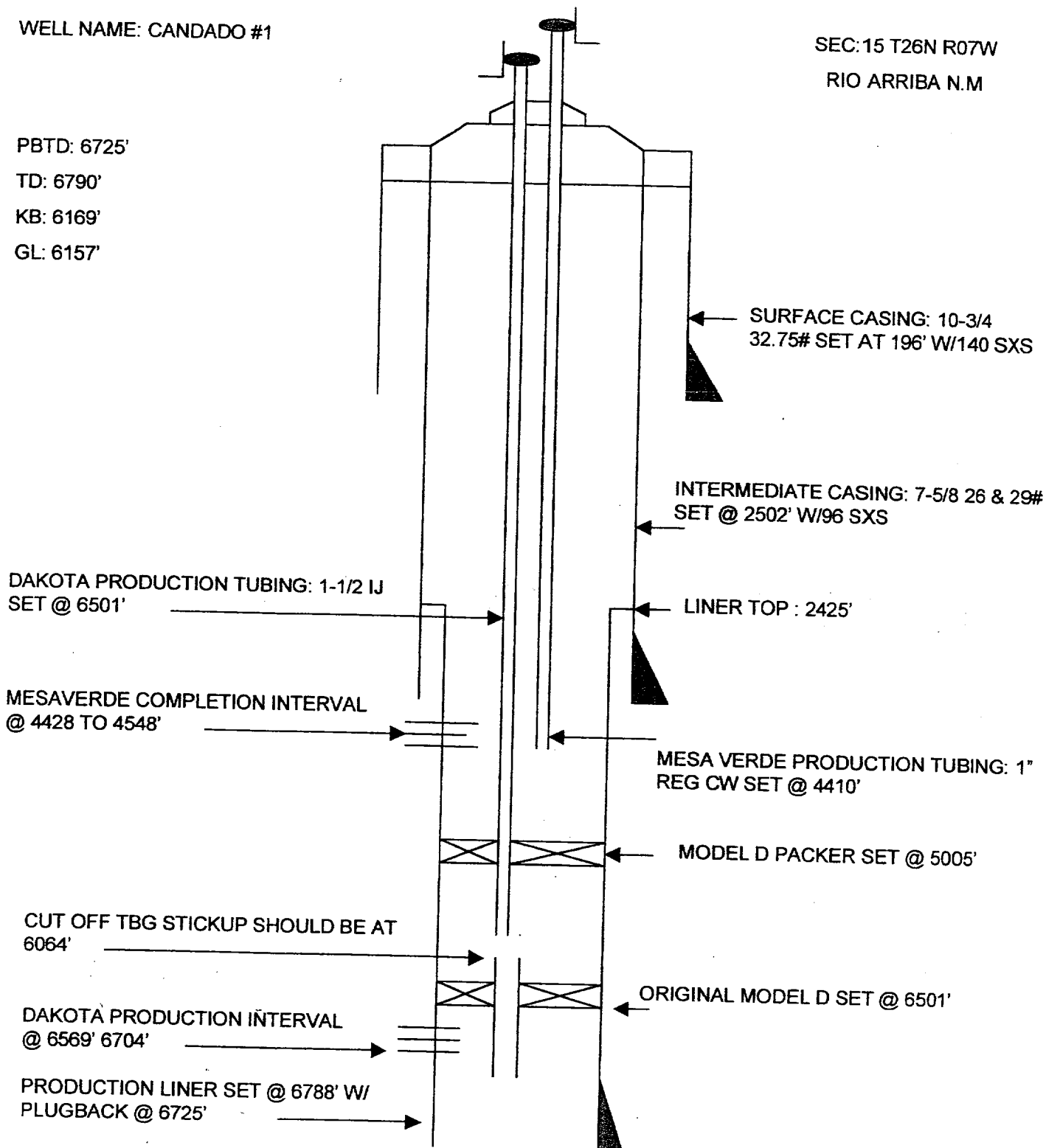
RIO ARRIBA N.M

PBTD: 6725'

TD: 6790'

KB: 6169'

GL: 6157'



Candado 1 - Mesa Verde/Dakota

Based on total production through December 2000

Fixed Percentage Allocation Formula

	<table><tr><td>Oil</td></tr><tr><td>Barrels</td></tr></table>	Oil	Barrels	<table><tr><td>%</td></tr></table>	%	<table><tr><td>Gas</td></tr><tr><td>MCF</td></tr></table>	Gas	MCF	<table><tr><td>%</td></tr></table>	%
Oil										
Barrels										
%										
Gas										
MCF										
%										
Mesa Verde Formation	55	0.2	47,979	6.6						
Dakota Formation	20,852	99.8	678,231	93.4						