

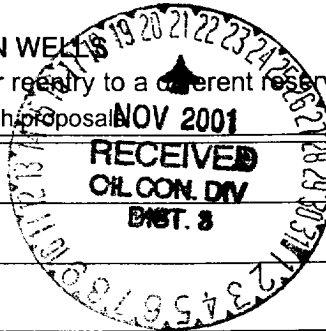
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT--" for such proposals.

SUBMIT IN TRIPLICATE



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

2. Name of Operator
R C Resources Corp.

3. Address and Telephone No.
Suite 230 Pecan Creek, 8340 Meadows Rd., Dallas, TX 75231 (214)369-4848

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1850'FSL - 1570'FEL, Section 27, T26N, R8W, NMPM

5. Lease Designation and Serial No.
SF078432

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Hodges No. 15E

9. API Well No.
30 - 045 - 24473

10. Field and Pool, or Exploratory Area
Ballard Pictured Cliffs / Basin Dakota

11. County or Parish, State
San Juan, New Mexico

12. CHECK APPROPRIATE BOX(s) 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"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other Downhole commingle	<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

R C Resources Corp. proposes to downhole commingle production from the Ballard Pictured Cliffs and Basin Dakota in this wellbore.

This pool commingling combination is included in the pre-approved pools of Rule 303C(5).

Pool 1: Ballard Pictured Cliffs; perforations: 2689'- 2762', 13 holes.

Pool 2: Basin Dakota; perforations: 7180'- 7270', 30 holes.

The production will be allocated based on the same percentages as approved for the surface commingling in 1993, ie:

	Gas %	Oil %	Water %
Pictured Cliffs	75	0	75
Basin Dakota	25	100	25

This commingling will not reduce the value of the remaining production from either pool Working and royalty interest ownership is the same for both pools.

A separate NM Sundry Notice (C103) has been filed with the Aztec Office of the NMOCd for their approval of the proposed action.

14. I hereby certify the foregoing is true and correct

Signed [Signature]

Title Agent

Date November 20, 2001

(This section for Federal or State office use)

Original Signed by **STEVEN N. HAYDEN**

DEPUTY OIL & GAS INSPECTOR, DIST. 8

Approved by _____
Conditions of approval, if any:

Title _____

Date NOV 21 2001

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30 - 045 - 24473
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Hodges
8. Well No. 15E
9. Pool name or Wildcat Ballard PC / 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 TO DRILL" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> WELL <input type="checkbox"/> WELL <input checked="" type="checkbox"/> OTHER	2. Name of Operator R C Resources Corp.	3. Address of Operator Suite 230 Pecan Creek, 8340 Meadows Rd., Dallas, TX 75231
4. Well Location Unit Letter <u>J</u> : <u>1850</u> Feet From The <u>South</u> Line and <u>1570</u> Feet From The <u>East</u> Line Section <u>27</u> Township <u>26N</u> Range <u>8W</u> NMPM San Juan County	10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6951' GR	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: Downhole commingle <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <input type="checkbox"/>

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.
R C Resources Corp. proposes to downhole commingle production from the Ballard Pictured Cliffs and Basin Dakota pools in this wellbore by pulling the dual production strings and removing the production packer. They will be replaced with a single string of 2 3/8" tubing.

The pool commingling combination is included in the pre-approved pools of Rule 303C(5).
Pool 1: Ballard Pictured Cliffs; perforations: 2689' - 2762', 13 holes
Pool 2: Basin Dakota; perforations: 7180' - 7270', 30 holes

The production allocation will be the same as used for the surface commingling approved in 1993, ie:

	Gas %	Oil %	Water%
Pictured Cliffs	75	0	75
Dakota	25	100	25

This commingling will not reduce the value of the remaining production from either pool.

Working and Royalty interest ownership is the same for both pools.

A separate sundry, Form 3160-5 has been filed with the Farmington office of the Bureau of Land Management. A copy of this sundry is attached.

DHC 568A2

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

SIGNATURE R. E. Fielder TITLE Agent DATE 11/20/01

TYPE OR PRINT NAME R. E. Fielder TELEPHONE NO. (505) 325-5220

(This space for State Use) Original Signed by STEVEN N. HAYDEN

APPROVED BY DEPUTY OIL & GAS INSPECTOR, DIST. 25 DATE NOV 21 2001

CONDITIONS OF APPROVAL, IF ANY: