

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires November 30, 2000

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

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

2. Name of Operator

Cross Timbers Operating Company

3a. Address

2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM (505) 324-1090

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

585' FNL & 1,220' FWL, Sec 24, T29N, R10W

3b. Phone No. (include area code)

5. Lease Serial No.

SF-078266

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Martinez Gas Com G 1E

9. API Well No.

30-045-25568

10. Field and Pool, or Exploratory Area

Blanco Mesaverde / Basin Dakota

11. County or Parish, State

San Juan NM

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

TYPE OF SUBMISSION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other

Downhole Commingle

DK & MV

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 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 final site is ready for final inspection.)

Cross Timbers Operating Co. has downhole commingled the Blanco Mesaverde and Basin Dakota Pools in this well. These two Pools are listed on the NMOCD's pre-approved Pools for downhole commingling list. Attached is the approved NMOCD Sundry Notice to downhole commingle.

10/25/00 to 11/03/00 Moved in pulling unit. Installed BOP. TOH with 2-3/8" production tubing. Drilled out CIBP at 6,412'. Cleaned out fill to 6,725' PBTD. Landed 2-3/8" production tubing at 6,601'. Removed BOP. Swabbed well in. Rigged down pulling unit. Return well to production. MV perfs 3,895'-4,591'. DK perfs 6,516'-6,702'. PBTD 6,725'.

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

Ray Martin

Title

Operations Engineer

Date

11/07/00

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

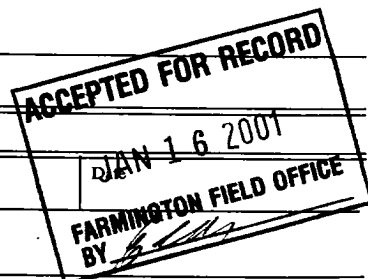
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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



Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

REC'D / SAN JUAN

Form C-103
Revised 1-1-89

AUG - 7 2000

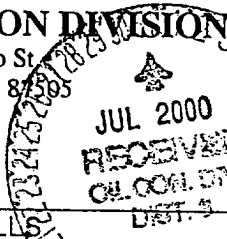
DISTRICT I
P.O. Box 1980, Hobbs NM 88241-1980

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

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505



WELL API NO.
30-045-25568

5. Indicate Type of Lease
STATE ☐ FEE ☐

6. State Oil & Gas Lease No.
SF1078266

Lease Name or Unit Agreement Name
Martinez Gas Com G

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
Cross Timbers Operating Company

8. Well No.
1E

3. Address of Operator
2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401

9. Pool name or Wildcat
Blanco Mesaverde / Basin Dakota

4. Well Location
Unit Letter D : 585 Feet From The North Line and 1,220 Feet From The West Line

Section 24 Township 29N Range 10W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
5,759' GL 5,772' RKB

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 ☐
OTHER: Downhole Commingle ☒

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.

Cross Timbers Operatin Company requests an exception to Rule 303A to downhole commingle ^{production} from the Basin Dakota Pool (71599) and the Blanco Mesaverde Pool (72319). Both of this pools are included in the NMOCDD pre-approved pool combinations for downhole commingling in the San Juan Basin. Attachments 1 and 2 summarize the conditions and information required per Rules 303C(1) and 303C(3)(b). Well Location and Acreage Dedication Plats (Form C-102) for each pool have previously been filed.

1. MIRU pulling unit. Install BOP. TOH with production tubing.
2. TIH with retrieving tool. Release RBP @ 6,412'. TOH with RBP.
3. TIH & land production tubing @ approx 6,650'. Remove BOP. RDMO pulling unit.
4. Return well to production with MV perfs 3,895'-4,591' and DK perfs 6,516'-6,702'. PBD 6,725'.

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

SIGNATURE Ray Martin TITLE Operations Engineer DATE 07/28/00

TYPE OR PRINT NAME Ray Martin TELEPHONE NO. (505)324-1090

(This space for State Use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE 8-1-00
CONDITIONS OF APPROVAL, IF ANY:

Attachment 2
Martinez Gas Com G #1E
Request to DHC
Basin Dakota & Blanco Mesaverde Pools

Additional information per Rule 303C(3)(b):

- (i) The fluids from both pools are compatible. These pools have been commingled together in this area in other wells without fluid compatibility problems.
- (ii) Basin Dakota Pool (71599) & Blanco Mesaverde Pools (72319)
- (iii) Blanco Mesaverde perforations: 3,895'-4,591'
Basin Dakota perforations: 6,516'-6,702'
- (iv) The proposed production allocation formula is based on a ratio of the two Pools production rates.

Proposed Allocation Formula

	BO	BW	MCF
Basin Dakota	50%	21%	42%
Blanco Mesaverde	50%	79%	58%

Basin Dakota Pool (last 3 full months production prior to recompletion to MV)

Mo.	BO	BW	MCF (15.03 psig w/lse use)
Aug. '99	0	0	6,757
Sept. '99	0	70	6,040
Oct. '99	0	68	6,390
3 Mo. Ave.	0	46	6,396 (42%)

Blanco Mesaverde Pool

Mo.	BO	BW	MCF (@15.03 psig w/lse use)
Mar. '00	0	120	9,606
Apr. '00	0	220	8,374
May '00	0	80	8,254
3 Mo. Ave.	0	140	8,745 (58%)

- (v) Downhole commingling will not reduce the value of the total remaining production. A longer productive life is expected due to a lower economic production limit for each pool resulting from combined production.
- (vi) Cross Timbers Operating Company has sent notice of intent to downhole commingle to all working and royalty interest owners by certified mail (return receipt). No objections were received within 20 days after sending notices.
- (vii) I have filed a Sundry Notice Form 3160-5 with the BLM for this work. A copy is attached.