

OCD CHECK OFF:

Donna
Paul
Chris
Nelda
(Assign District
DHC order #)

SUBJECT: C-103 Check List for Downhole commingling for wells located in pre-approved pools or area.

Gentlemen:

We are returning the C-103 form attached because of missing information. Due to a large number of miss-filed forms, we are returning form(s) for downhole commingling with missing information. Missing information can delay the processing of your application. Please add the required information checked no below.

- | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> | |
|-----------------------------------------|-----------------------------|---------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | (i) number of Division order that established pre-approved pool or area. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | (ii) names of pools and pool codes. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | (iii) Perforated intervals. (top -- bottom perf) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | (iv) allocation method and supporting data. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | (v) a statement that the commingling will not reduce the value of the total remaining production. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | (vi) did applicant indicate that ownership or percentages between pools to be commingled is different by statement. |

If (vi) is yes

A statement attesting that applicant sent notice to all interest owners in the spacing unit By certified mail (return receipt) of its intent to apply for downhole commingling and no objection was received within 20 days of sending this notice.

If (vi) is yes

Did operator hold C-103 for twenty days after sending notice

(vii)a Spacing unit contains state lands.

(vii)b Spacing unit contains federal lands.

If (vii)a is yes

A statement attesting that applicant sent a copy of the Division Form C-103 to the Commissioner of Public Lands for the Sate of New Mexico

If (vii)b is yes

A statement attesting that applicant sent a copy of the Division Form C-103 to the Bureau of Land Management.