

C-103 Received 1-31-2005

DHC No. Assigned 2-1-2005

Order Number		API Number	Operator		County			
HOB-0106		30-025-32500	Breck Operating Corp.		Lea			
Order Date		Well Name	Number	Location				
		B. F. Harrison C	003	L	9	23 S	37 E	
				UL	Sec	T (+Dir)	R (+Dir)	
			Oil %	Gas %				
Pool 1	96314	Teague Lower Paddock Blunehy Associated, N.	31%	22%				
Pool 2	96315	Teague Tubb Associated, North	69%	78%				
Pool 3								
Pool 4								
<div>Comments: Work completed effective _____ Work cancelled effective _____ Supplement _____</div>								

DOWNHOLE COMMINGLE CALCULATIONS:

30-025-32500
HOB-0106

OPERATOR: Breck Operating Corp.

PROPERTY NAME: B. F. Harrison C.

WNULSTR: 3-L, 9-23-37

SECTION I:

POOL NO. 1 Teague Lower Paddock 107 642 MCF 6000

Blichebry, Associated
POOL NO. 2 Teague Tubb Associated, North 1/4 852 MCF 6000

POOL NO. 3 _____ MCF

POOL NO. 4 _____ MCF

POOL TOTALS 249 1494

SECTION II:

POOL NO. 1 Teague Lower Paddock Oil Gas
Blichebry, Associated 31% 22%

POOL NO. 2 Teague Tubb Associated, North 69% X 249 = 171.81 78%

POOL NO. 3 _____

POOL NO. 4 _____

OIL

GAS

SECTION III:

$107 \div 69\% = 155.07 (156)$

SECTION IV:

$156 \times 31\% = 48.36 (48)$

$156 \times 69\% = 107.64 (108)$

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
000 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 June 10, 2003

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

WELL API NO. 30-025-32500
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name B.F. Harrison -C-
8. Well Number 3
9. OGRID Number 002799
10. Pool name or Wildcat North Teague Tubb Associated

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
Breck Operating Corp.

3. Address of Operator
P.O. Box 911, Breckenridge, TX 76424

4. Well Location

Unit Letter L : 1980 feet from the South line and 925 feet from the West line

Section 9 Township 23S Range 37E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

12. 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 ☐

WELL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: Downhole Commingle ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

13. 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 recompletion.

See attached Exhibit A

DHC Order No. HOB-0106

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

SIGNATURE Donald R Craig TITLE District Engineer DATE January 28, 2005

Type or print name Donald R. Craig E-mail address: dcraig@breckop.com Telephone No. (254) 659-335 ext 269

(This space for State use)

APPROVED BY Paul J. [Signature] TITLE PETROLEUM ENGINEER DATE FEB 01 2005

BRECK OPERATING CORP.

P.O. BOX 911
BRECKENRIDGE, TEXAS 76424-0911
254-559-3355

EXHIBIT A

Breck Operating Corp is requesting approval to down-hole-commingle the Blinebry with the Tubb in the BF Harrison "C" #3. The #3 is currently a Tubb producer in the North Teague Tubb Associated Field. The Blinebry was completed in the BF Harrison "C" #1 which is located approximately 290' feet from the subject well and in the same forty acre proration unit. In late 2001, the #1 was plugged back to test the Paddock which was unsuccessful. The #1 has been shut-in since that time.

The request for DHC is made based on Order R-11363.

The pools to be commingled are the Teague Lower Paddock Blinebry Associated and the North Teague Tubb Associated.

Perforations for the intervals are: Blinebry 5472-5792 Tubb 6115-6268

The allocation method was based on the two most recent months of production on the two zones. In 10/2001, the Blinebry produced 38 BOPM 386 MCFPM. In 10/2004, the Tubb produced 85 BOPM 1355 MCFPM.

Based on these tests the allocation formula would be:

Blinebry Oil 31% Gas 22%
Tubb Oil 69% Gas 78%

The acreage is on Fee lands and the royalty interests are common across both horizons.

All produced fluids are compatible and commingling will not decrease the value of the production.



15 N. French Dr., Hobbs, NM 88240
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-32500	² Pool Code 96315	³ Pool Name North Teague - Tubb Associated
⁴ Property Code 028005	⁵ Property Name Harrison, B.F. "C"	⁶ Well Number 3
⁷ OGRID No. 002799	⁸ Operator Name Breck Operating Corp.	⁹ Elevation 3319

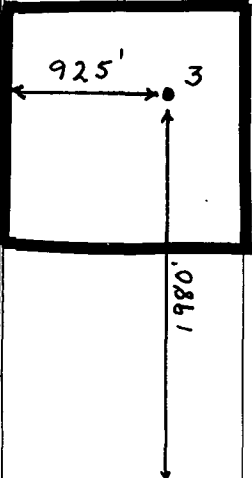
¹⁰ Surface Location

UL or lot no. L	Section 9	Township 23-S	Range 37-E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 925	East/West line West	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40	¹³ Joint or Infill No	¹⁴ Consolidation Code	¹⁵ Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief <u>Donald R. Craig</u> Signature Donald R. Craig Printed Name District Engineer Title and E-mail Address January 18, 2005 Date			
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor Certificate Number			

District I
325 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
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WELL LOCATION AND ACREAGE DEDICATION PLAT

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⁴ Property Code 028005	⁵ Property Name Harrison, B.F. "C"	⁶ Well Number 3
⁷ OGRID No. 002799	⁸ Operator Name Breck Operating Corp.	⁹ Elevation 3319

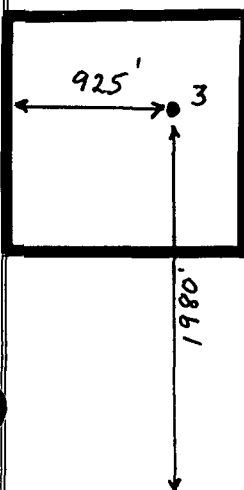
¹⁰ Surface Location

UL or lot no. L	Section 9	Township 23-S	Range 37-E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 925	East/West line West	County Lea
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