

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  
May 27, 2004

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

WELL API NO. 30-045-35180
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal NMNM 03605
7. Lease Name or Unit Agreement Name <b>Graham</b>
8. Well Number <b>100S</b>
9. OGRID Number 141852
10. Pool name or Wildcat Basin Fruitland Coal (71629)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5898' GR

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other
2. Name of Operator <b>M&amp;G Drilling Company, Inc. c/o Walsh Engineering</b>
3. Address of Operator 7415 E. Main St., Farmington, NM 87402
4. Well Location Unit Letter <b>B</b> : <b>1110</b> feet from the <b>North</b> line and <b>1760</b> feet from the <b>East</b> line Section <b>3</b> Township <b>27N</b> Range <b>8W</b> NMPM San Juan County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5898' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

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 ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐ Surface Commingle

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐ **PC-1230**

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.

M&G Drilling Co., seeks administrative approval to surface commingle the gas production from the Blanco Mesa Verde (72319) pool in the Graham #44 (B Sec 3, T27N, R8W, API - 30-045-06887) with the gas production from the Graham #100S described above.

M&G Drilling attests that they own all of the revenue interests, both working and royalty, in both wells. No liquid hydrocarbons will be commingled. Surface commingling will not reduce the value of the production. The BLM Office was also notified of this application.

Reviewed by **RE**  
Recommend Approval 11/30/10

This approval is subject to like approval by BLM before commencing commingling operation  
I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Paul C. Thompson TITLE Agent / Engineer DATE 11/10/10

Type or print name Paul C. Thompson, P.E. E-mail address: paul@walsheng.net Telephone No. 505.327.4892  
For State Use Only

APPROVED BY: [Signature] TITLE Act Div. Dir. DATE 12/1/10  
Conditions of Approval (if any):