

PNRM0419728627

C-103 Received 6-27-2004  
DHC No. Assigned 7-14-2004

<b>Order Number</b> HOB-0091		<b>API Number</b> 30- 025-34509		<b>Operator</b> Pure Resources L.P.		<b>County</b> Lea	
<b>Order Date</b> 		<b>Well Name</b> Brunson Argo		<b>Number</b> 027		<b>Location</b>	
						<b>B</b> UL	<b>9</b> Sec
						<b>225</b> T (+Dir)	<b>37E</b> R (+Dir)
<b>Pool 1</b>	19190	Drinkard	75%	Oil %	83%	Gas %	
<b>Pool 2</b>	62700	Wantz Abo	25%		17%		
<b>Pool 3</b>							
<b>Pool 4</b>							
<b>Comments:</b> Work completed effective _____ Work cancelled effective _____ Supplement _____							

7-15-2004  
Posted to  
RBA M&L 

DOWNHOLE COMMINGLE CALCULATIONS: 30-025-34509

OPERATOR: Pure Resources L.P. HOB-0091

PROPERTY NAME: Brunson Argo

WNULSTR: 27-B, 9-22-37

		ALLOWABLE AMOUNT	
19190	SECTION I: POOL NO. 1 <u>Drinkard</u>	<u>142</u>	<u>852</u> MCF 6000
62700	POOL NO. 2 <u>Wantz Abo</u>	<u>187</u>	<u>1121</u> MCF 6000
	POOL NO. 3 _____	_____	_____ MCF
	POOL NO. 4 _____	_____	_____ MCF
		POOL TOTALS <u>329</u>	<u>1974</u>

	SECTION II: POOL NO. 1 <u>Drinkard</u>	<u>Oil</u>	<u>Gas</u>
	POOL NO. 2 <u>Wantz Abo</u>	<u>75% X 329 = 246.75</u>	<u>83%</u>
	POOL NO. 3 _____	<u>25%</u>	<u>17%</u>
	POOL NO. 4 _____		

	<u>OIL</u>	<u>GAS</u>
SECTION III:	<u><math>142 \div 75\% = 189.34 (190)</math></u>	_____

SECTION IV:	<u><math>190 \times 75\% = 142.50 (142)</math></u>	_____
	<u><math>190 \times 25\% = 47.50 (48)</math></u>	_____
	_____	_____
	_____	_____

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  
 March 4, 2004

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

WELL API NO. 30-025-34509
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 Brunson Argo (26773)
8. Well Number 27
9. OGRID Number 150628
10. Pool name or Wildcat Wantz; Abo (62700) & Drinkard (19190)

**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  
 Pure Resources, L. P.

3. Address of Operator  
 500 W. Illinois Midland, Texas 79701

4. Well Location  
 Unit Letter B; 950 feet from the North line and 1650 feet from the East line  
 Section 9 Township 22S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3,423'; GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input checked="" type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Proposed Allocation of DHC Production <input checked="" type="checkbox"/>	

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. If a pit or below-grade tank is involved in the operation, complete the reverse side of this form.

Pure Resources is now planning to enter back into this wellbore to remove a RBP set @ 6,650' separating the current production testing Drinkard Pool to DHC with the Wantz; Abo Pool. We now believe that we have tested the Drinkard zone and established a stabilized rate of 6 BOPD, 131 MCFPD and 13 BWPD. The Wantz; Abo zone previously averaged over the last year at a stable rate of 2 BOPD, 27 MCFPD and 13 BWPD. Once Downhole Commingled we anticipate this well to produce at a combined rate of 8 BOPD, 158 MCFPD and 26 BWPD. Therefore, we would like to propose using the following Allocation of Production Scenario for the commingled production:

DHC Order No. <u>HOB-0091</u>	Wantz; Abo Drinkard	<u>OIL</u> 25% 75%	<u>GAS</u> 17% 83%	<u>WATER</u> 50% 50%
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REC'D  
 HCB  
 CCD  
 6-27-04

(PLEASE SEE ATTACHED PRODUCTION SUMMARIES/CHARTS)

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

SIGNATURE Alan W. Bohling TITLE Regulatory Agent DATE 05/28/04

Type or print name Alan W. Bohling E-mail address: abohling@pureresources.com Telephone No. (432) 498-8662  
 (This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE JUL 13 2004  
 Conditions of approval, if any:

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

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34509		Pool Code 19190	Pool Name Drinkard
Property Code 26773	Property Name BRUNSON ARGO		Well Number 27
OGRID No. 150628	Operator Name Pure Resources, L. P.		Elevation 3423'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	9	22 S	37 E		950	NORTH	1650	EAST	LEA

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

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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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

	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Alan W. Bohling</i></p> <p>Signature</p> <p>Alan W. Bohling</p> <p>Printed Name</p> <p>Regulatory Agent</p> <p>Title</p> <p>02/26/2004</p> <p>Date</p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>MAY 18 1997</p> <p>Date Surveyed</p> <p>Signature of Professional Surveyor</p> <p>Professional Surveyor</p> <p>NEW MEXICO</p> <p>3239</p> <p>9-18-98</p> <p>07-1-0850</p>
	<p>1234567891011121314151617181920</p> <p>22232425262728293031</p> <p>FILED MAR 2004</p> <p>HOBBS, NM</p> <p>CCD</p>
	<p>Certificate No. RONALD E. EDSON 3239</p> <p>PROFESSIONAL SURVEYOR EDSON 12641</p>

DISTRICT I  
P.O. Box 1880, Hobbs, NM 88241-1880

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0710

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

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-025-34509</b>	Pool Code <b>62700</b>	Pool Name <b>Wantz (Abo)</b>
Property Code <b>20000</b>	Property Name <b>BRUNSON ARGO</b>	Well Number <b>27</b>
OGRID No. <b>150661</b>	Operator Name <b>TITAN RESOURCES, L.P.</b>	Elevation <b>3423'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	9	22 S	37 E		950	NORTH	1650	EAST	LEA

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
Dedicated Acres <b>40</b>	Joint or Infill	Consolidation Code	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

	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Haylie Urias</i> Signature</p> <p>Haylie Urias Printed Name</p> <p>Operations Tech. Title</p> <p>9-21-98 Date</p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>MAY 16, 1997 Date Surveyed</p> <p>Signature of Surveyor Professional Surveyor RONALD EDSON 3239 9-18-98</p> <p>CDG</p>
	<p>Certificate No. RONALD EDSON 3239 GARY EDSON 12641</p>
	<p>Professional Surveyor NEW MEXICO 3239 9-18-98</p>

LEA NM  
BRUNSON ARGO 27  
PURE RESOURCES LIMITED PARTNER  
ACTIVE

## Production Report

<b>Lease Name:</b>	<b>BRUNSON ARGO</b>	<b>Well Number:</b>	<b>27</b>
Lease Number:	020000	Cum Oil:	4,419 since DEC 1998
Operator Name:	PURE RESOURCES LIMITED P	Cum Gas:	54,640
State:	NEW MEXICO	Cum Water:	28,131 since DEC 1998
County:	LEA	First Production Date:	NOV 1998
Field:	WANTZ	Last Production Date:	FEB 2004
Sec Twn Rng:	9B 22S 37E	Spot:	SE NW NE
Latitude/Longitude:	32.41086 -103.16438	Lat/Long Source:	TS
Regulatory #:		Completion Date:	NOV 28, 1998
API:	30025345090000	Total Depth:	7500
Production ID:	1300210253450962700	Upper Perforation:	6893
Reservoir Name:	ABO	Lower Perforation:	7246
Prod Zone:	ABO /SH/	Gas Gravity:	
Prod Zone Code:	452ABO	Oil Gravity:	40.1
Basin Name:	PERMIAN BASIN	Temp Gradient:	
Gas Gatherer:		N Factor:	
Liquid Gatherer:		GOR:	4500
Status:	ACTIVE	CRUDE OIL	
Well Type:	ACTIVE PRODUCING-GENERAL	Water Depth:	

Annual Production	(7 years)		
Year	Oil BBLs	Gas MCF	Water BBLs

Beginning  
Cum:

1998	465	2,461	1,670
1999	1,354	10,862	5,645
2000	461	8,789	8,178
2001	755	10,463	3,279
2002	686	10,731	4,700
2003	576	9,815	4,599
2004	122	1,519	60
Totals:	4,419	54,640	28,131

**Monthly Production** (Most recent 48 of 64 months)

Date MO/YR	Oil BBLs	Gas MCF	Water BBLs	GOR SCF/BBLs	% Water	# of Wells	Days on
FEB 2000	73	941	573	12891	88.70	1	29
MAR 2000	42	999	610	23786	93.56	1	31