

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter 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

Pure Resources c/o Mike Pippin LLC (Agent)

3a. Address

c/o: Pippin, 3104 N. Sullivan, Farmington, NM 87401

3b. Phone No. (include area code)

505-327-4573

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

1961' FSL 1870' FEL (J) Sec. 25 T27N R07W

5. Lease Serial No.

SF - 079321

6. If Indian, Allottee or Tribe Name

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

Rincon Unit NMNM 78406D

8. Well Name and No.

Rincon Unit #139R

9. API Well No.

30-039-27420

10. Field and Pool, or Exploratory Area

Blanco MV/ Basin DK

11. County or Parish, State

Rio Arriba County, New Mexico

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ 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

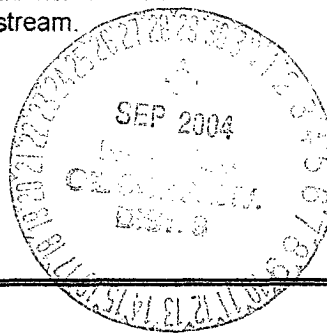
Commingle

Allocation

13. Describe Proposed or Completed Operations (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 site is ready for final inspection.)

We have submitted the following commingle allocation percentages to the State (DHC-1328AZ) for this MV/DK well. The Dakota was 1st delivered in October 2003 and the Mesaverde was added in April 2004. The gas allocations are based on each formation's separate test, which was taken during completion operations. The Oil allocations are based on actual oil production both before and after the Mesaverde was added to the production stream.

	GAS	OIL
DAKOTA	28%	60%
MESAVERDE	72%	40%



RECEIVED
2004 MAY 24 PM 2:40
070 Farmington, NM

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Mike Pippin

Title

Petr. Engr. (Agent)

Signature

Mike Pippin

Date

May 24, 2004

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Jim Leals

Title

Petr. Engr.

Date

9/27/04

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