

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. <u>30-034-27798</u>
5. Indicate Type of Lease: FEDERAL STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. FEDERAL : SF-080385
7. Lease Name or Unit Agreement Name RINCON UNIT
8. Well Number #411
9. OGRID Number 189071
10. Pool name or Wildcat Blanco MV & Basin DK

SUNDRY NOTICES AND REPORTS ON WELL
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR EXPAND A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-103) FOR SUCH PROPOSALS.)

1. Type of Well:
Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
PURE RESOURCES LP

3. Address of Operator c/o Agent, Mike Pippin LLC
3104 N. Sullivan, Farmington, NM 87401 505-327-4573

4. Well Location
Unit Letter G: 1970 feet from the East line and 1980 feet from the North line
Section 27 Township 27N Range 7W NMPM Rio Arriba County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6701' GL

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
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 type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Administrative Downhole Commingle <input checked="" type="checkbox"/>		OTHER: <input 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.

Pure Resources requests administrative approval to downhole commingle the Basin Dakota (71599) and Blanco Mesaverde (72319), which are both included in the pre-approved pools established by Division Order R-11363. Both intervals have common ownership and produce essentially dry gas. We have not experienced any significant cross flows between these two intervals, and all the fluids are compatible. Downhole commingling will improve recovery of liquids and gas, eliminate redundant surface equipment, and maximize productivity. Notice has been filed concurrently on form 3160-5 with the BLM.

These Gas & Oil allocations are based on the average gas & oil allocations from all the other MV/DK commingled wells in the nine sections directly around the subject well. See the attached list of MV/DK commingled wells & their allocations from these sections.

GAS: DAKOTA 57%
GAS: MESAVERDE 43%

OIL: DAKOTA 60%
OIL: MESAVERDE 40%

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Mike Pippin TITLE Agent, Petroleum Engineer DATE 10/6/04

Type or print name Mike Pippin E-mail address: mpippin@ddbroadband.net Telephone No. (505)327-4573

(This space for State use)

APPROVED BY [Signature] TITLE STATE OIL & GAS INSPECTOR, DIST. #2 DATE NOV 17 2004

	A	B	C	D	E	F	G	H	I	J	K	L
1		Rincon MV/DK Commingling Percentages										
2		wells commingled as of August 2004										
3		ALL WELLS SORTED BY LOCATION										
4								RINCON UNIT #411				
5		Gas						Oil				
		LOCATION		DK %	MV %	Total %	Comments	DK %	MV %	Total %	Comments	
6	1	RINCON #185E	22	27 7	0.79	0.21	1.00		0.92	0.08	1.00	
7	2	RINCON 136E	23	27 7	0.92	0.08	1.00		0.50	0.50	1.00	
8	3	RINCON 136P	23	27 7	0.60	0.40	1.00	July 04	0.51	0.49	1.00	
9	4	RINCON #178	23	27 7	0.54	0.46	1.00		0.41	0.59	1.00	
10	5	RINCON #178E	23	27 7	0.71	0.29	1.00		0.71	0.29	1.00	
11	6	RINCON #169	26	27 7	0.47	0.53	1.00		0.52	0.48	1.00	
12	7	RINCON 202	27	27 7	0.55	0.45	1.00		0.51	0.49	1.00	
13	8	RINCON 202M	27	27 7	0.61	0.39	1.00		0.64	0.36	1.00	Eff. Oct., 2001
14	9	RINCON #227M	28	27 7	0.40	0.60	1.00	Comgt 4/02 New% 11/02	1.00	0.00	1.00	
15	10	RINCON #186M	33	27 7	0.06	0.94	1.00		0.01	0.99	1.00	
16	11	RINCON 186R	33	27 7	0.49	0.51	1.00	eff May, 2003	0.50	0.50	1.00	
17	12	RINCON #303	33	27 7	0.22	0.78	1.00		0.20	0.80	1.00	
18	13	RINCON #303M	33	27 7	0.40	0.60	1.00	New % eff. 11/02	0.66	0.34	1.00	
19	14	RINCON #229M	34	27 7	0.83	0.17	1.00	New % May, 2002	1.00	0.00	1.00	
20	15	RINCON #306	34	27 7	0.58	0.42	1.00		0.50	0.50	1.00	
21	16	RINCON #306M	34	27 7	0.71	0.29	1.00	New% eff. 11/02	0.83	0.17	1.00	
22	17	RINCON #187E	35	27 7	0.86	0.14	1.00		0.50	0.50	1.00	
23	18	RINCON #193M	35	27 7	0.58	0.42	1.00		0.81	0.19	1.00	eff. Dec., 2001
24												
25		AVERAGES			0.5733	0.4267	1.0000		0.5961	0.4039	1.0000	
26		TOTAL NUMBER WELLS =	18									