

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. 30-039-27706
5. Indicate Type of Lease Federal STATE ☐ FEE ☐
6. State Oil & Gas Lease No. Federal: SF-079366
7. Lease Name or Unit Agreement Name RINCON UNIT
8. Well Number #404
9. OGRID Number 189071
10. Pool name or Wildcat Blanco MV & Basin DK

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 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 <u>N</u> : <u>2635</u> feet from the <u>West</u> line and <u>20</u> feet from the <u>South</u> line Section <u>21</u> Township <u>27N</u> Range <u>6W</u> NMPM Rio Arriba County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6557' GL	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐	REMEDIAL WORK ☐ ALTERING CASING ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐	CASING TEST AND CEMENT JOB ☐
OTHER: Administrative Downhole Commingle ☒	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.

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 62%	OIL: DAKOTA 52%
GAS: MESAVERDE 38%	OIL: MESAVERDE 48%

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 10/5/04
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 DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE NOV 17 2004
Conditions of approval, if any:

1	Rincon MV/DK Commingling Percentages										
2	wells commingled as of August 2004										
3	ALL WELLS SORTED BY LOCATION										
4	RINCON UNIT #404										
5	Gas							Oil			
6		LOCATION		DK %	MV %	Total %	Comments	DK %	MV %	Total %	Comments
7	14	RINCON 156M	16 27 6	0.85	0.15	1.00	New % eff. May, 2002	0.60	0.40	1.00	
8	1	RINCON 156R	16 27 6	0.50	0.50	1.00	eff May, 2003	0.50	0.50	1.00	
9	2	RINCON #179M	16 27 6	0.77	0.23	1.00		1.00	0.00	1.00	Appr. % 12/01
10	3	RINCON 79A	17 27 6	0.70	0.30	1.00		0.50	0.50	1.00	Total % 12-7-02
11	4	RINCON 155M	17 27 6	0.43	0.57	1.00		0.25	0.75	1.00	Eff. Sep., 2001
12	5	RINCON 155R	17 27 6	0.63	0.37	1.00		0.57	0.43	1.00	
13	6	RINCON 161M	17 27 6	0.60	0.40	1.00	July 04	0.51	0.49	1.00	
14	7	RINCON #170	20 27 6	0.61	0.39	1.00		0.60	0.40	1.00	
15	8	RINCON 170R	20 27 6	0.74	0.26	1.00	May 04	1.00	0.00	1.00	
16	9	RINCON #170M	20 27 6	0.75	0.25	1.00		0.50	0.50	1.00	
17	10	RINCON #175M	20 27 6	0.61	0.39	1.00		0.50	0.50	1.00	
18	11	RINCON #171M	21 27 6	0.90	0.10	1.00		0.50	0.50	1.00	
19	12	RINCON #180M	21 27 6	0.39	0.61	1.00		0.50	0.50	1.00	
20	13	RINCON 180R	21 27 6	0.69	0.31	1.00	eff May, 2003	0.50	0.50	1.00	Temporary %
21	14	RINCON 158M	22 27 6	0.51	0.49	1.00		0.50	0.50	1.00	
22	15	RINCON 158Q	22 27 6	0.59	0.41	1.00		0.50	0.50	1.00	
23	16	RINCON 158R	22 27 6	0.70	0.30	1.00		0.70	0.30	1.00	
24	17	RINCON #181M	22 27 6	0.07	0.93	1.00		0.02	0.98	1.00	eff. Feb., 2002
25	18	RINCON 126	27 27 6	0.78	0.22	1.00		0.50	0.50	1.00	
26	19	RINCON 126M	27 27 6	0.48	0.52	1.00		0.50	0.50	1.00	
27	20	RINCON 126R	27 27 6	0.64	0.36	1.00	April 04	0.22	0.78	1.00	
28	21	RINCON 126Q	27 27 6	0.60	0.40	1.00	May 04	0.51	0.49	1.00	
29	22	RINCON 165M	27 27 6	0.46	0.54	1.00	New% eff.11/02	0.58	0.42	1.00	
30	23	RINCON 127M	28 27 6	0.83	0.17	1.00		0.50	0.50	1.00	
31	24	RINCON 127R	28 27 6	0.72	0.28	1.00	eff May, 2003	0.50	0.50	1.00	
32	25	RINCON 128M	28 27 6	0.41	0.59	1.00		0.50	0.50	1.00	
33	26	RINCON 129M	29 27 6	0.73	0.27	1.00		0.50	0.50	1.00	
34	27	RINCON 129R	29 27 6	0.60	0.40	1.00	July 04	0.51	0.49	1.00	
35	AVERAGES			0.6176	0.3824	1.0000		0.5204	0.4796	1.0000	
36	TOTAL NUMBER WELLS =			27							