

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

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer D10 Artesia, NM 88210

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

WELL API NO.  
**30-039-26402**

5. Indicate Type of Lease  
STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

**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.)

7. Lease Name or Unit Agreement Name

Bear Com 29

1. Type of Well:  
OIL ☐ GAS ☒  
WELL WELL OTHER

8. Well No.

1

2. Name of Operator  
**McElvain Oil and Gas Properties, Inc.**

9. Pool name or Wildcat  
Basin Dakota/Blanco Mesaverde

3. Address of Operator  
**1050 17th Street Suite 1800 Denver, CO 80265**

4. Well Location  
Unit Letter J : 1825 Feet From The SOUTH Line and 1770 Feet From The EAST Line  
Section 29 Township 26N Range 2W NMPM Rio Arriba County

10. Elevation (Show whether DF,RKB,RT,GR,etc.)  
7489' GL

11. 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 ☐  
OTHER: Downhole Commingle ☒

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: ☐

12. Describe Proposed or Completed (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work)

McElvain Oil and Gas Properties, Inc. proposes to downhole commingle the Blanco Mesaverde and Basin Dakota pools in this well. Division order R-11363 has established pre-approval for these pools. All interest owners have been notified via certified mail as to this request. A copy of the notification is attached.

The perforated intervals for both zones are listed below:

Basin Dakota: 8181'-8244'

Blanco Mesaverde: 5592'-5637', 5693'-5938', 5964'-6018', & 6126'-6150'

The allocation will be based on the monthly production rates for each zone after approximately 160 producing days.

OIL: 26% Dakota & 74% Mesaverde

GAS: 49% Dakota & 51% Mesaverde

WATER: 38% Dakota & 62% Mesaverde

This commingling will not reduce the value of the total remaining production. Federal lands are included in the spacing unit and the well is located on a federal lease. Notification has been sent to the BLM concerning this application.

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

SIGNATURE John D. Steuble TITLE Engineering Manager DATE 1/31/2002  
TYPE OR PRINT NAME John D. Steuble TELEPHONE NO. 303-893-0933

(This space for State Use)

APPROVED BY [Signature] TITLE [Signature] DATE 1/31/2002  
CONDITIONS OF APPROVAL, IF ANY:

## McElvain Oil & Gas Properties, Inc.

INDEPENDENCE PLAZA  
1050 17<sup>TH</sup> STREET, SUITE 1800  
DENVER, COLORADO 80265

John D. Steuble  
Engineering Manager  
*E.mail johns@mcelvain.com*

Telephone 303-893-0933 ext.302  
Fax 303-893-0914

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January 31, 2002

### **CERTIFIED, RETURN RECEIPT REQUESTED**

T.H. McElvain Oil & Gas Limited Partnership  
1050 17th Street, Suite 1800  
Denver, CO 80265

RE: Commingle of Dakota and Mesaverde formations  
Cougar Com 29 #1  
NW/SE Section 29 T26N,R2W  
Rio Arriba County, NM

Dear Interest Owner:

McElvain Oil and Gas Properties, Inc. is applying to the State of New Mexico for downhole commingling of the Dakota and Mesaverde formations in the referenced well. Based on production testing for approximately 160 days per zone the proposed allocation is as follows:

Oil: 26% Dakota 74% Mesaverde  
Gas: 49% Dakota 51% Mesaverde  
Water: 38% Dakota 62% Mesaverde

As an interest owner you have the right to object to this proposal by notifying the New Mexico Oil Conservation Division at the address below.

New Mexico Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, NM 87410

Objections need to be documented within 20 days of this proposal being received by the NMOCD.

Should you have any questions concerning this proposal please feel free to give me a call at the number shown above.

Sincerely,

John D. Steuble  
Engineering Manager