

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

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

5. Lease Serial No.

NMSF - 079404A

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 #159P

9. API Well No.

30-039-27490

10. Field and Pool, or Exploratory Area

Blanco MV/ Basin DK

11. County or Parish, State

Rio Arriba County, New Mexico

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)

705' FNL 335' FWL (D) Sec. 18 T27N R06W

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

| TYPE OF SUBMISSION | TYPE OF ACTION |
|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> DHC Allocation |
| | <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal |

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 recomplete 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 recompletion 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-1367AZ) for this MV/DK well. The Gas and Oil allocations are based on the average MV/DK gas and oil commingle allocations from all the other MV/DK commingled wells in the nine sections directly around the subject well. See the attached list of wells around the #159P and their commingle allocations.

| | GAS | OIL |
|-----------|-----|-----|
| DAKOTA | 62% | 54% |
| MESAVERDE | 38% | 46% |

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

Name (Printed/Typed)

Mike Pippin

Title

Petr. Engr. (Agent)

Signature

Mike Pippin

Date

August 4, 2004

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

As/ Joe Hewitt

Title

Acting

Date

8-6-04

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

FFO

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)

NMOC

Rincon MV/DK Commingling Percentages wells commingled in the 9 sections around RINCON UNIT #159P

| Gas | | | | | Oil | | | | |
|--------------|----------|--------|--------|---------|-----------------------|--------|--------|---------|-----------------|
| | LOCATION | DK % | MV % | Total % | Comments | DK % | MV % | Total % | Comments |
| RINCON 79A | 17 27 6 | 0.70 | 0.30 | 1.00 | | 0.50 | 0.50 | 1.00 | Total % 12-7-02 |
| RINCON 155M | 17 27 6 | 0.43 | 0.57 | 1.00 | | 0.25 | 0.75 | 1.00 | Eff. Sep., 2001 |
| RINCON 161M | 17 27 6 | 0.60 | 0.40 | 1.00 | July 04 | 0.51 | 0.49 | 1.00 | |
| RINCON 157M | 18 27 6 | 0.71 | 0.29 | 1.00 | Comgl 9/02 new % eff. | 0.84 | 0.16 | 1.00 | |
| RINCON 159M | 18 27 6 | 0.44 | 0.56 | 1.00 | | 0.50 | 0.50 | 1.00 | |
| RINCON #174M | 19 27 6 | 0.59 | 0.41 | 1.00 | | | | | |
| RINCON 174P | 19 27 6 | 0.60 | 0.40 | 1.00 | July 04 | 0.51 | 0.49 | 1.00 | |
| RINCON 174R | 19 27 6 | 0.44 | 0.56 | 1.00 | New cmgl eff 2/04 | 0.21 | 0.79 | 1.00 | New % eff. 2/04 |
| RINCON #170 | 20 27 6 | 0.61 | 0.39 | 1.00 | | 0.60 | 0.40 | 1.00 | |
| RINCON 170R | 20 27 6 | 0.74 | 0.26 | 1.00 | May 04 | 1.00 | 0.00 | 1.00 | |
| RINCON #170M | 20 27 6 | 0.75 | 0.25 | 1.00 | | 0.50 | 0.50 | 1.00 | |
| RINCON #175M | 20 27 6 | 0.61 | 0.39 | 1.00 | | | | | |
| RINCON #167M | 13 27 7 | 0.79 | 0.21 | 1.00 | | | | | |
| RINCON 177Q | 13 27 7 | 0.60 | 0.40 | 1.00 | July 04 | 0.51 | 0.49 | 1.00 | |
| RINCON 137E | 24 27 7 | 0.63 | 0.37 | 1.00 | | 0.50 | 0.50 | 1.00 | |
| AVERAGES | | 0.6161 | 0.3839 | 1.0000 | | 0.5358 | 0.4642 | 1.0000 | |