

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  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. <b>30-039-27851</b>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. <b>Indian / Federal Jicarilla Apache #102</b>
7. Lease Name or Unit Agreement Name <b>Jicarilla Apache #102</b>
8. Well Number <b>#12M</b>
9. OGRID Number <b>222374</b>
10. Pool name or Wildcat <b>Blanco Mesa Verde / Basin Dakota</b>

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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-301) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator <b>CDX RIO, LLC</b>	
3. Address of Operator <b>4801 North Butler Ave., Suite 2000 Farmington, NM 87401</b>	
4. Well Location Unit Letter <b>J</b> : <b>1740</b> feet from the <b>South</b> line and <b>1865</b> feet from the <b>East</b> line Section <b>9</b> Township <b>26N</b> Range <b>4W</b> NMPM County <b>Rio Arriba</b>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>7136 GR</b>	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

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

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <b>Down-Hole Commingle; Pre-Approved Pools</b> <input checked="" type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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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.

CDX RIO, LLC request approval to down-hole commingle the subject well. CDX plans to down-hole commingle the Basin Dakota (71599) and the Blanco Mesaverde (72319) pools in this wellbore. These are pre-approved pools as per NMOCD Order#11363. The zones will be both completed on the initial completion. Segregated production test will be performed to determine allocations.

The commingling of the Basin Dakota and Blanco Mesa Verde pools in this wellbore will not reduce the value of the remaining production. Commingling these pools should increase the value of the remaining reserves due to the using the combined reservoir energy to produce the well. Commingling operations conducted on other similar wells have resulted in increased production rates and greater reserves that producing the zones separately.

CDX RIO, LLC has 100% interest in the two pools affected by this commingle, therefore no copy of this application will be sent to other interest owners by certified mail, return receipt requested.

A copy of this application has been forwarded to the Bureau of Land Management.

DHC 1602 A Z

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 Robert Lemmons TITLE OPERATIONS ENGINEER DATE 8-19-04

Robert Lemmons E-mail address: rob.lemmons@cdxgas.com Telephone No. 505-326-3003  
**For State Use Only** DEPUTY OIL & GAS INSPECTOR, DIST. #1 AUG 23 2004

APPROVED BY: [Signature] TITLE \_\_\_\_\_ DATE \_\_\_\_\_