

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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.

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)

2630' FEL 10' FSL (O) Sec. 22 T27N R06W

5. Lease Serial No.

NMSF - 079366

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 #158Q

9. API Well No.

30-039-27523

10. Field and Pool, or Exploratory Area

Blanco MV/ Basin DK

11. County or Parish, State

Rio Arriba County, New Mexico

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-1365AZ) 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 #158Q and their commingle allocations.

	GAS	OIL
DAKOTA	59%	50%
MESAVERDE	41%	50%

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

Title

Date

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

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)

NMOCD
NMICB

Rincon MV/DK Commingling Percentages wells commingled in the 9 sections around RINCON UNIT #1580

Gas						Oil			
	LOCATION	DK %	MV %	Total %	Comments	DK %	MV %	Total %	Comments
RINCON #171M	21 27 6	0.90	0.10	1.00					
RINCON #180M	21 27 6	0.39	0.61	1.00					
RINCON 180R	21 27 6	0.69	0.31	1.00	eff May, 2003	0.50	0.50	1.00	Temporary %
RINCON 158M	22 27 6	0.51	0.49	1.00		0.50	0.50	1.00	
RINCON 158R	22 27 6	0.70	0.30	1.00		0.70	0.30	1.00	
RINCON #181M	22 27 6	0.07	0.93	1.00		0.02	0.98	1.00	eff. Feb., 2002
RINCON 146M	23 27 6	0.68	0.32	1.00	Comgl 9/02 new % eff. 3	0.33	0.67	1.00	
RINCON #173M	23 27 6	0.72	0.28	1.00					
RINCON 125M	26 27 6	0.44	0.56	1.00		0.50	0.50	1.00	
RINCON 125P	26 27 6	0.41	0.59	1.00	eff May, 2003	0.50	0.50	1.00	Total Percentages
RINCON 125R	26 27 6	0.51	0.49	1.00	eff May, 2003	0.50	0.50	1.00	Total Percentages
RINCON 182R	26 27 6	0.61	0.39	1.00	eff May, 2003	0.50	0.50	1.00	Temporary %
RINCON 126	27 27 6	0.78	0.22	1.00		0.50	0.50	1.00	
RINCON 126M	27 27 6	0.48	0.52	1.00		0.50	0.50	1.00	
RINCON 126R	27 27 6	0.64	0.36	1.00	April 04	0.22	0.78	1.00	
RINCON 126Q	27 27 6	0.60	0.40	1.00	May 04	0.51	0.49	1.00	
RINCON 165M	27 27 6	0.46	0.54	1.00	New% eff. 11/02	0.58	0.42	1.00	
RINCON 127M	28 27 6	0.83	0.17	1.00		0.50	0.50	1.00	
RINCON 127R	28 27 6	0.72	0.28	1.00	eff May, 2003	0.50	0.50	1.00	
RINCON 128M	28 27 6	0.41	0.59	1.00		0.50	0.50	1.00	
RINCON 156M	16 27 6	0.85	0.15	1.00	New % eff. May, 2002	0.60	0.40	1.00	
RINCON 156R	16 27 6	0.50	0.50	1.00	eff May, 2003	0.50	0.50	1.00	
RINCON #179M	16 27 6	0.77	0.23	1.00		1.00	0.00	1.00	Appr. % 12/01
AVERAGES		0.5943	0.4057	1.0000		0.4980	0.5020	1.0000	