

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. 30-039-27667
5. Indicate Type of Lease Federal STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal: SF-079366
7. Lease Name or Unit Agreement Name RINCON UNIT
8. Well Number #417
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 H: 495 feet from the East line and 2235 feet from the North line

Section 27 Township 27N Range 6W NMPM Rio Arriba County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6555' GL

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

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	58%	OIL: DAKOTA	47%
GAS: MESAVERDE	42%	OIL: MESAVERDE	53%

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 10/11/04

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. #2 DATE OCT 12 2004

Conditions of approval, if any: [Signature]

	A	B	C	D	E	F	G	H	I	J	K	L
1												
2												
3												
4												
5												
6	1	RINCON #171M	21	27 6	0.90	0.10	1.00					
7	2	RINCON #180M	21	27 6	0.39	0.61	1.00					
8	3	RINCON 180R	21	27 6	0.69	0.31	1.00	eff May, 2003				Temporary %
9	4	RINCON 158M	22	27 6	0.51	0.49	1.00					
10	5	RINCON 158Q	22	27 6	0.59	0.41	1.00					
11	6	RINCON 158R	22	27 6	0.70	0.30	1.00					
12	7	RINCON #181M	22	27 6	0.07	0.93	1.00					
13	8	RINCON 146M	23	27 6	0.68	0.32	1.00	Comgt 9/02 new % eff. 3/02				eff. Feb., 2002
14	9	RINCON #173M	23	27 6	0.72	0.28	1.00					
15	10	RINCON 125M	26	27 6	0.44	0.56	1.00					
16	11	RINCON 125P	26	27 6	0.41	0.59	1.00	eff May, 2003				Total Percentages
17	12	RINCON 125R	26	27 6	0.51	0.49	1.00	eff May, 2003				Total Percentages
18	13	RINCON 182R	26	27 6	0.61	0.39	1.00	eff May, 2003				Temporary %
19	14	RINCON 126	27	27 6	0.78	0.22	1.00					
20	15	RINCON 126M	27	27 6	0.48	0.52	1.00					
21	16	RINCON 126R	27	27 6	0.64	0.36	1.00	April 04				
22	17	RINCON 126Q	27	27 6	0.60	0.40	1.00	May 04				
23	18	RINCON 165M	27	27 6	0.46	0.54	1.00	New% eff.11/02				
24	19	RINCON 127M	28	27 6	0.83	0.17	1.00					
25	20	RINCON 127R	28	27 6	0.72	0.28	1.00	eff May, 2003				
26	21	RINCON 128M	28	27 6	0.41	0.59	1.00					
27												
28		AVERAGES			0.5783	0.4217	1.0000		0.4694	0.5306	1.0000	
29		TOTAL NUMBER WELLS =				21						