

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. 30-099-08138
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. Indian Federal Jicarilla Contract B
7. Lease Name or Unit Agreement Name Jicarilla B
8. Well Number 86
9. OGRID Number 222374
10. Pool name or Wildcat Blanco Mesa Verde, Basin Dakota

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
CDX RIO LLC

3. Address of Operator
4801 N Butler Suite 2000 Farmington, NM 87401

4. Well Location
Unit Letter _____ : 1650 feet from the South line and 1650 feet from the West line
Section 22 Township 26N Range 5W NMPM County Rio Arriba

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6594GR

Pit or Below-grade Tank Application ☐ or Closure ☐

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Down-hole Commingle: Pre-approved Pools ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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 Blanco Mesa Verde (72319) and the Basin Dakota (71599) pools in this well-bore. These are pre-approved pools as per NMOCD Order 11363. /The zones will be both completed on the initial completion. These zones have been segregated since completion. Work will begin soon after approval.

See Attached Exhibits:

Wellbore Diagram, Statement of Commingle, Interest Owner notification.

A copy has been delivered to the BLM.



DHC 1742 AZ

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 Patty Shelton
Patty Shelton

TITLE Regulatory Agent

DATE 12/23/04

Type or print name
For State Use Only

E-mail address: HLPermitting@ddbroadband.com Telephone No. 505.327.9190

APPROVED BY: [Signature]
Conditions of Approval (if any):


TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 9 DATE JAN 12 2005

Supply allocations and methodology

Statement of Notification

The interested parties in the two pools affected by this commingle have been sent a copy of this application via certified mail, return receipt requested.

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



Patty Shelton
HLPermitting Inc.

Statement of Commingling

The commingling of the Basin Dakota and Blanco Mesa Verde pools in this well bore will not reduce the value of the remaining production.

Commingling these pools should increase the value of the remaining reserves due to using the remaining reservoir energy in both zones to produce the well.

Commingling operations conducted on other similar wells have resulted in increased production rates and greater reserve than producing the zones separately.