

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. 30-045-33768
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No. 35732
7. Lease Name or Unit Agreement Name Memgem Walters 34
8. Well Number 1
9. OGRID Number 20208
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
San Juan Resources, Inc

3. Address of Operator
1400 Blake #7K, Denver, CO 80202

4. Well Location

Unit Letter I : 1980 feet from the South line and 885 feet from the East line
Section 34 Township 32N Range 13W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5777' GR

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: Downhole Commingle ☒

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.

San Juan Resources, Inc requests approval to downhole commingle the production from the Basin Dakota (71599) and the Blanco Mesa Verde (72319) formations. These two pools were pre-approved for downhole commingling in order R-11363. The Dakota was perforated from 6660' to 6827' and the Mesa Verde was perforated from 4451' to 4815' KB. Based on the attached cumulative production from the two pools in the nine adjacent sections, San Juan Resources proposes to allocate 21.8% of the gas and 44.6% of the oil to the Dakota formation and 78.2% of the gas and 55.4% of the oil to the Mesa Verde formation. San Juan Resources, Inc believes that the downhole commingling will not reduce the value of the total remaining reserves. The ownership in both formations is common in this well and the downhole commingling has been approved by all of the revenue interest owners of the well.

RCVD DEC 7 06
OIL CONS. DIV
DIST. 3

01HC2460AZ

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 Dean C. Collins TITLE Agent DATE Dec. 6, 2006

Type or print name Dean C. Collins

E-mail address: collinsd@zianet.com

Telephone No. (505) 320-6425

For State Use Only

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE DEC 07 2006

Conditions of Approval (if any):

to 12/14/06

San Juan Resources, Inc.
Memgem Walters 34 #1
Section 34: S/2 32N, 13W
San Juan County, NM

Mesaverde and Dakota Production surrounding Memgem Walters 34 #1 well
San Juan Resources, Inc. Section 34: S/2 T32N, R13W, San Juan County, NM
Cumulative production—9 Section area surrounding subject well

Jun-06

TWN	RGE	SEC	UL	Operator	Well Name	Well #	Pool	Form	CUM Gas	CUM Oil	Status
32N	13W	26	P	BURLINGTON RES O&G CO	RIPLEY	2A	BASIN DAKOTA	DK	389150	2893 F	
32N	13W	26	N	SNYDER OIL CORP	RIPLEY	1	BASIN DAKOTA	DK	98297	491 PA	
32N	13W	27	P	CHEVRON MIDCONTINENT LP	F. MONTOYA 27	1	BASIN DAKOTA	DK	104297	627 LP 7-93	
32N	13W	34	A	ENERGEN RESOURCES CORP	MONTOYA A 34	1	BASIN DAKOTA	DK	101078	1020 F	
32N	13W	34	N	CHEVRON MIDCONTINENT LP	ROBINSON BROTHERS	1M	BASIN DAKOTA	DK	33678	604 PA LP 4-84	
32N	13W	34	P	SNYDER OIL CORP	ROBINSON BROTHERS	1	BASIN DAKOTA	DK	128577	526 PA LP 3-79	
32N	13W	35	H	SNYDER OIL CORP	MONTOYA	1	BASIN DAKOTA	DK	51042	16 PA LP 5-87	
32N	13W	35	I	PATINA SAN JUAN INC	MONTOYA	1M	BASIN DAKOTA	DK	70877	1938 LP 10-90	
31N	13W	2	C	SNYDER OIL CORP	JACQUEZ COM	2E	BASIN DAKOTA	DK	40813	176 PA LP 9-86	
31N	13W	2	K	SNYDER OIL CORP	JACQUEZ COM	2	BASIN DAKOTA	DK	125041	1116 PA LP 3-93	
31N	13W	2	M	PATINA SAN JUAN INC	JACQUEZ 2	13	BASIN DAKOTA	DK	34941	132 F FP 4-05	
31N	13W	3	F	PATINA SAN JUAN INC	O'SHEA	1M	BASIN DAKOTA	DK	312812	2548 F	
31N	13W	3	H	PATINA SAN JUAN INC	LANDAUER	1	BASIN DAKOTA	DK	936946	2020 F	
31N	13W	3	I	PATINA SAN JUAN INC	LANDAUER	1E	BASIN DAKOTA	DK	887429	745 F	
31N	13W	3	K	SNYDER OIL CORP	O'SHEA	1	BASIN DAKOTA	DK	465655	1194 PA LP 2-90	
31N	13W	4	H	SNYDER OIL CORP	BAIRD	1	BASIN DAKOTA	DK	151875	750 PA	
									3932508	16796	
32N	13W	26	H	BURLINGTON RES O&G CO	RIPLEY	2	BLANCO MESAVERDE	MV	705491	5885 F	
32N	13W	26	P	BURLINGTON RES O&G CO	RIPLEY	2A	BLANCO MESAVERDE	MV	613939	1851 F	
32N	13W	26	N	SNYDER OIL CORP	RIPLEY	1	BLANCO MESAVERDE	MV	657563	634 PA 5-94	
32N	13W	27	P	CHEVRON MIDCONTINENT LP	F. MONTOYA 27	1	BLANCO MESAVERDE	MV	121800	0 LP 12-93	
32N	13W	34	A	ENERGEN RESOURCES CORP	MONTOYA A 34	1	BLANCO MESAVERDE	MV	371257	302 F	
32N	13W	34	N	CHEVRON MIDCONTINENT LP	ROBINSON BROTHERS	1M	BLANCO MESAVERDE	MV	58943	60 PA LP 7-87	
32N	13W	34	P	SNYDER OIL CORP	ROBINSON BROTHERS	1	BLANCO MESAVERDE	MV	653612	140 PA LP 3-79	
32N	13W	35	A	PATINA SAN JUAN INC	MONTOYA	1B	BLANCO MESAVERDE	MV	33650	0 F FP 3-06	
32N	13W	35	B	PATINA SAN JUAN INC	MONTOYA	1R	BLANCO MESAVERDE	MV	64215	39 F FP 5-05	
32N	13W	35	D	PATINA SAN JUAN INC	TAFOYA	1C	BLANCO MESAVERDE	MV	50195	82 F FP 6-05	
32N	13W	35	E	PATINA SAN JUAN INC	TAFOYA	5	BLANCO MESAVERDE	MV	29089	35 F FP 4-06	
32N	13W	35	F	PATINA SAN JUAN INC	TAFOYA	1A	BLANCO MESAVERDE	MV	602607	714 F	
32N	13W	35	H	SNYDER OIL CORP	MONTOYA	1	BLANCO MESAVERDE	MV	1450942	383 PA LP 6-91	
32N	13W	35	I	PATINA SAN JUAN INC	MONTOYA	1M	BLANCO MESAVERDE	MV	949203	2311 F	
32N	13W	35	K	PATINA SAN JUAN INC	TAFOYA	1R	BLANCO MESAVERDE	MV	67952	7 F FP 6-05	
32N	13W	35	N	SNYDER OIL CORP	TAFOYA	1	BLANCO MESAVERDE	MV	1143257	203 PA LP 3-94	
32N	13W	35	O	PATINA SAN JUAN INC	MONTOYA	1C	BLANCO MESAVERDE	MV	72618	222 F FP 5-05	
31N	13W	2	A	PATINA SAN JUAN INC	CHAVEZ COM	1	BLANCO MESAVERDE	MV	987778	230 F	
31N	13W	2	D	PATINA SAN JUAN INC	JACQUEZ 2	4	BLANCO MESAVERDE	MV	21303	20 F FP 4-06	
31N	13W	2	F	PATINA SAN JUAN INC	JACQUEZ COM	1A	BLANCO MESAVERDE	MV	805661	1462 F	
31N	13W	2	G	PATINA SAN JUAN INC	CHAVEZ 2	7	BLANCO MESAVERDE	MV	46870	7 F FP 6-05	
31N	13W	2	K	PATINA SAN JUAN INC	JACQUEZ COM	1	BLANCO MESAVERDE	MV	1121976	10 F	
31N	13W	2	M	PATINA SAN JUAN INC	JACQUEZ 2	13	BLANCO MESAVERDE	MV	50193	102 F FP 4-05	
31N	13W	2	P	PATINA SAN JUAN INC	CHAVEZ COM	1A	BLANCO MESAVERDE	MV	1325693	3585 F	
31N	13W	3	A	PATINA SAN JUAN INC	ALBERDING	1	BLANCO MESAVERDE	MV	930267	375 F	
31N	13W	3	F	PATINA SAN JUAN INC	O'SHEA	1M	BLANCO MESAVERDE	MV	374592	1199 F	
31N	13W	3	G	PATINA SAN JUAN INC	ALBERDING 3	7	BLANCO MESAVERDE	MV	43418	112 F FP 5-05	
31N	13W	3	I	PATINA SAN JUAN INC	LANDAUER	1E	BLANCO MESAVERDE	MV	190041	828 LP 10-92	
31N	13W	3	K	SNYDER OIL CORP	O'SHEA	1	BLANCO MESAVERDE	MV	579889	60 PA LP 2-90	
31N	13W	4	H	SNYDER OIL CORP	BAIRD	1	BLANCO MESAVERDE	MV	620	0 PA	
									14124634	20858	
									18057142	37654	
									MV	0.782	0.554
									DK	0.218	0.446