

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
June 19, 2008

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

WELL API NO. 30-045-22878
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal NM 0606
7. Lease Name or Unit Agreement Name Atlantic "A" LS
8. Well Number 6A
9. OGRID Number 233083
10. Pool name or Wildcat Blanco MV and Blanco PC

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Basin Minerals Operating Company	
3. Address of Operator c/o Walsh Engineering 7415 E. Main St., Farmington, NM 87402	
4. Well Location Unit Letter <u>E</u> : <u>1520</u> feet from the <u>North</u> line and <u>1120</u> feet from the <u>West</u> line Section <u>26</u> Township <u>31N</u> Range <u>10W</u> NMPM County <u>San Juan</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6276' GR	

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"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <u>Change DHC Allocation</u> <input checked="" type="checkbox"/>		OTHER: <input 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.

Basin Minerals Operating Company, with the approval of the working interest owners (BP America and ConocoPhillips), have agree to change the allocation percentages of this Down Hole Commingled well. Based on actual measured production from the two formations prior to commingling during the period 1/1/2004 until 11/1/2007 (see attached) the average production was **69.07% of the gas and 100% of the oil from the Mesa Verde formation and 30.93% of the gas from the Pictured Cliffs formation**. Basin Minerals proposes to use the above percentages to allocate the production from this well starting in December 2007.

RCVD JUL 18 '08

OIL CONS. DIV.

DIST. 3

Spud Date: NA

Rig Release Date: NA
DHC 2743A2

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Paul C. Thompson TITLE Agent/Engineer DATE 7/15/08

Type or print name Paul C. Thompson, P.E. E-mail address: paul@walsheng.net PHONE: 505.327.4892

For State Use Only

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector,
District #3 DATE JUL 24 2008

Conditions of Approval (if any):

COMMINGLED FORMATION ALLOCATION
Atlantic A6A Production

Production Month	MCF @14.73 Comingled Meter 97293	MCF @14.73 Pc Meter 90974	MCF @14.73 Mv Meter 90973	PC Prod Comingled Percent	MV Prod Comingled Percent
2004					
1/1/2004	7,548	1,914	5,634	25.36%	74.64%
2/1/2004	5,890	1,115	4,775	18.93%	81.07%
3/1/2004	7,314	1,865	5,349	26.87%	73.13%
4/1/2004	6,684	2,583	4,101	38.64%	61.36%
5/1/2004	4,092	1,262	2,830	30.84%	69.16%
6/1/2004	6,567	1,490	5,077	22.69%	77.31%
7/1/2004	7,579	1,702	5,877	22.46%	77.54%
8/1/2004	9,160	2,861	6,299	31.23%	68.77%
9/1/2004	7,114	2,319	4,795	32.60%	67.40%
10/1/2004	7,820	2,501	5,319	31.98%	68.02%
11/1/2004	8,467	2,908	5,559	34.35%	65.65%
12/1/2004	7,777	2,535	5,242	32.60%	67.40%
2005					
1/1/2005	7,897	2,680	5,217	33.94%	66.06%
2/1/2005	7,100	2,441	4,659	34.38%	65.62%
3/1/2005	8,588	2,881	5,707	33.55%	66.45%
4/1/2005	7,850	2,623	5,227	33.41%	66.59%
5/1/2005	8,198	2,775	5,421	33.86%	66.14%
6/1/2005	5,679	1,976	3,703	34.79%	65.21%
7/1/2005	8,218	2,541	5,677	30.92%	69.08%
8/1/2005	6,354	1,982	4,372	31.19%	68.81%
9/1/2005	7,754	2,406	5,348	31.03%	68.97%
10/1/2005	8,002	2,582	5,420	32.27%	67.73%
11/1/2005	7,105	2,236	4,869	31.47%	68.53%
12/1/2005	7,825	2,485	5,340	31.76%	68.24%
2006					
1/1/2006	7,596	2,458	5,138	32.36%	67.64%
2/1/2006	7,044	2363	4,681	33.55%	66.45%
3/1/2006	7,000	2242	4,758	32.03%	67.97%
4/1/2006	6,574	2017	4,557	30.68%	69.32%
5/1/2006	5,816	1774	4,042	30.50%	69.50%
6/1/2006	6,922	2124	4,798	30.68%	69.32%
7/1/2006	6,362	2378	3,984	37.38%	62.62%
8/1/2006	7,203	2428	4,775	33.71%	66.29%
9/1/2006	6,838	2382	4,556	34.33%	65.67%
10/1/2006	7,073	2500	4,573	35.35%	64.65%
11/1/2006	3,858	1684	1,974	46.04%	53.96%
12/1/2006	6,951	1797	5,154	25.85%	74.15%

2007					
1/1/2007	4,937	1427	3,510	28.90%	71.10%
2/1/2007	4,391	1198	3,193	27.28%	72.72%
3/1/2007	4,730	1258	3,472	26.60%	73.40%
4/1/2006	4,694	1119	3,575	23.84%	76.16%
5/1/2007	5,762	1483	4,279	25.74%	74.26%
6/1/2007	5,959	1176	4,783	19.73%	80.27%
7/1/2007	7,218	2231	4,987	30.91%	69.09%
8/1/2007	5,764	1658	4,106	28.76%	71.24%
9/1/2007	7,050	2200	4,850	31.21%	68.79%
10/1/2007	7,280	2337	4,943	32.10%	67.90%
11/1/2007	5742	1734	4,008	30.20%	69.80%
2004 Avg	7,168	2,096	5,071	29.05%	70.95%
2005 Avg	7,547	2,467	5,080	32.69%	67.31%
2006 Avg	6,595	2,179	4,416	33.04%	66.96%
2007 Avg	5,775	1,620	4,155	28.05%	71.95%
4 yr Avg	5,411	1,673	3,738	<u>30.93%</u>	<u>69.07%</u>

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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

Basin Minerals Operating Company c/o Walsh Engineering

3a. Address

7415 E. Main, Farmington, NM, 87402

3b. Phone No. (include area code)

505-327-4892

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1520 FNL and 1120 FWL, Section 26, T31N, R10W

5. Lease Serial No.

NM 0606

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No

8. Well Name and No

Atlantic "A" LS #6A

9. API Well No.

30-045-22878

10. Field and Pool, or Exploratory Area

Blanco MV & Blanco PC

11. County or Parish, State

San Juan County, NM

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 <u>Downhole</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Commingle</u>
	<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 recomple 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.)

Basin Minerals Operating Company, with the approval of the working interest owners (BP America and ConocoPhillips), have agree to change the allocation percentages of this Down Hole Commingled well. Based on actual measured production from the two formations prior to commingling during the period 1/1/2004 until 11/1/2007 (see attached) the average production was **69.07% of the gas and 100% of the oil from the Mesa Verde formation and 30.93% of the gas from the Pictured Cliffs formation.** Basin Minerals proposes to use the above percentages to allocate the production from this well starting in December 2007.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Paul C. Thompson, P.E.

Title

Agent

Signature

Paul C. Thompson

Date

July 15, 2008

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, make 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)