

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. 30-045-30818	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Kaempf	
8. Well Number	1E
9. OGRID Number	20208
10. Pool name or Wildcat Blanco Mesa Verde/Basin Dakota	

4. Well Location Unit Letter <u>I</u> : <u>1490</u> feet from the <u>South</u> line and <u>1133</u> feet from the <u>East</u> line Section <u>19</u> Township <u>30N</u> Range <u>11W</u> NMPM <u>San Juan</u> County	11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5684' GR
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Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
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 ☐ RCVD NOV 14 '08
OIL CONS. DIV.
DIST 3 ☐

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 6451' to 6623' and the Mesa Verde was perforated from 3997' to 4626' KB. The well was originally completed in January, 2004 only in the Basin Dakota. Last full month production from the Basin Dakota was 1743 MCF gas and 48 Bbls oil in December, 2007. The well was recompleted in the Blanco Mesa Verde above a CIBP in March, 2008. September, 2008 production from the Blanco Mesa Verde was 7588 MCF gas and 47 Bbls oil. San Juan Resources proposes to allocate commingled production based on these monthly production values – 18.7% of the gas and 50.5% of the oil to the Dakota formation and 81.3% of the gas and 49.5% 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.

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 Nov. 14, 2008

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 DATE NOV 17 2008
Conditions of Approval (if any): District #3