

Dec. 14, 2010 10:33AM

Walsh Engineering

No. 2621 P. 1

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. 30-045-35180
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal NMNM 03605
7. Lease Name or Unit Agreement Name Graham
8. Well Number 100S
9. OGRID Number 141852
10. Pool name or Wildcat Basin Fruitland Coal (71629)

<p>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.)</p>	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator M&G Drilling Company, Inc. c/o Walsh Engineering	
3. Address of Operator 7415 E. Main St., Farmington, NM 87402	
4. Well Location Unit Letter <u>B</u> ; <u>1110</u> feet from the <u>North</u> line and <u>1760</u> feet from the <u>East</u> line Section <u>3</u> Township <u>27N</u> Range <u>8W</u> NMPM San Juan County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5898' 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

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/> Surface Commingle</p>		<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <u>PC-1230</u> <input type="checkbox"/></p>	
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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.
M&G Drilling Co., seeks administrative approval to surface commingle the gas production from the Blanco Mesa Verde (72319) pool in the Graham #44 (B Sec 3, T27N, R8W, API - 30-045-06887) with the gas production from the Graham #100S described above.

M&G Drilling attests that they own all of the revenue interests, both working and royalty, in both wells. No liquid hydrocarbons will be commingled. Surface commingling will not reduce the value of the production. The BLM Office was also notified of this application.

Further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCOD guidelines ☐ as general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Paul C. Thompson TITLE Agent / Engineer DATE 11/10/10

Type or print name Paul C. Thompson, P.E. E-mail address: paul@walsheng.net Telephone No. 505.327.4892
For State Use Only

APPROVED BY: Paul C. Thompson TITLE Act Div. Dir. DATE 10/1/10
Conditions of Approval (if any):

