

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Taurus Exploration, U.S.A., Inc.

3. Address and Telephone No.

2198 Bloomfield Highway; Farmington, NM 87401

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

990' FSL, 990' FWL, Sec. 12, T26N. R3W, NMPM

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

Jicarilla 96

6. If Indian, Allottee or Tribe Name

Jicarilla

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Jicarilla 96 #8

9. API Well No.

30-039-06535

10. Field and Pool, or exploratory Area

Gavilan PC/Blanco MV

11. County or Parish, State

Rio Arriba NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Downhole Commingle
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

It is intended to downhole commingle this well as follows:

1. Pull and lay down PC 1 1/4" tubing string.
2. Pull and lay down MV 1 1/4" and 3/4" tubing string.
3. Pull and lay down PC 2 3/8" tubing string.
4. Release seal assembly and TOH with tubing.
5. TIH with packer milling assembly. Mill out packer at 5437'. TOH.
6. TIH and clean out to 5980'. Land tubing at 5900'. Install single wellhead.

An application to downhole commingle has been filed with NMOCD.

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

Signed [Signature]

Title Production Superintendent

Date 6/30/98

(This space for Federal or State office use)

Approved by [Signature]

Title Lands and Mineral Resources

Date AUG 10 1998

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.

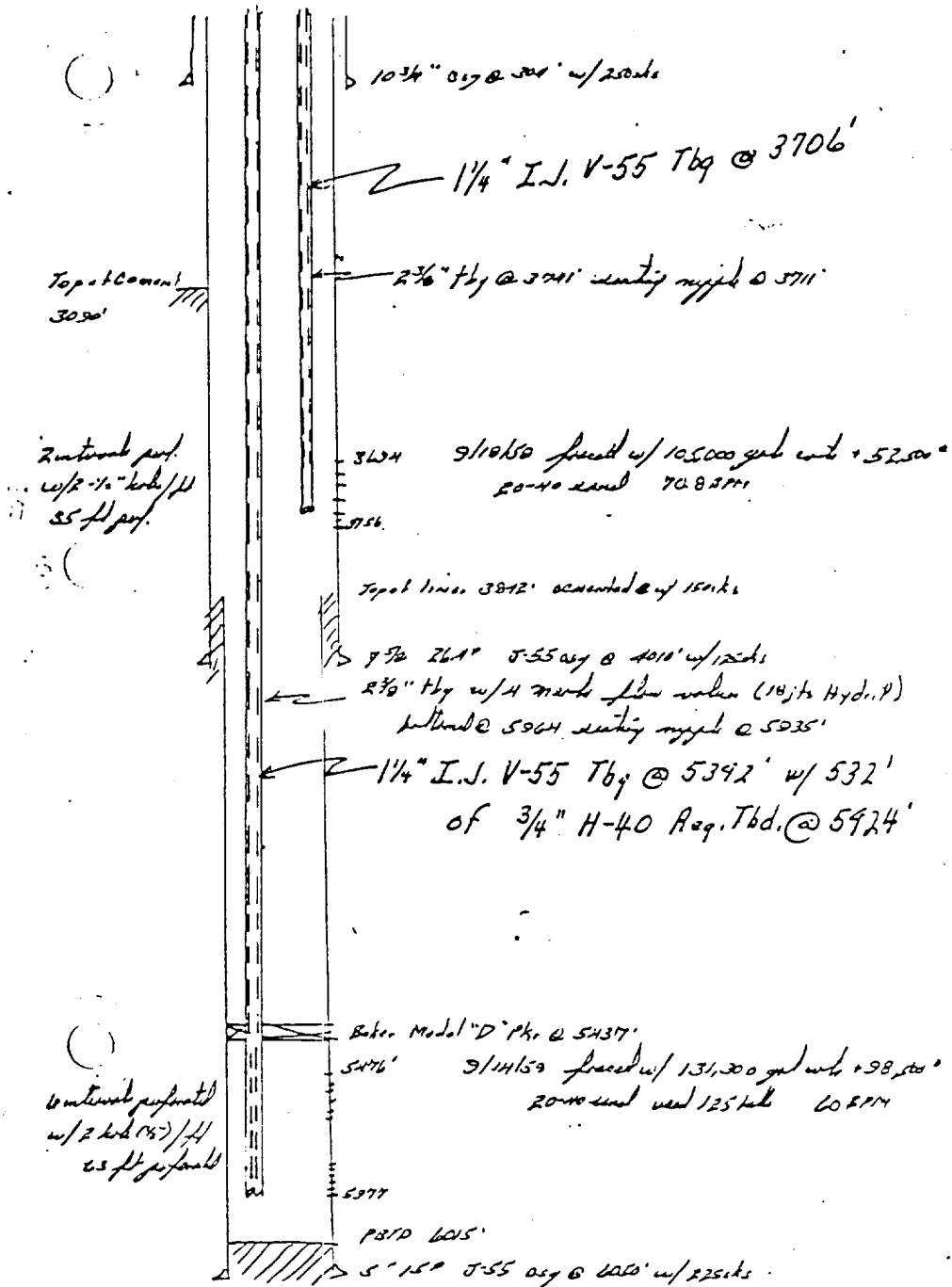
* See Instruction on Reverse Side

JICARILLA 70 L

M=12.26N-3W

Revised TB
MV & PC
10-21-69 CES

fig. 4-8 well sketched
Depth reference RB (12' above surface w/ 12')



Jicarilla 96 #8
Unit M, Section 12, T 26 N, R 3 W
Rio Arriba Co., N.M.

Subject: Economic Justification To Downhole Commingle

Current Oil Price -- \$12.00
Current Gas Price -- \$1.20 Net less gathering & processing

The Blanco Mesa Verde and Gavilan Pictured Cliffs are producing with a string of 1 1/4" tubing inside the 2" production string. The Pictured Cliffs is extremely wet and requires constant attention to keep the well unloaded and flowing. Downhole commingling along with a plunger installation will utilize the Mesa Verde flowstream to assist in keeping the PC unloaded and producing.

Current Mesa Verde Rate:	118 MCFD
Projected Mesa Verde Rate:	140 MCFD & 1 BO
Current PC Rate:	65 MCFD
Projected PC Rate:	80 MCFD
Incremental Uplift:	37 MCFD & 1 BO

Increased Revenue Stream

Gas Revenue	$37 * 1.20 * 30 = \$1332$
Oil Revenue	$1 * 12.00 * 30 = \underline{\$360}$
Increased Monthly Revenue	\$1692

Increased Royalty	\$212 per month
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Downhole commingling will eliminate the waste of venting gas to the atmosphere to keep the well unloaded, stabilize the flowstream and extend the life of the well through increased efficiencies.

CONDITIONS OF APPROVAL FOR DOWNHOLE COMMINGLING

Operator Taurus Expl USA Inc. Well Name Jic. 96 #8

1. The individual production zones will be tested every three years, or more often if production rates indicate a change to allocation factors, to verify that the allocation factors and methods remain proper.
2. Production from downhole commingled wells are to be reported with an alpha character, "C" (ie C1, C2, etc).
3. The following modifications to your downhole commingling program are to be made :

None