

District I
1625 N. French Dr. Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

WELL API NO. 30-039-26725
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name RINCON UNIT
8. Well No. 201R
9. Pool name or Wildcat Basin DK/Blanco MV
10. Elevation (Show wheather DF,RKB,RT,GR,etc.) 6591' GR

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

PURE RESOURCES L.P.

3. Address of Operator

P.O. BOX 850, BLOOMFIELD, NM 87413

4. Well Location

Unit Letter **A** : **661'** feet from the **NORTH** line and **734'** feet from the **EAST** line
Section **2** Township **26N** Range **07W** NMPM **RIO ARRIBA** County

11. 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 COMPLETION ☒

OTHER: _____

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐

OTHER: _____

12. 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 recompliation

SEE ATTACHED

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

SIGNATURE

Mike Phillips

TITLE

San Juan Basin Drilling/ Production
Foreman

DATE

08/23/02

Type or print name

Mike Phillips

TELEPHONE NO.

(505) 632-1811

This space for State Use

Original Signed by STEVEN N. HAYDON

APPROVED BY

TITLE

DEPUTY OIL & GAS INSPECTOR
AUG 29 2002

DATE

Conditions of approval, if any:

In accordance with Division Order - NO.R-11383.19.5.5.303 (C)-c, Pure Resources request permission to down hole commingle Blanco Mesa Verde formation and Basin Dakota in the following well.

Rincon Unit No. 201R
661' F N L & 734' F E L
" A " Sec 2 , T 26N - R 07W
Rio Arriba County, New Mexico

Perforated intervals

(Basin Dakota)

Graneros
Dakota

(Blanco Mesa Verde)

Cliff house
Menefee
Pt Lookout

Allocation of production will be at a later date using established production of the Dakota minus the total Production of the commingled well.

The Blanco Mesa Verde formation is uneconomic to drill as a stand-alone well. To develop these reserves, a dual or commingled completion is required. We estimate an ultimately recovery of approximately 750 MMCFD from the Mesa Verde Horizon, which would remain otherwise undeveloped.

Both zones are common ownership and produce essentially dry gas. Therefore the formation fluids are compatible. Also no cross flows will occur between the commingled zones.

Also a copy of the respective 3160 will be sent to the BLM for notification.