

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-045-24788
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NM 03153
7. Lease Name or Unit Agreement Name O.H. Randel
8. Well No. 8
9. Pool name or Wildcat West Kutz PC / Basin Dakota

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BOX TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT TO DRILL" (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 Cross Timbers Operating Company	
3. Address of Operator 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401	
4. Well Location Unit Letter <u>F</u> : <u>1,550</u> Feet From The <u>north</u> Line and <u>1,520</u> Feet From The <u>west</u> Line Section <u>9</u> Township <u>26 N</u> Range <u>11 W</u> NMPM <u>San Juan</u> County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6,351' KB	

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 ☐
OTHER: Downhole Commingle PC & DK ☒

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.

Cross Timbers Operating company request permission to downhole commingle production from the Basin Dakota pool (71599) and West Kutz PC pool (79680). Both of these pools are included in NMOC pre approved pool combinations for downhole commingle the Pictured Cliffs & Dakota pools. The pools will be commingled as follows:

1. MIRU PU. TIH and drill out cement plug @ 2,530'.
2. Gallup cement plug @ 5,230' and DK CIBP @ 6,265'.
3. CO to PBD @ 6,332'.
4. Re perforate the Dakota formation fr/6,271'-77, 6,281'-85' & 6,298'-6,304' w/1 JSPF.
5. Fracture stimulate the DK under a packer.
6. Downhole commingle PC and DK formations.

Attached is the information required to approve the downhole commingling application.

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

SIGNATURE Loren W. Fethergill TITLE Production Engineer DATE 9/25/00

TYPE OR PRINT NAME

TELEPHONE NO.

(This space for State Use)

Original Signed by STEVEN N. HAYDEN

DEPUTY OIL & GAS INSPECTOR DIST. 3

SEP 27 2000

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

**Attachment #1
O.H. Randel #8
Sec 9, T 26 N, R 11 W
West Kutz Pictured Cliffs & Basin Dakota**

Additional information per Rule 303C(3)(b):

1. The fluids from both pools are compatible. These pools have been commingled together in the area without compatibility problems.
2. Basin Dakota Pool (71599) & West Kutz Pictured Cliffs Pool (79680)
3. Pictured Cliffs perforations are 1,718'-24'.
Dakota perforations are 6,271'-6,304'.
4. DK: BHP 588 psig @ 6,230'. 04/07/81 Measured
PC: BHP 168 psig @ 1,723'. 09/25/00 Calculated.
5. The proposed production allocation formula is based upon the subtraction method. The Pictured Cliffs production is to be based upon the attached decline curve. The Dakota Gas production is to be determined by subtracting the Pictured Cliffs production from the total gas production. If the Pictured Cliffs production, based upon the decline curve, is greater than the total production. All production will be allocated to the Pictured Cliffs pool. All oil production is to be allocated to the Dakota formation. The water production will be allocated in the same portion as the gas.
6. Downhole commingle will not reduce the value of the total remaining production.
7. Both working interest owners and royalty interest owners are the same.
8. Sundry Notice Form 3160-5 to the BLM is attached for your information.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter 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

Cross Timbers Operating Company

3a. Address

2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401 324 1090

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

1,550' FNL & 1,520' FWL Sec 9, T 26 N, R 11 W

5. Lease Serial No.

NM 03153

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

O.H. Randel #8

9. API Well No.

30-045-24788

10. Field and Pool, or Exploratory Area

West Kutz Pictured Cliffs
Basin Dakota

11. County or Parish, State

San Juan NM

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

TYPE OF SUBMISSION

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

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input checked="" type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximated duration thereof. If the proposal is to deepen directionally or recompleate 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 recompleation 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 final site is ready for final inspection.)

Cross Timber proposed to re open and fracture stimulate the DK formation. in the following manner. TIH and drill out cement plug @ 2,530', Gallup cement plug @ 5,230' and DK CIBP @ 6,265'. CO to PBTD @ 6,332'.

Re perforate the Dakota formation fr/6,271'-77, 6,281'-85' & 6,298'-6,304' w/1 JSPF. Fracture stimulate the DK under a packer.

The DK formation will be downhole commingle with the PC formation per the attached Downhole commingling application to the State of New Mexico.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Loren W Fothergill

Title

Production Engineer

Date 9/25/00

THIS SPACE FOR FEDERAL OR STATE OFFICE 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, 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.

All distances must be from the outer boundaries of the Section.

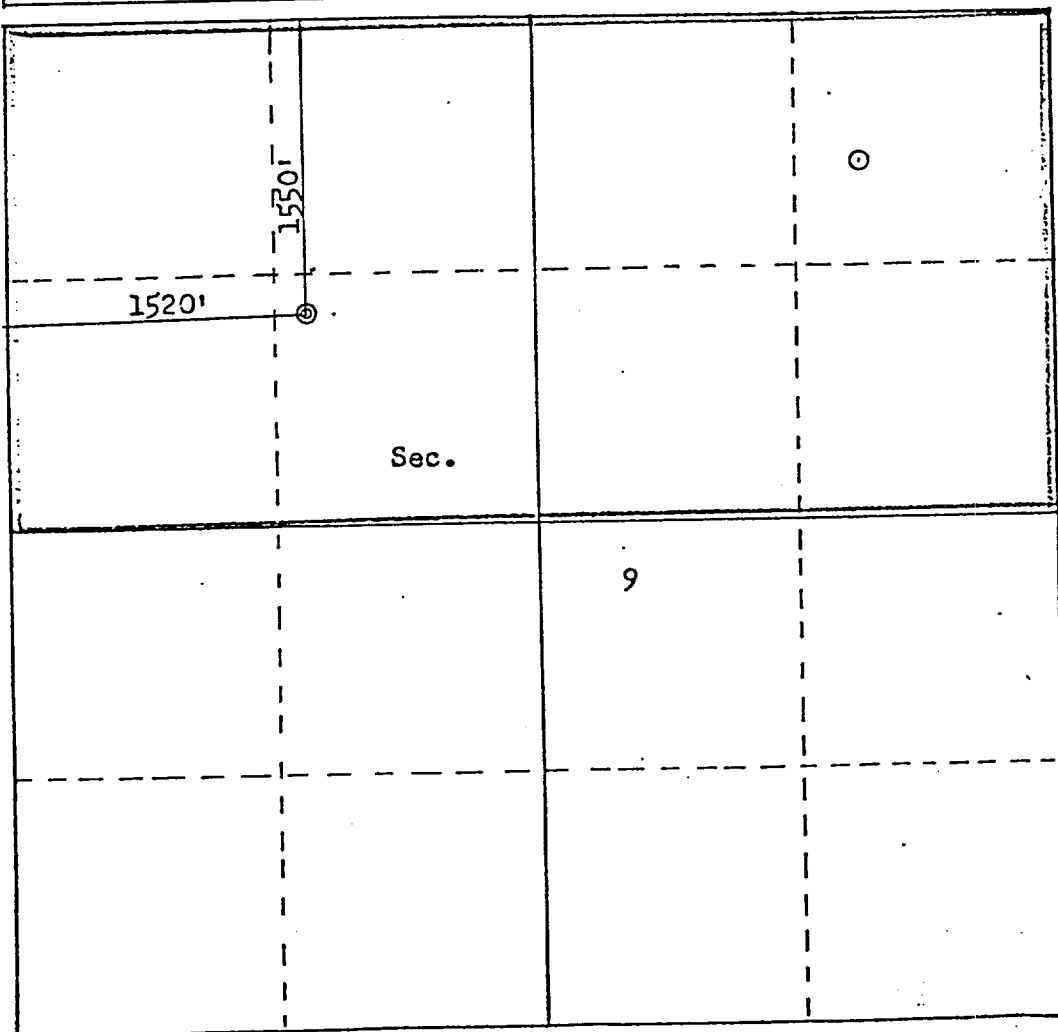
Operator ENERGY RESERVES GROUP		Lease O. H. RANDALL		Well No. 3E
Unit Letter F	Section 9	Township 26N	Range 11W	County San Juan
Actual Footage Location of Well: 1550 feet from the North line and 1520 feet from the West line				
Ground Level Elev: 6338	Producing Formation Dakota	Pool Basin Dakota	Dedicated Acreage: 320 (160) Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1"=1000'

CERTIFICATION

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

Name William J. Fiant
Position Field Services Administrator
Company Energy Reserves Group, Inc.
Date 11-18-80

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed October 9, 1980
Registered Professional Engineer and Land Surveyor
Fred B. Kerr Jr.
Certificate No. 3950 KERR, JR.