

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
March 4, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.
30-025-33994

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Brunson Argo (26773)

8. Well Number
26

9. OGRID Number
150628

10. Pool name or Wildcat
Drinkard (19190)

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

500 W. Illinois Midland, Texas 79701

4. Well Location

Unit Letter D : 990 feet from the North line and 660 feet from the West line
Section 10 Township 22S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,409' GR

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 COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Work Summary/Well History-Prep to DHC ☒

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. If a pit or below-grade tank is involved in the operation, complete the reverse side of this form.

This C-103 is to provide a Work Summary and detailed Well History for this well's recent work activity to plug-back and test an upper zone (Ref: C-101 approved 3/31/04) in preparation to Downhole Commingle production.

Work began on 4/22/04, POH w/rods & pump. RIH & tagged PBT @ 7,276'. POH w/tbg, inspecting on way out. Acidized existing Wantz; Abo perms f/6642'-7192' w/8000g 15% acid in 10 stgs. Good blocking action. On 4/28/04, RIH & perf'd Drinkard zone f/6234'-6560' (2SPF). RIH w/RBP & set @ 6611' & tested to 3000# - OK. Aczd Drinkard perms w/2500g 15% HCL in 8 stgs. Good blocking action. On 5/04/04, frac'd Drinkard perms f/6234'-6560' w/40,000g 50Q CO2 carrying 100,000# 20/40 Ottawa sand. Screened out w/6000# sand in csg & 114,000# in formation. On 5/05/04, RIH & tagged TOS @ 5868', CO to RBP @ 6611'. RIH w/2-3/8" prod string, pump & rods on 5/11/04. Due to stuck pump, rod breaks & re-clean out of sand, did not start to test produce Drinkard zone until 5/21/04, then had additional pump repair and downtime for 4-5 days in June hence trouble establishing stable rates.

(ALSO SEE ATTACHED WELL HISTORY REPORT)

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

SIGNATURE Alan W. Bohling TITLE Regulatory Agent DATE 07/02/04

Type or print name Alan W. Bohling E-mail address: abohling@pureresources.com Telephone No. (432) 498-8662
(This space for State use)

APPROVED BY [Signature] TITLE _____ DATE JUL 13 2004
Conditions of approval, if any:

2A Wantz Abo

Pure Resources, Inc.

Well History

BRUNSON ARGO #26 From 1/1/1920 through 7/1/2004

Well Name BRUNSON ARGO #26

State: NM

County: LEA

Activity Date 4/22/2004

Type of Report: SERV JOB

INITIAL REPORT

Description SDON.

Times

Hours

Remarks

MIRU HELD SAFETY MEETING, BLEED PRESSURE OFF TBG. POOH W/RODS & PUMP. R&R PUMP. BLEED PRESSURE OFF CSG, ND 6" 600 WELLHEAD, NU BOP. PU & RIH W/36' OF 2 JTS OFF RACK TO TAG PBTD @ 7276'. TUBOSCOPE MIRU. POOH INSPECTING 2 3/8" J55 PRODUCTION STRING. GRADED 155 - Y, 75 - B, 2 - G. TUBOSCOPE RDMO. SDON.
TOTAL MAN HRS 76.

Daily Cost

\$4,591

Cum Cost

\$4,591

AFE Amount

AFE #

Activity Date 4/26/2004

Type of Report: SERV JOB

PROGRESS REPORT

Description SDON.

Times

Hours

Remarks

DROVE CREW TO LOCATION, HELD SAFETY MEETING. PETROPLEX MIRU ON CSG. PRESSURE UP TO 1000 PSI. RU TBG, LOAD W/BBLs FW. START 8000 GAL ACID JOB. PUMPED IN 10 STAGES DROPPING 10 BALLS PER STAGE (100 BALLS TOTAL). FLUSH TO BOTTOM W/65 BBLs FW. HAD FAIR BLOCKING ON THE FIRST 6 STAGES. GOOD BLOCKING ON THE LAST 4 STAGES. BALLED OUT W/100BALLS ON, ISDP 2640 PSI ON A VACUMME IN 3 MIN. MAX PSI = 5000, AVG PSI = 1200, AVG RATE = 8.5 BPM, PETROPLEX RDMO. RU SWAB EQUIP IFL @ 5000'. MADE 8 RUNS, RECOVERED 20 BBLs FFL @ 5500 AND SCATTERED TO SN. SDON.
TOTAL MAN HRS 72.

Daily Cost

\$13,849

Cum Cost

\$18,440

AFE Amount

AFE #

Activity Date 4/27/2004

Type of Report: SERV JOB

PROGRESS REPORT

Description SDON.

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. TP WAS 150 PSI AFTER 13 HR SI. BLEED PRESSURE OFF TBG, RESUME SWABBING. IFL @ 4500 AND SCATTERED TO SN. MADE 6 RUNS, RECOVERED 11 BBLs (31 BBLs TOTAL). FFL @ 5500 AND SCATTERED TO SN. RELEASE PKR POOH W/WORK STRING AND PKR. SDON.
TOTAL MAN HRS 52.

Daily Cost

\$4,090

Cum Cost

\$22,530

AFE Amount

AFE #

Activity Date 4/28/2004

Type of Report: SERV JOB

PROGRESS REPORT

Description SDOW.

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. COMPUTALOG WL SERVICES MIRU. HELD SAFETY MEETING, RIH W/4" SELECT FIRE PERF GUN. PERFORATE DRINKARD 6234, 85, 96, 6306, 23, 98, 6403, 11, 28, 35, 45, 53, 61, 65, 70, 75, 86, 93, 6505, 11, 21, 28, 33, 49, 60 (2 SPF) POOH W/GUN RDMO. RIH W/ RBP & PKR TO SET RBP @ 6611' SET PKR @ 6508' PETROPLEX MIRU ON TBG. HELD SAFETY MTG, TEST PLUG TO 3000 PSI. PRESSURE HELD. RELEASE PKR, CIRCULATE HOLE TO SURFACE W/176 BBLs FW. SPOT ACID ACROSS PERFS. POOH TO SET PKR @ 6116'. LOAD & TEST ANN TO 1000 PSI. PRESSURE HELD. TEST LINES TO 9000 PSI. ACIDIZE DRINKARD W/2500 GAL 15% HCL IN 8 STAGES DROPPING 10 BALLS PER STAGE. HAD GOOD BLOCKING ACTION. FLUSH TO BOTTOM W/52 BBLs FW. MAX PSI = 5019, AVG PSI = 3600, AVG RATE = 8.1 BPM. ISDP WAS 1300 PSI ON A VACUM IN 7 MIN. PETROPLEX RDMO. SDOW.

Daily Cost

\$14,007

Cum Cost

\$36,537

AFE Amount

AFE #

Activity Date 4/29/2004

Type of Report: SERV JOB

PROGRESS REPORT

Description SDON.

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. RU TO SWAB BACK ACID. IFL @ 4500'. MADE 5 RUNS, RECOVERED 7.5 BBLs FFL @ 5500' AND SCATTERED TO SN. SDON.
TOTAL MAN HRS 40.

Daily Cost

\$1,509

Cum Cost

\$38,046

AFE Amount

AFE #

Activity Date 4/30/2004
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. RU TO SWAB BACK ACID. IFL @ 4500'. MADE 5 RUNS, RECOVERED 7.5 BBLS FFL @ 5500' AND SCATTERED TO SN. SDON.
TOTAL MAN HRS 32.

Daily Cost

\$1,508

Cum Cost

\$39,554

AFE Amount

AFE #

Activity Date 5/4/2004
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. BJ SERVICES MIRU. HELD SAFETY MEETING. FRAC DRINKARD DN CSG (6234-6560) @ 40+BPM W/40M GAL 50Q CO2 FOAM AND 100M# 20/40 OTTOWA SAND SCREENED OUT W/6000 LBS SAND LEFT IN CSG. 114000 LBS OUT IN FORMATION. MAX PRESS WAS 4000 PSI. BJ RDMO. START FLOWING BACK WELL @ 2:00PM ON A 15/64 CHOKE. IP WAS 2600 PSI AT 3:00PM. THE PRESSURE WAS DOWN TO 670 PSI AND HOLDING, PRO WELL TESTERS TO FLOW WELL BACK OVERNIGHT. SENT PU CREW HOME.
TOTAL MAN HRS 183.

Daily Cost

\$72,772

Cum Cost

\$112,326

AFE Amount

AFE #

Activity Date 5/5/2004
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION, HELD SAFETY MEETING. WELL HAD DROPPED TO 0 PSI BY 5:00AM. PRO RD MANIFOLD MO. LUCKY SERVICES REVERSE UNIT MIRU. RIH W/6 1/8" BLADE BIT TO TAF TOS @ 5868' (366' ABOVE TOP PERF, 743' TO RBP). RU POWER SWIVEL BROKE CIRCULATION W/135 BBLS FW. WELL STARTED KICKING, SI KELLY VALVE. RD POWER SWIVEL, TIED MANIFOLD INTO TBG IP=200 PSI. FLOW WELL TO SWAB TANK ON A 32/64" CHOKE. PRESSURE DROPPED TO 35 PSI IN 1 HR. OPEN UP 2" VALVE & FLOWED FOR 10 MIN. RECOVERED 25 BBLS FLUID PRESSURE. BUILT TO 65 PSI. CLOSED 2" VALVE. PUT BACK DOWN 32/64" CHOKE. PRESSURE FELL TO 20 PSI. VERY LITTLE FLOW. SI WELL FOR 1 1/2 HRS. PRESSURE BUILD TO 50 PSI. OPEN CHOKE 20/64". PRESSURE BLED TO 0 PSI IN 2 MIN. SDON.
TOTAL MAN HRS 78.

Daily Cost

\$8,577

Cum Cost

\$120,903

AFE Amount

AFE #

Activity Date 5/6/2004
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. HAD NO PRESSURE ON WELL. RU SWAB EQUIP, MADE 1ST RUN TO 1000', TAGGED FLUID @ 500'. MADE 5 RUNS, TOTAL RECOVERED 45 BBLS. HAD NO PRESSURE AT THE END OF EACH RUN. PU SWIVEL, RIH TO TAG TDS @ 5872', BROKE CIRCULATION, CO TO RBP @ 6611'. CIRCULATE HOLE CLEAN, POOH W/14 JTS. SDON.

Daily Cost

\$3,662

Cum Cost

\$124,565

AFE Amount

AFE #

Activity Date 5/7/2004
Description SDOW.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY. RIH W/14 JTS TO TAG RBP @ 6611', POOH LAYING DN WORK STRING (WE WILL PRODUCE THE DRINKARD ALONE TO GET A PRODUCTION TEST FOR THE NMOC). RIH W/20 JTS 2 3/8" TBG. POOH LAYING DN SAME. RIH W/2 3/8" TBG AS LISTED ABOVE. NDBOP, NU 6" 600 WH. SET TAC W/37" TBG STRETCH. RIH W/27 3/4" RODS, POOH LAYING DN SAME. START IN W/PUMP & RODS. GOT IN W/13 RODS AND STACKED OUT ON PARAFFIN. VMJ MIRU ON TBG. ATTEMPT TO HOT OIL TBG, GOT 1 BBLS DOWN TBG AND STARTED PUSHING A PLUG PUMPED 9 BBLS @ 140° PRESSURED UP TO 2000 PSI. PLUG MOVING VERY SLOWLY. RAN OUT OF DAYLIGHT. WILL HOT WATER CASTING MONDAY W/70 BBLS FW. THEN TRY HOT OIL TBG AGAIN.
TOTAL MAN HRS 70.

Daily Cost

\$10,170

Cum Cost

\$134,735

AFE Amount

AFE #

Activity Date 5/11/2004
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. RIH W/TBG. NDBOP, NUWH, SET TAC W/37" TBG STRETCH. RIH W/PUMP & RODS. SEAT PUMP, HANG WELL OM SPACING PLUNGER 12" OFF BTM. LOAD TBG TO 500 PSI W/6BBLs FW. PRESSURE HELD. CHECK PUMP ACTION, HAD NO PUMP ACTION. PULL PUMP OFF SEAT HOT OIL TBG W/40 BBLs LEASE OIL AND 10 GAL PARAFFIN SOLVENT. SEAT PUMP AND HANG WELL ON. CHECK PUMP ACTION TO 500 PSI. HAD GOOD PUMP ACTION. WILL RD IN THE AM AFTER WE SEE THAT WE STILL HAVE PUMP ACTION. SDON.
TOTAL MAN HRS 64.5.

Daily Cost

\$2,549

Cum Cost

\$137,284

AFE Amount

AFE #

Activity Date 5/12/2004
Description RDMO.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. CHECK PUMP ACTION. STILL PUMPING STRONG. HELD SAFETY MEETING. CHANGE OUT POLISH ROD STUFFING BOX PACKING. RD CLEAN LOCATION, MOVE TO BRUNSON ARGO #13. (WE WILL COME BACK TO BA#26 TO PULL RBP @ 6611' AFTER THE DTINKARD PRODUCTION RATES HAVE BEEN ESTABLISHED FOR NMOCD.
TOTAL MAN HRS 15.

Daily Cost

\$495

Cum Cost

\$137,779

AFE Amount

AFE #

Activity Date 5/14/2004
Description SDOW.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

PUMP STUCK. MIRU. HELD SAFETY MEETING. ATEMPT TO JAR PUMP OFF SEAT W/NO SUCCESS. BACK OFF ON RODS. POOH W/207 RODS TO BREAK. ND 6" 600 WH, NU BOP & SPILL PAN, HAD TROUBLE RELEASEING TAC. TBG APPEARED TO BE STUCK. WE COULD COME UP BUT NOT GO DOWN. (MAY HAVE SAND TO BOTTOM PERF). WELL STARTED GASING. KILLED WELL W/20 BBLs LEASE WTR. POOH LAYING DN 4 JTS TBG. SDOW.
TOTAL MAN HRS 38.

Daily Cost

\$2,097

Cum Cost

\$139,876

AFE Amount

AFE #

Activity Date 5/17/2004
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE TO LOCATION. HELD SAFETY MEETING, WAIT FOR HYD. PUMP ON UNIT TO BE REPAIRED. POH W/TBG TO RODS, BACK OFF RDS. POH W/RDS TO BREAK, POH W/TBG TO RDS., POH W/RDS. BACK OFF RDS, POH W/RDS TO BREAK, POH W/TBG & TAC TO RDS, BACK OFF RDS. POH W/RDS TO BREAK POH W/TBG TO RDS, BACK OFF RDS, POH W/RDS TO BREAK, POH W/TBG TO BLAST JT & RDS, SAW OFF RD, ABOVE BLAST JT. LAY DN BLAST JT W/PUMP INSIDE. POH & LAY DN, CAVINS DESANDER. SDON.

Daily Cost

\$3,863

Cum Cost

\$143,739

AFE Amount

AFE #

Activity Date 5/18/2004
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. RIH W/BULLDOG BAILER ON 2 3/8" TBG TO TAG TOS @ 6560". CLEANED OUT SAND TO RBP @ 6611'. POOH W/TBG LD BAILER. RIH W/TBG AS LISTED ABOVE. (RAISED FHD TO 6195.05') ND SPILL CONTAINMENT & BOP. NU 6" 600 WH. SET TAC W/37" TBG STRETCH. SDON.
TOTAL MAN HRS 72.5.

Daily Cost

\$4,597

Cum Cost

\$148,336

AFE Amount

AFE #

Activity Date 6/8/2004
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

MIRU, HELD SAFETY MEETING. POH W/RODS & PUMP. R&R PUMP. SDON.
TOTAL MAN HRS 35.

Daily Cost

\$3,024

Cum Cost

\$151,360

AFE Amount

AFE #

Activity Date 6/9/2004
Description RDMO.

Type of Report: SERV JOB

PROGRESS REPORT

Times	Hours	Remarks
		RIH W/PUMP & RODS AS LISTED ABOVE. LOAD & TESTED TO 500#. HELD OK.
		SHOWED GOOD PUMP ACTION. RDMO CLEANED LOCATION.
		TOTAL MAN HRS 40.
Daily Cost	Cum Cost	AFE Amount
\$4,328	\$155,688	AFE #

TUBING BREAKDOWN AS OF 1/26/2002

# Joints	Running Ftg.	Footage	Size	Grade	End	Thread	Description
	6	6	4	2	1	2	TBG SUB
212	6580.79	6574.79	4	2	1	2	TBG
0	6584.69	3.9	4	1	1	1	7" TAC
18	7133.46	548.77	4	2	1	2	TBG
2	7192.13	58.67	4	2	1	2	TBG (NEW)
0	7222.2	30.07	4	1	1	2	SS BLAST JT
0	7223.3	1.1	4	1	1	2	SEAT NIPPLE
0	7227.3	4	4	2	1	2	PERFORATED SUB
0	7241.3	14	1	1	1	1	KB

232

7241.3 TUBING SUMMARY

ROD BREAKDOWN AS OF 1/26/2002

# Rods	Running Ftg.	Footage	Size	Grade	Description
20	500	500		1	GRADE D
186	5150	4650		1	GRADE D
82	7200	2050		1	GRADE D
0	7202	2		1	PONY RODS, GRADE D
0	7224	22		1	1 1/4" X 22' POLISH ROD W/1 1/2" LINER
0	7240	16		1	20-1,25-RHBC-16-4 PUMP
0	7240			1	

288

7240 Rod Summary

FAILURES AS OF 1/26/2002

Area	Date	Depth	Reason	Failure	Size:	Type	Cause
500760-0026	1/26/20	6784	Tubing	Pin	2 3/8"	Tubing	Rod Wear

CASING HISTORY REPORT

Location SEC 10, T 22S, R37E

TD Date 7/12/1997

TD Hole Time 1:30 PM

Total Depth: 1140

Hole Size: 8 3/4"

Joints Ran Joint Description

29	7" 26#/ft K55 LT&C
0	7" FLOAT SHOE
0	7" 26#/ft L80 LT&C
0	7" 26#/ft L80 LT&C
77	7" DV TOOL
0	7" 26#/ft L80 LT&C
1	7" FLOAT COLLAR

Total Footage Running Ftg.

2801.00	2801.00
1.00	2802.00
44.00	2846.00
1203.00	4049.00
4.00	4053.00
3318.00	7371.00
1.00	7372.00

107 Total Joints Ran

7372.00

Cemented as

Top Cement: CIRC

Stage 1 - 860 SX CLASS 'C' 50:50 POZ (YLD:, WT:)

Stage 2 - 1070 SX CLASS 'C' 65:45 LITE (YLD:, WT:)