

6/30/06 DATE IN	SUSPENSE	WILL JONES ENGINEER	7/3/06 LOGGED IN	DHC TYPE	APP NO. PTD50618439260
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

e-mail Address

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE

X Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

X Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

DHC-3739

PATINA SAN JUAN, INC.

5802 U.S. HIGHWAY 64 FARMINGTON, NM 87401

Operator

Address

TRIBAL

C #10

J Sec 7 - T26N - R3W

RIO ARRIBBA

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No.173252 Property Code _____ API No. 30-039-06538 Lease Type: Federal XXX State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	TAPACITOS PICTURED CLIFFS	BLANCO MESA VERDE	BASIN DAKOTA
Pool Code	85920	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3610' – 3668'	5766' - 5892'	7798' – 8006'
Method of Production (Flowing or Artificial Lift)	FLOWING	FLOWING	FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1200 btu	1200 btu	1200 btu
Producing, Shut-In or New Zone	Producing	Producing	Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Production estimates from various off-set wells in proximity to well.	Production estimates from various off-set wells in proximity to well.	Production estimates from various off-set wells in proximity to well.
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 59 % 31 %	Oil Gas 7 % 27 %	Oil Gas 34 % 42 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X No _____

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? N/A Yes _____ No _____

Are all produced fluids from all commingled zones compatible with each other? Yes X No

Will commingling decrease the value of production? Yes _____ No ☒ X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
Production curve for each zone for at least one year. (If not available, attach explanation.)
For zones with no production history; estimated production rates and supporting data.
Data to support allocation method or formula
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools

List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.

Bottomhole pressure data.

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

SIGNATURE J. Muse TITLE REGULATORY COMPLIANCE DATE 05/19/06
TYPE OR PRINT NAME JEAN M. MUSE TELEPHONE NO. (505) 632-8056

E-MAIL ADDRESS jmuse@nobleenergyinc.com

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-06538		² Pool Code 85920/72319/71599		³ Pool Name TAPACITOS PICTURED CLIFFS/BLANCO MESA VERDE/BASIN DAKOTA	
⁴ Property Code		⁵ Property Name TRIBAL C			⁶ Well Number #10
⁷ OGRID No. 173252		⁸ Operator Name Patina Oil and Gas Corp.			⁹ Elevation 6905' KB

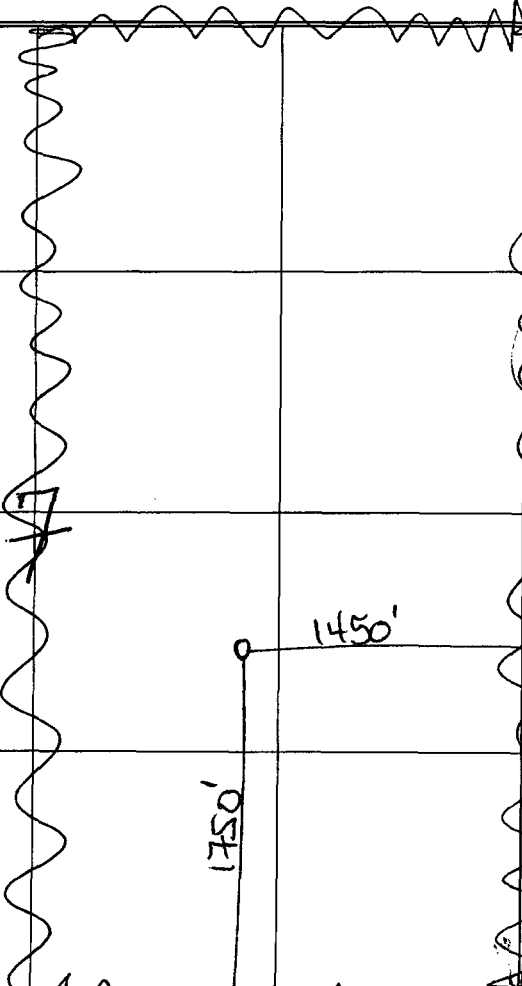
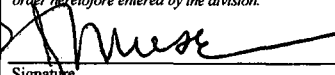
¹⁰ Surface Location

UL or lot no. J	Section 7	Township 26n	Range 3W	Lot Idn	Feet from the 1750'	North/South line SOUTH	Feet from the 1450'	East/West line EAST	County RIO ARRIBA
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320 E/2		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶			¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Signature _____ Date 5/26/06	
			Jean M. Muse Printed Name _____	
			¹⁸ SURVEYOR CERTIFICATION 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 belief. ONFILE/ATTACHED Date of Survey _____ Signature and Seal of Professional Surveyor: _____	
Certificate Number _____				

NUMBER OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
PRODUCTION OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT
 SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

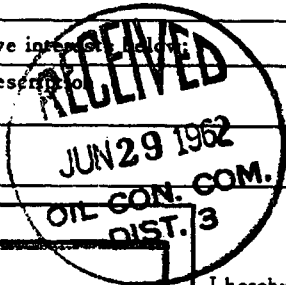
FORM C-128
 Revised 5/1/57

SECTION A

Operator CONSOLIDATED OIL AND GAS, INC.			Lease TRIBAL "C"		Well No. 10
Unit Letter J	Section 7	Township 26 NORTH	Range 3 WEST	County RIO ARriba	
Actual Footage Location of Well: 1750 feet from the SOUTH line and 1450 feet from the EAST line					
Ground Level Elev. 6894.0	Producing Formation Dakota	Pool Basin	Dedicated Acreage: 320 Acres		

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES ☒ NO ____ . ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES ____ NO ____ . If answer is "yes," Type of Consolidation ____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

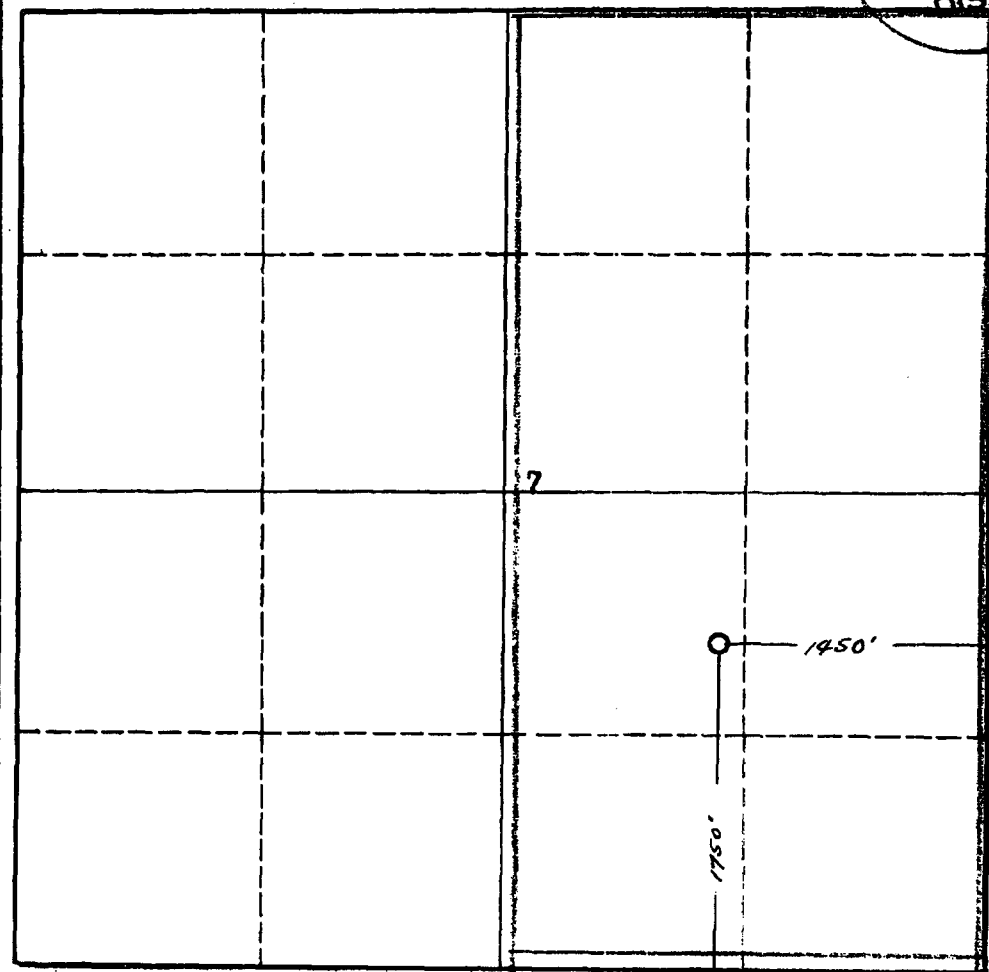


RECEIVED

JUN 28 1962

U. S. GEOLOGICAL SURVEY
 CERTIFICATION NEW MEXICO

SECTION B

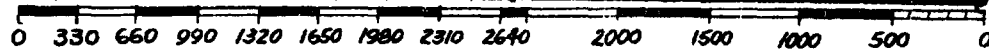


I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Name <i>James P. Leese</i>
Position Chief Engineer
Company Consolidated Oil & Gas, Inc.
Date June 27, 1962

I hereby certify that the well location shown on the plat in SECTION B 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 5 March 1962
Registered Professional Engineer and/or Land Surveyor <i>James P. Leese</i>
Certificate No. 1463
San Juan Engineering Company



Recommended Allocation for Commingle

Well: Tribal C #10-7

30-day average production based on Offset Well Performance
(see attached decline curves)

G a s	Zone	Average MCFD	Percentage of total flow
	PC	44	31%
	MV	39	27%
	DK	60	42%
	Total	143	100%

O i l	Zone	Average BOPD	Percentage of total flow
	PC	0.6	59%
	MV	0.07	7%
	DK	0.35	34%
	Total	1.02	100%

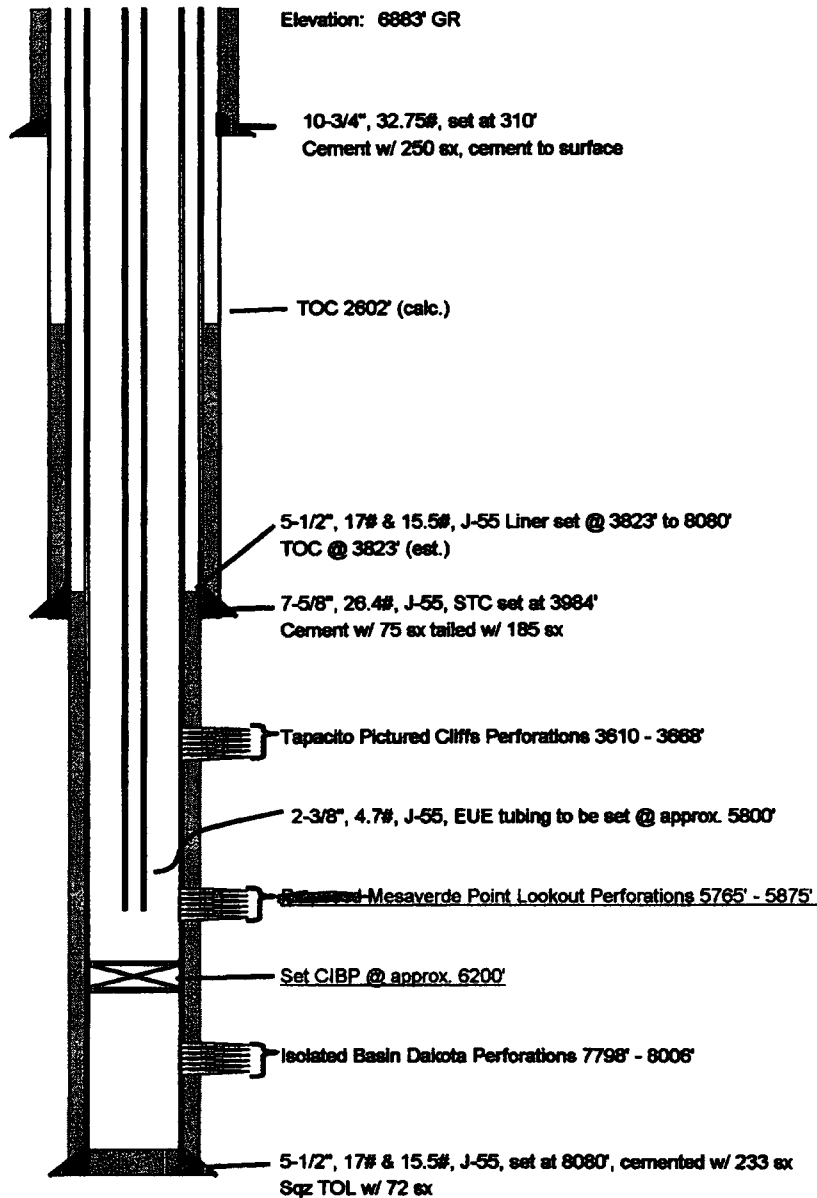
Recommended allocation for future downhole commingled production

Zone	Gas	Oil
PC	31%	59%
MV	27%	7%
DK	42%	34%
Total	100%	100%

PATINA

OIL & GAS CORPORATION

Tribal "C" #10 Proposed Commingled Wellbore



Location: 1750'FSL, 1450'FEL,
Sec 7, T26N, R3W,
Rio Arriba County, NM

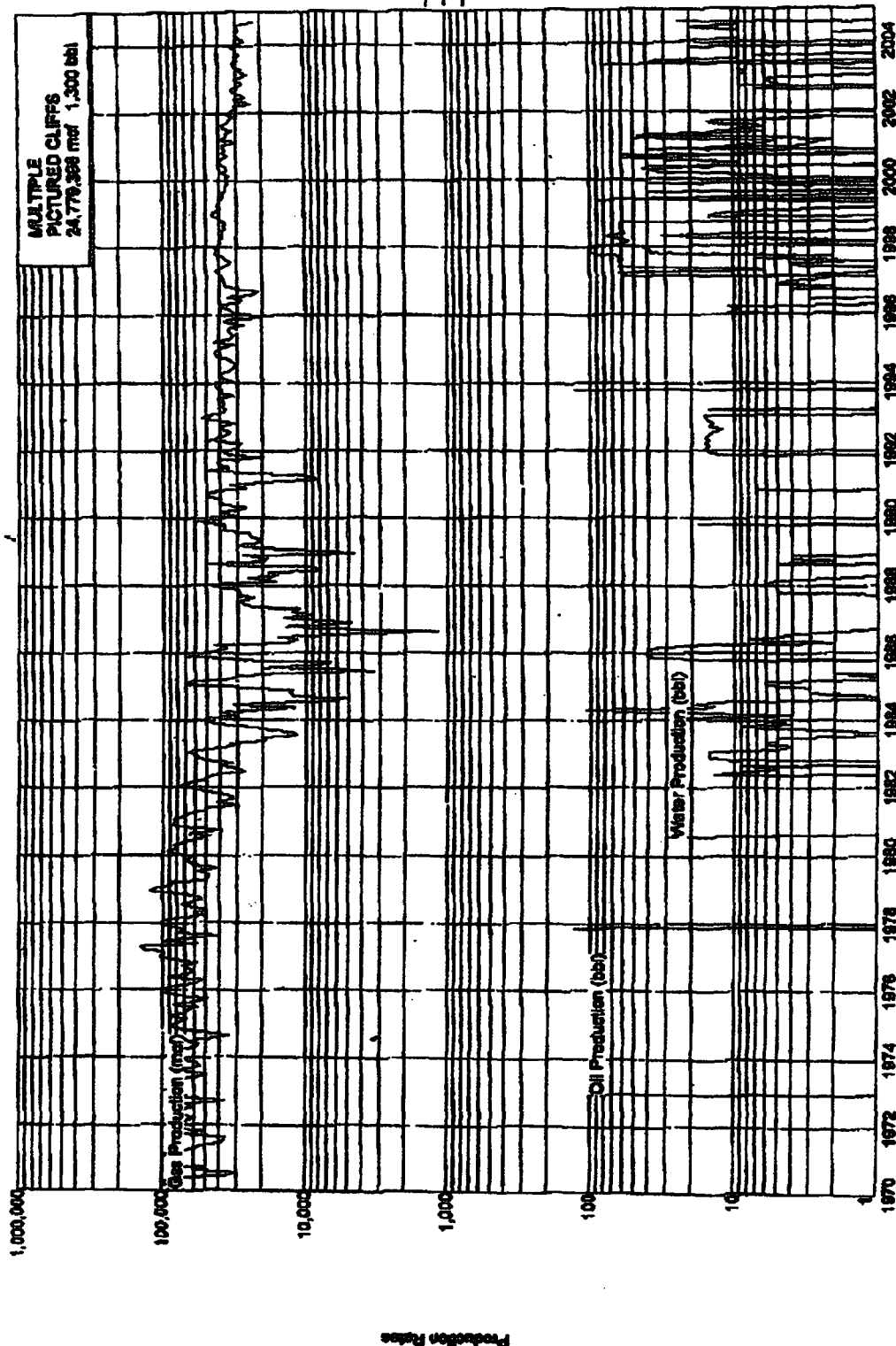
Field: Pictured Cliffs / Mesaverde
Zone: Tapacito Pictured Cliffs /
Mesaverde Point Lookout

TD: 8093'
PBTD: 8044'

NOTE: Proposed changes to wellbore underlined and in BLUE

Lease Name: MULTIPLE
 County, State: RIO ARriba, NM
 Operator: MULTIPLE
 Field: TAPACITO
 Reservoir: PICTURED CLIFFS
 Location:

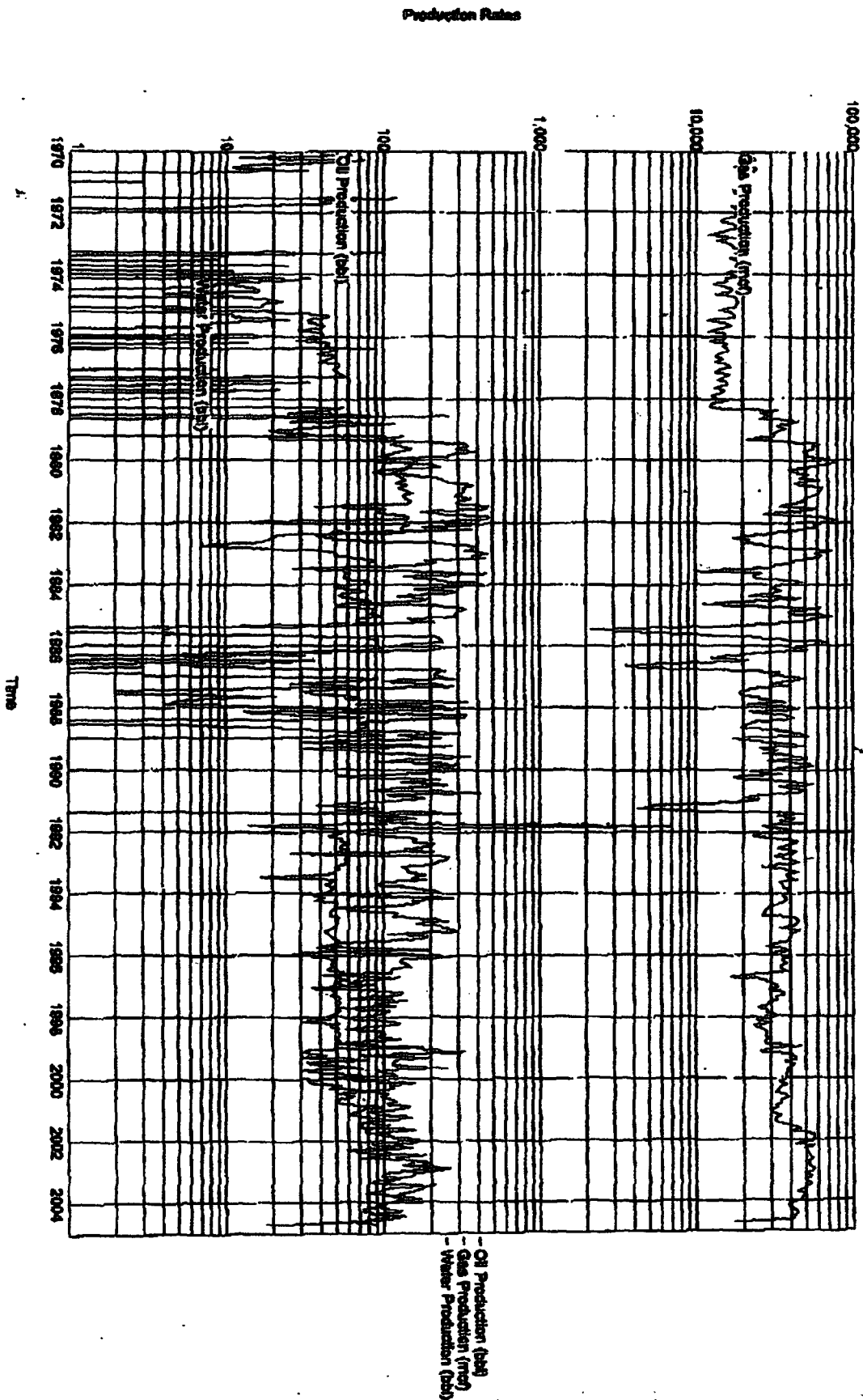
MULTIPLE PICTURED CLIFFS



- Oil Production (bbl)
 - Gas Production (mcf)
 - Water Production (bbl)

Lease Name: MULTIPLE
 County, State: RIO ARIBA, NM
 Operator: MULTIPLE
 Field: BLANCO
 Reservoir: MESAVERDE
 Location:

MULTIPLE MESAVERDE



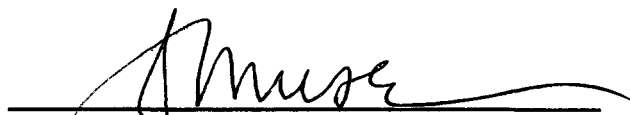
Patina San Juan, Inc.
5802 US Highway 64
Farmington, NM 87401

Tribal C #10
API 30-039-06538
UL "J" Sec 7, T26N – R3W
Rio Arriba County, New Mexico

Re: Application to Down-Hole Commingle

The trimmingling of the Basin Dakota, Tapacito Pictured Cliffs and Blanco Mesa Verde pools in this wellbore will not reduce the value of the remaining production. Trimmingling these pools should increase the value of the remaining reserves due to using the remaining reservoir energy in both zones to produce the wells.

Trimmingling operations conducted on other similar wells have resulted in increased production rates and greater reserves than producing the zones separately.

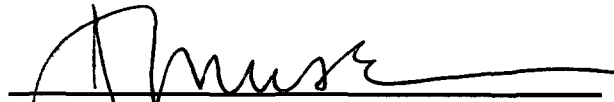


Jean M. Muse
Regulatory Compliance
Patina San Juan, Inc.

Statement of Notification

Tribal C #10
API #30-039-06538
UL "J" Sec 7, T26N – R3W
Rio Arriba County, New Mexico

No notification is required for this well; the interested parties in the Tapacito Pictured Cliffs, Blanco Mesa Verde and Basin Dakota formations are identical.




Jean M. Muse
Regulatory Compliance
Patina San Juan, Inc.

Statement of Notification- BLM

Tribal C #10
API 30-039-06538
UL "J" Sec 7, T26N – R3W
Rio Arriba County, New Mexico

Tribal C #4E
API 30-039-22514
UL "H" Sec 6, T26N – R3W
Rio Arriba County, New Mexico

The Bureau of Land Management has been sent copies of the commingling application form C-107A for each of these wells.



Jean M. Muse
Regulatory/Engineering Technician
Patina San Juan, Inc.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**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 ☐ Other2. Name of Operator
PATINA SAN JUAN, INC.3a. Address
5802 US HIGHWAY 64 FARMINGTON, NM 874023b. Phone No. (include area code)
505-632-8056

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

**1750' FSL AND 1450' FEL
J Sec 7 - T26N - R3W**

5. Lease Serial No.

JICARILLA CONTRACT #97

6. If Indian, Allottee or Tribe Name

JICARILLA APACHE TRIBE

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

8. Well Name and No.

TRIBAL "C" #10

9. API Well No.

30-039-06538

10. Field and Pool, or Exploratory Area

BASIN DK/BLANCO MV/PC

11. County or Parish, State

RIO ARRIBA CTY, NEW MEXICO**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other COMMINGLE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	DK/MV/PC
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	FORMATIONS

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

PATINA SAN JUAN REQUESTS APPROVAL TO DOWNHOLE TRIMMING THE TAPACITO PICTURED CLIFFS (85920), BLANCO MESA VERDE (72319) AND BASIN DAKOTA (71599) FORMATIONS IN THE SUBJECT WELL. THE MV/PC AND PC/DK HAVE BEEN APPROVED PREVIOUSLY UNDER DHC 1252A AZ FOR THE PRE-APPROVED ORDER #11563 BY THE NMOCD.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**JEAN M. MUSE**Title **REGULATORY COMPLIANCE**

Signature

Date

05/25/2006**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

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.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)