

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 _____

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Oil Conservation Division

[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.

Hugo Cartaya

Print or Type Name

Hugo Cartaya
 Signature

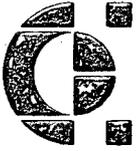
Production Manager

Title

6-10-03

Date

hcartaya@calpine.com
 e-mail Address



CALPINE

CALPINE NATURAL GAS L.P.
TABOR CENTER
1200 17TH STREET, SUITE 770
DENVER, COLORADO 80202
720.359.9144
720.359.9140 (FAX)

June 12, 2003

State of New Mexico
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

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JUN 16 2003

Oil Conservation Division

State of New Mexico
Oil Conservation Division
1000 Rio Brazos Drive
Aztec, New Mexico 87410

Dear Sir or Madam:

Enclosed please find an application for downhole commingle for the Tiger #1 well (API No. 30-045-29495). The well is presently completed and produces from the Fulcher Kutz Pictured Cliffs formation.

Calpine Natural Gas Company, L.P. wishes to recomplete the well into the Basin Fruitland Coal and commingle both formations. Working, royalty and overriding royalty interests are identical in both formations. Enclosed please find documentation supporting that the production be allocated 62% to the Basin Fruitland Coal and 38% to the Fulcher Kutz Pictured Cliffs formation.

Enclosed please find:

- 1.) Administrative Application Checklist
- 2.) Form C-107A
- 3.) C-102 for the acreage dedication of the Basin Fruitland Coal
- 4.) C-102 for the acreage dedication of Fulcher Kutz - PC
- 5.) Statement for the proposed allocation formula
- 6.) Copy of submitted sundry notice to the BLM for recompletion and commingling approval

Please let me know if you need anything else.

Sincerely,

Hugo Cartaya
Operations Manager

District I
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

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

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

APPLICATION TYPE
 Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

District III
1000 Rio Brazos Road, Aztec, NM 87410

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

APPLICATION FOR DOWNHOLE COMMINGLING

Calpine Natural Gas Company, L.P.

1200 17th Street, Suite 770, Denver, Colorado 80202

Operator Tiger	#1	Address J-35-30N-13W	San Juan
Lease	Well No.	Unit Letter-Section-Township-Range	County
OGRID No. <u>214274</u> Property Code <u>22189</u> API No. <u>30-045-29495</u> Lease Type: <input checked="" type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Fee			

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Basin Fruitland Coal		Fulcher Kutz PC
Pool Code	71629		77200
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Perforated 1508-1538		Perforated 1544-1556
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure <small>(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)</small>			
Oil Gravity or Gas BTU <small>(Degree API or Gas BTU)</small>			
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. <small>(Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)</small>	Date: Rates:	Date: Rates:	Date: Rates:
Fixed Allocation Percentage <small>(Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)</small>	Oil %	Gas 62 %	Oil 0 %
		Gas %	Gas 38 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
 If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No
 Are all produced fluids from all commingled zones compatible with each other? Yes No
 Will commingling decrease the value of production? Yes No
 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 Hugo Cartaya TITLE Operations Manager DATE 6/12/03
 TYPE OR PRINT NAME Hugo Cartaya TELEPHONE NO. (720) 946-1302

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 August 15, 2000
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-29495		² Pool Code 77200		³ Pool Name Fulcher Kutz Pictured Cliffs	
⁴ Property Code 22189		⁵ Property Name Tiger			⁶ Well Number #1
⁷ OGRID No. 214274		⁸ Operator Name CALPINE NATURAL GAS COMPANY, L.P.			⁹ Elevation 5580' RKB

¹⁰ Surface Location

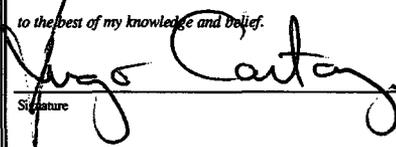
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	35	30N	13W		1325'	South	1635'	East	San Juan

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 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.  Signature Hugo Cartaya Printed Name Production Manager Title 6/10/03 Date
					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. Date of Survey Signature and Seal of Professional Surveyor:
					Certificate Number

District I
1625 N. French Dr., Hobbs, NM 88240
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1301 W. Grand Avenue, Artesia, NM 88210
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Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-29495		² Pool Code 71629		³ Pool Name Basin Fruitland Coal	
⁴ Property Code 22189		⁵ Property Name Tiger			⁶ Well Number #1
⁷ OGRID No. 214274		⁸ Operator Name CALPINE NATURAL GAS COMPANY, L.P.			⁹ Elevation 5580' RKB

¹⁰ Surface Location

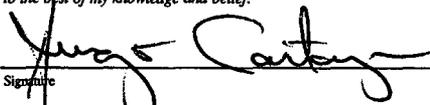
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	35	30N	13W		1325'	South	1635'	East	San Juan

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	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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					<p>¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p> Signature</p> <p>Hugo Cartaya Printed Name</p> <p>Production Manager</p> <p>Title</p> <p>6/10/03 Date</p>
					<p>¹⁸ SURVEYOR CERTIFICATION <i>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.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

Pictured Cliffs
Remaining Reserves
Decline Curve Analysis

Well	Remaining Reserves MMcf
Tiger 1	812

Decline curve analysis shows remaining PC Reserves = 812 MMCF.
Volumetric calculations show recoverable Fruitland Coal reserves = 1303 MMCF.

Fruitland Coal
Volumetric Reserves

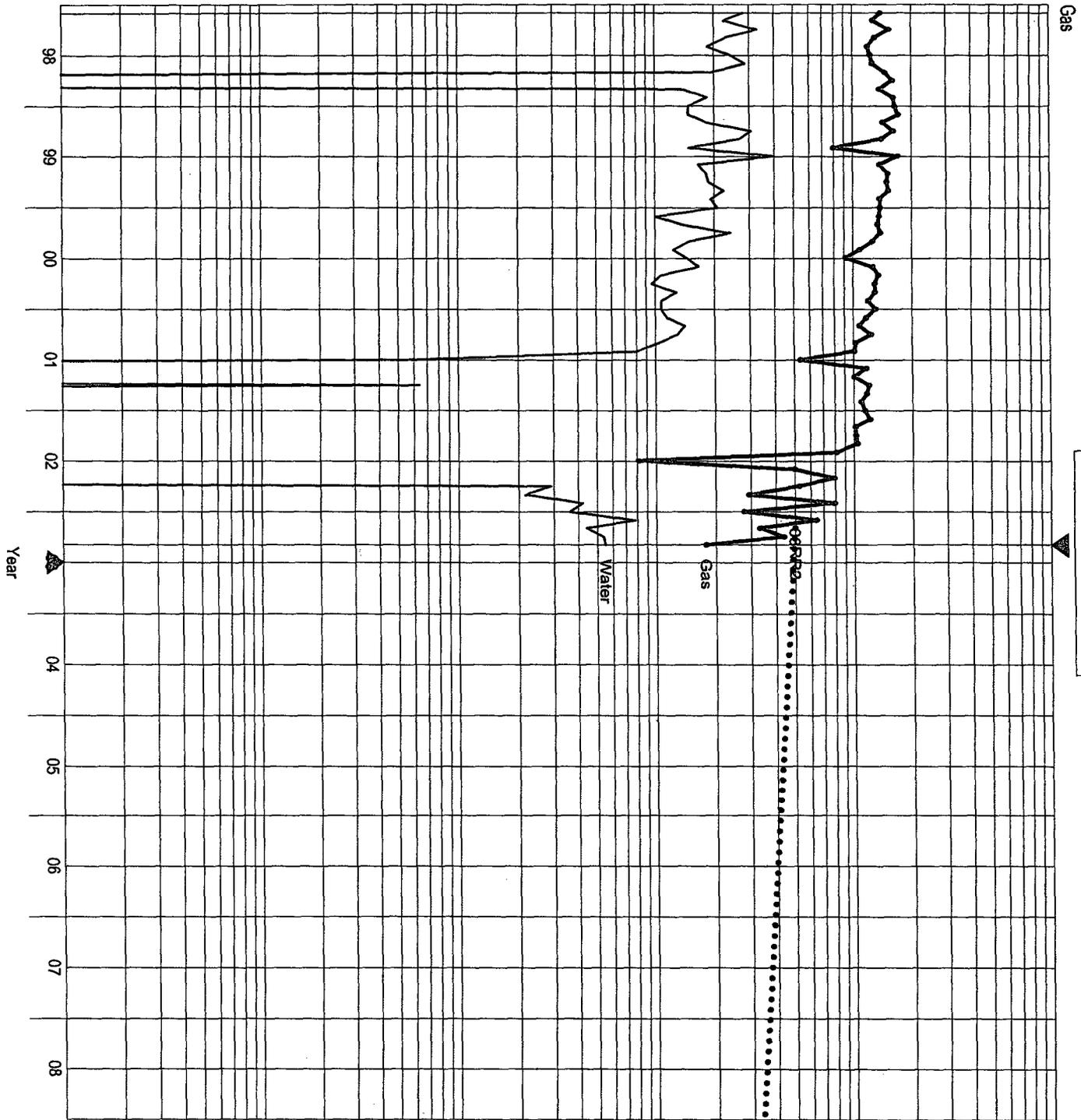
Well	h ft	A acres	Gas Content scf/t	Coal Density g/cc	GIP MMcf	RF %	RGIP MMcf
Tiger 1	31	160	200	1.38	1861	70	1303

Pictured Cliffs
Fruitland Coal
Allocation Formula
Basis: Remaining Reserves

Well	PC Rem Reserves MMcf	FC Reserves MMcf	PC Allocation	FC Allocation
Tiger 1	812	1303	38%	62%

TIGER 1
 FARMINGTON FIELD
 PICTURED CLIFFS

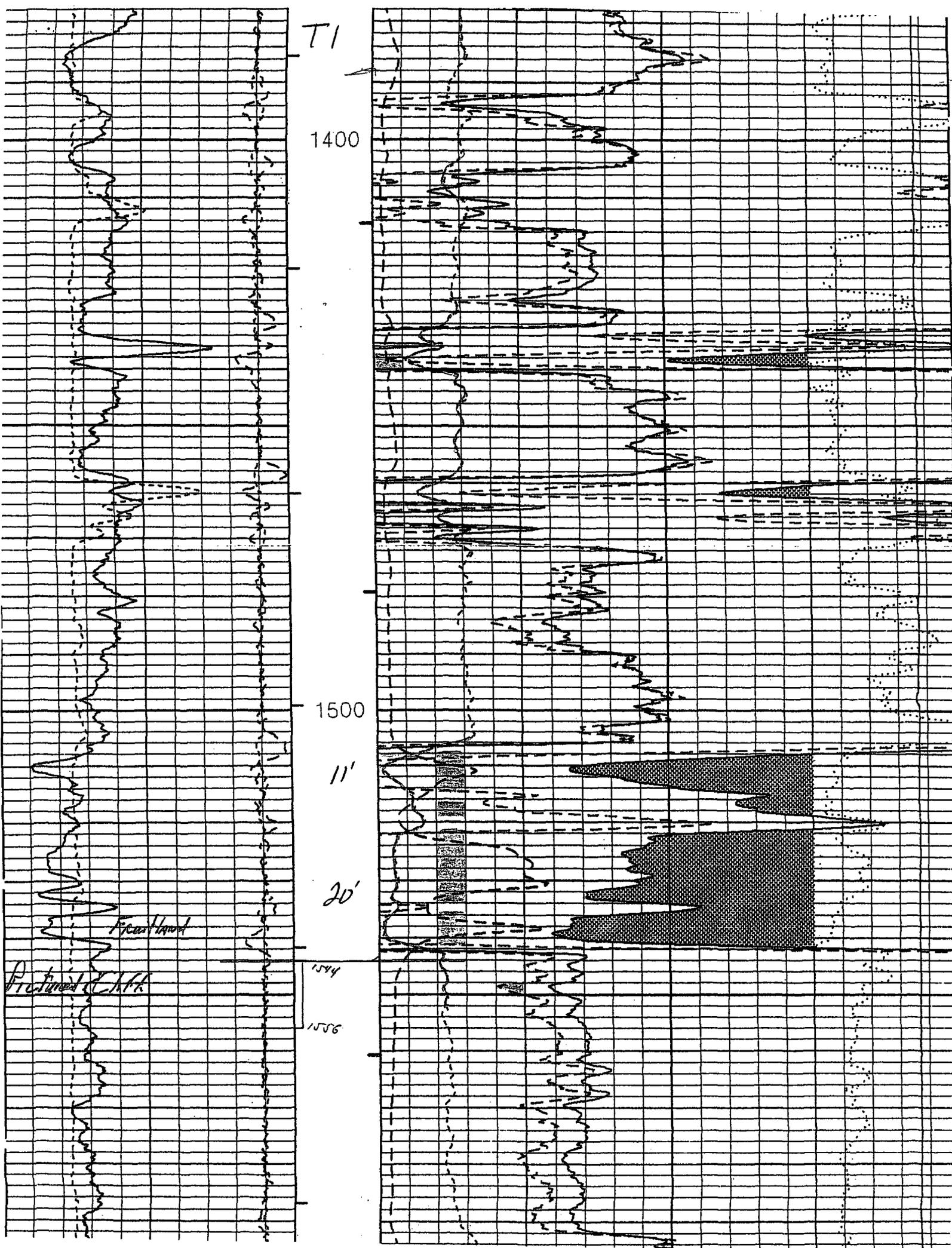
1 10 100 1000 10000 Water-bbl/mo
 1 10 100 1000 10000 Oil-bbl/mo
 1 10 100 1000 10000 Gas-mcf/mo



Gas-mcf/mo ●—●—●
 Qual= 03RR2
 Ref= 5/2003
 Cum= 719140
 Rem= 812391
 EUR= 1531531
 Yrs= 40.917
 Qref= 4943.2
 De= 6.628616
 b= 0.000000
 Gab= 300.0

Oil-bbl/mo —●—●—●
 Ref= 5/2003
 Cum= 0

Water-bbl/mo ■—■—■
 Ref= 5/2003
 Cum= 76140



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas
 Well Well Other

2. Name of Operator

Calpine Natural Gas

3. Address and Telephone No.

1200 17th Street, Suite 770, Denver, CO 80202 720-359-9144

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

1325' FSL&1635' FEL
Section 35-30N-13W

5. Lease Designation and Serial No.

SF-078213

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Tiger #1

9. API Well No.

30- 045-29495

10. Field and Pool, or Exploratory Area

FULCHER KUTZ-PICTURED CLIFFS

11. County or Parish, State

San Juan County, 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"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Downhole Commingle</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> 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 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.)*

Calpine proposes to recomplete the well into the Basin Fruitland Coal formation.

Attached is the proposed recompletion procedure

Calpine also proposes to downhole commingle the Fulcher Kutz Pictured Cliffs with the Basin Fruitland Coal.

Attached are the supporting documents for the allocation between the two zones.

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

Signed Hugo Cartaya

Title Production Manager

Date 06/12/03

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

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 Instructions on Reverse Side

**Recompletion Procedure for
Calpine Natural Gas Company
Tiger #1**

Location: Sec 35 T30N R13W
San Juan County, NM

Date: June 10, 2003

Field: Fulcher Kutz Pictured Cliffs and Basin Fruitland Coal
Elev: GL 5575' KB 5580'
Existing Perforations: 1544-1556

1. Set and fill 4 frac tanks with city water and heat to 80 degrees. Check anchors. MOL and RU completion rig. Hold safety meeting.
2. POOH with 48 jts 2 3/8" tubing. RIH and set RBP at 1542'.
3. NU 2-3/8" relief line. RU wireline. Check PBTD.
4. Perforate 4 SPF (0.38" holes) from 1508-1518 and 1522-1538'. Total of 104 holes.
5. Rig up frac equipment and pressure test surface lines. Fracture with 50,000# of 20/40 sand and 5000# 40/70 sand in a 25#/1000 gal cross-linked gel fluid.
6. Close BOPs. RD frac company and install flowline with 1/4" ceramic choke. Flow well back to pit overnight.
7. When well dies, TIH with bailer on 2-3/8" EUE tubing and clean out to RBP at 1542. Clean out to PBTD. POOH with tubing and RBP.
8. TIH with 48 jts 2 3/8" tubing. Land tubing. Swab well in and put well on production. RD and release rig.