

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135

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.

2004 SEP 2 PM 1 31

SUBMIT IN TRIPLICATE-Other instructions on reverse side

|   |  |   |  |
|---|--|---|--|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other          |  | 5. Lease Serial No.<br><b>NMSF078430</b>                                  |  |
| 2. Name of Operator<br><b>PATINA SAN JUAN, INCORPORATED</b>   |  | 6. Indian, Allottee or Tribe Name   |  |
| 3a. Address and Telephone No.<br><b>5802 HIGHWAY 64, FARMINGTON, NM 87401</b>   |  | 7. Unit or CA/Agreement, Name, and/or No.<br><b>070 FARMINGTON NM</b>     |  |
| 3b. Phone No. (include area code)<br><b>(505) 632-8056</b>  |  | 8. Well Name and No.<br><b>DAVIS #2</b>                                   |  |
| 4. LOCATION OF WELL (Footage, Sec., T., R., M., or Survey Description)<br><b>890' FSL &amp; 1850' FEL - UL "O"<br/>SEC. 5, T26N, R08W</b> |  | 9. API Well No.<br><b>30-045-05995</b>                                    |  |
|   |  | 10. Field and Pool, Or Exploratory Area<br><b>BALLARD PICTURED CLIFFS</b> |  |
|   |  | 11. County or Parish, State<br><b>SAN JUAN COUNTY, NEW MEXICO</b>         |  |

| 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA |   |   |  |
|---|---|---|--|
| TYPE OF SUBMISSION  |   | TYPE OF ACTION  |  |
| <input type="checkbox"/> Notice of Intent   | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Fracture Treat                       | <input type="checkbox"/> Recomplete          |
| <input checked="" type="checkbox"/> Subsequent Report                             | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> New Construction                     | <input type="checkbox"/> Temporarily Abandon |
| <input type="checkbox"/> Final Abandonment Notice                                 | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> Plug and Abandon                     | <input type="checkbox"/> Water Disposal      |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug Back                            | <input type="checkbox"/> Water Shut-Off      |
|   | <input type="checkbox"/> Convert to Injection | <input checked="" type="checkbox"/> Production (start/resume) | <input type="checkbox"/> Well Integrity      |
|   | <input type="checkbox"/> Deepen               | <input type="checkbox"/> Reclamation                          | <input type="checkbox"/> Other               |

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 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 site is ready for final inspection.)

8/23/2004 Above referenced well returned to production @ 45 mcf/d.

|  |                                       |
|--|---------------------------------------|
| 14. I hereby certify that the foregoing is true and correct                        |                                       |
| Name (Printed/Typed)<br><b>KAY S. ECKSTEIN</b> e-mail: keckstein@patinasanjuan.com | Title<br><b>PRODUCTION TECHNICIAN</b> |
| Signature <i>Kay S. Eckstein</i>   | Date<br><b>August 31, 2004</b>        |

|   |        |                                |
|---|--------|--------------------------------|
| 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 | <b>SEP 09 2004</b>             |
|   |        | <b>FARMINGTON FIELD OFFICE</b> |
|   |        | BY <i>[Signature]</i>          |

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and wilfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCD