

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

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

Form C-103
Revised June 10, 2003

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.)		WELL API NO. 30-039-06538
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Patina San Juan, Inc.		6. State Oil & Gas Lease No. Indian/Federal Jicarilla Contract #97
3. Address of Operator 1625 Broadway, Suite 2000, Denver, CO 80202		7. Lease Name or Unit Agreement Name Tribal "C"
4. Well Location Unit Letter <u>J</u> : 1750 feet from the <u>South</u> line and <u>1450</u> feet from the <u>East</u> line Section <u>7</u> Township <u>26 North</u> Range <u>3 West</u> NMPM County <u>Rio Arriba</u>		8. Well Number # 10
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6883' GR		9. OGRID Number 173252
		10. Pool name or Wildcat Mesaverde Point Lookout / Tapacito Pictured Cliffs

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: Down-hole Commingle; pre-approved pools ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

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.

Patina San Juan, Inc. request approval to down-hole commingle the subject well. Patina plans to down-hole commingle the Mesaverde Point Lookout (72319) and the Tapacito Pictured Cliffs (85920) pools in this wellbore. The commingling of the two pools is pre-approved per NMOCD Order #11563.

The well is currently a Dakota/PC commingle, Patina San Juan, Inc plans to set a CIBP @ approx. 6200' and isolate the Dakota and perforate the Point Lookout at approx. 5765' - 5895', then commingle the production with the Tapacito Pictured Cliffs. Work will begin soon after approval.

See Attached Exhibits: Wellbore Diagram, Allocation Method with supporting data, Statement of Commingle, interest owner notification and Location Plat.

A copy of this application has been sent to the BLM.

Please contact Gary Ohlman at 303.389.3600 with any questions.

OHC1252A AZ

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

SIGNATURE [Signature] TITLE Agent for Patina San Juan DATE 1/18/05
Type or print name Joe Mazotti E-mail address: jmazotti@eazy.net Telephone No. 720.352.0158

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 65 DATE JAN 20 2005
Conditions of approval, if any:

District I
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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 June 10, 2003
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 72319	³ Pool Name Mesa Verde / Point Lookout
⁴ Property Code	⁵ Property Name Tribal "C"		⁶ Well Number 10
⁷ OGRID No. 173252	⁸ Operator Name Palina San Juan, Inc.		⁹ Elevation 6883' GR

¹⁰ Surface Location

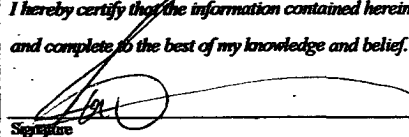
UL or lot no. J	Section 7	Township 26N	Range 3W	Lot Idn	Feet from the 1750	North/South line South	Feet from the 1450	East/West line East	County Rio Arriba
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. 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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¹² Dedicated Acres E/2, 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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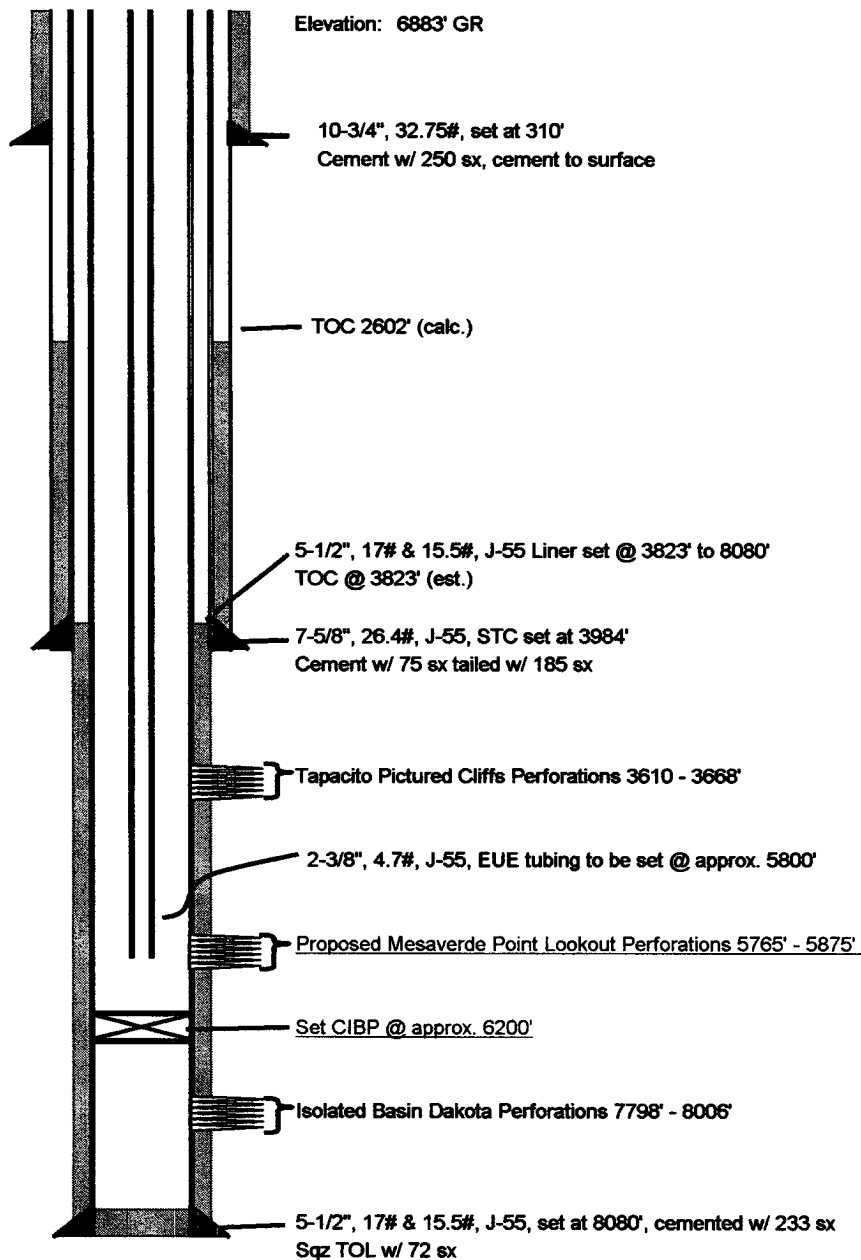
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶				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>  Signature Joe Mazotti Printed Name Agent for Palina San Juan jmazotti@eazy.net Title and E-mail Address January 18, 2005 Date
				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> n/a Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

PATINA

OIL & GAS CORPORATION

Tribal "C" #10 Proposed Comminlged Wellbore



Location: 1750'FSL, 1450'FEL,
Sec 7, T26N, R3W,
Rio Aribba 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

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	38	43%
	MV	50	57%
	Total	88	100%

O i l	Zone	Average BOPD	Percentage of total flow
	PC	0.01	7%
	MV	0.14	93%
	Total	0.15	100%

Recommended allocation for future downhole commingled production

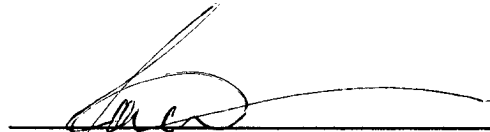
Zone	Gas	Oil
PC	43%	7%
MV	57%	93%
Total	100%	100%

Statement of Notification

Tribal "C" #10
Section 7, T26N – R3W
Rio Arriba County, New Mexico

No notification is required for this well; the interested parties in Tapacito Pictured Cliffs and Mesaverde Point Lookout pools are identical.

Note: Interest is in common in all three zones in this well (Picture Cliffs, Mesaverde and the isolated Dakota).

A handwritten signature in black ink, appearing to read 'Joe Mazotti', is written over a horizontal line.

Joe Mazotti
Agent for Patina San Juan

Statement of Commingling

Tribal "C" #10
Section 7, T26N – R3W
Rio Arriba County, New Mexico

The commingling of the Tapacito Pictured Cliffs and Mesaverde Point Lookout pools in this wellbore will not reduce the value of the remaining production. Commingling these pools should increase the value of the remaining reserves due to using the remaining reservoir energy in both zones to produce the well.

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