

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-045-32602
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 checked="" type="checkbox"/>
2. Name of Operator <b>Patina San Juan, Inc.</b>		6. State Oil & Gas Lease No.
3. Address of Operator 1625 Broadway, Suite 2000, Denver, CO 80202		7. Lease Name or Unit Agreement Name Alberding 3
4. Well Location Unit Letter <u>O</u> : 910 feet from the <u>South</u> line and 1980 feet from the <u>East</u> line Section 8 Township 31 North Range 13 West NMPM County San Juan		8. Well Number # 15
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5762' GR		9. OGRID Number 173252
		10. Pool name or Wildcat Basin Dakota / Blanco Mesa Verde

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 Basin Dakota (71599) and the Blanco Mesa Verde (72319) pools in this wellbore. The commingling of the pools are pre-approved per NMOCD Order #11563. The well will be initially completed in the two formations. Work will begin soon after approval.

See Attached Exhibits:

Wellbore Diagram, Allocation Method with supporting data, Statement of Commingle, interest owner notification and statement of commingle.

Please contact Gary Ohlman 303.389.3600 with any questions.

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 DATE 1/25/04

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. 04

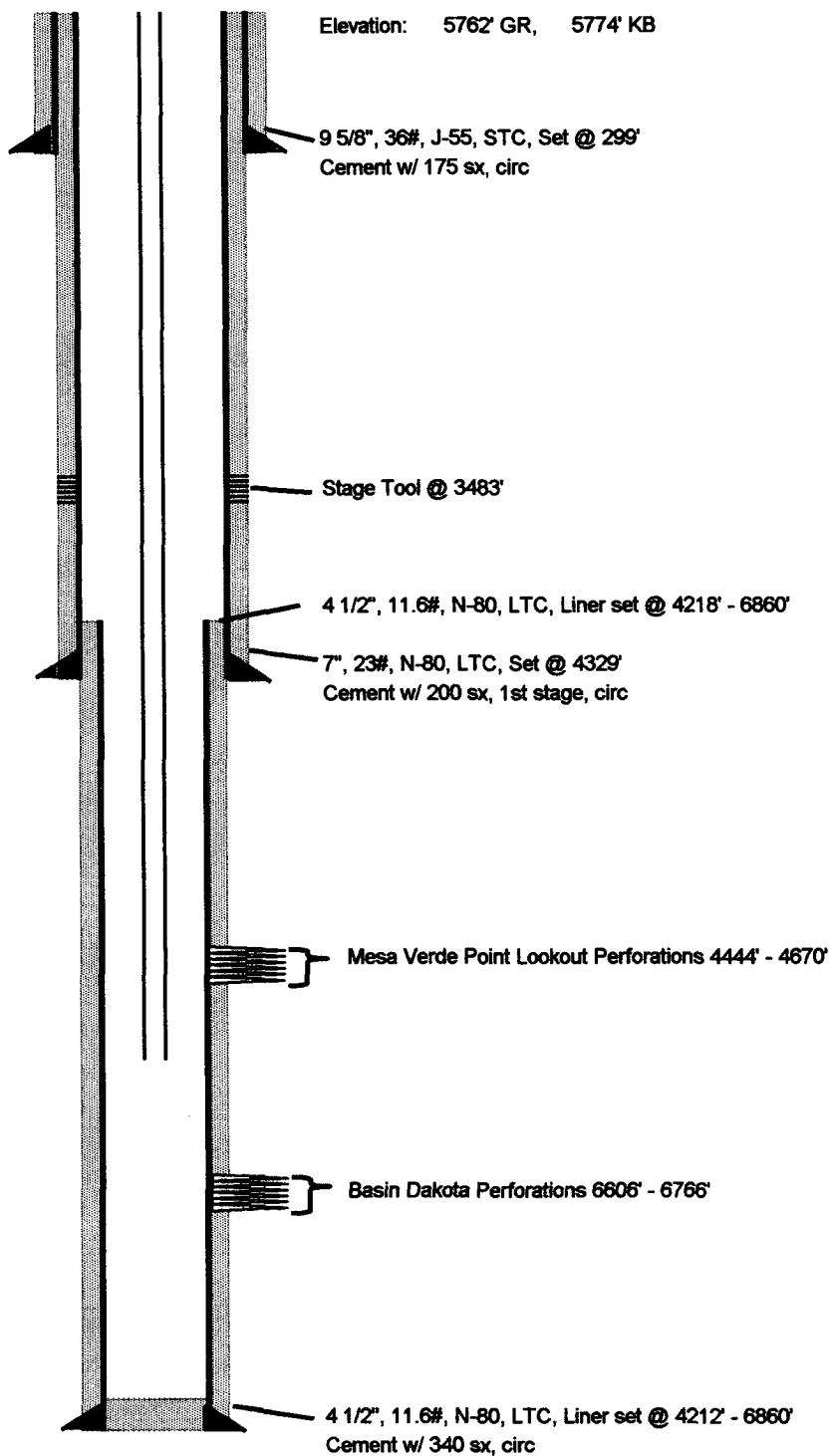
Conditions of approval, if any:

DATE JAN 27 2005

# PATINA

OIL & GAS CORPORATION

## Alberding 3 #15



Location: 910' FSL, 1980' FEL,  
Sec 3, T31N, R13W,  
San Juan County, NM

API #: 30-045-32602  
Field: Blanco Mesa Verde / Basin Dakota  
Zone: Blanco Mesa Verde: 4444' - 4670'  
Basin Dakota: 6606' - 6766'

TD: 6860'

Not to Scale

## Recommended Allocation for Commingle

**Well: Alberding #3-15**

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

G a s	Zone	Average MCFD	Percentage of total flow
	MV	44	59%
	DK	31	41%
	Total	75	100%

O i l	Zone	Average BOPD	Percentage of total flow
	MV	0.04	33%
	DK	0.08	67%
	Total	0.12	100%

Recommended allocation for future downhole commingled production

Zone	Gas	Oil
MV	59%	33%
DK	41%	67%
Total	100%	100%

## **Statement of Commingling**

Aberding 3 #15  
Section 3, T31N – R13W  
San Juan County, New Mexico

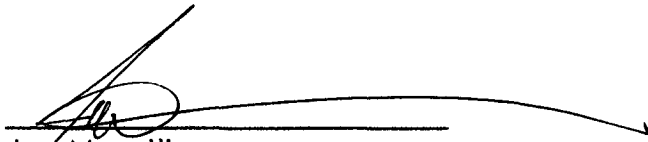
The commingling of the Basin Dakota and Mesa Verde Point Lookout pools in this wellbore will not reduce the value of the remaining production. Commingling these pools should increase the value of the remaining reserves due to using the remaining reservoir energy in both zones to produce the well.

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

## Statement of Notification

Aberding 3 #15  
Section 3, T31N – R13W  
San Juan County, New Mexico

The interested parties in the Basin Dakota and Mesa Verde Point Lookout pools affected by this commingle have been sent a copy of this application via certified mail, return receipt requested.



Joe Mazotti  
Regulatory Agent for Patina San Juan, Inc.