

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 ☐ Other

2. Name of Operator

Patina San Juan, Inc.

3a. Address

1625 Broadway, Suite 2000, Denver, CO 80202

3b. Phone No. (include area code)

303.389.3600

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

1980' FSL, 1980' FEL SE/4, Sec. 5, T26N - R3W

FORM APPROVED

OMB No. 1004-0135

Expires: November 30, 2000

5. Lease Serial No.

Jicarilla Contract # 97

6. If Indian, Allottee, or Tribe Name

Jicarilla

7. If Unit or CA Agreement Designation

n/a

8. Well Name and No.

Tribal "C" #5B

9. API Well No.

30-039-27661

10. Field and Pool, or Exploratory Area

Basin Dakota / Blanco Mesaverde

11. County or Parish, State

Rio Arriba County, New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Altering Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and abandon

☐ Plug back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-off

☐ Well Integrity

☒ Other Application

to Commingle

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 recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will be performed or provide the Bond No. on file with the 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 recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice 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, Inc. request approval to down-hole commingle the subject well. Patina plans to down-hole commingle the Basin Dakota (71599) and Blanco Mesaverde (72319) pools in this wellbore. The commingling of the pools are pre-approved per NMOC Order #11563. The two zones have been segregated since completion. Work will begin soon after approval.

See Attached Exhibits:

Wellbore Diagram, Allocation Method with supporting data, Statement of Commingle, Interest Owner Notification and Copy of WIO Letter.

RECEIVED
BLM
FEB -2 AM 10:30
ALBUQUERQUE, N.M.

DWC1679A2

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

Name (Printed/ Typed)

Joe Mazoffi

Signature

Title

Agent for Patina San Juan

Date

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ David R. Sitzler

Division of Multi-Resources

Date

10/26/01

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

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 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 reverse)

FEB 11 2005

OPERATOR

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

Form C-103
Revised June 10, 2003

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

WELL API NO. 30 - 039 - 27661
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Indian/Federal Jicarilla Contract #97
7. Lease Name or Unit Agreement Name Tribal "C"
8. Well Number # 5B
9. OGRID Number 173252
10. Pool name or Wildcat Basin Dakota / Blanco Mesaverde

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.)

1. Type of Well:
Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
Patina San Juan, Inc.

3. Address of Operator
1625 Broadway, Suite 2000, Denver, CO 80202

4. Well Location
Unit Letter K : 1980 feet from the South line and 1980 feet from the East line
Section 5 Township 26 North Range 3 West NMPM County Rio Arriba

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
7190' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: Down-hole Commingle; pre-approved pools <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

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 Mesaverde (72319) pools in this wellbore. The commingling of the pools is pre-approved per NMOCD Order #11563. The well will be initially completed in both the Dakota and Mesaverde formations. Work will begin soon after approval.

See Attached Exhibits:

Wellbore Diagram, Allocation Method with supporting data, Statement of Commingle, Interest Owner Notification and Copy of WIO Letter.

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

Please contact Gary Ohlman at 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 San Juan DATE 10/26/04

Type or print name Joe Mazotti E-mail address: jmazotti@easy.net Telephone No. 720.352.0158

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

Recommended Allocation for Commingle

Well: Tribal C #5B

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

G a s	Zone	Average MCFD	Percentage of total flow
	MV	48	53%
	DK	42	47%
	Total	90	100%

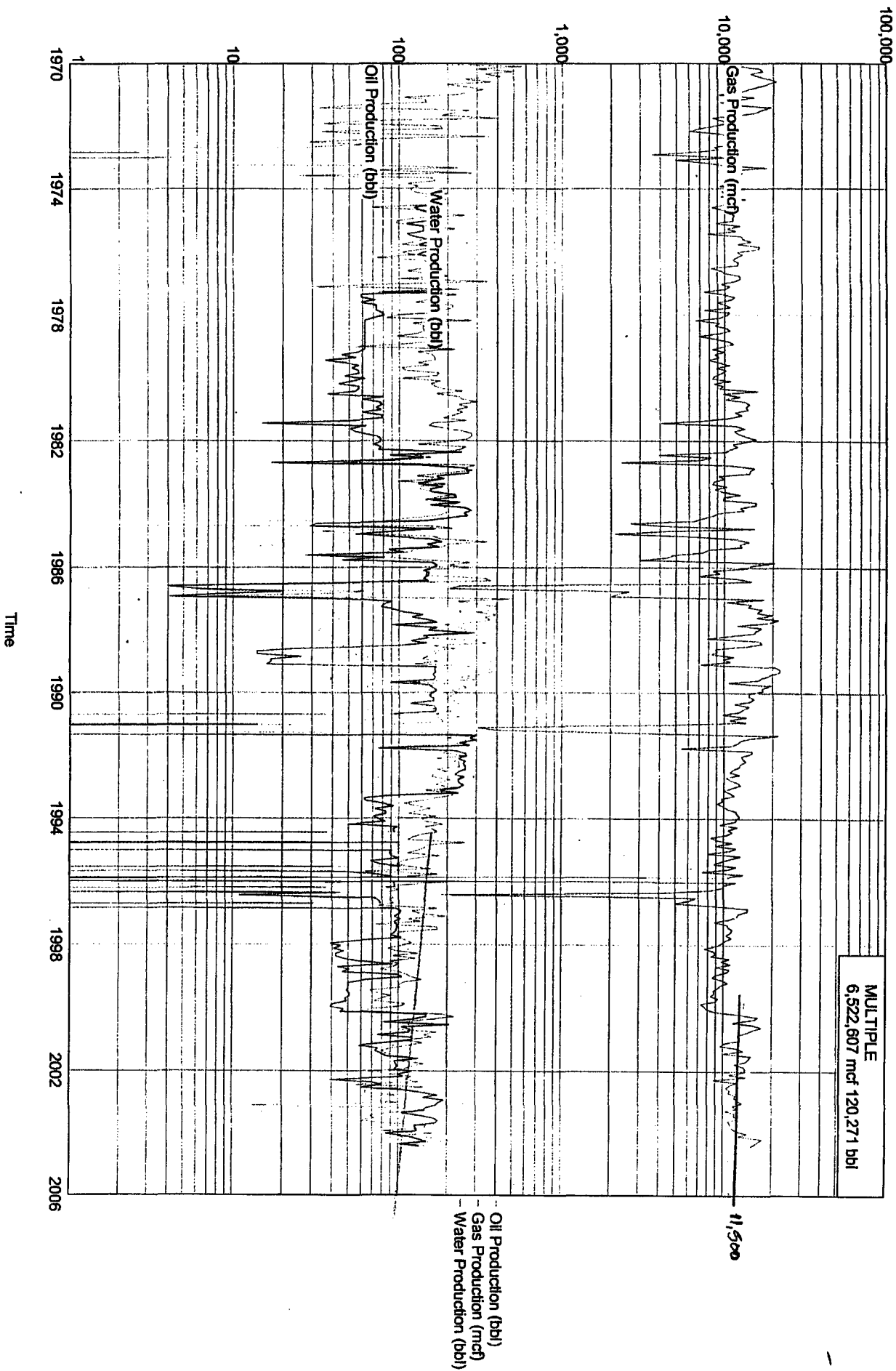
O i l	Zone	Average BOPD	Percentage of total flow
	MV	0.1	21%
	DK	0.37	79%
	Total	0.47	100%

Recommended allocation for future downhole commingled production

Zone	Gas	Oil
MV	53%	21%
DK	47%	79%
Total	100%	100%

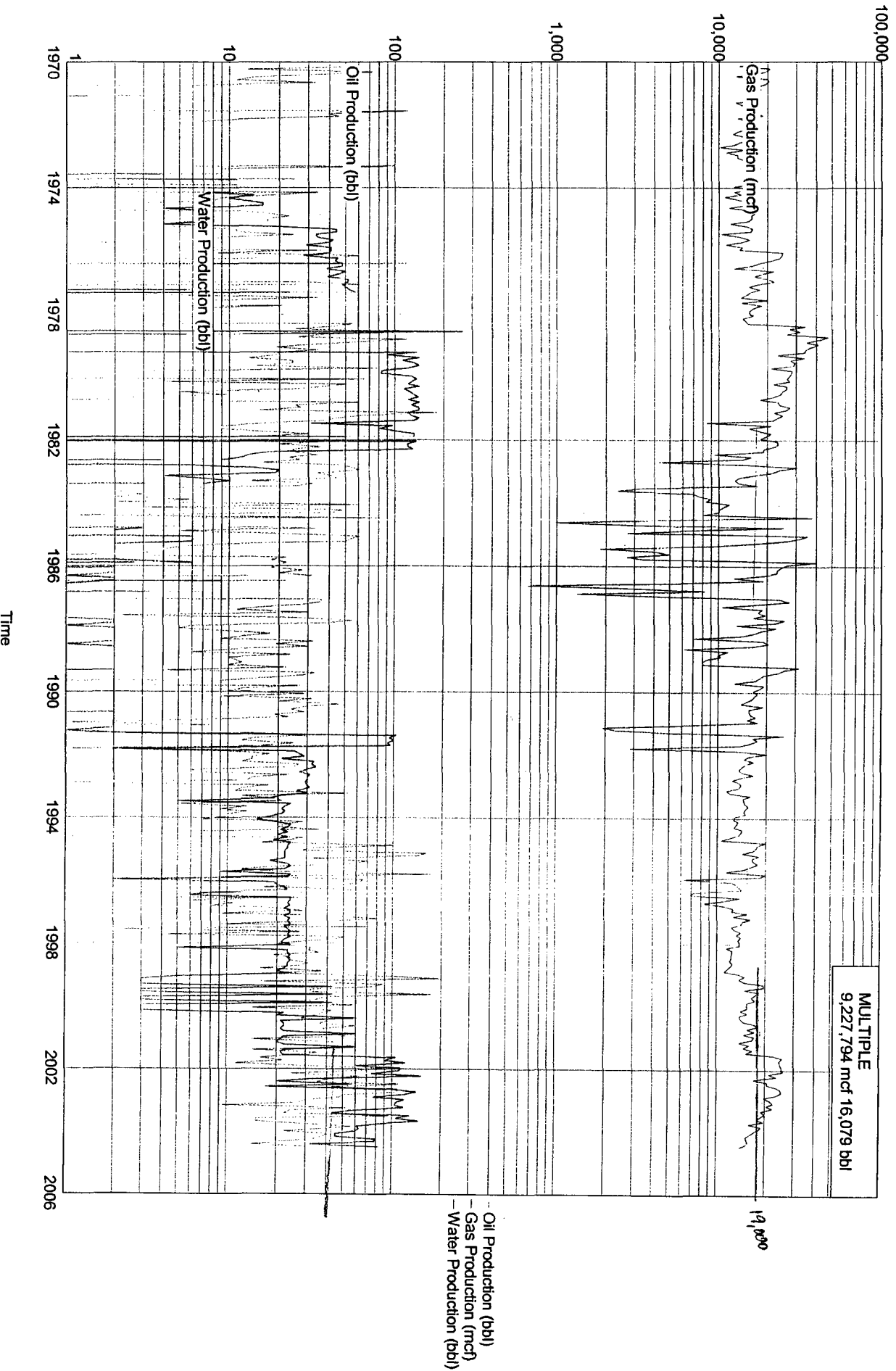
Lease Name: MULTIPLE
County, State: RIO ARBA, NM
Operator: MULTIPLE
Field: BASIN
Reservoir: DAKOTA
Location:

MULTIPLE DAKOTA



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

MULTIPLE MESAVERDE



Tribal "C" #5B
Section 5, T26N – R3W
Rio Arriba County, New Mexico

Data from surrounding active Dakota and Mesaverde Wells

Dakota Wells

9 active Dakota wells

Gas Production

Well average monthly rate = 11 500 mcf

Monthly rater per well = $11\,500/9 = 1278$ mcf

Daily rate per well = $1278/30.416 = 42$ mcfd

Oil Production

Well average monthly rate = 100 bopm

Monthly rater per well = $100/9 = 11.11$ bopm

Daily rate per well = $11.11/30.416 = 0.37$ bopd

Mesaverde Wells

13 active Mesavede wells

Gas Production

Well average monthly rate = 19000 mcf

Monthly rater per well = $19\,000/13 = 1462$ mcf

Daily rate per well = $1462/30.416 = 48$ mcfd

Oil Production

Well average monthly rate = 40 bopm

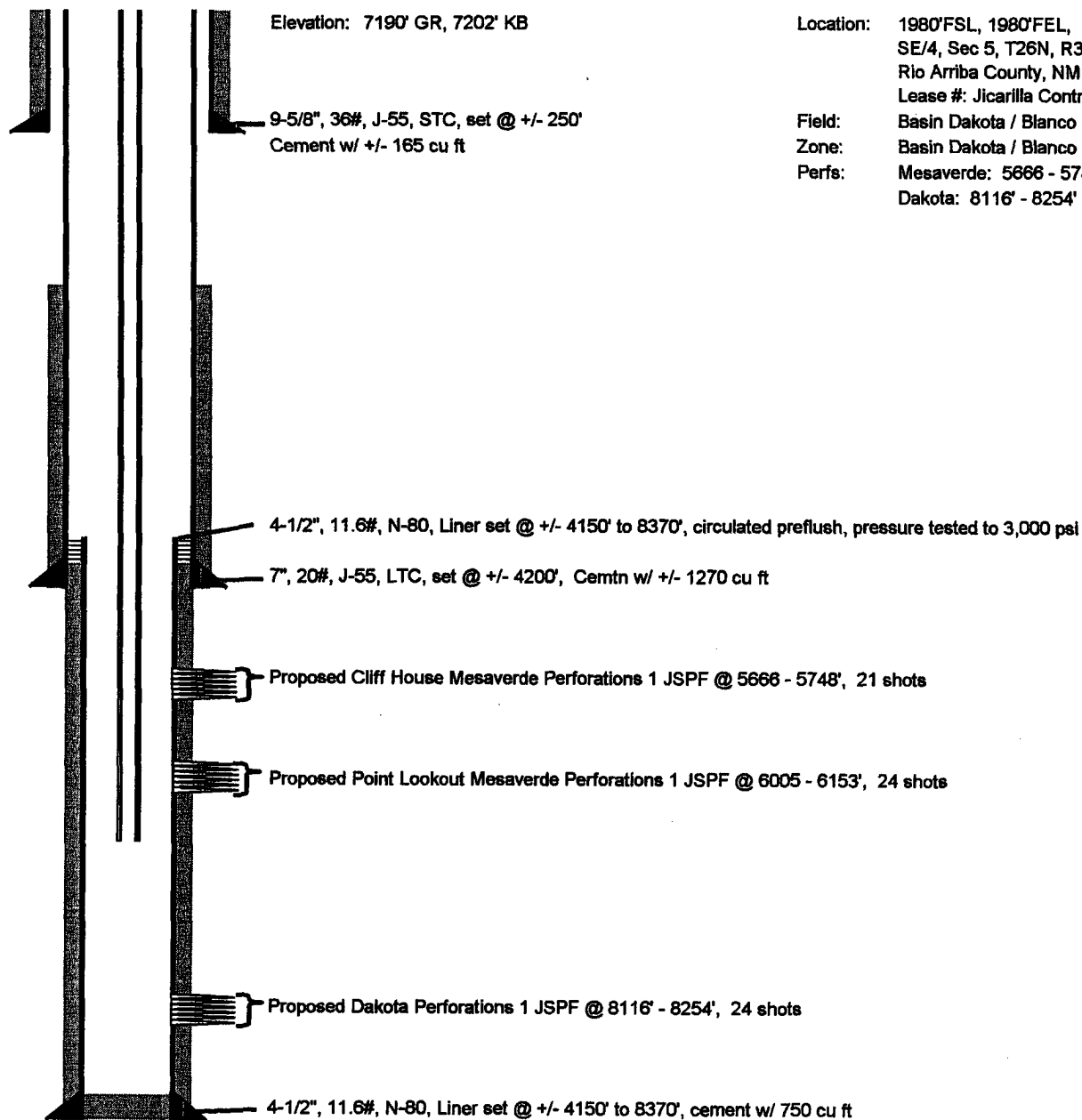
Monthly rater per well = $40/9 = 3.07$ bopm

Daily rate per well = $3.07/30.416 = 0.1$ bopd

PATINA

OIL & GAS CORPORATION

Tribal "C" # 5B Proposed Wellbore



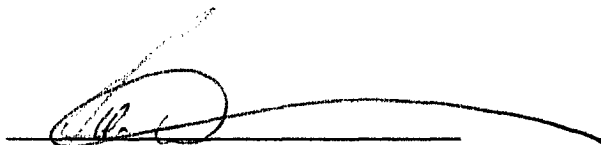
Location: 1980'FSL, 1980'FEL,
SE/4, Sec 5, T26N, R3W,
Rio Arriba County, NM
Lease #: Jicarilla Contract #97
Field: Basin Dakota / Blanco Mesaverde
Zone: Basin Dakota / Blanco Mesaverde
Perfs: Mesaverde: 5666 - 5748', 6005 -
Dakota: 8116' - 8254'

TD: +/- 8370'

Statement of Notification

Tribal "C" #5B
"K", Section 5, T26N – R5W
Rio Arriba County, New Mexico

The interested parties in the two 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.

Statement of Commingling

Tribal "C" #5B

"K", Section 5, T26N – R5W

Rio Arriba County, New Mexico

The commingling of the Blanco Mesaverde and Basin Dakota 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.

PATINA SAN JUAN, INC.

CERTIFIED MAIL No. P _____

October 25, 2004

WORKING INTEREST OWNERS

RE: Application to Down-Hole Commingle
Tribal "C" #5B
SE/4, Section 5, T26N – R3W
Rio Arriba County, New Mexico

To Whom It May Concern:

On October 25, 2004, Patina San Juan Inc. (Patina) submitted to the State of New Mexico, Energy, Minerals and Natural Resources Oil Conservation Division an application to down-hole commingle the subject well. Patina plans to down-hole commingle the Dakota and Mesaverde pools in this wellbore. These are pre-approved pools per NMOCD Order #11563. The well will be initially completed in both the Dakota and Mesaverde.

Enclosed is a complete copy of the application. Any objections must be submitted in writing to the State of New Mexico, Energy, Minerals and Natural Resources Oil Conservation Division, Aztec, NM within twenty (20) days of receipt of this letter.

Please contact Gary Olhman at 303.389.3600 with any questions or concerns.

Sincerely,

Joe Mazotti
Agent for Patina San Juan

Enclosure