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
May 27, 2004

WELL API NO.
30-045-32335

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

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

7. Lease Name or Unit Agreement Name
MONTOYA

8. Well Number
#1R

2. Name of Operator
PATINA SAN JUAN, INC

9. OGRID Number 173252

3. Address of Operator
5802 U.S. HIGHWAY 64 FARMINGTON, NEW MEXICO 87401

10. Pool name or Wildcat
BLANCO MESA VERDE

4. Well Location
Unit Letter B : 660 feet from the NORTH line and 1995 feet from the EAST line
Section 35 Township 32N Range 13W NMPM SAN JUAN County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
5881' GL

Pit or Below-grade Tank Application x☒ or Closure ☐

Pit type Drilling Depth to Groundwater >200' Distance from nearest fresh water well >1000' Distance from nearest surface water 1000'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume bbls; Construction Material SYNTHETIC

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☒	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
OTHER: MOVE DRILLING LOCATION			☒	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.

PROPOSED MOVE OF DRILLING LOCATION

FROM: 1000' FNL and 1995" FEL

TO: 660' FNL and 1995' FEL

Lot "B" Sec 35 – T32N – R13W SAN JUAN COUNTY, NM

SEE ATTACHED CROSS SECTION AND DRILLING PAD/PIT DIAGRAM

PATINA WILL ONLY COMPLETE THE BLANCO MESA VERDE FORMATION. THE NEW PROPOSED DRILLING PLAN FOR CHANGE IN CASING AND CEMENTING PROGRAM IS ATTACHED

I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.**

SIGNATURE _____ TITLE Regulatory/Production Technician DATE 03/01/05

Type or print name
For State Use Only

E-mail address:

Telephone No.

APPROVED BY: _____ TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE MAR - 2 2005

Conditions of Approval (if any):

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
	72319 / 71599	BLANCO MESAVERDE / BASIN DAKOTA

[4] Property Code	[5] Property Name	[6] Well Number
	MONTOYA	1R

[7] OGRID No.	[8] Operator Name	[9] Elevation
173252	PATINA SAN JUAN, INC.	5881'

[10] Surface Location

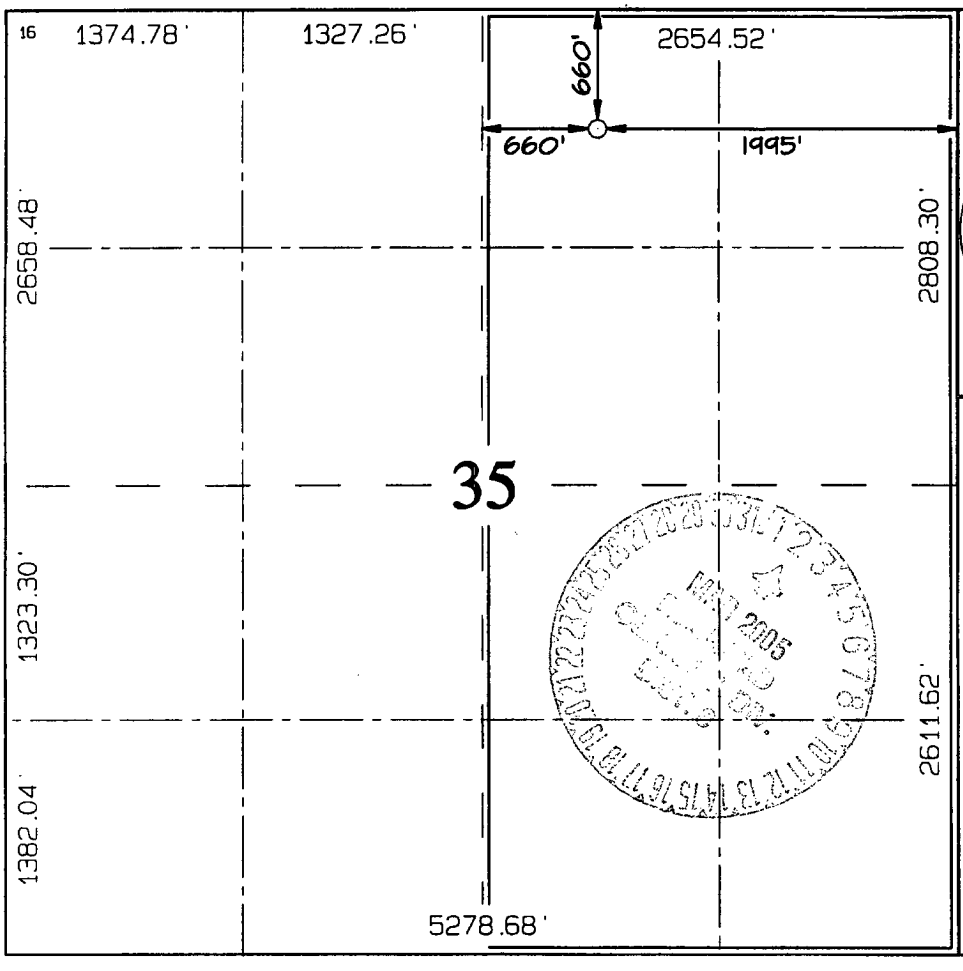
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	35	32N	13W		660	NORTH	1995	EAST	SAN JUAN

[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	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
320.0 Acres - (E/2)			

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



[17] OPERATOR CERTIFICATION

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

Signature: J. Muse

Printed Name: Jean M. Muse

Title: Regulatory/Engrg Tech

Date: 3/04/05

[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.

Survey Date: FEBRUARY 4, 2005

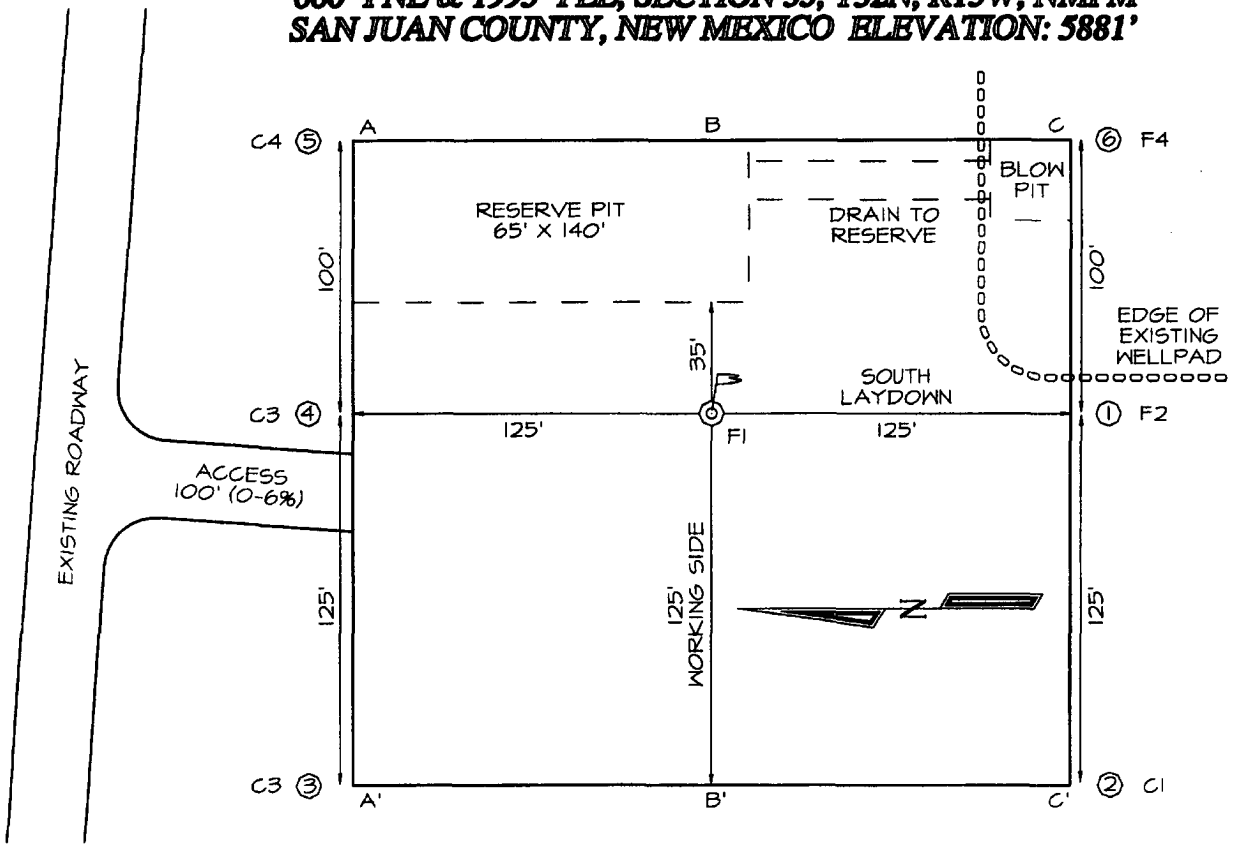
Signature and Seal of Professional Surveyor

JASON C. EDWARDS
NEW MEXICO
15269
REGISTERED PROFESSIONAL SURVEYOR

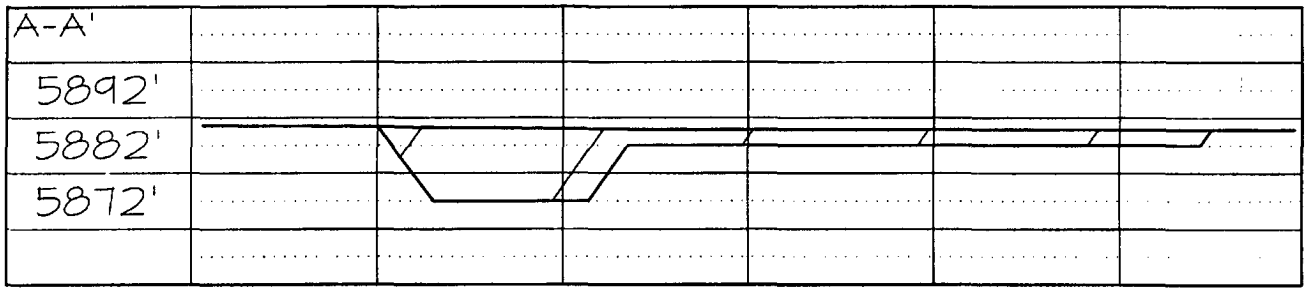
JASON C. EDWARDS

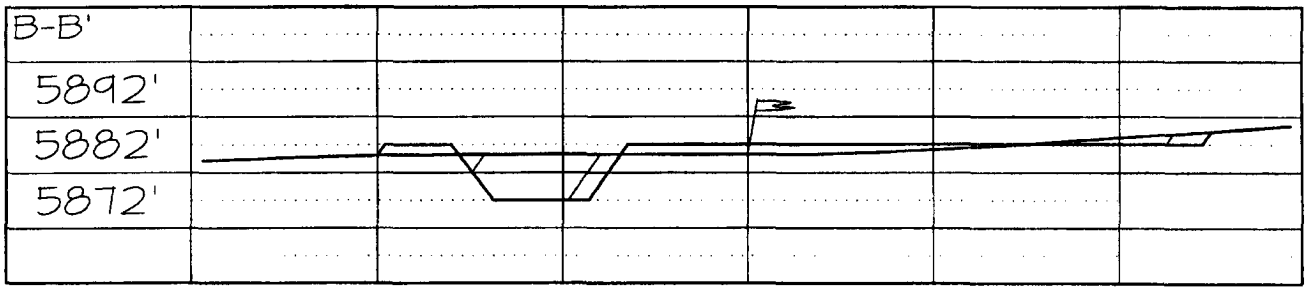
Certificate Number 15269

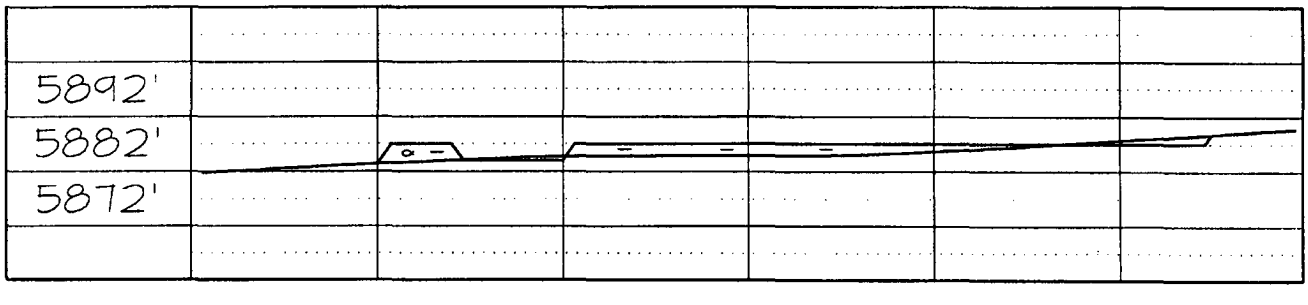
PATINA SAN JUAN, INC. MONTOYA #1R
660' FNL & 1995' FEL, SECTION 35, T32N, R13W, NMPM
SAN JUAN COUNTY, NEW MEXICO ELEVATION: 5881'



LATITUDE: 36°56'56"
LONGITUDE: 108°10'11"
DATUM: NAD1927







FILENAME: 321335T2	SHEET 2 OF 3	NCE SURVEYS, INC.	DRAWN BY: EDO	CHECKED BY: JCE

Montoya #1R
General Drilling Plan
Patina San Juan, Inc.
San Juan County, New Mexico

1. LOCATION:

NWNE of Section 35, T32N, R13W
San Juan, New Mexico

Field: Blanco MV
Surface: Fee
Minerals: Fee

2. SURFACE FORMATION, ESTIMATED TOPS AND WATER, OIL, GAS OR MINERAL BEARING FORMATIONS (TVD):

Surface formation – Nacimiento

Formation	***Estimated Formation Top (Ft)***
Ojo Alamo	1292
Fruitland	1592
Pictured Cliffs	2178
Cliff House**	3710
Menefee**	3998
Point Lookout***	4564
TD	4894

Legend:
* Freshwater bearing formation
** Possible hydrocarbon bearing formation
*** Probable hydrocarbon bearing formation
# Possible H2S bearing formation

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected.

3. PRESSURE CONTROL EQUIPMENT:

BOP equipment will be tested to its rated working pressure or 70-percent of the internal yield of the surface casing, but not to exceed 1,000 psi. See attachments for BOP and choke manifold diagrams.

Production Hole BOP Requirements and Test Plan

11" – 2,000 psi single ram (blind)
11" – 2,000 psi single ram (pipe)

Test as follows:

a) Pipe rams:	1,000 psi (High)	250 psi (low)
b) Choke manifold and lines:	1,000 psi (High)	250 psi (low)

All ram type preventers and related equipment will be hydraulically tested at nipple-up. They will also be retested in either of the following events:

- A pressure seal is broken.
- 30 days have elapsed since the last successful test of the equipment.

Furthermore, BOP's will be checked daily as to mechanical operating condition. All ram type preventers will have hand wheels, which will be operative and accessible at the time the preventers are installed. See attached Exhibit for details on the BOP equipment.

AUXILIARY EQUIPMENT:

a) Manually operated kelly cock (upper and lower)
b) Full opening manually operated safety valves in the full open position, capable of fitting all drill stem connections.

4. CASING DESIGN:

Hole Data				
Interval	**Bit Size (Inches)**	**Casing Size (Inches)**	**Top (Ft)**	**Bottom (Ft)**
Surface	12.25	9.625	0	275
Production	7.875	4.5	0	4900

Casing Data							
OD (Inches)	**ID (Inches)**	**Weight (Lbs/Ft)**	**Grade**	**Thread**	**Collapse (psi)**	**Burst (psi)**	**Min. Tensile (Lbs)**
9.625	8.921	36.0	J55	STC	2,020	3,520	394,000
4.5	4.276	11.6	N80	LTC	6,350	7,780	223,000

MINIMUM CASING DESIGN FACTORS:

COLLAPSE: 1.125
BURST: 1.00
TENSION: 1.80

Area Fracture Gradient Range: 0.5 psi/foot
Maximum anticipated reservoir pressure: 1,250 psi
Maximum anticipated mud weight: 9.0 ppg
Maximum surface treating pressure: 3,800 psi

Float Equipment:

Surface Casing: Guide shoe on bottom and minimum of one centralizer on each of the bottom 3 joints (minimum of 3 total).

Production Casing: 4 1/2" whirler type cement nosed guide shoe and a float collar on top of bottom joint with a minimum of six (6) centralizers over potential hydrocarbon bearing zones.

CEMENTING PROGRAMS:

9-5/8" Surface casing:
165 sx of Type B cement with 3% $CaCl_2$, plus ¼#/sx cellofakes. 100% excess to circulate cement to surface. WOC 12 hrs. Pressure test surface casing to 1000 psi for 30 minutes.

Slurry weight: 15.6 ppg
Slurry yield: 1.21 ft^3/sack

Volume basis:	40' of 9-5/8" shoe joint	17 cu ft
	275' of 12-1/4" x 9-5/8" annulus	86 cu ft
	100% excess (annulus)	86 cu ft
	Total	189 cu ft

Note:
1. Design top of cement is the surface.
2. Have available 100 sx Type III cement with 2% $CaCL_2$ for top out purposes.

4.5" Production Casing:

1st Stage:
Lead: 175 sx of Type III cement w/additives
Slurry weight: 12.0 ppg
Slurry yield: 2.55 ft^3/sack

Tail: 190 sx of Type III cement w/additives
Slurry weight: 13.0 ppg
Slurry yield: 2.00 ft^3/sack

Note:
1. Design top of stage one cement is ±3000'

2nd Stage: (Stage tool at ±3000'):
Lead: 270 sx of Type III w/additives
Slurry weight: 11.5 ppg
Slurry yield: 2.96 ft^3/sack

Tail: 175 sx of Type III w/additives
Slurry weight: 12.0 ppg
Slurry yield: 2.55 ft^3/sack

Note:
1. Design top of stage two cement is surface.
2. Actual cement volumes to be based on caliper log plus 30% if open hole logs are run.