



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401



IN REPLY REFER TO:
SF-078464 (WC)
3162.3-2 (21110)

30-045-24321

APR - 8 2005

CERTIFIED--RETURN RECEIPT REQUESTED
7160 3901 9842 1254 1890

Ms. Kay Eckstein
Patina Oil & Gas Corporation
5802 Highway 64
Farmington, NM 87401



Dear Ms. Eckstein:

Reference is made to the following well on Federal oil and gas lease SF-078464:

**No. 1E Cain, located 1450' FSL and 1105' FEL, Sec. 25, T. 31 N., R.13 W.,
San Juan County, New Mexico.**

We received your Completion Report for the Blanco Mesa Verde formation on March 2, 2005, which indicated that the Mesa Verde was completed on March 1, 2005. This office has no record of prior approval, written or verbal, being given to conduct this operation. We received your after-the-fact Sundry Notice of Intent to recomple the well in the Blanco Mesa Verde interval on March 11, 2005.

In view of the foregoing, you are in violation of 43 CFR 3162.3-2, Subsequent Well Operations, which requires prior approval before commencing to recomple in a different interval. Patina has had violations of this sort in the past. In addition, you are also subject to a \$250 assessment pursuant to 43 CFR 3163.1-6(b)(3), for failure to obtain approval of a plan to recomple into a different interval prior to commencement of such operations. You will be billed for the amount of \$250 by this office.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review, before the State Director either with or without oral presentation, of the assessment described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice with the State Director, Bureau of Land Management (NM-92000), P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the orders unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions regarding the above contact Matt Halbert at (505) 599-6350 or Jim Lovato at (505) 599-6367.

Sincerely,

~~/s/ David J. Mankiewicz~~

David J. Mankiewicz
Assistant Field Manager
Division of Minerals

2 Enclosures

- 1 - Completion Report
- 2 - Sundry Notice

cc:

NMOCD (Aztec, NM) (All Enclosures)