

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

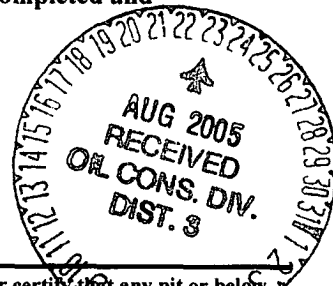
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-039-29259
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" 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.
3. Address of Operator 5802 US HIGHWAY 64, FARMINGTON, NM 87401		7. Lease Name or Unit Agreement Name McINTYRE
4. Well Location Unit Letter E 1350 feet from the NORTH line and 660 feet from the WEST line Section 11 Township 26N Range 4W NMPM RIO ARRIBA County		8. Well Number #1C
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7079'GR		9. OGRID Number 17352
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat BASIN DK/BLANCO MV
Pit type <u>reserve</u> Depth to Groundwater <u>>100'</u> Distance from nearest fresh water well <u>>1000'</u> Distance from nearest surface water <u>>1000'</u> Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume <u> </u> bbls; Construction Material <u>reinforced polyethylene plastic</u>		

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"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: PIT PERMIT APPLICATION <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. proposes the downhole commingle of the Basin Dakota (pool #71599) and Blanco Mesa Verde (pool #72319) in this wellbore. Both of these pools are pre-approved under NMOCD Order #11563. This well will be completed and commingled upon approval from the NMOCD in September, 2005.



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 [Signature] TITLE Regulatory/Engineering Technician DATE 08/05/2005

Type or print name [Signature] E-mail address: Telephone No.
For State Use Only

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 4 DATE AUG 23 2005
Conditions of Approval (if any):

Statement of Notification- BLM

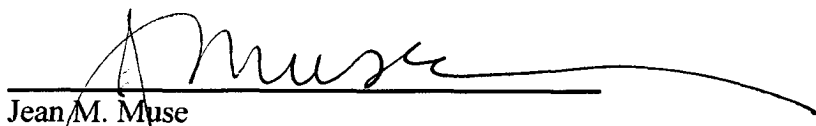
Hoyt #2B
API 30-039-27782
UL "N" Sec 5, T26N – R4W
Rio Arriba County, New Mexico

Jenney#1C
API 30-039-29257
UL "J" Sec 13, T26N – R4W
Rio Arriba County, New Mexico

McIntyre #1C
API 30-039-29259
UL "C" Sec 11, T26N – R4W
Rio Arriba County, New Mexico

The following operators in the area have been sent copies of the commingling application form C-107A for each of these wells.

Energen
Conoco Phillips
Burlington
XTO
BP Amoco
Williams Production



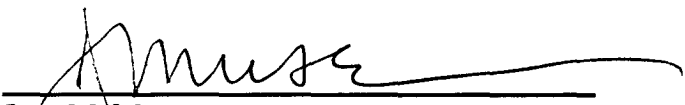
Jean M. Muse
Regulatory Engineering Technician
Patina San Juan, Inc.

Statement of Commingling

McIntyre #1C
API 30-039-29259
UL "C" Sec 11, T26N – R4W
Rio Arriba County, New Mexico

The commingling of the Basin Dakota and Blanco Mesa Verde 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 wells.

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



Jean M. Muse
Regulatory/Engineering Technician
Patina San Juan, Inc.


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The Bureau of Land Management has been sent copies of the commingling application form C-107A for each of these wells.



Jean M. Muse
Regulatory/Engineering Technician
Patina San Juan, Inc.

Recommended Allocation for Commingle

Well: McIntyre #1C

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

G a s	Zone	Average MCFD	Percentage of total flow
	MV	61	48%
	DK	66	52%
	Total	127	100%

O i l	Zone	Average BOPD	Percentage of total flow
	MV	0.21	27%
	DK	0.58	73%
	Total	0.79	100%

Recommended allocation for future downhole commingled production

Zone	Gas	Oil
MV	48%	27%
DK	52%	73%
Total	100%	100%