



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

February 24, 2006

**Mark E. Fesmire, P.E.**

Director

Oil Conservation Division

Patina San Juan, Inc.  
c/o J. Scott Hall  
Miller & Stratvert, P. A.  
P. O. Box 1986  
Santa Fe, New Mexico 87401



*Re: Administrative application (Division reference No. **PTDS0-602638001**) filed with the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on January 24, 2005, for exceptions to the special well location provisions governing both the Basin-Fruitland Coal (Gas) Pool (71629) and the Basin-Dakota Pool (71599) for Patina San Juan, Inc.'s ("Patina") proposed Valance "33" Well No. 2 (API No. 30-045-32689) to be drilled at an unorthodox gas well location 320 feet from the North line and 2145 feet from the East line (Unit B) of Section 33, Township 31 North, Range 13 West, NMPM, San Juan County, New Mexico, within the E/2 of Section, being a standard 320-acre stand-up gas spacing unit for both pools.*

Dear Mr. Hall:

30-045-32689

On Wednesday, February 22, 2006 the Division received a protest to the drilling of Patina's well, see copy attached. Even though the 20-day objection period for your application [see Division Rule 104.F (4)] has lapsed and the protesting party was not noticed under Division Rule 1210.A (2) (a), I will not precede in the processing of this application under the Division's administrative procedures (see Division Rule 104.F). Therefore, pursuant to Division Rule 104.F (5) this application will be set for hearing before a duly appointed Division Hearing Examiner on the next available docket scheduled for March 30, 2006. In order to expatiate this matter for all parties concerned I have prepared the following advertisement:

**"Application of Patina San Juan, Inc. for an unorthodox gas well location, San Juan County, New Mexico.** Applicant seeks exceptions to the well location requirements provided within both the: (i) *"Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool,"* set forth in Division Order No. R-8768, as amended; and (ii) *"Special Rules for the Basin-Dakota Pool,"* as promulgated by Division Order No. R-10987-B, issued in Case No. 12290 and dated June 30, 2000, as amended by Division Orders No. R-10987-B (1), dated August 10, 2000, and R-10987-B (2), dated January 29, 2002. Applicant proposes to drill its Valance "33" Well No. 2 (API No. 30-045-32689) at an unorthodox gas well location in both the Basin-Fruitland Coal (Gas) Pool (71629) and Basin-Dakota (71599) Pool 320 feet from the North line and 2145 feet from the East line (Unit B) of Section 33, Township 31 North, Range 13 West, which is located approximately nine miles north of Farmington, New Mexico. Gas production from the deeper Basin-Dakota Pool is to be included within an existing standard 320-acre stand-up gas spacing and proration unit comprising the E/2 of Section 33, which is currently dedicated to Applicant's: (i) Kaufman Well No. 1 (API No. 30-045-10174), located at a standard gas well location 1450 feet from the North line and 790 feet from the East line (Unit H) of Section 33; and (ii) Kaufman Well No. 1-E (API No. 30-045-25972), located at a standard infill gas well location 857 feet from the South line and 1827 feet from the East line (Unit O) of Section 33. The proposed Valance "33" Well No. 2 will be the initial Fruitland coal gas well within this same 320-acre stand-up gas spacing unit".

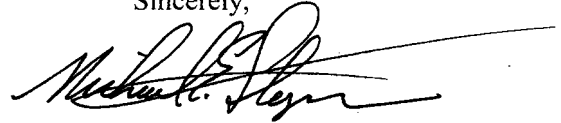
**Patina San Juan, Inc.**  
**Administrative Application Reference No. pTDS0-602638001**

**February 24, 2005**

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Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal flourish extending to the right.

Michael E. Stogner  
Engineering Assistant to the Director

cc: New Mexico Oil Conservation Division - Aztec  
Patrick J. Cunningham, Attorney In Fact for Richard J. and Darla L. Bramwell - Aztec, NM

State of New Mexico  
Oil and Gas Conservation Div  
PO Box 2088

Santa Fe, New Mexico 87504 2006 FEB 22 PM 1 20

February 20, 2006

SENT VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

To whom it may concern;

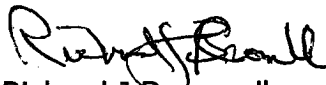
We are the owners of record of a 14.73 parcel of land located in the NW/4 of the NE/4 of Sec 33, T31N, R13W in San Juan County New Mexico.

We have been contacted by Patina San Juan, Inc., and advised that they intend to drill a well proposed to be known as Valance 33-2, API#30-045-32689.


We have checked with the OCD office in Aztec and found an application and approval for a drilling permit showing the proposed drilling site to be outside of the authorized drilling area and inside the setback/buffer zone, see enclosed map.

We protest the drilling of the proposed well at this site as it is in our alfalfa field and we have entered into a real estate sales contract to sell the subject property. We believe any drilling activity will cause the sale to fail and we will suffer financial loss.

There are numerous drilling sites in the authorized zone and we request that the OCD rescind the drilling application API#30-045-32689.

  
Richard J Bramwell

  
Darla L Bramwell

  
Patrick J Cunningham, their attorney in fact.  
10 CR 3136, Aztec, New Mexico 87410 Tel 505-320-8136

Cc: Patina San Juan, Inc.  
Cc: OCD-Aztec

SENT VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

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