

6/30/06 DATE IN	SUSPENSE	WILL JONES ENGINEER	LOGGED IN 7/3/06	TYPE DHC	APP NO. PTDS0618439260
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ABOVE THIS LINE FOR DIVISION USE ONLY

3739

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
  - Check One Only for [B] or [C]
  - [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
  - [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
  - [D] Other: Specify \_\_\_\_\_
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A]  Working, Royalty or Overriding Royalty Interest Owners
  - [B]  Offset Operators, Leaseholders or Surface Owner
  - [C]  Application is One Which Requires Published Legal Notice
  - [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
  - [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
  - [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note:** Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name	Signature	Title	Date
_____			
e-mail Address			

District I  
425 N. French Drive, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

District II  
1301 W. Grand Avenue, Artesia, NM 88210

Oil Conservation Division

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE

District III  
1000 Rio Brazos Road, Aztec, NM 87410

Single Well

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

Establish Pre-Approved Pools

EXISTING WELLBORE

Yes  No

APPLICATION FOR DOWNHOLE COMMINGLING

DHC-3739

PATINA SAN JUAN, INC.

5802 U.S. HIGHWAY 64 FARMINGTON, NM 87401

Operator

Address

TRIBAL

C #10

J Sec 7 - T26N - R3W

RIO ARRIBBA

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 173252 Property Code \_\_\_\_\_ API No. 30-039-06538 Lease Type: Federal XXX State Fee \_\_\_\_\_

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	TAPACITOS PICTURED CLIFFS	BLANCO MESA VERDE	BASIN DAKOTA
Pool Code	85920	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3610' - 3668'	5766' - 5892'	7798' - 8006'
Method of Production (Flowing or Artificial Lift)	FLOWING	FLOWING	FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1200 btu	1200 btu	1200 btu
Producing, Shut-In or New Zone	Producing	Producing	Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Production estimates from various off-set wells in proximity to well.	Production estimates from various off-set wells in proximity to well.	Production estimates from various off-set wells in proximity to well.
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 59 % Gas 31 %	Oil 7 % Gas 27 %	Oil 34 % Gas 42 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No   
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? N/A Yes  No

Are all produced fluids from all commingled zones compatible with each other? Yes  No

Will commingling decrease the value of production? Yes  No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes  No

NMOC Reference Case No. applicable to this well: \_\_\_\_\_

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history; estimated production rates and supporting data.
- Data to support allocation method or formula
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE J. Muse TITLE REGULATORY COMPLIANCE DATE 05/19/06  
TYPE OR PRINT NAME JEAN M. MUSE TELEPHONE NO. ( 505 ) 632-8056

E-MAIL ADDRESS jmuse@nobleenergyinc.com



NUMBER OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
PRODUCTION OFFICE	
OPERATOR	

**NEW MEXICO OIL CONSERVATION COMMISSION**  
**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

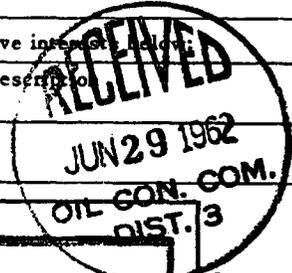
FORM C-128  
 Revised 5/1/57

**SECTION A**

Operator <b>CONSOLIDATED OIL AND GAS, INC.</b>		Lease <b>TRIBAL "C"</b>		Well No. <b>10</b>
Unit Letter <b>J</b>	Section <b>7</b>	Township <b>26 NORTH</b>	Range <b>3 WEST</b>	County <b>BIO ARriba</b>
Actual Footage Location of Well: <b>1750</b> feet from the <b>SOUTH</b> line and <b>1450</b> feet from the <b>EAST</b> line				
Ground Level Elev. <b>6894.0</b>	Producing Formation <b>Dakota</b>	Pool <b>Basin</b>	Dedicated Acreage: <b>320</b> Acres	

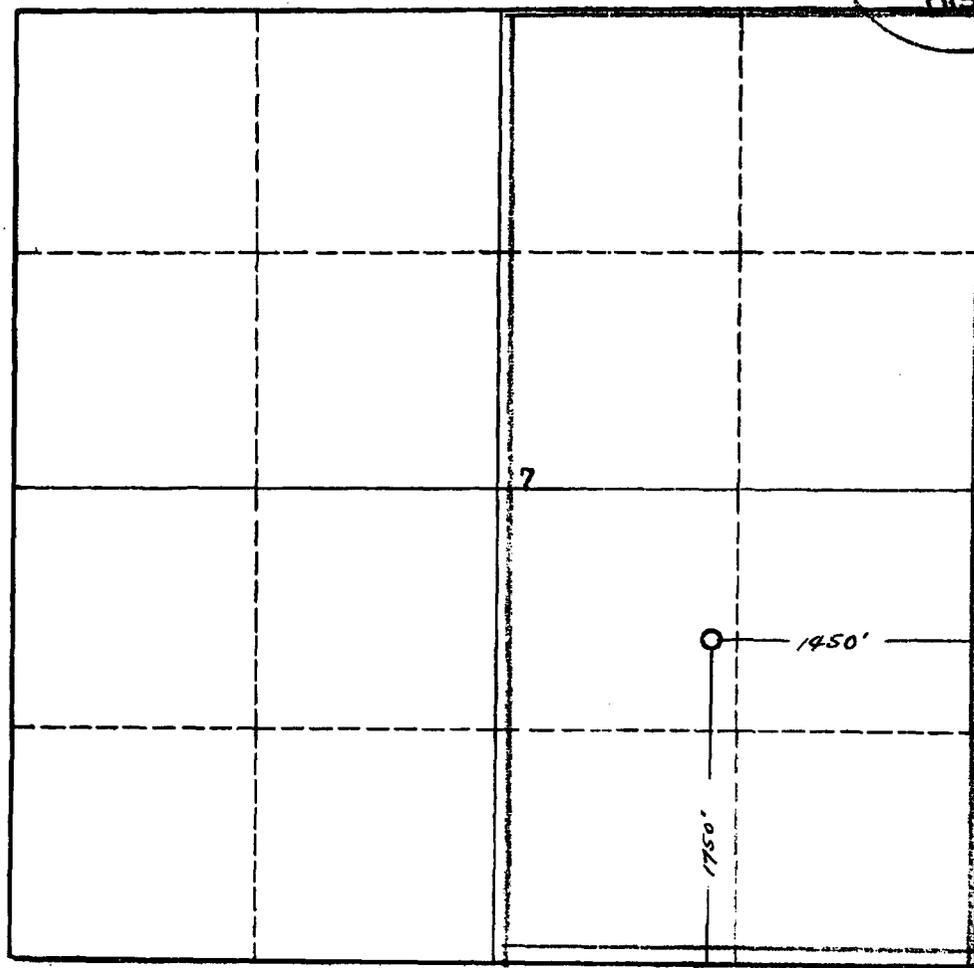
1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES  NO  . ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES  NO  . If answer is "yes," Type of Consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description



**RECEIVED**  
 JUN 28 1962  
 U. S. GEOLOGICAL SURVEY  
 CERTIFICATION NEW MEXICO

**SECTION B**

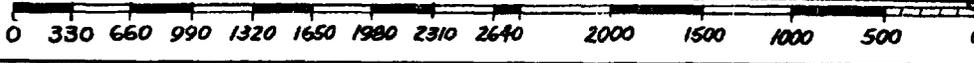


I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Name \_\_\_\_\_  
 Position \_\_\_\_\_  
**Chief Engineer**  
 Company \_\_\_\_\_  
**Consolidated Oil & Gas, Inc.**  
 Date \_\_\_\_\_  
**June 27, 1962**

I hereby certify that the well location shown on the plat in SECTION B 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 knowledge and belief.

Date Surveyed  
**5 March 1962**  
 Registered Professional Engineer  
 and/or Land Surveyor  
 \_\_\_\_\_  
**James P. Leese**  
 Certificate No. \_\_\_\_\_  
**1463**  
 San Juan Engineering Company



## Recommended Allocation for Commingle

**Well: Tribal C #10-7**

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

<b>G a s</b>	<b>Zone</b>	<b>Average MCFD</b>	<b>Percentage of total flow</b>
	PC	44	31%
	MV	39	27%
	DK	60	42%
	Total	143	100%

<b>O i l</b>	<b>Zone</b>	<b>Average BOPD</b>	<b>Percentage of total flow</b>
	PC	0.6	59%
	MV	0.07	7%
	DK	0.35	34%
	Total	1.02	100%

Recommended allocation for future downhole commingled production

<b>Zone</b>	<b>Gas</b>	<b>Oil</b>
PC	31%	59%
MV	27%	7%
DK	42%	34%
Total	100%	100%

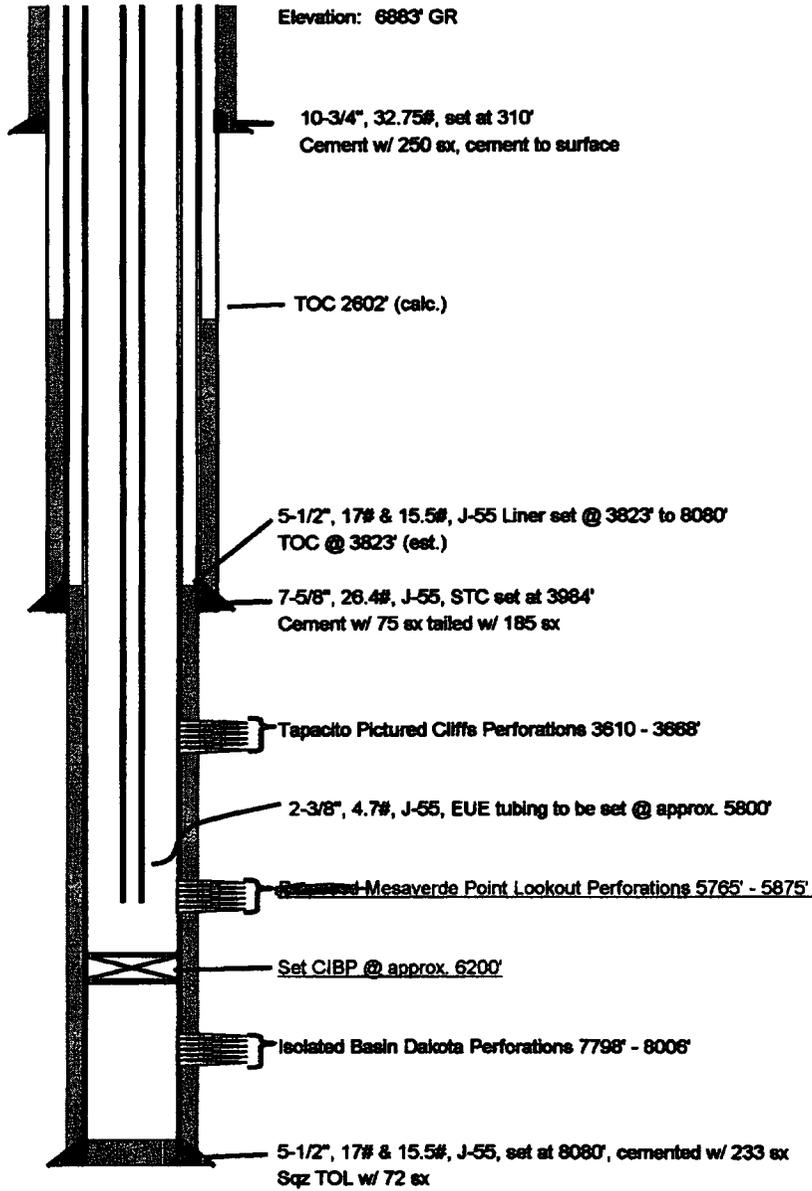
# PATINA

OIL & GAS CORPORATION

## Tribal "C" #10 Proposed Comminiged Wellbore

Location: 1750'FSL, 1450'FEL,  
Sec 7, T26N, R3W,  
Rio Aribba County, NM

Field: Pictured Cliffs / Mesaverde  
Zone: Tapacito Pictured Cliffs /  
Mesaverde Point Lookout

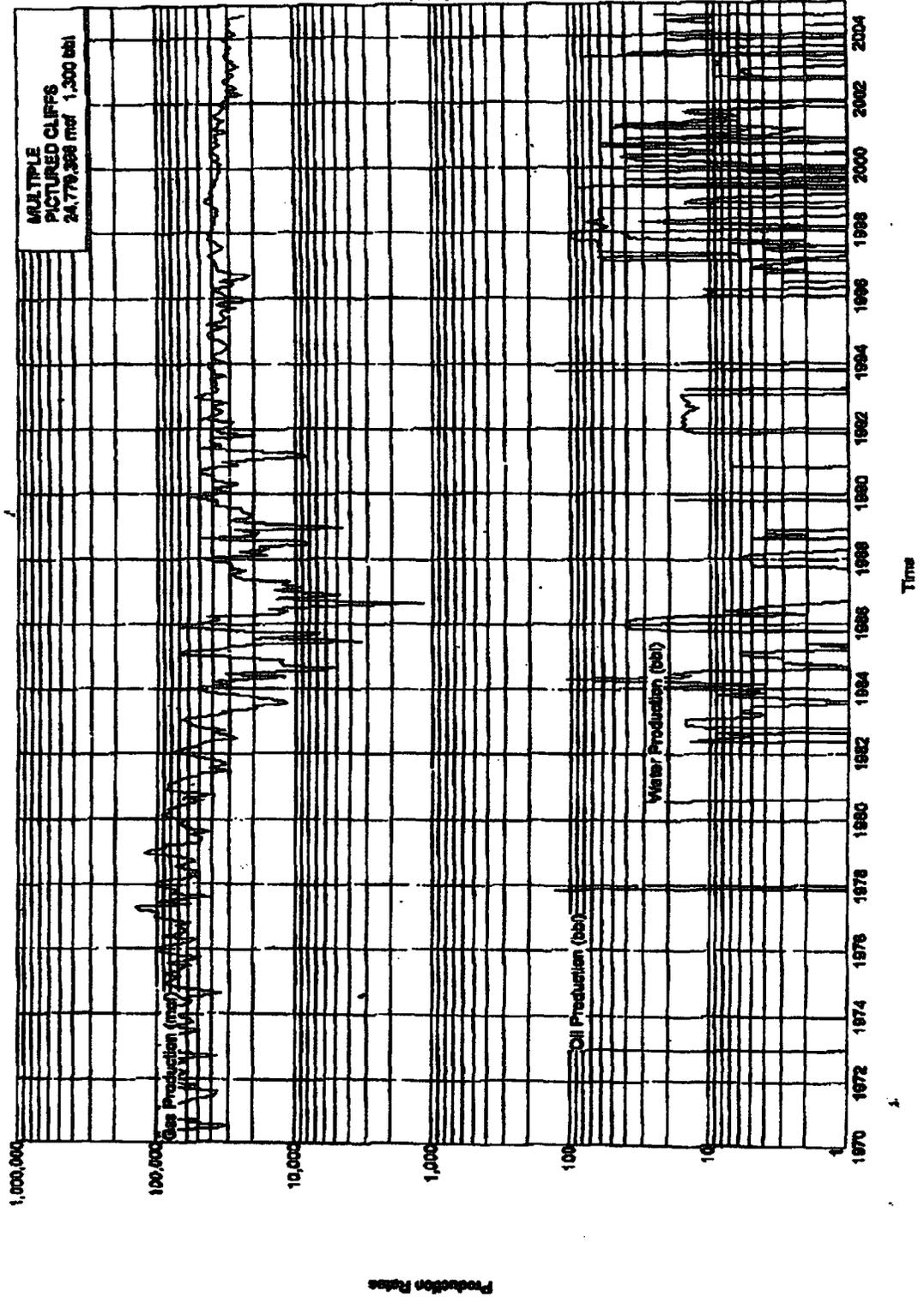


TD: 8093'  
PBTD: 8044'

**NOTE:** Proposed changes to wellbore underlined and in BLUE

Lease Name: MULTIPLE  
 County, State: RIO ARriba, NM  
 Operator: MULTIPLE  
 Field: TAPACTO  
 Reservoir: PICTURED CLIFFS  
 Location:

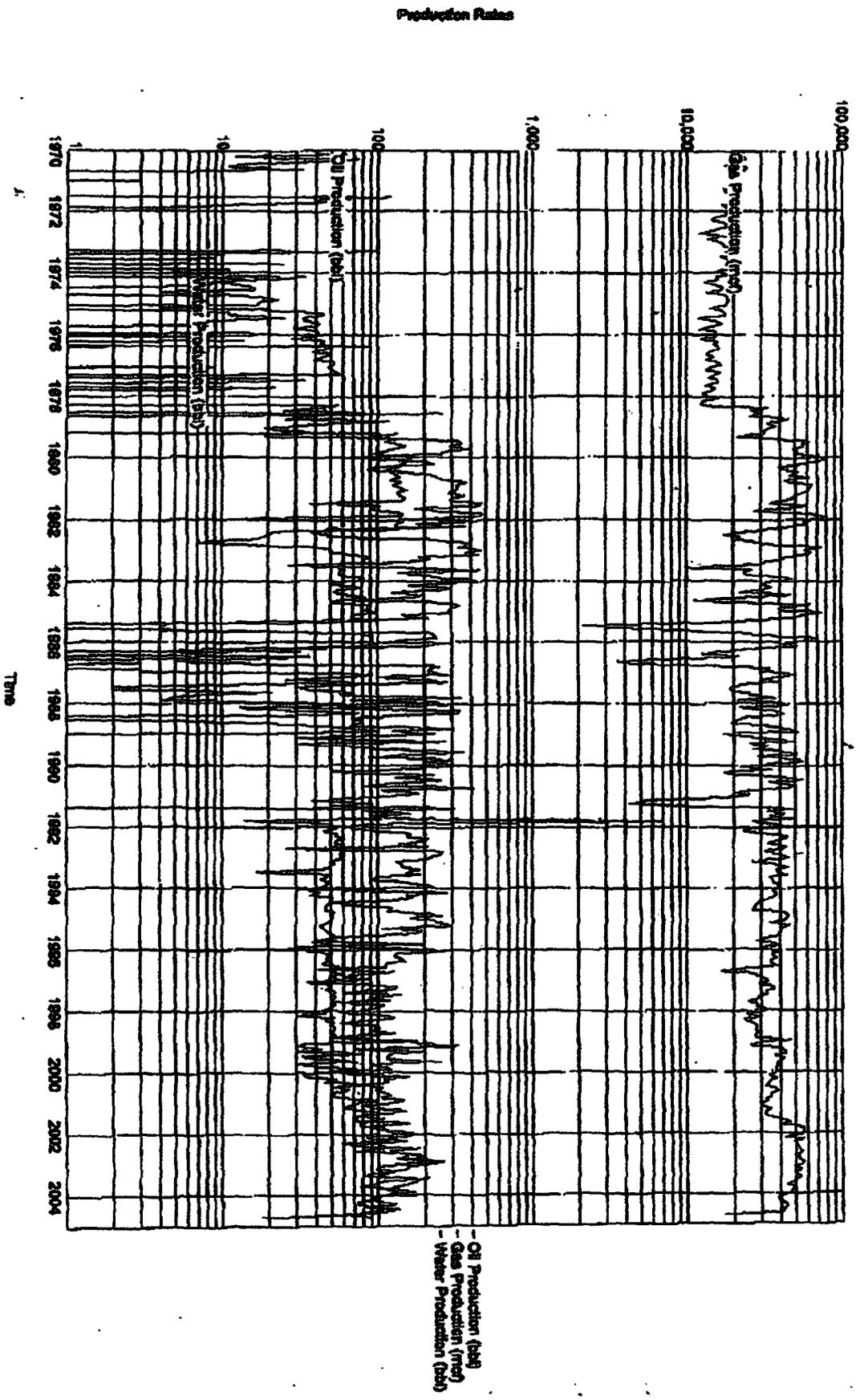
MULTIPLE PICTURED CLIFFS



- Oil Production (bbl)  
 - Gas Production (mcf)  
 - Water Production (bbl)

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

MULTIPLE MESAVERDE



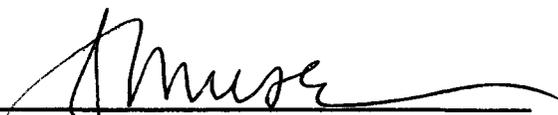
**Patina San Juan, Inc.**  
**5802 US Highway 64**  
**Farmington, NM 87401**

Tribal C #10  
API 30-039-06538  
UL "J" Sec 7, T26N – R3W  
Rio Arriba County, New Mexico

Re: Application to Down-Hole Commingle

The trimmingling of the Basin Dakota, Tapacito Pictured Cliffs and Blanco Mesa Verde pools in this wellbore will not reduce the value of the remaining production. Trimmingling these pools should increase the value of the remaining reserves due to using the remaining reservoir energy in both zones to produce the wells.

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

  
\_\_\_\_\_  
Jean M. Muse  
Regulatory Compliance  
Patina San Juan, Inc.

## Statement of Notification

Tribal C #10  
API #30-039-06538  
UL "J" Sec 7, T26N – R3W  
Rio Arriba County, New Mexico

No notification is required for this well; the interested parties in the Tapacito Pictured Cliffs, Blanco Mesa Verde and Basin Dakota formations are identical.



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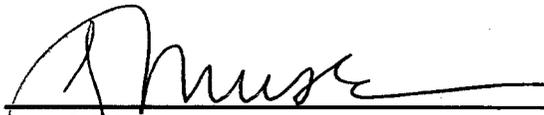
Jean M. Muse  
Regulatory Compliance  
Patina San Juan, Inc.

## Statement of Notification- BLM

Tribal C #10  
API 30-039-06538  
UL "J" Sec 7, T26N – R3W  
Rio Arriba County, New Mexico

Tribal C #4E  
API 30-039-22514  
UL "H" Sec 6, T26N – R3W  
Rio Arriba County, New Mexico

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



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

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  
**5802 US HIGHWAY 64 FARMINGTON, NM 87402**

3b. Phone No. (include area code)  
**505-632-8056**

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

**1750' FSL AND 1450' FEL  
 J Sec 7 - T26N - R3W**

5. Lease Serial No.  
**JICARILLA CONTRACT #97**

6. If Indian, Allottee or Tribe Name  
**JICARILLA APACHE TRIBE**

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**TRIBAL "C" #10**

9. API Well No.  
**30-039-06538**

10. Field and Pool, or Exploratory Area  
**BASIN DK/BLANCO MV/PC**

11. County or Parish, State  
**RIO ARRIBA CTY, NEW MEXICO**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>COMMINGLE</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>DK/MV/PC</b>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<b>FORMATIONS</b>

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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with 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 recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices 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.)

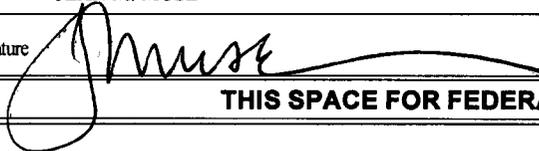
**PATINA SAN JUAN REQUESTS APPROVAL TO DOWNHOLE TRIMMINGLE THE TAPACITO PICTURED CLIFFS (85920), BLANCO MESA VERDE (72319) AND BASIN DAKOTA (71599) FORMATIONS IN THE SUBJECT WELL. THE MV/PC AND PC/DK HAVE BEEN APPROVED PREVIOUSLY UNDER DHC 1252A AZ FOR THE PRE-APPROVED ORDER #11563 BY THE NMOCD.**

14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)

**JEAN M. MUSE**

Title **REGULATORY COMPLIANCE**

Signature



Date

**05/25/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

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.

Title

Date

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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.