

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

FORM APPROVED

OMB No. 1004-0135

Expires: January 31, 2004

5. Lease Serial No.
JICARILLA CONTRACT #152
6. If Indian, Allottee, or Tribe Name
JICARILLA APACHE
7. If Unit or C.A. Agreement Designation

8. Well Name and No.

JICARILLA #3R

9. API Well No.

30-039-27317

10. Field and Pool, or Exploratory Area

BASIN DK/BLANCO MV

11. County or Parish, State

RIO ARriba COUNTY, NM

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other

2. Name of Operator

PATINA SAN JUAN, INC.

3a. Address

5802 HIGHWAY 64 FARMINGTON, NM 87401

3b. Phone No. (include area code)

505-632-8056

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

1980' FNL &

1850' FEL UL "G"

SEC 8

T26N

R5W

12. CHECK APPROPRIATE BOX(S) 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"/> Altering 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 type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug back	<input type="checkbox"/> Water Disposal	

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 recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the 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 recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

PATINA SAN JUAN, INC. REQUESTS A CHANGE IN PLANS.

This change of plans is for the proposed drilling of a vertical well.

The drilling of the proposed well will be at the above described location in accordance with the attached drilling plan. Proposed 500' (+ or -) surface casing is the change to the plan and drilling of a 7-7/8" hole to TD of 8125' with elimination of the intermediate string.

Steven Wells (Santa Fe BLM office) has been notified of this procedure. 505-438-7409

RECEIVED
BLM
04 JUL 30 AM 9:57
DIO ALBUQUERQUE, NM

14. I hereby certify that the foregoing is true and correct.

Name (Printed/ Typed)

JEAN M. MUSE

Title

REGULATORY/ENGINEERING TECHNICIAN

Signature

Date

JULY 27, 2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ David R. Sitzler

Division of Multi-Resources

Date

AUG 19 2004

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.

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

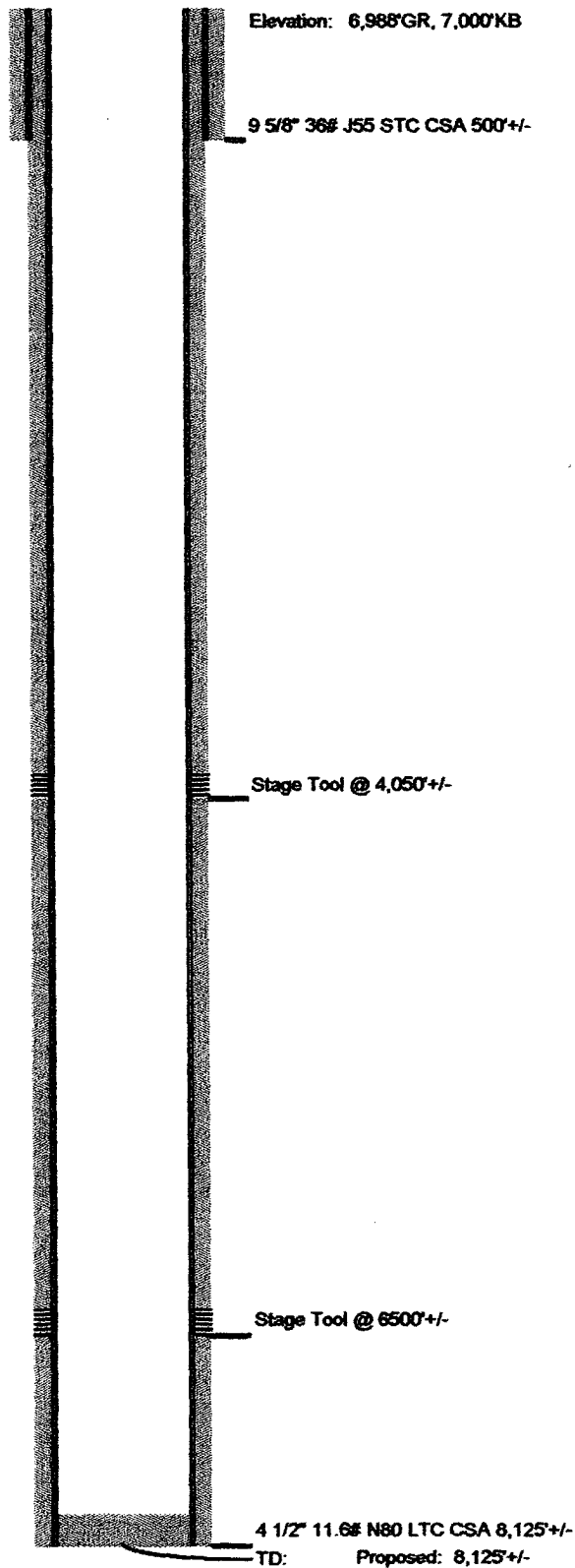
(Instructions on reverse)

PATINA

OIL & GAS CORPORATION

Jicarilla #3R

AFE #: 112578



Location: 1980' FNL, 1850' FEL, Sec 8,
T26N, R5W, Rio Arriba County,
New Mexico
Lse #: Jicarilla Contract #152

Field: Blanco Mesa Verde / Basin Dakota

API #: 30-039-27317

Spud Date: Proposed by July 29, 2004

Directions: Take Hwy 550 south from Bloomfield toward Albuquerque to the "TeePee's". At MM28 on Hwy 537, turn left onto J6 for 3 miles. Turn right onto J64 to climb to the top of Honolulu Mesa. Stay on main road 15+/- miles to location in the road.

Location: 1980' FNL, 1850' FEL, Sec 8, T26N, R5W, Rio Arriba County, New Mexico
Lse #: Jicarilla Contract #152

Field: Blanco Mesa Verde / Basin Dakota

API #: 30-039-27317

Spud Date: Proposed by July 29, 2004

Elevation: 6,988'GR, 7,000'KB

TD: Proposed: 8,125'+/-

Wellhead: Weatherford

Tubulars:

Surface: 9 5/8" 36# J55 STC CSA 500'+/-

Intermediate:

Production: 4 1/2" 11.6# N80 LTC CSA 8,125'+/-

Procedure:

- 1) Build location w/ 5' weir in reserve pit and 5' x 4' tinhorn cellar ring set 6" below grade.

NOTIFY BLM @ 505-289-3748, BRYCE HAMMOND 505-759-1823, X-28 WITH THE JICARILLA NATION OIL & GAS AND OCD @ 334-6178 / 16 OF MOVE IN AND SURFACE CEMENTING OPERATIONS 48 HOURS IN ADVANCE.

- 2) MIRU rotary drilling rig. Abide by all safety and environmental rules and safe guards.
- 3) Mix spud mud to 50 vis using gel. Mix fluid loss control and minimize use of lime to thicken mud. The goal is to have a strong, thin filter cake. Pump sweep as necessary and use LCM to control seeps.
- 4) Use 6 1/4" mud motor to drill mouse hole, rat hole and pilot hole to kelly down.

Surface Hole:

- 5) Use 12 1/4" 2 cone bit & 2 - 8" drill collars using all the weight and all the rpm to drill surface hole to 500'+ as required to land 9 5/8" casing. Run deviation survey at 150'+/-, 350'+/- and at surface TD.
- 6) Circulate and sweep to clean up hole for casing.
- 7) Trip out of hole and lay down 8" drill collars.

- 8) Run 9 5/8" 36# J55 STC casing w/ bull nose guide shoe, shoe joint w/ coupling arc welded to joint and insert float in coupling. Use casing crew and power tongs to make up casing. Centralizer on each joint. Thread lock shoe & shoe joint. Land casing 22" below ground level w/ landing joint. Use drill collar dope on joints not thread locked.
- 9) Chain casing down and rig up to cement w/ 25 barrels fresh water, Class B cement w/ 2%CaCl₂ & 1/4#/sx cellophane mixed to 15.6 ppg (yield is 1.18 cuft/sack) until cement is circulated to surface. Drop plug and displace to float w/ fresh water. Bump float.
- 10) Report the lift pressure just prior to plug down, estimated volume in bbls and quality of cement (green water, lead cement, tail cement etc.) circulated to the pit
- 11) Wait on cement 4 hours before backing out landing joint. Nipple up wellhead and BOP, manifold and flowlines. Test blind rams, pipe, inside valves, outside valves, floor valve, kelly valve, fillup check valve and manifold valve to a 250psi low pressure and a 1,000 psi high pressure test. Record test in IADC book and sign as witness.
- 12) Wait on cement 12 hours before drilling out float.

Production hole:

- 13) RIH w/ 8 3/4" HSX18 from Southwest Bit with 3-13's, shock sub, 1 rig drill collar, 3 point button roller reamer, 1 - 25'x6" rental drill collar, 3 point button roller reamer, deviation survey sub, 6" rig drill collars to tag float. Pick up 1 joint 4 1/2" drill pipe to test pipe rams to 1,000psi.

AFTER THE 9 5/8" CASING SHOE IS DRILLED, DO NOT ALLOW CASING PRESSURE TO GO ABOVE 400PSI AT ANYTIME. USE "SOFT SHUT IN" ONLY.

- 14) Drill out float with clear mud using all weight until 40,000 # and turning rotary slow until after drill collars and heavy weight drill pipe are in open hole. Optimize rpm and weight to best drilling performance. Run pump at maximum capacity which should be 305 gpm. Continue picking up drill collars until there are at least 24 full length 6" drill collars. Heavy weight drillpipe is optional. Never run neutral point higher than 2 collars from the top. Use 4 1/2" drillpipe. Max P rate is 120 fph. This does not mean drill 120' in 45 min and circulate 15 min. Take weight or rpm off bit to keep below 120 fph.
- 15) Rig up mud logger to monitor cuttings and gases from surface pipe shoe to TD.
- 16) Run deviation surveys at 300' intervals.
- 17) Circulate through reserve pit with sweeps as necessary to clean hole until 3,100'. Clean rig pit and switch out of reserve. Mix LSND mud to 32-34 vis and 6 water loss. Maximize the use of shale shaker and desilter to control mud weight. Use a rental desilter if necessary to control mud consumption. Use dilution to maintain mud weight at 9.0 ppg or below.

- 18) Use brake or hydromatic to keep from surging hole on connections or trips. Pump sweeps every other kelly or as necessary using 1 gallon of liquid viscosifier either in the pump suction or down the drill pipe to clear hole and eliminate drag.
- 19) At a depth of 4,200', trip the 8 3/4" tools out of the hole.
- 20) Trip in the hole with 7 7/8" HSX18 from Southwest Bit with 3-14's, shock sub, 1 rig drill collar, 3 point button roller reamer, 1 - 25'x6" rental drill collar, 3 point button roller reamer, deviation survey sub, 6" rig drill collars and drill pipe.
- 21) Slow RPM to 50 at 5,250' to drill Cliffhouse formation (Top: 5,271') and maintain weight at 50k w/ 50 RPM to 5,350'. After 5,350', rotary speed can be increased as necessary.
- 22) If the HSX18 does not cut the Cliffhouse section, use a rerun GT09C with 3-14's.
- 23) After the Cliffhouse Section is drilled and the bit is tripped, use another HSX18 with 3-15's for the Mancos shale.
- 24) At the Dakota top of 7,795', trip out of the hole for an HR38C from Southwest Bit with 3-15's to TD hole at 8,125'. Expect 10fph P rate with this bit.
- 25) Circulate and condition hole for at least 2 hours with vis raised to 45 for logs.
- 26) Short trip to drill collars.
- 27) Trip to bottom of hole and condition for 2 hours with vis at 45.
- 28) Trip out of hole on bank.
- 29) Run open hole log suite to be determined by the Denver group.
- 30) Trip to bottom of hole and condition for 2 hours with vis at 45.
- 31) Trip out of hole laying down drill string.
- 32) Run 4 1/2" 11.6# N80 LTC casing from surface to TD of 8,125'+/- as follows:
 - a. Float shoe. (thread locked)
 - b. Shoe joint. (thread locked)
 - c. Float collar. (thread locked)
 - d. Install stage tools at 6,500'+/- 1 joint, 4,050'+/- 1 joint.
 - e. Install marker joints at Dakota top (7,800'+/-), Point Lookout top (5,800'+/-), Menefee top (5,400'+/-) & Pictured Cliffs top (3,600'+/-).
 - f. Use 1 centralizer 10' from shoe w/ stop band and 1 centralizer on each joint for 9 more joints (10 total) and 1 per joint over Point Lookout (5,700' - 5,820', total 8), Menefee (5,300' - 5,500', total 5) & Pictured Cliffs (3,500' - 3,700', total 5).

} Optional depending
on condition of hole
during last bit trip.

NOTIFY BLM @ 505-289-3748, BRYCE HAMMOND 505-759-1823, X-28 WITH THE JICARILLA NATION OIL & GAS AND OCD @ 334-6178 / 16 OF CEMENTING OPERATIONS 48 HOURS IN ADVANCE.

- 33) Wash casing to bottom as necessary. Circulate and condition hole at 5 BPM for cement for 2 hours minimum.

34) Cement 1st stage as follows at 5 BPM:

STAGE I: FLUID SPECIFICATIONS

Spacer				10.0 bbls Gelled Water + 4 gals XLFC-1 + 100% Fresh Water @ 8.4 ppg
Spacer				2.0 bbls Fresh Water @ 8.34 ppg
<u>FLUID</u>	<u>VOLUME CU-FT</u>	<u>VOLUME FACTOR</u>	<u>AMOUNT AND TYPE OF CEMENT</u>	
Lead Slurry	77	1	2.56	= 30 sacks Premium Lite High Strength FM + 3% bwoc CSE + 0.2% bwoc CD-32 + 1% bwoc FL-52 + 146.8% Fresh Water
Tail Slurry	468	1	2.13	= 220 sacks Premium Lite High Strength FM + 3 lbs/sack CSE + 0.25 lbs/sack Cello Flake + 0.2% bwoc CD-32 + 1% bwoc FL-52 + 1% bwoc Pheno Seal + 113.1% Fresh Water
Displacement				105.0 bbls Fresh Water @ 8.34 ppg

CEMENT PROPERTIES

	<u>SLURRY NO. 2</u>	<u>SLURRY NO. 3</u>
Slurry Weight (ppg)	11.60	12.30
Slurry Yield (cf/sack)	2.56	2.13
Amount of Mix Water (gps)	14.76	11.37
Estimated Pumping Time - 70 BC (HH:MM)		3:42
Free Water (mls) @ 185 ° F @ 90 ° angle		0.0
Fluid Loss (cc/30min) at 1000 psi and 185 ° F		72.0
COMPRESSIVE STRENGTH		
24 hrs @ 185 ° F (psi)		2680
48 hrs @ 185 ° F (psi)		2750

RHEOLOGIES

<u>FLUID</u>	<u>TEMP</u>	<u>600</u>	<u>300</u>	<u>200</u>	<u>100</u>	<u>6</u>	<u>3</u>
Tail Slurry	@ 80 ° F	145	91	69	42	12	10

- 35) Check floats & shift stage tool.
- 36) Circulate and condition hole at 5 BPM for 4 hours.
- 37) Report the lift pressure just prior to plug down, estimated volume in bbls and quality of cement (green water, lead cement, tail cement etc.) circulated to the pit

38) Cement 2nd stage at 5 BPM as follows:

STAGE II: FLUID SPECIFICATIONS

Spacer				10.0 bbls Gelled Water + 4 gals XLFC-1 + 100% Fresh Water @ 8.4 ppg
Spacer				2.0 bbls Fresh Water @ 8.34 ppg
<u>FLUID</u>	<u>VOLUME CU-FT</u>	<u>VOLUME FACTOR</u>	<u>AMOUNT AND TYPE OF CEMENT</u>	
Lead Slurry	77	/ 2.56	= 30 sacks Premium Lite High Strength FM + 3% bwoc CSE + 0.2% bwoc CD-32 + 1% bwoc FL-52 + 146.8% Fresh Water	
Tail Slurry	745	/ 2.13	= 350 sacks Premium Lite High Strength FM + 3 lbs/sack CSE + 0.25 lbs/sack Cello Flake + 0.2% bwoc CD-32 + 1% bwoc FL-52 + 1% bwoc Pheno Seal + 113.1% Fresh Water	
Displacement				105.0 bbls Fresh Water @ 8.34 ppg

CEMENT PROPERTIES

	<u>SLURRY NO. 2</u>	<u>SLURRY NO. 3</u>
Slurry Weight (ppg)	11.60	12.30
Slurry Yield (cf/sack)	2.56	2.13
Amount of Mix Water (gps)	14.76	11.37
Estimated Pumping Time - 70 BC (HH:MM)		3:42
Free Water (mls) @ 185 ° F @ 90 ° angle		0.0
Fluid Loss (cc/30min) at 1000 psi and 185 ° F		72.0
COMPRESSIVE STRENGTH		
24 hrs @ 185 ° F (psi)		2680
48 hrs @ 185 ° F (psi)		2750

RHEOLOGIES

<u>FLUID</u>	<u>TEMP</u>	<u>600</u>	<u>300</u>	<u>200</u>	<u>100</u>	<u>5</u>	<u>3</u>
Tail Slurry	@ 80 ° F	145	91	69	42	12	10

- 39) Shift 1st stage tool closed and check for flow, if tool allows & shift 2nd stage tool open.
- 40) Circulate and condition hole at 5 BPM for 4 hours.
- 41) Report the lift pressure just prior to plug down, estimated volume in bbls and quality of cement (green water, lead cement, tail cement etc.) circulated to the pit

42) Cement 3rd stage at 5 BPM as follows:

STAGE III: FLUID SPECIFICATIONS

Spacer				10.0 bbls Fresh Water @ 8.34 ppg
Spacer				10.0 bbls Mud Clean II @ 8.4 ppg
<u>FLUID</u>	<u>VOLUME CU-FT</u>	<u>VOLUME FACTOR</u>	<u>AMOUNT AND TYPE OF CEMENT</u>	
Spacer				10.0 bbls Fresh Water @ 8.34 ppg
Cement Slurry	1225	2.13	= 575 sacks Premium Lite FM + 8% bwoc Bentonite + 3% bwoc Calcium Chloride + 0.25 lbs/sack Cello Flake + 5 lbs/sack LCM-1 + 0.4% bwoc FL-52 + 0.4% bwoc Sodium Metasilicate + 112.3% Fresh Water	
Displacement				137.7 bbls Fresh Water @ 8.34 ppg

CEMENT PROPERTIES

	SLURRY NO. 1
Slurry Weight (ppg)	12.10
Slurry Yield (cf/sack)	2.13
Amount of Mix Water (gps)	11.29
Estimated Pumping Time - 70 BC (HH:MM)	5:00
Free Water (mls) @ 80 ° F @ 90 ° angle	1.4
Fluid Loss (cc/30min) at 1000 psi and 99 ° F	560.0
COMPRESSIVE STRENGTH	
24 hrs @ 130 ° F (psi)	370
48 hrs @ 130 ° F (psi)	575

RHEOLOGIES

<u>FLUID</u>	<u>TEMP</u>	<u>600</u>	<u>300</u>	<u>200</u>	<u>100</u>	<u>6</u>	<u>3</u>
Cement Slurry	@ 80 ° F	57	40	34	28	23	21

- 43) Shift 2nd stage tool closed and check for flow back.
- 44) Report the lift pressure just prior to plug down, estimated volume in bbls and quality of cement (green water, lead cement, tail cement etc.) circulated to the pit
- 45) Nipple down BOP and nipple up temporary wellhead.
- 46) Rig down, move out and clean up location.