

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1501 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

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-045-32254
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name FREEMAN
8. Well Number #1B
9. OGRID Number 173252
10. Pool name or Wildcat BASIN DK/BLANCO MESA VERDE

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.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
PATINA SAN JUAN, INC

3. Address of Operator
5802 U.S. HIGHWAY 64 FARMINGTON, NEW MEXICO 87401

4. Well Location
 Unit Letter G : 1950 feet from the NORTH line and 2200 feet from the EAST line
 Section 11 Township 31N Range 13W NMPM SAN JUAN County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5721' GL

Pit or Below-grade Tank Application or Closure

Pit type Drilling Depth to Groundwater >100' Distance from nearest fresh water well >200' Distance from nearest surface water > 1000'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material SYNTHETIC

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL

SUBSEQUENT REPORT OF:

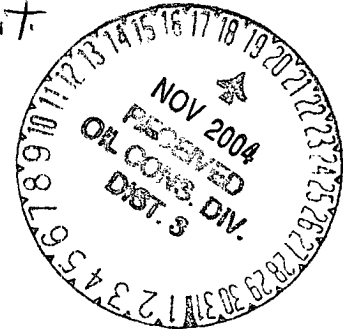
- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB

OTHER: CONSTRUCTION OF DRILLING LOCATION

OTHER:

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.

lined drilling
 CONSTRUCTION OF ~~RESERVE~~ PIT AT THE DRILLING LOCATION *and vent pit.*
 SEE ATTACHED CROSS SECTION AND DRILLING PAD/PIT DIAGRAM



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 NMOCDC guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE [Signature] TITLE Regulatory/Production Technician DATE 11/19/04

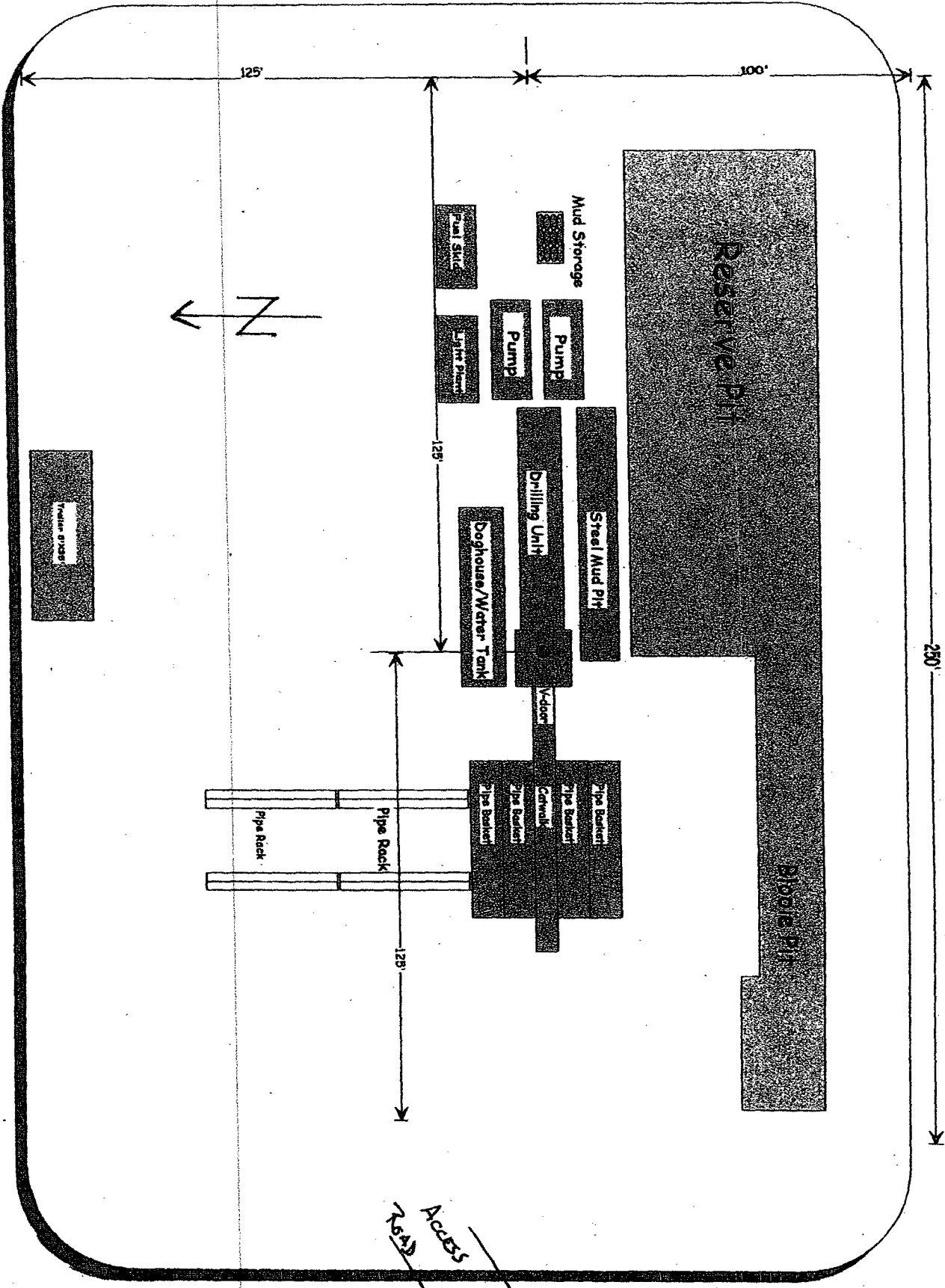
Type or print name [Signature] E-mail address: _____ Telephone No. NOV 19 2004
 For State Use Only DEPUTY OIL & GAS INSPECTOR, DIST. 3
 APPROVED BY: [Signature] TITLE _____ DATE _____
 Conditions of Approval (if any): _____

Location Dimensions 225' X 250'

Location Diagram

Plat #3

November, 2001
John Thompson



Patina San Juan, Inc.