<u>District</u>

State of New Mexico Energy Minerals and Natural Resources

Form C-101 May 27, 2004

1625 N. French Dr., Hobbs, NM 88240 District III

District III

District III

Oil Conservation Division

Submit to appropriate District Office

1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 Sc					220 Soi	uth St. Er.	ancis Dr.			AMENDED REPORT		
APPLICATION FOR PERMIT TO DRILL, RE-E					Á	13/1	9/	RUGBAC	'K OR ADI) A ZONEXX		
Patina San Juan, Inc. 5802 U. S. Highway 64 Farmington, NM 87401 (505) 632-8056							10 N	30	OGRID Numb 173252 API Number	er		
Prope	Code	9	A	LBERD	ING	Property 1	Name	-	N. C.		ell No.	
	7 25	,	Proposed Pool 1		_	0 2	(C)(2)	61.81.61.00	10 Proj	posed Pool 2	<u> </u>	
		BA	SIN DAKOT	Α	7.0		T .:		BLANCO	MESA VERD	E .	
UL or lot no.	Sec.	Township	Range	Lot	Idn	Feet fro	Location	rth/South line	Feet from the	East/West line	County	
G _	3	31N	13W			185		ORTH	2302	EAST	SAN JUAN	
							ion If Diffe					
UL or lot no.	Section	Township	Range	Lot	Idn	Feet from	m the No	rth/South line	Feet from the	East/West line	County	
11 11/-1-	Type Code		12 Well Type Co		dditio	nal We	ll Inform		⁴ Lease Type Code	15.0	ound Level Elevation	
	N		G			F	.		P		5779'	
	lultiple N		¹⁷ Proposed Dep 7100 °	oth	Rasi	¹⁸ Form in Dake			19 Contractor N/A		²⁰ Spud Date JUNE 1, 2005	
Depth to Groun	* '	100'	7200	Distance			water well >	500'		n nearest surface w		
Pit: Liner:	Synthetic		ls thick Clay	Pit Vo	olume:	bbls	s Drilling Method:					
Closec	l-Loop Syst	tem 🗌		D	10	•	1.0		Brine ☐ Die	sel/Oil-based	Gas/Air 🛛	
Hole S		Coo	ı				nd Ceme		Sacks of C		Estimated TOC	
12 1/2			ing Size 5/8"	Casing weight/foo 36#		1/1001		g Depth 50'	165 s		SURFACE	
8 3/4			7"	23#				0' +/-	465 8		SURFACE	
6 1/4		4	1/2"	11.6#				00'	220 9		3900'	
22 Describe the proposed program. If this application is to DEEPEN or DLUG B.						LUG BAC	CK, give the o	lata on the pi	esent productive zo	one and proposed i	new productive zone	
Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary. Patina San Juan, Inc. proposes to drill a vertical well at the above described location and test the Basin Dakota and Blanco Mess Verde formations as referenced in the attached drilling plan. The Basin Dakota/Blanco Mesa Verde formations will be selectively perforated and completed.								and Blanco Mesa				
The well will be connected to Williams Field Services gathering system.												
²³ I hereby certify that the information given above is true and complete to the bes of my knowledge and belief. I further certify that the drilling pit will be						e	OIL CONSERVATION DIVISION					
constructed according to NMOCD guidelines ⊠, a general permit □, or an (attached) alternative OCD approved plan □.], or an	Approved by:					
Printed name: JEAN M. MUSE						Title DEPUTY OIL & GAS INSPECTOR, DIST. (38						
Title: REGULATORY/ENGINEERING TECHNICIAN						Approval Date C - 8 2004 Expiration Date C - 8 2005						
E-mail Address	: jmuse@	patinasanjuar	n.com									
Date: 12/06/04 Phone: 505-632-8056				Conditions of	Approval At	tached		-				

District 1 1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410

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

District IV

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe. NM 87505

Form C-102

Revised June 10,2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

■ AMENDED REPORT

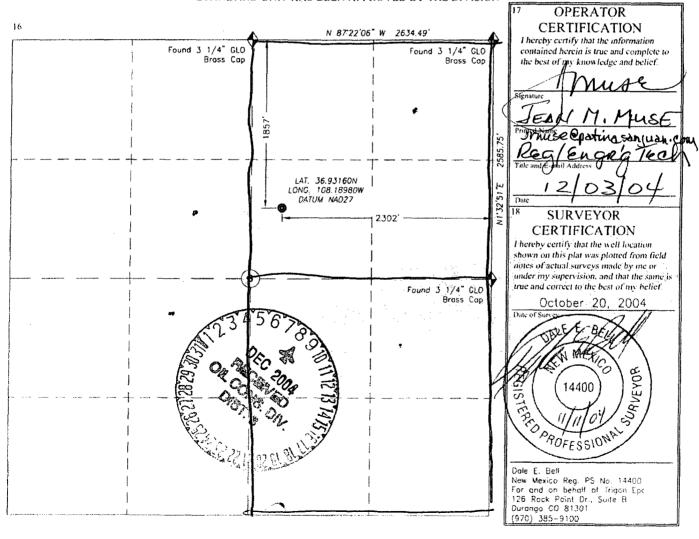
WELL LOCATION AND ACREAGE DEDICATION PLAT

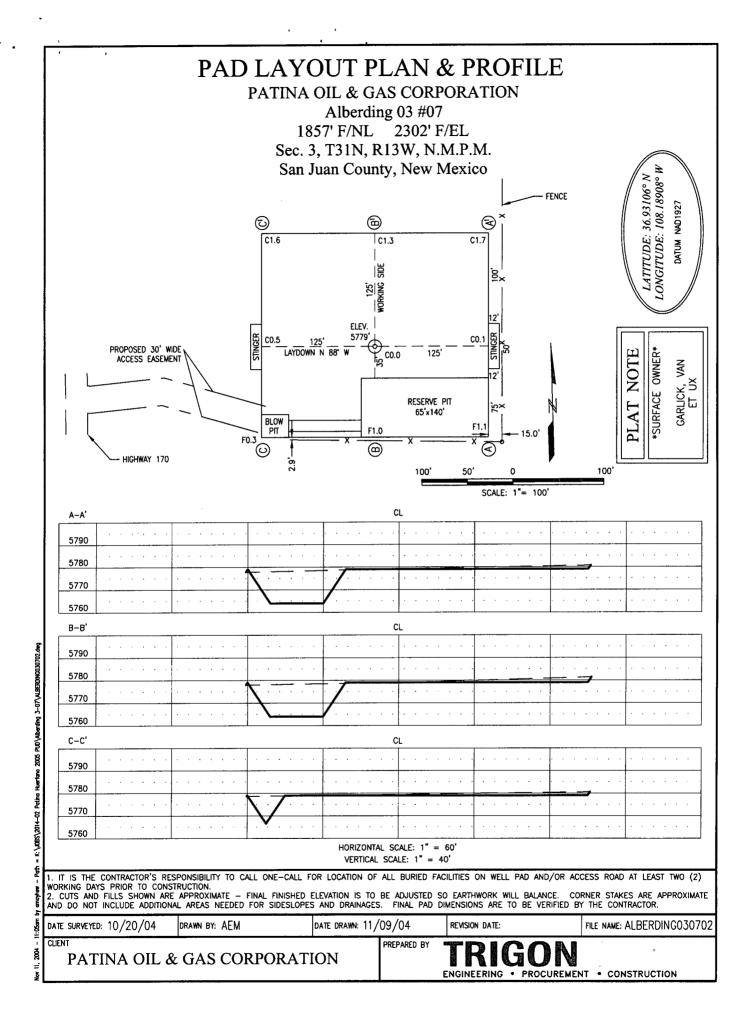
300	A Spinte	3272	3_	² Peel Cod 72319	17599	1	3 Pool N BLANCO MES	/ //>	ASIN AKOTA
						Name NG 03		Well Sumber 07	
173257				ROPERATION Name PATINA OIL & GAS CORPORATION				"Elevation 5779"	
					10 Surface	Location			***************************************
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	3	.3.1N	13W		1857	NORTH	2302	EAST	SAN JUAN
11 Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township.	Range	L'ot ldn	Feet from the	North/South line	Feet from the	East/West line	County

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

14 Consolidation Code

ly Joint or In fill





Alberding 03 No. 07 General Drilling Plan Patina San Juan, Inc. San Juan County, New Mexico

PRESSURE CONTROL EQUIPMENT:

BOP equipment will be tested to the lesser of its rated working pressure, 70-percent of the internal yield of the surface casing or 1,000 psi. See attachments for BOP and choke manifold diagrams.

Production Hole BOP Requirements and Test Plan

11" – 2,000 psi single ram (blind) 11" – 2,000 psi single ram (pipe)

Test as follows:

a) Pipe rams: 1,000 psi (High) 250 psi (low) b) Choke manifold and lines: 1,000 psi (High) 250 psi (low)

All ram type preventers and related equipment will be hydraulically tested at nipple-up. They will also be retested in either of the following events:

- A pressure seal is broken.
- 30 days have elapsed since the last successful test of the equipment.

Furthermore, BOP's will be checked daily as to mechanical operating condition. All ram type preventers will have hand wheels, which will be operative and accessible at the time the preventers are installed. See attached Exhibit for details on the BOP equipment.

AUXILIARY EQUIPMENT:

- a) Manually operated kelly cock (upper and lower)
- b) Full opening manually operated safety valves in the full open position, capable of fitting all drill stem connections.

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CASING DESIGN:

Casing Program:

Hole Size Depth Casing Size 12 1/4" 250' 9 5/8"

8 3/4" 4200' +/- / 150' below Menefee top 7" 7100' / through Dakota 4 1/2"

Casing Size	Casing Type	Тор (MD)	Bottom (MD)	Wt. (lb./ ft)	Grade	Thread	Condition
9-5/8"	Surface	0'	250'	36.0	J55	STC	New
7"	Intermediate	0'	4200° +/-	23.0	N80	LTC	New
4 1/2"	Production	4000'	7100'	11.6	N80	LTC	New

	Casi	ng Data	Collapse	Burst	Min. Tensile	
OD	Wt/Ft	Grade	Thread	(psi)	(psi)	(Lbs.)
9-5/8"	36.0 lbs.	J55	STC	2,020	3,520	394,000
7"	23.0 lbs.	N80	LTC	3,830	6,340	442,000
4 1/2"	11.6 lbs.	N80	LTC	6,350	7,780	223,000

MINIMUM CASING DESIGN FACTORS:

COLLAPSE: 1.125 BURST: 1.00 TENSION: 1.80

Area Fracture Gradient Range: 0.7 – 0.8 psi/foot

Maximum anticipated reservoir pressure: 2,500 psi Maximum anticipated mud weight: 9.0 ppg

Maximum surface treating pressure: 3,500 - 3,750 psi

Float Equipment:

Surface Casing: Guide shoe on bottom and 3 centralizers on the bottom 3 joints.

<u>Intermediate Casing:</u> Float shoe on bottom joint and a float collar one joint up from float shoe. One centralizer 10 ft above float shoe and nine centralizers spaced every joint above the float collar. Stage tool above the Cliffhouse formation. One centralizer below stage tool and one centralizer above stage tool.

<u>Production Casing:</u> 4 1/2" whirler type cement nosed guide shoe and a float collar on top of bottom joint with centralizers over potential hydrocarbon bearing zones.

CEMENTING PROGRAMS:

9-5/8" Surface casing:

165 sxs Type III cement with 2% CaCl₂, ¼#/sx cellofakes. 100% excess to circulate cement to surface. WOC 12 hrs. Pressure test surface casing to 1000 psi for 30 minutes.

Slurry weight: 15.2 ppg Slurry yield: 1.27 ft³/sack

Volume basis:

 40' of 9-5/8" shoe joint
 17 cu ft

 300' of 12-1/4" x 9-5/8" annulus
 94 cu ft

 100% excess (annulus)
 94 cu ft

 Total
 205 cu ft

Note:

- 1. Design top of cement is the surface.
- 2. Have available 100 sx Type III cement with 2% CaCL₂ for top out purposes.

7" Intermediate Casing:

1st Stage: 100 sacks of Type III cement

Slurry weight: 14.5 ppg Slurry yield: 1.4 ft³/sack

2nd Stage: (Stage tool at 3400' +/-): 365 sacks of Premium Lite FM

Slurry weight: 12.4 ppg Slurry yield: 1.92 ft³/sack

Volume Basis:	40' of 7" shoe joint	9 cu ft
	3900' of 7" x 8 3/4" annulus	586 cu ft
	300' of 7" x 9 5/8" hole	50 cu ft
	30% excess (annulus)	176 cu ft
	Total	821 cu ft

Note:

- 1. Design top of cement is surface.
- 2. Actual cement volumes to be based on caliper log plus 30%.

4 1/2" Production casing:

Stage 1: 220 sacks of Premium Lite High Strength FM out guide shoe.

Slurry weight: 12.3 ppg Slurry yield: 2.13 ft³/sack

Volume basis:	40' of 4 1/2" shoe joint	5 cu ft
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4 1/2 " x 6 1/4" hole	318 cu ft
4 ½" x 7" casing	33 cu ft
30% excess (annulus)	107 cu ft
Total	463 cu ft

Note:

- 1. Design top of cement is 3900 +/- ft. or 300 ft. into 7" intermediate casing.
- 2. Actual cement volumes to be based on caliper log plus 30%.

MUD PROGRAM:

The surface hole will be drilled with spud mud. Gel and polymer sweeps will be used from surface to 300 feet as necessary to keep hole clean.

The intermediate hole will be drilled with water until mud up at about 3100 ft. From 3100' to 4200', intermediate casing depth, will be drilled with LSND mud. Anticipated mud weight ranges from 8.5 – 9.0 ppg. Mud weight will be increased as required to maintain hole stability and control gas influx.

The production hole will be drilled with air or air/mist.

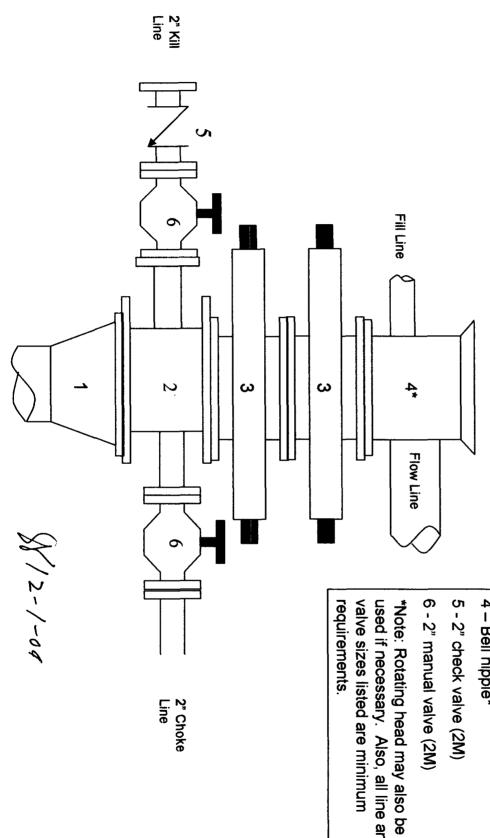
Sufficient mud materials to maintain stable wellbore conditions (for either well control or lost circulation scenarios) will be maintained at the well site.

No chrome-based additives will be used in the mud system.

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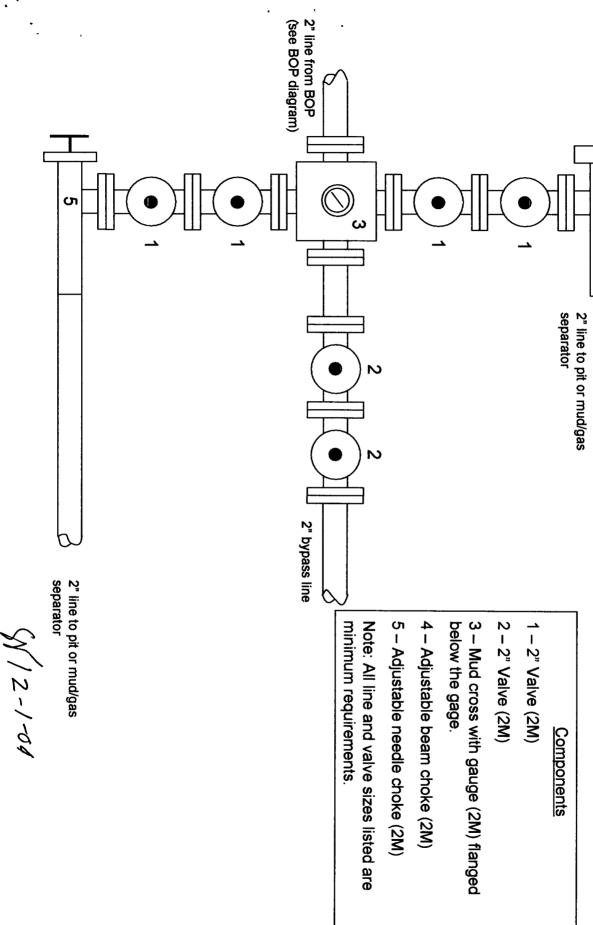
2000 psi BOP stack Alberding 03 No. 07

Minimum requirements



Components

- 1 Wellhead 9-5/8" (2M)
- 2 Drilling spool 11" (2M)
- 3 A double or two single rams with blinds on bottom 11" (2M)
- 4 Bell nipple*
- used if necessary. Also, all line and



Alberding 03 No. 07 2000 psi Choke Manifold

2000 psi Choke Manifold Minimum requirements

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