



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:
NMSF-078707
3162.3-2(211)

February 14, 2005

Patina Oil & Gas Corporation
Attn: Kay Eckstein
5802 Highway 64
Farmington, NM 87401

Dear Ms. Eckstein:



30-045-31801

Reference is made to the following well on Federal oil and gas lease SF-078707:

El Dorado #2, located 1250' FNL and 880' FWL, section 13, T31N, R13W, San Juan County, New Mexico.

On February 11, 2005, this office received your Subsequent Report indicating that surface casing was set at an unapproved depth of 278 feet and run other than as approved. This office has no record of prior approval, written or verbal, being given to change the surface hole size, casing size or setting depth.

As such, you are in violation of 43 CFR 3162.3-2, which requires prior approval before altering casing in any way from the originally approved APD. This violation will serve as notice that if actions of this sort occur in the future, on any operations conducted by your company, you will be subject to an assessment. Enclosed you will find your processed Subsequent Report.

Under provisions of 43 CFR 3162.3-2, you may request an Administrative Review of the assessment described above. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions regarding the above, please contact Adrienne Brumley at (505) 599-6358.

Sincerely,

/s/ Adrienne Brumley

Adrienne Brumley
Petroleum Engineer,
Petroleum Management Team

Enclosure (Subsequent Report)

cc: NMOCD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135

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

5. Lease Serial No.
SF 078707

6. If Indian, Allottee or Tribe Name

2005 FEB 11 AM 10 58

Unit or C/A Agreement, Name, and/or No.

070 FARMINGTON NM 24127

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

PATINA OIL & GAS CORPORATION

8. Well Name and No.

EL DORADO #2

3a. Address and Telephone No.

5802 HIGHWAY 64, FARMINGTON, NM 87401

3b. Phone No. (include area code)

(505) 632-8056

9. API Well No.

30-045-31801

4. LOCATION OF WELL (Footage, Sec., T., R., M., or Survey Description)

**1250' FNL & 880' FWL - UL "O"
SEC. 13, T31N, R13W**

10. Field and Pool, Or Exploratory Area

BASIN FRUITLAND COAL

11. County or Parish, State

SAN JUAN COUNTY, NEW MEXICO

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

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize ☐ Fracture Treat ☐ Recomplete
☐ Alter Casing ☐ New Construction ☐ Temporarily Abandon
☐ Casing Repair ☐ Plug and Abandon ☐ Water Disposal
☐ Change Plans ☐ Plug Back ☐ Water Shut-Off
☐ Convert to Injection ☐ Production (start/resume) ☐ Well Integrity
☐ Deepen ☐ Reclamation ☒ Other Commence Drilling

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 recomplate 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.)

APD/ROW

02:00 p.m.

2/3/2005 Spud 12-1/4" surface hole @ 2:00 p.m. and drill to 130'.

2/4/2005 Drill to 278' and run 7 jts of 9-5/8", 36#, J55 ST&C casing to land @ 278'.

RU Howco & cement w/17 sx STD, displace w/17 bbl water & plug down. Float held, had full returns. Circulate
Circulate 10 bbl cement to surface. WOC.

Pressure test BOP 250 psi low (10 min) 1000 psi high (10 min) casing 1000 psi (30 min). OK

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

Name (Printed/Typed)

KAY S. ECKSTEIN e-mail: keckstein@patinasanjuan.com

Title **PRODUCTION ANALYST**

Signature

Kay Eckstein

Date

February 8, 2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved by

Title

Date

FEB 14 2005

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

FARMINGTON FIELD OFFICE

BY *[Signature]*

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and wilfully 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.

NMOCD