This form is not to be used for reporting packer leakage tests in Southeast New Mexico

NEW MEXICO OIL CONSERVATION DIVISION

Page 1 Revised June 10, 2003

NORTHWEST NEW MEXICO PACKER LEAKAGE TEST

Operator PATINA SAN JUAN, INC. Lease Name VALANCE 33

Well No. # 02

	Name of Reservoir or Pool			Type of Prod. (Oil or Gas)			Method of Prod. (Flow or Art. Lift)		Prod. Medium (Tbg. Or Csg.)
Upper Completion	etion Basin Fruitland Coal			Gas			Art Lift.		CSG.
Lower Completion Bas			Dakota	Gas			Flow		TBG.
-	ı			e-Flow Shut-	-In Pressur	e Data	1		
Upper Completion	Hour, Date, S		t-In 3-2-2007	Length of Time Shut-In 67 days Due to no sales line.			SI Press. Psig 600psi		Stabilized? (Yes or No Yes
Lower Completion	Hour, Date, Shut		t-In - 3-2-2007	Length of Time Shut-In 67 days			SI Press. Psig		Stabilized? (Yes or No
				_1	no sales lin	e.	7	00psi	Yes
Commenced	at (hour, d 1100Hrs)7	Flow 1	Zone proc	_	(Upper	or Lower):	
Time (Hour, Date	La _l	psed ime ice*	<u>P</u>	ressure Lower Compl.		Prod	. Zone mp.	Remarks	
1100Hrs 5-10-2007	24	Hrs	600 psi	700 psi				Turn on DK to sales.	
1100Hrs 5-11-2007	, 24	Hrs	600 psi	1,390 psi				DK zone unloaded, DK pressure increases. Continue to flow DK Zone	
1100Hrs 5-12-2007	I	Hrs	600 psi	1,290 psi				W.F.S. line repair.	
1100Hrs 5-13-2007	I	4Hrs	600 psi	1,380	psi			Separator Freeze. Pull freeze. Return well to sales.	
1100Hrs 5-14-2007	1	Hrs	600 psi	1,160	psi		Separator I Return well		Freeze. Pull freeze. to sales.
1100Hrs 5-15-2007		24Hrs 600 psi		1,150 psi				Change out separators. Change plate size. Return DK zone to sales	
1100Hrs 5-16-2007		24Hrs 600 psi		450 psi				Pressures crossed over. Packer holding. Continue to flow DK zone. Will turn on FC zone 5-17-200	
Production rat	te during te	st							
Dil:BOPD based onBbls. I			Bbls. In	Hrs		G	Grav GOJ		₹
Upper Completion		Hour, Date, Shut-In		Length of Time Shut- In		SI Press. Psig		sig	Stabilized? (Yes or No)
Lower Completion		Hour, Date, Shut-In		Length of Time Shut- In		SI Press. Psig		sig	Stabilized? (Yes or No)

Gas: <u>385</u> MCFPD; Test thru (Orifice or Meter): <u>Meter</u>

Flow Test No. 2

Commenced a	at (hour, date)**	- · ·	Zone producing (U	ne producing (Upper or Lower):					
Time	Lapsed Time Since**		essure	Prod. Zone	Remarks				
(Hour, Date)	Since	Upper Compl.	Lower Compl.	Temp.					
						•			
					-				
			-						
			<u> </u>						
Production rate	during test								
		d on	Bbls. In	Hrs	Grav	GOR			
Gas:	MCFP	D; Test thru (Ori	fice or Meter):			GOR			
Remarks:									
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i nereby certify	mat the information	non nerem contai	ned is true and co	omplete to the best	of my knowledge	e.			
Approved	oil Conservation I	<u>. </u>	20	Operator	<u>PATENA SA</u>	N JUAN, INC.			
New Mexico C	Il Conservation I	Division	- 1-	Ву	bu	Slylado			
	1) p to ST	BY J	une 15	_, ,		K M			
Ву	Q C /C P /	~		_ Title	PRODUCT1	ION FOREMAN			
Title	all Conservation I	4		E-mail Addr	ess <u>dwright@no</u>	bleenergyinc.com			
				Date	5-17	1-07			

Northwest New Mexico Packer Leakage Test Instructions

- 1. A packer leakage test shall be commenced on each multiply completed well within seven days after actual completion of the well, and annually thereafter as prescribed by the order authorizing the multiple completion. Such tests shall also be commenced on all multiple completions within seven days following recompletion and/or chemical or fracture treatment, and whenever remedial work has been done on a well during which the packer or the tubing have been disturbed. Tests shall also be taken at any time that communication is suspected or when requested by the Division.
- 2. At least 72 hours prior to the commencement of any packer leakage test, the operator shall notify the Division in writing of the exact time the test is to be commenced. Offset operators shall also be so notified.
- 3. The packer leakage test shall commence when both zones of the dual completion are shut-in for pressure stabilization. Both zones shall remain shut-in until the well-head pressure in each has stabilized, provided however, that they need not remain shut-in more than seven days.
- 4. For Flow Test No. 1, one zone of the dual completion shall be produced at the normal rate of production while the other zone remains shut-in. Such test shall be continued for seven days in case of a gas well and 24 hours in the case of an oil well. Note: if, on an initial packer leakage test, a gas well is being flowed to the atmosphere due to the lack of a pipeline connection the flow period shall be three hours.
- 5. Following completion of Flow Test No. 1, the well shall again be shut-in, in accordance with Paragraph 3 above.

- 6. Flow Test No. 2 shall be conducted even though no leak was indicated during Flow Test No. 1. Procedure for Flow Test No. 2 is to be the same as for Flow Test No. 1 except that the previously produced zone shall remain shut-in while the zone which was previously shut-in is produced.
- 7. Pressures for gas-zone tests must be measured on each zone with a deadweight pressure gauge at time intervals as follows: 3 hour tests: immediately prior to the beginning of each flow-period, at fifteen-minute intervals during the first hour thereof, and at hourly intervals thereafter, including one pressure measurement immediately prior to the beginning of each flow period, at least one time during each flow period (at approximately the midway point) and immediately prior to the conclusion of each flow period. Other pressures may be taken as desired, or may be requested on wells which have previously shown questionable test data.

24-hour oil zone tests: all pressures, throughout the entire test, shall be continuously measured and recorded with recording pressure gauges the accuracy of which must be checked at least twice, once at the beginning and once at the end of each test, with a deadweight pressure gauge. If a well is a gas-oil or an oil-gas dual completion, the recording gauge shall be required on the oil zone only, with deadweight pressures as required above being taken on the gas zone.

8. The results of the above-described tests shall be filed in triplicate within 15 days after completion of the test. Tests shall be filed with the Aztec District Office of the New Mexico Oil Conservation Division on Northwest New Mexico Packer Leakage Test Form Revised 11-16-98, with all deadweight pressures indicated thereon as well as the flowing temperatures (gas zones only) and gravity and GOR (oil zones only).