State of New Mexico Form C-103 **Submit 3 Copies To Appropriate District** Energy, Miperals and Natural Resources Revised March 25, 1999 Office **DISTRICT I** OIL CONSERVATION DIVISION WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 1220 South St. Francis Drive 30-045-31972 DISTRICT II Santa Fe, NM/87505 5. Indicate Type of Lease 1301 W. Grand Ave., Artesia, MM 87210 FEE ! STATE IX DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. DISTRICT IV 24068 1220 S. St. Francis Dr., Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO 7. Lease Name or Unit Agreement Name A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH **PAN AMERICAN STATE** 1. Type of Well: OIL GAS WELL WELL OTHER 2. Name of Operator 8. Well No. PATINA SAN JUAN, INCORPORATED 1R 9. Pool name or Wildcat 3. Address of Operator 5802 HIGHWAY 64, FARMINGTON, NEW MEXICO 87401 **BLANCO MESA VERDE/BASIN DAKOTA** 925 4. Well Location Feet From The SOUTH **-1**950' Line **Unit Letter** Line and Feet From The WEST SAN JUAN 36 Township 32N 13W NMPM Section Range 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5808' GR Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11. NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: ALTERING CASING PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG & ABANDONMENT CASING TEST & CEMENT JOB PULL OR ALTER CASING MULTIPE COMPLETION OTHER: OTHER: 12. 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. APD/ROW 01/29/04 MIRU Aztec Well Service Rig #222. Drill mouse hole & rat hole. Well spud @ 19:30 hours. Drill pilot hole to 70'. Drill 132' to 292' w/spud mud. Circulate hole to condition for 9-5/8" casing. 01/30/04 Run 8 jts (274') 9-5/8" 36# J55 STC LS casing set @ 288'. RU cementers & circ hole. Cement w/300 sx Type III w/2% CaCl2, 1/4 ppsx cellophane. Lost returns when cement past shoe and started up annulus. Bumped plug w/500 psi. Cement did not circulate. WOC. Ran temperature survey from 236' to cement top at 96' See attached Drilling Reports. I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE PRODUCTION TECHNICIAN DATE TYPE OR PRINT NAME KAY S. ECKSTEIN TELEPHONE NO. (505) 632-8056 (This space for State Use) DEPUTY OIL & GAS INSPECTOR, DIST. 60

TITLE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

¥

Patina San Juan, Inc.

DAILY DRILLING REPORT Page 1 of												Page 1 of 2			
WELL NAME					CONTRACTOR			+	PUD DATE	AFE		AUTHORIZED TD			
Pan American State No. 1R			<u>R</u>	Aztec #222 1-29-04, 19:30 hrs					1116		6,900				
REPORT DATE DAYS F/SPUD				OBJECTIVE FORMATION CURRENT FORMATION						SUPERVISOR					
01/31/04 2 TOTAL DEPTH PROGRESS					MV/DK RESENT OPER	ATIONS	<u></u>	surface sands				J P Henson			
12	TAL DEPTH			on to				coment	PROJECTED 24						
		0	big	sp ro	bens	perf surface casing and cement NU BOP and drill						Out			
	LAST 24 HOUR ACTIVITY SUMMARY														
Ran	surface car	sing to 2	88'. Cement	ted w/	300sx.	Did not circ	ulate cemen	t. WOC. Rar	n temp survey. TO	OC is 95'.					
Work	Work to get 1" to 60' per OCD instructions. Unable to get past 44'. Call for wireline truck per OCD instructions.														
LAST 24 HOUR ACTIVITY DETAIL															
FRO	м то	HOURS	OPERATION O	CODES			THOUR NO.		HOURLY DETAIL						
6:00		2:00	CSG												
8:00		1:00	CMT	+									`		
9:00		1:00	CMT	P	RU cementers and circulate hole w/ rig pump. Cement w/ 300 sx Type III w/ 2% CaCl2, 1/4ppsx cellophane. Lost returns when cement past							nt nast			
10:0		 ''''	<u> </u>	 		shoe and started up annulus. Bumped plug w/ 500psi. Cement did not circulate.							" Paor		
10:0		8:30	woc	Р	WOC										
18:3		0:30	WIRELN	$+$ $\dot{-}$	 	mnerature s		236' to ceme	ent top at 95'.						
19:0		4:00	WOO	<u> </u>	+				air. OCD says ma			nd cen	cont back		
23:0		4.00	7700	┝┷┦					rate and squeeze.		Tun ou a	ilu cen	IEIR DACK		
		7:00	CNAT	┞╤╜					·						
23:0	0 6:00	7:00	CMT	T	Attemp	of to get 1 it) 60°. Unable	to get past	44'. Call for wirel	ine truck.					
		 	 	igwdapprox igwedge					 						
		 	ļ	 	 										
		 '	 	igwdapprox igwedge	├										
		 	 		 										
		 '	 -	 			<u></u>								
	 	 '		 											
		 '		igwdap											
		 _			<u> </u>										
		L		igsquare	<u> </u>										
					L										
				Ш											
		<u> </u>			Ĺ										
Da	ily Total	24	<u> </u>												
			SI	URVE	Y DATA						DAILY	/ FUEL	USAGE		
No.	Depth	Angle			No. Depth Angle Azimuth				<i>l</i> l		Deliver				
1 Depar		Angle Azim			4	Jopa.	1	/ 42.011.00.1			Used				
2					5						On ha		0		
3		 			6	 									
<u>-۲</u>							<u> </u>				Total U	sea	0		
COMMENTS:		;													
							COST DA	TA							
AFE	DHC	\$397,	460		DAIL	Y MUD:	\$188		DAILY V	A/CLL.	\$24	700			
~	JI 10.1	# JUST ."	400 I				30100	, ,	. I DAILT V	VELLI	3/4	. / .38			

\$1,688

TOTAL WELL:

\$73,738

TOTAL MUD:

AFE TWC:

\$452,510

Patina San Juan, Inc.

	DAILY DRILLING REPORT Page 1 of 2 WELL NAME CONTRACTOR SPUD DATE AFE # AUTHORIZED TD															
WELL NAME								OR					AUTHORIZED TD			
Pan Ameri			ican State No		R	Aztec #222		1-29-04, 19:30 hrs		1116		6,900				
				/SPUD		OBJECTIVE FORMATION			CURRENT FORMATION			SUPERVISOR				
02/01/04			3			MV/DK PRESENT OPERATIONS			Surface sands PROJECTED 2				J P Henson			
TOTAL DEPTH		H		ROGRESS						Drill out				tion		
292 0			0		esun	g BOP & well control equipment				Drill out cement and drill formation						
							LAST 24 I	OUR ACTI	VITY SUMM							
Perf	surface (asi	ng at 93	. Pump 17	5sx ce	ment. l	ost returns a	as soon as c	ement clear	ed perforations. V	VOC. Ran	temp surv	ey.			
										v & 1,000psi high						
100	4. 44.													- 		
LAST 24 HOUR ACTIVITY DETAIL																
FROM TO HOURS OPERATION CODES HOURLY DETAIL																
6:0		0	3:00	CIRC	Т		uie to work 1	" into annul	us while wire	eline truck is in ro	ute. No suc	cess.				
9:0			0:30	WIRELN	ĪΤ	Perfor	ate 4 squeez	e shots at 9	3'.							
9:3			0:45	CIRC	T	├──										
10:		_	2:00	CMT	T		Circulate hole. RU cementers. Pump 175sx neat cement. Lost returns after cement cleared perfs.									
12:		-	8:15	WOC	T	WOC.										
			0:30	WIRELN	╁÷		WOC. Run temperature survey. TOC at 44'. Unable to get return calls from OCD.									
20:					⊢ ∸											
21:0			8:00													
5:0	0 6:0	<u> </u>	1:00	BOPTST	 P	rest b	miu iains, ca	Ising a main	ioid to 200p	si low alta 1,000p	or mgm pro	bourc. Tion	3 014.			
<u> </u>	_				 	├										
<u> </u>					 	ļ										
ļ		_			├					<u> </u>						
					 	 										
					<u> </u>											
<u> </u>																
L			i	L	<u> </u>											
					<u> </u>					,						
D	aily Tota	ı	24			-										
		_			HDV	Y DAT	'Α					DAILY	FUEL	USAGE		
No.	Danth	SURVEY DATA Depth Angle Azimuth No. Depth Angle Azimuth				Delive										
_	Depth	_	Angi	e Azıı	1001	1 -	 	Arigie	Azimum			Used				
1			·			5				1 1		On ha		0		
2						{ 								0		
3						6		<u> </u>	<u></u>		1	Total U	seu	<u> </u>		
COMMENTS:		Prep to trip in hole and test pipe rams.														
		İ														
		V E										ta e a turi ya	mick st			
2 Marie						CALCULATION OF THE PARTY OF THE		COST DA	ATA							
AFE DHC:			\$397,460			DAII	LY MUD:	\$0		DAILY	WELL:	\$40,050				

\$1,688

TOTAL MUD:

AFE TWC:

\$452,510

TOTAL WELL:

\$113,788