

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 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
Revised June 10, 2003

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

WELL API NO. 30-039-23578
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Indian/Federal Jicarilla Contract #119
7. Lease Name or Unit Agreement Name Northwest Federal
8. Well Number # 4E
9. OGRID Number 173252 - Requiring Approval
10. Pool name or Wildcat Basin Dakota / BS Mesa Gallup

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
1625 Broadway, Suite 2000, Denver, CO 80202

4. Well Location
Unit Letter _____ : 1520 feet from the South line and 790 feet from the East line
Section 8 Township 26 North Range 4 West NMPM County Rio Arriba

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6835' GR

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

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
MULTIPLE COMPLETION <input type="checkbox"/>	OTHER: <input type="checkbox"/>
OTHER: Down-hole Commingle; pre-approved pools <input checked="" type="checkbox"/>	

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.

Patina San Juan, Inc. request approval to down-hole commingle the subject well. Patina plans to down-hole commingle the Basin Dakota (71599) and the GS Mesa Gallup (79209) pools in this wellbore. These are pre-approved pools per NMOCD Order #11563. These zones have been segregated since completion. Work will begin soon after approval.

See Attached Exhibits:

Wellbore Diagram, Allocation Method with supporting data, Statement of Commingle, interest owner notification,

A copy of this application has been sent to the BLM.

Please contact Bob Ovitz at 303.389.3600 with any questions.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Robert W. Ovitz TITLE Operations Manager DATE 2/27/04

Type or print name Robert W. Ovitz E-mail address: bovitz@patinaoil.com Telephone No. 303.389.3600

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 00 DATE MAR - 8 2004

Conditions of approval, if any:

Recommended Allocation for Downhole Commingles

Well: Northwest #4E

30-day average production based on December, 2003 production
(see attached decline curve)

G a s	Zone	Average MCFD	Percentage of total flow
	GP	*	*
	DK	*	*
	Total	33	100%

O i l	Zone	Average BOPD	Percentage of total flow
	GP	*	*
	DK	*	*
	Total	0	100%

Note: * - Although production from both the GP & DK is through separate tubing strings, the gas is surface commingled before it is metered. Therefore, there is no precise way to measure the production volume and allocate accordingly.

Recommended allocation for future downhole commingled production

Zone	Gas	Oil
GP	20%	20%
DK	80%	80%
Total	100%	100%

Note: This recommended allocation is based on GP & DK allocations granted for offset wells producing from the same two zones.

Statement of Commingling

The commingling of the Basin Dakota and BS Mesa Gallup pools in this wellbore will not reduce the value of the remaining production. Commingling these pools should increase the value of the remaining reserves due to using the remaining reservoir energy in both zones to produce the well.

Commingling operations conducted on other similar wells have resulted in increased production rates and greater reserve than producing the zones separately.

Statement of Notification

Northwest Federal # 4E
NESE, Sec. 8, T26N – R4W
Rio Arriba County, New Mexico

The interested parties in the two pools affected by this commingle have been sent a copy of this application via certified mail, return receipt requested.

A copy of this application has been forward to the Bureau of Land Management.



Robert W. Ovitz
Operations Manager