

FORM 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas
☐ Well ☒ Well ☐ Other

2. Name of Operator

Calpine Natural Gas

3. Address and Telephone No.

1200 17th Street, Suite 770, Denver, CO 80202

720-359-9144

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FSL & 905' FWL

Sec. 35-T30N-R13W

FORM APPROVED

Budget Bureau No: 1004-0435

Expires: March 31, 1993

5. Lease Designation and Serial No.

SF-078213

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Tiger #17

9. API Well No.

30- 045-30823

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal Gas

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

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state pertinent details, and give pertinent dates including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Attached please find notice given to New Mexico OCD for proposed surface commingling and off lease measurement.

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

Title Production Manager

Date 09/19/02

(This space for Federal or State office use)

Approved by IS/ JIM L. LARSEN

Title _____

Date OCT - 4

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instructions on Reverse Side



CALPINE

CALPINE NATURAL GAS COMPANY

TABOR CENTER

1200 17th STREET, SUITE 770

DENVER, COLORADO 80202

720.359.9144

720.359.9140 (FAX)

September 18, 2002

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico

Re: Surface Commingling Rule 19.15.5.303

Dear Mr. Will Jones:

This letter is to notify you that Calpine Natural Gas Company, L.P. sent letters via certified mail on September 16, 2002 notifying all of the working interest owners, royalty interest owners and overriding royalty interest owner of Calpine's proposed surface commingling proposal for the five applications sent last week. Attached please find copies of the letters and the packages sent to the interested parties.

Thanks for all of your help.

Sincerely,

Hugo Cartaya
Rocky Mountains Production Manager



CALPINE

CALPINE NATURAL GAS COMPANY

TABOR CENTER

1200 17th STREET, SUITE 770

DENVER, COLORADO 80202

720.359.9144

720.359.9140 (FAX)

September 16, 2002

Re: Application for Surface Commingling for San Juan County, New Mexico wells.

Subject: Tiger #1 - 1325' FSL & 1635' FEL, Section 35-30N-13W.
Tiger #2 - 1087' FSL & 1592' FWL Section 35-30N-13W.
Golden Bear #3 - 813' FNL & 1501' FEL, Section 2-29N-13W.
Tiger #17 - 660' FSL & 905' FWL, Section 35-30N-13W.
Golden Bear #5 - 1420' FNL & 1850' FEL, Section 2-29N-13W.

Dear Interest Owner:

Calpine Natural Gas Company, L.P. has applied for surface commingling with the State of New Mexico Oil Conservation Division for the subject wells. Attached please find a copy of the application submitted.

As a result of the proposed commingling, Calpine Natural Gas Company, L.P. anticipates the following:

- 1.) A reduction in operating expenses as a result of utilizing more efficient compressors which will reduce the per well rental fees as the cost is allocated over several wells.
- 2.) A reduction in the gas use to operate the compressor as gas use will be allocated over more wells.
- 3.) More efficient operations as compressors can be optimized for specific needs.

According to New Mexico Oil Conservation Division regulations, you have 20 days to file a protest with the New Mexico Oil Conservation Division at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505.

Please feel free to call me if you have any questions.

Sincerely,

Hugo Cartaya
Rocky Mountains Production Manager

September 11, 2002

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico

Re: Surface Commingling Rule 19.15.5.303

Dear Sir or Madam:

Calpine Natural Gas Company, L.P. wishes to apply for an exception to Rule 303A to permit commingling in common facilities of commonly owned production from two or more common sources of supply.

Calpine Natural Gas Company, L.P. currently operates 5 wells in Section 35-30N-13W and Section 2-29N-13W. These five wells are the Tiger #1, Tiger #2, Golden Bear #3, Tiger #17 and the Golden Bear #5.

The Tiger #1 (API No. 30-045-29495) is located 1325' FSL and 1635' FEL Section 35-30N-13W, San Juan County, New Mexico. The well produces from the Fulcher-Kutz Pictured Cliffs pool (Pool No.77200). The well is currently connected to El Paso Natural Gas Company. The gas from this well is metered by El Paso at the well location. This meter will become an allocation meter for this well.

The Tiger #2 (API No. 30-045-29499) is located 1087' FSL and 1592' FWL Section 35-30N-13W, San Juan County, New Mexico. The well produces from the Fulcher-Kutz Pictured Cliffs pool (Pool No.77200). The well is currently connected to El Paso Natural Gas Company. The gas from this well is metered by El Paso at the well location. This meter will become an allocation meter for this well.

The Golden Bear #3 (API No. 30-045-29421) is located 813' FNL and 1501' FEL Section 2-29N-13W, San Juan County, New Mexico. The well produces from the Fulcher-Kutz Pictured Cliffs pool (Pool No.77200). The well is currently connected to El Paso Natural Gas Company. The gas from this well is metered by El Paso at the well location. This meter will become an allocation meter for this well.

The Tiger #17 (API No. 30-045-30823) is a newly drilled well which is located 660' FSL and 905' FWL Section 35-30N-13W, San Juan County, New Mexico. The well produces from the Basin Fruitland Coal (Gas) pool (Pool No.71629). Calpine Natural Gas Company, L.P. has constructed a natural gas pipeline, which will connect to the compressor at the Golden Bear #3 location.

The Golden Bear #5 (API No. 30-045-30765) is a newly drilled well which is located 1420' FNL and 1850' FEL Section 2-29N-13W, San Juan County, New Mexico. The well produces from the Basin Fruitland Coal (Gas) pool (Pool No.71629). Calpine Natural Gas Company, L.P. has constructed a natural gas pipeline, which will connect to the compressor at the Golden Bear #3 location.

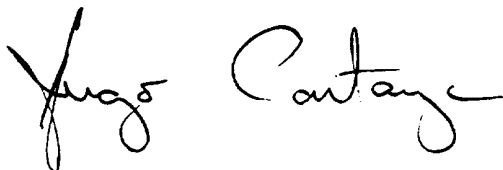
Calpine Natural Gas Company, L.P. proposes the following:

- 1.) El Paso Natural Gas will install a new central delivery point at or near the Golden Bear #3. This will serve as the sales meter for the Tiger #1, Tiger #2, Golden Bear #3, Tiger #17 and the Golden Bear #5.
- 2.) Utilize the existing compression facility at the Golden Bear #3 location to compress and surface commingle the gas from the Tiger #1, Tiger #2, Golden Bear #3, Tiger #17 and the Golden Bear #5.
- 3.) Convert the existing El Paso Natural Gas Company meter at the Golden Bear #3 to an allocation meter.
- 4.) Convert the existing El Paso Natural Gas Company meter at the Tiger #1 to an allocation meter.
- 5.) Convert the existing El Paso Natural Gas Company meter at the Tiger #2 to an allocation meter.
- 6.) Install an allocation meter at the Tiger #17.
- 7.) Install an allocation meter at the Golden Bear #5.
- 8.) The compressor fuel use will be determined by the compressor rating and allocated based on the individual well production.
- 9.) The sales for each well will be based on the gas sales from the central delivery point allocated back based on each well's allocation meter volume..

Attached please find a diagram of the surface commingling proposal.

Calpine Natural Gas Company, L.P. is requesting administrative approval to grand an exception to Rule 303A. Please feel free to call me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Hugo Cartaya". The signature is fluid and cursive, with the first name "Hugo" written more prominently than the last name "Cartaya".

Hugo Cartaya
Rocky Mountains Production Manager

S/2 Section 35-30N-13W
San Juan County, New Mexico
(not to scale)

