

6/30/06 DATE IN	SUSPENSE	WILL JONES ENGINEER	7/3/06 LOGGED IN	DHC TYPE	APP NO. A1D50618439568
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name	Signature	Title	Date
e-mail Address			

District I
1625 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
 Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

DHC-3740

2006
JUN 3
P 12
P 12

Operator **PATINA SAN JUAN, INC.** Address **5802 U.S. HIGHWAY 64 FARMINGTON, NM 87401**

Lease **TRIBAL** Well No. **C#4E** Unit Letter-Section-Township-Range **H Sec 6 - T26N - R4W** County **RIO ARRIPEA**

OGRID No. **173252** Property Code _____ API No. **30-039-22514** Lease Type: Federal **XXX** State **Fee**

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BLANCO MESA VERDE	WILDHORSE GALLUP	BASIN DAKOTA
Pool Code	72319	87360	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5704 - 5736 5790 - 5860	6148 - 6294	6612 - 6650 8194 - 8350
Method of Production (Flowing or Artificial Lift)	FLOWING	FLOWING	FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1200 Btu	1200 Btu	1280 Btu
Producing, Shut-In or New Zone	To be commingled June 2006	To be commingled June 2006	To be commingled June 2006
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Production estimates from various off-set wells in proximity to well.	Production estimates from various off-set wells in proximity to well.	Production estimates from various off-set wells in proximity to well.
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 25 % Gas 47 %	Oil 1 % Gas 12 %	Oil 74 % Gas 41 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No _____
 If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? N/A Yes _____ No _____

Are all produced fluids from all commingled zones compatible with each other? Yes No _____

Will commingling decrease the value of production? Yes _____ No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No _____

NMOCD Reference Case No. applicable to this well: _____

- Attachments:
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
 - Production curve for each zone for at least one year. (If not available, attach explanation.)
 - For zones with no production history, estimated production rates and supporting data.
 - Data to support allocation method or formula
 - Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
 - Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE J. Muse TITLE REGULATORY COMPLIANCE DATE 05/25/05
 TYPE OR PRINT NAME JEAN M. MUSE TELEPHONE NO. (505) 632-8056

E-MAIL ADDRESS jmuse@patinasanjuan.com

District I
 1625 N. French Dr., Hobbs, NM 88240
District II
 1301 W. Grand Avenue, 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 & Natural Resources Department
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-102
 Revised October 12, 2005
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-22514		² Pool Code 72319/87360/71599		³ Pool Name BLANCO MESA VERDE//WILDHORSE GALLUP/BASIN DAKOTA	
⁴ Property Code		⁵ Property Name TRIBAL C			⁶ Well Number #4E
⁷ OGRID No. 173252		⁸ Operator Name Patina Oil and Gas Corp.			⁹ Elevation 7211' KB

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	6	26N	3W		1850'	NORTH	800'	EAST	RIO ARRIBA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320 E/2		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p>	<p>¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>Signature: <u>Jean M. Muse</u> Date: <u>5/25/06</u></p> <p>Printed Name: <u>Jean M. Muse</u></p>
	<p>¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>ONFILE/ATTACHED Date of Survey Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

All distances must be from the center to center of the Section

Name of Lessee CONSOLIDATED OIL & GAS, INC.		Section 6		Township 26 NORTH		Range 3 WEST		County RIO ARriba		Well No. 4-E
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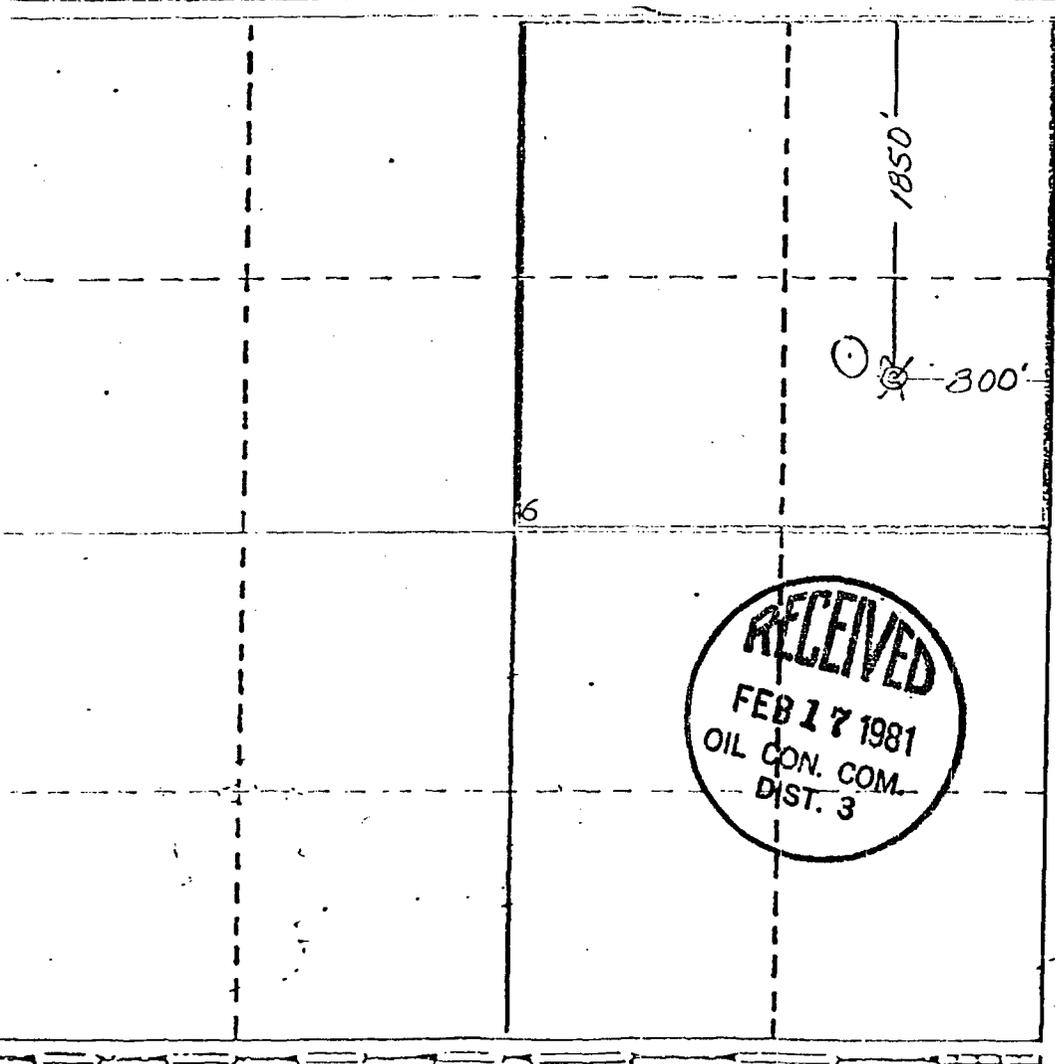
Section 6	Township 26 NORTH	Range 3 WEST	County RIO ARriba
1850 feet from the NORTH line and 7211 feet Level Elev.	Producing Formation Callup	800 feet from the EAST line Post in the Jicarilla Area	Dedicated Acreage: 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division



RECEIVED
 FEB 17 1981
 OIL CON. COM.
 DIST. 3

CERTIFICATION

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

Dale Richardson
 Name
DALE RICHARDSON

Position
DRILLING SUPT.

Company
Consolidated Oil & Gas, Inc.

Date
February 17, 1981

I hereby certify that the section shown on this plat was based on the notes of a survey made by _____ under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
June 16, 1980

Registered Professional Engineer
 and/or Land Surveyor
James P. Leese
James P. Leese

Certificate No. _____

Recommended Allocation for Commingle

Well: Tribal C #4E

30-day average production based on Offset Well Performance
(see attached decline curves)

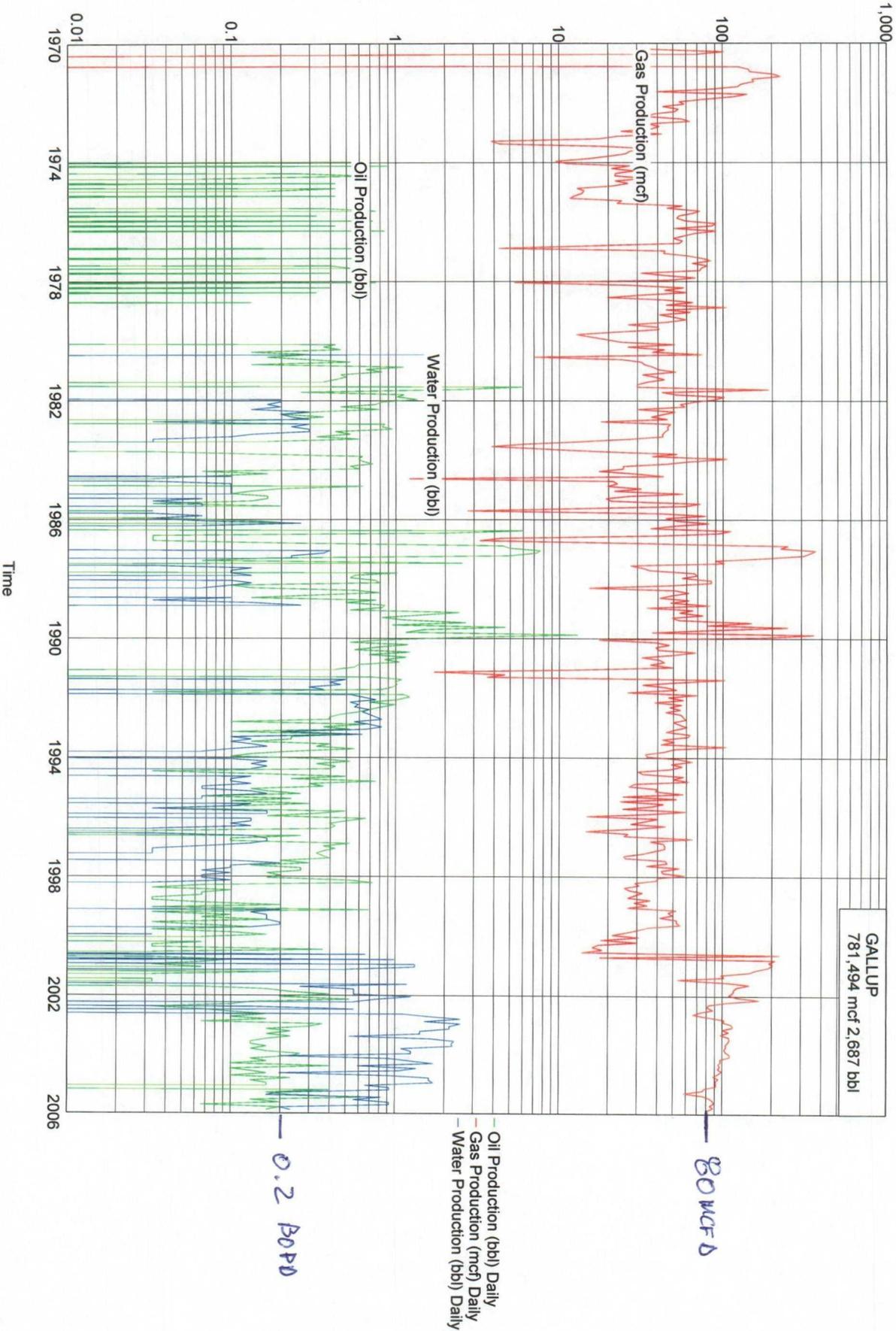
G a s	Zone	Average MCFD	Percentage of total flow
	MV	61	47%
	Gallup	16	12%
	DK	53	41%
	Total	130	100%

O i l	Zone	Average BOPD	Percentage of total flow
	MV	0.16	25%
	Gallup	0.004	1%
	DK	0.47	74%
	Total	0.634	100%

Recommended allocation for future downhole commingled production

Zone	Gas	Oil
MV	47%	25%
Gallup	12%	1%
DK	41%	74%
Total	100%	100%

Production Rates

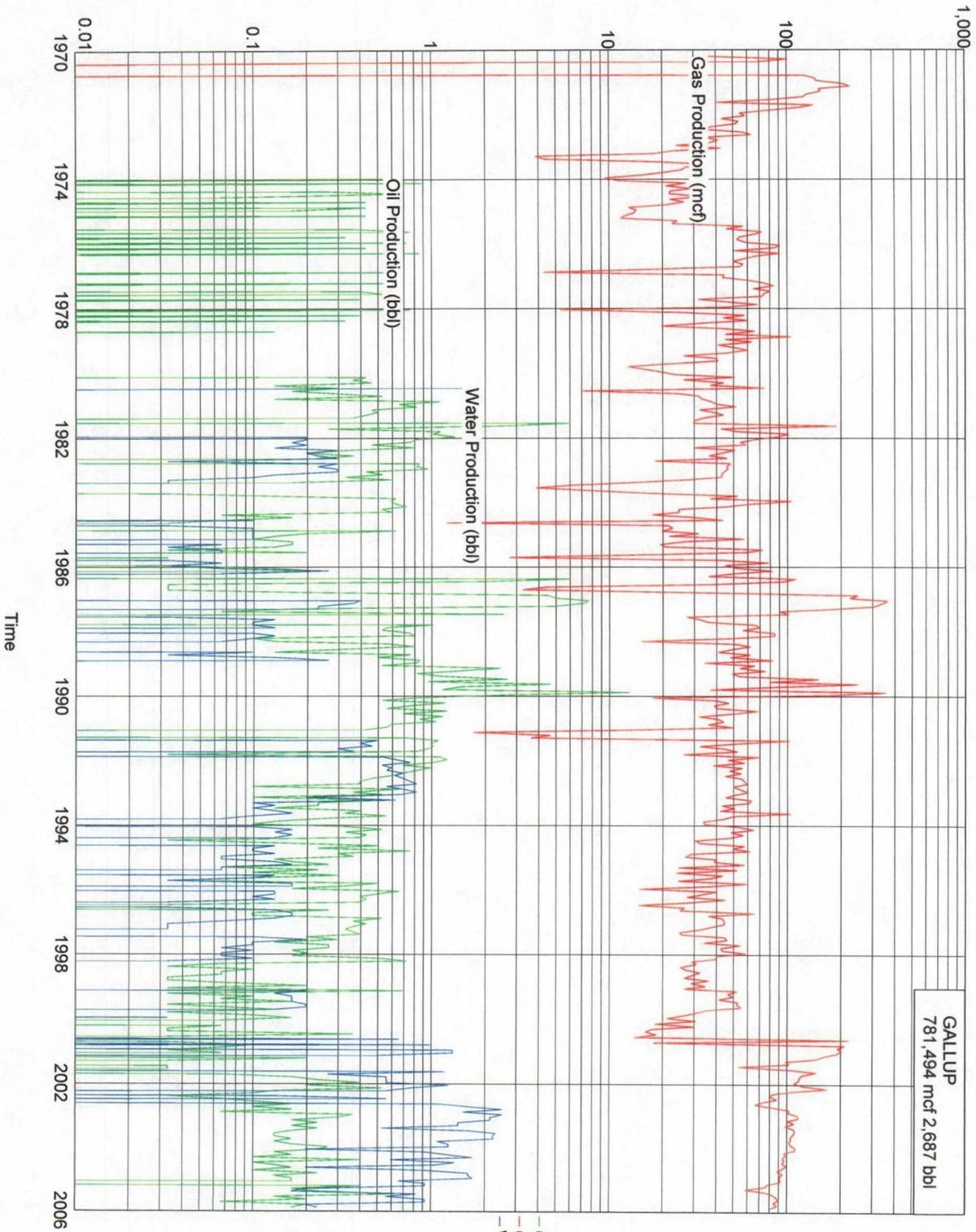


Tribal C#4/E
 Lease Name: MULTIPLE
 County, State: RIO ARBA, NM
 Operator: MULTIPLE
 Field: MULTIPLE
 Reservoir: GALLUP
 Location:
 9 Section Plat
 T26N-R3W
 MULTIPLE - MULTIPLE

5 active wells
 80 WCFD = 16 MCFD/well
 5 wells
 0.2 BOPD = 0,004 BOPD/well
 5 wells

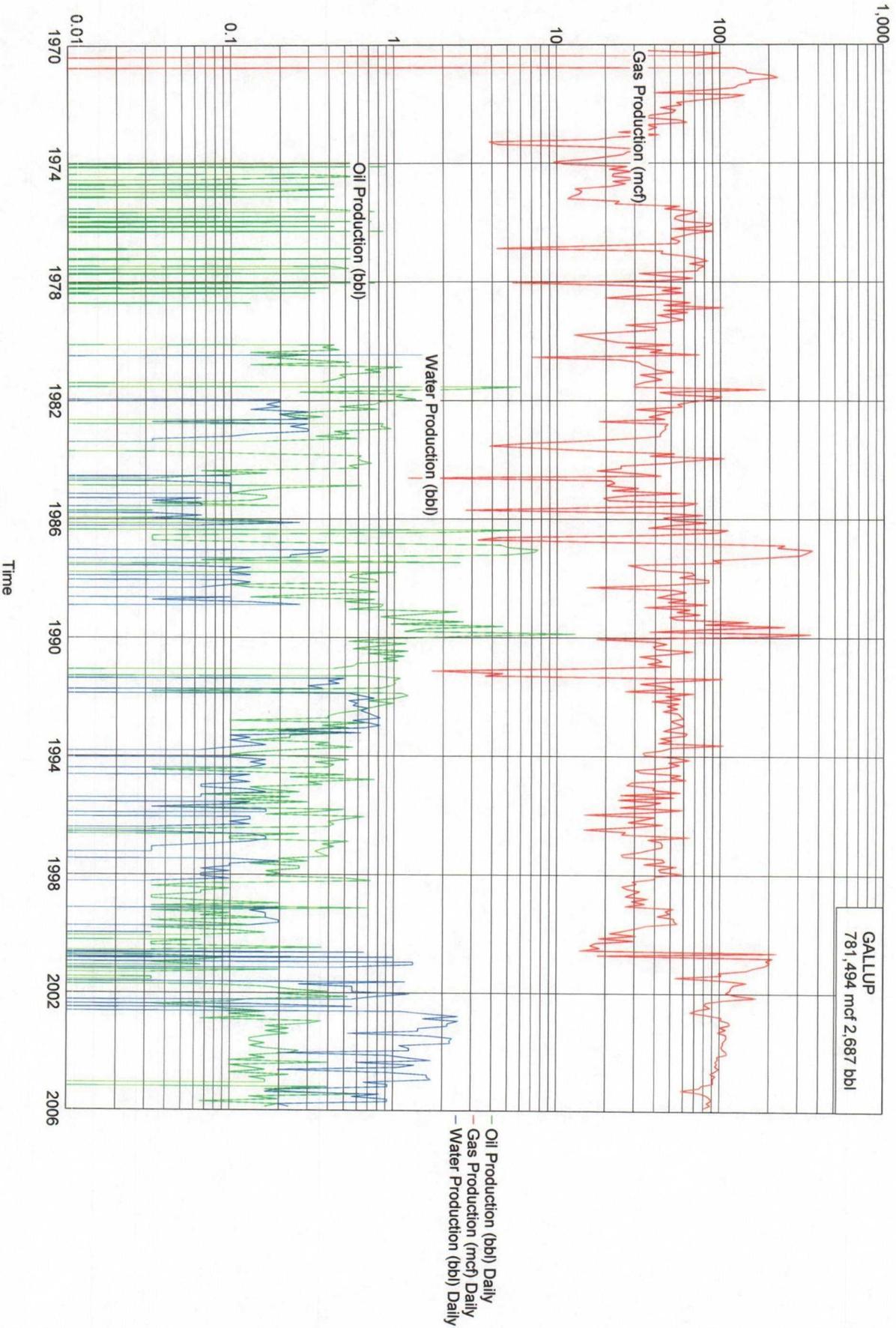
Lease Name: MULTIPLE
County, State: RIO ARBA, NM
Operator: MULTIPLE
Field: MULTIPLE
Reservoir: GALLUP
Location:

MULTIPLE - MULTIPLE



Lease Name: MULTIPLE
County, State: RIO ARBA, NM
Operator: MULTIPLE
Field: MULTIPLE
Reservoir: GALLUP
Location:

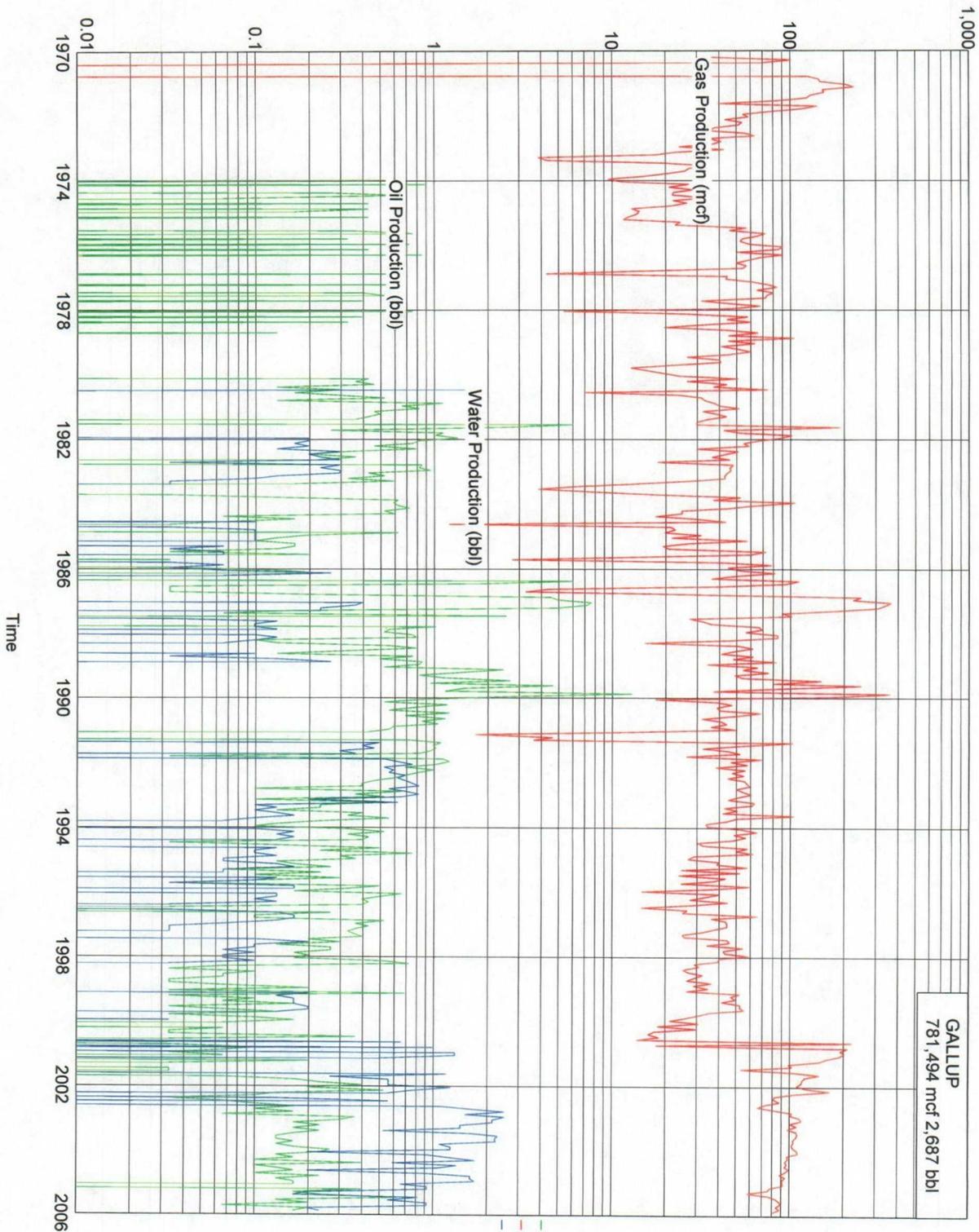
MULTIPLE - MULTIPLE



Lease Name: MULTIPLE
County: RIO ARBA, NM
Operator: MULTIPLE
Field: MULTIPLE
Reservoir: GALLUP
Location:

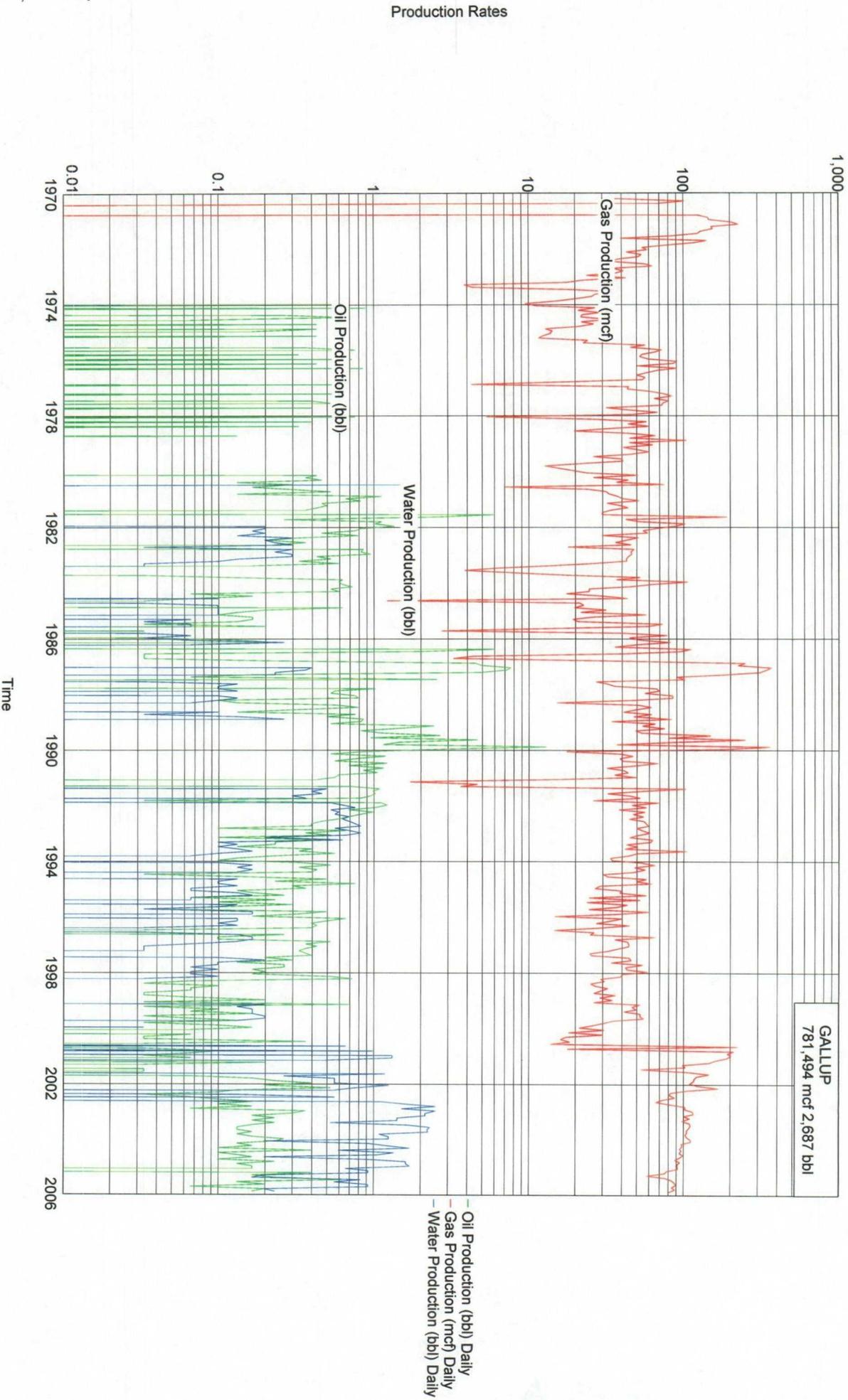
MULTIPLE - MULTIPLE

Production Rates

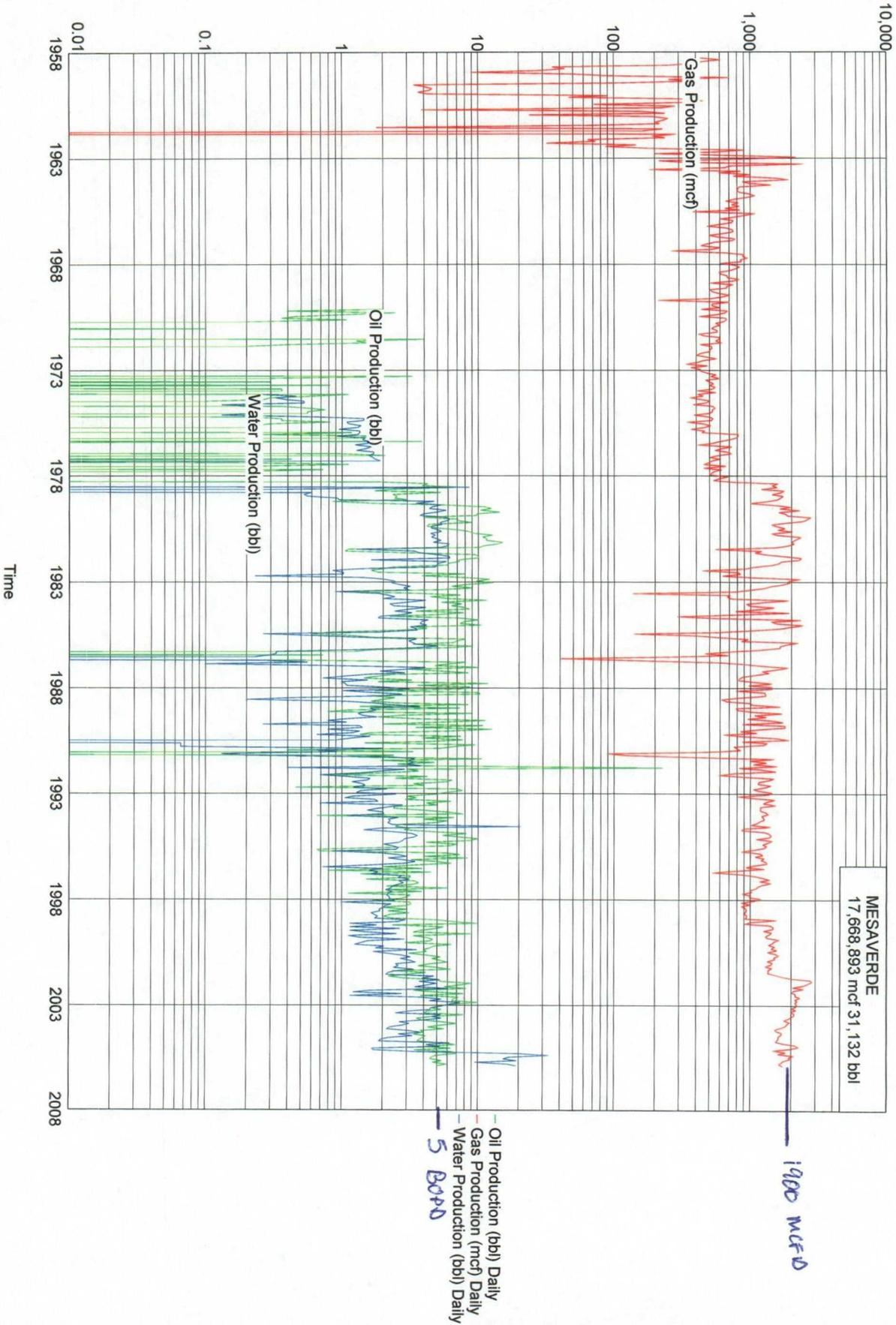


Lease Name: MULTIPLE
County, State: RIO ARBA, NM
Operator: MULTIPLE
Field: MULTIPLE
Reservoir: GALLUP
Location:

MULTIPLE - MULTIPLE



Production Rates

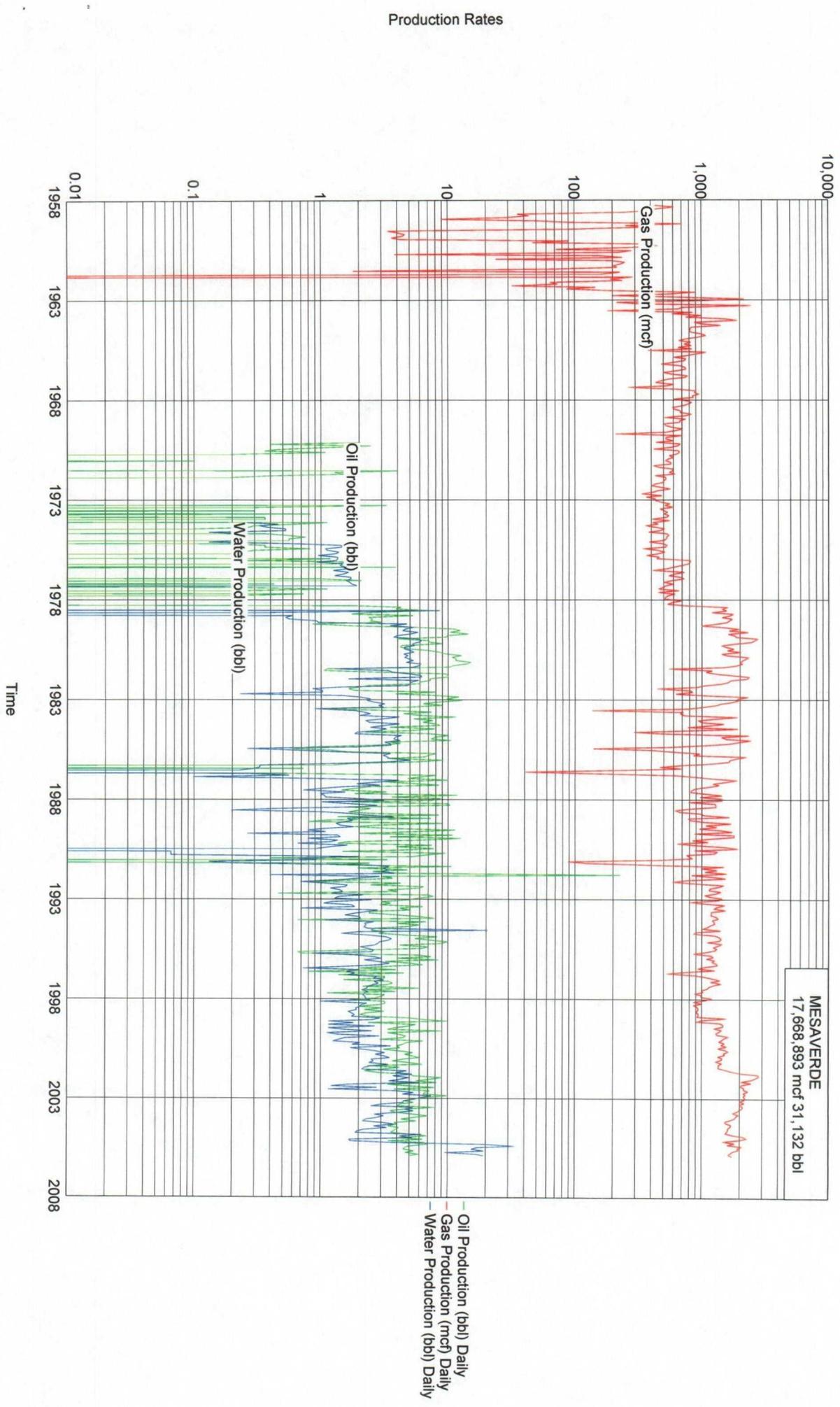


Tibol C#4E
 Lease Name: MULTIPLE
 County, State: RIO ARBA, NM
 Operator: MULTIPLE
 Field: BLANCO
 Reservoir: MESAVARDE
 Location:
 9 Section Plat
 T26N-R3W
 MULTIPLE - BLANCO

31 Active wells
 $\frac{1900 \text{ MCFD}}{31 \text{ wells}} = 61 \text{ MCFD/well}$
 $\frac{5 \text{ BOPD}}{31 \text{ wells}} = 0.16 \text{ BOPD/well}$

Lease Name: MULTIPLE
 County, State: RIO ARBA, NM
 Operator: MULTIPLE
 Field: BLANCO
 Reservoir: MESAVERDE
 Location:

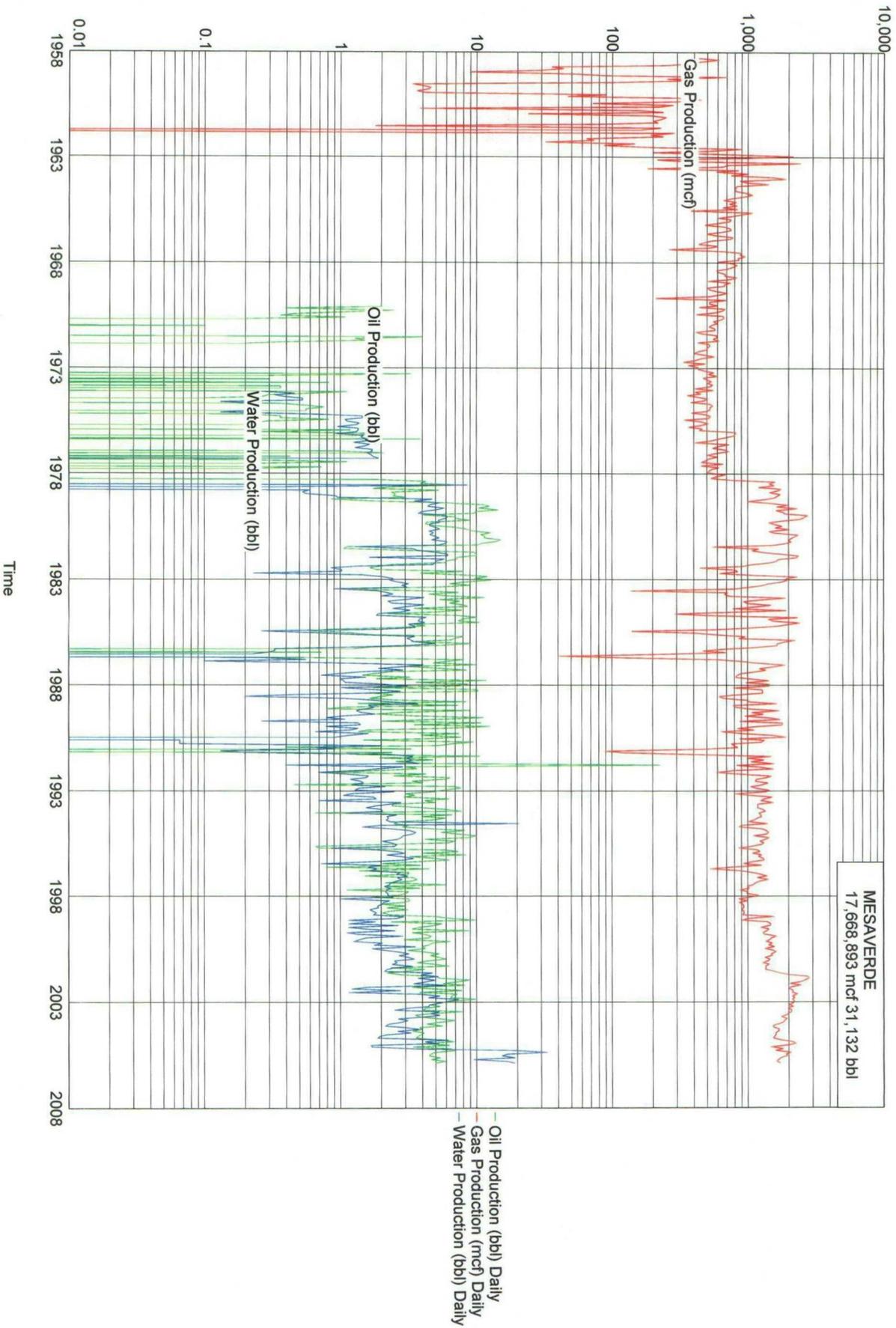
MULTIPLE - BLANCO



Lease Name: MULTIPLE
County, State: RIO ARBA, NM
Operator: MULTIPLE
Field: BLANCO
Reservoir: MESAVERDE
Location:

MULTIPLE - BLANCO

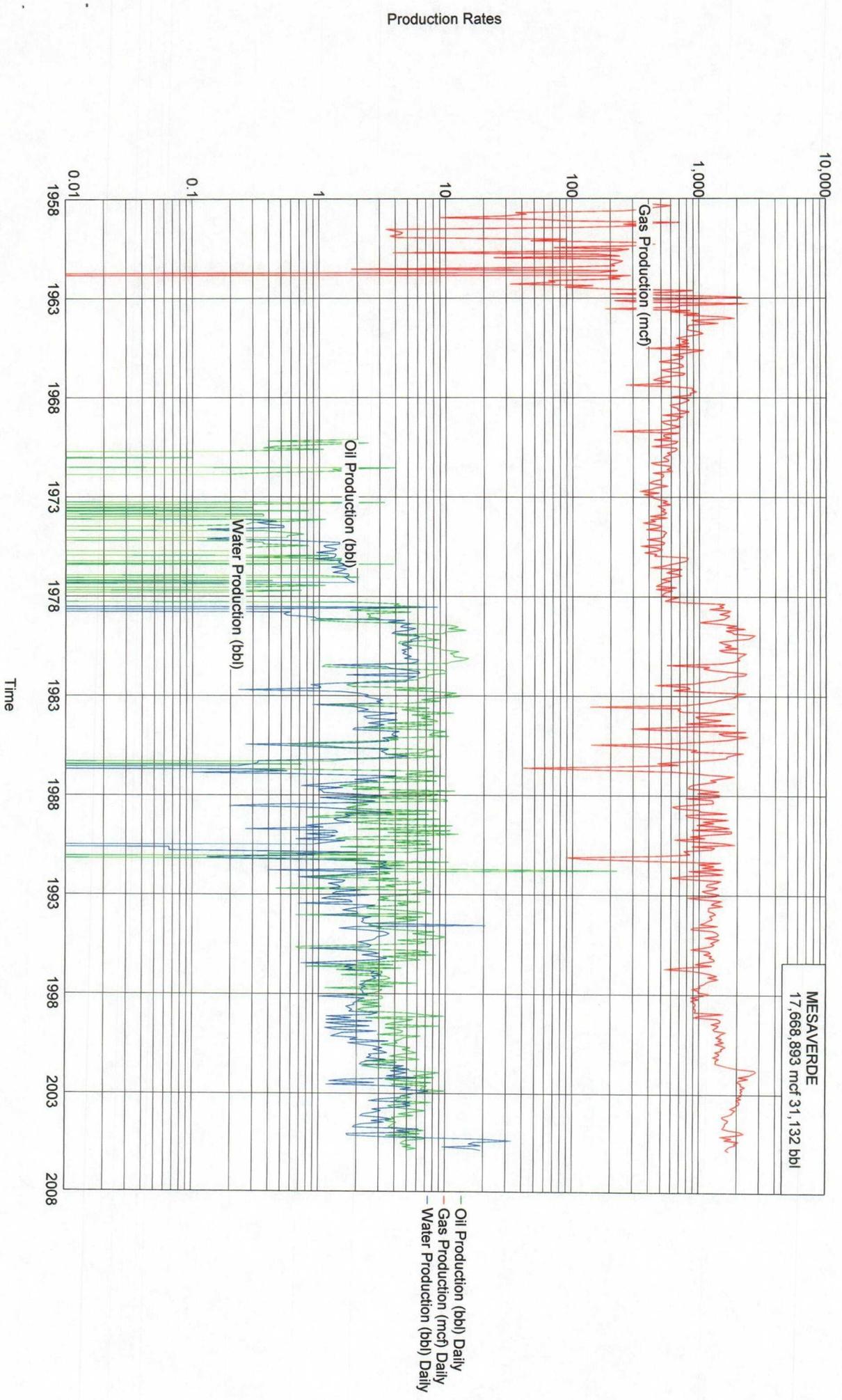
Production Rates



Lease Name: MULTIPLE
 County, State: RIO ARBA, NM
 Operator: MULTIPLE
 Field: BLANCO
 Reservoir: MESAVERDE
 Location:

MULTIPLE - BLANCO

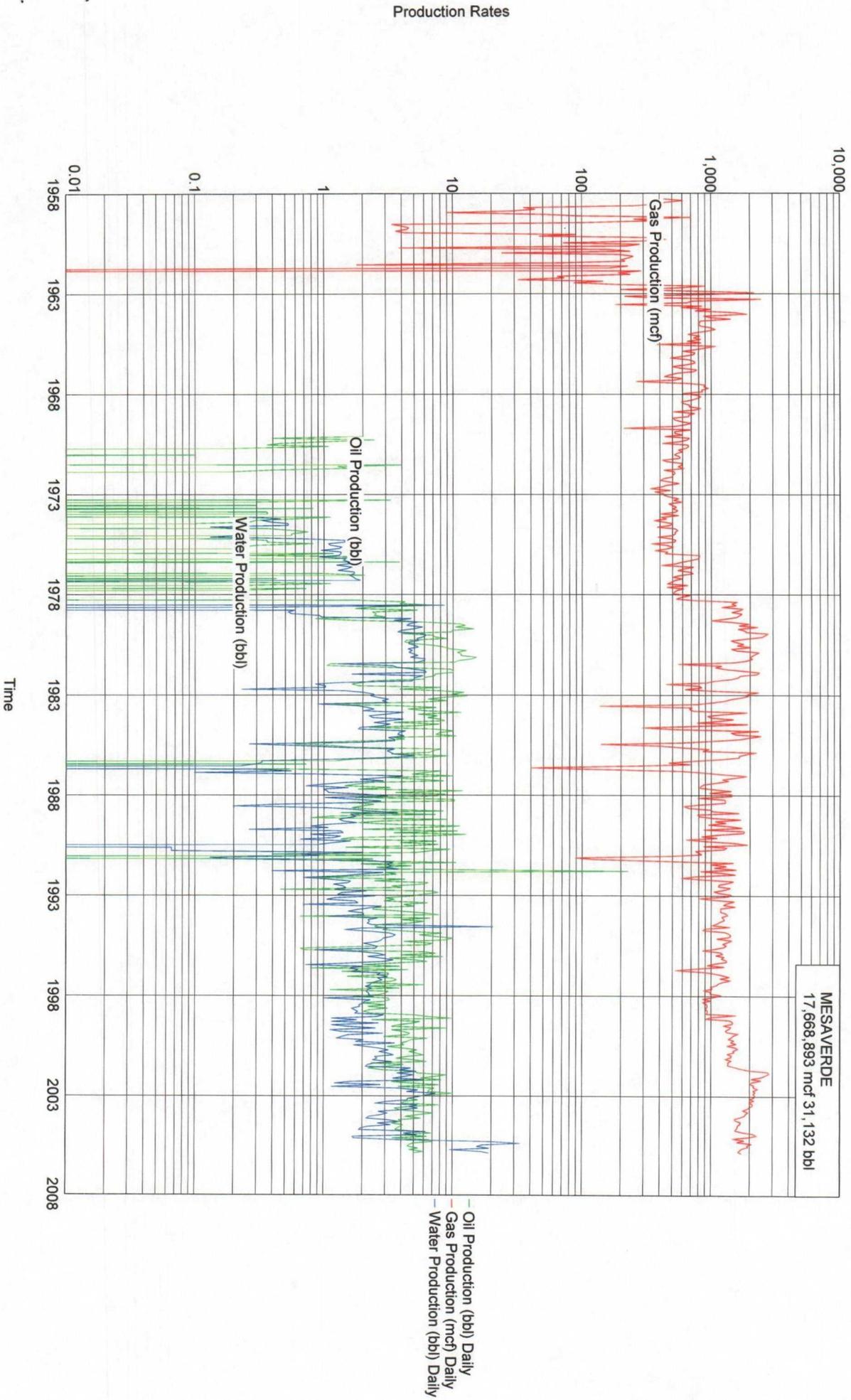
MESAVERDE
 17,668,893 mcf 31,132 bbl



Lease Name: MULTIPLE
County, State: RIO ARBA, NM
Operator: MULTIPLE
Field: BLANCO
Reservoir: MESAVERDE
Location:

MULTIPLE - BLANCO

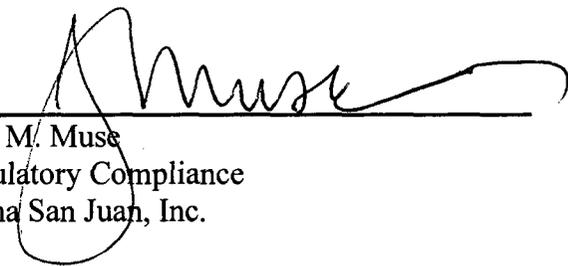
MESAVERDE
17,668,893 mcf 31,132 bbl



Statement of Notification- BLM

Tribal C #4E
API 30-039-06538
UL "H" Sec 6, T26N – R3W
Rio Arriba County, New Mexico

The Bureau of Land Management has been sent copies of the tri-mingling application form C-107A and form MMS 3160-5 for this well.



Jean M. Muse
Regulatory Compliance
Patina San Juan, Inc.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

5. Lease Serial No.
JICARILLA CONTRACT #97

6. If Indian, Allottee or Tribe Name
JICARILLA APACHE TRIBE

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
TRIBAL "C" #4E

9. API Well No.
30-039-22514

10. Field and Pool, or Exploratory Area
BASIN DK/BLANCO MV/WILD GP

11. County or Parish, State
RIO ARRIBA CTY, NEW MEXICO

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
PATINA SAN JUAN, INC.

3a. Address
5802 US HIGHWAY 64 FARMINGTON, NM 87402

3b. Phone No. (include area code)
505-632-8056

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1750' FNL AND 900' FEL
H Sec 6 - T26N - R3W**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other COMMINGLE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	DK/MV
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	FORMATIONS

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 recomplete 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.)

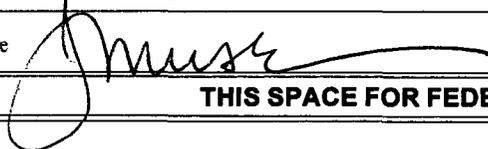
PATINA SAN JUAN REQUESTS APPROVAL TO DOWNHOLE COMMINGLE THE BLANCO MESA VERDE (72319), WILDHORSE GALLUP (87360) AND BASIN DAKOTA (71599) FORMATIONS IN THE SUBJECT WELL. THE COMMINGLING OF THE POOLS ARE PRE-APPROVED PER NMOC ORDER #11563. THIS WELL WILL BE COMMINGLED UPON APPROVAL OF THIS COMMINGLING REQUEST.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

JEAN M. MUSE

Title **REGULATORY COMPLIANCE**

Signature



Date

05/25/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

Statement of Notification

Tribal C #4E
API #30-039-22514
UL "H" Sec 6, T26N – R3W
Rio Arriba County, New Mexico

No notification is required for this well; the interested parties in the Blanco Mesa Verde, Wildhorse Gallup and Basin Dakota formations are identical.



Jean M. Muse
Regulatory Compliance
Patina San Juan, Inc.

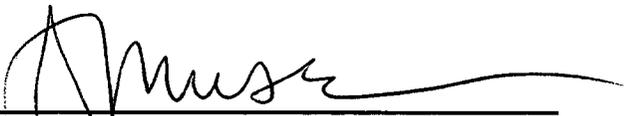
Patina San Juan, Inc.
5802 US Highway 64
Farmington, NM 87401

Tribal C #4E
API 30-039-22514
UL "H" Sec 6, T26N - R3W
Rio Arriba County, New Mexico

Re: Application to Down-Hole Commingle

The trimmingling of the Basin Dakota, Wildhorse Gallup, and Blanco Mesa Verde pools in this wellbore will not reduce the value of the remaining production. Trimmingling these pools should increase the value of the remaining reserves due to using the remaining reservoir energy in both zones to produce the wells.

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



Jean M. Muse
Regulatory Compliance
Patina San Juan, Inc.