

MILLER STRATVERT

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James J. Widland
Bradley D. Tepper**
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Ruth Fuess
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Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Nicole V. Strauser
Joseph L. Romero
Kelly A. Stone
Deron B. Kuoner
Charlotte Lamont

Patricia A. Bradley
T. Aaron Garrett
Amy P. Hauser
Rebecca M. Alves
Alisa R. Wigley-DeLara
W. Scott Jaworski
Anita M. Kelley
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Reply to Santa Fe

150 Washington Ave., Suite 300
Santa Fe, NM 87501

Mailing Address:
P.O. Box 1986
Santa Fe, NM 87504-1986

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Writer's Direct E-Mail:
shall@mstlaw.com

* Board Certified Specialist: Natural Resources - Oil & Gas Law
** Board Certified Specialist: Real Estate Law

March 12, 2007

HAND-DELIVERED

Mr. Mark Fesmire, Director
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Request for Administrative Approval to Amend NSL-1256-A to Add Fruitland Coal Formation at a Previously Approved Unorthodox Well Location
Rio Bravo 27 #15 Well (API 3004533706)
Mesaverde/Dakota Formations
500' FSL and 1810' FEL (now corrected to 1800' FEL)
Section 27 (S/2) T31N, R13W, NMPM, San Juan County, New Mexico

Dear Mr. Fesmire:

By letter dated February 23, 2007, Noble Energy Production, Inc./Patina San Juan, Inc. made application to the New Mexico Oil Conservation Division (NMOCD) for administrative approval to add the Fruitland Coal formation to the previously approved unorthodox well location for its Rio Bravo 27 #15 Well drilled to the Basin-Dakota formation at the surface and bottom-hole locations of 500' from the South line and 1810' from the East line of Section 27 T31N, R13W, NMPM in San Juan County, New Mexico.

Since that time, it was discovered that the correct footage for the well location is 500' from the South line and 1800' from the east line of Section 27, placing the unorthodox location closer to a standard location. Correspondingly, please regard this letter as a corrected application for approval of unorthodox locations for the Basin-Fruitland Coal Gas Pool, as well as for the Blanco-Mesaverde Pool and the Basin-Dakota Pool previously approved by NSL-1256-A.

LAW OFFICES

ALBUQUERQUE
(505) 842-1950

FARMINGTON
(505) 326-4521

LAS CRUCES
(505) 523-2481

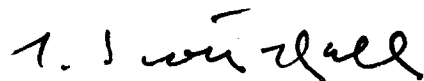
SANTA FE
(505) 989-9614

Mr. Mark Fesmire
March 12, 2007
Page 2

Copies of this amended application are being sent to each of the interest owners and offset operators listed below.

Thank you for your consideration of this request.

Very truly yours,



J. Scott Hall
MILLER STRATVERT P.A.
Attorneys for Noble Energy Production,
Inc./Patina San Juan, Inc.

JSH/glb

cc: Segal Oil & Gas, Inc.
Arthur Alsberg
Burlington Resources, Inc.
Bachman Brothers Partnership
Michelle Lelandais
Mr. David Catanach, NMOCD
Mr. Robert A. Hoelsken

DATE: 23 Feb 07	SUSPENSE: 3/15/07	ENGINEER: D. Castaneda	LOGGED IN: 27 Feb 07	TYPE: NSL	APP NO: PCLP070584376
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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


MILLER STRATVERT
LAW OFFICES

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shall@mstlaw.com

* Board Certified Specialist: Natural Resources - Oil & Gas Law
** Board Certified Specialist: Real Estate Law

February 23, 2007

HAND-DELIVERED

Mr. Richard Ezeanyim
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

Re: Request for Administrative Approval to Amend NSL-1256-A to Add Fruitland Coal Formation at a Previously Approved Unorthodox Well Location
Rio Bravo 27 #15 Well (API 3004533706)
Mesaverde/Dakota Formations
500' FSL and 1810' FEL
Section 27 (S/2) T31N, R13W, NMPM, San Juan County, New Mexico

Dear Mr. Ezeanyim

On behalf of Patina San Juan, Incorporated and pursuant to Division Rule 104.F and the applicable rules governing the Basin Fruitland Coal Gas Pool (71629; Order No. R-8768, as amended), we request the amendment to Administrative Order NSL-1256-A to allow for the completion of the above-referenced well in the Fruitland Coal formation.

Previously, on March 31, 2006, the Division issued Administrative Order NSL-1256 authorizing the drilling of the referenced well to the Blanco Mesaverde Pool (72319; Order No. R-10987-A, as amended) and the Basin-Dakota Pool (71599; Order No. R-10987-B, as amended) at the unorthodox well location referenced above. The well was recently drilled and completed in the Basin-Dakota formation and Patina San Juan now plans to complete the well in the Fruitland Coal formation. The conformed pool rules for the pools currently provide that wells shall be drilled no closer than 660' to the outer boundary of the 320-acre GPU and no closer than 10' to any quarter-quarter section line or subdivision inner boundary. The exception location was approved due to topographical reasons.

A PROFESSIONAL ASSOCIATION

ALBUQUERQUE
(505) 842-1950

FARMINGTON
(505) 326-4521

LAS CRUCES
(505) 523-2481

SANTA FE
(505) 989-9614

Mr. Richard Ezeanyim

February 23, 2007

Page 2

For the Fruitland Coal formation unit, the S/2 of Section 27, T31N, R13W will be dedicated to the well. A plat showing the S/2 spacing unit, the unorthodox surface and bottom hole locations, and adjoining spacing units and wells is attached as Exhibit "A". The well encroaches toward the 320 acre unit consisting of the E/2 of Section 34, T31N, R13W. Patina San Juan is the operator of that unit and accordingly, notice of this application and requests for waivers of objections is being sent to the non-operating interest owners shown on the attached Exhibit B. Burlington Resources is the operator of the unit in the W/2 of said Section 34 and is also being provided with notice of this application.

Thank you for your consideration of this request. Should more information be required, please do not hesitate to contact me.

Very truly yours,

MILLER STRATVERT P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall", written in a cursive style.

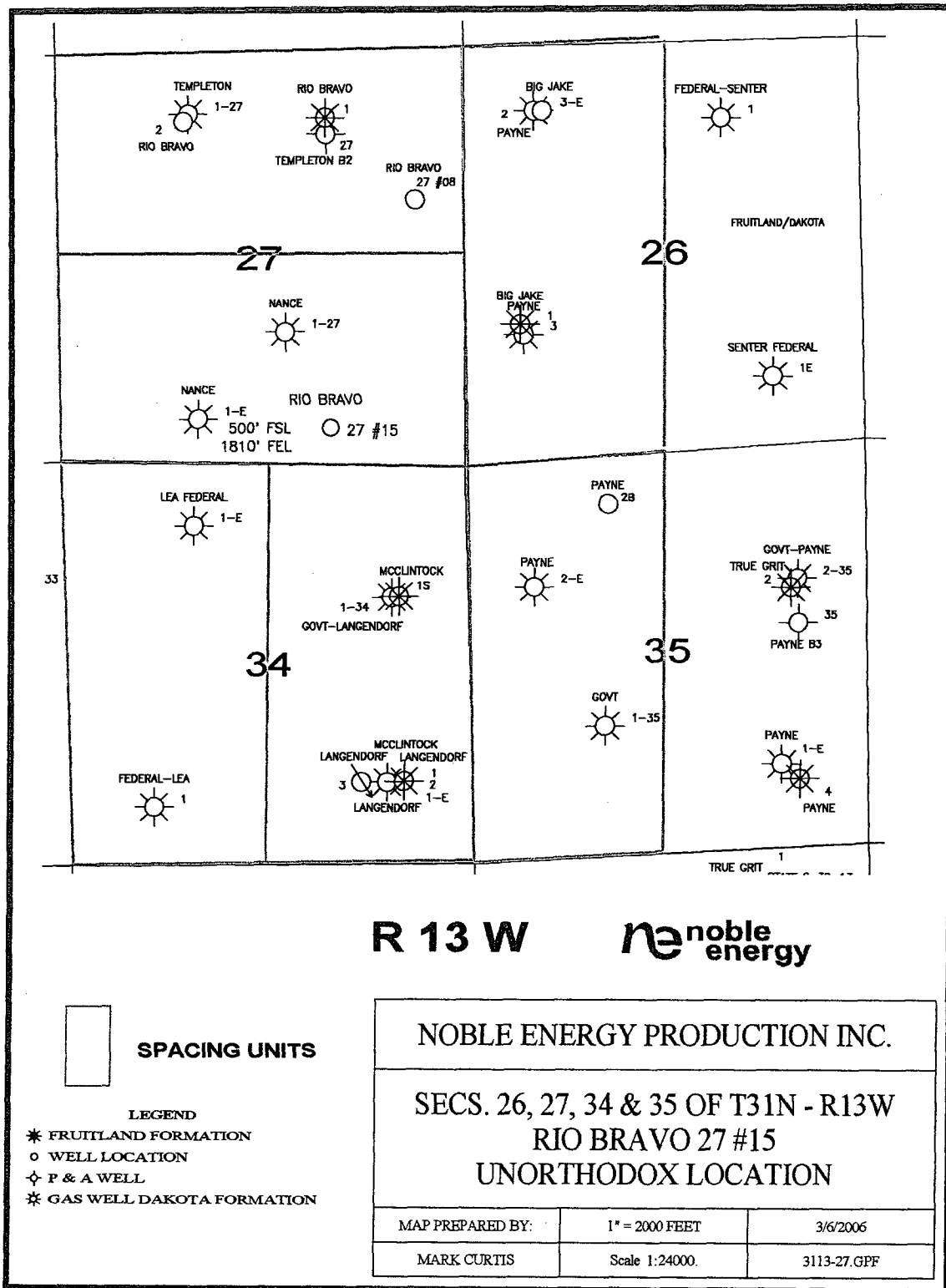
J. Scott Hall

Attorneys for Patina San Juan, Inc.

JSH/glb

Enclosures

EXHIBIT "A"



T
31
N

R 13 W

ne noble energy



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

March 31, 2006

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Patina San Juan Incorporated
c/o **J. Scott Hall**
Miller & Stratvert, P. A.
P. O. Box 1986
Santa Fe, New Mexico 87401

RECEIVED

APR - 3 2006

MILLER STRATVERT, P.A.

Administrative Order NSL-1256-A

Dear Mr. Hall:

Reference is made to the following: (i) your application filed on behalf of the operator, Patina San Juan Incorporated ("Patina"), and submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on March 10, 2006 (*administrative application reference No. pTDS0-606957188*); and (ii) the Division's records in Aztec and Santa Fe, including the records on Division Administrative Orders NSL-1256 and NSL-1858: all concerning Patina's request for exceptions to the well location requirements provided within the:

(A) "*Special Rules for the Blanco-Mesaverde Pool*," as promulgated by Division Order No. R-10987-A, issued in Case No. 12069 and dated February 1, 1999, as amended by Division Order No. R-10987-A (1), dated December 2, 2002; and

(B) "*Special Rules for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987-B, issued in Case No. 12290 and dated June 30, 2000, as amended by Division Orders No. R-10987-B (1), dated August 10, 2000, and R-10987-B (2), dated January 29, 2002:

Patina proposes to drill its Rio Bravo "27" Well No. 15 at an unorthodox gas well location in both the Blanco-Mesaverde (72319) and Basin-Dakota (71599) Pools 500 feet from the South line and 1810 feet from the East line (Unit O) of Section 27, Township 31 North, Range 13 West, NMPM, San Juan County, New Mexico.

This application has been duly filed under the provisions of Division Rules 104.F and 605.B and the applicable rules governing both pools.

Patina San Juan Incorporated

March 31, 2006

Page 2

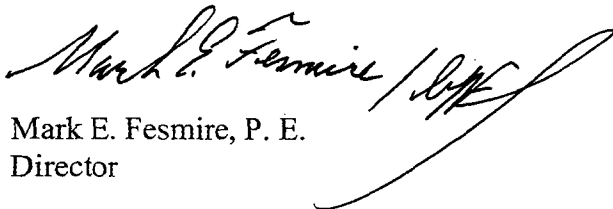
Division Administrative Order NSL-1256-A

Gas production from the deeper Basin-Dakota Pool is to be included within an existing standard 320-acre lay-down gas spacing and proration unit ("GPU") comprising the S/2 of Section 27, which is currently dedicated to Patina's: (i) Nance Well No. 1 (API No. 30-045-10310), located at a standard gas well location 1760 feet from the South line and 2310 feet from the East line (Unit J) of Section 27; and (ii) Nance Well No. 1-E (API No. 30-045-25894), located at a non-standard infill Dakota gas well location (approved by Division Administrative Order NSL-1256, dated August 20, 1980) 590 feet from the South line and 1850 feet from the West line (Unit N) of Section 27.

The proposed Rio Bravo "27" Well No. 15 will be the initial Mesaverde gas well within this same 320-acre lay-down GPU.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Basin-Dakota/Blanco-Mesaverde gas well location for Patina's proposed Rio Bravo "27" Well No. 15 is hereby approved. Further all of the aforementioned wells and both spacing units will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,



Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division – Aztec
U. S. Bureau of Land Management – Farmington
File: NSL-1256
NSL-1858

March 7, 2006

Notice List
Rio Bravo 27 #15 Well

Burlington Resources Inc.
P. O. Box 4289
Farmington, NM 87499
Attention: Richard Fraley

Bachman Brothers, A Partnership
c/o Jim Bachman
2501 Greenbriar Drive
Springfield, IL 62704

John V. Gutttag
273 Emerson Road
Lexington, MA 02420

Arthur Alsberg
3816 Longridge Avenue
Sherman Oaks, CA 91423

Segal Oil & Gas Inc.
c/o Andrew Segal
10 East 70th Street
New York, NY 10021-4913

Michelle Lelandais
P. O. Box 183
South Egremont, MA 01258-0783



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

March 31, 2006

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Patina San Juan Incorporated
c/o **J. Scott Hall**
Miller & Stratvert, P. A.
P. O. Box 1986
Santa Fe, New Mexico 87401

Administrative Order NSL-1256-A

Dear Mr. Hall:

Reference is made to the following: (i) your application filed on behalf of the operator, Patina San Juan Incorporated ("Patina"), and submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on March 10, 2006 (*administrative application reference No. pTDS0-606957188*); and (ii) the Division's records in Aztec and Santa Fe, including the records on Division Administrative Orders NSL-1256 and NSL-1858: all concerning Patina's request for exceptions to the well location requirements provided within the:

(A) "*Special Rules for the Blanco-Mesaverde Pool*," as promulgated by Division Order No. R-10987-A, issued in Case No. 12069 and dated February 1, 1999, as amended by Division Order No. R-10987-A (1), dated December 2, 2002; and

(B) "*Special Rules for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987-B, issued in Case No. 12290 and dated June 30, 2000, as amended by Division Orders No. R-10987-B (1), dated August 10, 2000, and R-10987-B (2), dated January 29, 2002:

Patina proposes to drill its Rio Bravo "27" Well No. 15 at an unorthodox gas well location in both the Blanco-Mesaverde (72319) and Basin-Dakota (71599) Pools 500 feet from the South line and 1810 feet from the East line (Unit O) of Section 27, Township 31 North, Range 13 West, NMPM, San Juan County, New Mexico.

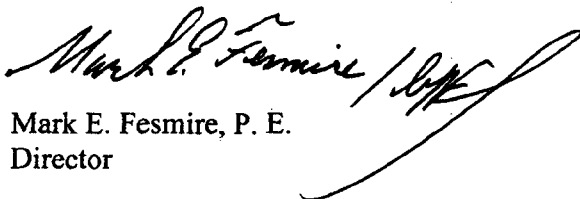
This application has been duly filed under the provisions of Division Rules 104.F and 605.B and the applicable rules governing both pools.

Gas production from the deeper Basin-Dakota Pool is to be included within an existing standard 320-acre lay-down gas spacing and proration unit ("GPU") comprising the S/2 of Section 27, which is currently dedicated to Patina's: (i) Nance Well No. 1 (API No. 30-045-10310), located at a standard gas well location 1760 feet from the South line and 2310 feet from the East line (Unit J) of Section 27; and (ii) Nance Well No. 1-E (API No. 30-045-25894), located at a non-standard infill Dakota gas well location (approved by Division Administrative Order NSL-1256, dated August 20, 1980) 590 feet from the South line and 1850 feet from the West line (Unit N) of Section 27.

The proposed Rio Bravo "27" Well No. 15 will be the initial Mesaverde gas well within this same 320-acre lay-down GPU.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Basin-Dakota/Blanco-Mesaverde gas well location for Patina's proposed Rio Bravo "27" Well No. 15 is hereby approved. Further all of the aforementioned wells and both spacing units will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,


Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington
File: NSL-1256
NSL-1858



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

August 20, 1980

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Consolidated Oil & Gas, Inc.
Lincoln Tower Building
1860 Lincoln Street
Denver, Colorado 80203

Attention: Mr. Dale Richardson

Administrative Order NSL-1256

Gentlemen:

Reference is made to your application for approval of a non-standard location for your Nance Well No. 1-E to be located 590 feet from the South line and 1850 feet from the West line of Section 27, Township 31 North, Range 13 West, NMPM, Basin-Dakota Pool, San Juan County, New Mexico.

By authority granted me under the provisions of Rule 3 of Order No. R-1670, the above-described unorthodox location is hereby approved.

Sincerely,

JOE D. RAMEY,
Director

JDR/RLS/dr

cc: Oil Conservation Division - Aztec
Oil & Gas Engineering Committee - Hobbs
U. S. Geological Survey - Farmington