



CALPINE

DRE

CALPINE NATURAL GAS L.P.

TABOR CENTER

1200 17TH STREET, SUITE 770

DENVER, COLORADO 80202

720.359.9144

720.359.9140 (FAX)

August 20, 2003

AUG 22 2003

State of New Mexico
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

State of New Mexico
Oil Conservation Division
1000 Rio Brazos Drive
Aztec, New Mexico 87410

Bureau of Land Management
1235 La Plata Highway
Suite A
Farmington, New Mexico 87401

Dear Sir or Madam:

Enclosed please find an amended application for downhole commingle for the Tiger #1 well (API No. 30-045-29495). Previously, Administrative Order DHC-3162 approved the assignment of allowable subject to modification with permission of the Aztec District Office and BLM approval. After further discussions with the BLM and Aztec District Office, we agreed that a change in the allocation percentages was necessary. Calpine also agrees to review the allocation percentages using decline curve analysis and gas analysis data and change the allocation percentages if warranted. All other previously submitted factual data remains the same.

The well is presently completed in the Fulcher Kutz Pictured Cliffs formation. Calpine Natural Gas Company, L.P. wishes to recomplete the well into the Basin Fruitland Coal and commingle both formations. Working, royalty and overriding royalty interests are identical in both formations. Enclosed please find documentation supporting that the production be amended to allocate 99% to the Basin Fruitland Coal and 1% to the Fulcher Kutz Pictured Cliffs formation.

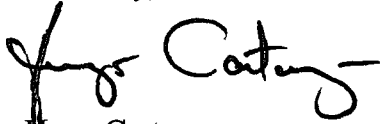
Enclosed please find:

- 1.) Administrative Application Checklist
- 2.) Form C-107A
- 3.) C-102 for the acreage dedication of the Basin Fruitland Coal
- 4.) C-102 for the acreage dedication of Fulcher Kutz - PC
- 5.) Statement for the proposed allocation formula

6.) Copy of submitted sundry notices to the BLM for recompletion and commingling approval

Please let me know if you need anything else.

Sincerely,

A handwritten signature in black ink, appearing to read "Hugo Cartaya". The signature is fluid and cursive, with the first name "Hugo" written in a more compact, stylized script and the last name "Cartaya" in a more legible, though still cursive, script.

Hugo Cartaya
Operations Manager

DATE IN 8/26/03	SUSPENSE 9/23/03	ENGINEER DRC	LOGGED IN LR	TYPE DHC	APP NO. PLR0323856132
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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.

Hugo Cartaya

Print or Type Name

Signature

Production Manager

Title

8-20-03

Date

hcartaya@calpine.com
 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 May 15, 2000

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

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

APPLICATION FOR DOWNHOLE COMMINGLING

Calpine Natural Gas Company, L.P. 1200 17th Street, Suite 770, Denver, Colorado 80202

Operator	Address		
Tiger	#1	J-35-30N-13W	San Juan
Lease	Well No.	Unit Letter-Section-Township-Range	County
OGRID No.	Property Code	API No.	Lease Type: Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Basin Fruitland Coal		Fulcher Kutz PC
Pool Code	71629		77200
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Perforated 1508-1538		Perforated 1544-1556
Method of Production (Flowing or Artificial Lift)	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)			
Producing, Shut-In or New Zone	New Zone		Producing
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.)	Date: Rates:	Date: Rates:	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % 99 %	Oil Gas % %	Oil Gas 0 % 1 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No
Are all produced fluids from all commingled zones compatible with each other? Yes X No
Will commingling decrease the value of production? Yes No X
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 X 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 Hugo Cartaya TITLE Operations Manager DATE 8/20/03
TYPE OR PRINT NAME Hugo Cartaya TELEPHONE NO. (720) 946-1302

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 August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-29495	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 22189	⁵ Property Name Tiger	⁶ Well Number #1
⁷ OGRID No. 214274	⁸ Operator Name CALPINE NATURAL GAS COMPANY, L.P.	⁹ Elevation 5580' RKB

¹⁰ Surface Location

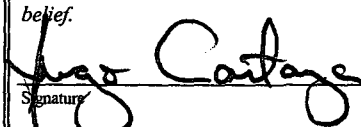
UL or lot no. J	Section 35	Township 30N	Range 13W	Lot Idn	Feet from the 1325'	North/South line South	Feet from the 1635'	East/West line East	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

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

¹⁶	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Hugo Cartaya Printed Name Production Manager Title 8/20/03 Date
	¹⁸ SURVEYOR CERTIFICATION 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. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

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
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State of New Mexico
Energy, Minerals & Natural Resources Department
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Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-29495		² Pool Code 77200		³ Pool Name Fulcher Kutz Pictured Cliffs	
⁴ Property Code 22189		⁵ Property Name Tiger			⁶ Well Number #1
⁷ OGRID No. 214274		⁸ Operator Name CALPINE NATURAL GAS COMPANY, L.P.			⁹ Elevation 5580' RKB

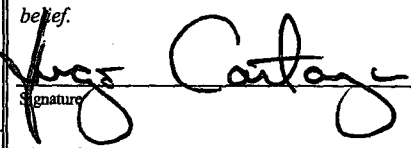
¹⁰ **Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	35	30N	13W		1325'	South	1635'	East	San Juan

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 160		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

¹⁶					¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Hugo Cartaya Printed Name Production Manager Title 8/20/03 Date
					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> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

Discussion and Statement of Allocation Percentages

- 1.) Attached please find the daily production history for the Tiger #1 from the Fulcher Kutz Pictured Cliff formation. The well has not produced since May 14th, 2003. Several unsuccessful attempts have been made to swab and clean out the well and return the well to production. Swabbing efforts have recovered small amounts of water and there appears to be insufficient bottom hole pressure.
- 2.) Based on this information and discussions with BLM's Farmington office engineers we agreed that based on this information a more appropriate allocation percentage would be 99% Basin Fruitland Coal and 1% Fulcher Kutz Pictured Cliffs.
- 3.) After recompletion and downhole commingling, Calpine will examine the previous decline curve on the existing well and surrounding wells as well as evaluate changes in gas analysis and propose changes to the percentage allocation as warranted.

Tiger #1 Daily Production

Day :	January-03	February-03	March-03	April-03	May-03	June-03	July-03
1	258	84	248	116	104	0	0
2	265	21	235	104	4	0	0
3	267	94	64	119	154	0	0
4	215	154	112	75	75	0	0
5	241	35	113	0	66	0	0
6	241	0	189	0	2	0	0
7	226	109	192	0	146	0	0
8	206	70	179	0	25	0	0
9	198	12	108	0	0	0	0
10	202	0	8	0	136	0	0
11	205	0	0	0	25	0	0
12	214	0	139	0	137	0	0
13	233	0	205	0	58	0	0
14	211	106	176	0	0	0	0
15	185	64	141	115	0	0	0
16	173	4	100	150	0	0	0
17	118	160	9	137	0	0	0
18	145	83	143	127	0	0	0
19	177	8	130	123	0	0	0
20	180	185	151	127	0	0	0
21	144	224	115	97	0	0	0
22	161	225	106	81	0	0	0
23	172	221	52	0	0	0	0
24	138	216	165	130	0	0	0
25	127	213	140	46	0	0	0
26	148	233	130	5	0	0	0
27	44	243	123	0	0	0	0
28	98	246	113	0	0	0	0
29	123	0	94	96	0	0	0
30	118	0	12	148	0	0	0
31	133	0	128	0	0	0	0
TOTALS	5,564	3,012	3,817	1,797	932	0	0

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.

720-359-9144

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

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

1325' FSL&1635' FEL

Section 35-30N-13W

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. Lease Designation and Serial No.

SF-078213

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Tiger #1

9. API Well No.

30- 045-29495

10. Field and Pool, or Exploratory Area

FULCHER KUTZ-PICTURED CLIFFS

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 Downhole Commingle
☐ 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.)*

Calpine proposes to downhole commingle the Fulcher Kutz Pictured Cliffs with the Basin Fruitland Coal.

Attached are the supporting documents for the allocation between the two zones.

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

Signed Hugo Cartaya **Hugo Cartaya**

Title **Production Manager**

Date **08/20/03**

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

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**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.

SF-078213

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Tiger #1

9. API Well No.

30- 045-29495

10. Field and Pool, or Exploratory Area

FULCHER KUTZ-PICTURED CLIFFS

11. County or Parish, State

San Juan County, New Mexico

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)

1325' FSL&1635' FEL

Section 35-30N-13W

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 Downhole Commingle
☐ 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.)*

Calpine proposes to recomplete the well into the Basin Fruitland Coal formation.

Attached is the proposed recompletion procedure

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

Signed Hugo Cartaya **Hugo Cartaya**

Title Production Manager

Date 08/20/03

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

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**

Recompletion Procedure for
Calpine Natural Gas Company
Tiger #1

Location: Sec 35 T30N R13W
San Juan County, NM

Date: August 20, 2003

Field: Fulcher Kutz Pictured Cliffs and Basin Fruitland Coal
Elev: GL 5575' KB 5580'
Existing Perforations: 1544-1556

1. Set and fill 4 frac tanks with city water and heat to 80 degrees. Check anchors. MOL and RU completion rig. Hold safety meeting.
2. POOH with 48 jts 2 3/8" tubing. RIH and set RBP at 1542'.
3. NU 2-3/8" relief line. RU wireline. Check PBTD.
4. Perforate 4 SPF (0.38" holes) from 1508-1518 and 1522-1538'. Total of 104 holes.
5. Rig up frac equipment and pressure test surface lines. Fracture with 50,000# of 20/40 sand and 5000# 40/70 sand in a 25#/1000 gal cross-linked gel fluid.
6. Close BOPs. RD frac company and install flowline with 1/4" ceramic choke. Flow well back to pit overnight.
7. When well dies, TIH with bailer on 2-3/8" EUE tubing and clean out to RBP at 1542. Clean out to PBTD. POOH with tubing and RBP.
8. TIH with 48 jts 2 3/8" tubing. Land tubing. Swab well in and put well on production. RD and release rig.

