

# MILLER STRATVERT

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March 31, 2006

## **HAND-DELIVERED**

Mr. David Catanach  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico

Re: NMOCD Case No. 13683; Application of Patina San Juan, Inc. for Unorthodox  
Well Location, San Juan County, New Mexico

Dear Mr. Catanach:

At the March 30, 2006 hearing on the above, you requested to be provided with additional information identifying the location of the wetlands in the NE/4 of Section 33, T-31-N, R-13-W which precipitated the Applicant's request for the unorthodox well location.

Enclosed is a copy of e-mail correspondence from Patina's contract environmental consultant, Andy Herb, to Patina's staff documenting the basis for the recommendation for the relocation of the rig pad. Also enclosed is a copy of a surface plat showing the final well location's proximity to State Highway 170.

If you determine that additional information is required, please let me know.

Very truly yours,

MILLER STRATVERT P.A.



J. Scott Hall

JSH/glb

cc: Robert Hoelsken, Noble/Patina

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2006 MAR 31 PM 2

## J. Scott Hall

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**From:** RHoelsken@nobleenergyinc.com  
**Sent:** Friday, March 31, 2006 11:04 AM  
**To:** J. Scott Hall  
**Cc:** jmuse@nobleenergyinc.com  
**Subject:** Fw: Valence 33 #02 Well

Scott Hall:

Jean Muse is a Patina San Juan, Inc. employee working out of our Farmington, NM office. The email message below is from Andy Herb who works for an environmental consulting company known as URS Corp. Mr. Herb references the Kaufman 33 #02 Well below which Patina later renamed the Valence 33 #02 Well. At the time Mr. Herb visited the location of the Kaufman 33 #02 Well the specific location his comments relate to was 660' FNL and 1845' FEL of Sec. 33: T31N, R13W, San Juan County, New Mexico. As you know, due to Mr. Herb's comments this location was moved to our unorthodox location which is 320' FNL, 2,145' FEL, Sec. 33, T31N, R13W.

Please notify me if you require further information in this regard.

Bob Hoelsken  
303.228.4165

From: Jean Muse [mailto:jmuse@patinasanjuan.com]  
Sent: Thursday, March 30, 2006 2:30 PM  
To: 'rhoelksken@nobleenergyinc.com'  
Subject: FW: Well Pad Site Visit

Bob,

This is all I have. The Kaufman became the Valence 33 #02. Andy Herb is the Biologist that we employed to do the remediation work on the Alamo 22 #16 wetland. Anything more you need, please let me know...]

From: Andy\_Herb@URSCorp.com [mailto:Andy\_Herb@URSCorp.com]  
Sent: Wednesday, August 10, 2005 5:17 AM  
To: Jean Muse  
Cc: jnussbaumer@nobleenergyinc.com  
Subject: Well Pad Site Visit

Hi Jean.

Just to summarize our site visit to the four well pads yesterday:

Kaufman 33 #02--there is a large wetland essentially centered on the proposed well pad location. As we discussed in the field, if you move the pad to the southwest corner of the property (against the highway ROW and the southern fenceline) and rotate the pad so the long axis is north/south, you should be able to avoid the wetlands.

Hondo 27 #12--substantial wetlands were observed along the access road with dense woody riparian vegetation. As we discussed in the field, this location is not suitable for a well pad/access road without significant

permitting requirements.

Alamo 22 #08--this location does not contain wetlands along the access road or the well pad. However, there are some large cottonwoods at the northwest corner that can easily be avoided by rounding that corner of the well pad. In order to save the trees, there should be no earthwork within the "dripline" of the trees.

Templeton--there are no wetlands at this location. However, there are two jurisdictional waterways (intermittent drainages) that could be affected. One is on the access road and would require a culvert and the other can be avoided by rounding the southwest corner of the pad. Per Nationwide Section 404 Permit No. 12 for Utility Lines, the access road construction would not require formal notification of the Corps for the intermittent drainage crossing.

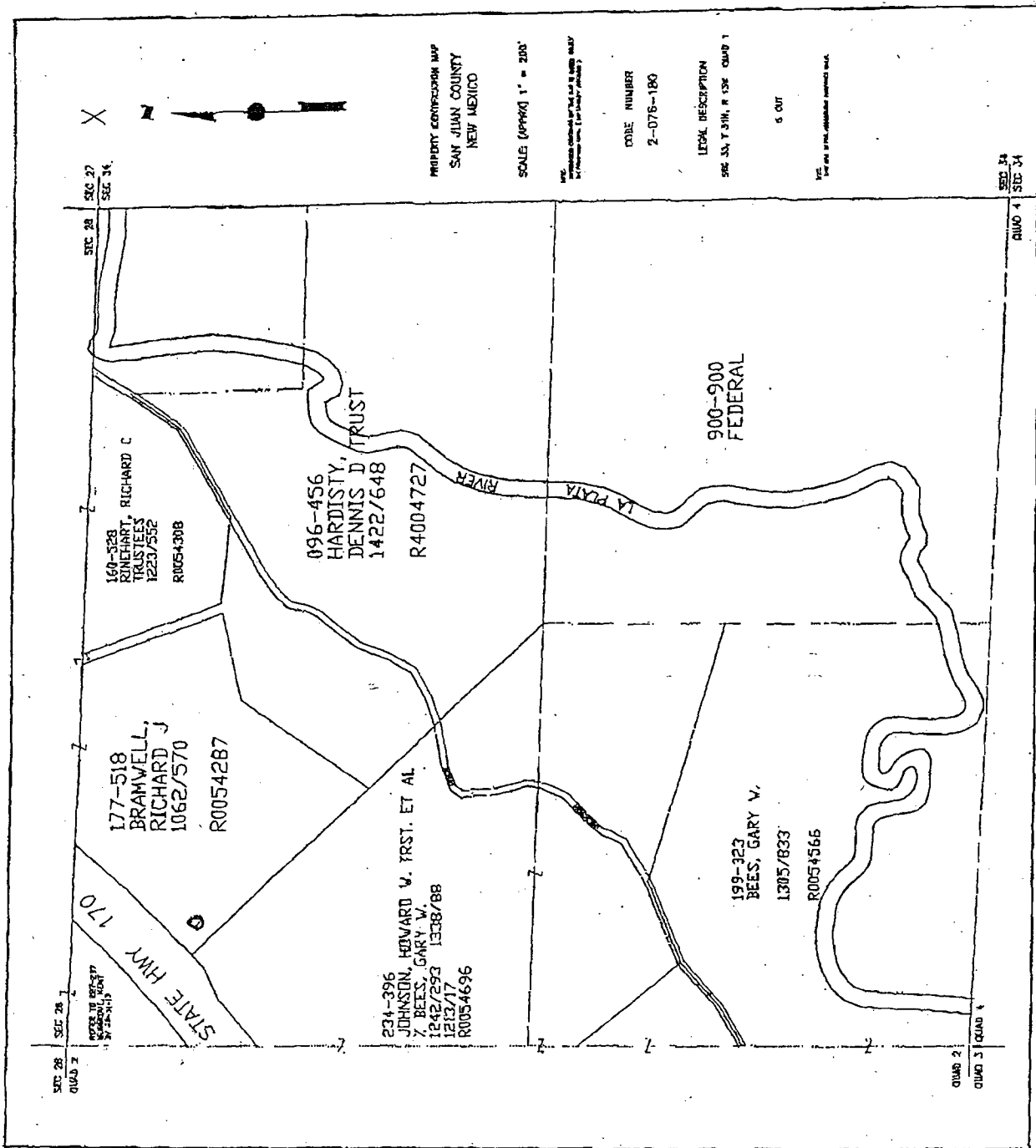
As we discussed yesterday, once we receive the Corps' letter regarding the Alamo 22 16 work, we can come up with a plan for the restoration at the well pad.

See you soon.

Andy.

Andy Herb, Ecologist  
Ecology Team Leader  
URS Corporation  
8181 East Tufts Avenue  
Denver, CO 80237  
303.740.2699

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NMOCD CASE NO. 13683  
MARCH 30, 2006  
PATINA SAN JUAN  
EXHIBIT NO. 2