

March 15, 2006

State of New Mexico
Department of Energy, Minerals and Natural Resources
Oil Conservation Division

SENT VIA FAX AND US MAIL

Attn: David Catanach

Re: Application of Patina San Juan, Inc.
for an Unorthodox Gas Well Location
San Juan County, New Mexico

Case No. 13683

Sir,

We are sending this letter in response to a copy of Motion To Dismiss Objection sent to us and filed on behalf of Patina San Juan, Inc. by its attorneys Miller Stratvert. It is our understanding that the basis of the objection is the decision by OCD to hold a hearing concerning the Administrative application Ref. # pTDSO-602638001, due to a letter that we filed on February 20, 2006, protesting the application to drill on the propose site.

In February, 2006, at a field meeting with a representative of Patina, we were advised that Patina planned on drilling a gas well on our property. A survey crew entered our property without our knowledge and placed a post at the proposed site. We verbally expressed our disapproval of the site chosen, as it was in the corner of our hay field. We told the field representative that we had entered into an agreement to sell the proposed 5 acre parcel on which Patina identified to drill a well. We requested that Patina consider drilling sites other than our hay field. They have refused to do so.

As a result of Patina's refusal to move the drilling site, the prospective buyer withdrew their offer to purchase due to concerns over the proposed drilling site and the effect it would have on the value and usability of the land. We now have new prospective buyer. The new prospective buyer is awaiting the outcome of the hearing before they will agree to finalize a purchase.

In checking with the local OCD office in Aztec, we learned that a drilling permit application had been submitted by Patina in November 2004. The drilling permit was revised in December 2005 and the drilling location was moved to the proposed unorthodox site. If the previous site had been acceptable to Patina in 2004, we don't understand why they want to move it now. We assume Patina would have conducted field research to determine suitability of the drilling site

back in 2004. We would like an explanation on why they felt it was necessary to change the drilling site to a location that is detrimental to us. We feel that we have standing to make a protest as the owners of the surface rights.

We don't know all of the laws and rules but we do understand the rights of the owners of subsurface rights to extract natural resources. We believe that we, as owners of the surface property, have rights also. We have the rights to buy and sell the surface and our rights are being ignored and interfered with without discussion on how to allow the drilling of the gas well. There are other sites in the section suitable to drill a well and it would be a less damaging event to the surface rights owners.

We believe that the rights of all parties should be considered. We assume that the OCD felt that they had the right to issue its letter of February 24, 2006, and the right to set the hearing.

We encourage you to deny the Motion To Dismiss. The hearing will give us the opportunity to present data to show the suitability of other drilling sites and how Patina can use current technology to access the anticipated mineral reserves from another site.

We are not students of the law or administrative rules, but if the OCD has the authority to set a hearing we request that it be set so we will have the opportunity to seek a remedy to the rights issues of both parties.

This is a bad time for us as we are putting on a rodeo in Belen and would like to have the hearing postponed for a couple of weeks if possible. In the event that it can't be postponed, we will attend the hearing on March 30, 2006, or send a representative. We have been advised that other neighborhood people plan on attending the hearing also.

We thank you for your consideration to our request to conduct the hearing.

Respectfully,

 

Richard Bramwell and Darla Bramwell



By: Patrick J Cunningham, their attorney in fact

cc: J . Scott Hall, Miller & Stratvert, P.A.