

Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

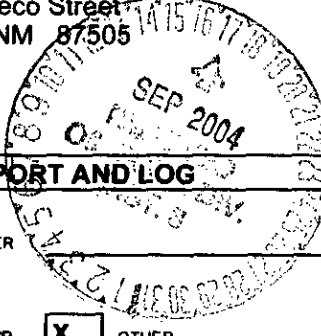
State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-105
 Revised 1-1-89

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88241-1980
 DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210
 DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco Street
 Santa Fe, NM 87505



WELL API NO.
30-045-31972

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No. **24068**

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL DRY OTHER

b. Type of Completion:
 NEW WELL WORK OVER PLUG BACK DIFF RESVR OTHER

7. Lease Name or Unit Agreement Name
PAN AMERICAN STATE COM

2. Name of Operator
PATINA SAN JUAN, INCORPORATED

3. Address of Operator
5802 HIGHWAY 64, FARMINGTON, NEW MEXICO 87401

8. Well No.
#1R

9. Pool name or Wildcat
BLANCO MESA VERDE

4. Well Location
 Unit Letter **K** : **1630'** Feet From The **SOUTH** Line and **1925'** Feet From The **WEST** Line
 Section **36** Township **32N** Range **13W** NMPM County **SAN JUAN**

10. Date Spudded **1/29/2004** 11. Date TD Reached **2/12/2004** 12. Date Compl. (Ready to Prod.) **9/14/2004 (MESA VERDE)** 13. Elevations (DF & RKB, RT, GR, etc.) **5808' GR** 14. Elev. Casinghead

15. Total Depth **7021'** 16. Plug Back T.D. **6977'** 17. If Multiple Compl. How Many Zones? **3** 18. Intervals Drilled By **X** Rotary Tools **X** Cable Tools

19. Producing Interval(s), of completion - Top, Bottom, Name
4488' - 4758' (Point Lookout) 4302' - 4460' (Menefee)

20. Was Directional Survey Made **yes**

21. Type Electric and Other Logs Run **IND/GR/DEN/CMT** 22. Was Well Cored **NO**

23. **CASING RECORD (Report all Strings set in well)**

| CASING SIZE | WEIGHT LB/FT | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|--------------|-----------|-----------|-------------------|--------------------|
| 9-5/8" | 36# J55 STC | 288' | 12-1/4" | 300 sx | TOC @ 44' |
| 7" | 23# N80 LTC | 4213' | 8-3/4" | 782 sx 832 | CIRC TO SURFACE |
| 4-1/2" | 11.6# N80 | 7018' | 6-1/4" | 340 sx 373 | CIRC - TOC @ 6332' |

24. **LINER RECORD** 25. **TUBING RECORD**

| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN | SIZE | DEPTH SET | PACKER SET |
|--------|-------|--------|--------------|--------|--------|-----------|--------------|
| 4-1/2" | 4072' | 7018' | 340 SX | | 2-3/8" | 6770' | CIBP @ 4950' |

26. Perforation record (interval, size, and number)
4488,90,93,4502,06,12,26,28,42,50,56,58,40,4615,21,36,66,4700,4720,30,32,34 & 58 (23 shots) 4302,04,06,12,14,18,23,25,27,29,90,92,4435,37,50,58,60 (17 shots) 3-1/8" csg gun, 120 deg phasing

27. **ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.**

| DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED |
|----------------|---|
| 4488' - 4758' | 1,000gal acid & Frac w/151,000# sand. Max pr 5017psi |
| 4302' - 4460' | 1,000gal acid, 181,260# 20/40 sn @ 70bpm. ISIP: 1730psi |
| | 15 min: 1545psi |

28. **PRODUCTION**

Date First Production **ASAP** Production Method **(Flowing, gas lift, pumping - Size and type pump) Flow** Well Status **(Prod. or Shut-in) Shut-in**

| Date of Test | Hours Tested | Choke Size | Prod'n For Test Period | Oil - Bbl | Gas - MCF | Water - Bbl | Gas - Oil Ratio |
|--------------------------|------------------------|-------------------------|------------------------|----------------------|--------------------------|-------------------|-----------------|
| 9/15/2004 | 3 | .875 | | -0- | 123 | Trace | n/a |
| Flow Tbg. Pr. 18# | Casing Pr. 320# | Calculated 24-Hour Rate | Oil - Bbl -0- | Gas - MCF 369 | Water - Bbl Trace | Oil Gravity - API | n/a |

29. Disposition of Gas **(Sold, used for fuel, vented, etc.) Vented** Test Witnessed By: **Daryl Wright**

30. List Attachments

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

Signature *Kay S. Eckstein* Printed Name **KAY S. ECKSTEIN** Title: **Prod. Tech.** Date **09/15/04**

E-mail address: keckstein@patinasanjuan.com

PATINA



OIL & GAS CORPORATION

FORMATION TOP ESTIMATES

PAN AMERICAN STATE #1R

| FORMATION | SUB-SEA DEPTH | DEPTH FROM 5820' KB |
|-----------------|---------------|---------------------|
| MESA VERDE | 2190' | 3630' |
| CLIFFHOUSE | 2060' | 3760' |
| MENEFEE | 1885' | 4002' |
| POINT LOOKOUT | 1360' | 4460' |
| WC BASIN MANCOS | -214' | 6034' |
| GREENHORN | -705' | 6525' |
| GRANEROS | -765' | 6585' |
| DAKOTA | -825' | 6645' |