

District I  
1625 N. French Dr., 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

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

Form C-101  
March 4, 2004

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

☐ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address  HEC PETROLEUM, INC. c/o Mike Pippin 3104 N. Sullivan Farmington, NM 87401		<sup>2</sup> OGRID Number 009812
<sup>3</sup> Property Code 4922		<sup>4</sup> API Number 30 - 045-32344
<sup>5</sup> Property Name YAGER		<sup>6</sup> Well No. 9

**7 Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	20	32N	6W		835	SOUTH	955	EAST	SAN JUAN

**8 Proposed 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

<sup>9</sup> Proposed Pool 1  BASIN FRUITLAND COAL	<sup>10</sup> Proposed Pool 2
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**Drilling Pit Location and Other Information**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	20	32N	6W		835	SOUTH	905	EAST	SAN JUAN
Depth to ground water > 100'				Distance from nearest fresh water well > 1000'			Distance from nearest surface water > 1000'		
<sup>11</sup> Work Type Code N		<sup>12</sup> Well Type Code G		<sup>13</sup> Cable/Rotary R		<sup>14</sup> Lease Type Code P		<sup>15</sup> Ground Level Elevation 6777'	
<sup>16</sup> Multiple NO		<sup>17</sup> Proposed Depth 3550'		<sup>18</sup> Formation Basin Fruitland Coal		<sup>19</sup> Contractor None Yet		<sup>20</sup> Spud Date 9/14/04	

**21 Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
8.75"	7"	20#	200'	55	Surface
6.25"	4.5"	11.6#	3550'	410	Surface

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary. Drill 8-3/4" hole to 200' using fresh water mud. Run & cement 7" surface casing to surface. WOC 12 hours. Nipple up 7-1/16" 3000# BOPE (annular). Pressure test surface casing & BOPE to minimum of 600 psig for 15 minutes. Drill 6-1/4" hole to TD using polymer and water. Log well. Run 4-1/2" production casing and cement to surface in a single stage. Move out drilling rig. Move in completion equipment. Run cased hole correlation log. Test production casing to 3800 psig for 15 minutes. Perforate select Fruitland Coal intervals and stimulate with a sand frac treatment. Install production equipment, 2-3/8" tubing, and gas sales meter. Complete as a single Fruitland Coal well. The pit liner will meet OCD guidelines.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature:

*Mike Pippin*

Printed name: Mike Pippin

Title: Agent - Petroleum Engineer

E-mail Address: mpippin@ddbroadband.net

Date: 5/13/04

Phone: 505-327-4573

**OIL CONSERVATION DIVISION**

Approved by:

*[Signature]*

Title: DEPUTY OIL & GAS INSPECTOR, DIST. 401

Approval Date: MAY 13 2004

Expiration Date: MAY 13 2005

Conditions of Approval:

Attached ☐

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 21, 1994

District II  
PO Drawer 00, Artesia, NM 88211-0719

Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-045-32341</b>	*Pool Code <b>71629</b>	*Pool Name <b>BASIN FRUITLAND COAL</b>
*Property Code <b>4922</b>	*Property Name <b>YAGER</b>	*Well Number <b>9</b>
*OGRID No. <b>9812</b>	*Operator Name <b>HEC PETROLEUM, INC.</b>	*Elevation <b>5777'</b>

#### 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
<b>P</b>	<b>20</b>	<b>32N</b>	<b>5W</b>		<b>835</b>	<b>SOUTH</b>	<b>955</b>	<b>EAST</b>	<b>SAN JUAN</b>

#### 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

*Dedicated Acres <b>320.0 Acres - E/2</b>	*Joint or Infill	*Consolidation Code	*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

<div><p>15</p><p>5360.52'</p><p>2772.66'</p><p>2659.14'</p><p>2654.52'</p><p>20</p><p>LAT: 36°57.5203'N LONG: 107°28.5565'W DATUM: NAD27</p><p>955'</p><p>835'</p><p>2593.80'</p><p>5450.28'</p></div>	<div><p>17 OPERATOR CERTIFICATION</p><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p><p><i>Mike Pippin</i> Signature <b>MIKE PIPPIN</b> Printed Name <b>AGENT - PETR ENGR</b> Title <b>5-13-04</b> Date</p></div>
	<div><p>18 SURVEYOR CERTIFICATION</p><p>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.</p><p>Survey Date: <b>MARCH 20, 2004</b></p><p>Signature and Seal of Professional Surveyor</p><div><p><b>JASON C. EDWARDS</b> NEW MEXICO 15269 REGISTERED PROFESSIONAL SURVEYOR</p></div><p><b>JASON C. EDWARDS</b> Certificate Number 15269</p></div>