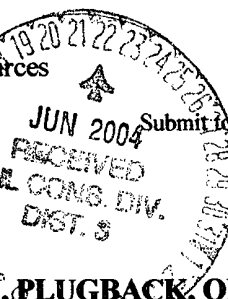


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
March 4, 2004

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



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**

1 Operator Name and Address  HEC PETROLEUM, INC. c/o Mike Pippin 3104 N. Sullivan Farmington, NM 87401		2 GRID Number 009812
3 Property Code 14235		4 API Number 30 - 045-32420
5 Property Name FEDERAL G		6 Well No. 5

**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	3	31N	7W		660	SOUTH	660	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

9 Proposed Pool 1

BASIN FRUITLAND COAL

10 Proposed Pool 2

**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	3	31N	7W		680	SOUTH	660	EAST	SAN JUAN
Depth to ground water > 100'			Distance from nearest fresh water well > 1000'			Distance from nearest surface water < 1000'			
11 Work Type Code N		12 Well Type Code G		13 Cable/Rotary R		14 Lease Type Code P		15 Ground Level Elevation 6559'	
16 Multiple NO		17 Proposed Depth 2200'		18 Formation Basin Fruitland Coal		19 Contractor None Yet		20 Spud Date 10/21/04	

**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#	3350'	387	Surface

22 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 & follow our general plans

23 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 NMOC 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: 6/22/04

Phone: 505-327-4573

**OIL CONSERVATION DIVISION**

Approved by:

DEPUTY OIL & GAS INSPECTOR, DIST. 3

Title:

Approval Date:

JUN 22 2004

Expiration Date:

JUN 22 2005

Conditions of Approval:

Attached ☐

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719

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

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

State of New Mexico  
Energy, Minerals & Natural Resources Department

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

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30045-32420		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code 14235	*Property Name FEDERAL G		*Well Number 5
*GRID No. 9812	*Operator Name HEC PETROLEUM, INC.		*Elevation 6559'

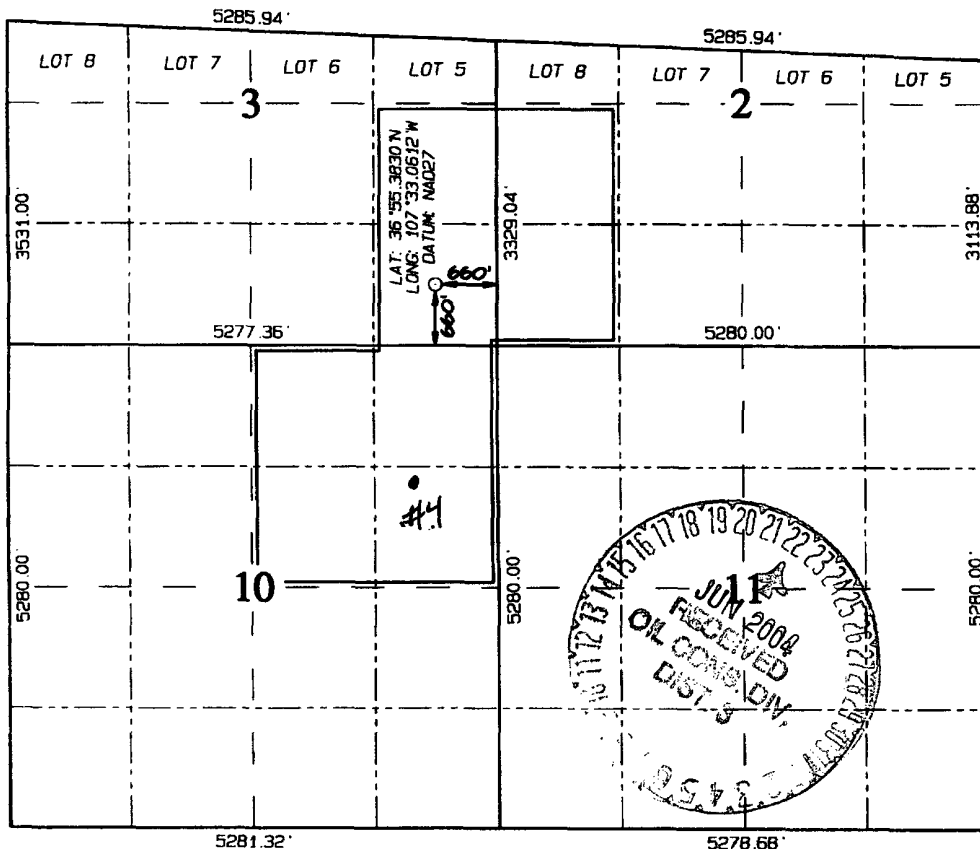
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	3	31N	7W		660	SOUTH	660	EAST	SAN JUAN

<sup>11</sup> 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>12</sup> Dedicated Acres 320.0 Acres					<sup>13</sup> Joint or Infill I	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. R-9601		

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



<sup>17</sup> OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature: Mike Pippin  
Printed Name: MIKE PIPPIN  
Title: AGENT - PETR. ENGR  
Date: 6/22/04

<sup>18</sup> 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.

Survey Date: APRIL 19, 2004

Signature and Seal of Professional Surveyor



JASON C. EDWARDS  
Certificate Number 15269