

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 OGRID Number 009812
3 Property Code 13523		4 API Number 30 - 045-32479
5 Property Name GILBREATH		6 Well No. 2

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
I	28	30N	12		1825	SOUTH	735	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
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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
I	28	30N	12W		1855	SOUTH	735	EAST	SAN JUAN
Depth to ground water < 100'			Distance from nearest fresh water well < 1000'			Distance from nearest surface water 200' - 1000'			
11 Work Type Code N		12 Well Type Code G		13 Cable/Rotary R		14 Lease Type Code P		15 Ground Level Elevation 5453'	
16 Multiple NO		17 Proposed Depth 1700'		18 Formation Basin Fruitland Coal		19 Contractor None Yet		20 Spud Date 11/1/04	

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#	1700'	134	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: 7/29/04

Phone: 505-327-4573

OIL CONSERVATION DIVISION

Approved by:

[Signature]

Title: DEPUTY OIL & GAS INSPECTOR, DIST. #3

Approval Date: JUL 30 2004

Expiration Date: JUL 30 2005

Conditions of Approval:

Attached ☐

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State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30045-32479		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code 13523	*Property Name GILBREATH		*Well Number 2
*OGRID No. 009812	*Operator Name HEC PETROLEUM		*Elevation 5453'

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
1	28	30-N	12-W		1825	SOUTH	735	EAST	SAN JUAN

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

¹² Dedicated Acres 320 5/2	¹³ Joint or Infill Y	¹⁴ Consolidation Code	¹⁵ 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

16	28	LAT. 36°46'54"N (NAD 83) LONG. 108°05'48"W (NAD 83)	FD 2" A.C. "MILLER"	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>Mike Pippin</u> Printed Name: <u>MIKE PIPPIN</u> Title: <u>AGENT-PETR. ENGR.</u> Date: <u>7-29-04</u>
WIT. COR. FD 3 1/4" B.L.M. BC S 89-53-25 W 1976 2544.0' (M)		FD 3 1/4" B.L.M. BC 1975		