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

State of New Mexico Energy Minerals and Natural Resources

Submit to appropriate District Office

State Lease - 6 Copies

Oil Conservation Division

Form C-101

March 4, 2004

					1220 Soi				004	J.	Fe	ee Lease - 5 Copies	
1220 S. St. Francis Dr., Santa Fe, NM 87505					Santa	Fe, NM	875(05)	, &		್ರೈ		ENDED REPORT	
								2	3 3	ु	L Aiv	ENDED REPORT	
			R PERMIT	TO DE	RILL, RE-I	ENTER	<u>, DEE</u>	rén,	PLUGBAC	V V	<u>R ADI</u>	A ZONE	
Operator Nam	e and Addre	SS	THE OPENING I	W T A D 10				· • 2	Number Number	009812			
			HEC PETROLE c/o Mike P 3104 N. Su	ippin			'API Number ( > > 1/0 )				1/00		
3104 N. Sullivan Farmington, NM 87401							30-045-32480				480		
<sup>3</sup> Property Code	1240	7 Property Name SHIOTANI								<sup>6</sup> Well No.			
<sup>7</sup> Surface Location										<u> </u>			
III1-4	Santian	T	Pomos.	I on Id			n. North/South	line	Feet from the	East/We	et line	County	
UL or lot no. F	Section 32	Township 30N	Range 12 W	Lot Id	n Feet fro		North		1460	1	West SAN JUAN		
8 Proposed Bottom Hole Location If Different From Surface													
UL or lot no.	UL or lot no. Section Township		Range Lot Ide				North/South line		Feet from the	East/We	est line	County	
<sup>9</sup> Proposed Pool	<sup>9</sup> Proposed Pool 1					ю	10 Proposed Pool 2						
BASIN FRUITLAND COAL  Drilling Pit Location and Other Information													
III andatus	Santinu	Tamadia							Feet from the East/Wes		art lina	County	
UL or lot no.	Section 32	Township	Range	Loric				I IIIIE	1460			SAN JUAN	
F Depth to	. 32	30N 12W		Distance from nearest		<i>7</i> 0	North		Distance from nearest	West		SANJUAN	
ground water  11 Work Type Co	< 100'	12 337	all Toron Code	fresh water	r well < 1000°  13 Cable/Rotary	surface water <200'  14 Lease Type Code  15 Ground Level Elevation					ual Elemetica		
	N N	12 Well Type Code		" Cable/Rotary		R	Lease 1		P P		5447'		
<sup>16</sup> Multiple		17 Proposed Depth		18 Formation			19 Contract				pud Date		
N	10	1600'		Basin Fruit		<u>itland Co</u>	Coal		None Yet		11/15/04		
			21	Propos	ed Casing a	ınd Cem	ent Pro	gram			<del>.,</del>		
Hole S	ize	Ca	sing Size	Casing	weight/foot	Set	ting Depth		Sacks of Cement		Estimated TOC		
8.75	···	7"		20#			200'		55		Surface		
6.25"		4.5"		11.6#			1600'		126		Surface		
			this application is										
			ram, if any. Use ad 7-1/16" 3000# BOI										
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. Run cased			
			casing to 3800 psig es meter. Complete										
<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						OIL CONSERVATION DIVISION							
constructed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .													
(анасиси) ан	EI DAUVE (	· A	ved man			Approved	l by:		7/ ~				
Signature: Mike Lippin						Kthe West							
Printed name: Mike Pippin							Title DEPUTY OIL & WAS INSPECTOR, DIST. 500						
Title: Agent - Petroleum Engineer							DAUL	30	2004	Expiration 1	Date	L 3 0 2005	
E-mail Addres	E-mail Address: mpippin@ddbroadband.net							<del></del>					
Date: 7/29/04 Phone: 505-327-4573 Conditions of Approval:													
						Attached							
					<del></del>	1							

DISTRICT I 1625 N. French Dr., Hobbs, N.M. 88240

## State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

DISTRICT II 811 South First, Artesia, N.M. 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

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

DISTRICT IV 2040 South Pache	eco, Santa	Fe, NM 87505	5		•				DED REPORT		
		W]	ELL LO	CATION	N AND AC	REAGE DEDI	CATION PL	АТ			
30-045	Number	480	7	Pool Code	9 6	ASIN F	Pool Name		7/_		
Property C			, ,	<sup>6</sup> Property			• Well Number				
1384	_				SHIOTANI			10			
OGRID No	OGRID No.			LEUM	*Operator		* Elevation				
0098	1720	P	LEGN	PURE RESC		5447'					
					<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		
F 32		30-N			1540' NORTH		1460'	WEST	SAN JUAN		
F				om Hole		f Different Fro			,		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
18 Dedicated Acre	<u> </u> :8	1	<sup>18</sup> Joint or	Infill	<sup>14</sup> Consolidation	Code	<sup>15</sup> Order No.		L		
1 ~	W						Older No.				
770	320 W		/ -								
NO ALLOW	ABLE W					ON UNTIL ALL			NSOLIDATED		
8	S	UKAN	ION-STA	INDARD	UNIT HAS BI	EEN APPROVED	BY THE DIV	ISION			
CALC'D COR.	1	N 89-19-24 W 5279.71' (C)			١	FD 2"	AC 17 O	PERATOR CE	ATOR CERTIFICATION		
•			3273	3.71 (C)		LS: 11!	SUR II	rtify that the informat			
ш_		1540					is true and	complete to the best of	of my knowledge and		
<del>ද</del> ිර		12					belief.	$\wedge$			
000-38( 635.46° 							$\parallel$ $m$	1. A. A.			
0 5. 4. 6. 4.							Signatur	Signature Signature			
-0 % z		<del> </del>	<del>~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~</del>	+			1	IVE DU	PINI		
1460	o'	-6 LAT. 3€					Printed Name				
		LONG.	106 07 3	1"W (NAD	63)						
				1			77 0 C	Title			
				1			-	$ \frac{AGENT-PETR, ENGR}{7-29-04} $ Date			
				32 —							
FD 1" IRON	٥- ا			•			18 ST	IDVENOD CEI			
PIPE @ FENCE CORNER							<b># I</b>	RVEYOR CEI			
							11	ify that the well location from field notes of actu	_		
	-						11 -	-			
							and correct t	the libert of my before			
	j						/2	TEN MEXICO	54		
		<del></del>					Date of St				
							Signature	and Stel of Protestion	E Surveyor:		
							1		<i>(\$)</i>		
							-	CO TOWN	Z-		
								14907	7		
							Certificate	14827 Number			