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

## State of New Mexico Energy Minerals and Natural Resources

Form C-101 May 27, 2004

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit to appropriate District Office

☐ AMENDED REPORT

APP	<u>LICAT</u>	<u>ION F</u>	OR ]	PERMIT Operator Name	TO D	RILL, RE-	ENTE	R. DF	<u>cepen</u>	, PLUGBAC	CK, OR	ADI	) A ZONE	
			HEC	C PETROL	EUM. II	NC.		009812			3 ADI Number			
		3	3104 N.	C/O Mike Sullivan, Farm	Pippin sington, NM	87401				30-04	5-AB	,	38	
<sup>3</sup> Property Code 4878					Property Name CHAVEZ H 2						<sup>6</sup> Well No. #3			
<sup>9</sup> Proposed Pool 1										10 Prop	osed Pool 2	1 100		
Basin Fruitland Coal								- 1000000 1 2012						
<sup>7</sup> Surface 1							Locat	ion						
UL or lot no.	Section 2	Townshi 31N		Range 13W	Lot I	Lot Idn Feet from 695		North/S	South line outh	Feet from the 1335'	East/Wes Eas	i	County San Juan	
<u> </u>	8 Proposed Bottom Hole Location If Different From Surface													
UL or lot no.					Lot Idn Feet from the				South line	Feet from the	East/Wes	ast/West line County		
	<u> </u>				A(	dditional W	ell Info	ı			<u> </u>			
	Type Code		1:	Well Type Coo	ie <sup>13</sup> Cable/Rotary			/IIIBALL	14 Lease Type Code S			15 Ground Level Elevation 5737°		
	N Aultiple	-+	1	G  17 Proposed Depth			R			S Contractor	+-	20 Spud Date		
	No		2100'			Fruitland Coal			L	None Yet			4/1/06	
Depth to Grou	indwater >10	00'			Distance	from nearest fresh	from nearest fresh water well >1000'			Distance from	Distance from nearest surface water 200'-1000'			
1.	Synthetic E		ils thick	Clay P	Pit Volume:	_1950bbls		Orilling Me						
Closec	d-Loop Syste	2m 🗆								Diesel/Oil-based	Gas/A	ir 🔲		
					Propos	sed Casing	and Ce	ment l	Prograr	<u>n</u>				
Hole S	Size		Casing	ı	Casing		Setting Depth		Sacks of Co	ement	Estimated TOC			
12-1/4"			8-5/8"		24#			200'		200		Surface		
7-7/	8"	<u> </u>	5-1/2"		15.5#			2100'		266		Surface		
										the present producti	ve zone and	l propos	ed new productive	
Drill 12-1/4" hole to 200' using fresh water mud. Run & cement 8-5/8" surface casing to surface. Wait on cement 12 hours. Nipple up 7-1/16" BOPE (annular). Pressure test surface casing & BOPE to minimum of 500 psig for 30 minutes. Drill 7-7/8" hole to TD using polymer & water. Run 5-1/2" production casing & cement to surface in a single stage. Move out drilling rig. Move in completion equipment. Test production casing to 3800 psi for 30 minutes. Log well. 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 gas well.														
E NOTE OF SE														
<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							L	OIL CONSERVATION DIVISION S						
constructed according to NMOCD guidelines , a general permit , or an							Appro	ved by://	1	////	₹.	0/	110	
(attached) alternative OCD-approved plan .								_&	大艺		`	4Q6	2/ g C A C B	
Printed name: Mike Pippin Mike Trappin							Title:	Title: SEPUTY OIL & GAS INSTERIOR, SEE						
Title: Agent - Petroleum Engineer							Appro	val Date:	AOA T	0 ZUUJ   E	xpiration D	ate V	N TO TOO	
E-mail Addre	ss: mpippii	n@ddbroa	ıdband.ı	net	<del></del>							<del></del>		
Date: 11/8/05 Phone: 505-327-4573					Conditions of Approval Attached									

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

DISTRICT II 1301 W. Grand Ave., Artesia, N.M. 88210

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

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

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

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 30 -045-33438					BASIN FRUITLAND COAL						
<sup>4</sup> Property Code			<del></del>	<sup>6</sup> Property 1		l Number					
4878			CHAVEZ H2								
.		* E	<sup>9</sup> Elevation								
2		5	5737'								
<sup>10</sup> Surface Location											
Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
2	31-N	13-W		695	SOUTH	1335	EAST	SAN JUAN			
<sup>11</sup> Bottom Hole Location If Different From Surface											
Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
<sup>18</sup> Dedicated Acres $3/9.4  E/2$ $3$ Joint or Infill				<sup>14</sup> Consolidation C	Code	<sup>18</sup> Order No.					
	Section 2	Section Township 2 31-N	Section Township Range 2 31-N 13-W 11 Botto Section Township Range 12 Joint or	33436   7/629   7/629   31-N   13-W   11 Bottom Hole   Section   Township   Range   Lot Idn   12   13   14   15   15   16   16   16   16   16   16	33436   7 / 6 2 9   Property   CHAVEZ	ode  oProperty Name CHAVEZ H  oProperty Name C	33438 7/629 BASIN FRUITLA  Property Name CHAVEZ H2  Poperator Name HEC PETROLEUM  Section Township Range Lot Idn Feet from the North/South line Peet from the 2 31-N 13-W 695 SOUTH 1335  11 Bottom Hole Location If Different From Surface Section Township Range Lot Idn Feet from the North/South line Peet from the North/South line Peet from the Section Township Range Lot Idn Feet from the North/South line Peet from the Section Township Range Lot Idn Feet from the North/South line Peet from the Section Township Range Lot Idn Feet from the North/South line Peet from the Section Township Range Lot Idn Feet from the North/South line Peet from the Section Township Range Lot Idn Feet from the North/South line Peet from the Section Township Range Lot Idn Feet from the North/South line Peet from the Section Township Range Lot Idn Feet from the North/South line Peet from the Section Township Range Lot Idn Feet from the North/South line Peet from the North/Sout	Section Township Range Lot Idn Feet from the SOUTH 1335 EAST  10 Surface Location South Ine Feet from the East/West line Feet from the Company Name South Ine East/West line Feet from the Company Name South Ine East/West line East/West line Ine Ine East/West line Ine Ine Ine Ine Ine Ine Ine Ine Ine I			

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									
LOT 4	LOT 3	LOT 2	LOT 1	17 OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.					
			QTR. CORNER FD 3 1/4" BC 1952 BLM	Mike Typein Signature  MIKE PIPPIN  Printed Name  MGENT - PETR, ENGR,  Title  11-17-05  Date					
	LAT. 36°55'24.5" N LONG. 108°10'06.8"		35-25 E 9.01' (M)	18 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 participation.					
	QTR. CORNER FD 3 1/4" BC 1952 BLM	N 89-40-33 W 2597.06' (M)	1 34 2 1335' SEC. CORNER FD 3 1/4" BC 1952 BLM	Signature and seal of Professional Surveyor 5 14831					