

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM NM 92142
2. Name of Operator High Plains Petroleum Corporation	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 3860 Carlock Dr., Boulder, CO 80303 303-494-4529	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2150' FNL & 1800' FEL Sec. 17, T17N, R4W, NMPM	8. Well Name and No. Hermana Federal No. 1
	9. API Well No.
	10. Field and Pool, or Exploratory Area Wildcat; Salado
	11. County or Parish, State Sandoval Co., New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Cementing Casing
	<input checked="" type="checkbox"/> Other Change cmtg. of production casing
	<input checked="" type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

A larger rig, United Drilling's Rig No. 3, will be drilling the well. That rig only has 6" collars, so it will be necessary to go back to the program set forth in the original APD, which was approved 9/29/94. In addition, it would be physically impossible to cement the 5½" production casing to the surface, because the sands in the Entrada and the Hospah are so porous and permeable that the weight of a full column of cement would exceed the pressure at which those zones would fracture and cement would be lost and do irreparable damage to those potential producing zones. Furthermore, cement only needs to be brought up high enough to seal off the Hospah sand, because the well is to be equipped with intermediate casing that will be set to the top of the Mancos Shale and there will be nothing but impervious shale from the base of the intermediate casing to the Hospah. Therefore, the cementing program has been redesigned to bring Class B cmt. containing 0.4% CFR3, 12.5 #/sk. gilsonite and 0.4% Halad344 from 4000' up to 100' above the Dakota (2700'), which will require 240 sx. (Yield-1.43ft³/sk), to set a DV tool at 2150' and to cement across the Hospah Sandstone, bringing cmt. 200' above that fm., which will require 80 sx. of the same cmt..

14. I hereby certify that the foregoing is true and correct

Signed John B. Simon II Title Petroleum Engineer & Pres. Date Oct. 14, 1994

(This space for Federal or State office use)

Approved by Joseph Garamillo Acting Title Chief, Lands and Mineral Resources Date OCT 24 1994

Conditions of approval, if any: THE 8 3/8" INTERMEDIATE CSG WILL BE CEMENTED TO SURFACE USING 320 SX (140 LBS) OF CEMENT

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.