

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., 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-103  
 March 4, 2004

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

|   |
|---|
| WELL API NO.<br>30-045-32342  |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |
| 7. Lease Name or Unit Agreement Name<br>O'SHEA 3  |
| 8. Well Number<br>#3  |
| 9. OGRID Number 009812  |
| 10. Pool name or Wildcat<br>Basin Fruitland Coal  |

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

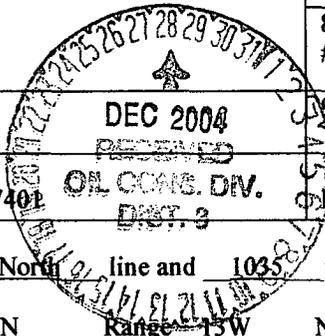
1. Type of Well:  
 Oil Well  Gas Well  Other

2. Name of Operator  
 HEC Petroleum, Inc.

3. Address of Operator  
 c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401

4. Well Location  
 Unit Letter E : 1390 feet from the North line and 1035 feet from the West line  
 Section 3 Township 31N Range 15W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 5847' GL



**Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)**

Pit Location: UL      Sect      Twp      Rng      Pit type      Depth to Groundwater      Distance from nearest fresh water well       
 Distance from nearest surface water      Below-grade Tank Location UL      Sect      Twp      Rng      ;  
 feet from the      line and      feet from the      line

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

|   |  |
|---|--|
| <p><b>NOTICE OF INTENTION TO:</b></p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input checked="" type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p> | <p><b>SUBSEQUENT REPORT OF:</b></p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/></p> <p>CASING TEST AND CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p> |
|---|--|

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

HEC Petroleum would like to change the bit and casing program to the following:

|                    |                  |                        |
|--------------------|------------------|------------------------|
|                    | <u>HOLE SIZE</u> | <u>CASING</u>          |
| <u>SURFACE:</u>    | 12-1/4"          | 8-5/8" 24# H-40 ST&C   |
| <u>PRODUCTION:</u> | 7-7/8"           | 5-1/2" 15.5# J-55 LT&C |

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit  or an (attached) alternative OCD-approved plan .

SIGNATURE Mike Pippin TITLE Agent - Petroleum Engineer DATE 12/28/04

Type or print name Mike Pippin E-mail address: mpippin@hubwest.com Telephone No. 505-327-4573

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE DEC 28 2004  
 Conditions of approval, if any: