

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
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ 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 35285	⁴ Property Name MONTOYA 25	⁵ API Number 30-045-33442
⁶ Well No. #4		
⁷ Proposed Pool 1 Basin Fruitland Coal		⁸ Proposed Pool 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
E	25	32N	13W		2360'	North	1165'	West	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

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 5926'
¹⁶ Multiple No	¹⁷ Proposed Depth 2400'	¹⁸ Formation Fruitland Coal	¹⁹ Contractor None Yet	²⁰ Spud Date 4/28/06
Depth to Groundwater >100'		Distance from nearest fresh water well >1000'		Distance from nearest surface water >1000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 1950 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24#	200'	200	Surface
7-7/8"	5-1/2"	15.5#	2400'	304	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 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.

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 <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed name: Mike Pippin <i>Mike Pippin</i>		Approved by: <i>[Signature]</i>	
Title: Agent - Petroleum Engineer		Title: DEPUTY OIL & GAS INSPECTOR, DIST. 8	
E-mail Address: mpippin@ddbroadband.net		Approval Date: NOV 22 2005 Expiration Date: NOV 22 2006	
Date: 11/19/05	Phone: 505-327-4573	Conditions of Approval Attached <input type="checkbox"/>	

HOLD C104 FOR *NSL*

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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	*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code 35285	*Property Name MONTOKA 25	*Well Number 4
*GRID No. 09812	*Operator Name HEC PETROLEUM	*Elevation 5926

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
E	25	32-N	13-W		2360	NORTH	1165	WEST	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 N/2			¹³ Joint or Infill Y		¹⁴ Consolidation Code		¹⁵ Order No.		

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 FD 3 1/4" BC. B.L.M. 1952 S 0°26'08" E 2630.17' (M) 2360' 1165'	FD 3 1/4" BC. B.L.M. 1952 N 89°48'17" E 2700.81' (M) LAT. 36°57'31.9" N (NAD 83) LONG. 108°09'34.8" W (NAD 83)
FD 3 1/4" BC. B.L.M. 1952	

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein
is true and complete to the best of my knowledge and
belief.

Mike Pippin
Signature

MIKE PIPPIN
Printed Name

AGENT-PETR. ENGR.
Title

11-18-05
Date

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 my belief.

OCT 2005
Date of Survey
Signature and Seal of Professional Surveyor:

JOHN A. VUKOVICH
14831
11-18-05
REGISTERED PROFESSIONAL SURVEYOR

Certificate Number