

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
May 27, 2004

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

WELL API NO. 30-015-33501
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

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.)		7. Lease Name or Unit Agreement Name Douglas Com (4881 Property Code)
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	RECEIVED DEC - 6 2004	8. Well Number 2
2. Name of Operator HEC Petroleum, Inc.	OCDA-ARTESIA	9. OGRID Number 9812
3. Address of Operator 500 W. Illinois Midland, Texas 79701		10. Pool name or Wildcat Carlsbad; Morrow, South (Pro Gas) 73960
4. Well Location Unit Letter <u>H</u> : <u>2350</u> feet from the <u>North</u> line and <u>190</u> feet from the <u>East</u> line Section <u>7</u> Township <u>22S</u> Range <u>27E</u> NMPM County <u>Eddy</u>		
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3098' GR		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: 3rd Intermediate Casing or Liner Sundry <input checked="" type="checkbox"/>	

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.

3rd Intermediate Casing or Liner & Cement

On 10/02/2004, RIH w/77 jts of 4-1/2" 11.6# P-110 liner (in 6-1/8" hole) & set @ 12,150' (TOL @ 8,808.61') w/230sx Super "H" cmt. w/.5% Halad 344, .4% CFR-3, .2% HR-7 1lb sx salt mixed @ 8.99 GPS (Yld: 1.7ft3/sx, Wt: 13PPG). Circulated 41sx cmt thru top of liner (10' tie back sleeve on liner). Tested liner top to 1,500psi. TIH to liner top. Displaced w/7% KCL. RU, LD DP. TIH w/& LD excess DP & collars. Change rams. ND. Release rig on 10/04/2004. Current operations, waiting on completion rig to complete well.

(See Attached Related Daily Drilling Reports & Casing Detail Sheets)

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Alan W. Bohling TITLE Regulatory Agent DATE 11/16/2004

Type or print name: Alan W. Bohling E-mail address: abohling@pureresources.com Telephone No. (432) 498-8662
For State Use Only

APPROVED BY: FOR RECORDS ONLY TITLE _____ DATE DEC 07 2004
Conditions of Approval (if any): _____

[illegible]

PURE RESOURCES - SIERRA ENGINEERING										Daily Drilling Report											
Well Name Douglas Com #2										Field		Carlsbad Morrow South									
Date		10/2/2004		Days on Report		54		TD		12,150		Progress									
Last Csg		4 1/2		@		12,150		Next Csg		@		Contr. & Rig#		Nabors #715							
Operations at Report Time										Waiting on cement. To test liner top											
Operations this Report Period										Ran and cemented 4-1/2" liner.											
Operations Next Report Period										Test liner top. Lay down drill string. Nipple down BOP											
From		To		Time		Code		Descriptions of Daily Activities (incl. drilling start and end depths)													
6:00		6:45		0.75		420		Safety meeting. Circulated bottoms up. Pumped slug.													
6:45		10:00		3.25		410		Safety meeting. Tripped out of hole.													
10:00		12:00		2.00		430		Safety meeting. Rigged up casing crew, pick up machine.													
12:00		14:30		2.50		440		Safety meeting. Picked up 3,306.04', 77jnt 4-1/2" liner.													
14:30		15:00		0.50		440		Safety meeting. Picked up liner hanger, packer.													
15:00		20:00		5.00		440		Safety meeting. Tripped in hole w/ liner on 3-1/2" drill pipe.													
20:00		0:15		4.25		445		Safety meeting. Rigged up cement head. Circulated off gas.													
0:15		1:45		1.50		445		Safety meeting. Dropped ball, set hanger.													
1:45		3:00		1.25		445		Safety meeting. Cemented w/ 230sx. Displaced w/ 300gal acid, 7% KCL													
3:00		3:30		0.50		445		Safety meeting. Set packer reversed out 41sx.													
3:30		6:00		2.50		445		Safety meeting. Rigged down cement head. Pulled 5 stands													
								Notified NMOC (Van Barton answering machine) 11:25hr 10/1/04													
DRILL PIPE	Size (OD)		Wt/Ft		Grade		Connection		Jts in Hole		Length		Jts on Loc								
SURVEY	Survey #		Depth		Incline		Azimuth		Survey #		Depth		Incline		Azimuth						
BITS	#	Size	Make	Type	Serial #	Nozzles			Out At	Footage	Cutting Struct.			B	G						
	15	6 1/8	Sec	xs-47s	10626642	13	13	13	12,150	400	4	7	bt	td	e	i					
	Bit Hours		Start depth		End depth		Remarks:														
	46.25		11,750		12,150																
MUD	Depth	Wt	VIS	PV	YP	Gels	API WL	FC	HTHP WL	Sand	Solids%	Cl	pH								
MUD LOG	Elec St		Oil/Wtr	Diesel %	Comment																
FORMATION	DEPTH		BGG		CG		Survey		Formation/Lithology Description												
PUMPS	#	Type		Press (max)		Liner Size	Bit HHP	SPM	Stroke Length	GPM	Jet Nozzle Area	AV DP	AV DC								
	1	PZ-10				6			10												
	2	PZ-10				6			10												
DRILL PARAMETERS	Hrs on BHA/ Jars	Cum Rot. Hrs.	Today's ROP	Torque	Rot weight	Pick up weight	S/O weight	BHA Wt Air	BHA Wt Mud	WOB (1000 lbf)	Start Depth	End Depth	Rot/Mt RPM								
	153.75	712.25																			
ACCIDENTS		Name & Soc Sec #																			
comment/ time lost																					
Slow Pump Rate		Pump#	SPM	Press.	Pump#	SPM	Press.	Pump#	SPM	Press.											
COST	Daily Drilling Cost		\$70,724																		
	Daily Comp. Cost																				
	Cum Drilling Cost		\$2,004,401																		
	Cum Comp. Cost																				
	Total																				
A.F.E. Planned Total																					



Well Name Douglas Com #2 Date 10/2/2004 Page 1 of 1

CASING DETAIL FROM BOTTOM TO TOP

Measured Depth 12,150

Bit Size 6-1/8"

	Size	Length	Grade	Joints	Weight	Connection	Bottom (ftKB)	Top (ftKB)
	4 1/2	1.42	Float Shoe			8rd LT&C	12,150	12,148.58
	4 1/2	39.24	P-110	1	11.6	8rd LT&C		12,109.34
	4 1/2	1.34	Float Collar			8rd LT&C		12,108.00
	4 1/2	1.59	Land/ Collar			8rd LT&C		12,106.41
	4 1/2	3266.8	P-110	76	11.6	8rd LT&C		8,839.61
	4 1/2	5.41	X/O Bush					8,834.20
	4 1/2	6.79	HyFloIII					8,827.41
	4 1/2	18.8	ZPP/ TB					8808.61

	<u>3341.39</u>	Total Pipe Run in Hole
-	<u> </u>	Less Cutoff Piece
=	<u>3341.39</u>	Total Pipe Left in Hole
+	<u>8808.61</u>	RKB to Cutoff
=	<u>12150</u>	Total Setting Depth

Centralizers # Run Placement Depths :

Other Cementing Aids:

Primary Cementing Detail Cementing Company Halliburton

Lead Type Super "H" Vol 230sx PPG13 Yield 1.7 ft3/sk Mix Wtr 8.99Gal/sk

Additives: .5% Halad @ 344, .4% CFR-3, .2% HR-7 1lb sx salt

Tail Type Vol PPG Yield ft3/sk Mix Wtr Gal/sk

Additives:

Displaced cement w/ 300gl Acid, 50bbl 7% % KCL(type fluid).Bump plug(Y) with 2350 PSI

Returns (Full) Full Reciprocated pipe N No Circ cmt (Y) Yes

Job complete @ 3:00 hours, Date 10/2/2004 Sx Circ 41

Remarks:

10' tie back sleeve