

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **HEC Petroleum, Inc.**

3a. Address
500 W. Illinois Midland, Texas 79701

3b. Phone No. (include area code)
432 498-8662

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**990' FNL & 1,330' FEL
UL B, Sec. 8, T-24-S, R-35-E**

5. Lease Serial No.
NM ~~0374037~~ 14164

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA/Agreement, Name and/or No.
34076 (NMOC Property Code)

8. Well Name and No.
CR "8" Federal #2

9. API Well No.
30-025-37047

10. Field and Pool, or Exploratory Area
Cinta Roja; Morrow (Gas) (75000)

11. County or Parish, State
LEA County, New Mexico

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input checked="" type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Request to Alter |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Casing Point on 9-5/8 |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | Casing |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

HEC Petroleum, Inc. respectfully requests to change the casing point or setting depth on the 1st Intermediate 9-5/8" casing. Originally it was permitted to be set at 5400'. As it is important to ensure setting this casing string in the basal anhydrite, just above the Lamar LS and before the Delaware Sands, to avoid lost circulation problems and the inability to perform an effective cement job, we propose setting this 9-5/8" casing string at approximately 5100'.

It should be noted, also, that we have logged this well from 3100' down to present depth of approximately 5000' and there is no Capitan Reef zone apparent in this wellbore. Our logging and monitoring on this well also indicates that formation tops are approximately 100' higher than originally anticipated. This current interval is being drilled with 10 ppg brine water and mud loggers will be required to closely monitor and pick the actual casing point-now anticipated to be at 5100'. We are progressing slower to ensure not drilling too far and anticipate running this casing string this evening, 2/2/05.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Alan W. Bohling

Title **Regulatory Agent**

Signature

Alan W. Bohling

Date

02/01/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ORIG. SGD J. DAVID E. GLASS

PETROLEUM ENGINEER

Date

FEB 24 2005

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)