Form 3160-3 (March 2012)

Carlsbad Field Office
UNITED STAT OCD Artesia

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REFNTER

DISTRICT II-ARTESIA O.C.D.
FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

	2.17		
5.	Lease Serial	No.	
IN/	INM018831	_	/

6.	If Indian, Allotee	or Tribe Name	/
			/

APPLICATION FOR PERMIT TO E									
Ia. Type of work:	R		-	7 If Unit or CA Agre	ment, Name and No.				
lb. Type of Well: Oil Well Gas Well Other	✓ Sin	gle Zone Multip	le Zone /	8. Lease Name and NOME FEDERAL					
2. Name of Operator MACK ENERGY CORPORATION		13837) 15-45151				
3a. Address 11344 Lovington HWY Artesia NM 88211	3b. Phone No. (575)748-12	(include area code) .	<u> </u>	10. Field and Pool, or DIAMOND MOUNI	70-17				
4. Location of Well (Report location clearly and in accordance with any	State requireme	ents.*)		11. Sec., T. R. M. or B	lk.and Survey or Area				
At surface NESW / 1700 FSL / 1675 FWL / LAT 32.9499	947 / LONG	-104.1667867		SEC 3 / T16S / R2	8E / NMP				
At proposed prod. zone LOT 3 / 5 FNL / 1765 FWL / LAT 32	2.965222 / L	ONG -104.166775	5						
14. Distance in miles and direction from nearest town or post office* 30 miles				12. County or Parish EDDY	13. State NM				
15. Distance from proposed* location to nearest 1700 feet property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of ac 1249.63	cres in lease	160	g Unit dedicated to this	well				
18. Distance from proposed location* to nearest well, drilling, completed, 1320 feet applied for, on this lease, ft.	19. Proposed 2585 feet /	, <u> </u>		BIA Bond No. on file MB000286					
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	/ /	nate date work will sta	rt*	23. Estimated duration					
3633 feet	07/01/201	8/ 		20 days					
	24. Attac	hments							
The following, completed in accordance with the requirements of Onshor	e Oil and Gas (Order No.1, must be a	ttached to th	is form:					
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office). 	Lands, the	Item 20 above). 5. Operator certific	ation		existing bond on file (see				
25. Signature	Name	(Printed/Typed)			Date				
(Electronic Submission)	Deana	a Weaver / Ph: (57	5)748-12	88	04/04/2018				
Title Production Clerk									
Approved by (Signature) (Electronic Submission)		(Printed/Typed) Layton / Ph: (575)2	234-5959		Date 07/16/2018				
Title	Office	Office							
Assistant Field Manager Lands & Minerals		SBAD							
Application approval does not warrant or certify that the applicant hold conduct operations thereon. Conditions of approval, if any, are attached.	s legal or equit	able title to those righ	its in the su	bject lease which would (entitle the applicant to				
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a cr States any false, fictitious or fraudulent statements or representations as t	rime for any pe to any matter w	erson knowingly and thin its jurisdiction.	villfully to 1	nake to any department	or agency of the United				

(Continued on page 2)

*(Instructions on page 2)

pproval Date: 07/16/2018

RECEIVED

AUG 07 2018

Ruf 8-9-18,

DISTRICT II-ARTESIA O.C.D.

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new-reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2:48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts. ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

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(Form 3160-3, page 2)

Additional Operator Remarks

Location of Well

1. SHL: NESW / 1700 FSL / 1675 FWL / TWSP: 16S / RANGE: 28E / SECTION: 3 / LAT: 32.9499947 / LONG: -104.1667867 (TVD:0feet, MD:0feet)

PPP: LOT 14 / 4448 FNL / 1675 FWL / TWSP: 16S / RANGE: 28E / SECTION: 3 / LAT: 32.9530132 / LONG: -104.16678586 (TVD: 2585 feet, MD: 2981 feet)

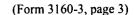
BHL: LOT 3 / 5 FNL / 1765 FWL / TWSP: 16S / RANGE: 28E / SECTION: 3 / LAT: 32.965222 / LONG: -104.1667753 (TVD: 2585 feet, MD: 7474 feet)

BLM Point of Contact

Name: Sipra Dahal

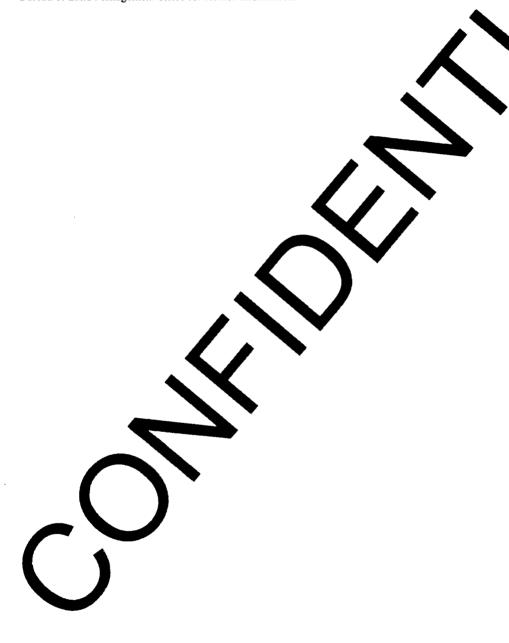
Title: Legal Instruments Examiner

Phone: 5752345983 Email: sdahal@blm.gov



Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.



(Form 3160-3, page 4)

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: Mack Energy Corporation

LEASE NO.: | NMNM-018831 NAME & NO.: | Nome Federal 1H

WELL NAME & NO.: | Nome Federal 1H SURFACE HOLE FOOTAGE: | 1700' FSL & 1675' FWL

BOTTOM HOLE FOOTAGE: | 1700° FSL & 1675° FWL BOTTOM HOLE FOOTAGE | 0005° FNL & 1675° FWL

LOCATION: Section 03, T. 16 S., R 28 E., NMPM

COUNTY: | County, New Mexico

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

□ Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

- 1 Although Hydrogen Sulfide has not been reported in the area, it is always a potential hazard. If Hydrogen Sulfide is encountered, report measured amounts and formations to the BLM.
- 2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. If the drilling rig is removed without approval an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) for Water Basin:

After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.

Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Medium Cave/Karst

Possibility of water flows in the Queen, Salado, and Artesia Group. Possibility of lost circulation in the San Andres, Grayburg, Salado, and Artesia Group formations.

- 1. The 9-5/8 inch surface casing shall be set at approximately 350 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. If salt is encountered, set casing at least 25 feet above the salt.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job is to include the

Page 2 of 4

lead cement slurry.

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

2.	The minimum required fill of cement behind the 7 X 5-1/2 inch production casing is:
	Cement to surface. If cement does not circulate, contact the appropriate BLM office.

3. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API 53.
- 2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be psi (Operator installing a 3M BOP, testing to 2,000 psi).
- 3. The appropriate BLM office shall be notified a minimum of hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

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- a. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**.
- b. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- c. The results of the test shall be reported to the appropriate BLM office.
- d. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- e. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

E. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

JAM 071618

PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

Mack Energy Corporation OPERATOR'S NAME: LEASE NO.: NMNM 018831 1H-NOME Fed WELL NAME & NO.: SURFACE HOLE FOOTAGE: 1700'/S & 1675'/W & 1675'/W **BOTTOM HOLE FOOTAGE** 5'/N T-16S, R-28E, S3. NMPM LOCATION: COUNTY: EDDY, NM

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

General Provisions
Permit Expiration
Archaeology, Paleontology, and Historical Sites
Noxious Weeds
Special Requirements
Cave/Karst
Hydrology
☐ Construction
Notification
Topsoil
Closed Loop System
Federal Mineral Material Pits
Well Pads
Roads
☐ Road Section Diagram
Production (Post Drilling)
Well Structures & Facilities
☐ Interim Reclamation
Final Abandonment & Reclamation

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

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V. SPECIAL REQUIREMENT(S)

Cave and Karst Conditions of Approval for APDs

** Depending on location, additional Drilling, Casing, and Cementing procedures may be required by engineering to protect critical karst groundwater recharge areas.

Cave/Karst Surface Mitigation

The following stipulations will be applied to minimize impacts during construction, drilling and production:

Construction:

In the advent that any underground voids are opened up during construction activities, construction activities will be halted and the BLM will be notified immediately.

No Blasting:

No blasting will be utilized for pad construction. The pad will be constructed and leveled by adding the necessary fill and caliche.

Pad Berming:

- The entire perimeter of the well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad.
- The compacted berm shall be constructed at a minimum of 12 inches high with impermeable mineral material (e.g., caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.
- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.
- The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.
- Any access road entering the well pad shall be constructed so that the integrity of the berm height surrounding the well pad is not compromised. (Any access road crossing the berm cannot be lower than the berm height.)
- Following a rain event, all fluids will vacuumed off of the pad and hauled off-site and disposed at a proper disposal facility.

Tank Battery Liners and Berms:

Tank battery locations and all facilities will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing, or equivalent, to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank.

Leak Detection System:

A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating values and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present. Leak detection plan will be submitted to BLM for approval.

Automatic Shut-off Systems:

Automatic shut off, check values, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

Cave/Karst Subsurface Mitigation

The following stipulations will be applied to protect cave/karst and ground water concerns: Rotary Drilling with Fresh Water:

Fresh water will be used as a circulating medium in zones where caves or karst features are expected. SEE ALSO: Drilling COAs for this well.

Directional Drilling:

Kick off for directional drilling will occur at least 100 feet below the bottom of the cave occurrence zone. SEE ALSO: Drilling COAs for this well.

Lost Circulation:

ALL lost circulation zones from the surface to the base of the cave occurrence zone will be logged and reported in the drilling report.

Regardless of the type of drilling machinery used, if a void of four feet or more and circulation losses greater than 70 percent occur simultaneously while drilling in any cave-bearing zone, the BLM will be notified immediately by the operator. The BLM will assess the situation and work with the operator on corrective actions to resolve the problem.

Abandonment Cementing:

Upon well abandonment in cave karst areas additional plugging conditions of approval may be required. The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

Pressure Testing:

The operator will perform annual pressure monitoring on all casing annuli and reported in a sundry notice. If the test results indicated a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

Hydrology

The entire well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The berm shall be maintained through the life of the well and after interim reclamation has been completed. Any water erosion that may occur due to the construction of the well pad during the life of the well will be quickly corrected and proper measures will be taken to prevent future erosion.

Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank or 24 hour production, whichever is greater. Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

A leak detection plan will be submitted to the BLM Carlsbad Field Office for approval prior to pipeline installation. The method could incorporate gauges to detect pressure drops, situating values and lines so they can be visually inspected periodically or installing electronic sensors to alarm when a leak is present. The leak detection plan will

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incorporate an automatic shut off system that will be installed for proposed pipelines to minimize the effects of an undesirable event.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs

F. EXCLOSURE FENCING (CELLARS & PITS)

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Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

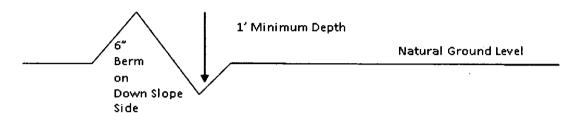
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope:
$$\frac{400'}{4\%}$$
 + 100' = 200' lead-off ditch interval

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

Construction Steps

- 1. Salvage topsoil
- 3. Redistribute topsoil 2. Construct road 4. Revegetate slopes
- center line of roadway shoulder tumout 10' 100 full turnout width Intervisible tumouts shall be constructed on all single lane roads on all blind curves with additional tunouts as needed to keep spacing below 1000 feet. **Typical Turnout Plan** natural ground **Level Ground Section** road CTOWN type earth surface .03 - .05 ft/ft aggregate surface .02 - .04 ft/ft paved surface .02 - .03 ft/ft Depth measured from the bottom of the ditch **Side Hill Section** center line center travel surface travel surface --(slope 2 - 4%) **Typical Outsloped Section Typical Inslope Section**

Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

Page 10 of 13

Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

VIII. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

IX. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

Page 11 of 13

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Page 12 of 13

Seed Mixture 1 for Loamy Sites

Holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed shall be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed shall be planted using a drill equipped with a depth regulator to ensure proper depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area (small/heavier seeds have a tendency to drop the bottom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed shall be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre shall be doubled. The seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

Species	lb/acre
Plains lovegrass (Eragrostis intermedia)	0.5
Sand dropseed (Sporobolus cryptandrus)	1.0
Sideoats grama (Bouteloua curtipendula)	5.0
Plains bristlegrass (Setaria macrostachya)	2.0

^{*}Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed



NAME: Deana Weaver

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Signed on: 04/04/2018

Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Title: Production Clerk

Street Address: 11344 Lovington HWY

City: Artesia State: NM Zip: 88211

Phone: (575)748-1288

Email address: dweaver@mec.com

Field	Re	prese	entative
--------------	----	-------	----------

Tiola Repre-	Schlative	
Representative Na	ne:	
Street Address:		
City:	State:	Zip
Phone:		
Email address:		



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



APD ID: 10400028069

Submission Date: 04/04/2018

lighlighted data eflects the most recent changes

Operator Name: MACK ENERGY CORPORATION

Well Number: 1H

Well Name: NOME FEDERAL

Show Final Text

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - General

APD ID: 10400028069 **Tie to previous NOS?** 10400027464

Submission Date: 04/04/2018

BLM Office: CARLSBAD

User: Deana Weaver

Title: Production Clerk

Federal/Indian APD: FED

Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMNM018831

Lease Acres: 1249.63

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? YES

Permitting Agent? NO

APD Operator: MACK ENERGY CORPORATION

Operator letter of designation:

Operator Info

Operator Organization Name: MACK ENERGY CORPORATION

Operator Address: 11344 Lovington HWY

Zip: 88211

Operator PO Box:

Operator City: Artesia

State: NM

Operator Phone: (575)748-1288

Operator Internet Address: jerrys@mec.com

Section 2 - Well Information

Well in Master Development Plan? NO

Mater Development Plan name:

Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO

Master Drilling Plan name:

Well Name: NOME FEDERAL

Well Number: 1H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: DIAMOND MOUND Pool Name: SAN ANDRES

Is the proposed well in an area containing other mineral resources? USEABLE WATER, NATURAL GAS, OIL

Operator Name: MACK ENERGY COLORATION

Well Name: NOME FEDERAL Well Number: 1H

Describe other minerals:

Is the proposed well in a Helium production area? N Use Existing Well Pad? NO New surface disturbance?

Type of Well Pad: SINGLE WELL

Multiple Well Pad Name: Number:

Well Class: HORIZONTAL Number of Legs: 1

Well Work Type: Drill Well Type: OIL WELL Describe Well Type:

Well sub-Type: DELINEATION

Describe sub-type:

Distance to town: 30 Miles Distance to nearest well: 1320 FT Distance to lease line: 1700 FT

Reservoir well spacing assigned acres Measurement: 160 Acres

Well plat: NOME_FEDERAL_1H__2__plat_20180625101221.pdf

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83 Vertical Datum: NAVD88

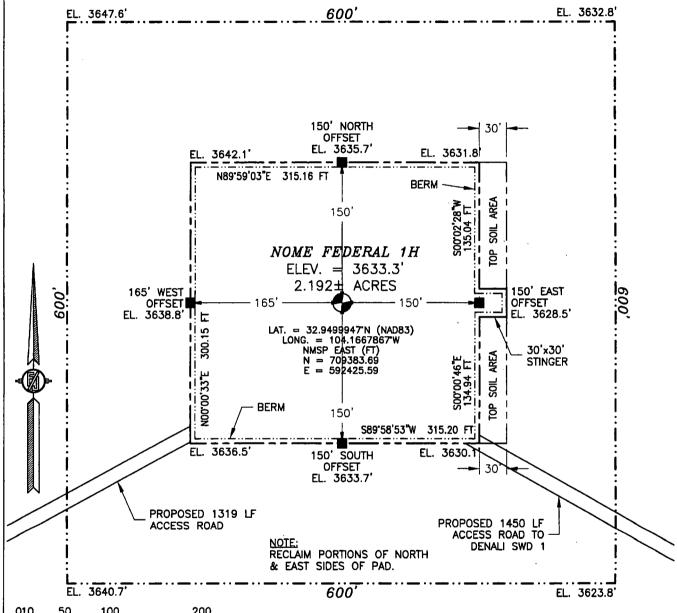
Survey number: 5968

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	dΛΤ
SHL Leg #1	170 0	FSL	167 5	FWL	168	28E	3	Aliquot NESW	32.94999 47	- 104.1667 867	EDD Y	NEW MEXI CO		F	1	363 3	0	0
KOP Leg #1	170 0	FSL	167 5	FWL	16S	28E ,	3	Aliquot NESW	32.94999 47	- 104.1667 867	EDD Y	l	NEW MEXI CO	F	NMNM 018831	183 5	179 8	179 8
PPP Leg #1	444 8	FNL	167 5	FWL	16S	28E	3	Lot 14	32.95301 32	- 104.1667 838	EDD Y		NEW MEXI CO		NMNM 018831	104 8	298 1	258 5

SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

SITE MAP

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 18B3 (NADB3). LETTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NADB3). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE



010 50 100 200 SCALE 1" = 100'

DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF US HIGHWAY 82 & CR 202 (SOUTHERN UNION)
GO NORTH ON CR 202 (AROUND SUBSTATION) FOR APPROX. 2.9, MILES,
VEER NORTHEAST & CONTINUE ON CR 202 FOR APPROX. 1.25 MILES TO
THE END OF CR 202, GO NORTHWEST ON 15' CALICHE LEASE ROAD
APPROX. 0.1 OF A MILE TO A FORK, TAKE ROAD ON RIGHT & GO NORTH
APPROX. 1.0 MILE, TAKE CALICHE LEASE ROAD EAST (RIGHT) & CO NORTH
APPROX. 1.1 MILES TO A "Y", TAKE LEFT FORK FOR APPROX. 0.6 OF A
MILE, GO NORTH (LEFT) & GO APPROX. 2.2 MILES, THEN CONTINUE NORTH
ON 30' CALICHE LEASE ROAD FOR APPROX. 1.3 MILE, TURN RIGHT
(NORTHEAST) AND CONTINUE ON CALICHE LEASE ROAD FOR APPROX. 2
MILES, TURN LEFT (NORTHWEST) ON 12' CALICHE LEASE ROAD FOR
APPROX. 1.6 MILES TO SELLERS & FULTON CROW FLATS 3 FED 1, FROM
SOUTHWEST CORNER FOLLOW ROAD SURVEY NORTH APPROX. 285' THEN
NORTHEAST APPROX. 1034' (TOTAL 1319') TO SOUTHWEST PAD CORNER
POR THIS LOCATION.

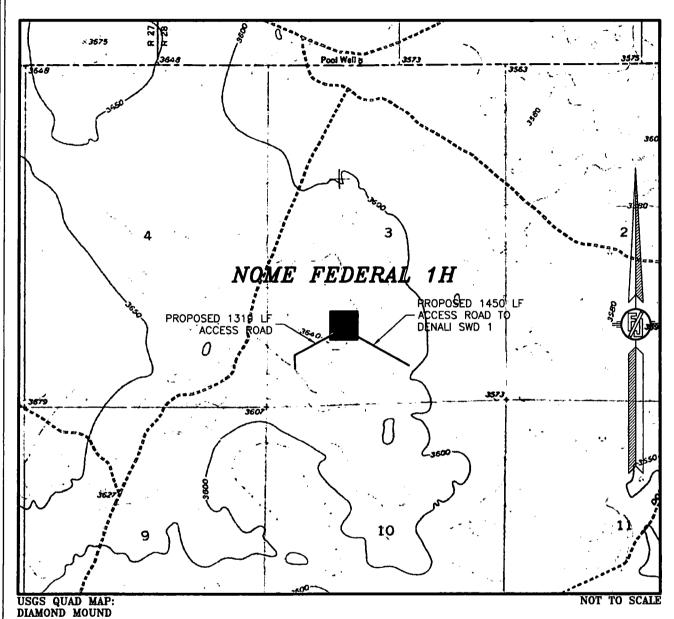
MACK ENERGY CORPORATION NOME FEDERAL 1H

LOCATED 1700 FT. FROM THE SOUTH LINE AND 1675 FT. FROM THE WEST LINE OF SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MARCH 9, 2018

SURVEY NO. 5968A

SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LOCATION VERIFICATION MAP



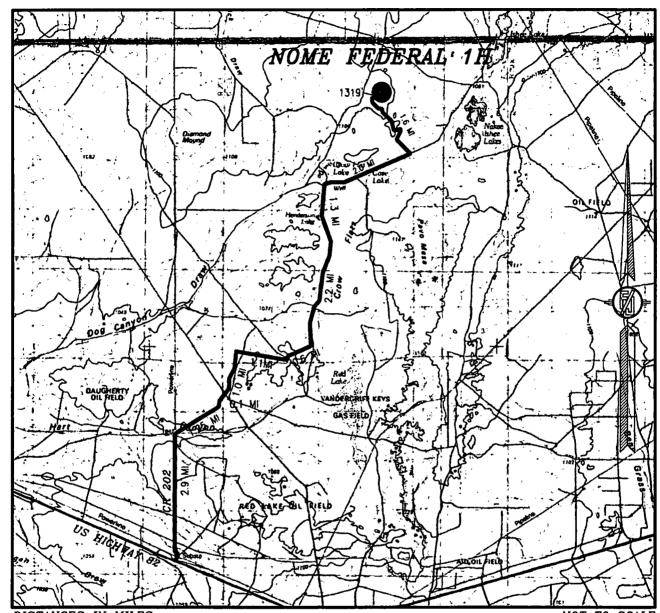
MACK ENERGY CORPORATION NOME FEDERAL 1H

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MARCH 9, 2018

SURVEY NO. 5968A

SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO VICINITY MAP



DISTANCES IN MILES

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF US HIGHWAY 82 & CR 202 (SOUTHERN UNION)
GO NORTH ON CR 202 (AROUND SUBSTATION) FOR APPROX. 2.9, MILES,
VEER NORTHEAST & COMINUE ON CR 202 FOR APPROX. 1.25 MILES TO
THE END OF CR 202, GO NORTHWEST ON 15' CAUCHE LEASE ROAD
APPROX. 0.1 OF A MILE TO A FORK, TAKE ROAD ON RIGHT & GO NORTH APPROX. 1.0 MILE, TAKE CALICHE LEASE ROAD EAST (RIGHT) & GO
APPROX. 1.1 MILES TO A "Y", TAKE LEFT FORK FOR APPROX. 0.6 OF A
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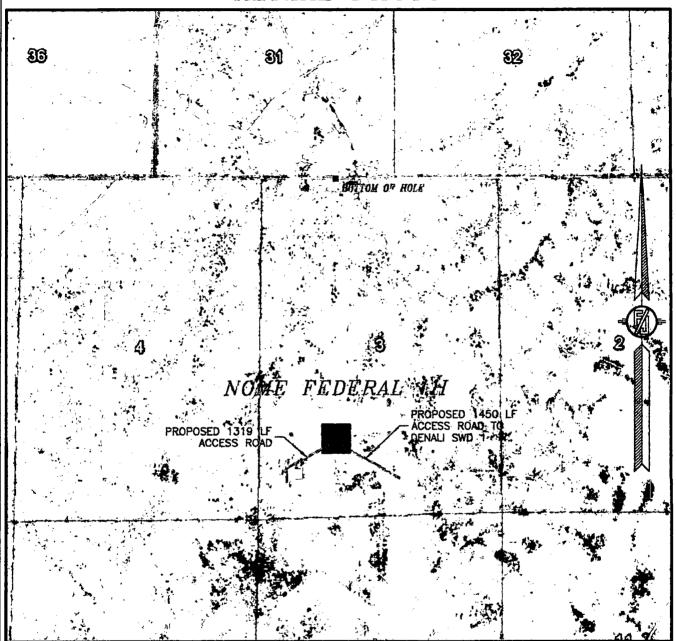
MACK ENERGY CORPORATION NOME FEDERAL 1H

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MARCH 9, 2018

SURVEY NO. 5968A





NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH MARCH 2016

MACK ENERGY CORPORATION NOME FEDERAL 1H

LOCATED 1700 FT. FROM THE SOUTH LINE AND 1675 FT. FROM THE WEST LINE OF SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MARCH 9, 2018

SURVEY NO. 5968A

	SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO ACCESS AERIAL ROUTE MAP														
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7		16 NM 716	15 S R27 E	14,	18	18.	17	110 110 110	15 3 R23 E	14	18	18			
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		23	27	29	25	30	25 M	23*	27	23 23	2 5	330			
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		1 3 NM 717	16 3.2 <i>20</i> 13	19 R	5.9 €	18	17	TIGA NM TAT	16 3 7203	10	18	18.3			
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		28	27	28	92 93	80	299	23 23	27	23	25	30			

NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH MARCH 2016

MACK ENERGY CORPORATION NOME FEDERAL 1H

LOCATED 1700 FT. FROM THE SOUTH LINE AND 1675 FT. FROM THE WEST LINE OF SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MARCH 9, 2018

SURVEY NO. 5968A



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



APD ID: 10400028069

Well Type: OIL WELL

Submission Date: 04/04/2018

Operator Name: MACK ENERGY CORPORATION

Well Name: NOME FEDERAL

Well Number: 1H

Well Work Type: Drill

legal call about cent chemes

Show Final Text

Section 1 - Geologic Formations

Formation			True Vertical	l			Producing
ID	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	Formation
1	QUATERNARY	3633	0	0	ALLUVIUM	NONE	No
2	YATES	3293	340	340	SILTSTONE	NATURAL GAS,OIL	No
3	SEVEN RIVERS	3073	560	560	DOLOMITE, SILTSTONE	NATURAL GAS,OIL	No
4	QUEEN	2568	1065	1065	SILTSTONE	NATURAL GAS,OIL	No
5	GRAYBURG	2148	1485	1485	DOLOMITE, SILTSTONE	NATURAL GAS,OIL	No
6	SAN ANDRES	1723	1910	1910	DOLOMITE	NATURAL GAS,OIL	Yes
7	GLORIETA	298	3335	3335	SILTSTONE	NATURAL GAS,OIL	No
8	PADDOCK	248	3385	3385	DOLOMITE	NATURAL GAS,OIL	No

Section 2 - Blowout Prevention

Presence Refing (IPSI)s SM

Rating Depth: 7775

Equipment: Rotating Head, Mud-Gas Separator

Requesting Variance? NO

Variance request:

Testing Procedure: The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minium of 10 minutes if test is done with a test plug and 30 minutes without a test plug.

Choke Diagram Attachment:

choke_manifold_diagram_20180326103447.pdf

choke_manifold_20180326103458.pdf

BOP Diagram Attachment:

bop diagram 20180326103509.pdf

Operator Name: MACK ENERG.

RPORATION

Well Name: NOME FEDERAL

Well Number: 1H

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Catculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	14.7 5	9.625	NEW	API	N	0	350	0	350			350	J-55	36		11.5 61	6.93 9	BUOY	36.6 54	BUOY	7.04
2	PRODUCTI ON	12.2 5	7.0	NEW	API	N	0	2700	0	2700			2700	HCP -110		BUTT	6.06 7	3.21 6	BUOY	9.12 1	BUOY	3.24 6
3	PRODUCTI ON	7.87 5	5.5	NEW	API	N	2700	7775	2700	7775				HCP -110	17	BUTT	6.86 3	3.24 1	BUOY	7.50 6	BUOY	3.43 9

Casing Attachments

Casing ID: 1

String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

nome_csg_20180326104852.pdf

Operator Name: MACK ENERGY COF

ATION

Well Name: NOME FEDERAL

Well Number: 1H

Casing Attachments

Casing ID: 2

String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

nome_csg_20180326105305.pdf

Casing ID: 3

String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

nome_csg_20180326105919.pdf

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead	350	0	350	100	1.61	14.4	7.36	0	RFC + 12% PF53 + 2%PF1 +5ppsPF42 + .125pps PF29	20bbls Gelled Water 50sx of 11# Scavenger cement
SURFACE	Tail		0	350	300	1.34	14.8	6.32	100	Class C 1% PF1	20bbls gelled water 50sx of 11# scavenger cemetn
PRODUCTION	Lead	2550	0	2550	375	1.84	13.2	9.91	35	Class C 4% PF 20 +4 pps PF 45 + 125 pps PF 29	20bbls gelled water 20bbls chemical wash 50sx of 11# scavenger

Operator Name: MACK ENERG.

RPORATION

Well Name: NOME FEDERAL

Well Number: 1H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
PRODUCTION	Lead	7775	2550	7775	1270	1.48	13	7.58		(BWOW) PF 44 +	20bbls gelled water, 20bbls chemical wash 50sx of 11# scavemger

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: BOPE Brine Water

Describe the mud monitoring system utilized: Parson PVT with PIT volume recorder

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	ЬН	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	350	SPUD MUD	8.5	10		•					
350	7775	LSND/GEL	8.3	10	74.8	0.1	11		120000	15	

Operator Name: MACK ENERGY COR

NOIT

Well Name: NOME FEDERAL

Well Number: 1H

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

List of open and cased hole logs run in the well:

CDL, CNL, DLL, GR

Coring operation description for the well:

None

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 1277

Anticipated Surface Pressure: 708.3

Anticipated Bottom Hole Temperature(F): 120

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? NO

Hydrogen sulfide drilling operations plan:

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

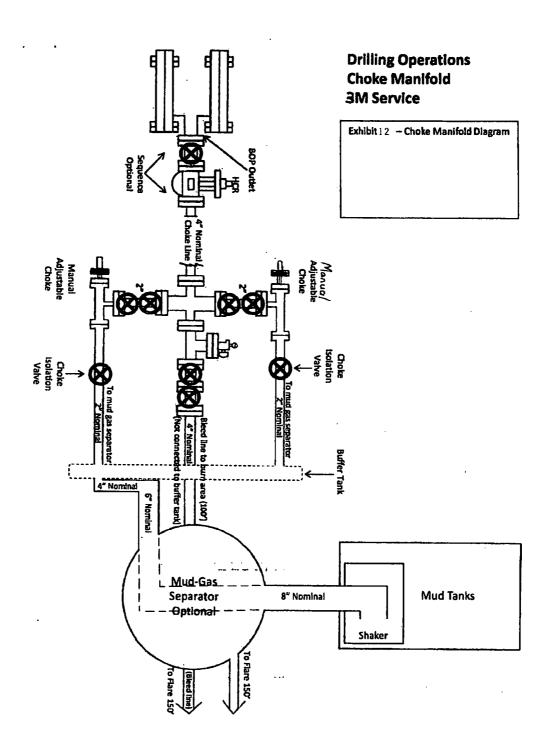
nome_gas_capture_20180326113104.pdf Nome_Federal__1H_Preliminary_Plan__1_MEC_20180326113123.pdf nome_drill_pro_20180328101432.pdf nome_h2s_20180328101449.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

Other Variance attachment:

Mack Energy Corporation MANIFOLD SCHEMATIC Exhibit #12





U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

3ond Info Data Report

Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB000286

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

Injection well type:	. "
Injection well number:	Injection well name:
Assigned injection well API number?	Injection well API number:
Injection well new surface disturbance (acres):	
Minerals protection information:	
Mineral protection attachment:	
Underground Injection Control (UIC) Permit?	
UIC Permit attachment:	
Section 5 - Surface Discharge	
Would you like to utilize Surface Discharge PWD options? NO	
Produced Water Disposal (PWD) Location:	
PWD surface owner:	PWD disturbance (acres):
Surface discharge PWD discharge volume (bbl/day):	
Surface Discharge NPDES Permit?	
Surface Discharge NPDES Permit attachment:	
Surface Discharge site facilities information:	
Surface discharge site facilities map:	
Section 6 - Other	
Would you like to utilize Other PWD options? NO	
Produced Water Disposal (PWD) Location:	
PWD surface owner:	PWD disturbance (acres):
Other PWD discharge volume (bbl/day):	
Other PWD type description:	
Other PWD type attachment:	
Have other regulatory requirements been met?	
Other regulatory requirements attachment:	

:

Section 3 - Unlined Pits

Injection well mineral owner:

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:	
PWD surface owner:	PWD disturbance (acres):
Unlined pit PWD on or off channel:	
Unlined pit PWD discharge volume (bbl/day):	
Unlined pit specifications:	
Precipitated solids disposal:	
Decribe precipitated solids disposal:	
Precipitated solids disposal permit:	
Unlined pit precipitated solids disposal schedule:	
Unlined pit precipitated solids disposal schedule attachment:	
Unlined pit reclamation description:	
Unlined pit reclamation attachment:	
Unlined pit Monitor description:	
Unlined pit Monitor attachment:	
Do you propose to put the produced water to beneficial use?	
Beneficial use user confirmation:	
Estimated depth of the shallowest aquifer (feet):	
Does the produced water have an annual average Total Disso that of the existing water to be protected?	lved Solids (TDS) concentration equal to or less than
TDS lab results:	
Geologic and hydrologic evidence:	
State authorization:	
Unlined Produced Water Pit Estimated percolation:	
Unlined pit: do you have a reclamation bond for the pit?	
Is the reclamation bond a rider under the BLM bond?	
Unlined pit bond number:	
Unlined pit bond amount:	
Additional bond information attachment:	
Section 4 - Injection	
Would you like to utilize Injection PWD options? NO	
Produced Water Disposal (PWD) Location:	•
PWD surface owner:	PWD disturbance (acres):
Injection PWD discharge volume (bbl/day):	



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

APD CERTIFICATION

I hereby certify that I, or person under my direct supervision, have inspected the proposed drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of State and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Date: 3.28.18

Signed: __

Deana Weaver

12. Lessee's and Operator's Representative:

The Mack Energy Corporation representative responsible for assuring compliance with the surface use plan is as follows:

Deana Weaver
Mack Energy Corporation
P.O. Box 960
Artesia, NM 88211-0960
Phone (575) 748-1288 (office)
dweaver@mcc.com

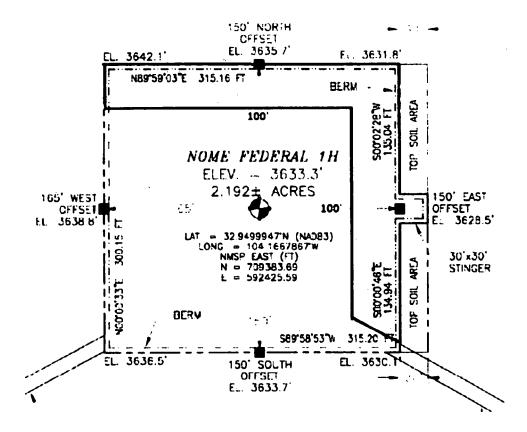


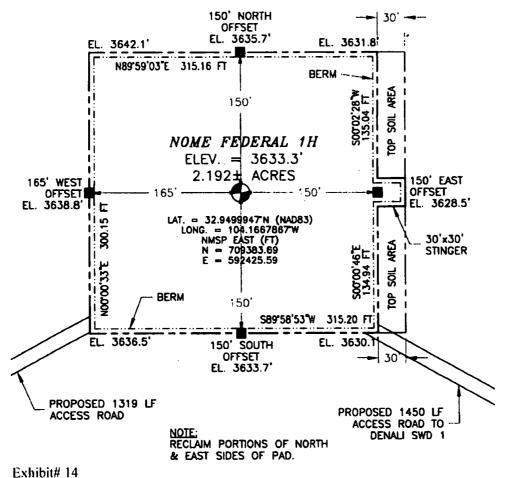
Exhibit #15

10. Surface Ownership:

The well site and lease is located entirely on Federal surface. We have notified the surface lessee of the impending operations. Bogel Limited Company, PO Box 460 Dexter, NM 88230 (575) 365-2996.

11. Other Information:

- A. The area around the well site is grassland and the topsoil is sandy. The vegetation is native scrub grass with sagebrush.
- B. There is no permanent or live water in the immediate area.
- C. A Cultural Resources Examination has been requested and will be forwarded to your office in the near future.



Camour 14

9. Plans for Restoration of the Surface:

- A. Upon completion of the proposed operations, if the well is completed, any additional caliche required for facilities will be obtained from a BLM approved caliche pit.
- B. Plans for interim and or final remediation:
 - 1) Caliche will be removed, ground ripped and stockpiled topsoil used to recontoured as close as possible to the original natural level to prevent erosion and ponding of water.
 - 2) Area will be reseeded as per BLM specifications. Seeding will be done when moisture is available and weather permitting. Pure live seed will be used to prevent noxious weeds. Annual inspection of growth will be done and necessary measures taken to eliminate noxious weeds.
 - C. Exhibit #15 below shows the proposed downsized well site after Interim Reclamation. Dimensions are estimates on present conditions and are subject to change.

4. Location and Type of Water Supply:

The well will be drilled with combination brine and fresh water mud system as outlined in the drilling program. The water will be obtained from commercial water stations in the area and hauled to location by transport truck over the existing and proposed access roads shown in Exhibit #6. If a commercial fresh water source is nearby, fastine may be laid along existing road ROW's and fresh water pumped to the well. No water well will be drilled on the location.

5. Source of Construction Materials:

D. All caliche required for construction of the drill pad and proposed new access road (approximately 2500 cubic yards) will be obtained from BLM approved pit located Sec. 7 T16S R29E and Sec. 1 T16S R28E.

6. Methods of Handling Waste:

- A. Drill cuttings and fluids will be disposed into the steel tanks and hauled to R-360 disposal facility, permit number NM-01-0006. Located on Hwy 62 at MM 66.
- B. Water produced from the well during completion may be disposed into a steel tank. After the well is permanently placed on production, produced water will be collected in tanks (fiberglass) and trucked to our Denali SWD #1; produced oil will be collected in steel tanks until sold.
- C. Garbage and trash produced during drilling or completion operations will be collected in a trash bin and hauled to an approved local landfill. No toxic waste or hazardous chemicals will be produced by this operation.
- D. After the rig is moved out and the well is either completed or abandoned, all waste materials will be cleaned up within 30 days. In the event of a dry hole only a dry hole marker will remain.
- E. Sewage and Gray Water will be placed in container and hauled to a approved facility. Container and disposal handled by Black Hawk.
- F. Drilling fluids will be contained in steel tanks using a closed loop system Exhibit #12. No pits will be used during drilling operations

7. Ancillary Facilities:

No airstrip, campsite or other facilities will be built as a result of the operation on this well.

8. Well Site Layout:

- A. The well site and elevation plat for the proposed well is shown in Exhibit #14. It was staked by Maddron Surveying, Carlsbad, NM.
- B. The drill pad layout, with elevations staked by Maddron Surveying, is shown in Exhibit #14. Dimensions of the pad are shown. Topsoil, if available, will be stockpiled per BLM specifications. Because the pad is almost level no major cuts will be required.
- C. Diagram below shows the proposed orientation of the location. No permanent living facilities are planned, but a temporary foreman/toolpusher's trailer will be on location during the drilling operations.

3. Location of Existing and/or Proposed Facilities:

- A. Mack Energy Corporation does not operate a production facility on this lease.
- B. If the well is productive, contemplated facilities will be as follows:
 - 1) Produced water from surrounding wells will be sent to the Denali SWD #1. The facility is shown in Exhibit #13.
 - 2) The tank battery and facilities including all flow lines and piping will be installed according to API specifications.
 - 3) Any additional caliche will be obtained from a BLM approved caliche pit. Any additional construction materials will be purchased from contractors.
 - 4) It will be necessary to run electric power if this well is productive. Power will be run by CVE and they will send in a separate plan for power.
- C. Proposed flow lines will stay on location. TB will be built on the West side of the location. Flowline will be a 3" poly surface line, 300" in length with a 40 psi working pressure.

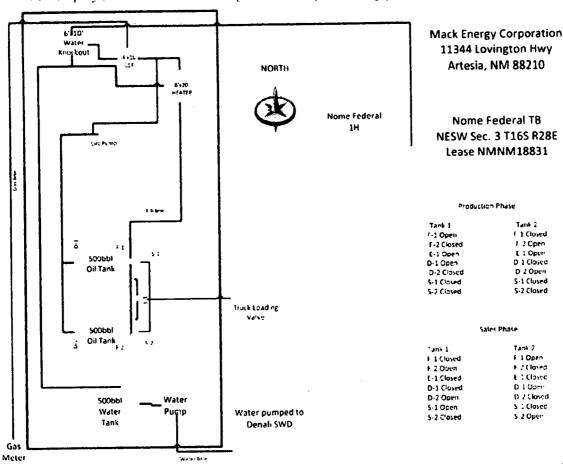


Exhibit #13

1. Proposed Access Road:

Vicinity Map shows this location with existing road and 1319° of new road exiting the Southwest corner of the pad. Proposed upgrade of existing road will be done along staked centerline survey. Necessary maintenance will be done to insure traffic stays within proposed ROW. The road has been constructed as follows:

- A. The Maximum width of the running surface will be 14°. The road will be crowned and ditched and constructed of 6° rolled and compacted caliche. Ditches will be at 3:1 slope and 3 feet wide. Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns.
- B. The average grade will be less than 1%.
- C. No turnouts are planned.
- D. No culverts, cattleguard, gates, low water crossings or fence cuts are necessary.
- E. Surfacing material will consist of native caliche. Caliche will be obtained from the nearest BLM approved caliche pit located Sec. 7 T16S R29E and Sec. 1 T16S R28E.
- F. The access road as shown in Exhibit #6 is existing.

2. Location of Existing Wells:

Exhibit #16 shows all existing wells within a one-mile radius of this well.

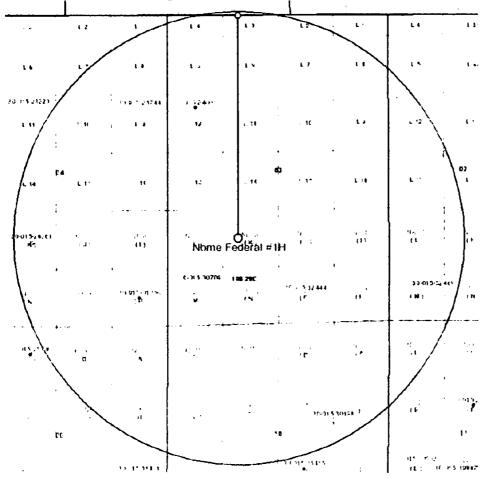


Exhibit #16

SURFACE USE AND OPERATING PLAN

1. Existing Access Roads

- A. All roads to the location are shown in Exhibit #6. The existing lease roads are illustrated and are adequate for travel during drilling and production operations. Upgrading existing roads prior to drilling well, will be done where necessary.
 - B. Directions to Location: I rom the intersection of US HWY 82 & CR 202 go North on CR 202 for approx. 2.9 miles, veer Northeast & cont on CR 202 for approx. 1.25 miles to the end of CR 202, go NW on 15' caliche lease rd approx. 0.1 mile to a fork, take rd on right & go North approx. 1.0 mile, take caliche lease rd hast (right) & go approx. 1.1 miles to "Y", take left fork for approx. 0.6 of a mile, go North (left) & go approx. 2.2 miles then continue North on 30' caliche lease rd for approx. 1.3 mile, turn right (NF) and continue on caliche lease rd for approx. 2 miles, turn left (NW) on 12' caliche lease rd for approx. 1.6 miles to Selfers & Fulton Crow Flats 3 Fed 1, from SW corner follow rd survey North approx. 285' then NF approx. 1034' (total 1319') to SW pad corner for this location.
- C. Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.

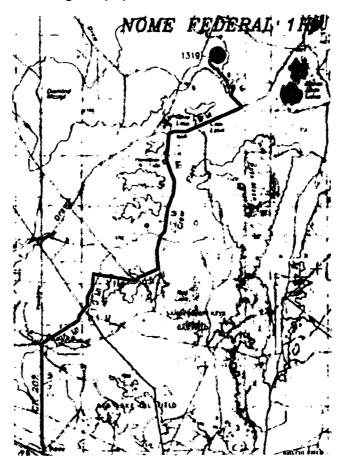
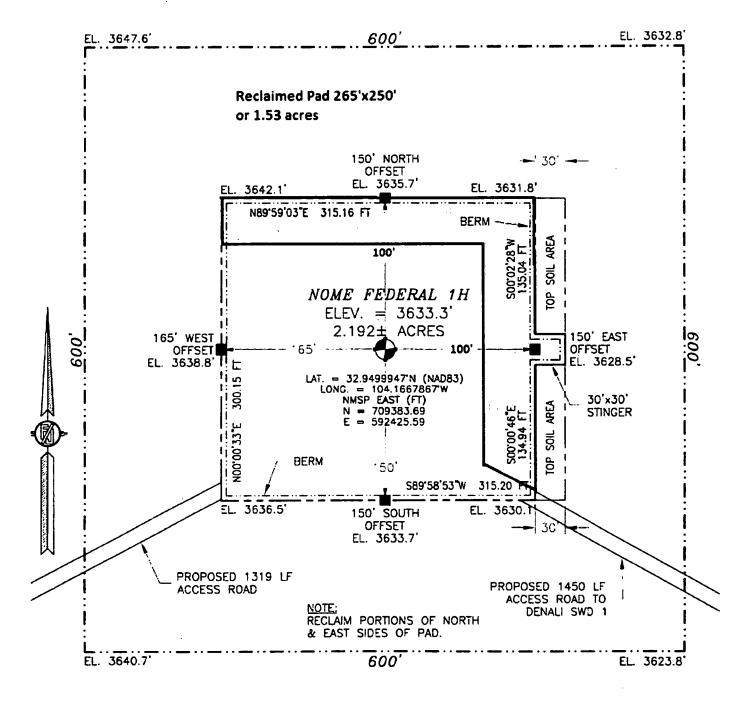


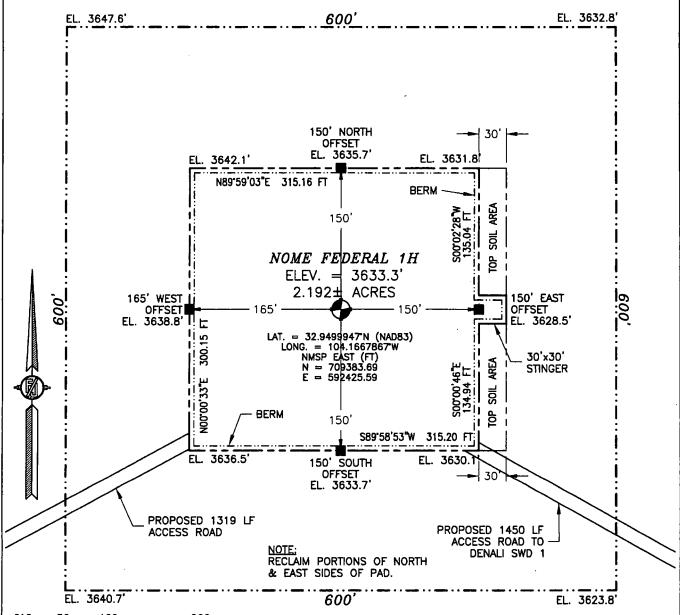
Exhibit #6



SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

SITE MAP

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1883 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE



= 100 SCALE 1

DIRECTIONS TO LOCATION

DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF US HIGHWAY 82 & CR 202 (SOUTHERN UNION)
GO NORTH ON CR 202 (AROUND SUBSTATION) FOR APPROX. 2.9, MILES,
VEER NORTHEAST & CONTINUE ON CR 202 FOR APPROX. 1.25 MILES TO
THE END OF CR 202, GO NORTHWEST ON 15' CALICHE LEASE ROAD
APPROX. 0.1 OF A MILE TO A FORK, TAKE ROAD ON RIGHT & GO NORTH
APPROX. 1.0 MILE, TAKE CALICHE LEASE ROAD EAST (RIGHT) & GO
APPROX. 1.1 MILES TO A "Y", TAKE LEFT FORK FOR APPROX. 0.8 OF A
MILE, GO NORTH (LEFT) & GO APPROX. 2.2 MILES, THEN CONTINUE NORTH
ON 30' CALICHE LEASE ROAD FOR APPROX. 1.3 MILE, TURN RIGHT
(NORTHEAST) AND CONTINUE ON CALICHE LEASE ROAD FOR APPROX. 2
MILES, TURN LEFT (NORTHWEST) ON 12' CALICHE LEASE ROAD FOR
APPROX. 1.8 MILES TO SELLERS & FULTON CROW FLATS 3 FED 1, FROM
SOUTHWEST CORNER FOLLOW ROAD SURVEY NORTH APPROX. 285' THEN SOUTHWEST CORNER FOLLOW ROAD SURVEY NORTH APPROX. 285' THEN NORTHEAST APPROX. 1034' (TOTAL 1319') TO SOUTHWEST PAD CORNER FOR THIS LOCATION.

MACK ENERGY CORPORATION *NOME FEDERAL 1H*

LOCATED 1700 FT. FROM THE SOUTH LINE AND 1675 FT. FROM THE WEST LINE OF SECTION 3, TOWNSHIP 16 SOUTH. RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MARCH 9, 2018

SURVEY NO. 5968A

ArcGIS Web Map





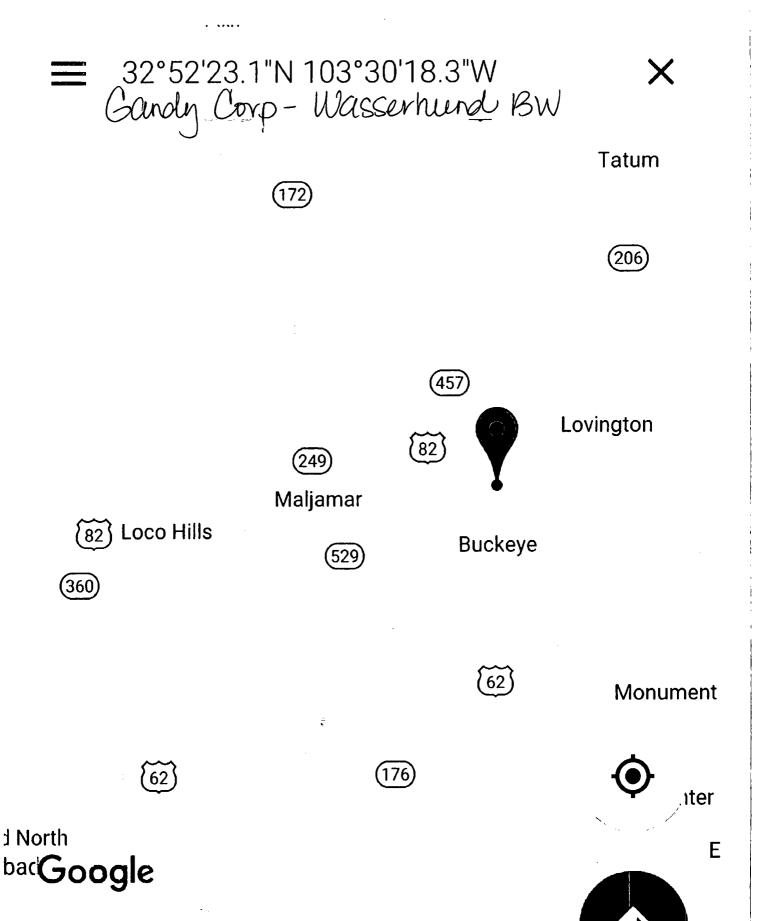
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32°52'23.1"N 103°30'18.3"W

= 32°49'05.3"N 103°59'03.7"W Mor-West Coxp. — Loco Hills FW

X

Goat Ropers Rd

Goat Ropers Rd

Hagerman Cutoff Rd

Lovington Hwy



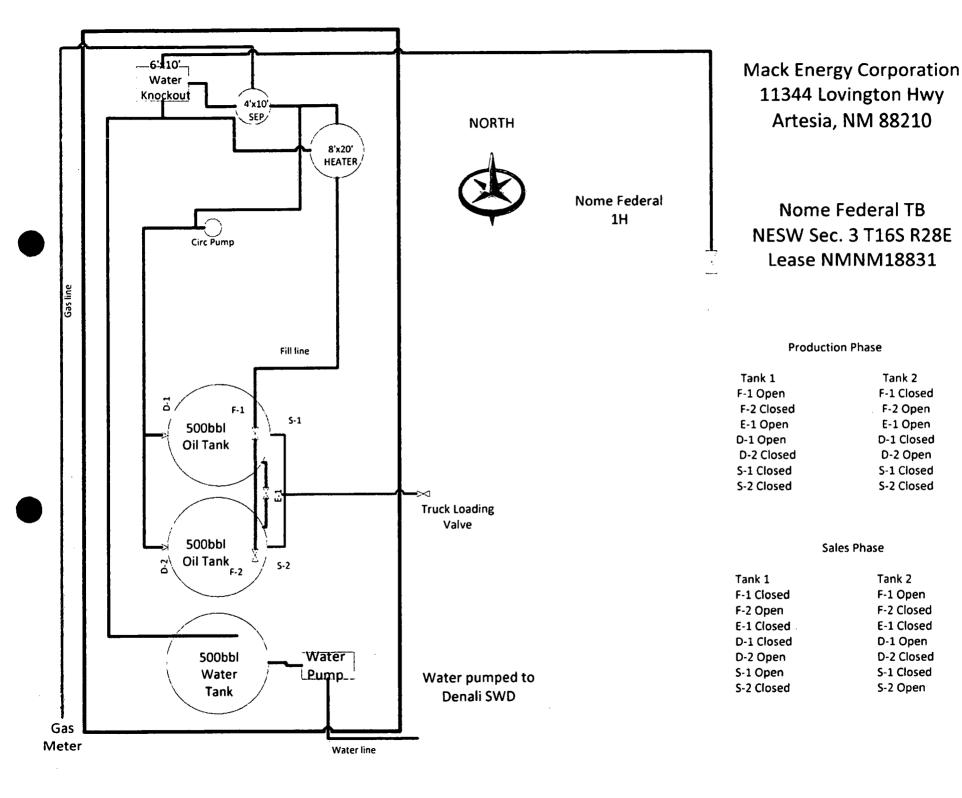
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Hagerman Cutoff Rd

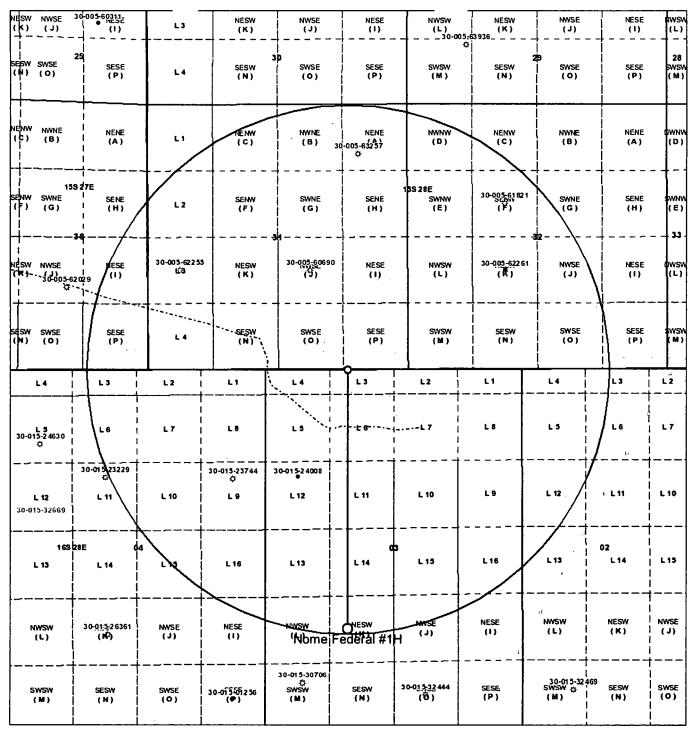
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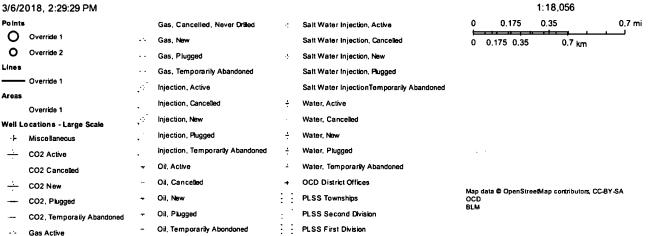
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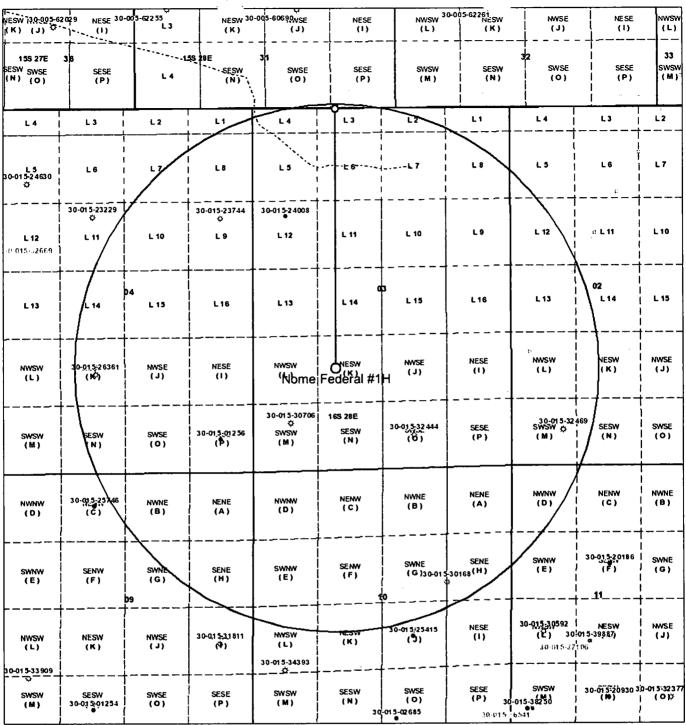


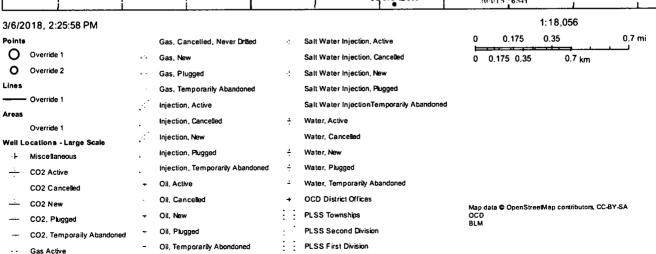
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Nome Federal #1H





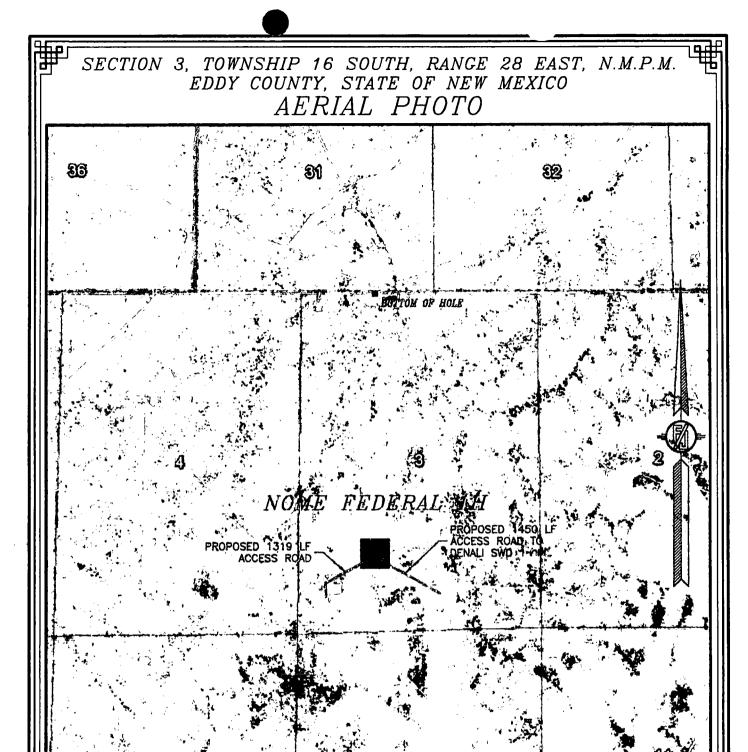
NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH MARCH 2016

MACK ENERGY CORPORATION NOME FEDERAL 1H

LOCATED 1700 FT. FROM THE SOUTH LINE AND 1675 FT. FROM THE WEST LINE OF SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MARCH 9, 2018

SURVEY NO. 5968A
MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO



NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH MARCH 2016

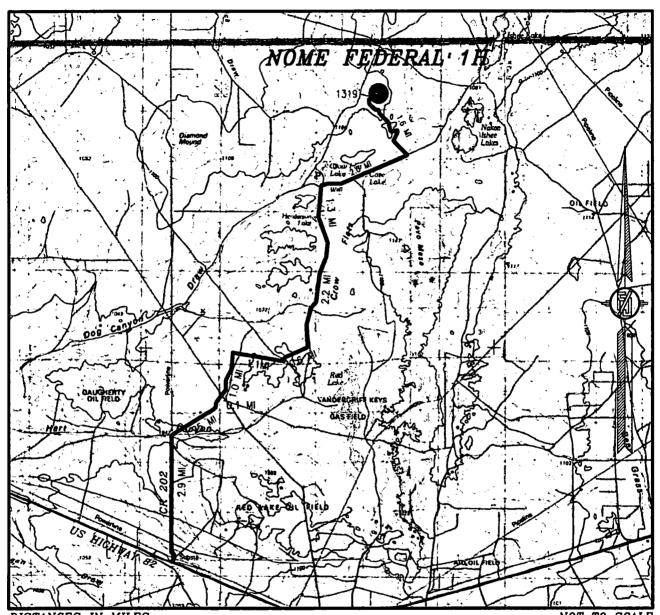
MACK ENERGY CORPORATION
NOME FEDERAL 1H

LOCATED 1700 FT. FROM THE SOUTH LINE AND 1675 FT. FROM THE WEST LINE OF SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MARCH 9, 2018

SURVEY NO. 5968A

SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF US HIGHWAY 82 & CR 202 (SOUTHERN UNION) ON NORTH ON CR 202 (AROUND SUBSTATION) FOR APPROX. 2.9, MILES, VEER NORTHEAST & CONTINUE ON CR 202 FOR APPROX. 1.25 MILES TO THE END OF CR 202. GO NORTHWEST ON 15' CALICHE LEASE ROAD APPROX. 0.1 OF A MILE TO A FORK, TAKE ROAD ON RIGHT & GO NORTH APPROX. 0.1 OF A MILE TO A FORK, TAKE ROAD ON RIGHT & GO NORTH APPROX. 1.0 MILE, TAKE CALICHE LEASE ROAD EAST (RIGHT) & GO APPROX. 1.1 MILES TO A "\", TAKE LETT FORK FOR APPROX. 0.6 OF A MILE, GO NORTH (LEFT) & GO APPROX. 2.2 MILES, THEN CONTINUE NORTH ON 30' CALICHE LEASE ROAD FOR APPROX. 1.3 MILE, TURN RIGHT (NORTHEAST) AND CONTINUE ON CALICHE LEASE ROAD FOR APPROX. 2 MILES, TURN LEFT (NORTHWEST) ON 12' CALICHE LEASE ROAD FOR APPROX. 1.6 MILES TO SELLERS & FULTON CROW FLATS 3 FED 1, FROM COLTRAMEST CORNED FOR LOW PORD SUBPROY NORTH APPROX. 28' THEN SOUTHWEST CORNER FOLLOW ROAD SURVEY NORTH APPROX. 285' THEN NORTHEAST APPROX. 1034' (TOTAL 1319') TO SOUTHWEST PAD CORNER

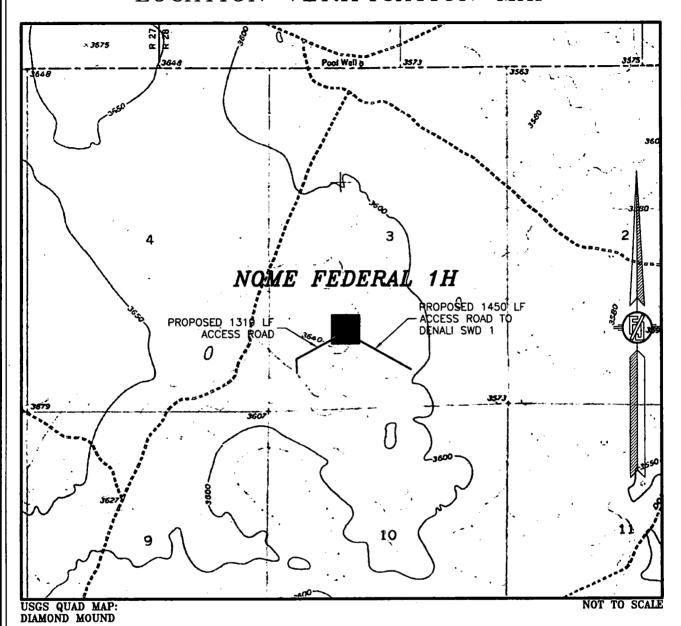
MACK ENERGY CORPORATION NOME FEDERAL 1H

LOCATED 1700 FT. FROM THE SOUTH LINE AND 1675 FT. FROM THE WEST LINE OF SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MARCH 9, 2018

SURVEY NO. 5968A

SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LOCATION VERIFICATION MAP



MACK ENERGY CORPORATION NOME FEDERAL 1H LOCATED 1700 FT. FROM THE SOUTH LINE AND 1675 FT. FROM THE WEST LINE OF SECTION 3, TOWNSHIP 16 SOUTH,

RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

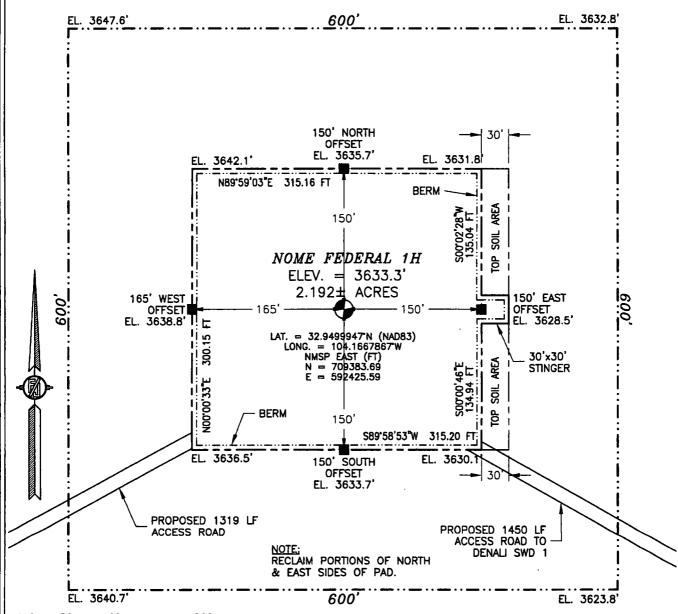
MARCH 9, 2018

SURVEY NO. 5968A

SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

SITE MAP

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEDICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEDICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE



SCALE 1 = 100

DIRECTIONS TO LOCATION

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APPROX. 1.1 MILES TO A "Y". TAKE LETT FORK FOR APPROX. 0.8 OF A
MILE, GO NORTH (LETT) & GO APPROX. 2.2 MILES, THEN CONTINUE NORTH
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(NORTHEAST) AND CONTINUIS ON CALICHE LEASE ROAD FOR APPROX. 2 (NORTHEAST) AND CONTINUE ON CALICHE LEASE ROAD FOR APPROX. 2
MILES, TURN LEFT (NORTHWEST) ON 12' CALICHE LEASE ROAD FOR
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MACK ENERGY CORPORATION *NOME FEDERAL 1H*

LOCATED 1700 FT. FROM THE SOUTH LINE AND 1675 FT. FROM THE WEST LINE OF SECTION 3. TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MARCH 9, 2018

SURVEY NO. 5968A

Defrict 1
1625 N. Trench Dr. Hobbs (NN 5824)
Phone (575) 393-6161 Tax (575) 393-6720
Defrig II
511 S. Fran St., Artes (NN 88210)
Phone (575) 748-1287 Fax (575) 71-9720
Defrict III
1600 Rio Brazes Road (Artex (NN 87416)
Phone (505) 434-6178 Fax (565) 334-6170
Defrict IV
1220 S. St. Francis Dr., Spata Le., NN 87505

Ph ne (505) 476-346. Fax (505) 476-3452

API Number

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 August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

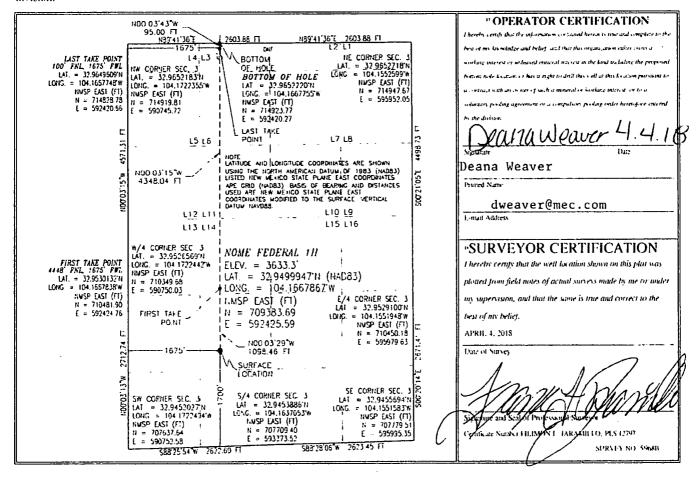
1 Pool Name

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ Pool Code

			1			Diamond rio	unu, san r	unares		
Property C	'ode			•	1 Property	Name			* Well Number	
					NOME FE	DERAL			111	
OGRID N	So.	*Operator Name								
13837	'	MACK ENERGY CORPORATION							3633.3	
					" Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
К	3	16 S	28 E		1700	SOUTH	1675	WEST	EDDY	
			" B	ottom Ho	ole Location	If Different Fr	om Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/ West line	County	
3	3	168	28 E		5	NORTH	1675	WEST	EDDY	

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.



	SECT		, TOW. EDDY ACCE		P 16 S ITY, S: AFR	'OUTH, TATE ΙΔΙ	RANG OF NE ROL		east xico MAP	, N.M	P.M. └₩
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NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH MARCH 2016

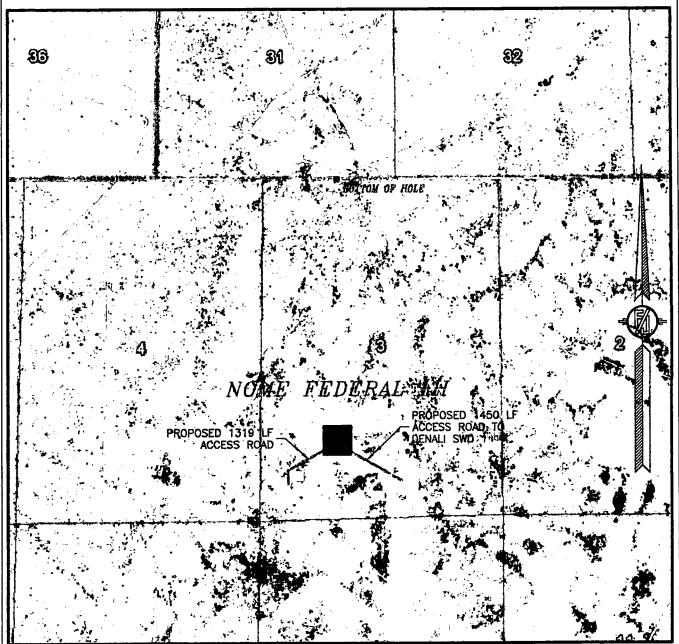
MACK ENERGY CORPORATION NOME FEDERAL 1H

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MARCH 9, 2018

SURVEY NO. 5968A





NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH MARCH 2016

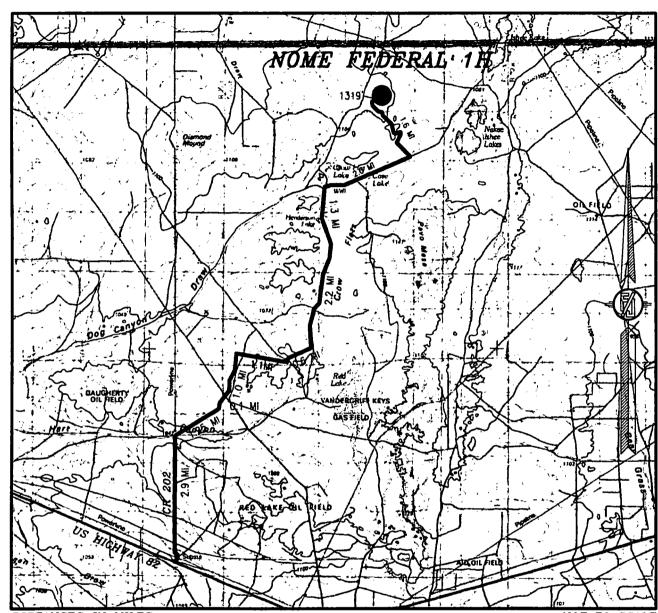
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MARCH 9, 2018

SURVEY NO. 5968A

SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF US HIGHWAY 82 & CR 202 (SOUTHERN UNION)
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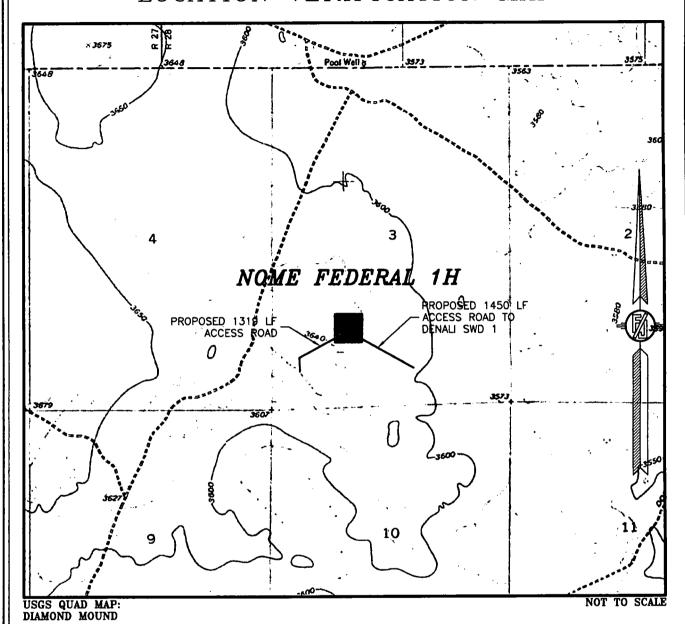
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MARCH 9, 2018

SURVEY NO. 5968A

SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LOCATION VERIFICATION MAP



MACK ENERGY CORPORATION

NOME FEDERAL 1H

LOCATED 1700 FT. FROM THE SOUTH LINE AND 1675 FT. FROM THE WEST LINE OF SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

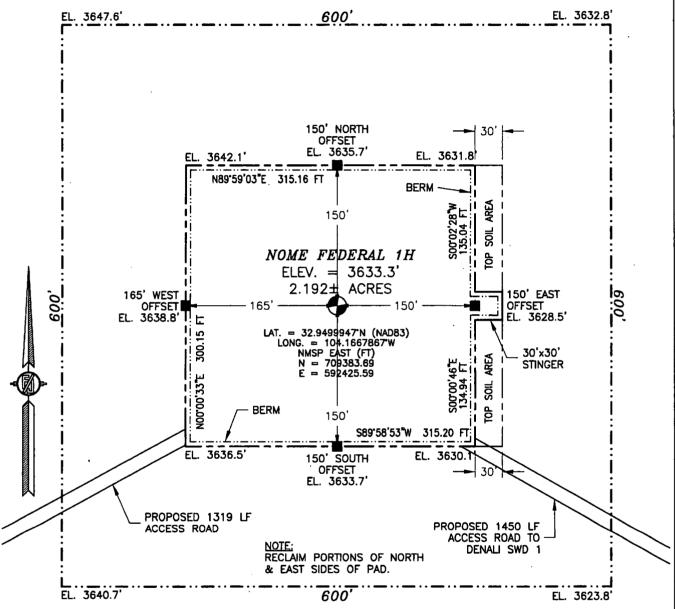
MARCH 9, 2018

SURVEY NO. 5968A



SITE MAP

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE



010 50 100 200 SCALE 1" = 100'

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MACK ENERGY CORPORATION
NOME FEDERAL 1H

LOCATED 1700 FT. FROM THE SOUTH LINE AND 1675 FT. FROM THE WEST LINE OF SECTION 3, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MARCH 9, 2018

SURVEY NO. 5968A

District 1 1625 N. French Dr., Holds (NM 8823) 1 Holds (NM 8823) 1 Holds (S75) 393 0720 District H 1811 N. French Dr. Artisca (NM 8240 Ph. ne (S75) 74842 N. Artisca (S75) 74842 Digital H 1660 Rob Braces Road (Artisca (S75) 73446470 District M 1820 N. S. S. Francis Dr., Santa Le, NM 87505

Phone (505) 476-346; Fax (505) 476-3452

160

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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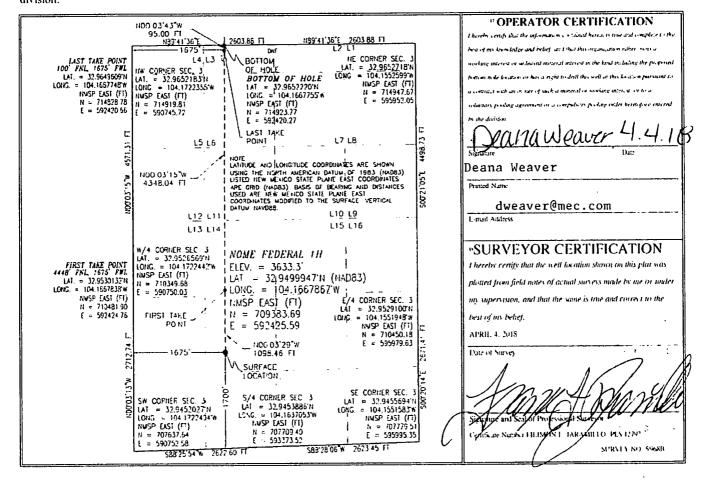
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	'Pool Name Diamond Mound; San An	
Property Code	•	erty Name FEDERAL	* Well Sumber
**OGRID No. 13837	,	rator Name Y CORPORATION	* Elevation 3633.3

Surface Location

UL or lot no.	Section 3	Township 16 S	Range 28 E	Lot 1dn	Feet from the 1700	North/South line SOUTH	Feet from the 1675	East/West line WEST	County EDDY
			" B	ottom He	ole Location	If Different Fr	om Surface		
UL or lot no.	Section 3	Township 16 S	Range 28 E	Lot Idn	Feet from the	North/South line NORTH	Feet from the 1675	East/ West line WEST	County EDDY

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.



Operator Name: MACK EN

CORPORATION

Well Name: NOME FEDERAL

Well Number: 1H

USFS Forest/Grassland:

USFS Ranger District:

Section 12 - Other Information

Right of Way needed? NO

Use APD as ROW?

ROW Type(s):

ROW Applications

SUPO Additional Information:

Use a previously conducted onsite? YES

Previous Onsite information: Onsite 3/10/2018

Other SUPO Attachment

nome_sup_20180625102225.pdf

Operator Name: MACK ENERGY CO. (ATION

Well Name: NOME FEDERAL Well Number: 1H

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: The holder shall seed all disturbed areas with the seed mixture listed by BLM. The seed mixture shall be planted in the amounts specified in pounds for pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability tested of seed will be done in accordance with State Law (s) and the nine (9) months prior to purchase. Commercial see will be either certified or registered seed. The seed container will be tagged in accordance with State Law (s) and available for inspection by the authorized officer.

Weed treatment plan attachment:

Monitoring plan description: After all disturbed area have been satisfactorily prepared, these areas need to be revegetated with seed mixture provided by BLM. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may be repeated until revegetation is successful, as determined by the RLM.

Monitoring plan attachment:

Success standards: The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Pit closure description: NO pit

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

Operator Name: MACK EN

CORPORATION

Well Name: NOME FEDERAL

Well Number: 1H

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: The area around the well site is grassland and the topsoil is sandy. The vegetation is native scrub grass with sagebrush.

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? YES

Seed harvest description: A cultural resources examination has been requested and will be forwarded to your office in the near future.

Seed harvest description attachment:

Seed Managemer	<u>nt</u>	
Seed Table		
Seed type:		Seed source:
Seed name:		
Source name:		Source address:
Source phone:		
Seed cultivar:		
Seed use location:		
PLS pounds per acre:		Proposed seeding season:
Seed S	ummary	Total pounds/Acre:
Seed Type	Pounds/Acre	

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: Jerry Last Name: Sherrell

Phone: (575)748-1288 Email: jerrys@mec.com

Operator Name: MACK ENERGY CO.

ATION

Well Name: NOME FEDERAL

Well Number: 1H

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name:

Multiple Well Pad Number:

Recontouring attachment:

nome_reclaim_20180328120735.pdf

Drainage/Erosion control construction: Edges of location will be bermed to prevent run off or erosion.

Drainage/Erosion control reclamation: The maximum width of the running surface will be 14'. The road will be crowned and ditched and constructed of 6" rolled and compacted caliche. Ditches will be at 3:1 slope and 3' wide. Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage and to be consistent with local drainage patterns.

Well pad proposed disturbance

(acres): 2.192

Road proposed disturbance (acres):

0.9

Powerline proposed disturbance

(acres): 0

Pipeline proposed disturbance

(acres): 0

Other proposed disturbance (acres): 0

Total proposed disturbance: 3.092

Well pad interim reclamation (acres): Well pad long term disturbance

Powerline interim reclamation (acres):

Pipeline interim reclamation (acres): 0

Other interim reclamation (acres): 0

Total interim reclamation: 2.01

(acres): 1.53

Road interim reclamation (acres): 0.48 Road long term disturbance (acres):

Powerline long term disturbance

(acres): 0

Pipeline long term disturbance

(acres): 0

Other long term disturbance (acres): 0

Total long term disturbance: 1.95

Disturbance Comments:

Reconstruction method: 1) Caliche will be removed, ground ripped and stockpiled topsoil used to recontoured as close as possible to the original natural level to prevent erosion and ponding of water. 2) Area will be reseeded as per BLM specifications. Seeding will be done when moisture is available and weather permitting. Pure live seed will be used to prevent noxoius weeds. Annual inspection of growth will be done and necessary measures taken to eliminate noxious weeds. Topsoil redistribution: 1) Caliche will be removed, ground ripped and stockpiled topsoil used to recontoured as close as possible to the original natural level to prevent erosion and ponding of water. 2) Area will be reseeded as per BLM specifications. Seeding will be done when moisture is available and weather permitting. Pure live seed will be used to prevent noxoius weeds. Annual inspection of growth will be done and necessary measures taken to eliminate noxious weeds. Soil treatment: 1) Caliche will be removed, ground ripped and stockpiled topsoil used to recontoured as close as possible to the original natural level to prevent erosion and ponding of water. 2) Area will be reseeded as per BLM specifications. Seeding will be done when moisture is available and weather permitting. Pure live seed will be used to prevent noxoius weeds. Annual inspection of growth will be done and necessary measures taken to eliminate noxious weeds. Existing Vegetation at the well pad: The area around the well site is grassland and the topsoil is sandy. The vegetation is native scrub grass with sagebrush.

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: The area around the well site is grassland and the topsoil is sandy. The vegetation is native scrub grass with sagebrush.

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: The area around the well site is grassland and the topsoil is sandy. The vegetation is native scrub grass with sagebrush.

Operator Name: MACK EN

CORPORATION

Well Name: NOME FEDERAL

Well Number: 1H

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.)

Reserve pit width (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? NO

Description of cuttings location

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

Nome_Fed_1_site_map_20180328120402.pdf

Comments: Power will be run by CVE and they will send a separate plan for power. A. The well site and elevation plat for the proposed well is shown in attachment. It was staked by Maddron Surveying, Carlsbad, NM. B. The drill pad layout, with elevations staked by Maddron Surveying, is shown in attachment. Dimensions of the pad are shown. Topsoil, if available, will be stockpiled per BLM specifications. Because the pad is almost level no major cuts will be required. C. Diagram below shows the proposed orientation of the location. No permanent living facilities are planned, but a temporary foreman/toolpusher's trailer will be on location during the drilling operations.

Operator Name: MACK ENERGY CORPORATION

Well Name: NOME FEDERAL Well Number: 1H

Waste type: SEWAGE

Waste content description: Sewage and Gray Water will be placed in container and hauled to an approved facility.

Container and disposal handled by Black Hawk.

Amount of waste:

Waste disposal frequency: Weekly

Safe containment description: Sewage and Gray water will be placed in container and hauled to an approved facility.

Container and disposal handled by Black Hawk

Safe containment attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL

FACILITY

Disposal type description:

Disposal location description: Black Hawk will dispose at an approved location. Black Hawk Keith Willis 15756376378

Waste type: GARBAGE

Waste content description: Garbage and trash produced during drilling or completion operations will be collected in a trash

bin and hauled to an approved local landfill. No toxic waste or hazardous chemicals will be produced by this operation

Amount of waste: pounds

Waste disposal frequency: Weekly

Safe containment description: garbage and trash produced during drilling or completion operations will be collected in trash bins and hauled to an approved local landfill. No toxic waste or hazardous chemicals will be produced by this operation.

Safe containment attachment:

Waste disposal type: OFF-LEASE INJECTION Disposal location ownership: COMMERCIAL

Disposal type description:

Disposal location description: garbage and trash produced during drilling or completion operations will be collected in trash bins and hauled to an approved local landfill. No toxic waste or hazardous chemicals will be produced by this operation.

Waste type: DRILLING

Waste content description: Drill cuttings and fluids will be disposed into the steel tanks and hauled to R-360 disposal

facility, permit number NM-01-0006. Located on HWY 62 at MM 66.

Amount of waste: 380 barrels

Waste disposal frequency: Weekly

Safe containment description: Drill cuttings and fluids will be disposed into the steel tanks and hauled to R-360 disposal

facility, permit number NM-01-0006. Located on HWY 62 at MM 66.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL

FACILITY

Disposal type description:

Disposal location description: R-360 disposal facility, permit number NM-01-0006. Location on HWY 62 at MM 66.

Reserve Pit

Operator Name: MACK EN

CORPORATION

Well Name: NOME FEDERAL

Well Number: 1H

Well target aquifer:

Est. depth to top of aquifer(ft):

Est thickness of aquifer:

Aguifer comments:

Aquifer documentation:

Well depth (ft):

Well casing type:

Well casing outside diameter (in.):

Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method:

Drill material:

Grout material:

Grout depth:

Casing length (ft.):

Casing top depth (ft.):

Well Production type:

Completion Method:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: All caliche required for construction of drill pad and proposed new access road (approximately 2500 cubic yards) will be obtained from approved caliche pit @ Sec 7 T16S R29S and NWSE Sec 1 T16S R28E (see map attached)

Construction Materials source location attachment:

Nome_Fed_1_caliche_pits_20180328112719.pdf

Section 7 - Methods for Handling Waste

Waste type: PRODUCED WATER

Waste content description: Water produced from the well during completion may be disposed into a steel tank. After the well is permanently placed on production, produced water will be collected in tanks (fiberglass) and sent to the Denali SWD

#1 Sec 3 T16S R28E

Amount of waste: 2080

barrels

Waste disposal frequency: Weekly

Safe containment description: Water produced from the well during completion may be disposed into a steel tank. After the well is permanently placed on production, produced water will be collected in tanks (fiberglass) and sent to the Denali SWD #1 Sec 3 T16S R28E

Safe containment attachment:

Waste disposal type: OFF-LEASE INJECTION

Disposal location ownership: COMMERCIAL

Disposal type description:

Disposal location description: Water produced from the well during completion may be disposed into a steel tank. After the well is permanently placed on production, produced water will be collected in tanks (fiberglass) and sent to the Denali SWD #1 Sec 3 T16S R28E

Operator Name: MACK ENERGY CC

.ATION

Well Name: NOME FEDERAL

Well Number: 1H

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: A. Mack Energy Corporation will construct facility on the West side of this location. B. If the well is productive, contemplated facilities will be as follows: 1) San Andres completion: will be sent to the Nome Fed TB located on the West side of the Nome Fed 1H well. 2) The tank battery and facilities including all flow lines and piping will installed according to API specifications. 3) any additional caliche will be obtained from BLM approved caliche pit. Any additional construction materials will be purchased from contractors. 4) It will be necessary to run electric power if this well is productive. Powerl will be run by CVE and they will send separate plan for power. Proposed flow lines will stay on location, TB will be built on West side of the location. Flowline will be a 3" poly surface line, 300' in length with a 40 psi working pressure.

Production Facilities map:

nome_tb_2018032809042200_20180328101604.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: CAMP USE, DUST CONTROL,

INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE

CASING

Describe type:

Source longitude:

Source latitude:

Source datum:

Water source permit type: OTHER

Source land ownership: OTHER

Describe land ownership:

Water source type: GW WELL

Water source transport method: TRUCKING

Source transportation land ownership: OTHER

•

Source volume (acre-feet): 2.577862

Describe transportation land ownership:

·

Water source volume (barrels): 20000

Source volume (gal): 840000

Water source and transportation map:

Nome Fed 1 WATER_SOURCE_MAPS_20180328112339.pdf

NOme_Water_Supply_2_20180625093806.pdf Nome Water Supply 20180625093820.pdf

Mater source commente: Sec. 2 1218 1221- Sec. 6 7248 1336

New water well? NO

New Water Well Info

Well latitude:

Well Longitude:

Well datum:

Operator Name: MACK ENERGY CORPORATION

Well Name: NOME FEDERAL Well Number: 1H

Access road engineering design? NO

Access road engineering design attachment:

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: Surface material will consist of native caliche. Caliche will be obtained from the nearest

approved caliche pit.

Access onsite topsoil source depth: 2

Offsite topsoil source description:

Onsite topsoil removal process: Blade topsoil into windrow along up-slope edge of road

Access other construction information:

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: The maximum width of the running surface will be 14'. The road will be crowned and ditched and constructed of 6" rolled and compacted caliche. Ditches will be at 3:1 slope and 3' wide. Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns.

Road Drainage Control Structures (DCS) description: The maximum width of the running surface will be 14'. The road will be crowned and ditched and constructed of 6" rolled and compacted caliche. Ditches will be at 3:1 slope and 3' wide. Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage and to be consistent with local drainage patterns.

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

existing wells 20180328111453.pdf

Existing Wells description:

AFMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



APD ID: 10400028069

Submission Date: 04/04/2018

Highlighted data reflects the most

oporator manner ma

Well Type: OIL WELL

Operator Name: MACK ENERGY CORPORATION

Well Number: 1H

Show Final Text

Well Name: NOME FEDERAL

Well Work Type: Drill

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

NOME_FEDERAL_1H__2__plat_20180625101427.pdf

Existing Road Purpose: ACCESS,FLUID TRANSPORT

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

NOME_FEDERAL_1H__2__plat_20180625101549.pdf

New road type: LOCAL, TWO-TRACK

Length: 1319

Feet

Width (ft.): 14

Max slope (%): 2

Max grade (%): 1

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: The maximum width of the running surface will be 14'. The road will be crowned and ditched and constructed of 6" rolled and compacted caliche. Ditches will be at 3:1 slope and 3"wide. Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage and to be consistent with local drainage patterns.

New road access plan or profile prepared? NO

New road access plan attachment:

Mack Energy Corporation Call List, Eddy County

Artesia (575)	Cellular	Office	
Jim Krogman	432-934-1596	748-1288	
Emilio Martinez	432-934-7586	748-1288	

Agency Call List (575)

Α	rſ	oc	12
~		€3	161

State Police	746-2703
City Police	746-2703
Sheriff's Office	
Ambulance	911
Fire Department	746-2701
LEPC (Local Emergency Planning Committee	746-2122
NMOCD	748-1283

Carlsbad

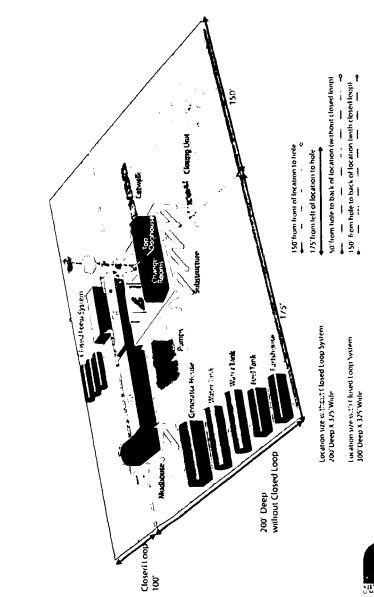
885-3137
885-2111
887-7551
911
885-2111
887-3798
887-6544
(505)476-9690
(505)827-9126
(800)424-8802

Emergency Services

Boots & Coots IWC	1-800-256-9688 or (281)931-8884
Cudd pressure Control	(915)699-0139 or (915)563-3356
Halliburton	746-2757
Par Five	748-9539
Flight For Life-Lubbock, TX	, ,
Aerocare-Lubbock, TX	(806)747-8923
Med Flight Air Amb-Albuquerque,	NM(505)842-4433
Lifeguard Air Med Svc. Albuquero	ue, NM(505)272-3115

Drilling Program Page 12

DRILLING LOCATION H2S SAFTY EQUIPMENT Exhibit # 8



Location Layout

Silver Oak Onling ~ 10 Blico Road, Artesia, NM 88210 ~ 575,746,4405 info @silveroakdrilling.com ~ www.silveroakdrilling.com

Attached to Fo .60-3 **Mack Energy Corporation** Nome Federal #1 NMNM-18831

SHL: 1700 FSL & 1675 FWL, NE/4 SW/4, Sec. 3 T16S R28E

BHL: 5 FNL & 1675 FWL, NE/4 NW/4, SEC. 3 T16S R28E

Eddy County, NM

EXHIBIT #7

WARNING

YOU ARE ENTERING AN H2S

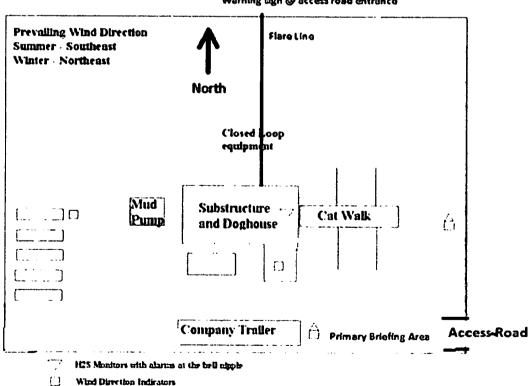
AUTHORIZED PERSONNEL ONLY

- 1. BEARDS OR CONTACT LENSES NOT ALLOWED
- 2. HARD HATS REQUIRED
- 3. SMOKING IN DESIGNATED AREAS ONLY
- 4. BE WIND CONSCIOUS AT ALL TIMES
- 5. CHECK WITH MACK ENERGY FOREMAN AT OFFICE

MACK ENERGY CORPORATION

1-575-748-1288

Warning sign @ access road entrance



Wind Direction Indicators

Sale Briefing areas with caution signs and breathing equipment min 150 feet from wellhead

B. There will be no drill stem testing. Attached to Form 3160-3 Mack Energy Corporation Nome Federal #1 NMNM-18831

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Eddy County, NM

2. Protective equipment for essential personnel:

A. Mark II Survive air 30-minute units located in the doghouse and at briefing areas, as indicated on well site diagram.

3. H2S detection and monitoring equipment:

A. I portable H2S monitors positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 PPM are reached.

4. Visual warning systems:

- A. Wind direction indicators as shown on well site diagram (Exhibit #8).
- B. Caution/Danger signs (Exhibit #7) shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used, when appropriate. See example attached.

5. Mud program:

A. The mud program has been designed to minimize the volume of H2S circulated to surface. Proper mud weight, safe drilling practices and the use of H2S scavengers will minimize hazards when penetrating H2S bearing zones.

6. Metallurgy:

- A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.
- B. All elastomers used for packing and seals shall be H2S trim.

7. Communication:

- Radio communications in company vehicles including cellular telephone and 2way radio.
- B. Land line (telephone) communication at Office.

8. Well testing:

A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safely and adequately conduct the test. The drill stem testing will be conducted during daylight hours and formation fluids will not be flowed to the surface. All drill-stem-testing operations conducted in an H2S environment will use the closed chamber method of testing.

Attached to Form 160-3 Mack Energy Corporation Nome Federal #1 NMNM-18831

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Eddy County, NM

Mack Energy Corporation Onshore Order #6 Hydrogen Sulfide Drilling Operation Plan

I. HYDROGEN SULFIDE TRAINING

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

- 1. The hazards an characteristics of hydrogen sulfide (H2S)
- 2. The proper use and maintenance of personal protective equipment and life support systems.
- 3. The proper use of H2S detectors alarms warning systems, briefing areas, evacuation procedures, and prevailing winds.
- 4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

- 1. The effects of H2S on metal components. If high tensile tubular are to be used, personnel well be trained in their special maintenance requirements.
- 2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- 3. The contents and requirements of the H2S Drilling Operations Plan and Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H2S zone (within 3 days or 500 feet) and weekly H2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H2S Drilling Operations Plan and the Public Protection Plan. The concentrations of H2S of wells in this area from surface to TD are low enough that a contingency plan is not required.

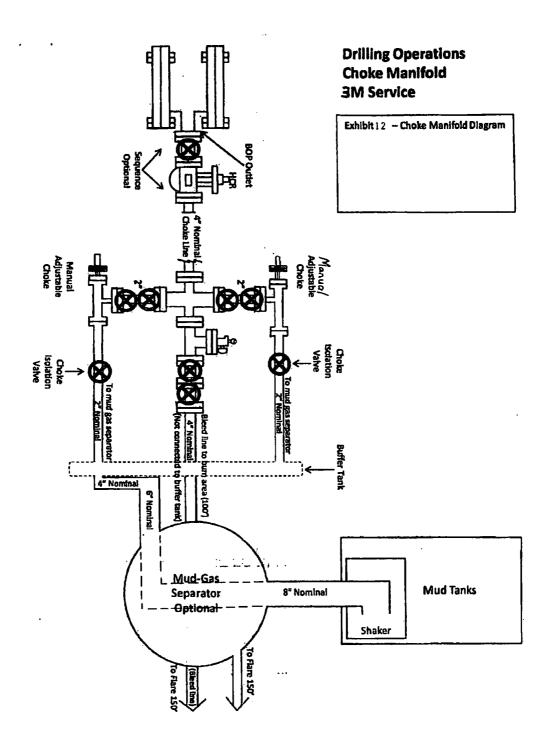
II. H2S SAFETY EQUIPMENT AND SYSTEMS

Note: All H2S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonable expected to contain H2S.

1. Well Control Equipment:

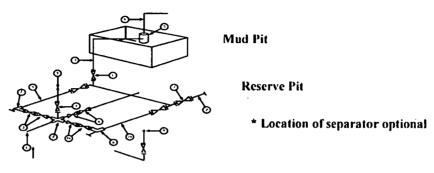
- A. Flare line.
- B. Choke manifold.
- C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
- D. Auxiliary equipment may include if applicable: annular preventer & rotating head.

Mack Energy Corporation MANIFOLD SCHEMATIC Exhibit #12



Mack Energy Corporation
Exhibit #11
MIMIMUM CHOKE MANIFOLD 3,000, 5,000, and 10,000 PSI Working Pressure 3M will be used

3 MWP - 5 MWP - 10 MWP



Below Substructure

Mimimum requirements

		3.0	00 MWP			000 MWP		10	0,000 MWP	
No.		I.D.	Nominal	Rating	I.D.	Nominal	Bating	I.D.	Nominal	Dating
	Line from drilling Speed		3"	3,000	 	3"	Rating	-	3"	10,000
2	Line from drilling Spool		3		 	13	5,000	ļ	3	10,000
	Cross 3" x 3" x 3" x 2"		ļ	3,000	 	ļ	5,000			ļ
2	Cross 3" x 3" x 3" x 2"		<u></u>	_	ļ					10,000
3	Valve Gate Plug	3 1/8		3.000	3 1/8		5.000	3 1/8		10,000
4	Valve Gate Plug	1 13/16		3,000	1 13/16		5,000	1 13/16		10,000
4a	Valves (1)	2 1/16		3,000	2 1/16	1	5,000	2 1/16	i	10,000
5	Pressure Gauge			3,000	1		5.000		<u> </u>	10.000
6	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
7	Adjustable Choke (3)	2"		3.000	2"		5,000	2"		10,000
8	Adjustable Choke	i"		3.000	1"		5,000	2"		10,000
9	Line		3"	3,000	ì	3"	5,000		3"	10,000
10	Line		2"	3,000		2"	5,000		2"	10,000
П	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
12	Line		3"	1.000	i	3"	1,000	-	3"	2,000
13	Line		3"	1.000	i	3"	1,000		3"	2,000
14	Remote reading compound Standpipe pressure quage			3.000			5,000			10,000
15	Gas Separator		2' x5'			2' x5'		1	2' x5'	1
16	Line		4"	1,000		4"	1,000	 	4"	2,000
17	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000

- Only one required in Class 3M
- Gate valves only shall be used for Class 10 M
- Remote operated hydraulic choke required on 5,000 psi and 10,000 psi for drilling.

EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTION

- All connections in choke manifold shall be welded, studded, flanged or Cameron clamp of comparable rating. All flanges shall be API 6B or 6BX and ring gaskets shall be API RX or BX. Use only BX for 10 MWP.
- All lines shall be securely anchored.
- Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be available.
- alternate with automatic chokes, a choke manifold pressure gauge shall be located on the rig floor in conjunction with the standpipe pressure gauge.
- Line from drilling spool to choke manifold should bee as straight as possible. Lines downstream from chokes shall make turns by large bends or 90 degree bends using bull plugged tees

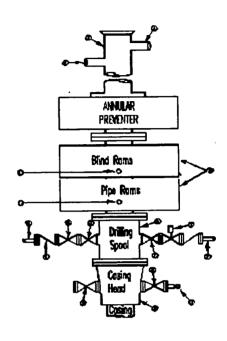
Mack Energy Corporation

Minimum Blowout Preventer Requirements

3000 psi Working Pressure 13 3/8 inch- 3 MWP 11 Inch - 3 MWP EXHIBIT #10

Stack Requirements

	Stack Requirement	1163	
NO.	Items	Min.	Min.
		I,D.	Nominal
-	Flowline		2"
2	Fill up line		2"
3	Drilling nipple		
4	Annular preventer		
5	Two single or one dual hydraulically operated rams		
6a	Drilling spool with 2" min. kill line and 3" min choke line outlets		2" Choke
6h	2" min. kill line and 3" min. choke line outlets in ram. (Alternate to 6a above)		
7	Valve Gate Plug	3 1/8	
8	Gate valve-power operated	3 1/8	
9	Line to choke manifold		3"
10	Valve Gate Plug	2 1/16	
11	Check valve	2 1/16	
12	Casing head		
13	Valve Gate Plug	1 13/16	
14	Pressure gauge with needle valve		
15	Kill line to rig mud pump manifold		2"



OPTIONAL

OI HONAL					
16	Flanged Valve	1 13/16			

CONTRACTOR'S OPTION TO CONTRACTOR'S OPTION TO FURNISH:

- All equipment and connections above bradenhead or casinghead. Working pressure of preventers to be 2000 psi minimum.
- Automatic accumulator (80 gallons, minimum) capable of closing BOP in 30 seconds or less and, holding them closed against full rated working pressure.
- BOP controls, to be located near drillers' position.
- 4. Kelly equipped with Kelly cock.
- Inside blowout preventer or its equivalent on derrick floor at all times with proper threads to fit pipe being used.
- Kelly saver-sub equipped with rubber easing protector at all times.
- 7. Plug type blowout preventer tester.
- Extra set pipe rams to fit drill pipe in use on location at all times.
- 9. Type RX ring gaskets in place of Type R.

MEC TO FURNISH:

- Bradenhead or casing head and side valves.
- 2. Wear bushing, If required.

ME

10.

 Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.

GENERAL NOTES:

- 2. All connections, valves, fittings, piping, etc., subject to well or pump pressure must be flanged (suitable clamp connections acceptable) and have minimum working pressure equal to rated working pressure of preventers up through choke valves must be full opening and suitable for high pressure mud service.
- Controls to be of standard design and each marked, showing opening and closing position
- Chokes will be positioned so as not to hamper or delay changing of choke beans.

Replaceable parts for adjustable choke, or bean sizes, retainers, and choke wrenches to be conveniently located for immediate use.

- All valves to be equipped with hand-wheels or handles ready for immediate use.
- Choke lines must be suitably anchored
- 7. Handwheels and extensions to be connected and ready for use
- Valves adjacent to drilling spool to be kept open. Use outside valves except for emergency.
- All scamless steel control piping (2000 psi working pressure) to have flexible joints to avoid stress. Hoses will be permitted.
- Casinghead connections shall not be used except in case of emergency.
- 11. Does not use kill line for routine fill up operations.

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Eddy County, NM

Attachment to Exhibit #10 NOTES REGARDING THE BLOWOUT PREVENTERS

Nome Federal #1 Chaves County, New Mexico

- 1. Drilling nipple to be so constructed that it can be removed without use of a welder through rotary table opening, with minimum I.D. equal to preventer bore.
- 2. Wear ring to be properly installed in head.
- 3. Blow out preventer and all fittings must be in good condition, 2000 psi WP minimum.
- 4. All fittings to be flanged.
- 5. Safety valve must be available on rig floor at all times with proper connections, valve to be full 2000 psi WP minimum.
- 6. All choke and fill lines to be securely anchored especially ends of choke lines.
- 7. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.
- 8. Kelly cock on Kelly.
- 9. Extension wrenches and hands wheels to be properly installed.
- 10. Blow out preventer control to be located as close to driller's position as feasible.
- 11. Blow out preventer closing equipment to include minimum 40-gallon accumulator, two independent sources of pump power on each closing unit installation all API specifications.

Attached to Form 3160-3 Mack Energy Corporation Nome Federal #1 NMNM-18831

SHL: 1700 FSL & 1675 FWL, NE/4 SW/4, Sec. 3 T16S R28E BHL: 5 FNL & 1675 FWL, NE/4 NW/4, SEC. 3 T16S R28E

Eddy County, NM

- A. The electric logging program will consist of GR-Dual Laterolog, Spectral Density, Dual Spaced Neutron, CSNG Log from T.D. to 8 5/8 casing shoe.
- B. Drill Stem test is not anticipated.
- C. No conventional coring is anticipated.
- D. Further testing procedures will be determined at TD.

10. Abnormal Conditions, Pressures, Temperatures and Potential Hazards:

No abnormal pressures or temperatures are anticipated. The estimated bottom hole at TD is 120 degrees and estimated maximum bottom hole pressure is 1600 psig. Low levels of Hydrogen sulfide have been monitors in producing wells in the area, so H2S may be present while drilling of the well; a plan is attached to the Drilling program. No major loss of circulation zones has been reported in offsetting wells.

11. Anticipated Starting Date and Duration of Operations:

Road and location work will not begin until approval has been received from the BLM. The anticipated spud date is July 1, 2018. Once commenced, the drilling operation should be finished in approximately 20 days. If the well is productive, an additional 30 days will be required for completion and testing before a decision is made to install permanent facilities.

Attached to Fo. 160-3 Mack Energy Corporation Nome Federal #1 NMNM-18831

SHL: 1700 FSL & 1675 FWL, NE/4 SW/4, Sec. 3 T16S R28E BHL: 5 FNL & 1675 FWL, NE/4 NW/4, SEC. 3 T16S R28E

Eddy County, NM

12 ¼"	0-2700'	7" 26#, HCP-110, Buttress, LT&C, New, 6.067332,3.215804,3.24
7 7/8"	2700-7775	5 ½" 17#, HCP-110, Buttress, New, 6.863418, 3.240928, 3.43

5. Cement Program:

9 5/8" Surface Casing: 100sx RFC + 12% PF53+2%PF1+5ppsPF42+ .125ppsPF29,yld 1.61, wt 14.4, 7.357gals/sx, Tail 300sx Class C+1% PF1, yld 1.34, wt14.8, 6.323gals/sx, 100% excess.

7 & 5 ½" Production Casing: Lead 375sx Class C 4% PF 20+4 pps PF45 +125pps PF-29, yld 1.84, wt 13.2 ppg, 9.914gals/sx, excess 35%, Tail 1270sx, PVL + 1.3% (BWOW) PF44 + 5% PF174 + 5% PF606 + .1% PF153 +.4% PF44, yield 1.48, wt 13.0, 7.577gals/sx, 35% excess.

6. Minimum Specifications for Pressure Control:

The blowout preventer equipment (BOP) shown in Exhibit #10 will consist of a double ram-type (3000 psi WP) minimum preventer. This unit will be hydraulically operated and the ram type preventer will be equipped with blind rams on top of 4 1/2" drill pipe rams on bottom. The 11" BOP will be nippled up on the 8 5/8" surface casing and tested by a 3rd party to 2000 psi used continuously until TD is reached. All BOP's and accessory equipment will be tested to 2000 psi before drilling out of intermediate casing. Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment (Exhibit #10) will include a Kelly cock and floor safety valve and choke lines and choke manifold (Exhibit #11) with a minimum 3000 psi WP rating

7. Types and Characteristics of the Proposed Mud System:

The well will be drilled to TD with a combination of fresh and cut brine mud system. The applicable depths and properties of this system are as follows:

DEPTH	TYPE	WEIGHT	VISCOSITY	WATERLOSS
0-350	Fresh Water	8.5	28	N.C.
350'-TD'	Cut Brine	9.1	29	N.C.

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept at the well site at all times.

8. Auxiliary Well Control and Monitoring Equipment:

- A. Kelly cock will be kept in the drill string at all times.
- B. A full opening drill pipe-stabbing valve with proper drill pipe connections will be on the rig floor at all times.

9. Logging, Testing and Coring Program:

Attached to Form 3160-3 Mack Energy Corporation Nome Federal #1 NMNM-18831.

SHL: 1700 FSL & 1675 FWL, NE/4 SW/4, Sec. 3 T16S R28E BHL: 5 FNL & 1675 FWL, NE/4 NW/4, SEC. 3 T16S R28E

Eddy County, NM

DRILLING PROGRAM

1. Geologic Name of Surface Formation

Quaternary

2. Estimated Tops of Important Geologic Markers:

Yates	370°	Abo	5370'
Seven Rivers	510'	Wolfcamp	6630
Queen	1090'	Cisco	7640'
Grayburg	1490'	Atoka	9030'
San Andres	1850'	Morrow	9150'
Glorieta	3380	Miss	9430
Tubb	4580`	Devonian	10150

3. Estimated Depths of Anticipated Fresh Water, Oil and Gas:

Water Sand	150	Fresh Water
Yates	370'	Oil/Gas
Seven Rivers	510'	Oil/Gas
Queen	1090,	Oil/Gas
Grayburg	1490'	Oil/Gas
San Andres	1850'	Oil/Gas
Glorieta	3380'	Oil/Gas
Tubb	4580`	Oil/ Gas
Abo	5370	Oil/Gas
Wolfcamp	6630'	Oil/Gas
Cisco	7640'	Oil/Gas
Λtoka	9030*	Oil/Gas
Morrow	9150	Oil/Gas
Miss	9430	Oil/Gas

No other formations are expected to give up oil, gas or fresh water in measurable quantities. Setting 9 5/8" casing to 350' and circulating cement back to surface will protect the surface fresh water sand. Salt section and shallower zones above TD, which contain commercial quantities of oil and/or gas, will have cement circulated across them by cementing 5 ½" production easing, sufficient cement will be pumped to circulate back to surface.

4. Casing Program:

Hole Size	Interval	OD Casing	Wt, Grade, Jt, cond, collapse/burst/tension
14 3/4"	0-350	9 5/8"	36#, J-55, ST&C, New, 11.56136,6.938969,7.04

				Nome	Federal	#1H,	Plan 1			
Operator	Mack Ener	rgy Corp		Únits	feet, %100ft	•	1	2:12 Wednesda	y, March 14, 2018	Page 4 of
Field	Diamond M	Mound		County	Eddy		Vertic	cal Section Azir	muth 359.94	•
Well Name	Nome Fed	leral #1H		State	New Mexico		Survey	Calculation Me	thod Minimum C	urvature
Plan	1			Country	USA			Data	base Access	
Locatio		0 FSL & 16 3-T16S-R2	75 FWL BHL	: 5 FNL & 10	675 FWL	Map Zo	ne UTM	Lat	Long Ref	
Si						Surface	X 1896092.8	Surf	ace Long	
Slot Nam	ie		UWI			Surface	Y 11961376.5		ırface Lat	
Well Numbe	er		API			Surface	Z 3655	Glo	bal Z Ref Mean	Sea Level
Proje	ct		MD/TVD R	lef KB	G	iround Lev	vel 3633.5	Local	North Ref Grid	
DIRECTION	AL WELL P	LAN								
MD*	INC*	AZI*	TVD*	N*	E*	DLS*	V. S.*	MapE*	MapN*	SysTVD'
6850.00	90.50	359.9	2551.96	4615.78	-7.25	°/100# 0.00	4615.78	1896085.55	11965992.28	1103.04
6900.00	90.50	359.9	2551.52	4665.77	-7.33	0.00	4665.78	1896085.47	11966042.27	1103.4
6950.00	90.50	359.9	2551.09	4715.77	-7.41	0.00	4715.78	1896085.39	11966092.27	1103.9
7000.00	90.50	359.9	2550.65	4765.77	-7.49	0.00	4765.78	1896085.31	11966142.27	1104.3
7050.00	90.50	359.9	2550.21	4815.77	-7.56	0.00	4815.77	1896085.24	11966192.27	1104.79
7100.00	90.50	359.9	2549.78 ·	4865.77	-7.64	0.00	4865.77	1896085.16	11966242.27	1105.2
7150.00	90.50	359.9	2549.34	4915.76	-7.72	0.00	4915.77	1896085.08	11966292.26	1105.6
7200.00	90.50	359.9	2548.91	4965.76	-7.80	0.00	4965.77	1896085.00	11966342.26	1106.0
7250.00	90.50	359.9	2548.47	5015.76	-7.88	0.00	5015.77	1896084.92	11966392.26	1106.5
7300.00	90.50	359.9	2548.03	5065.76	-7.96	0.00	5065.76	1896084.84	11966442.26	1106.9
7350.00	90.50	359.9	2547.60	5115.76	-8.04	0.00	5115.76	1896084.76	11966492.26	1107.40
7400.00	90.50	359.9	2547.16	5165.76	-8.11	0.00	5165.76	1896084.69	11966542.26	1107.84
7450.00	90.50	359.9	2546.72	5215.75	-8.19	0.00	5215.76	1896084.61	11966592.25	1108.2
7500.00	90.50	359.9	2546.29	5265.75	-8.27	0.00	5265.76	1896084.53	11966642.25	1108.7
7550.00	90.50	359.9	2545.85	5315.75	-8.35	0.00	5315.76	1896084.45	11966692.25	1109.1
7600.00	90.50	359.9	2545.42	5365.75	-8.43	0.00	5365.75	1896084.37	11966742.25	1109.5
7650.00	90.50	359.9	2544.98	5415.75	-8.51	0.00	5415.75	1896084.29	11966792.25	1110.02
7700.00	90.50	359.9	2544.54	5465.74	-8.59	0.00	5465.75	1896084.21	11966842.24	1110.46
7750.00	90.50	359.9	2544.11	5515.74	-8.66	0.00	5515.75	1896084.14	11966892.24	1110.89
* TD (at MD										
7774 00	00.50	252.2	0540.00							

-8.70

0.00 5540.08

1896084.10 11966916.57 1111.11

7774.33 90.50 359.9 2543.89 5540.07

Nome Federal #1H, Plan 1 12:12 Wednesday, March 14, 2018 Page 3 of 4 Units feet, %100ft Operator Mack Energy Corp Vertical Section Azimuth 359.94 Field Diamond Mound County Eddy Survey Calculation Method Minimum Curvature Well Name Nome Federal #1H State New Mexico **Database** Access Country USA Plan 1 Map Zone UTM **Lat Long Ref** Location SL: 1700 FSL & 1675 FWL BHL: 5 FNL & 1675 FWL Section 3-T16S-R28E

Surface Long Surface Lat

Surface X 1896092.8 UWI Surface Y 11961376.5 **Slot Name**

Global Z Ref Mean Sea Level Surface Z 3655 API Well Number

Well Number			API				Z 3055		Dai Z nei Weall O	sa Level	
Projec	t		MD/TVD R	ef KB	Ground Level 3633.5		Local N	Local North Ref Grid			
DIRECTIONA	NL WELL P	LAN			-						
MD*	INC*	AZI*	TVD*	N*	E*	DLS*	V. S.*	MapE*	MapN* S	SysTVD*	
5000.00	90.50	359.9	2568.10	2765.85	-4.34	9/100# 0.00	2765.85	1896088.46	11964142.35	1086.90	
5050.00	90.50	359.9	2567.67	2815.85	-4.42	0.00	2815.85	1896088.38	11964192.35	1087.33	
5100.00	90.50	359.9	2567.23	2865.85	-4.50	0.00	2865.85	1896088.30	11964242.35	1087.77	
5150.00	90.50	359.9	2566.80	2915.84	-4.58	0.00	2915.85	1896088.22	11964292.34	1088.20	
5200.00	90.50	359.9	2566.36	2965.84	-4.66	0.00	2965.84	1896088.14	11964342.34	1088.64	
5250.00	90.50	359.9	2565.92	3015.84	-4.74	0.00	3015.84	1896088.06	11964392.34	1089.08	
5300.00	90.50	359.9	2565.49	3065.84	-4.82	0.00	3065.84	1896087.98	11964442.34	1089.51	
5350.00	90.50	359.9	2565.05	3115.84	-4.89	0.00	3115.84	1896087.91	11964492.34	1089.95	
5400.00	90.50	359.9	2564.61	3165.83	-4.97	0.00	3165.84	1896087.83	11964542.33	1090.39	
5450.00	90.50	359.9	2564.18	3215.83	-5.05	0.00	3215.84	1896087.75	11964592.33	1090.82	
5500.00	90.50	359.9	2563.74	3265.83	-5.13	0.00	3265.83	1896087.67	11964642.33	1091.26	
5550.00	90.50	359.9	2563.30	3315.83	-5.21	0.00	3315.83	1896087.59	11964692.33	1091.70	
5600.00	90.50	359.9	2562.87	3365.83	-5.29	0.00	3365.83	1896087.51	11964742.33	1092.13	
5650.00	90.50	359.9	2562.43	3415.82	-5.37	0.00	3415.83	1896087.43	11964792.32	1092.57	
5700.00	90.50	359.9	2562.00	3465.82	-5.44	0.00	3465.83	1896087.36	11964842.32	1093.00	
5750.00	90.50	359.9	2561.56	3515.82	-5.52	0.00	3515.82	1896087.28	11964892.32	1093.44	
5800.00	90.50	359.9	2561.12	3565.82	-5.60	0.00	3565.82	1896087.20	11964942.32	1093.88	
5850.00	90.50	359.9	2560.69	3615.82	-5.68	0.00	3615.82	1896087.12	11964992.32	1094.31	
5900.00	90.50	359.9	2560.25	3665.81	-5.76	0.00	3665.82	1896087.04	11965042.31	1094.75	
5950.00	90.50	359.9	2559.81	3715.81	-5.84	0.00	3715.82	1896086.96	11965092.31	1095.19	
6000.00	90.50	359.9	2559.38	3765.81	-5.92	0.00	3765.81	1896086.88	11965142.31	1095.62	
6050.00	90.50	359.9	2558.94	3815.81	-5.99	0.00	3815.81	1896086.81	11965192.31	1096.06	
6100.00	90.50	359.9	2558.50	3865.81	-6.07	0.00	3865.81	1896086.73	11965242.31	1096.50	
6150.00	90.50	359.9	2558.07	3915.80	-6.15	0.00	3915.81	1896086.65	11965292.30	1096.93	
6200.00	90.50	359.9	2557.63	3965.80	-6.23	0.00	3965.81	1896086.57	11965342.30	1097.37	
6250.00	90.50	359.9	2557.20	4015.80	-6.31	0.00	4015.80	1896086.49	11965392.30	1097.80	
6300.00	90.50	359.9	2556.76	4065.80	-6.39	0.00	4065.80	1896086.41	11965442.30	1098.24	
6350.00	90.50	359.9	2556.32	4115.80	-6.47	0.00	4115.80	1896086.33	11965492.30	1098.68	
6400.00	90.50	359.9	2555.89	4165.79	-6.54	0.00	4165.80	1896086.26	11965542.29	1099.11	
6450.00	90.50	359.9	2555.45	4215.79	-6.62	0.00	4215.80	1896086.18	11965592.29	1099.55	
6500.00	90.50	359.9	2555.01	4265.79	-6.70	0.00	4265.80	1896086.10	11965642.29	1099.99	
6550.00	90.50	359.9	2554.58	4315.79	-6.78	0.00	4315.79	1896086.02	11965692.29	1100.42	
6600.00	90.50	359.9	2554.14	4365.79	-6.86	0.00	4365.79	1896085.94	11965742.29	1100.86	
6650.00	90.50	359.9	2553.71	4415.78	-6.94	0.00	4415.79	1896085.86	11965792.28	1101.29	
6700.00	90.50	359.9	2553.27	4465.78	-7.01	0.00	4465.79	1896085.79	11965842.28	1101.73	
6750.00	90.50	359.9	2552.83	4515.78	-7.09	0.00	4515.79	1896085.71	11965892.28	1102.17	
6800.00	90.50	359.9	2552.40	4565.78	-7.17	0.00	4565.78	1896085.63	11965942.28	1102.60	

Nome Federal #1H, Plan 1

Operator Mack Energy Corp

Field Diamond Mound Well Name Nome Federal #1H

Units feet, %100ft County Eddy State New Mexico

Country USA

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Survey Calculation Method Minimum Curvature **Database** Access

Plan 1

Location SL: 1700 FSL & 1675 FWL BHL: 5 FNL & 1675 FWL

Section 3-T16S-R28E

Map Zone UTM

Lat Long Ref

Site

Surface X 1896092.8

Surface Long Surface Lat

Slot Name Well Number UWI API **Surface Y** 11961376.5 Surface Z 3655

Global Z Ref Mean Sea Level

Project MD/TVD Ref KB

Ground Level 3633.5

Local North Ref Grid

CTION		

DIRECTION	AL-WELL-P	LAN		-						
MD*	INC*	AZI*	TVD⁺	N*	E*	DLS*	V. S.*	MapE*	MapN*	SysTVD*
3150.00	90.50	359.9	2584.25	915.92	-1.44	9/100ff 0.00	915.92	1896091.36	11962292.42	1070.75
3200.00	90.50	359.9	2583.81	965.92	-1.52	0.00	965.92	1896091.28	11962342.42	1071.19
3250.00	90.50	359.9	2583.38	1015.92	-1.60	0.00	1015.92	1896091.20	11962392.42	1071.62
3300.00	90.50	359.9	2582.94	1065.92	-1.67	0.00	1065.92	1896091.13	11962442.42	1072.06
3350.00	90.50	359.9	2582.50	1115.91	-1.75	0.00	1115.92	1896091.05	11962492.41	1072.50
3400.00	90.50	359.9	2582.07	1165.91	-1.83	0.00	1165.91	1896090.97	11962542.41	1072.93
3450.00	90.50	359.9	2581.63	1215.91	-1.91	0.00	1215.91	1896090.89	11962592.41	1073.37
3500.00	90.50	359.9	2581.19	1265.91	-1.99	0.00	1265.91	1896090.81	11962642.41	1073.81
3550.00	90.50	359.9	2580.76	1315.91	-2.07	0.00	1315.91	1896090.73	11962692.41	1074.24
3600.00	90.50	359.9	2580.32	1365.90	-2.15	0.00	1365.91	1896090.65	11962742.40	1074.68
3650.00	90.50	359.9	2579.88	1415.90	-2.22	0.00	1415.90	1896090.58	11962792.40	1075.12
3700.00	90.50	359.9	2579.45	1465.90	-2.30	0.00	1465.90	1896090.50	11962842.40	1075.55
3750.00	90.50	359.9	2579.01	1515.90	-2.38	0.00	1515.90	1896090.42	11962892.40	1075.99
3800.00	90.50	359.9	2578.58	1565.90	-2.46	0.00	1565.90	1896090.34	11962942.40	1076.42
3850.00	90.50	359.9	2578.14	1615.89	-2.54	0.00	1615.90	1896090.26	11962992.39	1076.86
3900.00	90.50	359.9	2577.70	1665.89	-2.62	0.00	1665.89	1896090.18	11963042.39	1077.30
3950.00	90.50	359.9	2577.27	1715.89	-2.70	0.00	1715.89	1896090.10	11963092.39	1077.73
4000.00	90.50	359.9	2576.83	1765.89	-2.77	0.00	1765.89	1896090.03	11963142.39	1078.17
4050.00	90.50	359.9	2576.39	1815.89	-2.85	0.00	1815.89	1896089.95	11963192.39	1078.61
4100.00	90.50	359.9	2575.96	1865.88	-2.93	0.00	1865.89	1896089.87	11963242.38	1079.04
4150.00	90.50	359.9	2575.52	1915.88	-3.01	0.00	1915.88	1896089.79	11963292.38	1079.48
4200.00	90.50	359.9	2575.09	1965.88	-3.09	0.00	1965.88	1896089.71	11963342.38	1079.91
4250.00	90.50	359.9	2574.65	2015.88	-3.17	0.00	2015.88	1896089.63	11963392.38	1080.35
4300.00	90.50	359.9	2574.21	2065.88	-3.25	0.00	2065.88	1896089.55	11963442.38	1080.79
4350.00	90.50	359.9	2573.78	2115.87	-3.32	0.00	2115.88	1896089.48	11963492.37	1081.22
4400.00	90.50	359.9	2573.34	2165.87	-3.40	0.00	2165.88	1896089.40	11963542.37	1081.66
4450.00	90.50	359.9	2572.90	2215.87	-3.48	0.00	2215.87	1896089.32	11963592.37	1082.10
4500.00	90.50	359.9	2572.47	2265.87	-3.56	0.00	2265.87	1896089.24	11963642.37	1082.53
4550.00	90.50	359.9	2572.03	2315.87	-3.64	0.00	2315.87	1896089.16	11963692.37	1082.97
4600.00	90.50	359.9	2571.59	2365.87	-3.72	0.00	2365.87	1896089.08	11963742.37	1083.41
4650.00	90.50	359.9	2571.16	2415.86	-3.79	0.00	2415.87	1896089.01	11963792.36	1083.84
4700.00	90.50	359.9	2570.72	2465.86	-3.87	0.00	2465.86	1896088.93	11963842.36	1084.28
4750.00	90.50	359.9	2570.29	2515.86	-3.95	0.00	2515.86	1896088.85	11963892.36	1084.71
4800.00	90.50	359.9	2569.85	2565.86	-4.03	0.00	2565.86	1896088.77	11963942.36	1085.15
4850.00	90.50	359.9	2569.41	2615.86	-4.11	0.00	2615.86	1896088.69	11963992.36	1085.59
4900.00	90.50	359.9	2568.98	2665.85	-4.19	0.00	2665.86	1896088.61	11964042.35	1086.02
4950.00	90.50	359.9	2568.54	2715.85	-4.27	0.00	2715.85	1896088.53	11964092.35	1086.46

Nome Federal #1H, Plan 1 12:12 Wednesday, March 14, 2018 Page 1 of 4 Units feet, %100ft Operator Mack Energy Corp Vertical Section Azimuth 359.94 County Eddy Field Diamond Mound Well Name Nome Federal #1H State New Mexico Survey Calculation Method Minimum Curvature Database Access Country USA Plan 1 Location SL: 1700 FSL & 1675 FWL BHL: 5 FNL & 1675 FWL Map Zone UTM Lat Long Ref Section 3-T16S-R28E Surface X 1896092.8 Surface Long Site UWI Surface Y 11961376.5 **Surface Lat Slot Name** Global Z Ref Mean Sea Level Surface Z 3655 API **Well Number** Local North Ref Grid MD/TVD Ref KB Ground Level 3633.5 **Project** DIRECTIONAL WELL PLAN MapN* SysTVD* DLS* V. S.* MapE* MD* INC* AZI* TVD* N* 9/1 0 Off # *** TIE (at MD = 1698.00) 0.00 0.00 1896092.80 11961376.50 1957.00 0.00 1698.00 0.00 0.0 1698.00 11961376.50 1955.00 1700.00 0.00 0.0 1700.00 0.00 0.00 0.00 0.00 1896092.80 1905.00 0.00 1750.00 0.00 0.00 0.00 0.00 1896092.80 11961376.50 1750.00 0.0 *** KO 8 DEGREE (at MD = 1798.00) 0.00 0.00 0.00 0.00 0.00 1896092.80 11961376.50 1857.00 1798.00 0.0 1798.00 0.00 8.00 0.00 1896092.80 11961376.50 1855.00 1800.00 0.00 1800.00 0.16 359.9 0.00 8.00 1.89 1896092.80 11961378.39 1805.05 1850.00 4.16 359.9 1849.95 1.89 7.25 1896092.79 11961383.75 1755.34 7.25 -0.01 8.00 1900.00 8.16 359.9 1899.66 1706.14 16.07 11961392.57 1950.00 12.16 359.9 1948.86 16.07 -0.038.00 1896092.77 1657.67 359.9 1997.33 28.30 -0.048.00 28.30 1896092.76 11961404.80 2000.00 16.16 8.00 43.88 1896092.73 11961420.38 1610.17 2050.00 20.16 359.9 2044.83 43.88 -0.07 62.73 1896092.70 11961439.23 1563.87 359.9 2091.13 62.73 -0.108.00 2100.00 24.16 1896092.67 11961461.27 1519.00 359.9 2136.00 84.77 -0.138.00 84.77 2150.00 28.16 11961486.39 1475.78 109.89 -0.17 8.00 109.89 1896092.63 2200.00 32.16 359.9 2179.22 11961514.46 1434.41 2250.00 36.16 359.9 2220.59 137.96 -0.228.00 137.96 1896092.58 40.16 359.9 2259.89 168.85 -0.278.00 168.85 1896092.53 11961545.35 1395.11 2300.00 202.40 1896092.48 11961578.90 1358.05 2350.00 44.16 359.9 2296.95 202.40 -0.328.00 1323.43 -0.378.00 238.46 1896092.43 11961614.96 359.9 2331.57 238.46 2400.00 48.16 1291.40 276.84 1896092.37 11961653.34 8.00 2450.00 52.16 359.9 2363.60 276.84 -0.43*** 55 DEGREE TANGENT 200' (at MD = 2485.50) -0.48 8.00 305.40 1896092.32 11961681.90 1270.33 2485.50 55.00 359.9 2384.67 305.40 317.28 1896092.30 11961693.78 1262.01 -0.50 0.00 2500.00 55.00 359.9 2392.99 317.28 -0.560.00 358.24 1896092.24 11961734.74 1233.33 2550.00 55.00 359.9 2421.67 358.24 399.20 1896092.17 11961775.70 1204.65 -0.630.00 2600.00 55.00 359.9 2450.35 399.20

2650.00	55.00	359.9	2479.03	440.15	-0.69	0.00	440.15	1896092.11	11961816.65	1175.97
*** 12 DEGRE	E BUILD (a	at MD = 268	35.50)							
2685.50	55.00	359.9	2499.39	469.23	-0.74	0.00	469.23	1896092.06	11961845.73	1155.61
2700.00	56.74	359.9	2507.53	481.24	-0.76	12.00	481.24	1896092.04	11961857.74	1147.48
2750.00	62.74	359.9	2532.71	524.40	-0.82	12.00	524.40	1896091.98	11961900.90	1122.29
2800.00	68.74	359.9	2553.24	569.97	-0.90	12.00	569.97	1896091.90	11961946.47	1101.76
2850.00	74.74	359.9	2568.90	617.43	-0.97	12.00	617.43	1896091.83	11961993.93	1086.10
2900.00	80.74	359.9	2579.52	666.26	-1.05	12.00	666.27	1896091.75	11962042.76	1075.48
2950.00	86.74	359.9	2584.97	715.94	-1.12	12.00	715.94	1896091.68	11962092.44	1070.03
*** LANDING F	POINT (at I	MD = 2981	33)							
2981.33	90.50	359.9	2585.72	747.26	-1.17	12.00	747.26	1896091.63	11962123.76	1069.28
3000.00	90.50	359.9	2585.56	765.93	-1.20	0.00	765.93	1896091.60	11962142.43	1069.44
3050.00	90.50	359.9	2585.12	815.93	-1.28	0.00	815.93	1896091.52	11962192.43	1069.88
3100.00	90.50	359.9	2584.68	865.92	-1.36	0.00	865.93	1896091.44	11962242.42	1070.32
			•							

Casing Design	Well:	Nome Fed	eral #1H		·		<u>.</u>		
String Size & Function	:	5 1/2" × 7"	in	Production	, x				
Total Depth:	7775	<u>i</u> ft		TVD:		2585	ft		
Pressure Gradient for	Calculation	ns			(While dri	lling)			
Mud weight, collapse:		9.3	#/gal		Safety Facto	or Collapse:	1.125	<u>.</u>	
Mud weight, <u>burst</u> :		9.3	#/gal		Safety Fac	tor Burst:	1:25		
Mud weight for joint s	trength:	9.3	#/gal	Safety	Factor Join	t Strength	1.8	<u>.</u>	
BHP @ TD for:	collapse:	1250.106	psi	Burst:	1250.106	psi, join	t strength:	1250.106	osi
Partially evacuated he	ole?	Pressure g	radient rem	naining:	10	#/gal			
Max. Shut in surface p	oressure:		3000) psi			٠		
1st segment	777	oft to	2700) ft	l Mak	e up Torque	e ft-lbs	Total ft =	5075
O.D.	We	ight	Grade	Threads	opt.	min.	mx.		
5.5 inches Collapse Resistance	<u> </u>	al Yield	Joint S	Buttress trength		Yield	5,780 Drift	1	
8,580 psi	10.640	psi-Ircr	568	.000#	546	.000#	4.767	J	
2nd sogment O.D.) ft to ight	1750 Grade) ft Threads	Mak opt.	e up Torque min.	ft-lbs mx.	Total ft =	800
7 inches	•	s#/ft		Buttress	6,930		8,660]	
Collapse Resistance 7,800 psi	9,950	al Yield psi-Ircr		trength .000#		Yield .000 #	Drift 6.151		
- grees par	1 0,000	porte			1	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	<u> </u>	,	
3rd sogment	1750) fi to	C) ft	l Mak	e up Torque	fi-lbs	Total ft =	1750
O.D.		ight	Grade	Threads	opt.	min.	mx.		
7 inches Collapse Resistance		#/ft al Yield		LT&C trength	6930 Body	5200 Yield	Drift	-	
7,800 psi	9,950			.000#		.000#	6.151	1	
4th segment		ft to) ft		e up Torque	ft-lbs	Total ft =	0
O.D.	We 1	ight #/ft	Grade 	Threads	opt.	min.	mx.	1	
Collapse Resistance	Intern	al Yield	Joint S	trength	Body	Yield	Drift	1	
psi	. ·	psi	<u> </u>	.000#		.000 #	:	j	
5th segment O.D.		oft to	Grade) ft Threads	opt.	e up Torque min.	mx.	Total ft =	0
inches	L	#/ft	<u> </u>	<u>L</u>	L		·		
Collapse Resistance psi	Intern	al Yield psi	Joint S	trength .000 #	Body	Yield .000 #	Drift]	
	<u> </u>								
6th segment) ft to	C) ft	Mak	e up Torque	ft-lbs	Total ft =	0
O.D.	We	ight	Grade	Threads	opt.	min.	mx.		
inches Collapse Resistance	Intern	#/ft al Yield	Joint S	trength	Body	Yield	Drift	1	
psi		psi	L	.000 #	<u>-</u>	.000#		J	
Select 1st segme	nt bottom			7474		S.F.	Actual		Desire
7775 ft to	2585	s ft	1			collapse burst-b	6.863418 3.240928	>= >=	1.125 1.25
	HCP-110	Buttress	<u> </u>			burst-t	3.43881		
Colort 2nd co		ment 1 (ft)		2585	J	S.F. collapse	Actual 6.067332	>=	Desire 1.125
Select 2nd segme	ent from bo		_			burst-b	3.215804	>=	1.25
2585 ft to	1785					burst-t	3.246357	~-	1.0
7 26	HCP-110	Buttress	ı			jnt strngth	7.505707	>=	1.8

Casing Design	Well:	Nome Fede	ral #1H			· .				
String Size & Function	:	14 3/4	in	surface	x		int	termediate	<u> </u>	
Total Depth:	350	ft								
Pressure Gradient for	Calculation	ns			(Whi	le drilling))			
Mud weight, collapse:		9.6	#/gal		Safety	Factor Co	llapse:	1.125		
Mud weight, burst:		9.6	#/gal		Safet	y Factor B	urst:	1.25		
Mud weight for joint s	trength:	9.6	#/gal	Safety	Facto	r Joint Str	ength	1.8		
BHP @ TD for:	collapse:	174.72	psi	Burst:	1	74.72 psi.	joint	strength:	174.72 p	si
Partially evacuated ho	ite?	Pressure gi	radient rem	aining:		. 10 #/g	al			
Max. Shut in surface p	ressure:		500	psi						
1st coament	350	ft to		ft	1	Make up	Torque	ft-lhs	Total ft =	350
O.D.	Wei	ght	Grade	Threads	opt.	min	١,	mx.	TOTAL IN	
9.625 inches Collapse Resistance		al Yield	J-65 Joint St	ST&C trength		Body Yiek	2,960 d	4,930 Drift		
2,020 psi	3,520	psi		.000#	ı	564 .00		8.765		
2nd segment	0	ft to	0	ft	1	Make up	Torque	ft-lbs	Total ft =	0
O.D.	Wei	ight	Grade	Threads	opt.	min	١.	mx.		
inches Collapse Resistance	Intern	#/ft al Yield	Joint St	trength	⊢	Body Yiel	d	Drift		
psi		psi		.000#		.00		<u></u>		
3rd segment	0	ft to	0	ft	1	Make up	Torque	ft-lbs	Total ft =	0
O.D.	Wei	-	Grade	Threads	opt.	min	١.	mx.		
inches Collapse Resistance	Intern	#/ft al Yield	Joint St	renath	₩	Body Yiel	d	Drift		
psi		psi		,000#			0#			
						,				
4th segment		ft to	0	ft	1	Make up	Torque	ft-lbs	Total ft =	0
O.D.	Wei	ight	Grade	Threads	opt.	mir	1.	mx.		
inches	latara	#/ft	loint St	l conoth	⊬	Body Yiel		Drift	ľ	
Collapse Resistance psi	Intern	al Yield psi	Joint St	trength .000#		•	0#	Dint		
	<u> </u>				_	****			•	
Eth conment		ft to) ft	1	Make up	Toroue	ft-lhs	Total ft =	0
5th segment O.D.		ight	Grade	Threads	opt.	mir		mx.	10.0.1	
inches	<u> </u>	#/R	<u> </u>	L	ļ			· .		
Collapse Resistance psi	Intern	al Yield psi	Joint St	trength 000#		Body Yiel .00	d 0 #	Drift		
		,				,			•	
4.1.) ft	1	Make up	Tomus	# the	Total ft =	0
6th segment O.D.		oft to	Grade	Threads	opt.	mir		mx.	Total II -	
inches	L	#/ft		L	L				ŀ	
Collapse Resistance	Intern	al Yield	Joint St	trength .000 #	١.	Body Yiel	d 0 #	Drift]	
psi	L	psi	1	.000 4	1		<u> </u>		1	
Select 1st segme	nt bottom			350)		S.F.	Actual		Desire
ocieci isi segille	DORUM				_	col	lapse	11.56136	>=	1.125
350 ft to) ft]				st-b	6.938969	>=	1.25
9.625 0	J-55	ST&C		1 (i	bur	st-t S.F.	7,04 Actual		Desire
Select 2nd segme	op of seç ent from bo	gment 1 (ft) ttom		<u> </u>	Ú	col	apse	#DIV/0!	>=	1.125
						but	st-b	0	>=	1.25
0 ft to 0 0) ft O					rst-t strngth	0 36.65351	>=	1.8
0 0			1			jot	Jungini			

Top of segment 2 (ft)	1785	S.F.	Actual		Desire
Select 3rd segment from bottom		collapse	8.717538	>=	1.125
		burst-b	3.246357	>=	1.25
1785 ft to 0 ft		burst-t	3.316667		
7 26 HCP-110 LT&C		jnt strngth	9.121422	>=	1.8
Top of segment 3 (ft)	0	S.F.	Actual		Desire
Select 4th segment from bottom		collapse	#DIV/0!	>=	1,125
		burst-b	0	>=	1.25
Oft to Oft		burst-t	0		
0 0 0 0		jnt strngth	7.41049	>=	1.8
Top of segment 4 (ft)		S.F.	Actual		Desire
Select 5th segment from bottom		collapse	#DIV/0!	>=	1.125
		burst-b	0	>=	1.25
Oft to ft		burst-t	0		
0 0 0 0		jnt strngth	0	>=	1.8
Top of segment 5 (ft)	1 1 1	S.F.	Actual		Desire
Select 6th segment from bottom		collapse	#DIV/0!	>=	1.125
•		burst-b	0	>=	1.25
Oft to ft		burst-t	0		
0 0 0 0		jnt stmgth	Ō	>=	1.8
Top of segment 6 (ft)		jnt strngth		>=	1.8

use in colapse calculations across different pressured formations

hree gra	dient pressu	ro function						
Depth of	evaluation:	1,200 ft			516	psi @	1,200	ft
Т	op of salt:	2.400 ft	fx #1	516				
Ba	se of salt:	3.700 ft	fx #2	900				
TD of int	ermediate:	4.600 ft	fx #3	540				
ressure g	radient to be		each top to	be used as a	function	of depth.	ex. psi/ft	
fx #1 0.43	fx #2 0.75	fx #3 0.45						

- 1) Calculate neutral point for buckling with temperature affects computed also
- 2) Surface burst calculations & kick tolerance in surface pressure for burst
- 3) Do a comparison test to determine which value is lower joint strength or body yield to use in tensile strength calculations
- 4) Raise joint strength safety factor up to next level on page #2
- 5) Sour service what pipe can be used with proper degrading of strength factors and as function of temp

Adjust for best combination of safety factors

	Secondary
S.F. Collapse bottom of segment:	
S.F. Collapse top of segment:	6.55434
S.F. Burst bottom of segment:	
S.F. Burst top of segment	
S.F. Joint strength bottom of segment:	795.518
S.F. Joint strength top of segment:	
S.F. Body yield strength bottom of segment:	764,706
S.F. Body yield strength top of segment:	7.21499

Collapse calculations for 1st segment - casing evacuated

Buoyancy factor collapse:	0.85771	
calculations for bottom of segment @	2585 ft	,
hydrostatic pressure collapse - backside:	1250.11 psi	
Axial load @ bottom of section	0 lbs	previous segments
Axial load factor:	0	load/(pipe body yield strength)
Collapse strength reduction factor:	1	Messrs, Westcott, Dunlop, Kemler, 1940
Adjusted collapse rating of segment:	8580 psi	
Actual safety factor	6.86342	adjusted casing rating / actual pressure

Casing Design	Well:	Nome Fede	ral #1H		<u> </u>				
String Size & Function	:	5 1/2" × 7"	in	Production	x				
Total Depth:	7775	<u>s</u> ft		TVD:		2585	ft		
Pressure Gradient for	Calculation	ns			(While dril	ling)	·		
Mud weight, collapse:		9.3	#/gal	:	Safety Facto	r Collapse:	1.125		
Mud weight, <u>burst</u> :		9.3	#/gal		Safety Fact	or Burst:	1.25		
Mud weight for joint s	trength:	9.3	#/gal	Safety	Factor Join	t Strength	1.8		
BHP @ TD for:	collapse:	1250.106	psi	Burst:	1250.106	psi, joint	strength:	1250.106	osi
Partially evacuated ho	ole?	Pressure gr	adient rema	aining:	10	#/gal			
Max. Shut in surface p	pressure:		3000	psi					
		<u> </u>							
1st segment	777	5 ft to	2700	ft	Make	up Torque	ft-lbs	Total ft =	5075
O.D.		eight	Grade	Threads	opt.	min.	mx. 5,780		
5.5 inches Collapse Resistance	1	7 #/ft nal Yield	Joint St	Buttress renath	4,620 Body	3,470 Yield	Drift		
8,580 psi	10.640	psi-Ircr		.000#	,	.000 #	4.767		
2nd sogment	270	Oft to	1750	ft	1 Make	e up Torque	ft-(bs	Total ft =	800
O.D.		eight	Grade	Threads	opt.	min.	mx.		
7 inches	2	6 #/ft		Buttress		5,200	8,660		
Collapse Resistance		nal Yield	Joint St	rength .000#	Body	Yield .000 #	Drift 6.151		
7.800 psi	9,950	psi-lrcr	. 853	.000#	830	.000.	0.131	ı	
					-				
3rd segment		Oft to		ft		e up Torque min.	ft-lbs mx.	Total ft =	1750
O.D. 7 inches		eight 6 #/ft	Grade HCP-110	Threads	opt. 6930	тип. 5200	mx. 8660	1	
Collapse Resistance		nal Yield	Joint St			Yield	Drift	1	
7,800 psi	9,950	psi	693	.000#	830	.000#	6.151	l	
4th segment		Oft to	0	ft] Mak	e up Torque	ft-lbs	Total ft =	0
O.D.		eight	Grade	Threads	opt.	min.	mx.		
inches	↓	#/ft					5.0	Į.	
Collapse Resistance	Inter	nal Yield	Joint St	rength .000 #	Body	Yield .000 #	Drift		
psi	ــــــــــــــــــــــــــــــــــــــ	psi	<u> </u>	.000		.000 #		J	
					_				
5th segment		0 ft to		ft		e up Torque		Total ft =	0
O.D. inches	I We	eight #/ft	Grade I	Threads	opt.	min.	mx.		
Collapse Resistance	Inter	nal Yield	Joint St	rength	Body	Yield	Drift	1	
psi	<u> </u>	psi	<u></u>	.000#	l	.000#		j	
6th sogment	Γ'''	Oft to	0	ft	7 Mak	e up Torqui	e ft-lbs	Total ft =	0
O.D.	W	eight	Grade	Threads	opt.	min.	mx.		
inches	<u> </u>	#/fi	L	<u> </u>	<u> </u>]	
Collapse Resistance	Inter	nal Yield	Joint S	_	Body	Yield	Drift		
psi	<u> </u>	psi	<u> </u>	.000#	<u> </u>	.000 #		J	
			-	T 747	 		Actual		Dosire
Select 1st segme	ent bottom			747	נ	S.F. collapse	Actual 6.863418	>=	Desire 1.125
7775 ft to	250	35 ft	1			burst-b	3.240928		1.25
) Buttress	1			burst-t	3.43881		
		egment 1 (ft)		258	5	S.F.	Actual		Desire
Select 2nd segm	ent from b	ottom			_	collapse	6.067332		1,125
			٦			burst-b	3.215804		1.25
2585 ft to		35 ft Destroce				burst-t jnt strngth	3.246357 7.505707		1.8
7 2	ひ つしとりけん) Buttress	1			In a second of			

String Size & Function: Total Depth: 3 Pressure Gradient for Calculat	14 3/4 in					
	4-3/	surface	x i	ntermediate		
Pressure Gradient for Calculat	350 ft					
	ions	<u> </u>	(While drilling)			
Mud weight, collapse:	9.6 #/gal		Safety Factor Collapse:	1.125	<u>.</u>	
Mud weight, <u>burst</u> :	. 9.6 #/gal		Safety Factor Burst:	1.25		
Mud weight for joint strength:	9.6 #/gal	, Safety	Factor Joint Strength	1.8	<u>.</u>	
BHP @ TD for: collapse	:: <u>174.72</u> psi	Burst:	174.72 psi. join	t strength:	174.72	psi
Partially evacuated hole?	Pressure gradient	remaining:	10 #/gal			-
Max. Shut in surface pressure:		500 psi				
1st segment 3	50 ft to	0 ft	Make up Torque	ft-lbs	Total ft =	3
	Veight Grade		opt. min,	mx.		
	36 #/ft J-6		3,940 2,960	4,930		
		nt Strength 394,000 #	Body Yield	Drift	l	
2,020 psi 3,520) psi	* 000, 	. 564 ,000#	8.765	i	
2nd sogment .	0 ft to	0 ft	Make up Torque	ft-lbs	Total ft =	
	eight Grade	Threads	opt. min.	mx.		
inches Collapse Resistance Inte	#/ft rnal Yield Joir	nt Strength	Body Yield	Drift	1	
psi inte	psi Jon	.000 #	.000 #)	1	
			 	<u> </u>		
	0.6			.		
3rd sogment	Oft to	0 ft	Make up Torque		Total ft =	
O.D. W	/eight Grade #/ft ▮	Threads	opt. min.	mx.		
		nt Strength	Body Yield	Drift	1	
psi	psi	,000 #	.000 #		l	
					•	
4th sources	0.0	0.6	Make in To	A IL-	Tatel A	
4th segment O.D. W	0 ft to /eight Grade	0 ft Threads	Make up Torque		Total ft =	
inches	/eight Grade #/ft	I I I	opt, min.	mx.	1	
		nt Strength	Body Yield	Drift		
psi	psi	.000 #	.000#			
	<u></u>			-		
	0.6 %	0.6	Make un Tour	4. Ib-	Total A -	
5th seement	0 ft to leight Grade	0 ft Threads	Make up Torque opt. min.	mx.	Total ft =	
		1111-003	- 1181/h		•	
5th segment O.D. W inches	#/代	1 1				
O.D. W inches		nt Strength	Body Yield	Drift		
O.D. W inches		nt Strength .000 #	Body Yield .000 #	Drift		
O.D. W inches Collapse Resistance Inter	rnal Yield Joir			Drift		
O.D. W inches Collapse Resistance psi	rnal Yield Joir psi	000 #	.000 #	<u> </u>	Table	
O.D. W inches Collapse Resistance psi 6th segment	nnal Yield Join psi 0 ft to	,000 # 0 ft	.000 # Make up Torque	ft-lbs	Total ft =	
O.D. W inches Collapse Resistance psi 6th segment O.D. W	nal Yield Joir psi Joir 0 ft to reight Grade	,000 # 0 ft	.000 #	<u> </u>	Total ft ≖	
O.D. W inches Collapse Resistance psi 6th segment O.D. W inches	nal Yield Joir psi Oft to eight Grade	,000 # 0 ft	.000 # Make up Torque	ft-lbs	Total ft =	

Top of se	gment 6 (ft)		jnt stragth		>=	1.8
0 0	0 0		jnt strngth	0	>=	1.8
Oft to	ft		burst-t	0		
-			burst-b	0	>=	1.25
Select 6th segment from bo	ttom		collapse	#DIV/0!	>=	1.125
Top of se	gment 5 (ft)		S.F.	Actual		Desire
0 0	0 0		jnt strngth	0	>=	1.8
Oft to	ft		burst-t	0		
			burst-b	0	>=	1.25
Select 5th segment from bo	ttom		collapse	#DIV/0!	>=	1.125
Top of se	gment 4 (ft)		S.F.	Actual	_	Desire
0 0	0 0		jnt strngth	7.41049	>=	1.8
Oft to	O ft		burst-t	0		
			burst-b	0	>=	1.25
Select 4th segment from bo	ttom		collapse	#DIV/0!	>=	1.125
Top of se	gment 3 (ft)	0	S.F.	Actual		Desire
7 26 HCP-110	LT&C		jnt strngth	9.121422	>=	1.8
1785 ft to	O ft		burst-t	3.316667		
-			burst-b	3.246357	>=	1.25
Select 3rd segment from bo	ttom		collapse	8.717538	>=	1.125
Top of se	gment 2 (ft)	1785	S.F.	Actual		Desire

use in colapse calculations across different pressured formations

hree grad	ient pressu	re function	1					
Depth of e	valuation:	1,200	ft		516	psi @	1,200	ft
To	p of salt:	2,400	ft fx f	516				
Bas	e of salt:	3.700	ft fx #	2 900				
TD of inte	rmediate:	4.600	ft fx #	3 540				
	adient to be	used abov	e each t	op to be used as a	function	of depth.	ex. psi/ft	
ressure gr	fx #2	fx #3		,				

- 1) Calculate neutral point for buckling with temperature affects computed also
- 2) Surface burst calculations & kick tolerance in surface pressure for burst
- 3) Do a comparison test to determine which value is lower joint strength or body yield to use in tensile strength calculations
- 4) Raise joint strength safety factor up to next level on page #2
- 5) Sour service what pipe can be used with proper degrading of strength factors and as function of temp

Adjust for best combination of safety factors

	Secondary
S.F. Collapse bottom of segment:	
S.F. Collapse top of segment:	6.55434
S.F. Burst bottom of segment:	
S.F. Burst top of segment	
S.F. Joint strength bottom of segment:	795.518
S.F. Joint strength top of segment:	
S.F. Body yield strength bottom of segment:	764.706
S.F. Body yield strength top of segment:	7.21499

Collapse calculations for 1st segment - casing evacuated

Buoyancy factor collapse:	0.85771	
calculations for bottom of segment @	2585 ft	
hydrostatic pressure collapse - backside:	1250.11 psi	
Axial load @ bottom of section	0 lbs	previous segments
Axial load factor:	0	toad/(pipe body yield strength)
Collapse strength reduction factor:	1	Messrs, Westcott, Dunlop, Kemler, 1940
Adjusted collapse rating of segment:	8580 psi	
Actual safety factor	6.86342	adjusted casing rating / actual pressure

Casing Design	Well: No	me Federal #1H		,		•		
String Size & Function	: <u>51</u>	/2" x 7" in	Productio	X				
Total Depth:	7775 ft		TVD:	_	2585	ft		
Pressure Gradient for	Calculations			(While drilli	ing)		···	
Mud weight, collapse:	_	9.3 #/gal		Safety Factor	Collapse:	1.125	_	
Mud weight, <u>burst</u> :		9.3 #/gal		Safety Facto	or Burst:	1.25	-	
Mud weight for joint s	trength:	9.3 #/gal	Safet	y Factor Joint	Strength	1.8	<u>.</u>	
BHP @ TD for:	collapse: 1	250.106 psi	Burst	: 1250.106	psi, join	t strength:	1250.106	psi
Partially evacuated he	ole? Pre	ssure gradient :	emaining:	10	#/gal			
Max. Shut in surface p	oressure:	3	000 psi					
							T	
1st segment O.D.	7775 ft Weight	to 2'	700 ft Threads		up Torque min.	mx.	Total ft =	5075
5.5 inches	17 #/ft		10 Buttress		3,470	5,780		
Collapse Resistance 8,580 psi	Internal Yi	1	t Strength 68 ,000 #	Body Y	rield .000 #	Drift 4.767		
0,500 psi	μοιστο μοι	1	***************************************	1 0.0	.000#	4.,0,	j	
				_				
2nd segment	2700 ft		750 ft		up Torque		Total ft =	800
O.D.	Weight 1 no are	Grade	Threads 10 Buttress		min.	mx.		
7 inches Collapse Resistance	26 #/fi Internal Yi		t Strength	6,930 Body Y	5.200 'ield	8,660 Drift	ł	
7,800 psi			53 .000 #	830		6.151		
							-	
	· · · · · ·			.	_		E	.===1
3rd segment	1750 ft	to Crado	0 ft		up Torque	mx.	Total ft =	1750
O.D. 7 inches	Weight 26 #/ft	Grade HCP-1		opt. r 6930	min. 5200	mx. 8660		
Collapse Resistance	Internal Yi		t Strength	Body Y		Drift	1	
7,800 psi	9,950 psi		# 000, £6	830 .	.000 #	6.151		
44b			0.0	7 Maka	Taraus	A the	Total 6 =	0
4th segment O.D.	0 ft Weight	to Grade	0 ft Threads	_	up Torque min.	mx.	Total ft =	
inches	#/ft							
Collapse Resistance	Internal Yi	eld Join	t Strength	Body Y	'ield	Drift	1	
psi	psi		.000#	<u> </u>	000 #		J	
5th segment	0 ft	to	0 ft	7 Make	up Torque	ft-ihs	Total ft =	0
Q.D.	Weight	Grade	Threads		min,	mx.		
inches	#/ft	1		L				
Collapse Resistance	Internal Yi	eld Join	l Strength	Body Y		Drift		
psi	psi		.000#	<u> </u>	.000 #		J	
6th segment	0 ft	to	O ft	Make	up Torque	ft-fbs	Total ft =	. 0
O.D.	Weight	Grade	Threads	opt. r	min.	mx.		
inches	#/ft		1 C11	Dod. V	() - (A	D-10	ł	
Collapse Resistance psi	Internal Yi psi	ela Join	t Strength .000 #	Body Y	.000 #	Drift	ŀ	
		•					•	
Select 1st segmen	nt bottom		747	_	S.F.	Actual	· · · · ·	Desire
					collapse	6.863418	>=	1.125
7775 ft to	2585 ft	1,000			burst-b burst-t	3.240928 3.43881	>=	1.25
5.5 0	Top of segmen		258		S.F.	Actual		Desire
Select 2nd segme	ent from bottom		L	_	collapse	6.067332	>=	1.125
					burst-b	3.215804	>=	1.25
2585 ft to	1785 ft			t	burst-t	3 246357		1.0

Casing Design	Well: Nome Fed	eral #1H				
String Size & Function:	14 3/4	in surface	xint	ermediate		
Total Depth:	350 ft					
Pressure Gradient for	Calculations		(While drilling)			
Mud weight, collapse:	9.0	5 #/gal	Safety Factor Collapse:	1.125		
Mud weight, burst:	9.6	5 #/gal	Safety Factor Burst:	1.25		
Mud weight for joint st	rength: 9.6	5_#/gal Safet	y Factor Joint Strength	1.8		
BHP @ TD for:	collapse:174.73	<u>2</u> psi Burst	: <u>174.72</u> psi, joint	strength:	174.72	psi
Partially evacuated ho	le? Pressure (gradient remaining:	10 #/gal			
Max. Shut in surface p	ressure:	500 psi				
tot comment	350 ft to	O ft	Make up Torque	ft-lhs I	Total ft =	350
1st segment O.D.	Weight	Grade Threads	opt. min.	mx.	10.07 11	
9.625 inches Collapse Resistance	36 #/ft Internal Yield	J-65 ST&C Joint Strength	3,940 2,960 Body Yield	4,930 Drift		
2,020 psi	3,520 psi	394 ,000 #	564 .000 #	8.765		
						
2nd segment	0 ft to	O ft	Make up Torque	ft-lbs	Total ft =	Ō
O.D.	Weight #/ft	Grade Threads	opt min.	mx.		
inches Collapse Resistance	Internal Yield	Joint Strength	Body Yield	Drift		
psi	psi	.000#	.000#			
3rd segment	0 ft to	0 ft	Make up Torque		Total ft =	0
O.D. inches	Weight #/ft	Grade Threads	opt. min.	mx.		
Collapse Resistance	Internal Yield	Joint Strength	Body Yield	Drift		
psi	psi	.000#	,000#			
4th segment	0 ft to	0 ft	Make up Torque	ft-lbs	Total ft =	0
O.D	Weight	Grade Threads	opt min.	mx.		
inches Collapse Resistance	#/ft Internal Yield	Joint Strength	Body Yield	Drift		
psi	psi	.000 #	.000#			
5th segment	0 ft to	0 ft	Make up Torque	ft-lbs	Total ft =	0
O.D	Weight #/ft	Grade Threads	opt. min.	mx.		
inches Collapse Resistance	Internal Yield	Joint Strength	Body Yield	Drift		
psi	psi	.000 #	.000#		j	
6th segment	0 ft to	0 ft	Make up Torque	ft-lbs	Total ft =	0
O.D.	Weight	Grade Threads	opt. min.	mx.		
inches Collapse Resistance	#/ft Internal Yield	Joint Strength	Body Yield	Drift		
psi	psi	.000 #	.000#			
				1-11		Davies
Select 1st segme	nt pottom	35	S.F. collapse	Actual 11.56136	>=	Desire 1.125
350 ft to	O ft	7	burst-b	6.938969	>=	1.25
	J-55 ST&C	<u> </u>	burst-t	7.04		Dec!
Select 2nd segme	Top of segment 1 (f)	S.F. collapse	Actual #DIV/01	>=	Desire 1.125
Jeleu Zilo segme	nom oodom		burst-b	0	>=	1.25
Oft to	0 ft]	burst-t	0		
0 0	0	이	jnt strngth	36.65351	>=	1.8

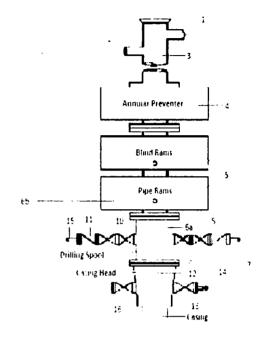
Mack Energy Corporation

Minimum Blowout Preventer Requirements

5000 psi Working Pressure 13 5/8 inch- 5 MWP 11 Inch - 5 MWP

Stack Requirements

		1110	
NO.	Items	Min.	Min.
		I.D.	Nominal
l l	Flowline		2"
2	Fill up line		2"
3	Drilling nipple		
4	Annular preventer		I
5	Two single or one dual hydraulically operated rams		
6a	Drilling spool with 2" min-kill line and 3" min choke line outlets		2" Choke
6h	2" min. kill line and 3" min. choke line outlets in ram. (Alternate to 6a above)		
7	Valve Gate Plug	3 1/8	
8	Gate valve-power operated	3 1/8	
9	Line to choke manifold		3"
10	Valve Gate Plug	2 1/16	
II	Check valve	2 1/16	
12	Casing head		
13	Valve Gate Plug	1 13/16	
14	Pressure gauge with needle valve		
15	Kill line to rig mud pump manifold	1	2"



OPTIONAL

r		* · · · · · · · · · · · · · · · · · · ·				
16		Flanged Valve		1 1	13/16	
1 10		riangea vaive		1 1	1 1/10 1	
	- I					

10.

MI:

CONTRACTOR'S OPTION TO CONTRACTOR'S OPTION TO FURNISH

- All equipment and connections above bradenhead or casinghead. Working pressure of preventers to be 2000 psi minimum.
- 2 Automatic accumulator (80 gallons, minimum) capable of closing BOP in 30 seconds or less and, holding them closed against full rated working pressure
- 3 BOP controls, to be located near drillers' position
- Kelly equipped with Kelly cock.
- 5 Inside blowout preventer or its equivalent on derrick floor at all times with proper threads to fit pipe being used.
- Kelly saver-sub equipped with rubber casing protector at all times.
- 7 Plug type blowout preventer tester
- 8 Extra set pipe rams to fit drill pipe in use on location at all times.
- Type RX ring gaskets in place of Type R

MECTOTURNISH

- 1 Bradenhead or easing head and side valves
- 2 Wear bushing If required

GENERAL NOTES

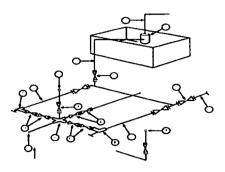
- Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager
- 2. All connections, valves, fittings, piping, etc., subject to well or pump pressure must be flanged (suitable clamp connections acceptable) and have minimum working pressure equal to rated working pressure of preventers up through choke valves must be full opening and suitable for high pressure mud service.
- Controls to be of standard design and each marked, showing opening and closing position
- 4 Chokes will be positioned so as not to hamper or delay changing of choke beans

- Replaceable parts for adjustable choke, or bean sizes, retainers, and choke wrenches to be conveniently located for immediate use.
- 5 All valves to be equipped with hand-wheels or handles ready for immediate use.
- 6 Choke lines must be suitably anchored
- 7 Handwheels and extensions to be connected and ready for use
- 8 Valves adjacent to drilling spool to be kept open. Use outside valves except for emergency.
- All seamless steel control piping (2000 psi working pressure) to have flexible joints to avoid stress. Hoses will be permitted.
- 10 Casinghead connections shall not be used except in case of emergency.
- 11 Does not use kill line for routine fill up operations

Mack Energy Corporation Exhibit #11

MINIMUM CHOKE MANIFOLD 3,000, 5,000, and 10,000 PSI Working Pressure

3 MWP - 5 MWP - 10 MWP



Mud Pit

Reserve Pit

* Location of separator optional

Below Substructure

Mimimum requirements

		3.0	00 MWP	lva imimu n		,000 MWP		16	0.000 MWP	
No.	[1.D.			1.D.	<u> </u>	T	I.D.	1	T
			Nominal	Rating		Nominal	Rating		Nominal	Rating
1	Line from drilling Spool		3"	3,000		3"	5.000	Ī	3"	10.000
2	Cross 3" x 3" x 3" x 2"			3.000		1	5,000			
2	Cross 3" x 3" x 3" x 2"								l	10,000
3	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10.000
4	Valve Gate Plug	1 13/16		3 000	1 13/16		5,000	1 13/16		10.000
4a	Valves (1)	2 1/16	· -	3,000	2 1/16		5,000	2 1/16		10,000
5	Pressure Gauge	1	T	3,000			5,000			10,000
6	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
7	Adjustable Choke (3)	2"		3,000	2"		5,000	2"		10,000
8	Adjustable Choke	Ī"	· · -	3,000	ī"		5,000	2"		10,000
9	Line	1	3"	3,000	Ī	3"	5,000		3"	10,000
10	Line		2"	3,000		2"	5,000	<u> </u>	2"	10,000
П	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
12	Line		3"	1,000	Ī	3"	1,000		3"	2,000
13	Line	1	3"	1,000		3" "	1,000] 3"	2,000
14	Remote reading compound Standpipe pressure quage			3,000			5.000			10,000
15	Gas Separator		2' \5'	Ī	I	2' \5'			2' \5'	ļ
16	1.me		4"	1,000		4"	1,000		4"	2.000
17	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000

- (1) Only one required in Class 3M
- (2) Gate valves only shall be used for Class 10 M
- (3) Remote operated hydraulic choke required on 5,000 psi and 10,000 psi for drilling

EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTION

- 1 All connections in choke manifold shall be welded, studded, flanged or Cameron clamp of comparable rating
- 2 All flanges shall be API 6B or 6BX and ring gaskets shall be API RX or BX. Use only BX for 10 MWP.
- 3 All lines shall be securely anchored
- 4 Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be available
- 5 alternate with automatic chokes, a choke manifold pressure gauge shall be located on the rig floor in conjunction with the standpipe pressure gauge
- 6 I me from drilling spool to choke manifold should bee as straight as possible. I mes downstream from chokes shall make turns by large bends or 90 degree bends using bull plugged tees.