

PLEASE EXPEDITE
UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
N.M. Oil Cons. DIV. Dist 2
1301 W. Grand Avenue
Albuquerque, NM 88210FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☐GAS WELL ☒OTHER ☐SINGLE ZONE ☒MULTIPLE ZONE ☐

2. NAME OF OPERATOR

RICKS EXPLORATION, INC. (ERICK NELSON 915-683-7443)

3. ADDRESS AND TELEPHONE NO.

110 WEST LOUISIANA SUITE 410 MIDLAND, TEXAS 79701 (915-683-7443)

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface
1260' FNL & 1980' FEL SEC. 27 T17S-R27E EDDY CO. NM
At proposed prod. zone SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 8 miles East of Artesia New Mexico.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

990'

16. NO. OF ACRES IN LEASE

520

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1260'

19. PROPOSED DEPTH

9900'

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3498' GR.

22. APPROX. DATE WORK WILL START*

WHEN APPROVED

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor	NA	40'	Cement to surface with Redi-mix.
17 1/2"	H-40 13 3/8"	48	450'	450 Sx. circulate cement to sur.
12 1/2"	J-55 8 5/8"	32	1800'	700 Sx. " " " "
7 7/8"	N-80 5 1/2"	17	9900'	700 Sx. estimate top cement 6000'

1. Drill 25" hole to 40'. Set 40' of 20" conductor and cement to surface with Redi-mix.
2. Drill 17 1/2" hole to 450'. Run and set 450' of 13 3/8" 48# H-40 ST&C casing. Cement with 450 Sx. of Class "C" cement + 1/4# Flocele/Sx., + 2% CaCl, circulate cement to surface.
3. Drill 12 1/2" hole to 1800'. Run and set 1800' of 8 5/8" 32# J-55 ST&C casing. Cement with 500 Sx. of Class "C" Light cement + 1/4# Flocele/Sx. + 5# Gilsonite/Sx. tail in with 200 Sx. of Class "C" cement + 1/4# Flocele/Sx., + 2% CaCl., circulate cement to surface.
4. Drill 7 7/8" hole to 9900'. Run and set 9900' of 5 1/2" 17# N-80 LT&C casing. Cement with 300 Sx. of Class "H" Light weight cement + additives, tail in with 400 Sx. of Class "H" Premium Plus cement + additives, estimate top of cement 6000' from surface.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24.

SIGNED Joe G. Lara TITLE Agent

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

/S/ JOE G. LARA

APPROVED BY

TITLE

FIELD MANAGER

DATE

JAN 31 2003

*See Instructions On Reverse Side

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 80400	Pool Name LOGAN DRAW-MORROW
Property Code	Property Name HONDO FEDERAL GAS COM	Well Number 3
OGRID No. 168489	Operator Name RICKS EXPLORATION INC.	Elevation 3498'

Surface Location

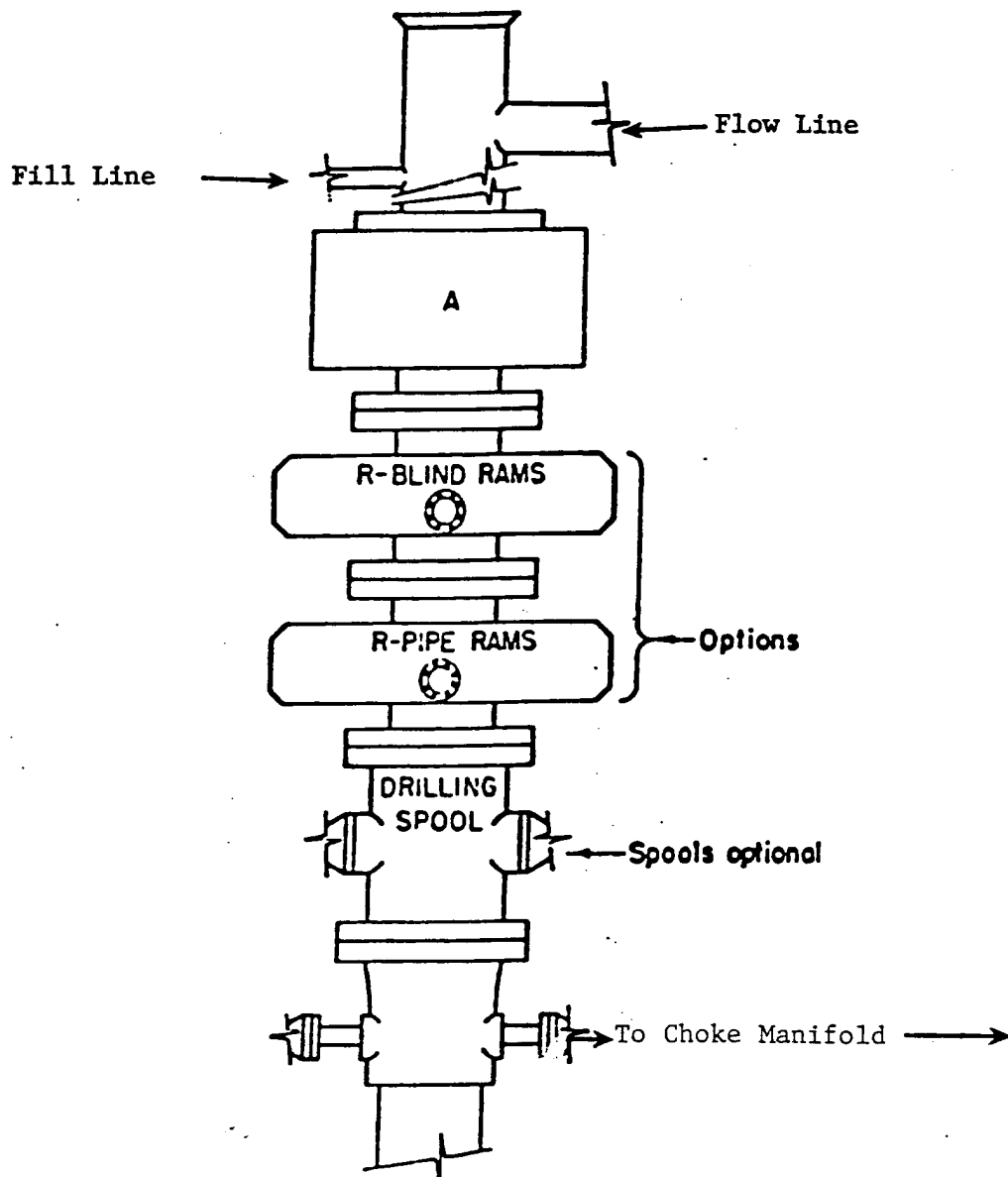
UL or lot No. B	Section 27	Township 17 S	Range 27 E	Lot Idn	Feet from the 1260	North/South line NORTH	Feet from the 1980	East/West line EAST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Joe T. Janica</i> Signature Joe T. Janica Printed Name Agent Title 01/06/03 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>DECEMBER 17, 2002 Date Surveyed Signature & Seal of Professional Surveyor GARY L. JONES W.D. No. 28634 Certificate No. 7977 BASIN SURVEYS</p>
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ARRANGEMENT SRRA

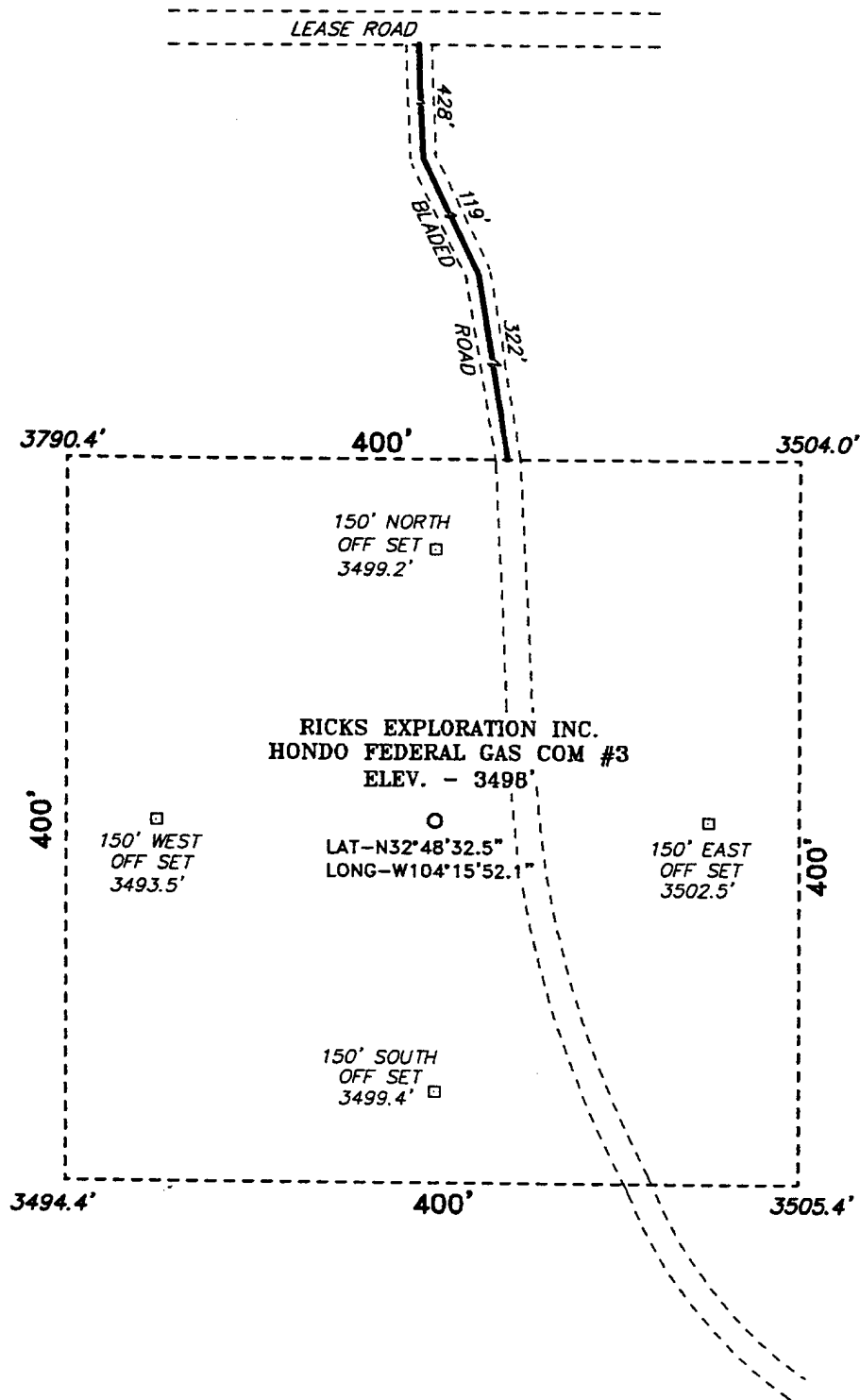
1500 Series

5000# Working Pressure

EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON

RICKS EXPLORATION, INC.
HONDO FEDERAL GAS COM. # 3
UNIT "B" SECTION 27
T17S-R27E EDDY CO. NM

SECTION 27, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



100 0 100 200 FEET
SCALE: 1" = 100'

DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF US HWY 82 AND CO. RD. 202, GO WEST ON US HWY 82 FOR 1.4 MILE; THENCE SOUTH ON LEASE FOR 0.6 MILE TO A BLADED ROAD AND PROPOSED LEASE ROAD.

RICKS EXPLORATION INC.

REF: HONDO FED. GAS COM No. 3 / Well Pad Topo

THE HONDO FEDERAL GAS COM No. 3 LOCATED 1260' FROM THE NORTH LINE AND 1980' FROM THE EAST LINE OF SECTION 27, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 2863

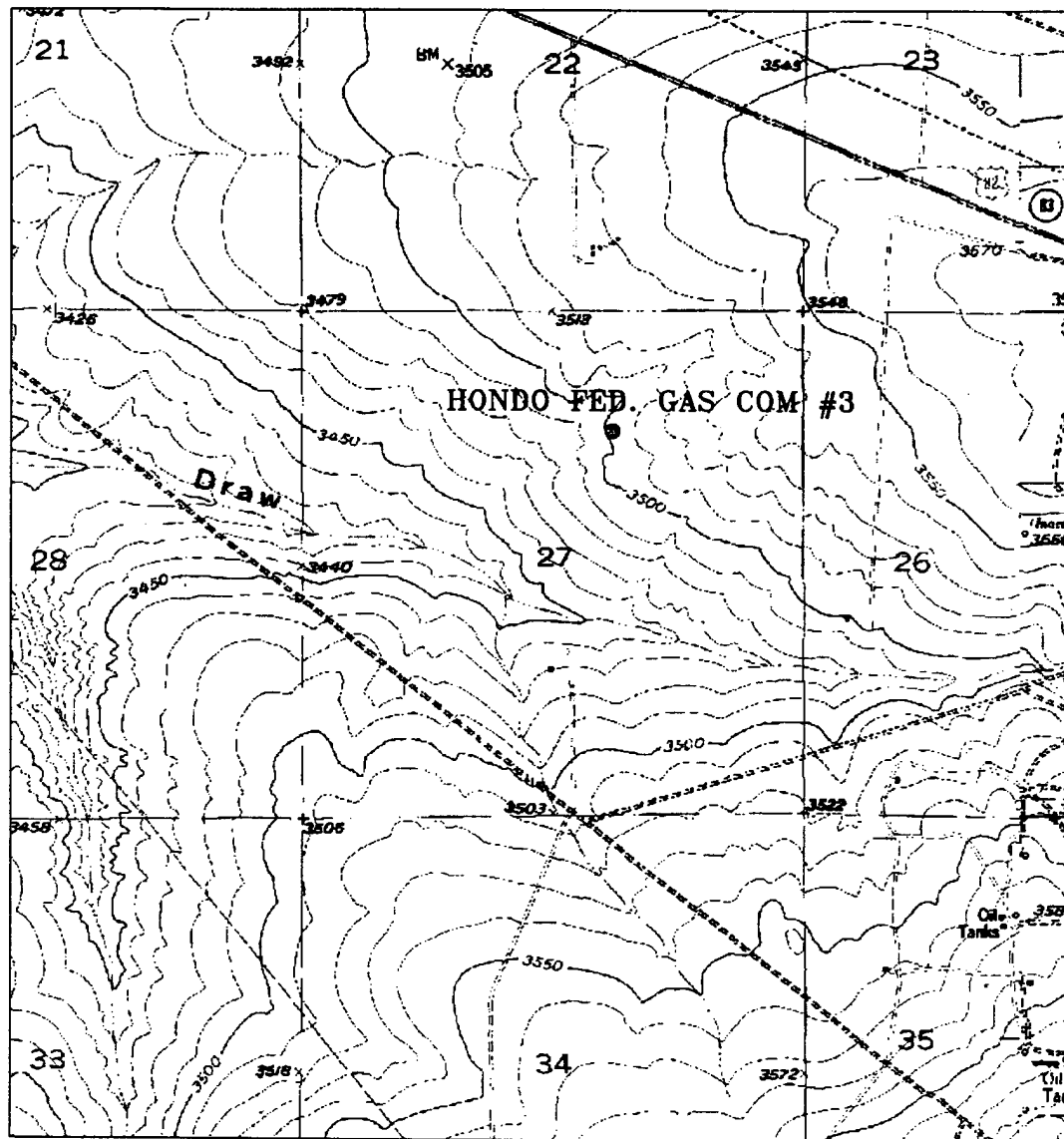
Drawn By: K. GOAD

Date: 12-18-2002

Disk: KJG CD#4 - 2863A.DWG

Survey Date: 12-17-2002

Sheet 1 of 1 Sheets



HONDO FEDERAL GAS COM #3
 Located at 1260' FNL and 1980' FEL
 Section 27, Township 17 South, Range 27 East,
 N.M.P.M., Eddy County, New Mexico.

**basin
surveys**
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: 2863AA - KJG CD#5

Survey Date: 12-17-2002

Scale: 1" = 2000'

Date: 12-18-2002

**RICKS
EXPLORATION
INC.**

APPLICATION TO DRILL

RICKS EXPLORATION, INC.
HONDO FEDERAL GAS COM. # 3
UNIT "B" SECTION 27
T17S-R27E EDDY CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is provided for your consideration.

1. Location: 1260' FNL & 1980' FEL SEC. @& T17S-R27E EDDY CO. NM
2. Elevation above Sea Level: 3498' GR.
3. Geologic name of surface formation: Quaternary Aeolian Deposits.
4. Drilling tools and associated equipment: Conventional rotary drilling rig using drilling mud as a circulating medium for solids removal from hole.
5. Proposed drilling depth: 9900'
6. Estimated tops of geological markers:

Queen	860'	Canyon	8225'
San Andres	1575'	Strawn	8665'
Glorietta	2915'	Atoka	9130'
Wolfcamp	6730'	Morrow	9750'
7. Possible mineral bearing formations:

Glorietta	Oil	Atoka	Gas
Wolfcamp	Gas	Morrow	Gas
Strawn	Gas		
8. Casing program:

Hole size	Interval	OD of casing	Weight	Thread	Collar	Grade
25"	0-40	20"	NA	NA	NA	Conductor
17½"	0-450'	13 3/8"	48	8-R	ST&C	H-40
12¼"	0-1800'	8 5/8"	32	8-R	ST&C	J-55
7 7/8"	0-9900'	5½"	17	8-R	LT&C	N-80

APPLICATION TO DRILL

RICKS EXPLORATION, INC.
 HONDO FEDERAL GAS COM. # 3
 UNIT "B" SECTION 27
 T17S-R27E EDDY CO. NM

9. CEMENTING & SETTING DEPTH:

20"	Conductor	Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
13 3/8"	Surface	Set 450' of 13 3/8" 48# H-40 ST&C casing. Cement with 450 Sx. of Class "C" cement + 25 CaCl, + 1/4# Flocele/Sx. Circulate cement to surface.
8 5/8"	Intermediate	Set 1800' of 8 5/8" 32# J-55 ST&C casing. Cement with 500 Sx. of Class "C" Light cement + 1/4# Flocele/Sx. + 5# Gilsonite/Sx., tail in with 200 Sx. of Class "C" cement + 2% CaCl, circulate cement to surface.
5 1/2"	Production	Set 9900' of 5 1/2" 17# N-80 LT&C casing. Cement with 300 Sx. of Class "H" Light Weight cement + additives, tail in with 300 Sx. of Class "H" cement + additives, estimate top of cement 6000' from surface.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 1500 Series 5000 PSI working pressure B.O.P. consisting of an annular bag type preventor, middle blind rams and bottom pipe rams. The B.O.P. will be nipped up on the 13 3/8" casing and tested to API specifications. The B.O.P. will be operated at least once in each 24 hour period and the blind rams will be operated when drill pipe is out of hole on trips. Full opening stabbing valve and upper kelly cock will be utilized. Exhibit "E-1" shows a hydraulically operated closing unit and a 2" 5000 PSI choke manifold with dual adjustable chokes. No abnormal pressures or temperatures are expected.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD SYSTEM
40-450'	8.4-8.7	29-35	NC	Fresh water spud mud add paper to control seepage.
450-1800'	10.1-±0.3	29-36	NC	Brine water add paper to control seepage and use high viscosity sweeps to clean hole.
1800-8500'	10.1-10.3	30-38	NC	Use same mud system as above.
8500-9900'	10.1-10.3	30-40	10 cc or less	Add a Polymer to system to reduce the water loss to the desired amount, use Soda Ash to control pH & high viscosity sweeps to clean hole

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run DST's, open hole logs, and casing viscosity and/or water loss may have to be adjusted to meet these needs.

APPLICATION TO DRILL

RICKS EXPLORATION, INC.
HONDO FEDERAL GAS COM. # 3
UNIT "B" SECTION 27
T17S-R27E EDDY CO. NM

12. LOGGING, CORING, AND TESTING PROGRAM:

- A. Open hole logs: Dual Laterolog, SNP, LDT, Gamma Ray, Caliper from TD back to Intermediate casing shoe. Run Gamma Ray, Neutron from intermediate casing shoe back to surface.
- B. Mud logger may be placed on hole at 6000' or when Geologist requests it.
- C. Cores and DST's may be run as shows dictate.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. There is no known presence of H²S in this area. If H²S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 4750 PSI, and Estimated BHT 178°.

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operation and drilling is expected to take 31 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flowlines in order to place well on production.

15. OTHER FACETS OF OPERATIONS:

After running casing, cased hole Gamma Ray, Neutron Collar logs will be run from TD back to all possible productive zones. The Morrow formation will be perforated and stimulated in order to establish production. The well will be swab tested and potentialized as a gas well.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. All Company and Contract personnel admitted on location must be trained by a qualified H₂S safety instructor to the following:
 - A. Characteristics of H₂S
 - B. Physical effects and hazards
 - C. Proper use of safety equipment and life support systems.
 - D. Principle and operation of H₂S detectors, warning system and briefing areas.
 - E. Evacuation procedure, routes and first aid.
 - F. Proper use of 30 minute pressure demand air pack.
2. H₂S Detection and Alarm Systems
 - A. H₂S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.
3. Windsack and/or wind streamers
 - A. Windsack at mudpit area should be high enough to be visible.
 - B. Windsack at briefing area should be high enough to be visible.
 - C. There should be a windsack at entrance to location.
4. Condition Flags and Signs
 - A. Warning sign on access road to location.
 - B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H₂S present in dangerous concentration. Only emergency personnel admitted to location.
5. Well control equipment
 - A. See exhibit "E" & "E-1"
6. Communication
 - A. While working under masks chalkboards will be used for communication.
 - B. Hand signals will be used where chalk board is inappropriate.
 - C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephoned will be available at most drilling foreman's trailer or living quarters.
7. Drillstem Testing
 - A. Exhausts will be watered.
 - B. Flare line will be equipped with an electric ignitor or a propane pilot light in case gas reaches the surface.
 - C. If the location is near to a dwelling a closed DST will be performed.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

8. Drilling contractor supervisor will be required to be familiar with the effects H₂S has on tubular goods and other mechanical equipment.
9. If H₂S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H₂S scavengers if necessary.

SURFACE USE PLAN

RICKS EXPLORATION, INC.
HONDO FEDERAL GAS COM. # 3
UNIT "B" SECTION 27
T17S-R27E EDDY CO. NM

1. EXISTING ROADS: Area roads, Exhibit "B" is a reproduction of a County General Hiway Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing existing roads and proposed roads. All existing roads will be maintained in a condition equal to or better than current conditions. Any new roads will be constructed to BLM specifications.
 - A. Exhibit "A" shows the proposed well site location as staked.
 - B. From Artesia New Mexico take U.S. Hi-way 82 East for 8± miles (1.6 miles West of electric sub-station) turn South cross cattle guard go .7 miles to location.
 - C. If necessary flowlines will be laid along existing road R-O-W's.
2. PLANNED ACCESS ROADS: No additional road will be required.
 - A. The access road will be crowned and ditched to a 12' wide travel surface with a 40' Right-of-Way.
 - B. Gradient on all roads will be less than 5%.
 - C. Turnouts will be constructed as required or as directed by the BLM.
 - D. If needed roads will be surfaced with a minimum of 4" of caliche. This material will be obtained from a local source.
 - E. Center line for the new access road has been staked and flagged. Earthwork will be done as required by field and topographic conditions.
 - F. Culverts in the access road will be used where necessary. The road will be constructed to utilize low water crossings for drainage as dictated by the topography.
3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS SHOWN ON EXHIBIT "A-1".
 - A. Water wells - None known
 - B. Disposal wells - None known
 - C. Drilling wells - None known
 - D. Producing wells - As shown on Exhibit "A-1"
 - E. Abandoned wells - As shown on Exhibit "A-1"
 - F. Injection wells - None known

SURFACE USE PLAN

RICKS EXPLORATION, INC.
HONDO FEDERAL GAS COM. # 3
UNIT "B" SECTION 27
T17S-R27E EDDY CO. NM

4. If on completion this well is a producer the operator will lay pipelines and construct powerlines along existing road R-O-W's or other existing R-O-W's.

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the access roads or piped to location in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction material will be obtained from the excavation of drill site, if additional material is needed it will be obtained from a local source and transported over the access roads as shown on Exhibit "C".

7. METHODS OF HANDLING WASTE MATERIAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill.
- C. Salts remaining after completion of well will be picked up by the supplier, including broken sacks.
- D. Waste water from living quarters will be drained into holes with a minium of 10'. These holes will be covered during drilling and will be back filled when the well is completed. A Porto-John will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- E. Remaining drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry enough to be broken out for furthed drying. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approve disposal site. Later pips will be broken out to speed drying. Water produced during completion will be put in reserve pits. Oil and condensate produced will be put in storage tanks and sold.

8. ANCILLARY FACILITIES:

- A. No camps or air strips will be constructed on location.

SURFACE USE PLAN

RICKS EXPLORATION, INC.
HONDO FEDERAL GAS COM. # 3
UNIT "B" SECTION 27
T17S-R27E EDDY CO. NM

9. WELL SITE LAYOUT

- A. Exhibit "D" shows the proposed well site layout.
- B. This exhibit indicated proposed location of reserve and sump pits and living facilities.
- C. Mud pits in the active circulating system will be steel pits & the reserve pit is proposed to be unlined unless subsurface condition encountered during pit construction indicate that lining is needed for lateral containment of fluids.
- D. If needed, the reserve pit is to be lined with polyethelene. The pit liner will be 6 mils thick. Pit liner will extend a minimum 2'00" over the reserve pits dikes where the liner will be anchored down.
- E. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

10. PLANS FOR RESTORATION OF SURFACE

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be contoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

SURFACE USE PLAN

RICKS EXPLORATION, INC.
HONDO FEDERAL GAS COM. # 3
UNIT "B" SECTION 27
T17S-R27E EDDY CO. NM

11. OTHER INFORMATION:

- A. Topography consists of flat to rolling plains, soil consists of Tan-Gray sandy silt mixed with caliche nodules and Limestone outcrops. Vegetation consists of creosote, prickly-pear, yucca, thistle, snakeweed and native grasses.
- B. Surface is owned by the U.S. Government and is administered by the Bureau of Land Management. The surface is used for grazing livestock and the production of oil and gas.
- C. An archaeological survey will be conducted on the location and access roads. This report will be filed with The Bureau of Land Management in the Carlsbad field office.
- D. There are no dwellings in the near vicinity of this location.

12. OPERATORS REPRESENTATIVES:

Before construction:

TIERRA EXPLORATION, INC
P.O. BOX 2188
HOBBS, NEW MEXICO 88241
OFFICE Ph. 505-391-8503
JOE T. JANICA

During and after construction:

RICKS EXPLORATION, INC.
110 WEST LOUISIANA SUITE 410
MIDLAND, TEXAS 79701
ERICK NELSON
PHONE 915-683-7443

13. CERTIFICATION: I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access roads, and that I am familiar with the conditions which currently exist, that the statements made in this plan are to the best of my knowledge true and correct, and that the work associated with the operations proposed herein will be performed by RICKS EXPLORATION, INC. it's contractors/subcontractors is in compformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provision of U.S.C. 1001 for the filing of a false report.

NAME : Joe T Janica
DATE : 01/06/03
TITLE : Agent

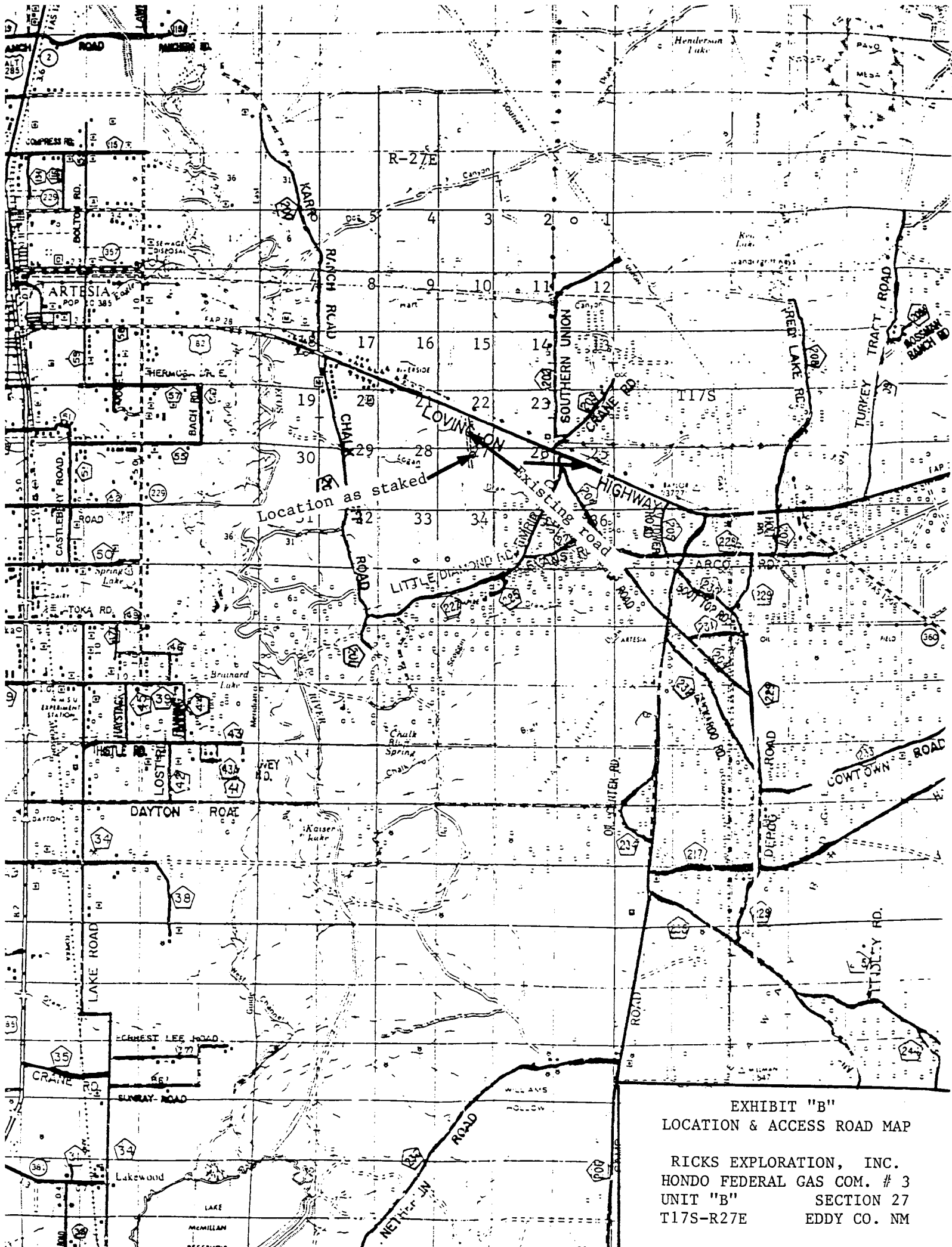


EXHIBIT "B"
LOCATION & ACCESS ROAD MAP

RICKS EXPLORATION, INC.
HONDO FEDERAL GAS COM. # 3
UNIT "B" SECTION 27
T17S-R27E EDDY CO. NM

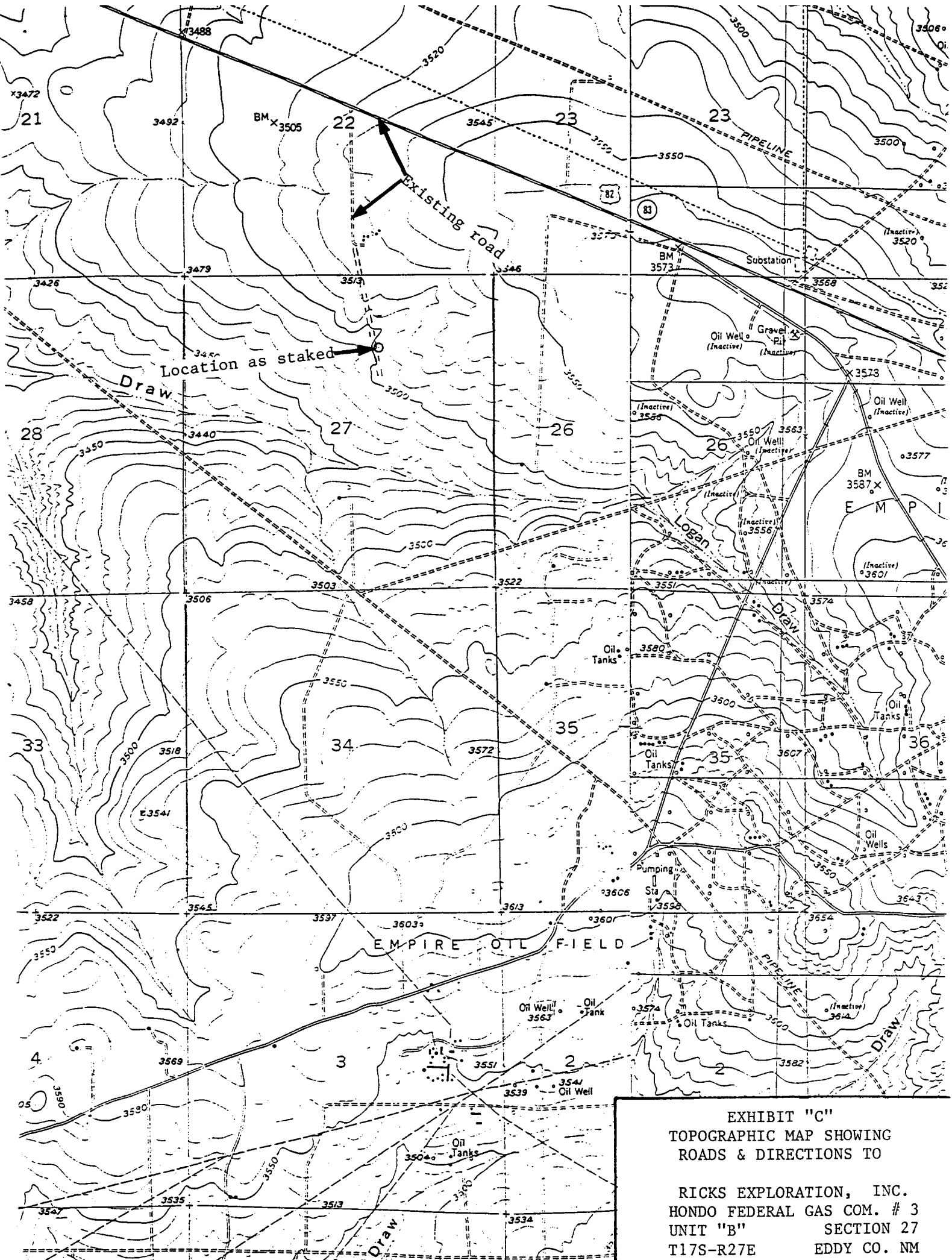
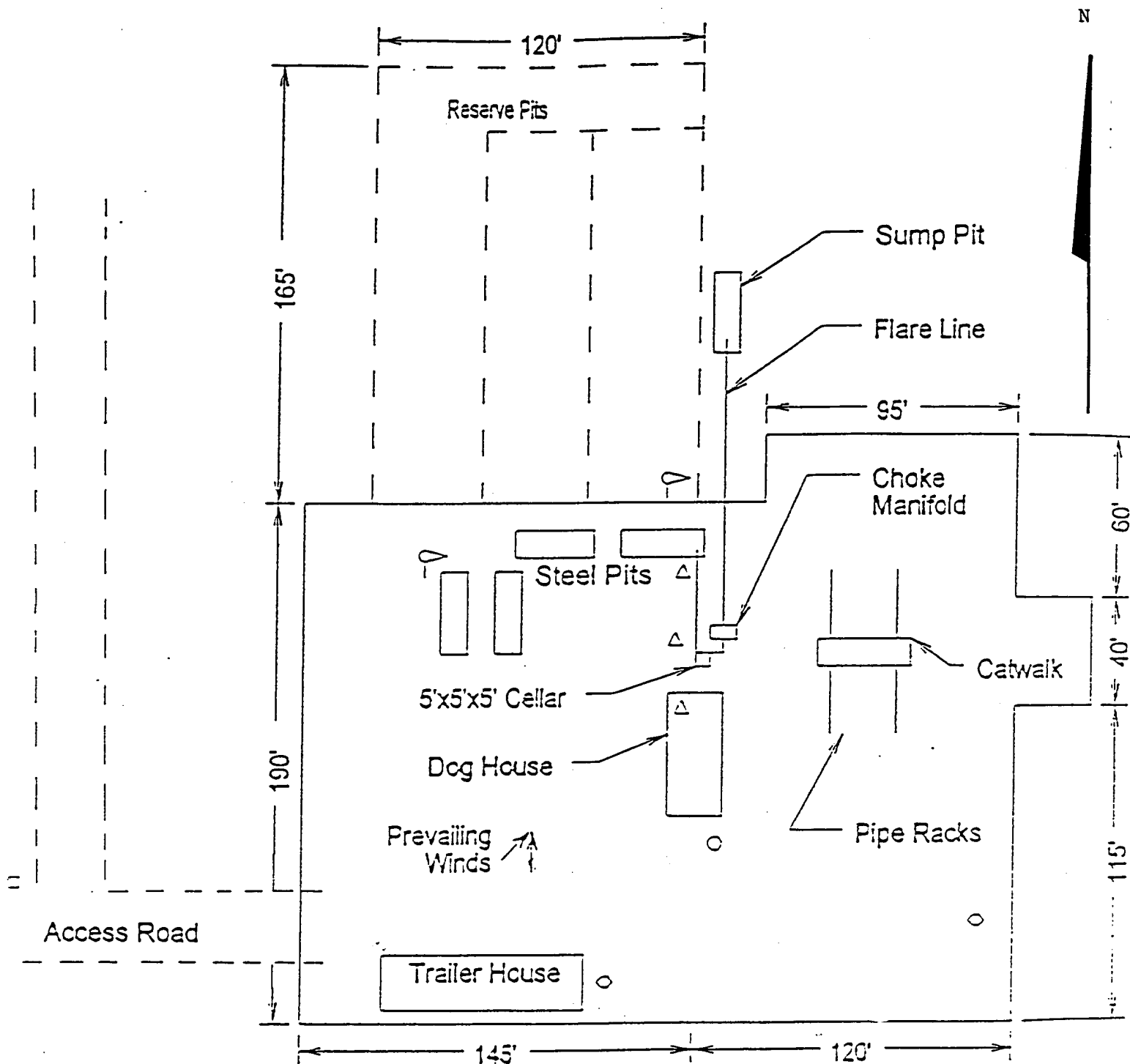


EXHIBIT "C"
TOPOGRAPHIC MAP SHOWING
ROADS & DIRECTIONS TO

RICKS EXPLORATION, INC.
HONDO FEDERAL GAS COM. # 3
UNIT "B" SECTION 27
T17S-R27E EDDY CO. NM



- Wind Direction Indicators (wind sock or streamers)
- △ H2S Monitors (alarms at bell nipple and shale shaker)
- Briefing Areas
- Remote EOP Closing Unit
- Sign and Condition Flags

EXHIBIT "D"
RIG LAY OUT PLAT

RICKS EXPLORATION, INC.
HONDO FEDERAL GAS COM. # 3
UNIT "B" SECTION 27
T17S-R27E EDDY CO. NM

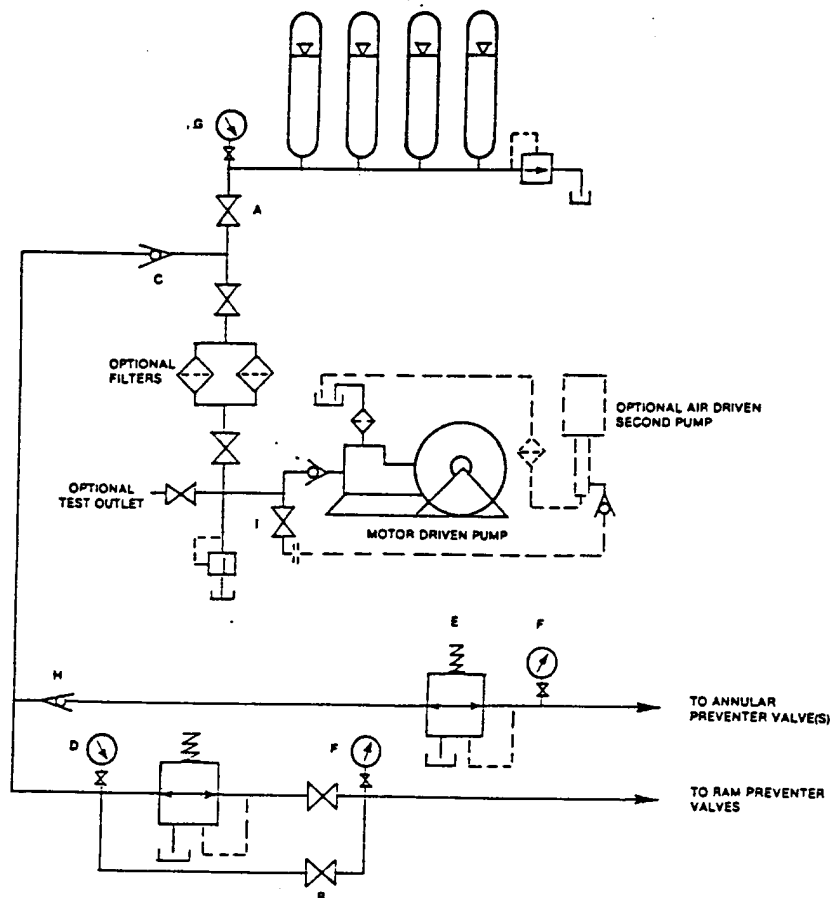


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

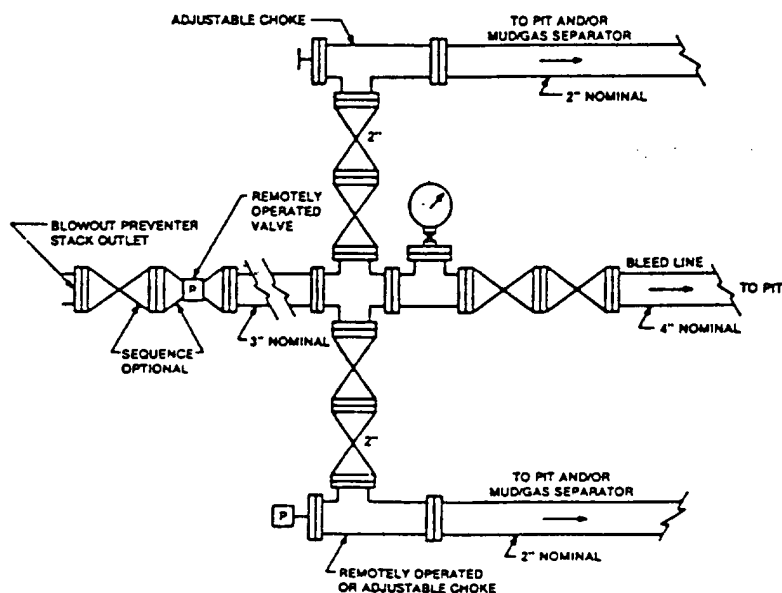


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

RICKS EXPLORATION, INC.
HONDO FEDERAL GAS COM. # 3
UNIT "B" SECTION 27
T17S-R27E EDDY CO. NM