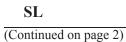
Form 3160-3 (June 2015)	FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018
UNITED STATES DEPARTMENT OF THE INTERIO BUREAU OF LAND MANAGEME	
APPLICATION FOR PERMIT TO DRILL O	
1a. Type of work: DRILL REENTER 1b. Type of Well: Oil Well Gas Well Other	7. If Unit or CA Agreement, Name and No.
10. Type of Weil Image: Only Completion: Image: On	Multiple Zone 8. Lease Name and Well No. [333486]
2. Name of Operator [13837]	9. API Well No. 30-005-20994
3a. Address 3b. Phone	e No. (include area code) 10. Field and Pool, or Exploratory [98210]
4. Location of Well <i>(Report location clearly and in accordance with any Sta</i> At surface	ate requirements.*) 11. Sec., T. R. M. or Blk. and Survey or Area
At proposed prod. zone 14. Distance in miles and direction from nearest town or post office*	12. County or Parish 13. State
15. Distance from proposed* 16. No of location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	Facres in lease 17. Spacing Unit dedicated to this well used Depth 20. BLM/BIA Bond No. in file
	oximate date work will start* 23. Estimated duration
	tachments
The following, completed in accordance with the requirements of Onshore ((as applicable)	Dil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). 	 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 5. Operator certification. 6. Such other site specific information and/or plans as may be requested by the BLM.
25. Signature Na	me (Printed/Typed) Date
Title	
Approved by (Signature) Na	me (Printed/Typed) Date
	al or equitable title to those rights in the subject lease which would entitle the
applicant to conduct operations thereon. Conditions of approval, if any, are attached.	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a cr of the United States any false, fictitious or fraudulent statements or represen	me for any person knowingly and willfully to make to any department or agency tations as to any matter within its jurisdiction.
NGMP Rec 10/19/2022	KZ IO/26/2022 *(Instructions on page 2)
(Continued on page 2)	*(Instructions on page 2)



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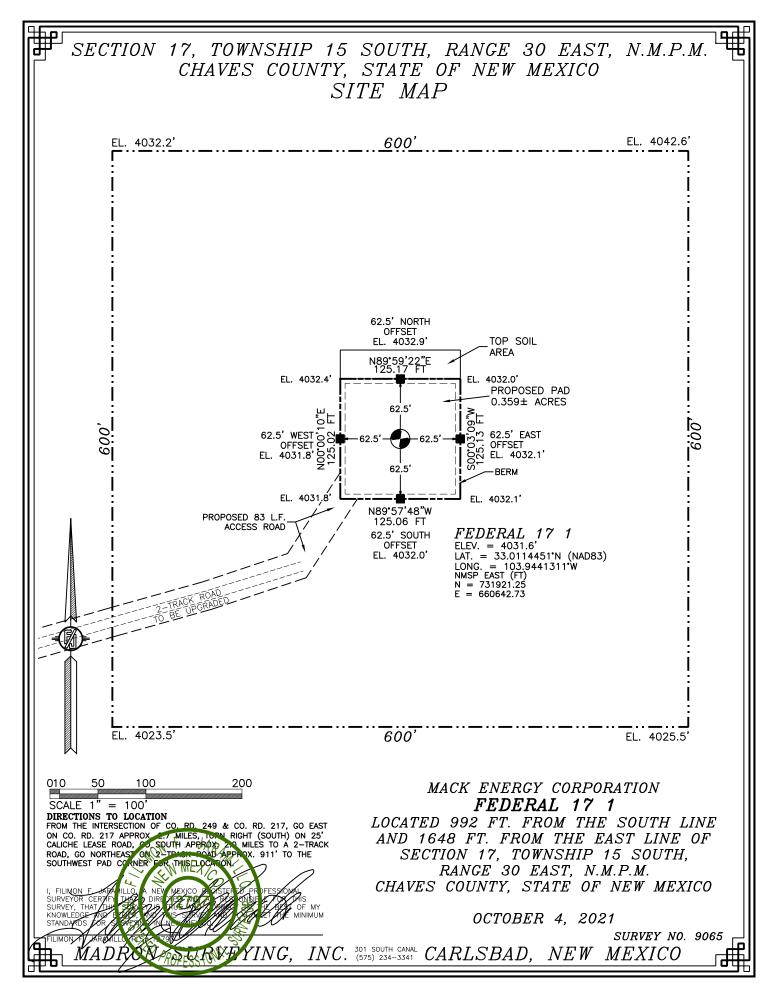
<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u> 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 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

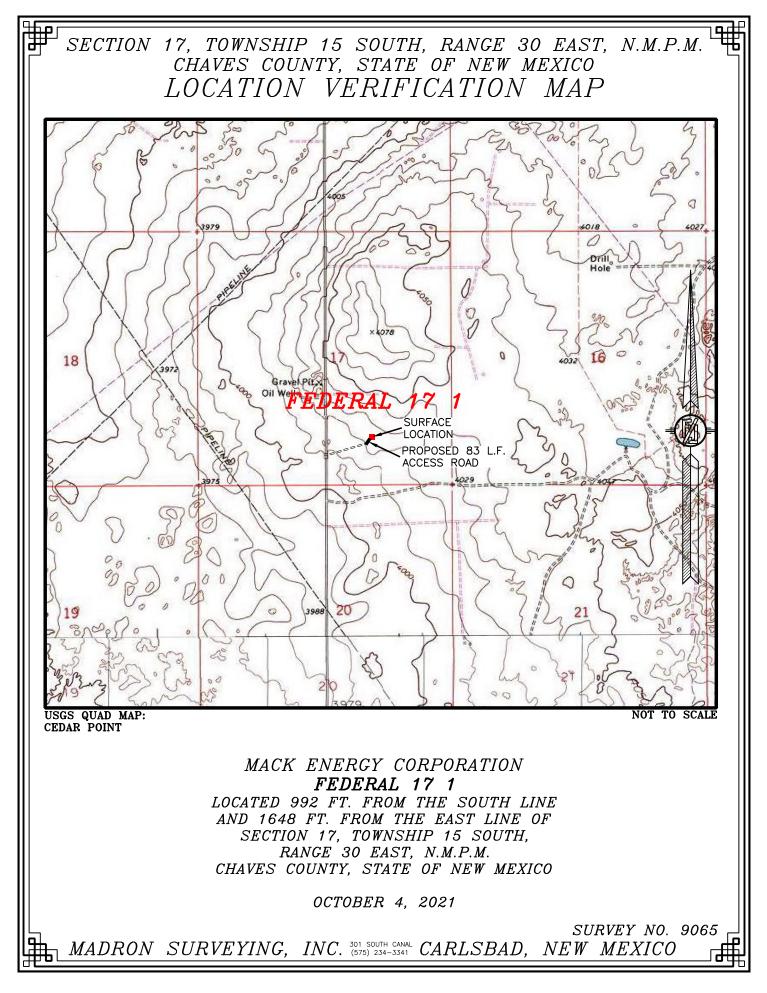
AMENDED REPORT

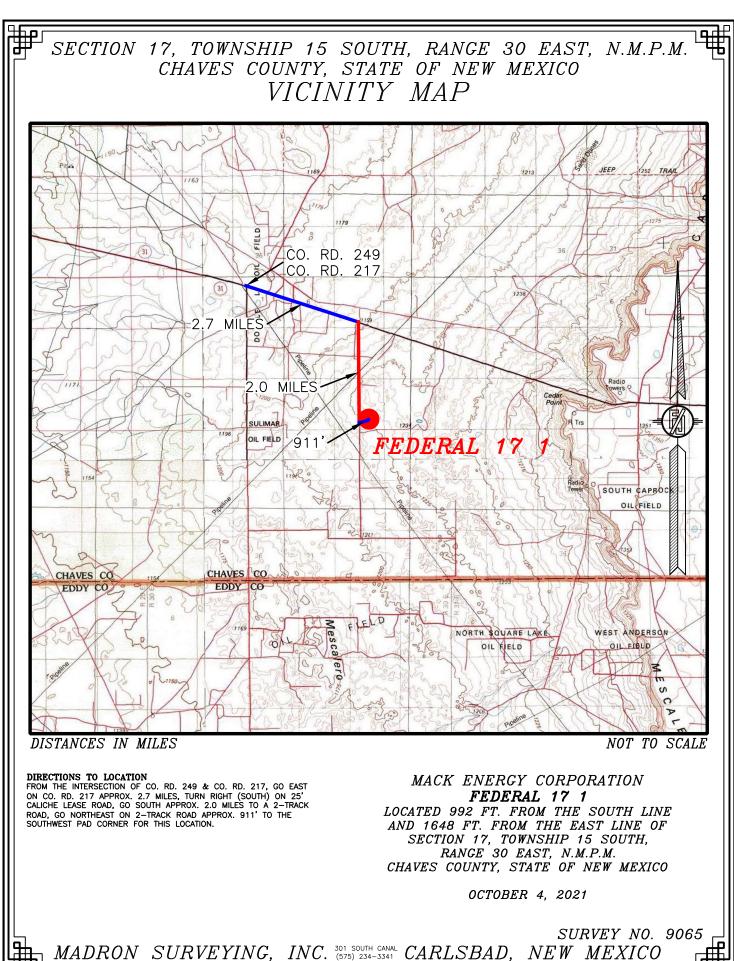
	WELL LOCATION AND ACREAGE DEDICATION PLAT												
¹ A	PI Number	r		² Pool Co	de		³ Pool Na	me					
30-00	5-20994	1		52770									
⁴ Property C					⁵ Propert	y Name			6	Well Number			
333486	•				FEDER	AL 17				1			
⁷ OGRID N		⁹ Elevation											
13837	4031.6												
	¹⁰ Surface Location												
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/W	est line	County			
Ο	17	15 S	30 E		992	SOUTH	1648	EA	ST	CHAVES			
			пE	Bottom]	Hole Locatio	n If Different Fr	om Surface						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/W	est line	County			
¹² Dedicated Acres	¹³ Joint	or Infill	⁴ Consolidation	n Code			¹⁵ Order No.						
40													

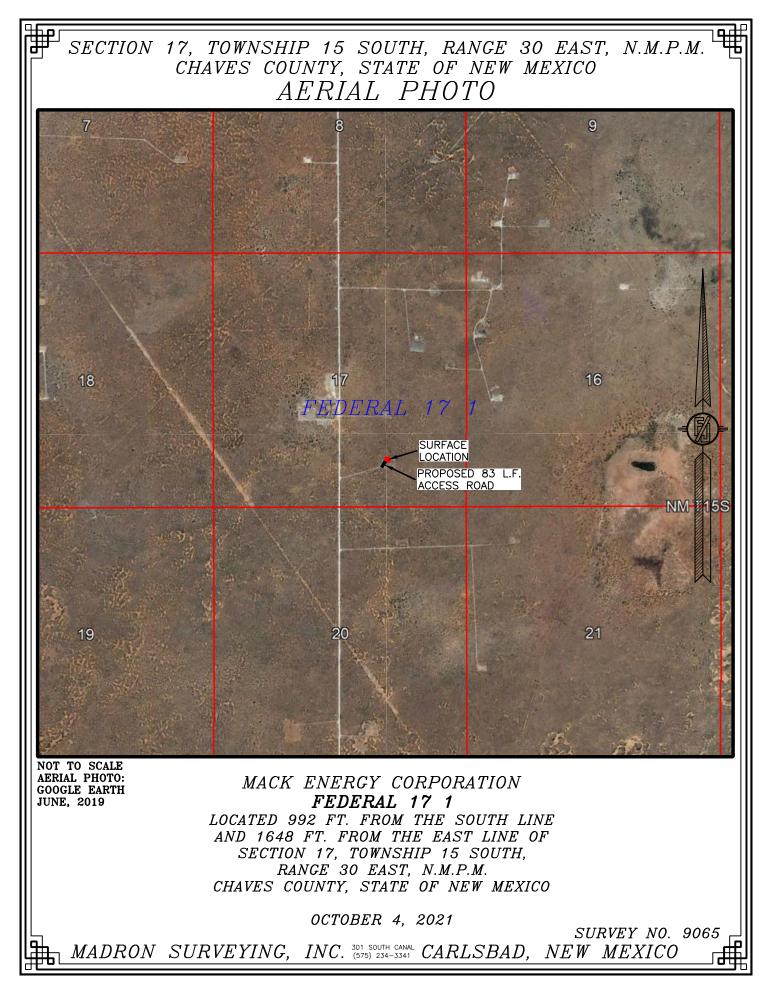
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

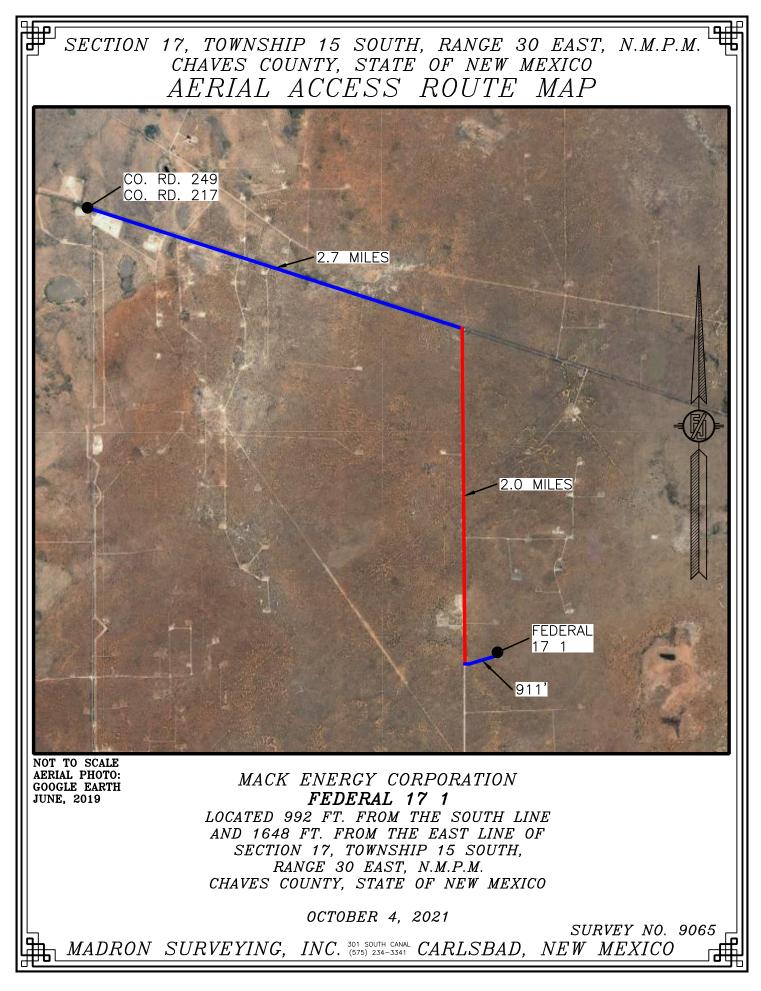
	N89°54'37"E	2641.06 FT	N89°54'37"E	2641.06 FT		¹⁷ OPERATOR CERTIFICATION
	NW CORNER SEC. 17		R SEC. 17	NE CORNER SEC. 17		I hereby certify that the information contained herein is true and complete
	LAT. = 33.0232643'N LONG. = 103.9559646'W	SCA	LED	LAT. = 33.0232337'N LONG. = 103.9387355'W		to the best of my knowledge and belief, and that this organization either
	NMSP EAST (FT)			NMSP EAST (FT)		owns a working interest or unleased mineral interest in the land including
F	N = 736208.21			N = 736216.48	Ŀ	the proposed bottom hole location or has a right to drill this well at this
49	E = 656999.86			E = 662280.61	4	location pursuant to a contract with an owner of such a mineral or working
1.4					42.8	interest, or to a voluntary pooling agreement or a compulsory pooling order
2641.					264	heretofore entered by the division.
			+		7"E	Deana Weaver 10/8/2021
,20					1,37	Signature Date
N00'11'20"W					S00'11'3'	Deana Weaver
Z					S(Printed Name
						dweaver@mec.com
				E/4 CORNER SEC. 17 LAT. = 33.0159717'N		E-mail Address
	W/4_CORNER_SEC17	· 	· 	LONG. = 103.9387388'W		
	SCALED			NMSP EAST (FT) N = 733574.33		¹⁸ SURVEYOR CERTIFICATION
				E = 662289.53		<i>I hereby certify that the well location shown on this plat</i>
			<i>FEDERAL 17 1</i> ELEV. = 4031.6'			v v 1
Ē			LAT. = 33.0114451°N		E	was plotted from field notes of actual surveys made by
49			LONG. = 103.944131 NMSP EAST (FT)	1'W	33	me or under my supervision, and that the same is true
2641			N = 731921.25		644.	and correct to the best of my belief.
			E = 660642.73		2	OCTOBER 4, 2021
`20"W			SURFACE		48"E	Date of Survey
1,2(1648' ~	~	MEXX
00.1	0W 000000 050 47		i t	CE 000NED 050 17	0.0	A AN ARANTA
NO	SW CORNER SEC. 17 LAT. = 33.0087477'N		ω (SE CORNER SEC. 17 LAT. = 33.0087056'N	SO	
	LONG. = 103.9559697'W		992'	LONG. = 103.9387666*W		Signature and Seal of Protestional Surveyor:
	NMSP EAST (FT) N = 730926.62	S/4 CORN	ER SEC. 17	NMSP EAST (FT) N = 730930.68		
	E = 657017.28		VLED	E = 662290.92		Certificate Number: Distriction LAB ANTILLO, LS 12797
	S89°57'21"W	2637.50 FT	S89*57'21"W	2637.50 FT	-	···· SUUR VE STAU. 9065

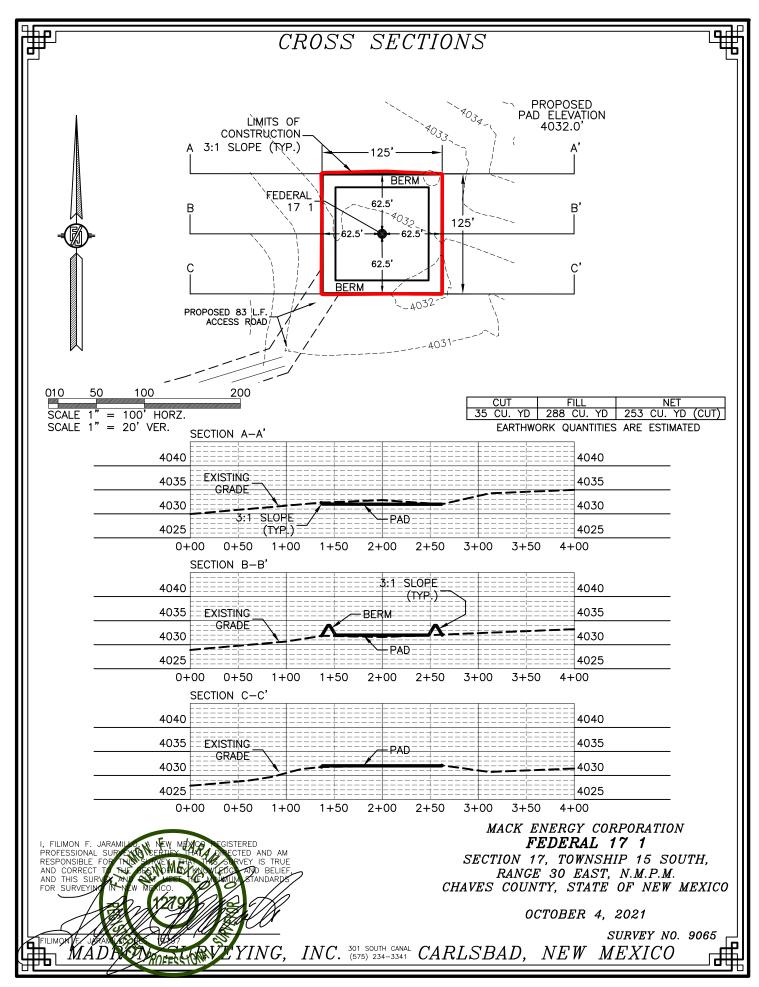


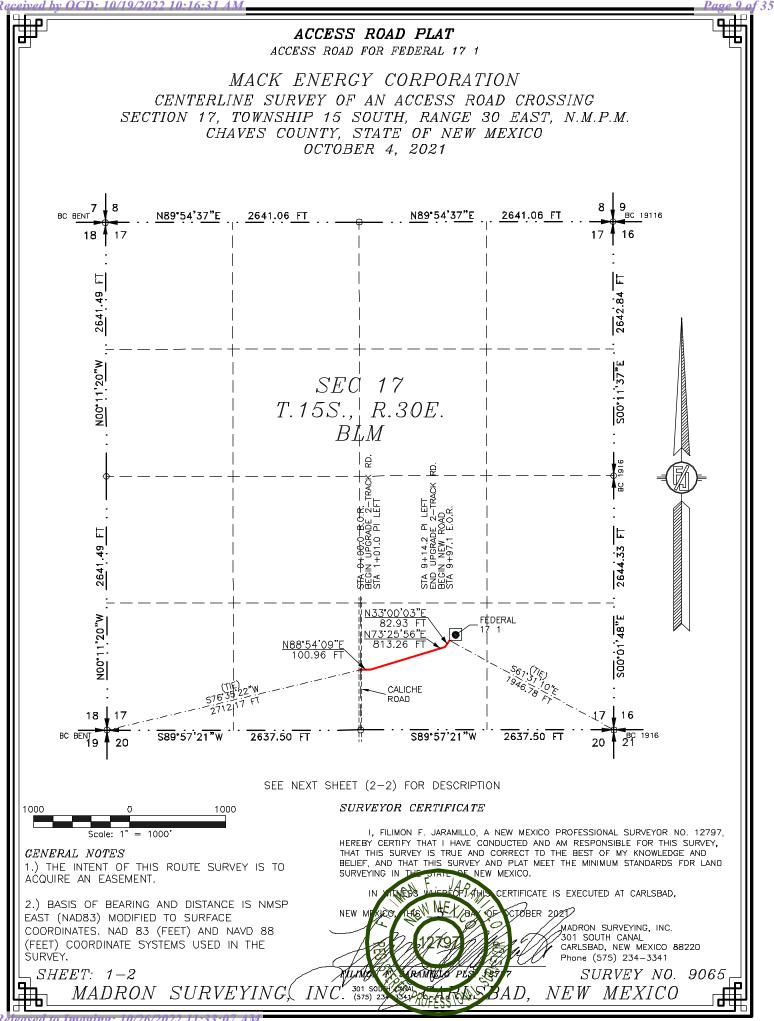












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ACCESS ROAD PLAT

ACCESS ROAD FOR FEDERAL 17 1

MACK ENERGY CORPORATION CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 17, TOWNSHIP 15 SOUTH, RANGE 30 EAST, N.M.P.M. CHAVES COUNTY, STATE OF NEW MEXICO *OCTOBER* 4, 2021

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 17, TOWNSHIP 15 SOUTH, RANGE 30 EAST, N.M.P.M., CHAVES COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE SW/4 SE/4 OF SAID SECTION 17, TOWNSHIP 15 SOUTH, RANGE 30 EAST, N.M.P.M., WHENCE THE SOUTHWEST CORNER OF SAID SECTION 17, TOWNSHIP 15 SOUTH, RANGE 30 EAST, N.M.P.M. BEARS S76'35'22"W, A DISTANCE OF 2712.17 FEET; THENCE N88'54'09"E A DISTANCE OF 100.96 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N73'25'56"E A DISTANCE OF 813.26 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;

THENCE N33"00'03"E A DISTANCE OF 82.93 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE SOUTHEAST CORNER OF SAID SECTION 17, TOWNSHIP 15 SOUTH, RANGE 30 EAST, N.M.P.M. BEARS S61'31'10"E, A DISTANCE OF 1946.78 FEET;

SAID STRIP OF LAND BEING 997.15 FEET OR 60.43 RODS IN LENGTH, CONTAINING 0.687 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

60.43 RODS 0.687 ACRES SW/4 SE/4 997.15 L*.*F.

SURVEYOR CERTIFICATE

GENERAL NOTES 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 2-2 MADRON SURVEYING (INC. 301 S.

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN NEW MEXICO.

CERTIFICATE IS EXECUTED AT CARLSBAD, JØBER 2027 NEW M MADRON SURVEYING, INC. 7301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341 SURVEY NO. 9065 NEW MEXICO

AD

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vived by OCD: 10/19/2	022 10:16:31 A	M					Page 11					
	State of New Mexico Energy, Minerals and Natural Resources Department											
		1220 S	nservation D outh St. Fran ta Fe, NM 87	icis Dr.								
	N	ATURAL GA	AS MANA	GEMENT PI	LAN							
This Natural Gas Mana	gement Plan mi	ist be submitted wi	th each Applica	tion for Permit to D	Drill (A	PD) for a new o	or recompleted well.					
			<u>1 – Plan D</u> fective May 25									
I. Operator: <u>Mack</u>	Energy Corpo	oration	OGRID:	013837		Date:	/_19/2022					
II. Type: 🕱 Original 🛛	☐ Amendment	due to □ 19.15.27.	9.D(6)(a) NMA	C □ 19.15.27.9.D(6)(b) N	MAC 🗆 Other						
If Other, please describe	e:											
III. Well(s): Provide the recompleted from a second					vells pr	oposed to be d	rilled or proposed to					
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D		cipated MCF/D	Anticipated Produced Water BBL/D					
Federal 17 #1	30-005-20994	O Sec 17 T15S R3	0E 992 FSL 1648 FEL		100	1	,000					
IV. Central Delivery F V. Anticipated Schedu proposed to be recompl	le: Provide the	following informat	ion for each nev	w or recompleted w		=	27.9(D)(1) NMAC] posed to be drilled or					
Well Name	API	Spud Date	TD Reached Date	Completion Commencement		Initial Flow Back Date	First Production Date					
ederal 17 #1	30-005-20994	1/1/2023	1/20/2023	3/31/2023	3	3/31/2023	4/1/2023					
VI. Separation Equips VII. Operational Prac Subsection A through F VIII. Best Manageme during active and plann	tices: X Attac of 19.15.27.8 1 nt Practices: X	h a complete descr NMAC. Attach a complet	iption of the ac	tions Operator will	l take t	o comply with	the requirements of					

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

 \mathbf{X} Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF		

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in				

XI. Map. \Box Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system \Box will \Box will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator \Box does \Box does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

□ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: \Box Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

<u>Section 3 - Certifications</u> <u>Effective May 25, 2021</u>

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

 \checkmark Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

 \Box Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. *If Operator checks this box, Operator will select one of the following:*

Well Shut-In. \Box Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. \Box Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: Deana Weaver										
Printed Name: Deana Weaver										
Title: Regulatory Technician II										
E-mail Address: dweaver@mec.com										
Date: 10/19/2022										
Phone: 575-748-1288										
OIL CONSERVATION DIVISION										
(Only applicable when submitted as a standalone form)										
Approved By:										
Title:										
Approval Date:										
Conditions of Approval:										

VI. Separation Equipment:

Mack Energy Corporation(MEC) production facilities include separation equipment designed to efficiently separate gas from liquid phases to optimize gas capture based on projected and estimated volumes from the targeted pool of our completion project. MEC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the completion to optimize gas capture and send gas to sales or flare based on analytical composition. MEC operates facilities that are typically multi-well facilities. Production separation equipment is upgraded prior to new wells being completed, if determined to be undersized or inadequate. This equipment is already on-site and tied into our sales gas lines prior to the new drill operations.

VII. Operational Practices:

- Subsection (A) Venting and Flaring of Natural Gas. MEC understands the requirements of NMAC 19.15.27.8 which outlines that the venting and flaring of natural gas during drilling, completion or production operations that constitutes waste as defined in 19.15.2 are prohibited.
- 2. Subsection (B) Venting and Flaring during drilling operations. This gas capture plan isn't for a well being drilled.
- 3. Subsection (C) Venting and flaring during completion or recompletion. Flowlines will be routed for flowback fluids into a completion or storage tank and if feasible under well conditions, flare rather than vent and commence operation of a separator as soon as it is technically feasible for a separator to function.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
- 4. Subsection (D) Venting and flaring during production operations o At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
 - Monitor manual liquid unloading for wells on-site or in close proximity (<30 minutes' drive time), take reasonable actions to achieve a stabilized rate and pressure at the earliest practical time, and take reasonable actions to minimize venting to the maximum extent practicable.
 - MEC will not vent or flare except during the approved activities listed in NMAC 19.15.27.8 (D) 14.
- 5. Subsection (E) Performance standards \circ All tanks and separation equipment are designed for maximum throughput and pressure to minimize waste.
 - If a flare is utilized during production operations it will have a continuous pilot and is located more than 100 feet from any known well or storage tanks.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.

- 6. Subsection (F) Measurement or estimation of vented and flared natural gas \circ Measurement equipment is installed to measure the volume of natural gas flared from process piping.
 - When measurement isn't practicable, estimation of vented and flared natural gas will be completed as noted in 19.15.27.8 (F) 5-6.

VIII. Best Management Practices:

- 1. MEC has adequate storage and takeaway capacity for wells it chooses to complete as the flowlines at the sites are already in place and tied into a gathering system.
- 2. MEC will flare rather than vent vessel blowdown gas when technically feasible during active and/or planned maintenance to equipment on-site.
- 3. MEC combusts natural gas that would otherwise be vented or flared, when technically feasible.
- 4. MEC will shut in wells in the event of a takeaway disruption, emergency situation, or other operations where venting or flaring may occur due to equipment failures.
- 5. MEC has a gas gathering system in place(CTB-887)a with multiple purchaser's to limit venting or flaring, due to purchaser shut downs.

WAFMSS

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

APD ID: 10400081143

Operator Name: MACK ENERGY CORPORATION

Well Name: FEDERAL 17

Well Type: OTHER

Submission Date: 11/02/2021

Well Number: 1 Well Work Type: Reenter Highlighted data reflects the most recent changes

10/18/2022

Show Final Text

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical	Measured Depth	Lithologies	Mineral Resources	Producing Formatio
7711730	QUÁTERNARY	4031	0	0	ALLUVIUM	NONE	N
7711731	RUSTLER	3429	602	602	ALLUVIUM	NONE	N
7711732	TOP OF SALT	3321	710	710	SALT	NONE	N
7711733	BASE OF SALT	2749	1282	1282	SALT	NONE	N
7711734	YATES	2571	1460	1460	SILTSTONE	NATURAL GAS, OIL	N
7711735	SEVEN RIVERS	2331	1700	1700	SILTSTONE	NATURAL GAS, OIL	N
7711736	QUEEN	1837	2194	2194	SILTSTONE	NATURAL GAS, OIL	N
7711737	GRAYBURG	1451	2580	2580	DOLOMITE, SILTSTONE	NATURAL GAS, OIL	N
7711738	SAN ANDRES	1141	2890	2890	DOLOMITE	NATURAL GAS, OIL	N
7935543	GLORIETA	-407	4438	4438	SILTSTONE	NATURAL GAS, OIL	Ν

Section 2 - Blowout Prevention

Pressure Rating (PSI): 3M

Rating Depth: 4250

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 300psi. 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. The estimated bottom hole at TD is 120 degrees and estimated maximum bottom hole pressure is 2033 psig (0.052*4250TD*9.2ppg) less than 2900 bottom hole pressure.

Choke Diagram Attachment:

choke_manifold_diagram_20211020140842.pdf

Operator Name: MACK ENERGY CORPORATION

Well Name: FEDERAL 17

Well Number: 1

choke_manifold_20211020140850.pdf

BOP Diagram Attachment:

bop_diagram_20211020140856.pdf

Section 3 - Casing

Casing ID		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	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
	SURFACE	17.5	13.375	NEW	API	N	0	516	0	516	4031	3515	516	J-55	48	ST&C	2.87 3	4.64	BUOY	20.4 92	BUOY	4.74
2	INTERMED	11	8.625	NEW	API	N	0	2876	0	2876	4031	1155	2876	HCK -55	24	ST&C	1.29 4	4.76 1	BUOY	4.11 4	BUOY	5.9

Casing Attachments

Casing ID: 1 String SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Surface_Csg_20211020143139.pdf

Wellbore_diagram_20211217151821.pdf

Operator Name: MACK ENERGY CORPORATION

Well Name: FEDERAL 17

Well Number: 1

Casing Attachments

Casing ID:	2	String	INTERMEDIATE
ousing ib.	2	ounig	

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Intermediate_Csg_20211020143402.pdf

Wellbore_diagram_20211217151805.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		0	516	500	0	0	0		Class C	Existing Cement Ran 1/23/1985

INTERMEDIATE	Lead		0	2876	900	0	0	0		Lite & CLC	Existing Cement Ran 1/23/1985
--------------	------	--	---	------	-----	---	---	---	--	------------	----------------------------------

Operator Name: MACK ENERGY CORPORATION

Well Name: FEDERAL 17

Well Number: 1

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: Pason PVT with Pit Volume Recorded

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (Ibs/gal)	Max Weight (Ibs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	Н	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	4250	LSND/GEL	8.3	9.2	74.8	0.1	11		12000	15	The estimated bottom hole at TD is 120 degrees and estimated maximum bottom hole pressure is 2033 psig (0.052*4250'TD*9.2ppg) less than 2900 bottom hole pressure.

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures: None

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

CNL/FDC, GAMMA RAY LOG, FORMATION DENSITY COMPENSATED LOG,

Coring operation description for the well:

Will evaluate after logging to determine the necessity for sidewall coring.

Operator Name: MACK ENERGY CORPORATION

Well Name: FEDERAL 17

Well Number: 1

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 2033

Anticipated Surface Pressure: 1097

Anticipated Bottom Hole Temperature(F): 95

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

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards

Hydrogen Sulfide drilling operations plan required? NO

Hydrogen sulfide drilling operations

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Escape_Route_20211025141124.pdf H2S_Plan_20211025141131.pdf Wellbore_diagram_20211217151848.pdf Drilling_Program_20220106144426.pdf

Other proposed operations facets description:

Mack Energy Corporation plans to plug the well promptly.

Other proposed operations facets attachment:

Other Variance attachment:

PECOS DISTRICT DRILLING OPERATIONS CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Mack Energy Corporation
	NMNM-138842
WELL NAME & NO.:	Federal 17 1
SURFACE HOLE FOOTAGE:	0992' FSL & 1648' FEL
LOCATION:	Section 17, T. 15 S., R 30 E., NMPM
COUNTY:	Chaves County, New Mexico

The Gamma Ray and Neutron well logs must be run from total depth to surface and e-mailed to Chris Bolen at <u>cbolen@blm.gov</u> or hard copy mailed to 2909 West Second Street Roswell, NM 88201 to his attention.

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)

Chaves and Roosevelt Counties

Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201. During office hours call (575) 627-0272. After hours cll (575) 627-0205.

A. Hydrogen Sulfide

- 1. Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.
- 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. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.

4. 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 <u>8 hours</u>. 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.

Possibility of water flows in the Rustler, Queen, Rustler, Salado and Artesia Group. Possibility of lost circulation in the Rustler, Artesia Group, and San Andres. **Existing Casing:**

17-1/2" 48#, J-55, ST&C set at 516'.

11" 24#, HCK-55, ST&C set at 2876'.

Operator is drilling down to 5,350' coring and proptly plugging the well.

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 **3000** (**3M**) psi (**Installing 3M BOP, testing to 2,000 psi**).
- 3. The appropriate BLM office shall be notified a minimum of 4 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).
 - b. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**.
 - c. 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.
 - d. The results of the test shall be reported to the appropriate BLM office.
 - e. 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.

Page 3 of 4

f. 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 02102022

Mack Energy Corporation Federal A #1 NMNM-101106 SHL : 2310 FSL & 324 FWL, NW/4 SW/4, Sec. 29 T15S R29E Chaves 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.
- 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. 1 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:

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

8. Well testing:

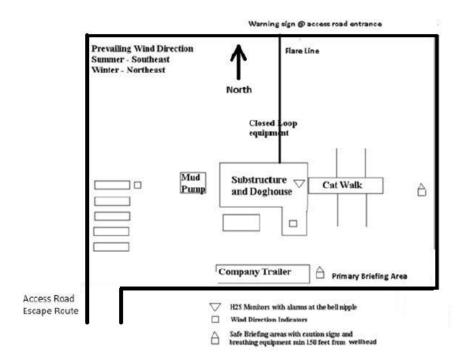
A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safely and adequately conduct the test. The drill stem testing will be conducted during daylight hours and formation fluids will not be flowed to the surface. All drill-stem-testing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

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Mack Energy Corporation Federal A #1 NMNM-101106 SHL : 2310 FSL & 324 FWL, NW/4 SW/4, Sec. 29 T15S R29E Chaves County, NM

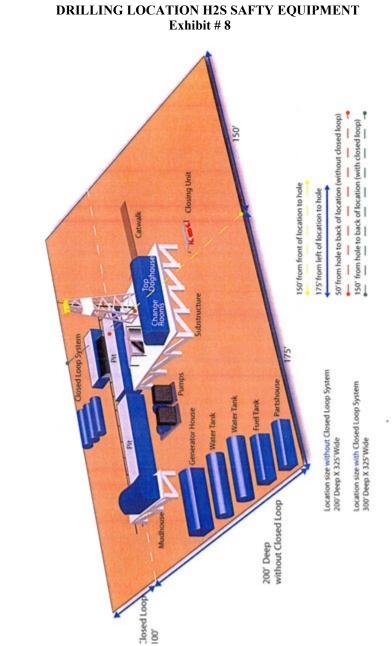
B. There will be no drill stem testing.





Location Layout

Mack Energy Corporation Federal A #1 NMNM-101106 SHL : 2310 FSL & 324 FWL, NW/4 SW/4, Sec. 29 T15S R29E **Chaves County, NM**



Mack Energy Corporation Call List, Chaves County

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

Agency Call List (575)

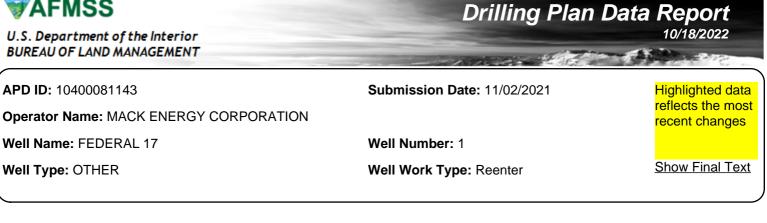
Roswell

State Police	622-7200
City Police	624-6770
Sheriff's Office	624-7590
Ambulance	624-7590
Fire Department	624-7590
LEPC (Local Emergency Planning Committee	624-6770
NMOCD	748-1283
Bureau of Land Management	627-0272

Emergency Services

Boots & Coots IWC	1-800-256-9688 or (281)931-8884
Cudd pressure Control	(915)699-0139 or (915)563-3356
Halliburton	
Par Five	
Flight For Life-Lubbock, TX	
Aerocare-Lubbock, TX	
Med Flight Air Amb-Albuquerque	, NM(505)842-4433
Lifeguard Air Med Svc. Albuquero	$M = NM = (505)272_3115$

AFMSS



Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical	Measured Depth	Lithologies	Mineral Resources	Producing Formatio
7711730	QUÁTERNARY	4031	0	Ó	ALLUVIUM	NONE	N
7711731	RUSTLER	3429	602	602	ALLUVIUM	NONE	N
7711732	TOP OF SALT	3321	710	710	SALT	NONE	N
7711733	BASE OF SALT	2749	1282	1282	SALT	NONE	N
7711734	YATES	2571	1460	1460	SILTSTONE	NATURAL GAS, OIL	N
7711735	SEVEN RIVERS	2331	1700	1700	SILTSTONE	NATURAL GAS, OIL	N
7711736	QUEEN	1837	2194	2194	SILTSTONE	NATURAL GAS, OIL	N
7711737	GRAYBURG	1451	2580	2580	DOLOMITE, SILTSTONE	NATURAL GAS, OIL	N
7711738	SAN ANDRES	1141	2890	2890	DOLOMITE	NATURAL GAS, OIL	N
7935543	GLORIETA	-407	4438	4438	SILTSTONE	NATURAL GAS, OIL	N

Section 2 - Blowout Prevention

Pressure Rating (PSI): 3M

Rating Depth: 4250

Equipment: Rotating Head, Mud-Gas Separator

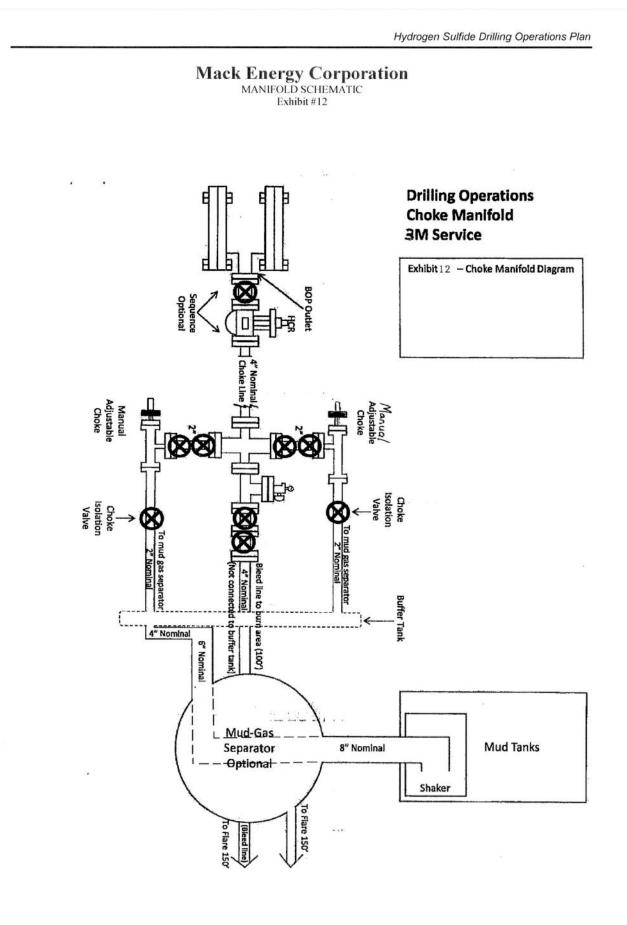
Requesting Variance? NO

Variance request:

Testing Procedure: The BOP/BOPE test shall include a low pressure test from 250 to 300psi. 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. The estimated bottom hole at TD is 120 degrees and estimated maximum bottom hole pressure is 2033 psig (0.052*4250TD*9.2ppg) less than 2900 bottom hole pressure.

Choke Diagram Attachment:

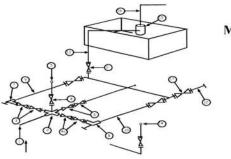
choke_manifold_diagram_20211020140842.pdf



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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



Mud Pit

Reserve Pit

* Location of separator optional

Below Substructure

Mimimum requirements

3,000 MWP					5	,000 MWP		10	10,000 MWP		
No.		I.D.	Nominal	Rating	I.D.	Nominal	Rating	I.D.	Nominal	Rating	
1	Line from drilling Spool		3"	3,000		3"	5,000		3"	10,000	
2	Cross 3" x 3" x 3" x 2"			3,000			5,000				
2	Cross 3" x 3" x 3" x 2"									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			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	1"		3,000	1"		5,000	2"		10,000	
9	Line		3"	3,000		3"	5,000		3"	10,000	
10	Line		2"	3,000		2"	5,000		2"	10,000	
11	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000	
12	Line		3"	1,000		3"	1,000		3"	2,000	
13	Line		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' x5'			2' x5'			2' x5'		
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	

(1) Only one required in Class 3M

1.

(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

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.

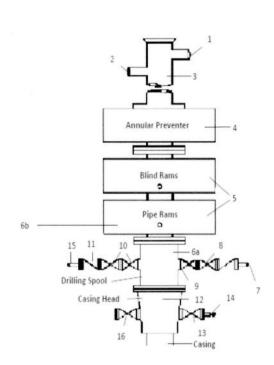
 alternate with automatic chokes, a choke manifold pressure gauge shall be located on the rig floor in conjunction with the standpipe pressure gauge.

6. 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 5000 psi Working Pressure 13 5/8 inch- 5 MWP 11 Inch - 5 MWP

Stack Requirements

NO.	Items	Min. I.D.	Min. Nominal
1	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
6b	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

16	Flanged Valve	1 13/16	

10.

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.
- 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 casing 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:

1. Bradenhead or casing 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.
- 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.
- 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 seamless 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.
- Does not use kill line for routine fill up operations.

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

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υU	ועא	TION	13

Operator:	OGRID:
MACK ENERGY CORP	13837
P.O. Box 960	Action Number:
Artesia, NM 882110960	151899
	Action Type:
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
pkautz	None	10/26/2022

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Action 151899