

<p>²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.</p> <p>Signature: <u>April D. McKay</u></p> <p>Printed name: APRIL D. MCKAY</p> <p>Title: VICE PRESIDENT</p>		<p>OIL CONSERVATION DIVISION</p> <p>Approved by: ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR</p> <p>Title:</p> <p>Approval Date: SEP 29 2003 Expiration Date: SEP 29 2004</p> <p>Conditions of Approval:</p> <p>Attached <input type="checkbox"/></p>	
<p>Date:</p> <p>9/16/03</p>	<p>Phone:</p> <p>505-623-4735</p>		

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
811 South First, Artesia, NM 88210

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

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	McKAY WINSTON "C"	Property Name
OGRID No.	McKAY OIL CORPORATION	Operator Name
		Well Number 1
		Elevation 3749

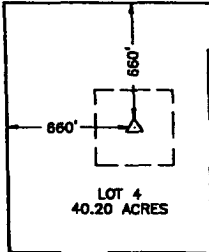
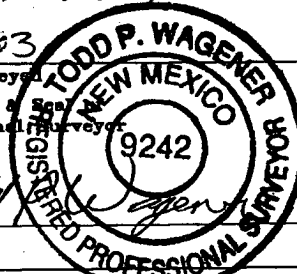
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	3	8 S	26 E		660	NORTH	660	WEST	CHAVES

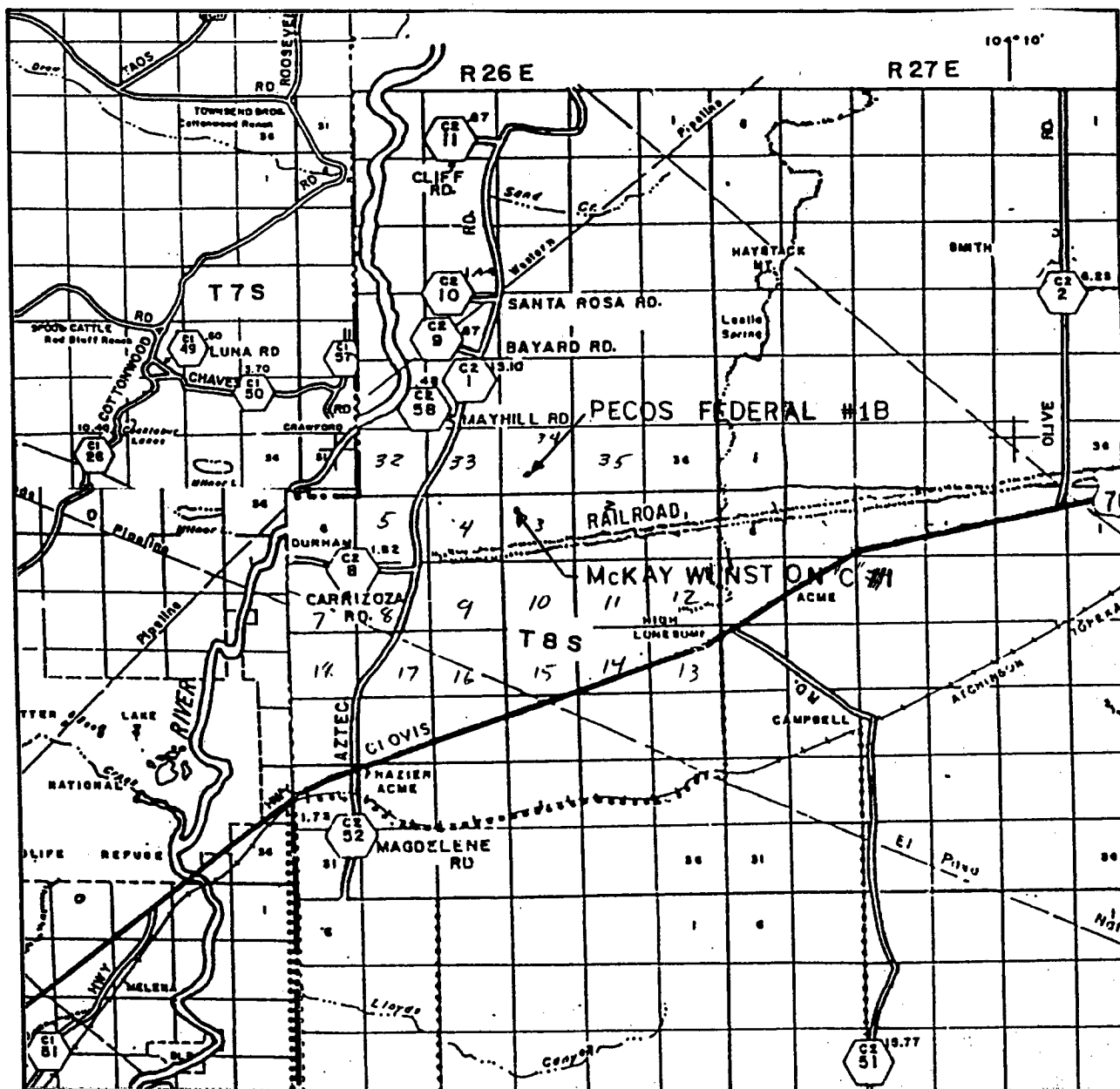
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	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

	LOT 3 40.17 ACRES	LOT 2 40.14 ACRES	LOT 1 40.11 ACRES
OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <u>April D. McKay</u> Signature <u>April D. McKay</u> Printed Name <u>V.P.</u> Title <u>9/15/03</u> Date			
SURVEYOR CERTIFICATION 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. <u>9/9/03</u> Date Surveyed <u>Todd P. Wagener</u> Signature of Registered Professional Surveyor  Certificate No. TODD P. WAGENER NMPS # 9242 WAGENER ENGINEERING 1410 N. MISSOURI AVE. ROSWell, NM 88201 505-823-8382			

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 3 TWP. 8 S RGE. 26 E

SURVEY N.M.P.M.

COUNTY CHAVES

DESCRIPTION 660' FNL & 660' FWL

ELEVATION 3749

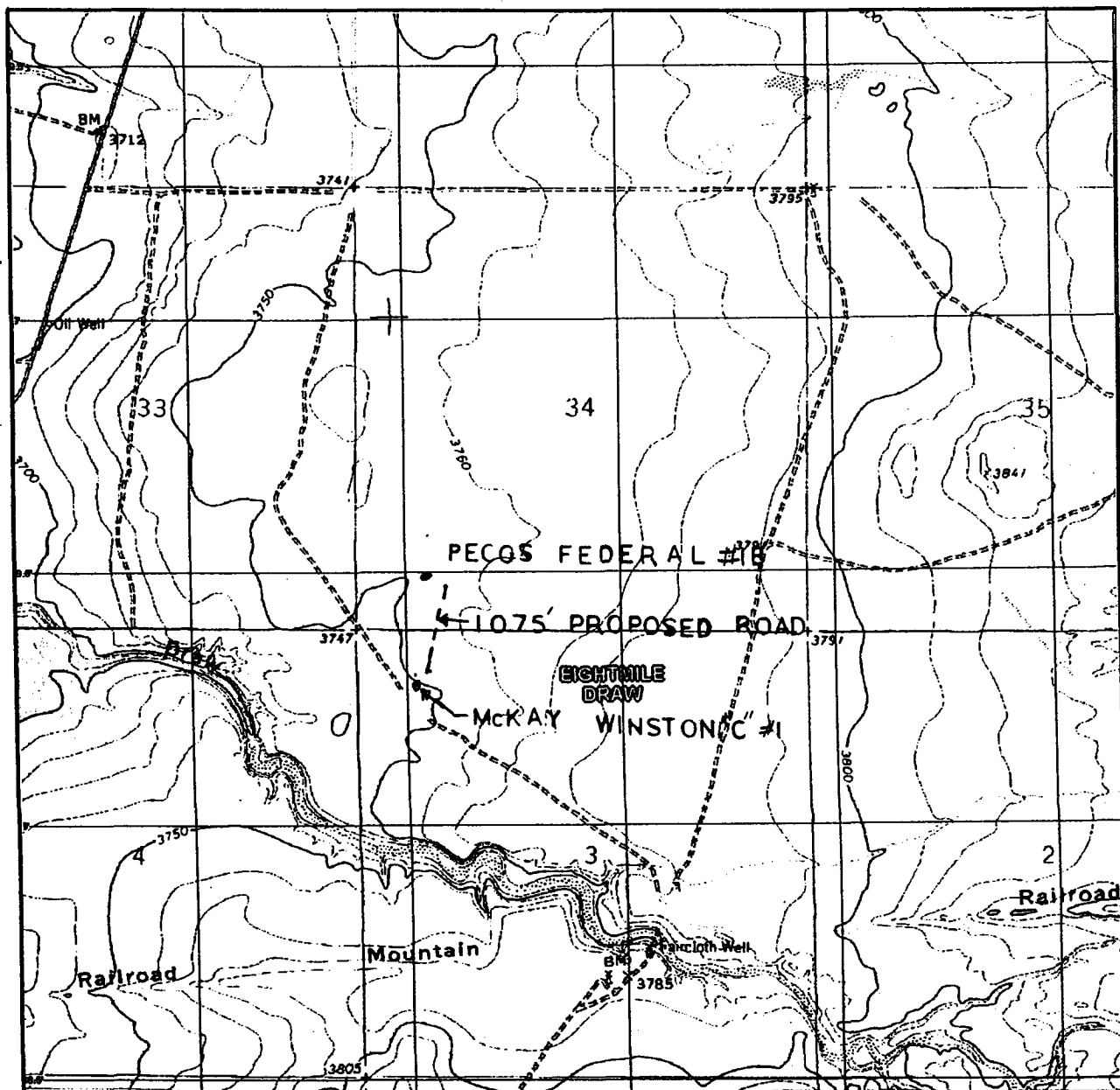
OPERATOR McKay Oil Corporation

LEASE McKay Winston "C" # 1

WAGENER **WE**
ENGINEERING

1410 N. MISSOURI AVE.
ROSWELL, N. M. 88201
(505) 623-8382

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'

SEC. 3 TWP. 8 S RGE. 26 E

SURVEY N.M.P.M.

COUNTY CHAVES

DESCRIPTION 660' FNL & 660' FWL

ELEVATION 3749

OPERATOR McKAY OIL CORPORATION

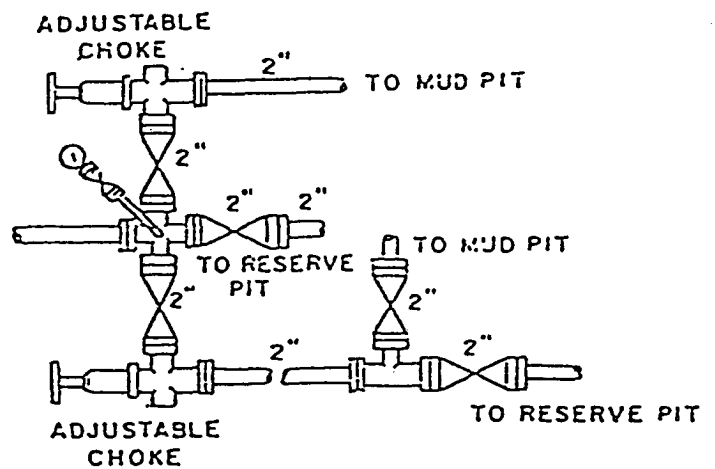
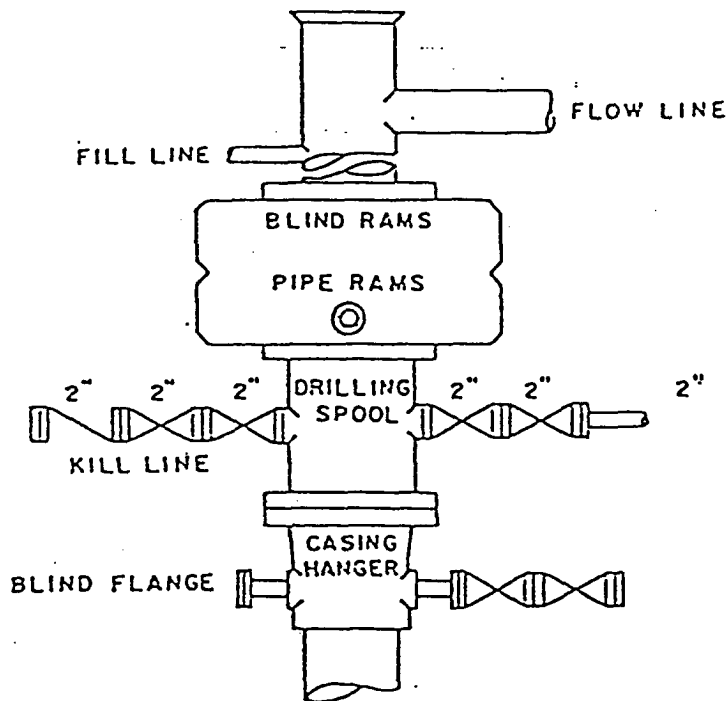
LEASE McKAY WINSTON "C" # 1

U.S.G.S. TOPOGRAPHIC MAP

EIGHTMILE DRAW, NM

WAGENER **WE**
ENGINEERING

1410 N. MISSOURI AVE.
ROSWELL, N. M. 88201
(505) 623-8382



BOP DIAGRAM

3000# Working Pressure
Rams Operated Daily

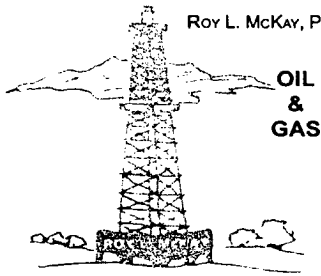
MCKAY WINSTON C #1

S3,T8S,R26E

660'FNL, 660'FWL

CHAVES COUNTY, NM

McKay Oil Corporation



ROY L. MCKAY, PRESIDENT

MAILING ADDRESS: P.O. BOX 2014 ROSWELL, N.M. 88202 • TELEPHONE 505 / 623 - 4735
STREET ADDRESS: ONE MCKAY PLACE ROSWELL, N.M. 88201 • FAX No. 505 / 624 - 2202

September 16, 2003

Oil Conservation Division
Bryan Arrant
1301 W. Grand Avenue
Artesia, NM

Re: H2S Contingency Plan-McKay Winston C #1

Bryan,

Please see attached Contingency Plan-H2S for the McKay Winston C#1 located in Sec 3, T8S, R26E 660' FNL & 660' FWL in Chaves County. Should you need any further information, please contact me at 505-623-4735.

Sincerely,

A handwritten signature in black ink, appearing to read "April McKay". The signature is stylized with a large, looped initial "A".

April McKay
Vice President

**MCKAY OIL CORPORATION
P.O. BOX 2014
ROSWELL, NM 88202-2014
505-623-4735**

**HYDROGEN SULFIDE (H₂S) CONTINGENCY PLAN FOR THE
MCKAY WINSTON C #1
LOCATED IN SEC 3, T8S, R26E IN
CHAVES COUNTY, NEW MEXICO**

**NO HYDROGEN SULFIDE OR OTHER HAZARDOUS GASES OR FLUIDS
HAVE BEEN ENCOUNTERED, REPORTED OR KNOWN TO EXIST AT THIS
DEPTH IN THIS AREA.**

MCKAY WINSTON C #1

This is an open drilling site. H2S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H2S, including warning signs, wind indicators and H2S monitor. Pumpers carry (MICROPACKS) H2S pocket testers at all times. Pulling units has an H2S indicator that puts off light and alarm of any indication of H2S being present.

MAPS-SEE ATTACHED

EMERGENCY PROCEDURES

In the case of a release of gas containing H₂S, the first responder must isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder must evacuate any public spaces encompassed by the 100 ppm ROE. First responder must take care not to injure themselves during the operation. Company and or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

All responders must have training in the detection of H₂S measures for protection against the gas, equipment used for protection and emergency response. Additionally, responders must be equipped with H₂S monitors and air packs on order to control the release. Use the "buddy system" to ensure no injuries occur during the response.

IGNITION OF GAS SOURCE

Should control of the well be considered lost and ignition considered, take care to protect against exposure of sulfur Dioxide (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas.

CHARACTERISTICS OF H₂S & SO₂

COMMON NAME	CHEMICAL FORMULA	SPECIFIC GRAVITY	THRESHOLD LIMIT	HAZARDOUS LIMIT	LETHAL CONCENTRATION
HYDROGEN SULFIDE	H ₂ S	1.189 AIR =1	10 PPM ₄	100 PPM/HR	600 PPM
SULFUR DIOXIDE	SO ₂	2.21 AIR =1	2 PPM	N/A	1000 PPM

CONTACTING AUTHORITIES

McKay Oil Corporation personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. be prepared with all information available. The following call list of essential and potential responders must be in coordination with the State of New Mexico's Hazardous Materials Emergency Response Plan (HMER).

MCKAY OIL CORPORATION CALL LIST

CHAVES COUNTY (505)	OFFICE	CELL PHONE	HOME PHONE
HUMBERTO PEREZ	625-1154	626-8580	627-1985
JIM ROBINSON	625-1154	626-8579	624-1093
APRIL MCKAY	623-4735	626-8575	625-2848

CHAVES COUNTY (505) ROSWELL

STATE POLICE	622-7200
CITY POLICE	911 or 624-6770
SHERIFF'S OFFICE	624-6500
AMBULANCE	911
FIRE DEPARTMENT	624-6800
LEPC (Local Emergency Planning Committee)	Teresa Barncastle 624-6770 ext 129
NMOCD	748-1283
ENMMC (Hospital)	622-8170