N.M. Oil Cons. DIV-Dist. 2 1301 W. Grand Avenue Artesia, NM 88210

FI	EIVED	REC
MI	8 2009	OCT

Form 3160 -3 (April 2004)

UNITED STATES

FORM	APPRICO	ARTESIA
OMB	March 31 2007	MITLOIA

DEPARTMENT OF THE IT BUREAU OF LAND MAN		•		5 Lease Serial No NMNM-443 84	-			
APPLICATION FOR PERMIT TO E				6 If Indian, Allotee	or Tribe	Name		_
Ia Typeofwork- DRILL REENTE	ER			7 If Unit or CA Agre	eement, Na	me and N	10	_
Ib Type of Well. Oil Well Gas Well Other	Sıı	ngle Zone Multi	ple Zone	8, Lease Name and Moose Jaw Fede		n		_
2 Name of Operator				9 API Well No.				_
Mack Energy Corporation				1 30 005	3-6	041	\mathcal{A}	\bigcirc
	3b PhoneNo	(include area code)		10 Field and Pool, or				
P.O. Box 960 Artesia, NM 88211-0960	(575)748-	1288		Abo	•	•		,
4 Location of Well (Report location clearly and inaccorounce with any	<u>` </u>			II Sec., T R M or E	3lk and Su	rvev or A	rea	-
At surface 2285 FNL & 330 FWL	•	,			_			
At proposed prod zone 2285 FNL 3 330 FE	L			Sec. 19 T15S R2	9 2 8 E			
14 Distance in miles and direction from nearest town or post office*				12 County or Parish		13 State	г	_
12 miles north/northwest of Loco Hills, NM				Chaves				
15. Distance from proposed* location to nearest property or lease line, ft	16 No of ac	cres in lease	17 Spaci	ng Unit dedicated to this	well			_
(Also to nearest drlg unit line, if any) 330	281.29		160					
annied for an thic lance it	19 Proposed 11,424' M	ID.		M/BIA Bond No on file				-
1320	7054' TV			000286				_
2 1 Elevations (Show whether DF, KDB, RT, GL, etc.)		aate date work will star	rt*	2.3 Estimated duration				
3740' GR	8/22/09			30 days				-
	24. Attac			LL CONTROLLED WA	TER BAS	IN		
The following, completed in accordance with the requirements of Onshore	Oil and Gas (Order No 1, shall be at	tached to th	iis form;				
Well plat certified by a registered surveyor A Drilling Plan		4. Bond to cover th Item 20 above),	e operation	as unless covered by an	existing b	ond on fi	le (see	;
3 A Surface Use Plan (if the location is on National Forest System L SUPO shall be filed with the appropriate Forest Service Office)	ands, the	5 Operator certific 6. Such other site sp authorized offic	pecific info	rmation and/or plans as	may be re	quired by	y the	,
25 Signature Very W. Shenell	l l	(Printed'/Typed) W. Sherrell			Date 7/23/09			
rtle Production Clerk								-
Approved by (Signy 13% Angel Mayes	Name	Name (Printed/Typed) Mayes Dato C				T n	6	_ _2009
Assistant Field Manager,	Office	ROSWELL F	TELD C) DEFICE				
Application approval does not watrantor certify that the applicant holds	lega orequitab	ga prequitable title to those rights in the subject lease which would entitle the applicant to						-

Title 18 U.S.C. Section 1001 and Tide 43 U.S.C. Section 1212, make it a crime for any person knownrilly 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 juris iction

*(Instructions on page 2)

conduct operations thereon

Conditions of approval, if any, are attached

BECLARED WATER BASIN

CEMBAT BEILING THE _ 33 CASING, MUST BE CIRCULATED @#1001

WITNESS

DECLARED WATER BASIN

APPROVAL SUBJECT TO **GENERAL REQUIREMENTS AND** COMENT BEHIND THE 85 CASING MUST BE CI RCUL ATEOSPECIAL STIPULATIONS ATTACHED

APPROVED FOR 2 YEARS

WITNESS

Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87,505 Revised October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

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

DISTRICT IV 1220 S ST. FRANCIS DR., SANTA FE, NM #750	WELL LOCATION AND AC	REAGE DEDICATIO	N PLAT	☐ AMENDED REPORT
API Number	Pool Code		Pool Name	
30.005.29	67	wc:	`Abo	
Property Code	Property	Name		Well Number
37 872	MOOSE JAW FE	DERAL COM	,	1
OGRID No.	Operator	Name		Elevation
013837	MACK ENERGY	CORPORATION		3740'

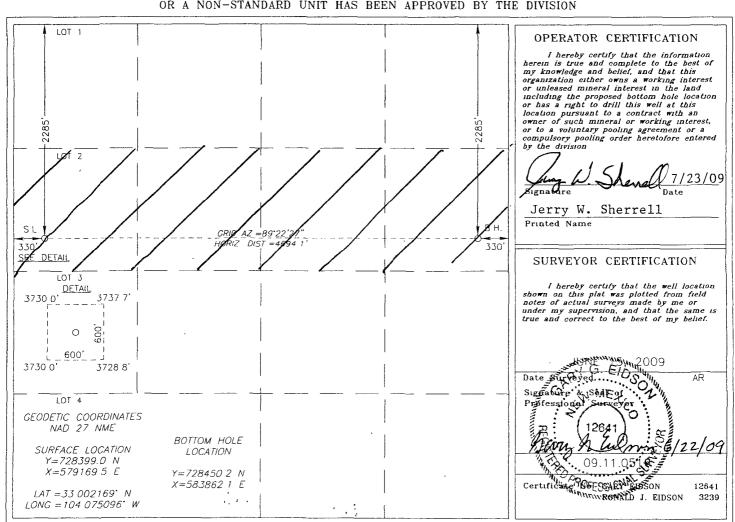
Surface Location

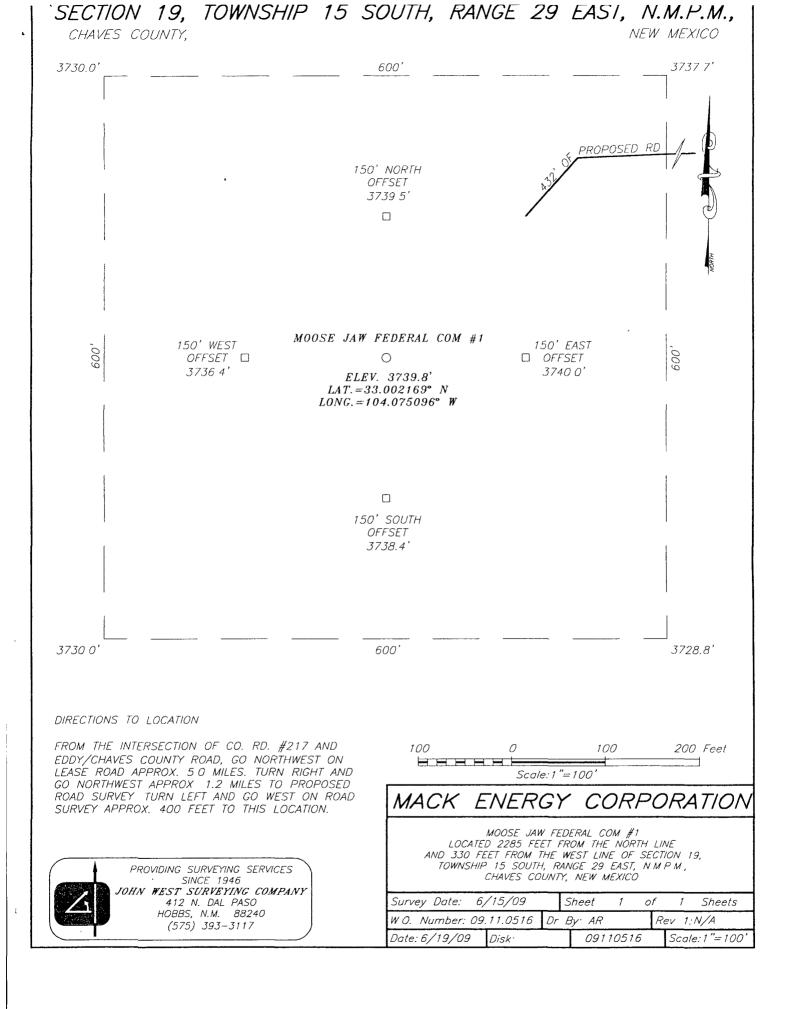
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	19	15-S	29-E		2285	NORTH	330	WEST	CHAVES

Bottom Hole Location If Different From Surface

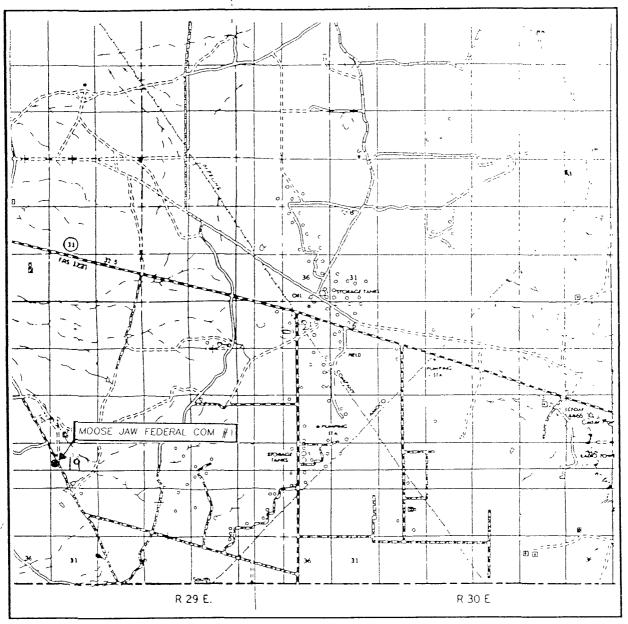
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Н	19	15-S	29-E	:	2285	NORTH	330	EAST	CHAVES
Dedicated Acre	s Joint o	r Infill Co	nsolidation (Code Or	der No.				
160									

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





VICINITY MAP



SCALE. 1" = 2 MILES

SEC. 19 TWP. 15-S RGE. 29-E

SURVEY N.M.P.M

COUNTY CHAVES STATE NEW MEXICO

DESCRIPTION 2285' FNL & 330' FWL

ELEVATION 3740'

MACK ENERGY

OPERATOR CORPORATION

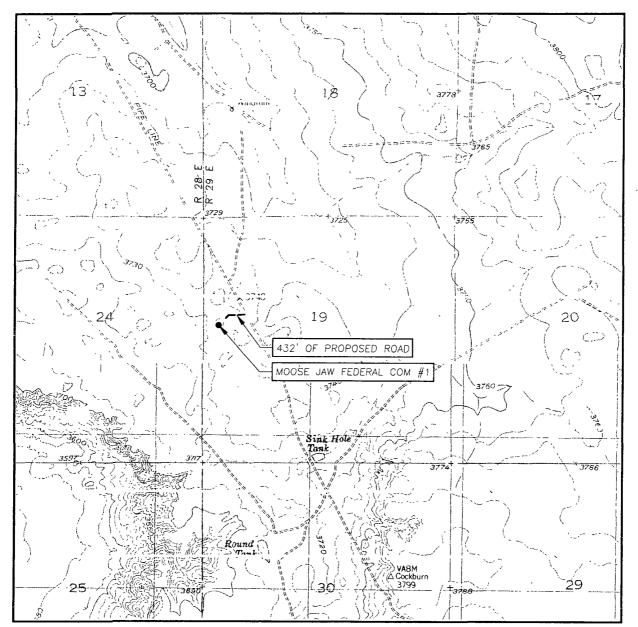
LEASE MOOSE JAW FEDERAL COM



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N DAL PASO
HOBBS, NM 88240
(575) 393-3117



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

SEC. 19 TWP 15-S RGE. 29-E

SURVEY____N.M P.M.

COUNTY CHAVES STATE NEW MEXICO

DESCRIPTION 2285' FNL & 330' FWL

ELEVATION 3740'

MACK ENERGY
OPERATOR CORPORATION

LEASE MOOSE JAW FEDERAL COM

U.S.G.S. TOPOGRAPHIC MAP

KING CAMP, N.M

CONTOUR INTERVAL: KING CAMP, N.M. - 10' BASIN WELL, N.M. - 10'



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N M 88240
(575) 393-3117





Mack Energy

Chaves County
Moose Jaw Federal Com
#1H
OH

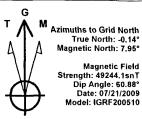
Plan: Plan #1

Pathfinder X & Y Planning Report

22 July, 2009









PROJECT DETAILS Chaves County

Ellipsoid: Clarke 1866 Zone: New Mexico East 3001 System Datum: Mean Sea Level

Local North. Grid

Geodetic System. US State Plane 1927 (Exact solution)

Datum: NAD 1927 (NADCON CONUS)

WELL DETAILS #1H

Ground Elevation. 3740 00

RKB Elevation WELL @ 3758.00ft (Original Well Elev)

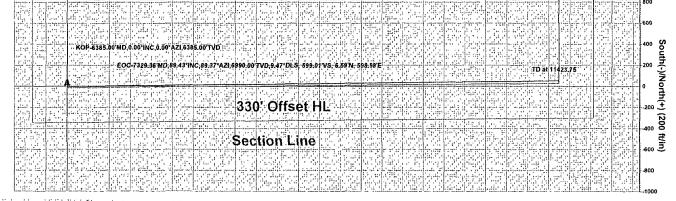
Rig Name Original Well Elev

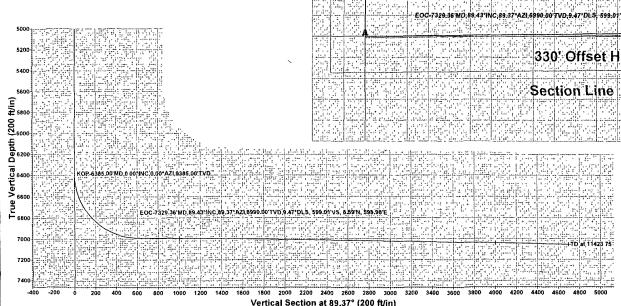
+N/-S +E/-W Northing Easting Latittude Longitude Slot
0 00 0 00 728399 000 579169 500 33*0*7 808 N 104*4*30 345 W

Sec	MD	Inc	Azi	TVĐ	+N/-S	+E/-W	OLeg	TFace	VSec	Target
1	0 00	0 00	0.00	0 00	0 00	0 00	0 00	0 00	0 00	•
2	6385 00	0 00	0 00	6385 00	0 00	0 00	0 00	0 00	0 00	•
3	7329 36	89 43	89 37	6990 00	6 59	598 97	9 47	89 37	599 01	
4	7353,60	89.43	89 37	6990 24	6 85	623 21	0.00	0 00	623 25	
5	7730 37	89 43	89 37	6994 00	11 00	999 94	0 00	0 00	1000 00	LT#1(MJ#1H)
6	7736 26	89 31	89 37	6994 06	11,06	1005 83	2 00	180 00	1005 89	. ,
7	8730 44	89 31	89,37	7006 00	21 99	1999 88	0 00	0 00	2000 00	LT#2(MJ#1H)
В	8741 95	89 08	89 37	7006 16	22 12	2011 38	2 00	-180 00	2011 50	
9	9730 57	89 08	89 37	7022 00	32,99	2999 82	0 00	0.00	3000 00	LT#3(MJ#1H)
10	9736 25	88 97	89 37	7022 10	33 05	3005 50	2 00	-180 00	3005 68	
11	10730 73	88 97	89,37	7040 00	43 98	3999 76	0 00	0 00	4000 00	LT#4(MJ#1H)
12	10737 27	88 84	89 40	7040,13	44 05	4006 30	2 00	165 30	4006 54	
13	11423 75	88 84	89 40	7054 00	51 20	4692,60	0.00	0 00	4692 88	BHL(MJ#1H)

West(-)/East(+) (200 ft/in)

600 800 1000 1200 1400 1600 1800 2000 2200 2400 2600 2800 3000 3200 3400 3600 3800 4000 4200 4400 4600 4800 5000 5200 5400





Project: Chaves County Site: Moose Jaw Federal Com Well: #1H Wellbore: OH Plan: Plan #1 (#1H/OH)

	Plan Plan#1	(#1HR	OH)
Created By	Nate Bingham	Date	11 03, July 22 2009
Checked		Date	



Pathfinder X & Y Planning Report



Company:

Mack Energy

Project: Chaves County

Site: Moose Jaw Federal Com

Well: #1H Wellhore: ĺΟΗ Plan #1 Design:

Local Co-ordinate Reference: Well #1H

TVD Reference:

Grid

WELL @ 3758.00ft (Original Well Elev) WELL @ 3758.00ft (Original Well Elev)

MD Reference: North Reference:

Survey Calculation Method: Minimum Curvature

Midland Database

US State Plane 1927 (Exact solution) NAD 1927 (NADCON CONUS)

Map System: Geo Datum: Map Zone:

New Mexico East 3001

System Datum:

Mean Sea Level

Site Position:

From:

Man

Northing: Easting:

728.399.000 ft 579 169 500 ft

ACAMBARA SA CABASAN SANGAN SANGAN DANGAN DANGAN SANGAN BELLITE DE LA SERVE CONTROL PER STATE ALL RESTENDES TOTALES EN PROPERTY ALABEST TO BELLE TO ARREST TO BELLE STATE OF THE STATE OF THE PROPERTY OF THE STATE OF TH

Latitude: Longitude:

33° 0' 7.808 N 104° 4' 30.345 W

Position Uncertainty:

0.00 ft

Slot Radius:

Grid Convergence:

0 14°

Well Position

0.00 ft +N/-S +E/-W

0.00 ft

Northing: Easting:

728.399 000 ft 579.169.500 ft

Latitude: Longitude:

33° 0' 7.808 N 104° 4' 30 345 W

Position Uncertainty

0.00 ft

Wellhead Elevation:

Ground Level:

3.740 00 ft

Declination

Dip Angle

Field Strength

IGRF200510

07/21/2009

8 09

60.88

49.244

Audit Notes:

Version:

Phase:

PLAN

Tie On Depth:

0.00

Depth From (TVD)

Direction

0.00

0.00

0.00

Survey Tool Program Date 07/21/2009

From

(ft) Survey (Wellbore)

11,423.75 Plan #1 (OH) 0.00

MWD

MWD - Standard



Pathfinder X & Y Planning Report



Company: Project:

Mack Energy Chaves County

Site: Moose Jaw Federal Com

Well: Wellbore: Design:

#1H ÕН ₩Plan #1 Local Co-ordinate Reference: Well #1H

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method: Database:

WELL @ 3758.00ft (Original Well Elev) WELL @ 3758.00ft (Original Well Elev)

Grid`

Minimum Curvature Midland Database

Planned Survey		ar englise din crisc secti		od su obezinamen mend	interfue companya and a territori	en vertere en	nese e la visionità dell'illia	Pomykrána vel	\$\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$	
MD	Inc	Azi	TVD	TVDSS	N/S	E/W	V. Sec) DLeg	Northing	Easting
(ft)	(°)	(°)	(ft)	(ft)	(ft)	(ft)		100ft)	(ft)	(n)
0.00	0.00	0.00	0.00	-3,758.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
100.00	0 00	0.00	100.00	-3,658.00	0.00	0.00	0 00	0.00	728,399.00	579,169.50
200.00	0.00	0.00	200.00	-3,558.00	0.00	0.00	0.00	0.00	728,399 00	579,169 50
300.00	0 00	0.00	300.00	-3,458.00	0.00	0.00	0.00	0.00	728,399 00	579,169.50
400.00	0 00	0.00	400.00	-3,358.00	0.00	0.00	0 00	0.00	728,399.00	579,169.50
500 00	0 00	0.00	500.00	-3,258 00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
600 00	0.00	0.00	600.00	-3,158.00	0.00	0.00	0.00	0.00	728,399.00	579,169 50
700 00	0 00	0.00	700.00	-3,058.00	0.00	0.00	0 00	0.00	728,399.00	579,169.50
800.00	0.00	0 00	800.00	-2,958.00	0.00	0.00	0 00	0.00	728,399 00	579,169.50
900.00	0.00	0 00	900 00	-2,858.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
1,000.00	0 00	0.00	1,000.00	-2,758.00	0.00	0.00	0.00	0 00	728,399.00	579,169.50
1,100 00	0.00	0.00	1,100.00	-2,658.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
1,200 00	0.00	0.00	1,200.00	-2,558.00	0.00	0.00	0.00	0.00	728,399.00	579,169 50
1,300.00	0.00	0.00	1,300.00	-2,458.00	0 00	0.00	0.00	0.00	728,399.00	579,169 50
1,400.00	0.00	0 00	1,400 00	-2,358.00	0 00	0.00	0 00	0.00	728,399.00	579,169.50
1,500.00	0.00	0.00	1,500.00	-2,258.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
1,600 00	0.00	0 00	1,600.00	-2,158.00	0.00	0.00	~ 0.00	0 00	728,399 00	579,169.50
1,700.00	0.00	0.00	1,700.00	-2,058.00	0.00	0.00	0.00	0.00	728,399.00	579,169 50
1,800 00	0.00	0.00	1,800.00	-1,958.00	0.00	0.00	0 00	0.00	728,399.00	579,169.50
1,900.00	0.00	0.00	1,900.00	-1,858.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
2,000.00	0.00	0.00	2,000.00	-1,758.00	- 0.00	0.00	0 00	0.00	728,399.00	579,169.50
2,100.00	0.00	0.00	2,100.00	-1,658.00	0.00	0.00	0.00	0.00	728,399 00	579,169.50
2,200.00	0.00	0.00	2,200.00	-1,558.00	0.00	0.00	0 00	0 00	728,399.00	579,169 50
2,300.00	0.00	0 00	2,300.00	-1,458.00	0.00	0.00	0.00	0 00	728,399.00	579,169.50
2,400.00	0.00	0.00	2,400.00	-1,358.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
2,500.00	0.00	0.00	2,500.00	-1,258.00	0.00	0.00	0 00	0 00	728,399 00	579,169.50
2,600.00	0 00	0.00	2,600.00	-1,158.00	0.00	0.00	0 00	0.00	728,399 00	579,169 50



Pathfinder X & Y Planning Report



Company: Project:

Mack Energy Chaves County

Site:

Moose Jaw Federal Com

Well: Wellbore: Design:

#1H

ОН Plan #1 Local Co-ordinate Référence: Well #1H TVD Référence: WELL @ MD Référence: WELL @ North Référence: Grid

Survey Calculation Method: Database:

WELL @ 3758.00ft (Original Well Elev) WELL @ 3758.00ft (Original Well Elev)

Minimum Curvature Midland Database

MD	lnc	Azi	TVD	TVDSS	N/S	E/W)Leg	Northing	Easting
(ft)	(°).	(°) 0.00	(ft) 2,700.00	(ft) -1,058.00	(ft) 0.00	(ft) 0.00	(ft) 0 00	100ft) 0.00	(ft) 728,399 00	(ft) 579,169.50
2,700 00	0 00	0.00	2,700.00	-1,058.00 -958.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
2,800.00 2,900.00	0.00 0 00	0.00	2,900.00	-858.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
2,900.00	0 00	0.00	2,900.00	~030.00						·
3,000.00	0.00	0.00	3,000.00	-758.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
3,100.00	0.00	0.00	3,100.00	-658.00	0.00	0.00	0 00	0.00	728,399.00	579,169.50
3,200.00	0.00	0.00	3,200.00	-558.00	0.00	0.00	0.00	0.00	728,399 00	579,169 50
3,300.00	0.00	0.00	3,300.00	-458.00	0.00	0.00	0.00	0.00	728,399 00	579,169.50
3,400.00	0 00	0 00	3,400.00	-358.00	0.00	0.00	0.00	0.00	728,399 00	579,169.50
3,500.00	0.00	0 00	3,500 00	-258.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
3,600 00	0.00	0.00	3,600.00	-158.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
3,700.00	0.00	0.00	3,700 00	-58.00	0.00	0.00	0.00	0 00	728,399.00	579,169.50
3,800 00	0.00	0.00	3,800.00	42.00	0.00	0.00	0.00	0.00	728,399.00	579,169 50
3,900.00	0.00	0.00	3,900.00	142.00	0.00	0.00	0.00	0 00	728,399 00	579,169.50
4,000.00	0.00	0.00	4,000.00	242.00	0.00	0.00	0.00	0.00	728,399 00	579,169.50
4,100.00	0.00	0.00	4,100.00	342.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
4,200.00	0.00	0.00	4,200.00	442.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
4,300.00	0.00	0.00	4,300.00	542.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
4,400.00	0.00	0.00	4,400.00	642.00	0.00	0.00	0 00	0.00	728,399.00	579,169.50
4,500.00	0.00	0.00	4,500.00	742.00	0.00	0.00	0.00	0 00	728,399.00	579,169.50
4,600 00	0.00	0.00	4,600.00	842.00	0.00	0.00	0 00	0 00	728,399.00	579,169 50
4,700.00	0.00	0 00	4,700.00	942.00	0.00	0.00	0.00	0.00	728,399.00	579,169 50
4,800.00	0.00	0.00	4,800.00	1,042.00	0.00	0.00	0 00	0.00	728,399 00	579,169.50
4,900.00	0.00	0.00	4,900.00	1,142.00	0 00	0.00	0 00	0.00	728,399.00	579,169.50
5,000.00	0 00	0.00	5,000 00	1,242.00	0.00	0.00	0.00	0.00	728,399.00	579,169 50
5,100 00	0 00	0.00	5,100.00	1,342.00	0.00	0.00	0.00	0.00	728,399 00	579,169 50
5,200.00	0.00	0.00	5,200.00	1,442.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
5,300.00	0.00	0.00	5,300.00	1,542.00	0.00	0.00	0.00	0 00	728,399.00	579,169.50



Pathfinder X & Y Planning Report



Company: Project: Mack Energy Chaves County

⊈Ŝite: €

Moose Jaw Federal Com

Well: Wellbore: Design:

#1H OH Plan #1 Local Co-ordinate Reference: > Well #1H

TVD Reference:

MD Reference:
North Reference:
Survey Calculation Method:

Database:

WELL @ 3758.00ft (Original Well Elev) WELL @ 3758.00ft (Original Well Elev)

Grid

Minimum Curvature Midland Database

Planned Survey

rianned Survey										
MD (ft)	(°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)		DLeg (100ft)	Northing (ft)	Easting (ft)
5,400.00	0.00	0.00	5,400.00	1,642.00	0.00	0.00	0.00	0.00	728,399.00	579,169 50
5,500 00	0 00	0 00	5,500.00	1,742.00	0.00	0.00	0.00	0.00	728,399 00	579,169.50
5,600.00	0.00	0 00	5,600.00	1,842.00	0.00	0 00	0 00 🛴	0.00	728,399.00	579,169.50
5,700 00	0.00	0.00	5,700.00	1,942.00	0.00	0.00	0.00	0 00	728,399.00	579,169.50
5,800.00	0 00	0.00	5,800.00	2,042.00	0.00	0.00	0 00	0.00	728,399.00	579,169.50
5,900.00	0.00	0 00	5,900.00	2,142.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
6,000 00	0 00	0 00	6,000.00	2,242 00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
6,100 00	0 00	0.00	6,100.00	2,342.00	0 00	0.00	0 00	0.00	728,399 00	579,169.50
6,200 00	0 00	0.00	6,200 00	2,442.00	0.00	0.00	0.00	0.00	728,399.00	579,169.50
6,300.00	0.00	0.00	6,300.00	2,542.00	0.00	0.00	0 00	0.00	728,399.00	579,169.50
6,385 00	0 00	0.00	6,385.00	2,627.00	0 00	0 00	0 00	0.00	728,399.00	579,169 50
KOP-6385.00"	MD,0.00°INC,0.00°	AZI,6385.00'TVD	-		~					
6,400.00	1.42	89.37	6,400.00	2,642.00	0.00	0.19	0.19	9 47	728,399.00	579,169 69
6,450 00	6.16	89.37	6,449.88	2,691 88	0 04	3.49	3 49	9.47	728,399.04	579,172 99
6,500.00	10.89	89 37	6,499.31	2,741.31	0.12	10.90	10.90	9.47	728,399 12	579,180.40
6,550.00	15.63	89.37	6,547.96	2,789 96	0.25	22.36	22 36	9.47	728,399.25	579,191.86
6,600.00	20.36	89.37	6,595.50	2,837.50	0 42	37.80	37.80	9.47	728,399.42	579,207.30
6,650.00	25 10	89 37	6,641.61	2,883.61	0.63	57.11	57 1.1	9.47	728,399 63	579,226.61
6,700.00	29.83	89.37	6,685 96	2,927.96	0.88	80.16	80.16	9.47	728,399 88	579,249 66
6,750 00	34.57	89.37	6,728.26	2,970.26	1.17	106.79	106.80	9.47	728,400.17	579,276.29
6,800.00	39.30	89.37	6,768 22	3,010.22	1.50	136.83	136.83	9.47	728,400.50	579,306 33
6,850 00	44.04	89.37	6,805.56	3,047.56	1.87	170.05	170 07	9.47	728,400 87	579,339.55
6,900.00	48.77	89.37	6,840.03	3,082.03	2.27	206.25	206.27	9.47	728,401.27	579,375.75
6,950.00	53 50	89.37	6,871.39	3,113.39	2.70	245.17	245.19	9 47	728,401.70	579,414.67
7,000.00	58 24	89 37	6,899 43	3,141.43	3.15	286.55	286 56	9.47	728,402 15	579,456.05
7,050 00	62.97	89.37	6,923 97	3,165.97	3.63	330.10	330.12	9 47	728,402 63	579,499.60
7,100.00	67.71	89.37	6,944.82	3,186.82	4.13	375 52	375.54	9.47	728,403.13	579,545.02



Pathfinder X & Y Planning Report



Company: Project:

Mack Energy Chaves County

Site:

Moose Jaw Federal Com

Well: Wellbore: Design:

#1H ОН Plan #1 Local Co-ordinate Reference: Well #1H

TVD Reference:
MD Reference:

North-Reference: Survey Calculation Method:

Database:

WELL @ 3758.00ft (Original Well Elev) WELL @ 3758.00ft (Original Well Elev)

Grid

Minimum Curvature Midland Database

			S		

MD	Inc	Azi	TVD	TVDSS	N/S	E/W			Northing	Easting
(ft)		(°)	4 (ft)	(ft)	(ft)	(ft)		/100ft)	(ft)	(ft)
7,150.00	72.44	89.37	6,961.85	3,203.85	4.65	422.51	422.54	9.47 9.47	728,403.65 728,404.18	579,592.01 579,640.25
7,200.00	77 18	89 37	6,974.95	3,216.95	5.18	470.75	470 78	9.47 9.47	728,404.10	579,640.25
7,250.00	81.91	89.37	6,984.02	3,226 02	5 72	519.90	519.93	9.47	728,405.26	579,669.40
7,300.00	86.65	89 37	6,989.00	3,231.00	6.26	569.64	569.67		728,405.59	579,739.14
7,329.36	89.43	89.37	6,990.00	3,232.00	6.59	598.97	599.01	9.47	728,405.59	5/9,/60.4/
EOC-7329.30	6'MD,89.43°INC,89.37	7°AZI,6990.00'TV	D,9.47°DLS, 599.	01'VS, 6.59'N, 59						
7,353.60	89 43	89.37	6,990.24	3,232 24	6.85	623.21	623.25	0.00	728,405.85	579,792.71
7,400 00	89.43	89.37	6,990.70	3,232.70	7.36	669 61	669.65	0.00	728,406.36	579,839.11
7,500 00	89.43	89.37	6,991.70	3,233.70	8 46	769 60	769.64	0 00	728,407.46	579,939.10
7,600.00	89 43	89.37	6,992.69	3,234.69	9.56	869 59	869.64	0.00	728,408.56	580,039.09
7,700.00	89.43	89.37	6,993.69	3,235 69	10.66	969.57	969.63	0.00	728,409 66	580,139.07
7,730 37	89.43	89 37	6,994.00	3,236.00	11.00	999.94	1,000.00	0.00	728,410.00	580,169.44
LT#1(MJ#1H		•	, , , ,				•			
7,736.26	89.31	89.37	6,994.06	3,236.06	11 06	1,005.83	1,005.89	2 00	728,410 06	580,175.33
7,800.00	89.31	89.37	6,994.83	3,236.83	11.76	1,069.56	1,069.63	0.00	728,410 76	580,239.06
7,900 00	89.31	89.37	6,996.03	3,238.03	12.86	1,169 55	1,169.62	0 00	728,411 86	580,339.05
8,000.00	89.31	89 37	6,997.23	3,239.23	13.96	1,269.54	1,269 61	0.00	728,412.96	580,439 04
8,100 00	89.31	89.37	6,998.43	3,240.43	15 06	1,369.52	1,369.60	0.00	728,414.06	580,539 02
8,200.00	89.31	89.37	6,999 63	3,241.63	16.16	1,469.51	1,469.60	0.00	728,415.16	580,639.01
8,300.00	89 31	89.37	7,000.83	3,242.83	17.26	1,569.50	1,569.59	0 00	728,416 26	580,739.00
8,400 00	89.31	89.37	7,002.03	3,244.03	18.36	1,669.48	1,669.58	0 00	728,417.36	580,838.98
8,500.00	89.31	89.37	7,003.23	3,245.23	19.46	1,769.47	1,769.58	0.00	728,418.46	580,938 97
8,600.00	89.31	89.37	7,004.43	3,246.43	20.56	1,869.46	1,869.57	0.00	728,419.56	581,038.96
8,700.00	89.31	89.37	7,005.63	3,247.63	21.66	1,969.44	1,969 56	0.00	728,420.66	581,138.94
8,730.44	89.31	89.37	7,006.00	3,248.00	21.99	1,999.88	2,000.00	0.00	728,420.99	581,169.38
LT#2(MJ#1F					,					
8,741.95	89.08	89.37	7,006.16	3,248.16	-22.12	2,011.38	2,011.50	2.00	728,421.12	581,180.88
8,800 00	89 08	89.37	7,007.09	3,249.09	22.76	2,069.43	2,069.55	0.00	728,421.76	581,238.93



Pathfinder X & Y Planning Report



Company: Project: Mack Energy

Site: Well: Moose Jaw Federal Com

Wellbore: Design: OH Plan #1

Chaves County

Local Co-ordinate Reference:
TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:
Database:

Well #1H

WELL @ 3758.00ft (Original Well Elev) WELL @ 3758.00ft (Original Well Elev)

Grid

Minimum Curvature Midland Database

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MD	Inc	Azi	TVD	TVDSS	N/S	E/W	V. Sec	DLeg	Northing	Easting
		(°)		211 2000 - 20 2 1 1200 2 1000 1	(ft)	(ft)	(ft)	(°/100ft)	(ft)	(ft)
8,900.00	89 08	89.37	7,008 69	3,250.69	23.85	2,169 41	2,169 54	0.00	728,422.85	581,338 91
9,000.00	89.08	89.37	7,010.30	3,252.30	24.95	2,269.39	2,269.53	0 00	728,423.95	581,438 89
9,100.00	89 08	89.37	7,011.90	3,253.90	26.05	2,369.37	2,369.51	0.00	728,425.05	581,538.87
9,200 00	89.08	89.37	7,013.50	3,255.50	27.15	2,469.35	2,469.50	0 00	728,426.15	581,638.85
9,300.00	89.08	89.37	7,015.10	3,257.10	28.25	2,569.33	2,569 49	0.00	728,427.25	581,738.83
9,400.00	89.08	89.37	7,016.70	3,258.70	29.35	2,669.31	2,669.47	0 00	728,428.35	581,838.81
9,500.00	89.08	89.37	7,018.31	3,260.31	30 45	2,769.29	2,769.46	0 00	728,429.45	581,938.79
9,600.00	89.08	89 37	7,019 91	3,261.91	31.55	2,869.27	2,869 45	0 00	728,430.55	582,038.77
9,700.00	89.08	89 37	7,021.51	3,263.51	32 65	2,969 26	2,969.44	0.00	728,431.65	582,138 76
9,730 57	89.08	89 37	7,022.00	3,264.00	32.99	2,999.82	3,000.00	0.00	728,431.99	582,169 32
LT#3(MJ#1H))						-	-		
9,736 25	88.97	89.37	7,022.10	3,264.10	33.05	3,005.50	3,005.68	2.00	728,432.05	582,175.00
9,800 00	88.97	89.37	7,023.24	3,265.24	33.75	3,069.23	3,069.42	0.00	728,432 75	582,238 73
9,900.00	88 97	89.37	7,025.04	3,267.04	34.85	3,169.21	3,169.40	0.00	728,433 85	582,338.71
10,000.00	88.97	89.37	7,026.84	3,268 84	35.95	3,269.19	3,269.39	0 00	728,434.95	582,438.69
10,100 00	88 97	89 37	7,028.65	3,270.65	37.05	3,369.17	3,369.37	0 00	728,436 05	582,538.67
10,200.00	88.97	89.37	7,030.45	3,272 45	38.15	3,469.15	3,469.36	- 0.00	728,437 15	582,638.65
10,300.00	88.97	89 37	7,032.25	3,274.25	39.25	3,569.12	3,569.34	0.00	728,438.25	582,738.62
10,400.00	88 97	89 37	7,034.05	3,276.05	40.35	3,669.10	3,669.32	0 00	728,439.35	582,838.60
10,500.00	88.97	89.37	7,035.85	3,277.85	41.44	3,769.08	3,769.31	0.00	728,440.44	582,938 58
10,600.00	88.97	89.37	7,037.65	3,279.65	42.54	3,869.06	3,869.29	0.00	728,441 54	583,038.56
10,700 00	88.97	89 37	7,039.45	3,281.45	43.64	3,969.03	3,969.27	0 00	728,442.64	583,138.53
10,730.73	88.97	89.37	7,040.00	3,282.00	43.98	3,999.76	4,000.00	0 00	728,442.98	583,169.26
LT#4(MJ#1H			-	•						
10,737.27	88 84	89.40	7,040.13	3,282.13	44.05	4,006.30	4,006.54	2.00	728,443.05	583,175.80
10,800.00	88.84	89 40	7,041.39	3,283.39	44.70	4,069.01	4,069.26	0 00	728,443.70	583,238.51
10,900.00	88.84	89.40	7,043.41	3,285.41	45.75	4,168.98	4,169.23	0.00	728,444.75	583,338.48



Pathfinder X & Y Planning Report



Company: Project: Mack Energy Chaves County

Site:

Moose Jaw Federal Com

Well: Wellbore: Design: #1H OH Plan #1 Local Co-ordinate Reference:

TVD Reference:

North Reference:

Survey Calculation Method: Database: Well #1H

WELL @ 3758.00ft (Original Well Elev). WELL @ 3758.00ft (Original Well Elev)

Grid

Minimum Curvature Midland Database

Planned Survey

MD I	nc	Azi	TVD	TVDSS	N/S	ĖW	V. Sec	DLeg	Northing	Easting
+	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft) (°	/100ft)	(ft)	混(fi)
11,000 00	88.84	89.40	7,045.44	3,287.44	46.79	4,268.96	4,269.21	0.00	728,445.79	583,438.46
11,100.00	88 84	89.40	7,047.46	3,289.46	47.83	4,368.93	4,369.19	0.00	728,446.83	583,538 43
11,200.00	88.84	89.40	7,049.48	3,291.48	48.87	4,468.91	4,469.17	0.00	728,447 87	583,638.41
11,300.00	88.84	89.40	7,051.50	3,293 50	49.91	4,568.88	4,569.15	0.00	728,448.91	583,738.38
11,400.00	88.84	89.40	7,053.52	3,295.52	50.95	4,668.85	4,669.13	0.00	728,449.95	583,838 35
11,423.75	88.84	89.40	7,054.00	3,296.00	51.20	4,692.60	4,692.88	0.00	728,450.20	583,862.10

TD at 11423.75 - BHL(MJ#1H)



Pathfinder X & Y Planning Report



Company: Project:

Mack Energy

Chaves County

Site: Moose Jaw Federal Com

Well: #1H Wellbore: OH Design:

Local Co-ordinate Reference: Well #1H

TVD Reference: MD Reference:

MD Reference: North Reference: Survey Calculation Method: Database:

WELL @ 3758.00ft (Original Well Elev) WELL @ 3758.00ft (Original Well Elev)

Grid-

Minimum Curvature Midland Database

Target Name - hit/miss target - Shape	Dip Angle [_(*)	oip Dir. ≆(°)≸	TVD (ft)	+N/-S (ft)	+E/-W -(ft)	Northing (ft).	Easting = (ft)	Latitude	Longitude.
LT#1(MJ#1H) - plan hits target - Point	0.00	0.00	6,994.00	11 00	999.94	728,409.995	580,169.440	33° 0' 7 892 N	104° 4' 18.603 W
LT#2(MJ#1H) - plan hits target - Point	0.00	0 00	7,006.00	21.99	1,999.88	728,420.991	581,169.379	33° 0′ 7.976 N	104° 4' 6.860 W
LT#4(MJ#1H) - plan hits target - Point	0.00	0 00	7,040.00	43.98	3,999.76	728,442.981	583,169.258	33° 0' 8 143 N	104° 3' 43.376 W
BHL(MJ#1H) - plan hits target - Point	0 00	0 00	7,054.00	51.20	4,692.60	728,450.200	583,862.100	33° 0' 8.197 N	104° 3' 35.240 W
LT#3(MJ#1H) - plan hits target - Point /	0.00	0.00	7,022.00	32.99	2,999.82	728,431.986	582,169 319	33° 0' 8.060 N	104° 3' 55.118 W

	SENTEN AND THE PARTIES WHEN THE	e janeta yang di nija jewannek	AND WESTERN SE	,然后所谓"这是是这样的一种的"我的"为此,这种可以对对这种的人,他就是这种的情况,也可以是是是"我们"的对象的,这种对"这种的"的是是是我们的一种是对你们的	1
	THE STATE OF THE S				Mr. Str.
Measured	Vertical	Local Coordina	ates 💮 🐪		ž!
Depth	Depth	+N/-S	+E/-W		
(ft)	(ft)	(ft)	(ft)	Comment	300
6,385.00	6,385.00	0.00	0.00	KOP-6385.00'MD.0.00'INC.0.00'AZI,6385.00'TVD	-
7 329 36	6,990,00	6.59	598 97		i
	Plan Annotations Measured Depth (ft)	Plan Annotations Measured Vertical Depth Depth (ft). (ft) 6,385.00 6,385.00	Plan Annotations	Plan Annotations	Measured Vertical Local Coordinates Depth Depth +N/-S +E/-W (ft) (ft) (ft) (ft) 6,385.00 6,385.00 0.00 0.00 KOP-6385.00*MD,0.00*NC,0.00*AZI,6385.00*TVD

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101 15	A 150	B .	
Checked By:	Approved By:	Date	
CHECKEU Dy.	Approved by.	Date	

11,423.75

7,054.00

TD at 11423.75

51.20

4,692.60

Attached to Form 3160-3 Mack Energy Corporation Moose Jaw Federal Com #1 SL 2285 FNL & 330 FWL, Lot 2, Sec. 19 T15S R29E BHL 2285 FNL & 330 FEL, Unit H, Sec. 19 T15S R29E Chaves County. NM

DRILLING PROGRAM

1. Geologic Name of Surface Formation

Quaternary

2. Estimated Tops of Important Geologic Markers:

Quaternary	Surface	Glorieta	3700'
Yates.	770'	Tubb	4960'
Queen	1500'	Abo	5710'
Grayburg	1900'	Wolfcamp	7060'
San Andres	2210'	Cisco	7875'

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

Water Sand	150'	Fresh Water
Queen	1500'	Oil/Gas
San Andres	2210'	Oil/Gas
Abo	5710'	Oil/Gas
Wolfcamp	7060'	Oil/Gas

No other formations are expected to give up oil, gas or fresh water in measurable quantities. Setting 8 5/8" casing to 450' and circulating cement back to surface will protect the surface fresh water sand. Salt Section and any shallower zones above TD, which contain commercial quantities of oil and/or gas, will have cement circulated across them by cementing a combination string of 5 1/2" and 4 ½" production casing thru a ported collar @ 6100', 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			
17	0-100'	OD Casing				
12 ¼"	0-450'	8 5/8"	24#, J-55, ST&C, New, 6.228/5.739/5.9			
7 7/8"	0-7330'	5 ½"	17#, HCP-110, LT&C, New, 2.251/3.737/3.547			
6 1/8"	7330-11,424	4 ½"	11.6# HCP-110, LT&C, New,1.414/4.137/3.563			

5. Cement Program:

8 5/8" Surface Casing: Class C, 450sx yield 1.34 5 ½" Production Casing: Class C, 1000sx, yield 1.34. 4 ½" Production Casing: Set with isolation packers.

Mack Energy proposes Option 1(Cementing with well service unit) production string cementing plan for this well as follows: Production casing will be run and packers inflated. Casing cut off and collar welded on. Swedge with valve, gauge and bleed off line with a popoff valve set at 150psi to a frac tank will be installed to maintain less than 150psi on annulus. Mack Energy personnel will check guage for pressure daily. Drilling rig moved off location

Attached to Form 3160-3 Mack Energy Corporation Moose Jaw Federal Com #1 SL 2285 FNL & 330 FWL. Lot 2, Sec. 19 T158 R29E BHL 2285 FNL & 330 FEL, Unit H, Sec. 19 T158 R29E Chaves County, NM

and pad prepared for well service unit. Well service unit rigged up between 2 and 5 days. Rig up unit and cementing equipment. Rig 2 7/8" BOPE and test to 1000# for 30 minutes using cement pump. RIH with 2 7/8 tubing open ported collar and establish circulation. Cement casing to surface and close ported collar.

Note: If any issues or loss circulation is encountered during drilling BLM will be notified and Option 2(Cementing with drilling rig) cementing plan will be used.

6. Minimum Specifications for Pressure Control:

The blowout preventer equipment (BOP) shown in Exhibit #9 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 BOP will be nippled up on the 8 5/8" surface casing and tested to 1000 psi using the rig pump and 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 brine, cut brine and polymer mud system. The applicable depths and properties of this system are as follows:

all	0-100	i
y	DEPTH	َه نہ ب
1	0-450'	BINS
8/10/2007	450-3050']
01 1	3050'-TD	(

00	Fresh Wash	₹ (1)	~ D		
HT9	TYPE	WÈIGHT	VISCOSITY	WATERLOSS	
50'	TYPE Fresh Water	85 1v	28	N.C.	
-3050		10,	30	N.C.	
O'-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:

- 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.

Attached to Form 3160-3 Mack Energy Corporation Moose Jaw Federal Com #1 SL 2285 FNL & 330 FWL, Lot 2, Sec. 19 T15S R29E BHL 2285 FNL & 330 FEL, Unit H, Sec. 19 T15S R29E Chaves County, NM

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 2250 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 August 22, 2009. Once commenced, the drilling operation should be finished in approximately 12 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.

1. Well Site Layout:

- A. The drill pad layout, with elevations staked by John West Engineering, is shown in Exhibit #6. 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.
- B. 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.

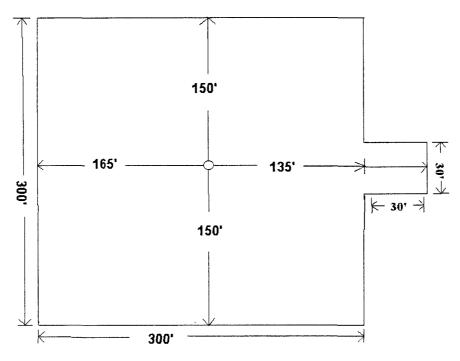


Exhibit #6

Attached to Form 3160-3 Mack Energy Corporation Moose Jaw Federal Com #1 SL 2285 FNL & 330 FWL, Lot 2, Sec. 19 T15S R29E BHL 2285 FNL & 330 FEL, Unit H, Sec. 19 T15S R29E Chaves County, NM

Attachment to Exhibit #9 -- NOTES REGARDING THE BLOWOUT PREVENTERS Moose Jaw Federal Com #15

Eddy County, New Mexico
Chases

- 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.

Mack Energy Corporation

Minimum Blowout Preventer Requirements

3000 psi Working Pressure 3 MWP EXHIBIT #10

Stack Requirements

NO	Items	Mın.	Mın.
		I.D	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"

O.	PΤ	Ю	ΝÆ	۱L
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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.
- 3. 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.
- 6. 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.
- 9 Type RX ring gaskets in place of Type R.

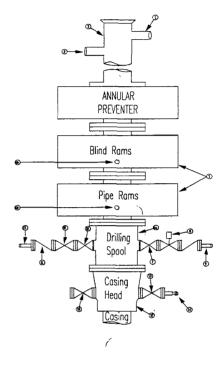
MEC TO FURNISH.

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

10.

ME 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
- 4. Chokes will be positioned so as not to hamper or delay changing of choke beans



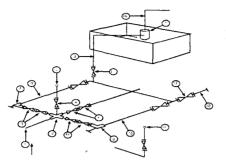
Replaceable parts for adjustable choke, or bean sizes, retainers, and choke wrenches to be conveniently located for immediate use

- 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.
- 8 Valves adjacent to drilling spool to be kept open. Use outside valves except for emergency
- 9 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.
- 11. Does not use kill line for routine fill up operations.



Mack Energy Corporation Exhibit #11

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

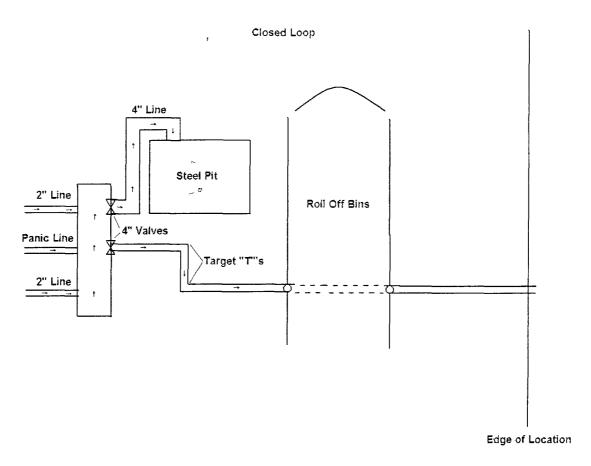
		3,0	000 MWP		5	,000 MWP		10	0,000 MWP	
No.		I.D.			I.D.			I.D.		
			Nominal	Rating		Nominal	Rating		Nominal	Rating
1	Line from drilling Spool		3"	3,000		3"	5,000		3"	10,000
2	Cross 3" x 3" x 3" x 2"			3,000			5,000			
2	Cross 3" x 3" x 3" x 2"									10,000
3	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
4	Valve Gate Plug	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	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 Line from drilling spool to choke manifold should be 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 MANIFOLD SCHEMATIC



Attached to Form 3160-3 Mack Energy Corporation Moose Jaw Federal Com #1 SL 2285 FNL & 330 FWL, Lot 2, Sec. 19 T15S R29E BHL 2285 FNL & 330 FEL, Unit H, Sec. 19 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 2-way 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.
- B. There will be no drill stem testing.

EXHIBIT #7

WARNING

YOU ARE ENTERING AN H2S

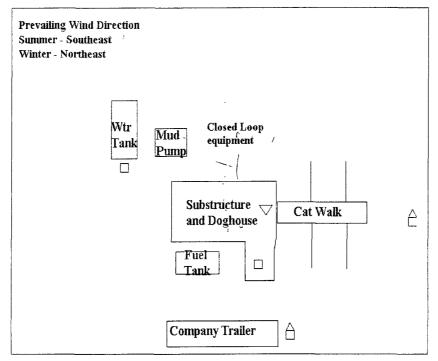
AUTHORIZED PERSONNEL ONLY

- 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

1-575-748-1288

MACK ENERGY CORPORATION

DRILLING LOCATION H2S SAFTY EQUIPMENT Exhibit # 8



- ☐ Wind Direction Indicators
- Safe Briefing areas with caution signs and breathing equipment min 150 feet from

Mack Energy Corporation Call List, Chaves County

Artesia (575)	Cellular	Office	Home
Jim Krogman			
Lonnie Archer			
Donald Archer	748-7875	748-1288	748-2287
Chris Davis	746-7132	748-1288	
Kevin Garrett	746-7423	748-1288	

Agency Call List (575)

Roswell

State Police	622-7200
City Police	
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

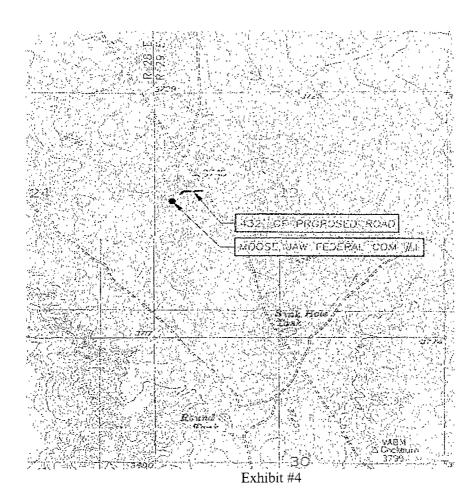
- ·	
Boots & Coots IWC	1-800-256-9688 or (281)931-8884
Cudd pressure Control	(915)699-0139 or (915)563-3356
Halliburton	
B. J. Services	746-3569
Flight For Life-Lubbock, TX	(806)743-9911
Aerocare-Lubbock, TX	(806)747-8923
Med Flight Air Amb-Albuquerque	, NM(505)842-4433
	que, NM(505)272-3115
	• • • • • • • • • • • • • • • • • • • •

Drilling Program Page 12

SURFACE USE AND OPERATING PLAN

1. Existing & Proposed Access Roads

- A. The well site and elevation plat for the proposed well is shown in Exhibit #1. It was staked by John West Engineering, Hobbs, NM.
- B. All roads to the location are shown in Exhibit below. 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.
- C. Directions to Location: From the intersection of CR #217 and Eddy/Chaves County RD. go NW 5 miles, turn right/NW 1.2 miles to a proposed road survey, turn left/west 400'.
- D. 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.



2. Proposed Access Road:

Exhibit #3 shows the 432' of new access road to be constructed. The road will be 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 4 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.
- F. The proposed access road as shown in Exhibit #3 has been centerline flagged by John West Engineering, Hobbs, New Mexico.

3. Location of Existing Wells & Proposed flow lines for New Wells:

Exhibit #4 shows all existing wells within a one-mile radius of this well. Proposed flow lines, will stay on location, TB at the #1 well.

4. 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) Abo Completion: Will be sent to the Moose Jaw Federal TB located at the #1 well. The Facility is shown in Exhibit #5.
 - 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.

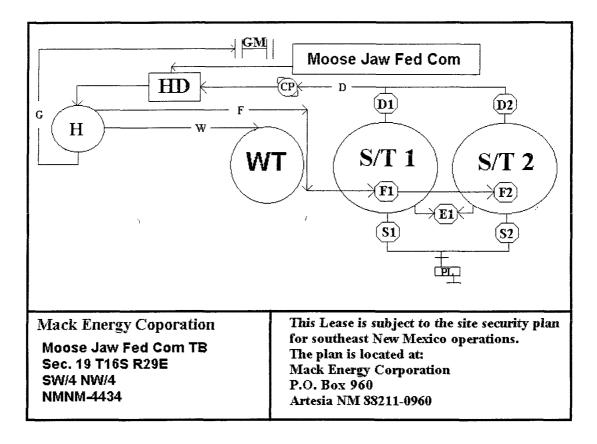


Exhibit #5

- A. If the well is productive, rehabilitation plans are as follows:
 - 1) Topsoil removed from the drill site will be used to re-contour the surrounding area to the original natural level, as nearly as possible, and reseeded as per BLM specifications.

5. 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 #4. If a commercial fresh water source is nearby, fasline may be laid along existing road ROW's and fresh water pumped to the well. No water well will be drilled on the location.

6. Source of Construction Materials:

All caliche required for construction of the drill pad and proposed new access road (approximately 2500 cubic yards) will be obtained from a BLM approved caliche pit.

7. Methods of Handling Water Disposal:

- A. Drill cuttings not retained for evaluation purposes will be disposed into the steel tanks and hauled to an approved facility.
- B. Drilling fluids will be contained in steel tanks using a closed loop system.
- C. 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) until pumped to an approved disposal system.
- D. Garbage produced during drilling or completion operations will be collected and hauled to an approved landfill. All water and fluids will be disposed of into an approved facility. No toxic waste or hazardous chemicals will be produced by this operation.
- E. 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.

8. 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. In the event of a dry hole. Topsoil removed from the drill site will be used to recontour the area to its original natural level and reseeded as per BLM specifications.

9. Surface Ownership:

The well site and lease is located entirely on Federal surface. We have notified the surface lessee of the impending operations. According to BLM the lease is Bogel Limited Company, Lewis Derrick, P.O. Box 460 Dexter, NM 88230.

10. 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.

11. Lessee's and Operator's Representative:

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

Jerry W. Sherrell Mack Energy Corporation P.O. Box 960 Artesia, NM 88211-0960 Phone (575) 748-1288 (office)

APD CERTIFICATION

I hereby certify that I, or person under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this APD, are to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by Mack Energy Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date: 7-23-09 Signed: (

EXHIBIT B

PECOS DISTRICT - RFO CONDITIONS OF APPROVAL

October 6, 2009

Mack Energy Corporation
NM-4434
Moose Jaw Federal Com #1
Surface: 2285' FNL & 330' FWL
Bottom: 2285' FNL & 330' FEL
Sec. 19, T. 15 S., R. 29 E.,
NMPM, Chaves County, New Mexico

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.

I. 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).

II. 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.

III. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations (access road and/or well pad). 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.

IV. CONSTRUCTION

A. NOTIFICATION:

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Roswell Field Office at (505) 627-0247 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 Application for Permit to Drill and Conditions of Approval on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL:

The topsoil will be stripped to approximately 6 inches in depth within the area designated for construction of the well pad. The operator shall stockpile the stripped topsoil adjacent to the constructed well pad. The topsoil will be used for interim and final reclamation of the surface disturbance created by the construction of the well pad.

C. CLOSED SYSTEMS OR STEEL TANKS:

A closed system or steel tanks will be used in lieu of reserve pits.

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

D. FEDERAL MINERAL MATERIALS PIT:

If the operator elects to surface the access road and/or well pad, mineral materials extracted, payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Roswell Field Office at (505) 627-0236.

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 need.

F. ON LEASE ACCESS ROADS:

Road Egress and Ingress

The on lease access road shall be constructed to access the northeast corner of the well pad.

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 thirty (30) 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

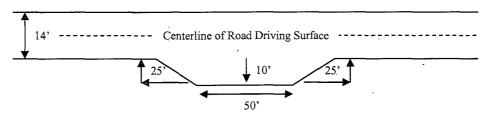
Ditching shall be required on the uphill side of the road.

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 be constructed on all blind curves. Turnouts shall conform to the following diagram:

Standard Turnout - Plan View

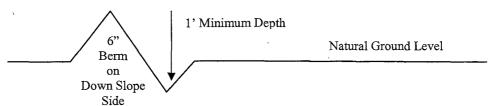


Drainage

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 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: $\underline{400'} + 100' = 200'$ lead-off ditch interval

Culvert Installations

Appropriately sized culvert(s) shall be installed at the deep waterway channel flow crossing.

Cattleguards

An appropriately sized cattleguard(s) sufficient to carry out the project shall be installed and maintained at fence crossing(s).

Any existing cattleguard(s) on the access road 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 cattleguard(s) that are in place and are utilized during lease operations.

A gate shall be constructed and fastened securely to H-braces.

Fence Requirement

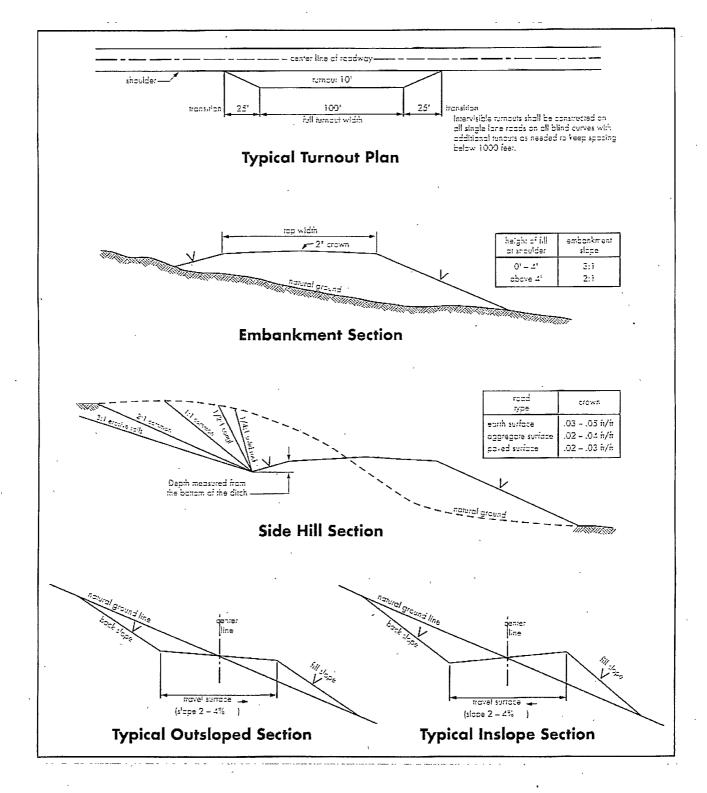
Where entry is required across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting.

The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fence(s).

Public Access

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

Figure 1 – Cross Sections and Plans For Typical Road Sections



V. DRILLING

DRILLING OPERATIONS REQUIREMENTS

- 1. Call the Roswell Field Office, 2909 West Second St., Roswell, NM 88201. During office hours call (575) 627-0205 or after office hours call (575) 910-6024. Engineer on call during office hours call (575) 627-0275 or after office hours call (575) 626-5749.
- 2. The BLM is to be notified a minimum of 24 hours in advance for a representative to witness:
 - a. Spudding well
 - b. Setting and/or Cementing of all casing strings

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

BOPE Tests

- 3. 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.
- 4. Include the API Number assigned to well by NMOCD on the subsequent report of setting the first casing string.
- 5. A Communitization Agreement covering the acreage dedicated to this well must be filed for approval with the BLM. The effective date of the agreement shall be prior to any sales.
- 6. The operator will accurately measure the drilling rate in ft/min to set the base of the usable water protection casing string(s) opposite competent rock. The record of the drilling rate along with the caliper-gamma ray-neutron well log run to surface will be submitted to this office as well as all other logs run on the borehole 30 days from completion
- 7. A closed loop, fresh water gel drilling system will be used to drill to the base of the usable water and set the protection casing string(s). All drilling mud and polymers used will be water based and non-toxic. Put a berm around the steel tanks sufficient to contain any leaks or overflows.

B. CASING

1. A 13-3/8 inch conductor pipe set at an approximate depth of 100 feet opposite competent beds and cemented in-place with ready mix will be used to protect the usable water

The minimum required fill of cement behind the <u>8-5/8</u> inch surface casing set <u>at approximately</u> 450 feet is sufficient to circulate to the surface.

- a. If cement does not circulate to the surface, the Roswell Field Office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
- b. Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin or 500 pounds compression strength, whichever is greater. (This is to include the lead cement).
- 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 compression strength, whichever is greater.
- d. If cement falls back, remedial action will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the <u>5-1/2</u> inch intermediate casing is <u>sufficient</u> to circulate to the <u>surface</u>. If cement does not circulate see B.1.a-d above.
- 3. There is no required fill of cement behind the 4-1/2 inch production casing since a Peak Systems Iso-Pak liner will be used for lateral and will not require cementing.
- 4. 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.
- 5. All casing shall be new or reconditioned and tested casing and meet API standards for new casing. The use of reconditioned and tested casing shall be subject to approval by the authorized officer. Approval will be contingent upon the wall thickness of any casing being verified to be at least 87-1/2 per cent of the nominal wall thickness of new casing.

C. PRESSURE CONTROL

- 1. Before drilling below the <u>8-5/8</u> inch surface casing shoe and the <u>5-1/2</u> inch intermediate casing shoe, the blowout preventer assembly shall consist of a minimum of One Annular Preventer or Two Ram-Type Preventers and a Kelly Cock/Stabbing Valve.
- 2. Before drilling below the 8-5/8 inch surface casing shoe and the 5-1/2 inch intermediate casing shoe, minimum working pressure of the blowout preventer and related equipment (BOPE) shall be 2000 psi.
- 3. The BOPE shall be installed before drilling below the 8-5/8 inch surface casing and the 5-1/2 inch intermediate casing and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.
- a. The BLM Roswell Field office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
- b. The tests shall be done by an independent service company.

- c. 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.
- 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 BLM Roswell Field Office at 2909 West Second Street, Roswell, New Mexico 88201.
- e. Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures. Use of drilling mud for testing is not permitted since it can mask small leaks.
- f. Testing must be done in a safe workman like manner. Hard line connections shall be required.
- g. The requested variance to test the BOPE prior to <u>drilling below the 8-5/8 inch surface casing</u> to the reduced pressure of $\underline{1000}$ psi using the rig pumps is approved.

VI. PRODUCTION

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.

Containment Structures

The containment structure shall be constructed to hold the capacity of the entire contents of the largest tank, plus 24 hour production, unless more stringent protective requirements are deemed necessary by the Authorized Officer.

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, <u>Juniper Green</u> (Standard Environmental Color Chart June 2008).

VRM Facility Requirement

Low-profile tanks not greater than eight-feet-high shall be used.

VII. 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. Earthwork for interim and final reclamation must be completed within 6 months of well completion or well plugging

(weather permitting). The operator shall submit a Sundry Notices and Reports on Wells (Notice of Intent), Form 3160-5, prior to conducting interim reclamation.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche may be used in road repairs, fire walls or for building other roads and locations. In addition, 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.

PECOS DISTRICT SEED MIX FOR

The following Soils or Soil associations may represent this ecological site: Bascal Gravelly Loam. Bascom. Philder Very Gravelly Fine Sandy Loam Yturbide Loamy Sand

Gravelly SD-3 Ecological Site

April 4, 2006

Common Name and Preferred Variety	Scientific Name	Pounds of Pure <u>Live Seed Per Acre</u>
Blue grama	(Bouteloua gracilis)	1.50
Sideoats grama.	(Bouteloua curtipendula)	1.50
Sand dropseed	(Sporobolus cryptandrus)	0.50
Plains bristlegrass	(Setaria macrostachya)	2.50
Vine mesquite	(Panicum obtusum)	1.50
Desert or Scarlet Globemallow	(Sphaeralcea ambigua) or (S. coccinea)	1.00
Croton or Desert ziunia	(Croton spp.) or (Zinnia grandiflora)	0.50
TOTAL POUNDS PURE LI	VE SEED (pls) PER ACRE	9.00

Certified Weed Free Seed

If on species is not available,
increase ALL others proportionately.

NOT JUST ONE SPECIES!

Use at least 4 species, including 1 forb

No less than 9.0 pounds pls per acre shall be applied

APPROVED: S. Douglas J. Burger

District Manager, Pecos District

VIII. FINAL ABANDONMENT & REHABILITATION REQUIREMENTS

- a) Upon abandonment of the well and/or when the access road is no longer in service, a Notice of Intent for Final Abandonment with the proposed surface restoration procedure must be submitted for approval.
- b) On private surface/federal mineral estate land the reclamation procedures on the road and well pad shall be accomplished in accordance with the Private Surface Land Owner agreements and a copy of the release is to be submitted upon abandonment.
- c) Upon abandonment of the well, all casing shall be cut-off at the base of the cellar or 3-feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator, the lease serial number, the surveyed location (the quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).
- d) d. Surface Reclamation must be completed within 6 months of well plugging. If the operator proposes to modify the plans for surface reclamation approved on the APD, the operator must attach these modifications to the Subsequent Report of Plug and Abandon using Sundry Notices and Reports on Wells, Form 3160-5.