

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
P. O. BOX 2000
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-70

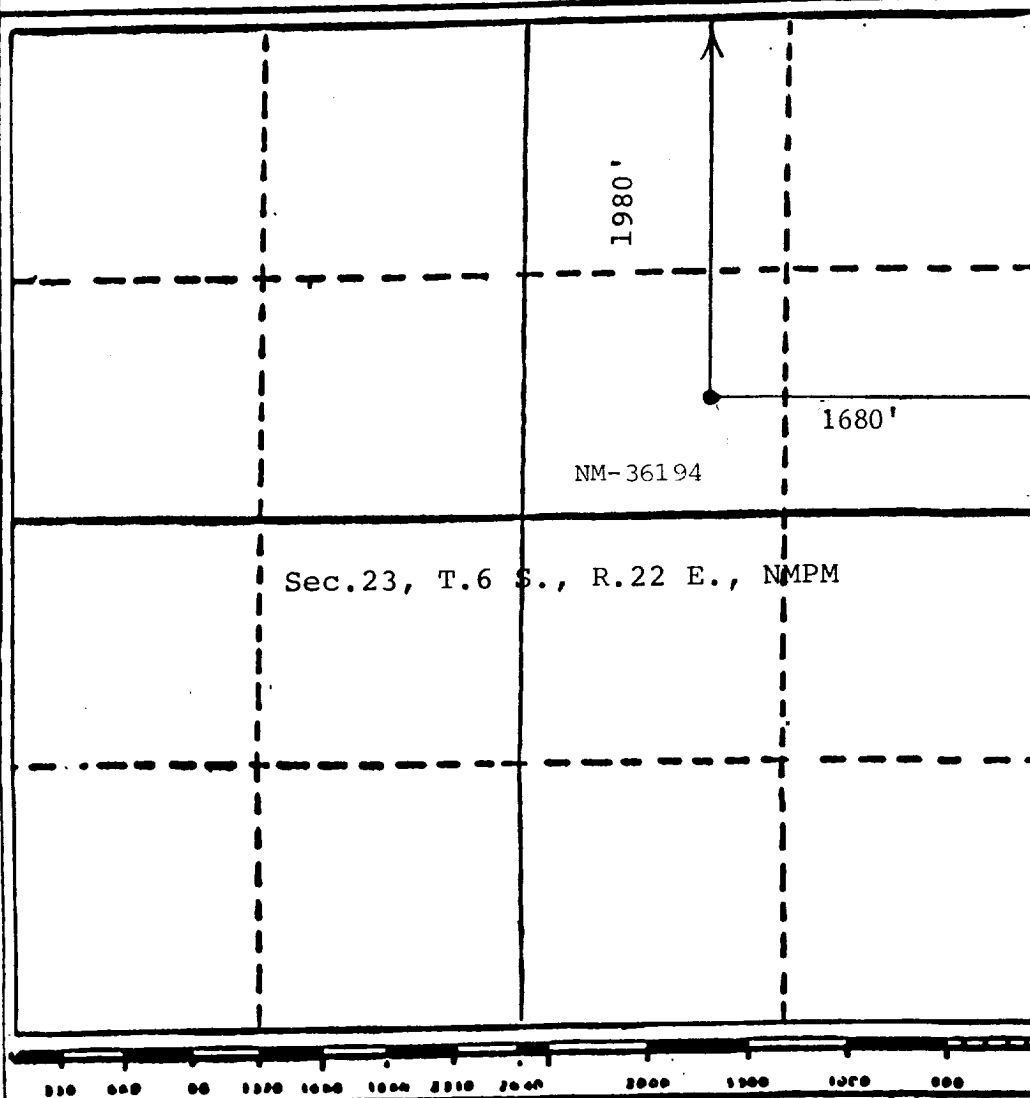
All Distances must be from the outer boundaries of the Section.

Operator McKay Oil Corp.		Lease South 4 mile Draw Fed.		Well No. #5
Unit Letter G	Section 23	Township 6 South	Range 22 East	County Chaves
Actual Well Location of Well				
1980 feet from the North line and		1680 feet from the East line		
Ground Level Elev. 4178	Producing Formation Abo	Pool W. Pecos Slope Abo	Dedicated Acreage 160	ACT 2

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?
- ☐ Yes ☐ No - If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
James L. Schultz

Position
Landman

Company
McKay Oil Corporation

Date
7-21-86

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 knowledge and belief.

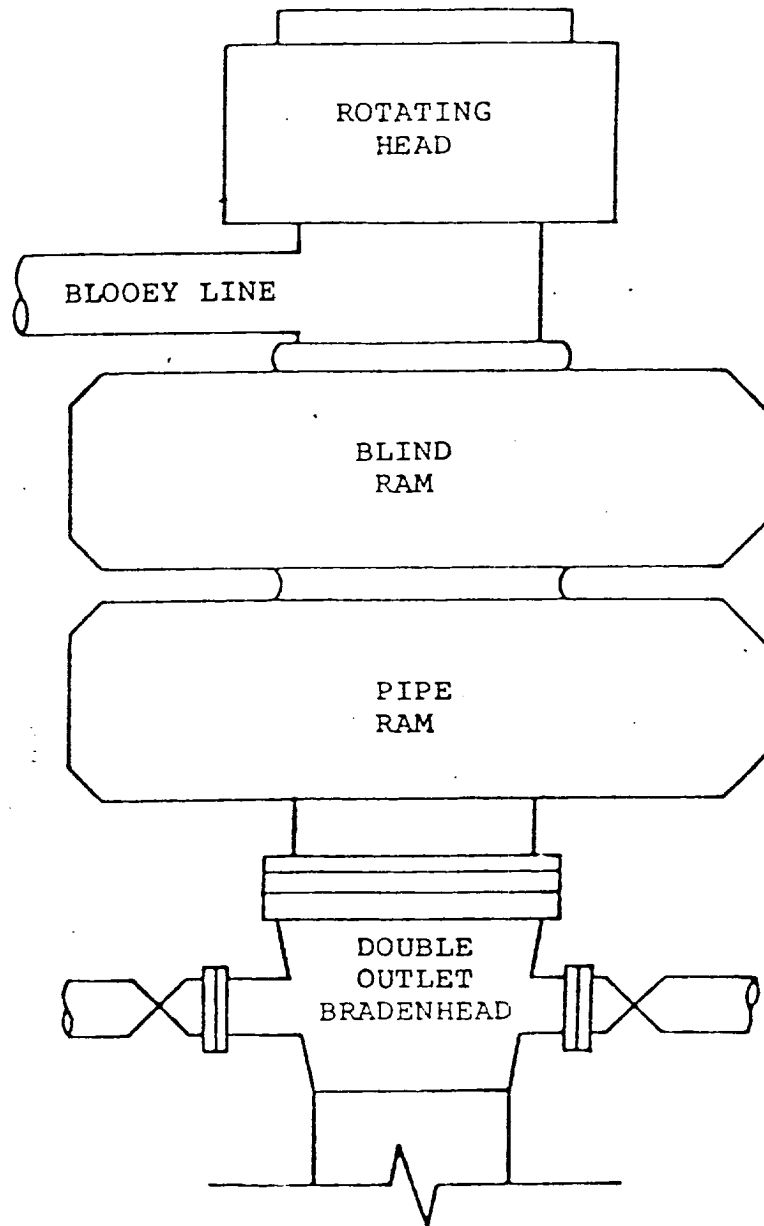
Date Surveyed
July 9, 1986

Surveyed by
John D. Jaquess

Surveyed by
John D. Jaquess, P.E. & L.S.

Continued on
6290

MCKAY OIL CORPORATION
South Four Mile Draw Federal #5
SW/4NE/4 Sec. 23-6S-23E
Chaves County, New Mexico



BOP STACK

3000 PSI WORKING PRESSURE

SUPPLEMENTAL DRILLING DATA

McKAY OIL CORPORATION
South Four Mile Draw Fed. #5
SW1/4NE1/4 Sec.23-6S-22E
Chaves County, N.M.

NM 36194

The following items supplement Form 9-331C in accordance with instructions contained in NTL-6.

1. SURFACE FORMATION: San Andres
2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

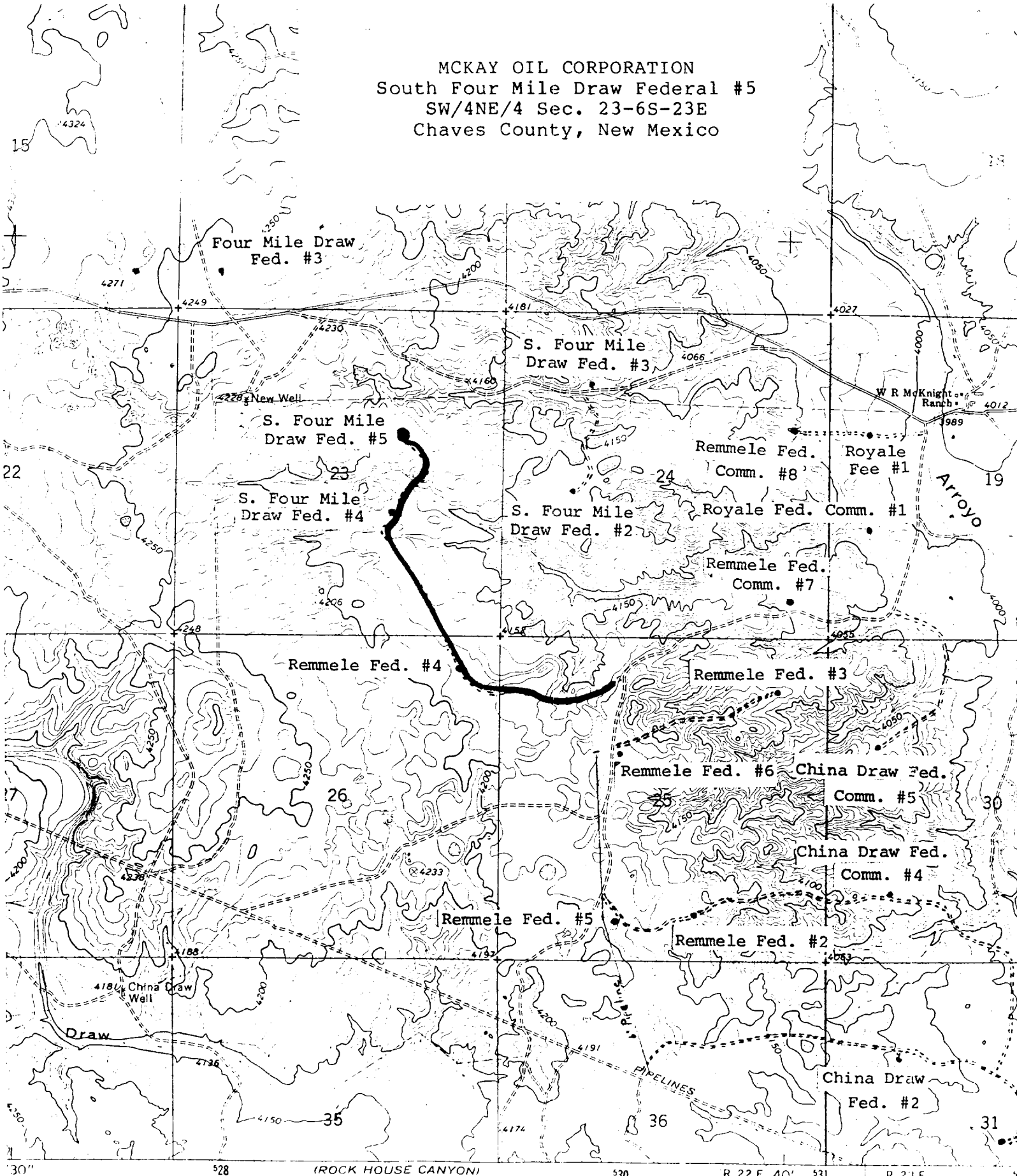
Yeso	- 740'
Tubb	- 2258'
Abo	- 2948'
3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:

Fresh water	- In surface formations above 600'
Gas	- In Abo formation below 2948'
4. PROPOSED CASING PROGRAM: See Form 9-331C
5. PRESSURE CONTROL EQUIPMENT: Blowout preventer stack will consist of at least a double-ram blowout preventer rated to 3000#WP. A sketch of the BOP is attached.
6. CIRCULATING MEDIUM:

0'- 600'	Lime and gel, spud mud, viscosity 32 to 34 seconds.
600'- 2800'	Fresh water
2800'- TD	Start mudding up at 2800'; viscosity 36 to 38 seconds; water loss 10 cc or less; 3-5% Diesel; 2 KCL

Mud additives will be used to control water loss.
7. AUXILIARY EQUIPMENT: full-opening drill string safety valve fit the drill string in use, will be kept on the rig floor at all times.

MCKAY OIL CORPORATION
 South Four Mile Draw Federal #5
 SW/4NE/4 Sec. 23-6S-23E
 Chaves County, New Mexico



(ROCK HOUSE CANYON)
 5051 11 NW

SCALE 1:24000

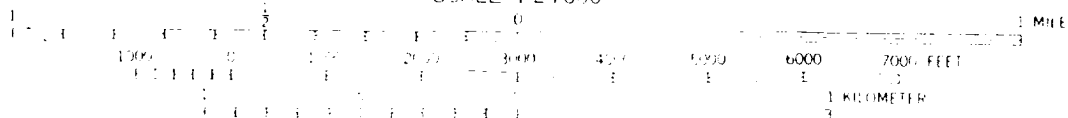
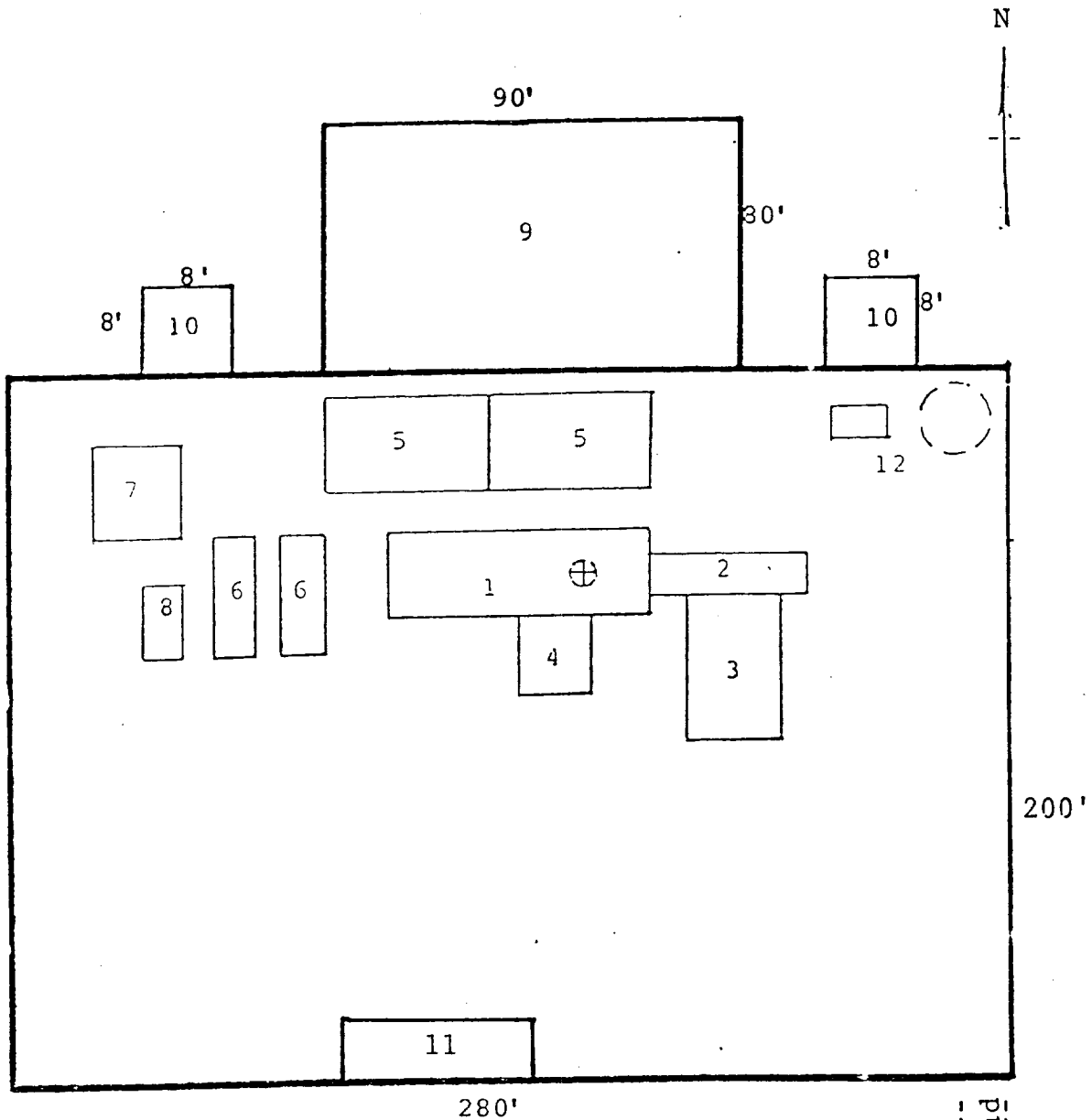


EXHIBIT B

MCKAY OIL CORPORATION
 South Four Mile Draw Federal #5
 SW/4NE/4 Sec. 23-6S-23E
 Chaves County, New Mexico



RIG LAYOUT

- | | |
|-----------------|---------------------------|
| 1. Substructure | 7. Water Tank |
| 2. Catwalk | 8. Light Plant |
| 3. Pipe Rack | 9. Reserve Pit |
| 4. Doghouse | 10. Trash Pit |
| 5. Mud Pits | 11. Trailer House |
| 6. Mud Pumps | 12. Production Facilities |