Form 3160-3
(December 1990)

N. M. Oil Cons. Division
811 S. 1ST ST.
ARTESIA, NM 88210-2

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT 2-6-97 ADM

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

RECEIVED
MAR 07 1997
OIL CON. DIV.
DIST. 2

5. LEASE DESIGNATION AND SERIAL NO.: NM-86025

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

1a. TYPE OF WORK: DRILL ☒ DEEPEN ☐

b. TYPE OF WELL: OIL WELL ☒ Gas Well ☐ OTHER — SINGLE ZONE ☒ MULTIPLE ZONE ☐

8. FARM OR LEASE NAME, WELL NO: McIntyre DK Federal #10 (6143)

2. NAME OF OPERATOR: MACK ENERGY CORPORATION (13837)

9. API WELL NO: 30-015-29424

3. ADDRESS AND TELEPHONE NO: P.O. BOX 960, ARTESIA, NM 88211-0960 (505) 748-1288

10. FIELD AND POOL, OR WILDCAT: Grayburg Jcksn 7R,QN,GB,SA (28509)

4. LOCATION OF WELL (Report location clearly and in accordance with any state requirement.)
At surface: 990 FSL 1610 FEL
At proposed prod. zone: 990 FSL 1610 FEL Unit O

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: SEC 17-T17S-R30E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: .25 MILES NORTHWEST OF LOCO HILLS

12. COUNTY OR PARISH: EDDY

13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO OF ACRES IN LEASE TO THIS WELL
330	160	40
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
660	5500	ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3671 GR

22. APPROX. DATE WORK WILL START*: 2/14/97

23. PROPOSED CASING AND CEMENTING PROGRAM

ROSWELL CONTROLLED WATER BASIN

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2	K-55, 13 3/8	54.5	250	CIRC TO SURFACE
12 1/4	K-55, 8 5/8	24	1100	SUFF. TO CIRC
7 7/8	J-55, 5 1/2	17	5500	SUFF. TO CIRC

Mack Energy proposes to drill to a depth sufficient to test the Paddock and San Andres formation for oil. If productive, 5 1/2" casing will be cemented. If non-productive, the well will be plugged and abandoned in a manner consistent with federal regulation. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

SUBJECT TO LIKE APPROVAL BY STATE

Drilling Program

Surface Use & Operating Plan

Exhibit #1 & 1A - Blowout Preventer Equip

Exhibit #2 - Location and Elevation Plat

Exhibit #3 - Planned Access Road

Exhibit #4 - One-mile Radius Map

Exhibit #5 - Production Facilities Layout

Exhibit #6 - Location Layout

Exhibit #7 - H2S Drilling Operations Plan

FOR UNORTHODOX LOCATION

Posted 10-1 NL & API 3-14-97

NSL-

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

24.

SIGNED Cissa D. Carter TITLE Production Clerk DATE 2/4/97

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED B (ORIG. SGD.) TONY J. FERGUSON TITLE ADM, MINERALS DAT 3-5-97

*See Instructions On Reverse Side

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

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Departm.

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-015-29424	28509	Grayburg Jackson 7RVS-QN-GB-SA

Property Code	Property Name	Well Number
006143	McINTYRE DK Federal	10

OGRID No.	Operator Name	Elevation
013837	MACK ENERGY CORPORATION	3671

Surface Location

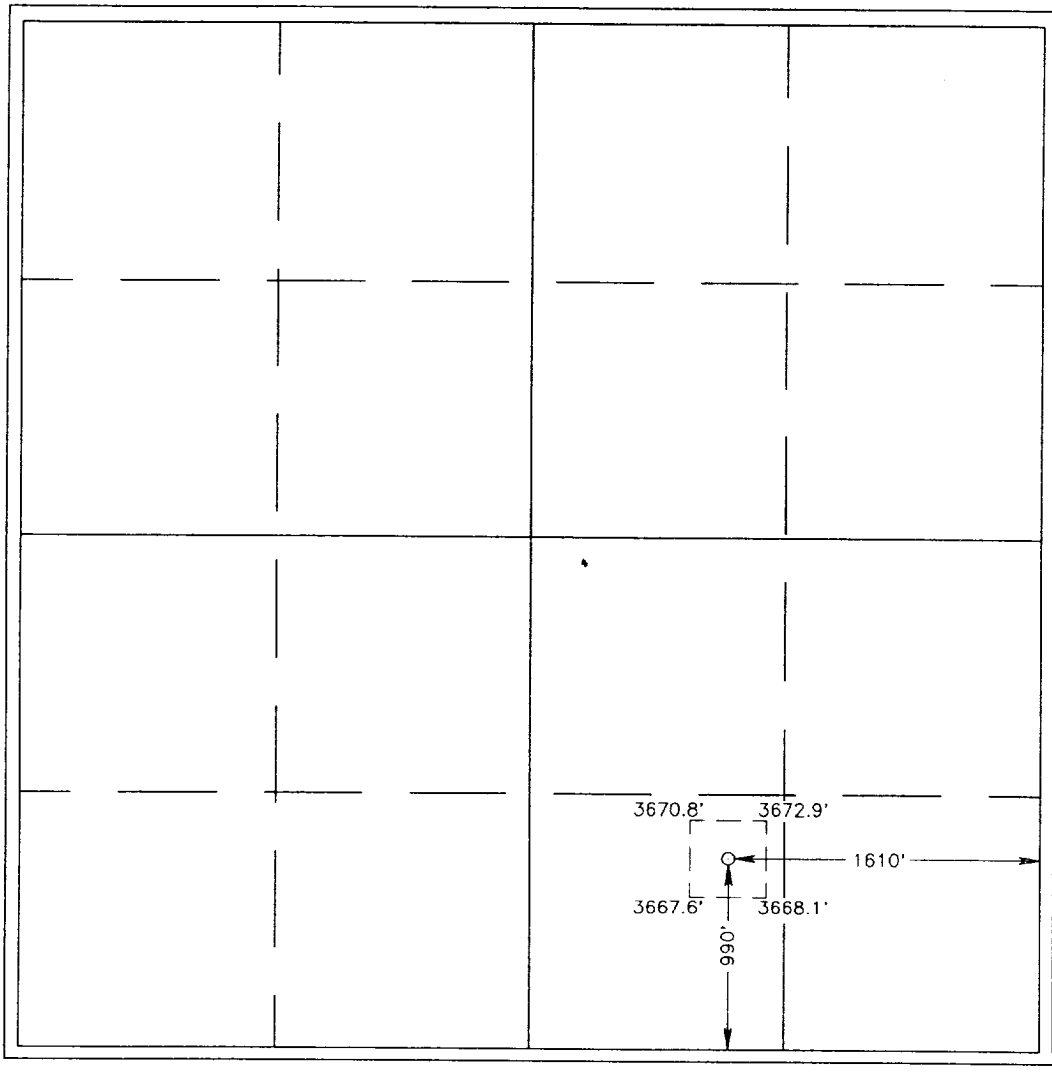
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	17	17 S	30 E		990	SOUTH	1610	EAST	EDDY

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.
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



OPERATOR CERTIFICATION

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

Crissa D. Carter
Signature

Crissa D. Carter
Printed Name

Production Clerk
Title

2/4/97
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 supervison, and that the same is true and correct to the best of my belief.

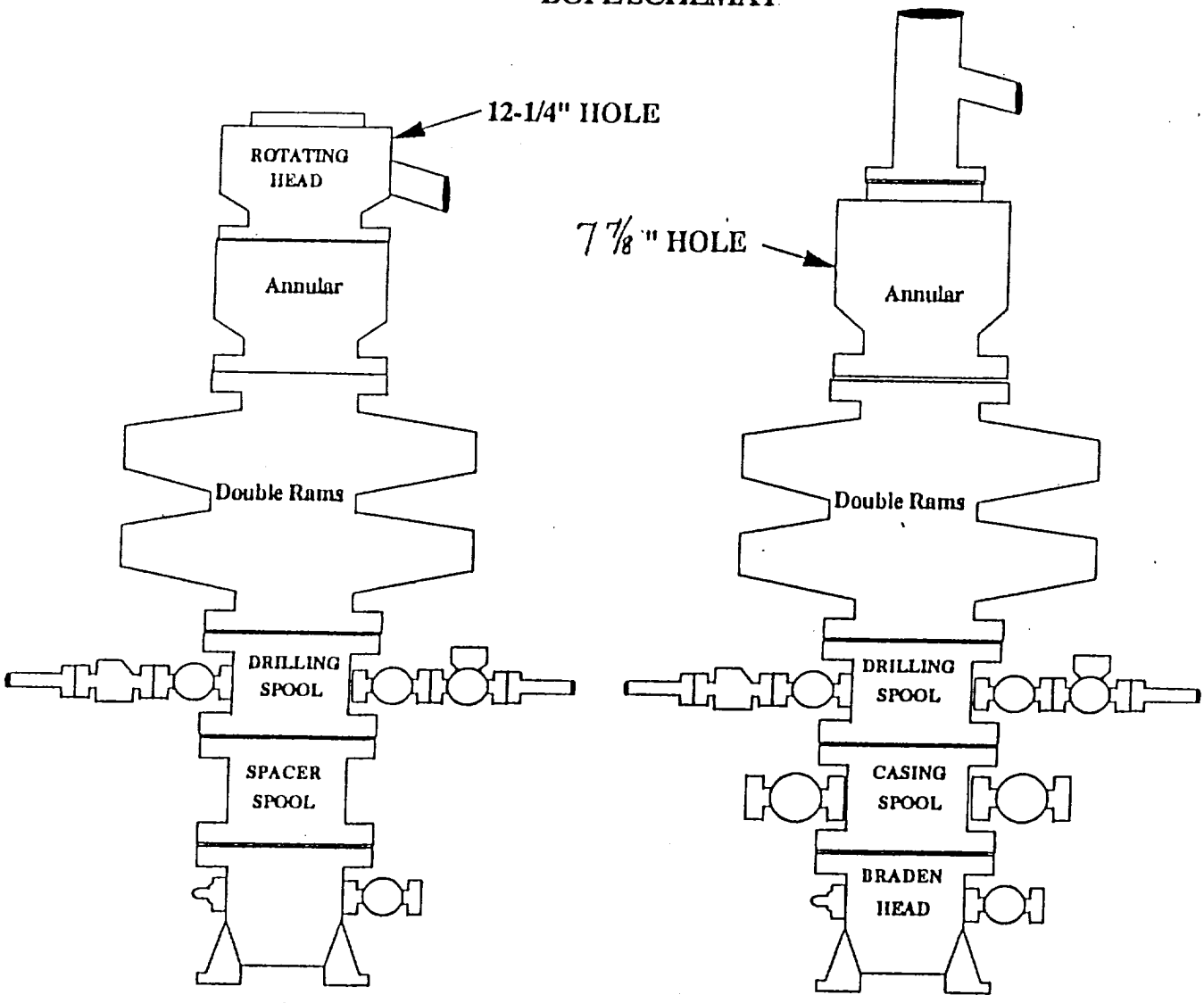
DEC. 31, 1996
Date Surveyed DMCC

Signature & Seal of Professional Surveyor

Ronald J. Eidson 1-02-97

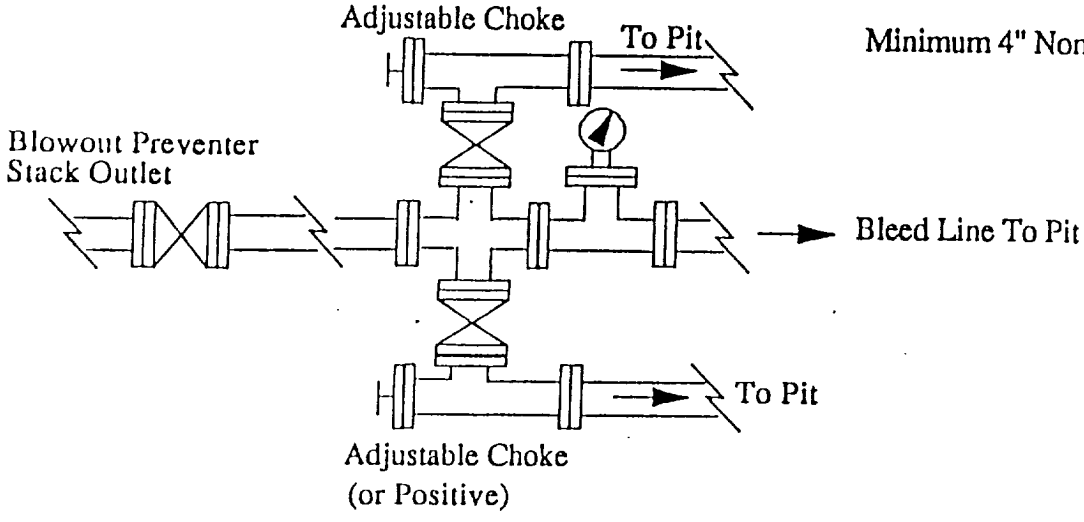
Certificate No. JOHN W. WEST 676
RONALD J. EIDSON 3239
GARY L. EIDSON 12641

BOPE SCHEMATIC



Choke Manifold Requirement (2 000 psi WP)

NO ANNULAR REQ'D



Minimum 4" Nominal choke and kill lines

MACK ENERGY CORPORATION
EXHIBIT #1-A

MINIMUM BLOWOUT PREVENTER REQUIRE. .TS

2,000 psi Working Pressure

2 MWP

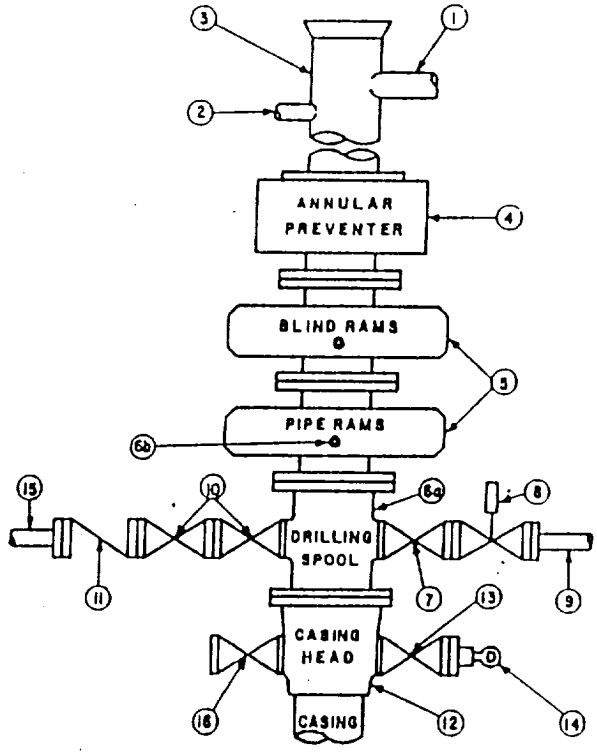
MACK ENERGY CORPORATION
EXHIBIT #1-A

STACK REQUIREMENTS

No.	Item	Min. I.D.	Min. Nominal
1	Flowline		
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
	—or—		
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	Valves 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"	

CONFIGURATION A



CONTRACTOR'S OPTION TO FURNISH:

1. All equipment and connections above bradenhead or casinghead. Working pressure of preventers to be 2,000 psi, minimum.
2. Automatic accumulator (80 gallon, 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.
5. Inside blowout prevventer 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 casinghead and side valves.
2. Wear bushing, if required.

GENERAL NOTES:

1. Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
2. 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.
3. 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, other bean sizes, retainers, and choke wrenches to be conveniently located for immediate use.
5. All valves to be equipped with handwheels or handles ready for immediate use.
6. Choke lines must be suitably anchored.
7. 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 (2,000 psi working pressure) to have flexible joints to avoid stress. Hoses will be permitted.
10. Casinghead connections shall not be used except in case of emergency.
11. Do not use kill line for routine fill-up operations.