District I PO Box 1980, Hobbs, NM 88241-1980 District II 811 S. 1st Street Artesia, NM 88210-1404 District III 1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico Energy, Minerals & Natural Resourses Department

OIL CONSERVATION DIVISION

Form C-NA Revised February 10, (199 Instructions on bak

Submit to Appropriate District Office

State Lease - 6 Copies Fee Lease - 5 Copies

PO Box 2088 Santa Fe, NM 87504-2088 (314 15 16 72 78)

District IV PO Box 2088, Sar	inta Fe, NM (87504-2088			•	S. S	, * ·	A S		JAMEN	DED REPORT	
APPLICA	ATION	FOR PF	ERMIT	TO DRI	ILL, RE-EN	NTER, DEE	epen	 Г. Р.И.И.G.В .	ACK,		OD A ZONE	
				·····	or Name and Addr	13.7		- ARTESIA			RID Number	
İ			N	Mack Energ	gy Corporation			نير.	\$ 1		013837	
					Box 960 M 88211-0960				% T		PI Number	
	_		<i>r</i> :	irtesia, iviv	M 88211-0960			1977	- /	130-0	75-31018	
Prope	erty Code		-		Pro	roperty Name		-			Well No.	
25	747	5	·····		· · · · · · · · · · · · · · · · · · ·	nperial State	· · · · · · · · · · · · · · · · · · ·				3	
	-				Surface I							
UL or lot no.	Section	Township		Lot Idn	Feet from the	North/South 1	line F	Feet from the	East/W	West line	County	
J	16	17S	30E		1775	South		1650	1	East	Eddy	
					Hole Locati				·			
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South I	line F	Feet from the	East/W	West line	County	
		Propos	sed Pool I		1	Д		Propos	ed Pool 2	7		
	Lo	oco Hills Pa		6718					u		3-24-00	
Work T	Code											
WORKI	ype Code		Well Type	2 Code	Cable/	:/Rotary	L	Lease Type Cod	de	Ground	d Level Elevation	
	N .14:1-		O Drongged I		R			S			3675	
	ltiple		Proposed I			nation		Contractor	- 1		Spud Date	
N	No		4900'		Padd	 1		LaRue			4/25/00	
					d Casing an			<u></u>				
Hole Si			sing Size	Casir	ing weight/foot	Setting De			of Cement		Estimated TOC	
17 1/2		· · · · · · · · · · · · · · · · · · ·	3 3/8			45c' 380'			irc		iface	
12 1/4			5/8		24	1100'			irc		11	
7 7/8	3	5	1/2		17	4900'	1	Sufficien	at to Cir	ic `	U	
												
Describe the p	osed pro	If this	lication	- to DEEP	EN or PLUG BAC	-ive the data	~ the pr	Productiv	ane a	nose	Justiva	
	the blowout	ut prevention	program, if	f any. Use add	ditional sheets if no	necessary.					-	
	M	Aack Energ	gy Corpora	ation prope	oses to drill to 3	350', run 13 3/	/8" casir	ng and cemen	at. Dril!	.l to 1100',	, run 8 5/8"	
casing and	d cement.	Drill to 40	900' and t	.est Paddoc	ck Zone, run 5 1	1/2" casing an	d cemer	nt. Put well c	on prod	uction.		
									•			
Note: Or	Producti	on string,	a fluid cal	iber will b	e run and will fi	figure cement	with 25°	excess, at	tempt to	o circulate	•	
• • •	1100	л. э	· liu.	.00.	/ I Un ware.	guio c	W 1624	70 CAUCE,	emp.	CHOMA	,	
I hereby certify	that the info	ormation give	en above is t	rue and comp	plete to the best							
of my knowledge		_	~	11		OIL CONSERVATION DIVISION						
Signature		lesse	_ <u> </u>	lat	A	Approval by ORK				W. GUN	BGA	
Printed name:		Crissa D.	. Carter_					II SUPERVI	ISOR			
Títle:		Production			A.	Approval Date: 3	- 16	·cc I	Expintion	on Dstc 3 -	16-01	
Date:			Phone:		ll ll	Conditions of Appr					700,	
1	2/15/00		1	/505\740 1	1000 11 /	Attached						

DISTRICT I P.C. Box 1980, Habba, NM 88241-1980 State of New Mexico

Energy, Minerals and Natural Resources

31415167 Revised February 10, 100-Form C-102

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT II P.O. Drawer DD, Artonia, NM 68211-0719

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

DISTRICT IV P.O. BOX 2086, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION P.O. Box 2088 COCA COENTED

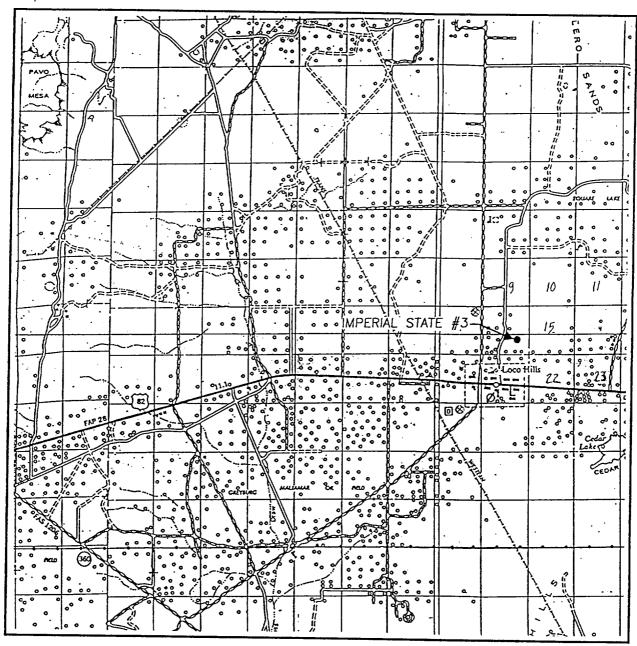
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API	Number		Pool Code 96718			Pool Name Loco Hills Paddock						
Property Code					Property Nan	-	Well Num	Well Number				
OGRID No. 013837				Operator Name MACK ENERGY CORPORATION				Elevation 3675				
					Surface Loc	ation						
UL or lot No. Section		Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
J	16	17 S	30 E		1775	SOUTH	1650	EAST	EDDY			
	·		Bottom	Hole Lo	cation If Diffe	erent From Sur	face					
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
Dedicated Acre	s Joint	or Infill Co	nsolidation	Code Or	der No.	<u> </u>	<u> </u>		<u> </u>			
NO ALLO	WABLE V	WILL BE A	SSIGNED	TO THIS	COMPLETION 1	JNTIL ALL INTE	RESTS HAVE B	EEN CONSOLIDA	ATED			

	OR A NON-STAN	DARD UNII HAS	BEEN APPROVED E	1 THE DIVISION
				OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.
			- 	Signature D. Cata
				Crissa D. Carter Printed Name Production Analyst Title , 3 15 00
-				SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field noise of
		9	1650'	actual surveys made by me or under my supervison and that the same is true and correct to the best of my bolist. MARCH8, 2000
		1775'		Date Surveyed E/D LMP Signature & Seal of Professional Surveyor 1261) 2000
				Certificate No.: ROMAD FIDSON 3239 CERTIFICATE PROPERTY EDISON 12841 CERTIFICATE PROPERTY EDISON 12841 12165

VICINITY MAP



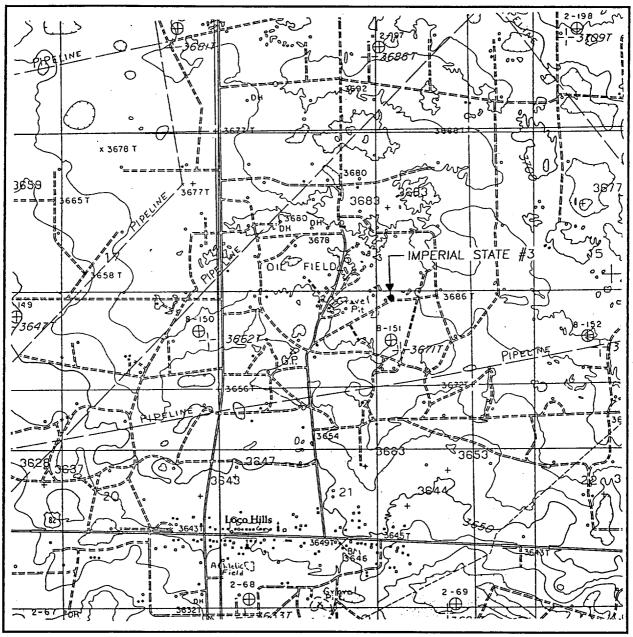
SCALE: 1" = 2 MILES

SEC. 16 TWP. 17-S RGE	. <u>30-E</u>
SURVEYN.M.P.M.	
COUNTYEDDY	
DESCRIPTION 1775' FSL &	1650' FEL
ELEVATION 3675	
OPERATOR MACK ENERGY (CORPORATIO
LEASE IMPERIAL STAT	ΓE

JOHN WEST SURVEYING HOBBS, NEW MEXICO (505 393-3117



LOCATION VERFICATION MAP



SCALE: 1" = 2000'

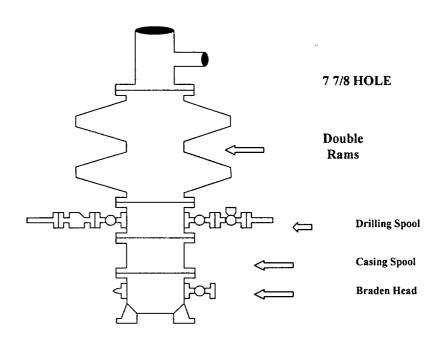
CONTOUR INTERVAL: LOCAL HILLS, N.M. - 10'

SEC. <u>16</u> TWP. <u>17-S</u> RGE. <u>30-E</u>	-
SURVEY N.M.P.M.	_
COUNTYEDDY	_
DESCRIPTION 1775' FSL & 1650' FEL	
ELEVATION 3675	_
OPERATOR MACK ENERGY CORPORATION LEASE IMPERIAL STATE	ŅΝ
U.S.G.S. TOPOGRAPHIC MAP LOCAL HILLS, N.M.	_

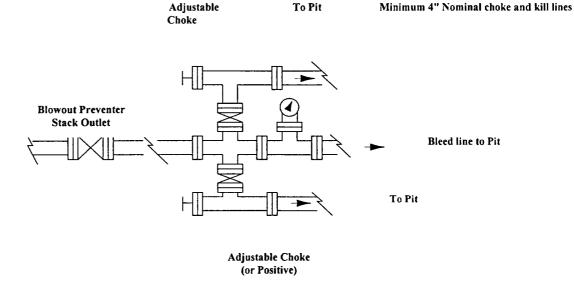
JOHN WEST SURVEYING HOBBS, NEW MEXICO (505 393-3117

Mack Energy Corporation

Exhibit #1 BOPE Schematic



Choke Manifold Requirement (2000 psi WP) No Annular Required



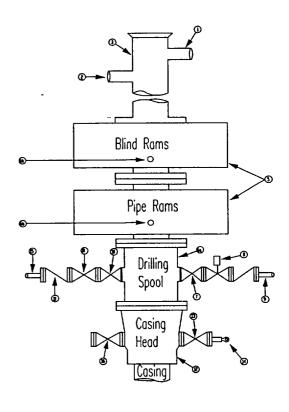
Mack Energy Corporation

Minimum Blowout Preventer Requirements

2000 psi Working Pressure 2 MWP EXHIBIT #2

Stack Requirements

	Stack Requiremen	1103	
NO.	Items	Min.	Min.
		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"



OPTIONAL

16	Flanged Valve	1 13/16

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 gallon, minimum) capable of closing BOP in 30 seconds or less and, holding them closed against full rated working pressure.
- BOP controls, to be located near drillers' position.
- Kelly equipped with Kelly cock.
- Inside blowout preventer or its equivalent on derrick floor at all times with proper threads to fit pipe being used.
- Kelly saver-sub equipped with rubber casing protector at all times.
- Plug type blowout preventer tester.
- 8. Extra set pipe rams to fit drill pipe in use on location at all times.
- Type RX ring gaskets in place of Type R.

MEC TO FURNISH:

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

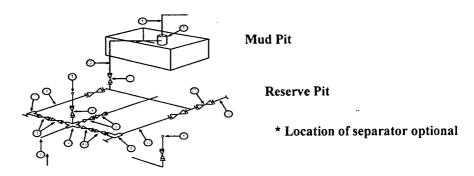
GENERAL NOTES:

- Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
- All connections, valves, fittings, piping, etc., subject to well or pump pressure must be flanged (suitable clamp connections acceptable) and have minimum working pressure equal to rated working pressure of preventers up through choke valves must be full opening and suitable for high pressure mud service.
- Controls to be of standard design and each marked, showing opening and closing position
- Chokes will be positioned so as not to hamper or delay changing of choke beans.
 Replaceable parts for adjustable choke, or bean

- sizes, retainers, and choke wrenches to be conveniently located for immediate use.
- All valves to be equipped with hand-wheels or handles ready for immediate use.
- Choke lines must be suitably anchored.
- Handwheels and extensions to be connected and ready for use.
- Valves adjacent to drilling spool to be kept open. Use outside valves except for emergency.
- All seamless steel control piping (2000 psi working pressure) to have flexible joints to avoid stress. Hoses will be permitted.
- Casinghead connections shall not be used except in case of emergency.
- 11. Do not use kill line for routine fill up operations.

Mack Energy Corpora.

Exhibit #3
MIMIMUM CHOKE MANIFOLD
3,000, 5,000, and 10,000 PSI Working Pressure
2 M will be used or greater
3 MWP - 5 MWP - 10 MWP



Below Substructure

Mimimum requirements

		3,000 MWP		5	,000 MWP		1	10,000 MWP		
No.		I.D.	NOMINAL	Rating	I.D.	Nominal	Rating	1.D.	Nominal	Rating
1	Line from drilling Spool		3"	3,000		3"	5,000		3"	10,000
2	Cross 3" x 3" x 3" x 2"			3,000			5,000			
2	Cross 3" x 3" x 3" x 2"									10,000
3	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
4	Valve Gate Plug	1 13/16		3,000	1 13/16		5,000	1 13/16		10,000
4a	Valves (1)	2 1/16		3,000	2 1/16		5,000	2 1/16		10,000
5	Pressure Gauge			3,000			5,000			10,000
6	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
7	Adjustable Choke (3)	2"		3,000	2"		5,000	2"		10,000
8	Adjustable Choke	1"		3,000	1"		5,000	2"		10,000
9	Line	-	3"	3,000		3"	5,000		3"	10,000
10	Line		2"	3,000		2"	5,000		2"	10,000
11	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
12	Line		3"	1,000		3"	1,000		3"	2,000
13	Line		3"	1,000		3"	1,000		3"	2,000
14	Remote reading compound Standpipe pressure quage			3,000			5,000			10,000
15	Gas Separator		2' x5'			2' x5'			2' x5'	
16	Line		4"	1,000		4"	1,000		4"	2,000
17	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000

- (1) Only one required in Class 3M
- (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. Choke manifold pressure and standpipe pressure gauges shall be available at the choke manifold to assist in regulating chokes. As an alternate with automatic chokes, a choke manifold pressure gauge shall be located on the rig floor in conjunction with the standpipe pressure gauge.
- 6. Line from drilling spool to choke manifold should bee as straight as possible. Lines downstream from chokes shall make turns by large bends or 90 degree bends using bull plugged tees.