State of New Mexico District J PO Box 1980, Hobbs, NM 88241-1980 Energy, Minerals & Natural Resourses Department District II 811 S. 1st Street Artesia, NM 88210-1404 te District Office OIL CONSERVATION DIVIS te Lease - 6 Copies PO Box 2088 District III Fee Lease - 5 Copies 1000 Rio Brazos Rd, Aztec, NM 87410 Santa Fe, NM 87504-District IV AMENDED REPORT PO Box 2088, Santa Fe, NM 87504-2088 APPLICATION FOR PERMIT TO DRILL, RE-ENTER Æ¢k, or add a zone OGRID Number Operator Name and Address Mack Energy Corporation 013837 P.O. Box 960 API Number Artesia, NM 88211-0960 30*-0*15-31578 Property Code Property Name Well No. 2 26983 Houma State Surface Location North/South line Section Township Range Lot Idn Feet from the Feet from the Fast/West line County UL or lot no. 30E 1650 North 1650 West Eddy F 17S 16 Proposed Bottom Hole Location If Different From Surface Feet from the East/West line Lot Idn Feet from the North/South line County UL or lot No. Section Township Proposed Pool 1 Proposed Pool 2 Loco Hills Paddock 96718 Work Type Code Lease Type Code Ground Level Elevation Well Type Code Cable/Rotary R S 3676 Proposed Depth Contractor Spud Date Multiple Formation LaRue 3/3/01 4900 Paddock No Proposed Casing and Cement Program Casing weight/foot Setting Depth Sacks of Cement Estimated TOC Casing Size Hole Size 400 Circ 17 1/2 13 3/8 48 11 Sufficient to Circ 8 5/8 24 1200' 12 1/4 4900' Sufficient to Circ 5 1/2 17 7 7/8 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary. Mack Energy Corporation proposes to drill to 400', run 13 3/8" casing and cement. Drill to 1200', run 8 5/8" casing and cement. Drill to 4900' and test Paddock Zone, run 5 1/2" casing and cement. Put well on production. Note: On Production string, a fluid caliber will be run and will figure cement with 25% excess, attempt to circulate. I hereby certify that the information given above is true and complete to the best OIL CONSERVATION DIVISION of my knowledge and belief Approval ORIGINAL SIGNED BY TIM W. GUM Signature BISTRICT H SUPERVIOR Printed name Crissa D. Carter **Expintion Dstc** Title: Approval Date **Production Analyst** Conditions of Approval: Phone Date Attached Π 1/24/01 (505)748-1288

DISTRICT I F.G. New 1980, Hobbs, NM 88241-1960

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised February 10, 1994 Submit to Appropriate District Office

DISTRICT II P.O. Drawer DD, Artonia, NM 86211-0719

OIL CONSERVATION DIVISION

State Lease - 4 Copies Fee Lease - 3 Copies

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

DISTRICT IV

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

DISTRICT IV P.O. BOX 2088, SANTA FE, N.M. 87604-2088	WELL LOCATION AND	ACREAGE DEDICATION PLAT	□ AMENDED REPORT			
API Number	Pool Code	Pool Name				
	96718	Loco Hills Paddock				
Property Code	Prop	erty Name	Well Number			
26983	HOUMA STATE 2					
OGRID No.		ator Name	Elevation			
013837	MACK ENERG	Y CORPORATION	3676'			

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	16	17-S	30-E		1650	NORTH	1650	WEST	EDDY

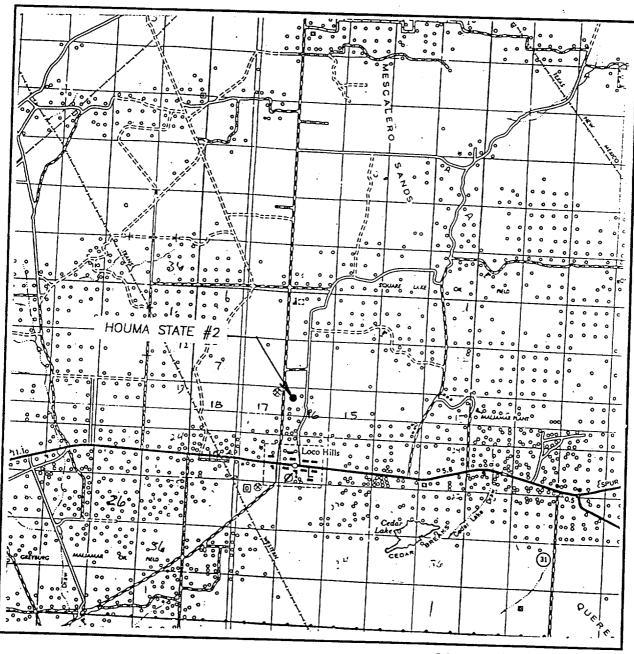
Bottom Hole Location If Different From Surface

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					der No.	L			
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
, ·o	best of my knowledge and belief.
1650	
	Lisa - Cont
	Signature
	Crissa D. Carter
1650'	Printed Name
	Production Analyst
	Title
	1/24/01
	Date /
	CUDVENOR GERTEICATION
	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.
	JANUARY 16, 2001
	Date Surveyed AWB
	Signature & Seal of
	Professional Surveyor
	Van 1018 1
	1 mole & Bulan 01/19/01
	01-11-0047
	Certificate No. RONALD J. EIDSON 3239
	GARY EDSON 12541

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 16 TWP. 17—S RGE. 30—E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1650' FNL & 1650'FWL

ELEVATION 3676'

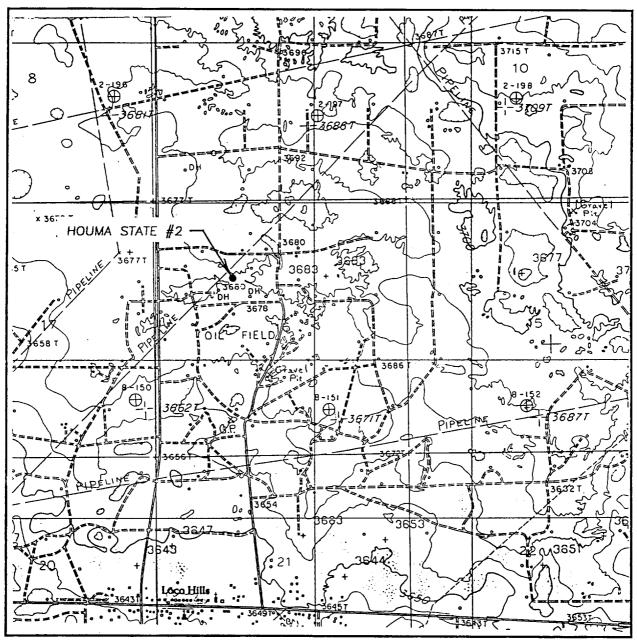
OPERATOR MACK ENERGY COPORATION

LEASE HOUMA STATE

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



LOCATION VERFICATION MAP



SCALE: 1" = 2000'

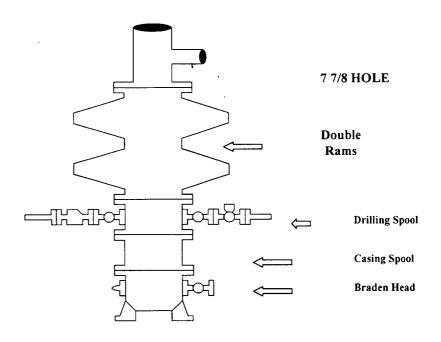
CONTOUR INTERVAL: 10' LOCO HILLS, N.M.

SEC. 16 TWP. 1	7-S RGE. 30-E
SURVEY	N.M.P.M.
COUNTY	EDDY
DESCRIPTION 1650	' FNL & 1650'FWL
ELEVATION	3676 '
	ENERGY COPORATION
LEASE H	OUMA STATE
U.S.G.S. TOPOGRALLOCO HILLS, N.M.	PHIC MAP

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

Adjustable Choke

To Pit Minimum 4" Nominal choke and kill lines

Choke

Blowout Preventer
Stack Outlet

To Pit

Adjustable Choke
(or Positive)

Blowout Preventers Page 1

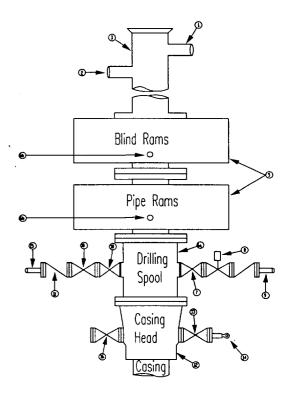
Mack Energy Corporation

Minimum Blowout Preventer Requirements

2000 psi Working Pressure 2 MWP EXHIBIT #2

Stack Requirements

	Stack Requiremen	11.65	
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.
- 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.
- 2. Wear bushing. If required.

GENERAL NOTES:

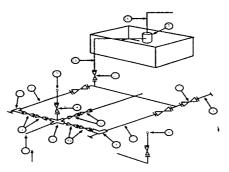
- Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
- All connections, valves, fittings, piping, etc., subject to well or pump pressure must be flanged (suitable clamp connections acceptable) and have minimum working pressure equal to rated working pressure 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
- 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.
- 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 Corporation

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



Mud Pit

Reserve Pit

* Location of separator optional

Below Substructure

Mimimum requirements

					i require						
		3,0	00 MWP		5	5,000 MWP		10,000 MWP			
No.		I.D.	NOMINAL	Rating	1.D.	Nominal	Rating	I.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		1		
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"	1	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'		<u> </u>	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.

Blowout Preventers Page 3