Form 3160-3
(December 1990)

N.M. Oil Cons. 1301 W. Artesia, NM 88210

SUBMIT IN TRIPLICATE* (Other instruc. on reverse side)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.: LC-057634

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WORK: DRILL ☒ DEEPEN ☐

7. UNIT AGREEMENT NAME: 18384

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

8. FARM OR LEASE NAME, WELL NO.: McIntyre A #18

2. NAME OF OPERATOR: Mack Energy Corporation 13837

9. API WELL NO.: 30-015-32188

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

10. FIELD AND POOL, OR WILDCAT: Loco Hills Paddock

4. LOCATION OF WELL (Report location clearly and in accordance with any state requirement.*)
At surface: 990 FSL & 2310 FEL Ut. D
At proposed prod. zone

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec 20 T17S R30E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 1/10 mile South 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)	330	16. NO. OF ACRES IN LEASE	80	17. NO OF ACRES IN LEASE TO THIS WELL	40
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.	660	19. PROPOSED DEPTH	5000	20. ROTARY OR CABLE TOOLS	Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.)	3608			22. APPROX. DATE WORK WILL START*	12/10/01

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2	K-55,13 3/8	48	425	Circ
12 1/4	K-55, 8 5/8	24	1200	Sufficient to Circ
7 7/8	J-55, 5 1/2	17	5000	Sufficient 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 manor consistent with federal regulation. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

1. Surveys
   - Exhibit #1- Well Location Plat
   - Exhibit #2- Vicinity Map
   - Exhibit #3- Location Verification Map
2. Drilling Program
3. Surface Use & Operating Plan
   - Exhibit #4- One Mile Radius Map
   - Exhibit #5- Production Facilities Layout
   - Exhibit #6- Location Layout
4. Certification
5. Hydrogen Sulfide Drilling Operation Plan
   - Exhibit #7- H2S Warning Sign
   - Exhibit #8- H2S Safety Equipment
6. Blowout Preventers
   - Exhibit #9- BOPE Schematic
   - Exhibit #10- Blowout Preventer Requirements
   - Exhibit #11- Choke Manifold
7. Responsibility Statement

RECEIVED OCD - Artesia

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 Lisa D. Cate TITLE Production Analyst DATE 10/25/01

(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 BY /s/ LESLIE A. THEISS TITLE _____ DATE JAN 30 2002

APPROVAL FOR 1 YEAR

*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 Department

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
	96718	Loco Hills Paddock

Property Code	Property Name	Well Number
018384	McINTYRE A	18

OGRID No.	Operator Name	Elevation
013837	MACK ENERGY CORPORATION	3608'

Surface Location

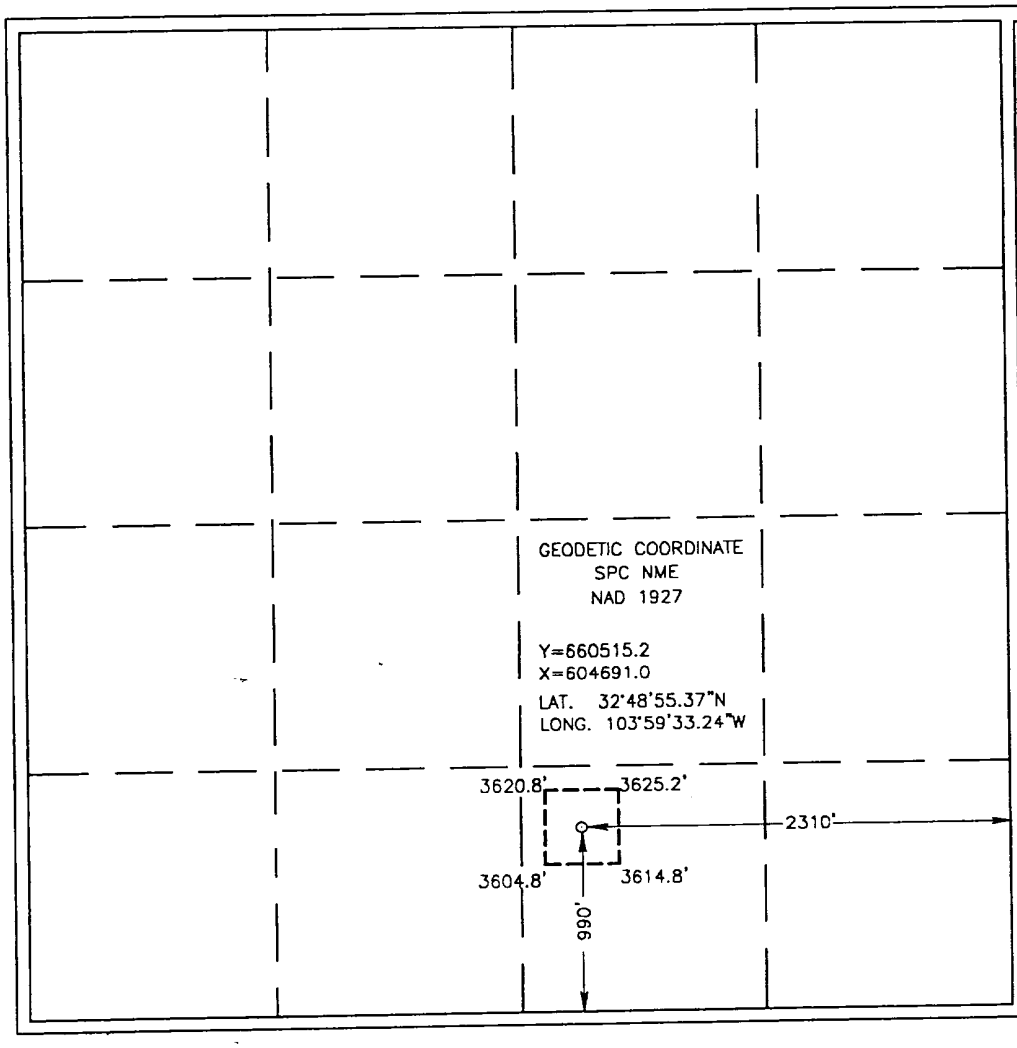
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	20	17-S	30-E		990	SOUTH	2310	EAST	EDDY

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 Analyst
Title

10/26/2001
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.

OCTOBER 16, 2001
Date Surveyed AWB

Signature & Seal of Professional Surveyor

RONALD J. EIDSON NEW MEXICO 3239 REGISTERED PROFESSIONAL SURVEYOR

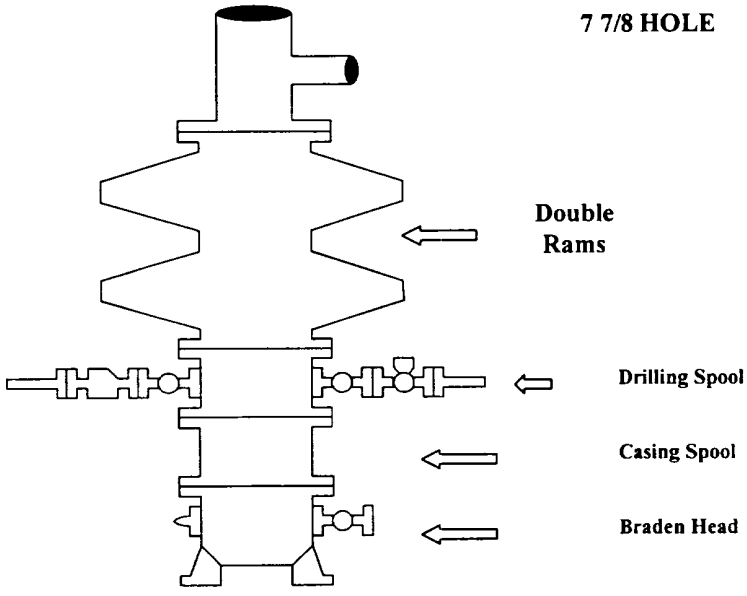
10/19/01

01.11.1137

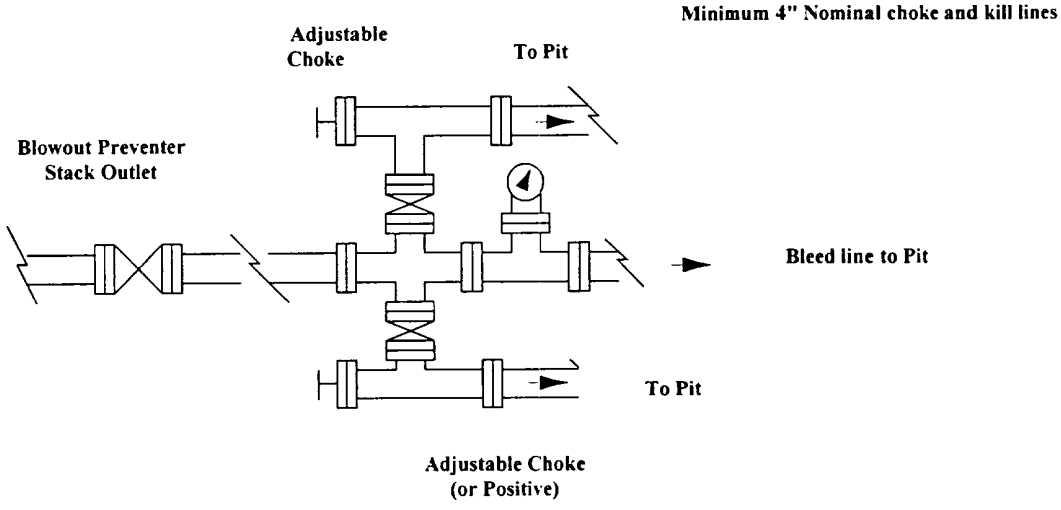
Certificate No. RONALD J. EIDSON 3239
GARY L. EIDSON 12641

Mack Energy Corporation

Exhibit #9
BOPE Schematic



Choke Manifold Requirement (2000 psi WP)
No Annular Required



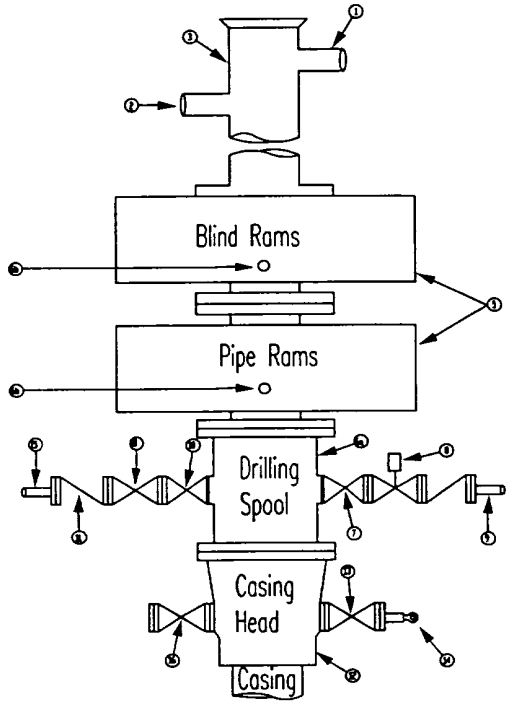
Mack Energy Corporation
Minimum Blowout Preventer Requirements
2000 psi Working Pressure
2 MWP
EXHIBIT #10

Stack Requirements

NO.	Items	Min. I.D.	Min. 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:

1. All equipment and connections above bradenhead or casinghead. Working pressure of preventers to be 2000-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 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:

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, or bean sizes, retainers, and choke wrenches to be conveniently located for immediate use.
5. All valves to be equipped with hand-wheels 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 (2000 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.

30-015-32188

6-28-02
PE/AZ-LL/MCFL/NGT
1214-4832
PE/3D-LD/CN/NGT
200-4822