Norm 3166-3 (December 1999) M () DRAV		USSION TED STATES		SUBALT 7 (Other ik reverse	CTIPLICATE Actions on Side)	 Form approved. Budget Bureau No. 1004-0136 Expires: December 31, 1991 			
ARTE	SIA, NEUREAU OF		n i E Seme	RIOR		5. LEARS DESIGNATION AND SERIAL BO.			
					IVED	<u>NM_10190</u>			
	JCATION FOR P	EBHIIT TO	뽔	L OR DEEPEN		6. IF INDIAN, ALLOTTES OR TRIBS NAME			
a. TTPE OF WORK	RILL 🗷 🖊	DEEPEN	a or			7. UNIT AGEREMENT NAME			
. TIPE OF WELL		4	る、	S MAY	10.'94	Shugart			
NAME OF OPERATOR	WELL OTHER	o To i	2	ON X NULT		S. FARMOR LEASE NAME, WELL HD. 3493			
	5	The second	C	5 6137 BTESH	C. D.	East Shugart Unit #58			
ADDRES AND TELEVIONEND	Corporation RN		:tn	Heby O'Donne		30-015-77951			
20 North Bro	adway Ste 1500	0k kahoma	Citt	S AR 73102		10. FIELD AND FOOL OR WELECAT			
LOCATION OF WELL (]	Report location clearly and	th accordance with	ANT	Little resultances ()		Shugart (Y-SR-Q-G)			
At proposed pred. so	5'FSL & 2200'F same	LONORT		Like Appro		11. AND SUBVET OF AREA 56439			
	AND DIRECTION FROM REA			By State	41.K	Section 35-T18S-R31E			
_	outheast of Loco			-		12. COUNTY OR PARISE 18. STATS			
- DISTANCE FROM PROF LOCATION TO XRABBE	V820*	, Afl.				Eddy NM			
PROPERTY OF LEASE (Also to searest dr)	LINE. FT.	1575'		560		IS WELL			
. DISTANCE FROM FBOI			19. PI	OPOSED DEPTE	20. 80748	40 PTART OR CABLE TOOLS			
OR APPLIED FOR, ON TH	ne lease, pt.	800'		4500'		rotary			
. REVATIONS (Show wh	wher DP, RT, GB, etc.)	3632' Ca	pitan	Controlled Water	Basin	22. APPEOS. DATE WORE WILL START			
			· · · · -	CEMENTING PROGRA		May 1, 1994			
BILL OF BOLL	ORADIL SIZE OF CHENG	WEIGHT PER FOO	T	SETTING DEPTH		QUANTITY OF CRARNT			
17 ½"	14"			40'	cat wit	th readi-mix to surface			
12 2"	8 5/8", K-55	24 ppf		950'	280 sx Lite + 200 schell				
7 7/8"	5 ½", J-55	15.5 ppf		4500'		Lite + 500 sx Class C			
oil. If the Que regulations. Pr exhibits and att <u>Drilling Program</u>	een is deemed non-co rograms to adhere to tachments. <u>P</u>	mmercial, the	wellb ndga Th	ore will be plugge s regulations are e undersigned acce	ed and aba outlined epts all a	in the following pplicable terms, conditions,			
Surface Use and				stipulations and restrictions concerning operations con-					
L WRITE # # 1/1 *	- BIORDUL Preventio	• •	du						
Exhibits #1/1-A Exhibit #2 = Loc		Plat			l land or	portions thereof, as described			
Exhibit #2 = Loc Exhibit #3/3-A =	cation and Elevation = Road Map and Topo	Мар	be Le	1ow: ase #: N 10190		portions thereof, as described Post FU-1 7-3 A 944			
Exhibit #2 = Loc Exhibit #3/3-A = Exhibit #4 = Wel	cation and Elevation = Road Map and Topo ls Within 1 Mile Ra	Map dius	be Le	1ow: ase #: N 10190		portions thereof, as described Post FD-1 5-5 A 944			
Exhibit #2 = Loc Exhibit #3/3-A = Exhibit #4 = Wel Exhibit #5 = Pro	cation and Elevation = Road Map and Topo ils Within 1 Mile Ra oduction Facilities	Map dius	be Le Le Fo	low: ase #: N 10190 gal Description: S rmation: Queen Sa	ection 35	portions thereof, as described Post ID-1 5-20-94 -T18S-R31E Num Loc + 1497 pormul Subject to			
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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.

<u>EXHIBIT</u> #2

State of New Mexic.

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Submit to Appropriate

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drewer BD, Artesia, NM 65310

DISTRICT III 1000 Ris Brazes Rd., Asteo, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

			741 12		HAIL DIG O			11		
Operator DF		ENERGY	CORPORATION			EAST SHUG			Well No.	58
Unit Letter	Sect		Township	1	lange	· _		County		
<u>K</u>		35	<u>18 S</u>			31 EAST	NMPM		EDDY	
ictual Footage Lo	cation									
	rt from	<u>the</u> SC	UTH Hanse	M	2200		feet from	the WES	T line	
Fround Lovel Elec	₹.	Producing F	ormation.	1	Pool				Dedicated A	creege:
3632'		Que	en Sand		Shu	igart (Y-S	R-Q-G)		40	Acres
1. Outline the a		dedicated to	the subject we	l by colored pen						
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Form C-102 Revised 1-1-89

District Office State Lease - 4 copies Fee Lease - 3 copies

## EXHIBIT #1

# MINIMUM BLOWOUT PREVENTER REQUIREMENTS

## 3,800 pel Working Pressure

#### 3 MWP

	STACK REQUIREN	AENTS	
No	. tiem	Min. LD.	Min. Nominal
1	Figwine		
2	Fill up line		2
3	Drilling apple		1
4	Annulas preventer		
5	Two single or one dual hydraulically operated same		1
64	Drilling speel with 2" min. kill line and 3" min choke line extlets		
66	2" min. Idll line and 3" min. chaise line cullets in ram. (Alternate to 6a above.)	·	
7	Valve Gate D Plug D	3-1/8*	
	Gale valve—power operated	3-1/8"	
9	Line to choke manifold		3.
	Valves Gate C Plug C	2-1/18*	
11	Check velve	2-1/16-	
12	Casing head		
13	Vaive Gate D Plug D	1-13/16*	
	Pressure gauge with needle veive		
15	Kill line to rig mud pump meniloid		2"

STARY BEALHORIAN



	ONAL
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 3,000 pel, minimum.
- 2. Automatic accumulator (80 gallen, minimum) capable of closing BOP in 30 seconds or less and, holding them closed against full reted working pressure.
- 3.80P centrels, to be located near drillers position.
- 4.Kelly equipped with Kelly cock.
- E.Inside blowout prevventer er ite equivalent en derrick fleer et all times with preper threads to itt pipe being used.
- 6.Kelly sever-sub equipped with subber casing protector at all times.
- 7. Plug type bloweut preventer tester.
- 8.Extra set pipe rams to iti drill pipe in use on location at all times.
- S.Type RX ring packets in piece of Type R.

## MEC TO FURNISH:

•.

- 1.Bradenhead or casinghead and side valves.
- 2.Weer bushing, il 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 wail or pump pressure must be flanged (suitable clemp connections acceptable) and have minimum working pressure equal to rated working pressure of preventers up through chore. Valves must be full opening and suitable for high pressure must service.
- 3.Controls to be of standard design and each married, shawing aponing and closing position.
- 4. Choice will be positioned so as not to hamper or delay changing of choice beens. Replaceable parts for adjustable choice, other been sizes, retainers, and dhoice wrenches to be conveniently laceted for immediate use.
- All values to be equipped with handwheels or handles ready for immediate use.
- 6.Choke lines must be suitably anchored.

- 7.Hendwheels and extensions to be connected and ready for use.
- 8. Valves adjacent to drilling apost to be hept open. Lies outside valves encept for emergency.
- emergency. 8.All seemices sizel centrel piping (2000 pel working pressure) to have flexible joints to avaid stress. House will be permitted.
- 18.Casinghead connections shall not be used except in case of emergency.
- 11.Do not use kill line for routine fill-up eperations.

# Attachment to Exhibit #1 NOTES REGARDING BLOWOUT PREVENTORS East Shugart Unit #58 Eddy County, New Mexico

- 1. Drilling nipple will be constructed so it can be removed mechanically without the aid of a welder. The minimum internal diameter will equal BOP bore.
- 2. Wear ring will be properly installed in head.
- 3. Blowout preventor and all associated fittings will be in operable condition to withstand a minimum 3000 psi working pressure.
- 4. All fittings will be flanged.
- 5. A full bore safety value tested to a minimum 3000 psi WP with proper thread connections will be available on the rotary rig floor at all times.
- 6. All choke lines will be anchored to prevent movement.
- 7. All BOP equipment will be equal to or larger in bore than the internal diameter of the last casing string.
- 8. Will maintain a kelly cock attached to the kelly.
- 9. Hand wheels and wrenches will be properly installed and tested for safe operation.
- 10. Hydraulic floor control for blowout preventor will be located as near in proximity to driller's controls as possible.
- 11. All BOP equipment will meet API standards and include a minimum 40 gallon accumulator having two independent means of power to initiate closing operation.

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## MINIMUM CHOKE MANIFOLD 3,800, 5,800 and 10,800 PSI Working Pressure

J MWP - 5 MWP - 10 MWP



RETAND	34831	AUCTURE	
		meetens.	

MINIMUM PECLIPEMENTS										
			3.800 MWP 5.800 MWP				10,000 MWP			
No.		1.0	NOMINAL		LD.	NOMINAL	RATING	LD.	NOMINAL	RATING
	Line trem drilling speel		3.	3,600		3.	5.800		3.	10,000
2	Crees 3"=3"=2"=2"			3.000			8.800	·····		
	Crees 3*13*13*13*									10,000
3	Values(1) Gate D Plug D(2)	3-145-		3,800	3-14*		5.800	3-1/8*		10,000
4	Valve Gate C Plug (3)	1-12/16*		3,800	1-13/16*		6.000	1-13/16-		10,000
48	Valves(1)	2-1/16"		3,000	2-1/16"		5,000	3.14	+	10.000
5	Pressure Gauge			3,000			5.000			10.000
6	Valves Gate C Plug D(2)	3-148*		3,000	3-1/8*		5,000	3-14*		10,500
7	Adjustable Chehe(3)	2		3.000	2"		5.000	2	+	10.000
	Adjustable Chains	1*		3,000	1*		5.000	2		
1	Line		3.	3,800			5,600		3-	10,000
5	Line		7	3,000		2	5.000			10,800
11	Valves Gate D Plug D(2)	3-16*		3,800	3-147*		5,800	3-1/8-	3.	10,000
12	Lines		3*	1,500			-			
13	Lines		3.	1,800	_	2.	1,000		2	2,000
14	Pamete reading compound						1,000	•	3.	2,000
	standpipe pressure gauge			3,800			5,800	•		10,800
15	Ges Separator		2'15'			2'25'				
16	Line		4.	1,000			1,000		215	
17	Valves Bate D	3.10*					000,1			2.800
	Plug ()(2)	3-100-		3,800	3-147		5,800	3-148*	1 1	10.000

(1) Only ano required in Class 31.

(2) Gate valves any shall be used for Class 101.

(2) Remote operated hydroutic shake required on 5,600 pal and 10,000 pal for skilling.

# EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS

- 1. All connections in choice manifold shall be welded, studded, flanged or Cerneron clamp of comparable rating.
- 2. All flanges shall be API 6B or 6BX and sing gaskets shall be API RX or 8X. Use only 8X for 10 MWP.
- 3. All lines shall be securely anchored.
- 4. Chalues shall be equipped with tungston carbide seats and needles, and replacements shall be evaluable.
- drive cause were and resurce, and representations when we even by: dripe pressure gauges shall be available at the choice manifold to assist in regulating ratic chaice, a choice manifold pressure gauge shall be iscated on the rig loor in can-5. Choice manifold processo and stan choice. As an alternate with aut junction with the standpipe pressure gauge. 6. Line from drilling speci to choke manifold should be as straight as possible. Lines downstream from chokes shall make
- turns by large bands or 50° bands using bull plugged tess.

7. Discharge lines from chalses, chalse bypees and from top of gas separator should vent as far as practical from the well.