

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☐

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER ☐

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

MARBOB ENERGY CORPORATION

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 227, ARTESIA, NM 88210 505-748-3303

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *)

At surface 660 FNL 990 FEL

At proposed prod. zone

SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

SEE SURFACE USE PLAN

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT
(Also to nearest drig. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

440.36

17. NO. OF ACRES ASSIGNED
TO THIS WELL

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

12,500'

20. ROTARY OR CABLE TOOLS

ROTARY

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

3601' GR

22. APPROX. DATE WORK WILL START*

11/19/00

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	H-40, 13 3/8"	48#	800'	450 SX, CIRC
12 1/4"	J-55, 8 5/8"	24 & 32#	4500'	2200 SX, CIRC
7 7/8"	S-95 & N-80, 5 1/2"	17#	12,500'	

SUFF TO COVER 200' ABOVE ALL KNOWN O&G HORIZONS

CAPTAN CONTROLLED WATER BASIN

PAY ZONE WILL BE SELECTIVELY PERFORATED AND STIMULATED AS NEEDED FOR OPTIMUM PRODUCTION.

ATTACHED ARE: 1. WELL LOCATION AND ACREAGE DEDICATION PLAT
2. SURFACE USE PLAN
3. SUPPLEMENTAL DRILLING DATA

OPER. OGRID NO. 14049
PROPERTY NO. 25986
POOL CODE 80759
EFF. DATE 12-6-00
API NO. 30-025-35290

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS**

IN ABOVE SPACE DESCRIBE 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

Robin Cockburn

TITLE PRODUCTION ANALYST

DATE 10/18/00

(This space for Federal or State office use)

ORIGINAL SIGNED BY CHRIS WILLIAMS

PERMIT NO.

DISTRICT 1 SUPERVISOR

APPROVAL DATE

DEC 07 2000

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 FOR 1 YEAR

(ORIG. SIGNED APPROVED)

Acting

Acting Field Manager,
Land Management Division

APPROVED BY

TITLE

DATE

DEC 07 2000

*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, or to submit any matter which is known to be false, fictitious or fraudulent.

RECEIVED
OCT 10 2000
RLM
ROSWELL, NM

1807-0000

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16

17

18

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

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

OIL CONSERVATION DIVISION

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-35290	Pool Code 80759	Pool Name LUSK MORROW
Property Code 25986	Property Name CRAZY HORSE "18" FEDERAL	Well Number 4
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3601

Surface Location

UL or lot No. A	Section 18	Township 19 S	Range 32 E	Lot Idn	Feet from the 660	North/South line NORTH	Feet from the 990	East/West line EAST	County LEA
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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 640	Joint or Infill	Consolidation Code	Order No.						

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>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i> <u>Robin Cockrum</u> Signature ROBIN COCKRUM Printed Name PRODUCTION ANALYST Title 10/18/00 Date
	SURVEYOR CERTIFICATION <i>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 supervision and that the same is true and correct to the best of my belief.</i> OCTOBER 12, 2000 Date Surveyed JLP Signature & Seal of Professional Surveyor <u>Ronald J. Eidson</u> 10/13/00 W.O. Num. 00-11-1243 Certificate No. RONALD J. EIDSON, 3239 GARY E. EIDSON, 12041

DRILLING PROGRAM

Attached to Form 3160-3
Marbob Energy Corporation
Crazy Horse 18 Federal No. 4
660' FNL and 990' FEL
Section 18-19S-32E
Lea County, New Mexico

1. Geologic Name of Surface Formation:

Permian

2. Estimated Tops of Important Geologic Markers:

Permian	Surface	Delaware Sd.	4400'
Anhy.	725'	Bone Springs	7010'
Tansill	2285'	Wolfcamp	10,230'
Yates	2410'	Strawn	11,100'
Seven Rivers	2750'	Atoka	11,500'
San Andres	4200'	Morrow	12,050'

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas:

Yates	2435'	Oil
Bone Spring	7180'	Oil
Strawn	11,198'	Oil
Morrow	12,350'	Gas

No other formations are expected to give up oil, gas, or fresh water in measurable quantities. The surface fresh water sands will be protected by setting 13 3/8 casing at 800' and circulating cement back to surface. Any shallower zones above TD which contain commercial quantities of oil and/or gas will have cement circulated across them by inserting a float shoe joint into the 13 3/8 production casing which will be run at TD.

DRILLING PROGRAM
PAGE 2

4. Casing Program:

<u>Hole Size</u>	<u>Interval</u>	<u>OD Casing</u>	<u>Wt, Grade, Jt. Cond, Type</u>
17 1/2	0-800	13 3/8	48# H-40 STC
12 1/4	0-2300	8 5/8	24# J-55 STC
12 1/4	2300-4500	8 5/8	32# J-55 STC
7 7/8	0-1200	5 1/2	17# S-95 LTC
7 7/8	1200-10800	5 1/2	17# N-80 LTC
7 7/8	10800-12500	5 1/2	17# S-95 LTC

Cement Program:

13 3/8 Surface Casing: Cemented to surface with 450 sx of Class C w/2% cc.

8 5/8 Intermediate Casing: Cemented to surface with 2200 sx of Class C w/2% cc.

5 1/2 Production Casing: Cemented sufficient to cover 200' above all oil and gas horizons.

5. Minimum Specifications for Pressure Control:

The blowout preventer equipment (BOP) shown in Exhibit #1 will consist of a double ram-type preventer. This unit will be hydraulically operated and the ram-type preventer will be equipped with blind rams on top and 4-1/2" drill pipe rams on bottom. This BOP will be nipped up on the 13 3/8' surface casing and used continuously until TD is reached. All BOP's and accessory equipment will be tested to 3500 psi before drilling out of surface casing.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets.

A 2" kill line and a 3" choke line will be included in the drilling spool located below the ram-type BOP. Other accessories to the BOP equipment will include a kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold with 5000 psi WP rating.

6. Types and Characteristics of the Proposed Mud System:

The well will be drilled to TD with cut brine. The applicable depths and properties of this system are as follows:

DRILLING PROGRAM
PAGE 3

<u>Depth</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Waterloss</u>
0-800	Fresh Water (Spud)	8.5	28	N.C.
800-4500	Brine	9.8-10.2	40 - 45	N.C.
4500- TD	Cut Brine	8.6-9.4	28 - 36	N.C. / 10cc

7. Auxiliary Well Control and Monitoring Equipment:

- A. A kelly cock will be kept in the drill string at all times.
- B. A full opening drill pipe stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.

8. Logging, Testing, and Coring Program:

- A. Drill Stem tests will be used as determined during drilling.
- B. The electric logging program will consist of Dual Laterolog Micro SFL, Spectral Density Dual Spaced Neutron Csg Log, and Depth Control Log.
- C. No conventional coring is anticipated.
- D. Further testing procedures will be determined after the 5 1/2" production casing has been cemented at TD based on drill shows, and log evaluation, and drill stem test results.

9. Abnormal Conditions, Pressures, Temperatures, and Potential Hazards:

No abnormal pressures or temperatures are anticipated. The estimated bottom hole temperature (BHT) at TD is 150' and estimated bottom hole pressure (BHP) is 4500 psig.

10. Anticipated Starting Date and Duration of Operations:

Location and road work will not begin until approval has been received from the BLM. The anticipated spud date is November 19, 2000. Once commenced, the drilling operation should be finished in approximately 21 days. If the well is productive, an additional 30 to 60 days will be required for completion and testing before a decision is made to install permanent facilities.

SURFACE USE AND OPERATING PLAN

Attached to Form 3160-3
Marbob Energy Corporation
Crazy Horse 18 Federal No. 4
660' FNL and 990' FEL
Section 18-19S-32E
Lea County, New Mexico

1. Existing Roads:

- A. All roads to the location are shown in Exhibit #3. The existing roads are illustrated in red and are adequate for travel during drilling and production operations. Upgrading of the road prior to drilling will be done where necessary as determined during the onsite inspection.
- B. Directions to location: From Loco Hills proceed east on U.S. 82 5.6 miles to state road 529. Proceed southeast on NM 529 7.1 miles. Turn south on Lea county road #126 (Maljamar Road) and proceed south 8 miles. Turn west on lease road and proceed .2 miles. Access road and location are on the south side of lease road.
- C. Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.

2. Proposed Access Road:

Exhibit #3 shows a new access road of 1218' as needed and will be constructed as follows:

- A. The maximum width of the running surface will be 10'. The road will be crowned and ditched and constructed of 6" of rolled and compacted caliche. Ditches will be at 3:1 slope and 4 feet wide. Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns. BLM may specify any additions or changes during the onsite inspection.
- B. The average grade will be less than 1%.
- C. No turnouts are planned.

SURFACE USE AND OPERATING PLAN
PAGE 2

- D. No culverts, cattleguard, gates, low-water crossings, or fence cuts are necessary.
- E. Surfacing material will consist of native caliche. Caliche will be obtained from the nearest BLM-approved caliche pit. Any additional materials that are required will be purchased from the dirt contractor.
- F. The proposed access road as shown in Exhibit #3 has been centerline flagged by John West Engineering.

3. Location of Existing Wells:

Exhibit #2 shows all existing wells within a one-half mile radius of this well.

4. Location of Existing and/or Proposed Facilities:

- A. Marbob Energy Corporation will construct facilities on well pad if well is productive.
- B. If the well is productive, power will be obtained from Lea County Electric. Lea County Electric will apply for ROW for their power lines.
- C. If the well is productive, rehabilitation plans are as follows:
 - 1. The reserve pit will be back-filled after the contents of the pit are dry (within 10 months after the well is completed)
 - 2. Topsoil removed from the drill site will be used to recontour the pit area and any unused portions of the drill pad to the original natural level, as nearly as possible, and reseeded as per BLM specifications.

5. Location and Type of Water Supply:

The well will be drilled with a combination brine and fresh water mud system as outlined in the drilling program. The water will be obtained from commercial water stations in the area and hauled to the location by transport truck over the existing and proposed access roads shown in Exhibit #3. If a commercial fresh water source is nearby, fasline may be laid along existing road ROW's and fresh water pumped to the well. No water well will be drilled on the location.

SURFACE USE AND OPERATING PLAN
PAGE 3

6. Source of Construction Materials:

All caliche required for construction of the drill pad and the proposed new access road (approximately 1500 cubic yards) will be obtained from a BLM - approved caliche pit. All roads and pads will be constructed of 6" of rolled and compacted caliche.

7. Methods of Handling Water Disposal:

- A. Drill cuttings not retained for evaluation purposes will be disposed into the reserve pit.
- B. Drilling fluids will be contained in lined working pits. The reserve pit will contain any excess drilling fluid or flow from the well during drilling, cementing, and completion operations. The reserve pit will be an earthen pit, approximately 130' X 130' X 6' deep. The reserve pit will be plastic-lined to minimize loss of drilling fluids and saturation of the ground with brine water.
- C. Water produced from the well during completion may be disposed into the reserve pit.
- D. Garbage and trash produced during drilling or completion operations will be hauled off. All waste material will be contained to prevent scattering by the wind. All water and fluids will be disposed of into the reserve pit. Salts and other chemicals produced during drilling or testing will be disposed into the reserve pit. No toxic waste or hazardous chemicals will be produced by this operation.
- E. After the rig is moved out and the well is either completed or abandoned, all waste materials will be cleaned up within 30 days. No adverse materials will be left on location.

The reserve pit will be completely fenced until it has dried. When the reserve pit is dry enough to breakout and fill, the reserve pit will be leveled and reseeded as per BLM specifications. In the event of a dry hole, the location will be ripped and seeded, as per BLM specifications, and a dry hole marker will remain.

SURFACE USE AND OPERATING PLAN
PAGE 4

8. Ancilliary Facilities:

No airstrip, campsite, or other facilities will be built as a result of the operations on this well.

9. Well Site Layout:

- A. The drill pad layout, is shown in Exhibit #4. Dimensions of the pad and pits are shown. Top soil, if available, will be stockpiled per BLM specifications as determined at the on-site inspection.
- B. The reserve pit will be lined with a high-quality plastic sheeting.

10. Plans for Restoration of the Surface:

- A. Upon finishing drilling and/or completion operations, all equipment and other material not needed for operations will be removed.

All trash, garbage, and pit lining will be hauled away in order to leave the location in an aesthetically pleasing condition. All pits will be filled and the location leveled within 10 months after abandonment.

- B. Three sides of the reserve pit will be fenced prior to and during drilling operations. At the time that the rig is removed, the reserve pit will be fenced on the rig (fourth) side. The fencing will remain in place until the pit area is cleaned up and leveled. No oil will be left on the surface of the fluid in the pit.

- C. Upon completion of the proposed operations, if the well is completed, the reserve pit area will be treated as outlined above within the same prescribed time. Any additional caliche required for facilities will be obtained from a BLM-approved caliche pit. Topsoil removed from the drill site will be used to recontour the pit area to the original natural level and reseeded as per BLM specifications.

11. Surface Ownership:

The wellsite and lease is located on Federal Surface.

- A. The area around the well site is grassland and the top soil is sandy. The vegetation is native scrub grasses with oakbrush, sagebrush, yucca, and prickly pear.
- B. There is no permanent or live water in the immediate area.

SURFACE USE AND OPERATING PLAN
PAGE 5

- C. A Cultural Resources Examination has been requested and will be forwarded to your office in the near future.

12. Lessee's and Operator's Representative:

The Marbob Energy Corporation representative responsible for assuring compliance with the surface use plan is follows:

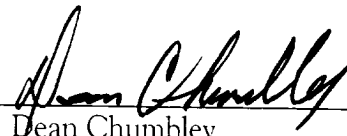
Johnny C. Gray
Marbob Energy Corporation
324 West Main, Suite 103
Post Office Box 227
Artesia, New Mexico 88211-0227
Phone: 505/748-3303 (office)
505/885-3879 (home)

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by Marbob Energy Corporation and its contractors and subcontractors in conformity with this plan and the provision of 18 U.S.C. 1001 for the filing of a false statement.

Date: 10-18-00

Signed: _____


Dean Chumbley

MARBOB ENERGY CORPORATION

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

I. HYDROGEN SULFIDE TRAINING

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

1. The hazards and characteristics of hydrogen sulfide (H_2S).
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H_2S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

1. The effects of H_2S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
3. The contents and requirements of the H_2S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H_2S zone (within 3 days or 500 feet) and weekly H_2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H_2S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

II. H_2S SAFETY EQUIPMENT AND SYSTEMS

Note: All H₂S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H₂S.

1. Well Control Equipment:
 - A. Flare Line.
 - B. Choke manifold.
 - C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
 - D. Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head.
2. Protective equipment for essential personnel:
 - A. Mark II Surviveair 30-minute units located in the dog house and at briefing areas, as indicated on well site diagram.
3. H₂S detection and monitoring equipment:
 - A. 2 - portable H₂S monitor positioned on location for best coverage and response. These units have warning lights and audible sirens when H₂S levels of 20 ppm are reached.
4. Visual warning systems:
 - A. Wind direction indicators as shown on well site diagram.
 - B. Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used, when appropriate. See example attached.
5. Mud Program:

- A. The mud program has been designed to minimize the volume of H_2S circulated to the surface. Proper mud weight, safe drilling practices, and the use of H_2S scavengers will minimize hazards when penetrating H_2S bearing zones.
 - B. A mud-gas separator will be utilized.
6. Communication:
- A. Radio communications in company vehicles including cellular telephone and 2-way radio.
 - B. Land line (telephone) communications at field office.

W A R N I N G

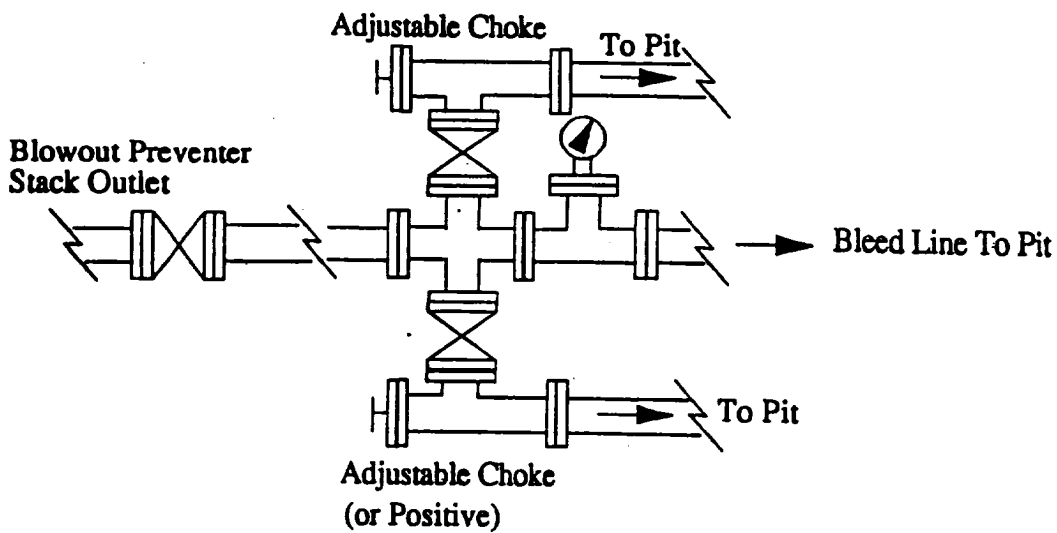
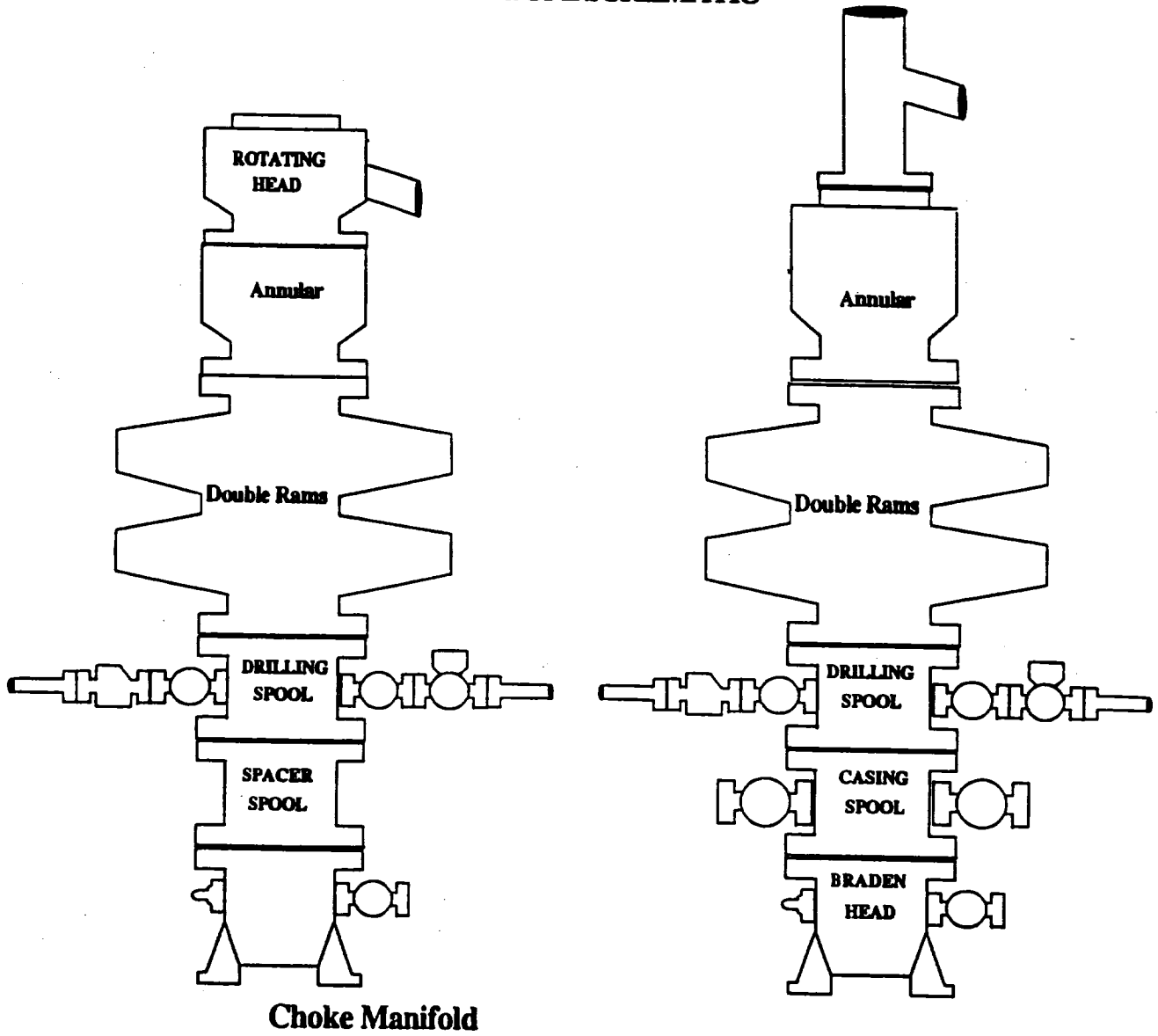
YOU ARE ENTERING AN H₂S AREA
AUTHORIZED PERSONNEL ONLY

- 1. BEARDS OR CONTACT LENSES NOT ALLOWED**
- 2. HARD HATS REQUIRED**
- 3. SMOKING IN DESIGNATED AREAS ONLY**
- 4. BE WIND CONSCIOUS AT ALL TIMES**
- 5. CK WITH MARBOB FOREMAN AT MAIN OFFICE**

MARBOB ENERGY CORPORATION

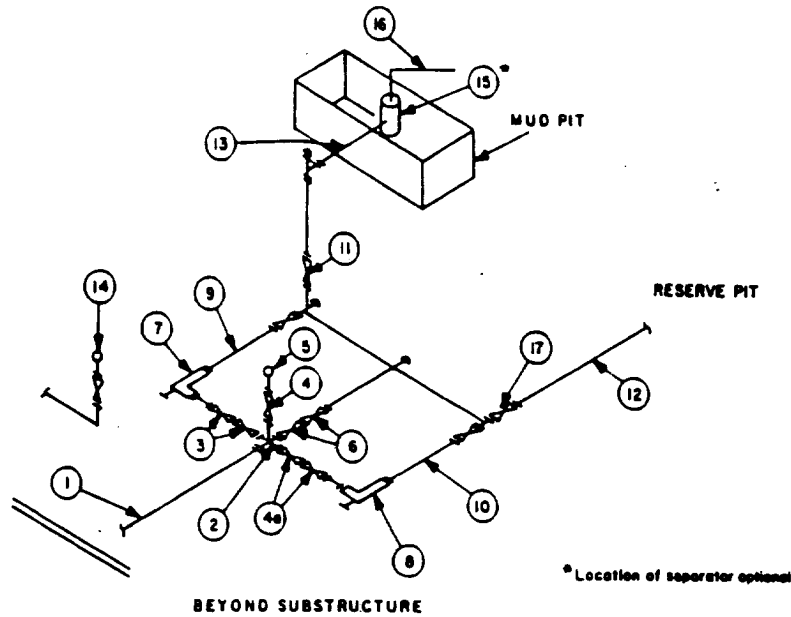
1-505-748-3303

BOPE SCHEMATIC



MINIMUM CHOKE MANIFOLD
3,000, 5,000 and 10,000 PSI Working Pressure

3 MWP - 5 MWP - 10 MWP



MINIMUM REQUIREMENTS										
No.		3,000 MWP			5,000 MWP			10,000 MWP		
		I.D.	NOMINAL	RATING	I.D.	NOMINAL	RATING	I.D.	NOMINAL	RATING
1	Line from drilling spool		3"	3,000		3"	5,000		3"	10,000
2	Cross 3"x3"x3"x2"			3,000			5,000			
	Cross 3"x3"x3"x3"									10,000
3	Valves(1) Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
4	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	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	3-1/8"		10,000
5	Pressure Gauge			3,000			5,000			10,000
6	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	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		3"	10,000
11	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
12	Lines		3"	1,000		3"	1,000		3"	2,000
13	Lines		3"	1,000		3"	1,000		3"	2,000
14	Remote reading compound standpipe pressure gauge			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	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000

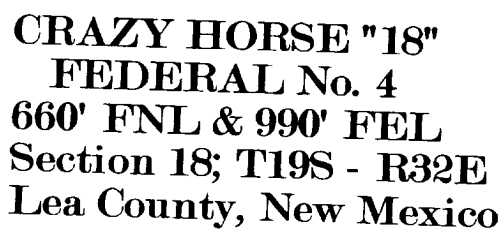
(1) Only one required in Class 3M.

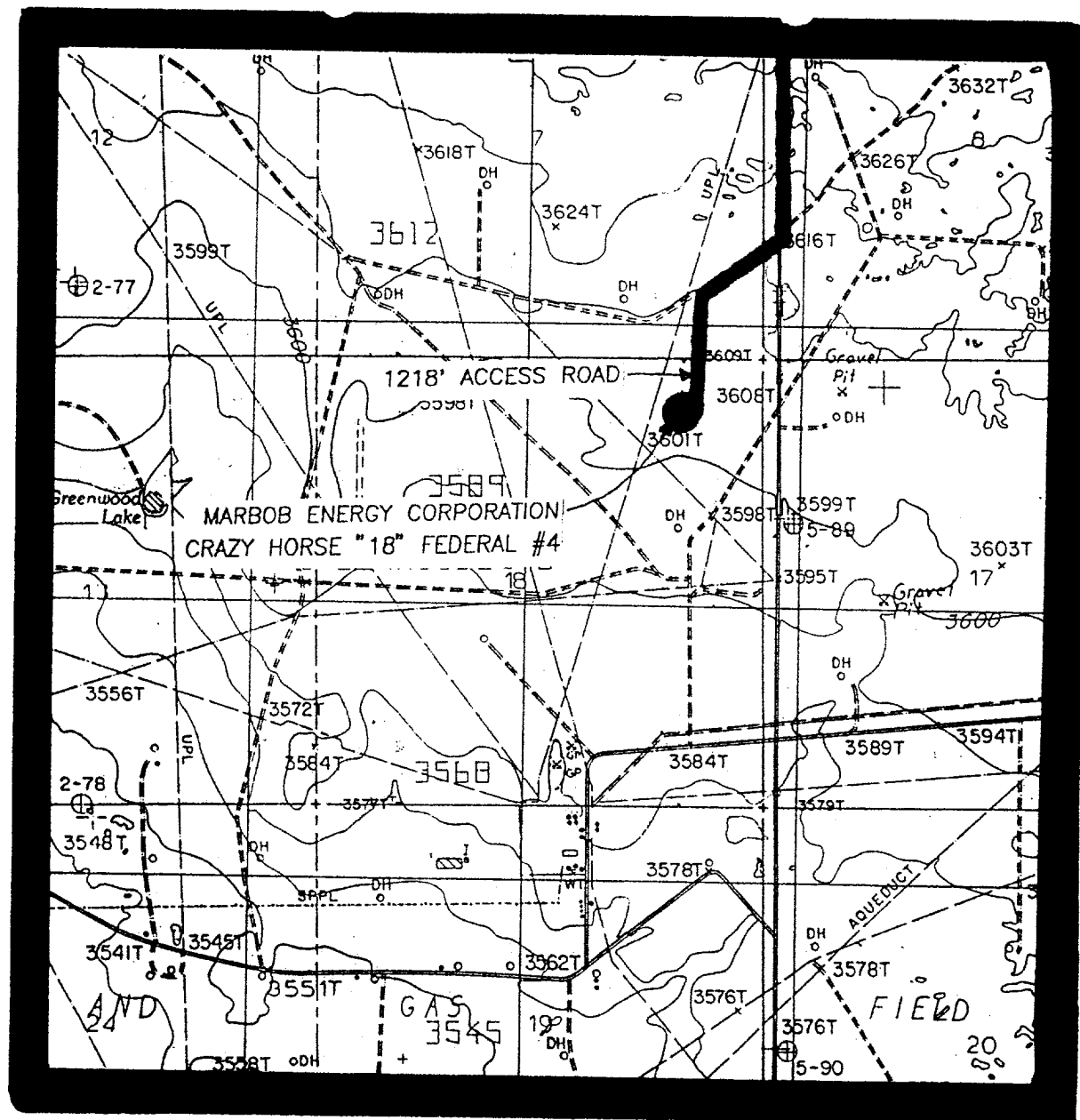
(2) Gate valves only shall be used for Class 10M.

(3) Remote operated hydraulic choke required on 5,000 psi and 10,000 psi for drilling.

EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS

- All connections in choke manifold shall be welded, studded, flanged or Cameron clamp of comparable rating.
- All flanges shall be API 6B or 6BX and ring gaskets shall be API RX or BX. Use only BX for 10 MWP.
- All lines shall be securely anchored.
- Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be available.
- 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.
- Line from drilling spool to choke manifold should be as straight as possible. Lines downstream from chokes shall make

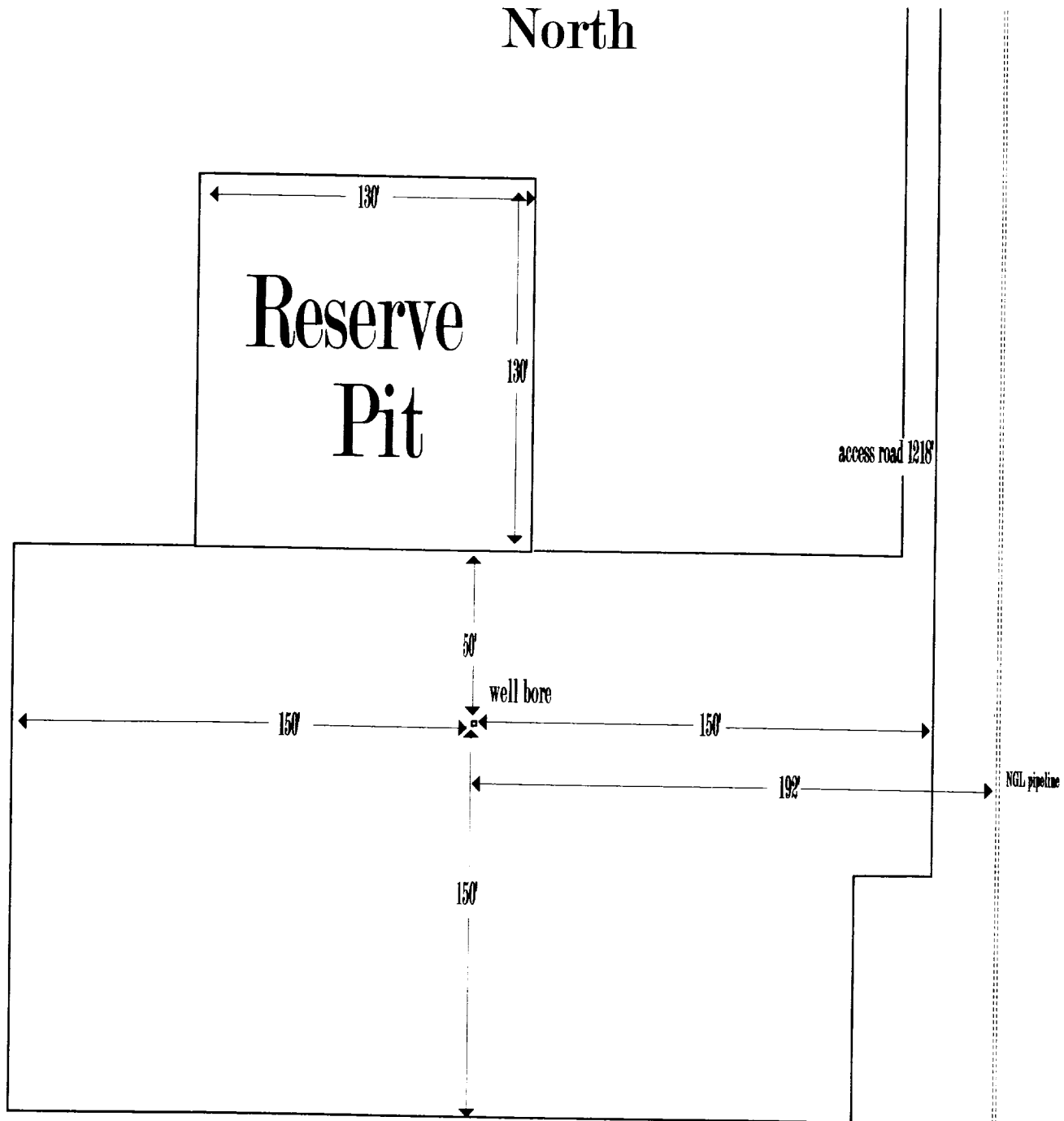




CRAZY HORSE "18"
FEDERAL No. 4
660' FNL & 990' FEL
Section 18; T19S - R32E
Lea County, New Mexico

EXHIBIT THREE

North



CRAZY HORSE "18"
FEDERAL No. 4
660' FNL & 990' FEL
Section 18; T19S - R32E
Lea County, New Mexico

Exhibit Four

