

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED BY TRIPPLICAT
(Other Instructions on reverse side)Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM27570	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Matador Operating Company		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. 8340 Meadow Rd., #158, Dallas, TX 75231, 214-987-7144		8. FARM OR LEASE NAME, WELL NO. Topacio Federal 28 Com. #1	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1650' FNL, 1980' FEL At proposed prod. zone		9. APPROX. WELL NO. 30-025-34522	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 25 miles west of Hobbs		10. FIELD AND POOL, OR WILDCAT Gem Morrow Gas	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 990'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 28, T19S, R33E	
16. NO. OF ACRES IN LEASE 640		12. COUNTY OR PARISH Lea	
17. NO. OF ACRES ASSIGNED TO THIS WELL 320 ac		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. NA		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3598'		22. APPROX. DATE WORK WILL START* October 1, 1998	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8 H-40	48#	425'	315 sx
11"	8-5/8" J-55	32#	4000'	1400 sx
7-7/8"	5-1/2" L-80 & S-95	17#	13,750'	540 sx

Drill 13,750' Morrow/Atoka/Wolfcamp test. Drill 17-1/2" hole to $\pm 425'$. Run and cement 13-3/8" casing to surface. NU BOP stack and drill 11" hole to $\pm 4,000'$. Run and cement 8-5/8" casing to surface. NU 5M BOP assembly and test. Drill 7-7/8" hole to $\pm 13,750'$ and evaluate.

Well Location and Acreage Dedication Plat

Application for Permit to Drill (Drilling Program)

Surface Use Plan

Exhibit A, Area Map

Exhibit B, Wellsite Plan

Exhibit C, Production Map

Exhibit D, Blowout preventer requirements

Exhibit E, BOP schematic

Exhibit F, Choke manifold

Well Plan Outline

Topo Map

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED J. L. Bell TITLE Drilling Manager DATE 9-15-98
(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 H. L. W. S. C. R. 11-11 ACTING STATE DIRECTOR DATE 10-28-98

*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

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

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

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

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

☐ AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-34522		2 Pool Code 77370		3 Pool Name Gem Morrow Gas					
4 Property Code 23834		5 Property Name TOPACIO FEDERAL '28' COM						6 Well Number 1	
7 OGRID No. 014245		8 Operator Name MATADOR OPERATING COMPANY						9 Elevation 3598'	
10 SURFACE LOCATION									
UL or lot no. G	Section 28	Township 19 SOUTH	Range 33 EAST, N.M.P.M.	Lot Ida	Feet from the 1650'	North/South line NORTH	Feet from the 1980'	East/West line EAST	County LEA
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 320		13 Joint or Infill		14 Consolidation Code		15 Order No.			
NO ALLOWABLE WELL 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 that the information contained herein is true and complete to the best of my knowledge and belief.			
						Signature <i>John W. Bell</i>			
						Printed Name John W. Bell			
						Title Drilling Manager			
						Date September 15, 1998			
						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 supervision, and that the same is true and correct to the best of my belief.			
						Date of Survey August 12, 1998			
						Signature and Seal of Professional Surveyor <i>Roger M. Robbins</i> 12123			
						Certificate No. ROGER M. ROBBINS P.S. #12128			
						JOB #60200 / 72 NW / V.H.B.			

APPLICATION FOR PERMIT TO DRILL

**MATADOR OPERATING CORPORATION
TOPACIO FEDERAL 28 COM #1
1650' FNL & 1980' FEL
SEC. 28, T19S, R33E
LEA COUNTY, NEW MEXICO**

In conjunction with Form 3160-3, Application for Permit to Drill, Matador Operating Company submits the following items of pertinent information in accordance with Onshore Oil and Gas Order Nos. 1 & 2, and with all other applicable federal and state regulations.

1. Geologic Name of Surface Formation:

Permian

2. Estimated Tops of Important Geological Markers:

Upper Permian Yates	3103'	+ 495'
Upper Permian Seven Rivers	3362'	+ 236'
Lower Permian Delaware	5313'	-1715'
Lower Permian Bone Spring	8018'	-4420'
1st Bone Spring SS Mbr	9163'	-5565'
2nd Bone Spring SS Mbr	9453'	-5855'
2nd Bone Spring "Debris Flow"	9693'	-6095'
3rd Bone Spring "Carbonate"	10268'	-6670'
3rd Bone Spring SS Mbr	10589'	-6991'
Lower Permian Wolfcamp	10793'	-7195'
Lower Permian Wolfcamp "Chert"	10943'	-7345' +
Upper Penn Cisco	11803'	-8205'
Upper Penn Canyon	12003'	-8405'
Upper Penn Strawn	12108'	-8510'
Lower Penn Atoka	12403'	-8805' +
Lower Penn Atoka LST	12763'	-9165'
Lower Penn Morrow	12933'	-9335'
Middle Morrow Clastics	13130'	-9545' *
Lower Morrow	13500'	-9925' *
PTD	13750'	-10115'

* = Primary Reservoir Targets

+ = Secondary Reservoir Targets

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

Upper Permian Sands	0-300'	fresh water
Wolfcamp "Chert"	10,943'	oil
Atoka	10,403'	gas
Middle Morrow Clastics	13,130'	gas
Lower Morrow	13,500'	gas

The ground water will be protected by setting 13-3/8" surface casing at 425' and circulating cement back to surface. The productive Morrow horizons will be protected by setting 5-1/2" production casing at TD with cement tied back to approximately 9000', if Wolfcamp is productive or 500' above upper most productive zone.

4. Proposed Casing Program:

<u>Hole Size</u>	<u>Interval</u>	<u>Casing OD</u>	<u>Description</u>
25"	0-40'	20"	Conductor, if necessary
17-1/2"	0-425'	13-3/8"	48#, H-40, ST&C, New, R-3
11"	0-4000'	8-5/8"	32#, J-55, LT&C, New, R-3
7-7/8"	0-10,200'	5-1/2"	17#, L-80, LT&C, New, R-3
7-7/8"	10,200-13,750'	5-1/2"	17#, S-95, LT&C, New, R-3

Proposed Cement Program:

20" Conductor: Ready-mix poured to surface.

13-3/8" Surface Casing: Cemented to surface with 115 sx Permian Basin Filler Cement & 200 sx Class "C" +2% CaCl₂ tail. Float equipment: Texas Pattern shoe with an insert float valve above the shoe joint and 2 centralizers. The shoe and first collar will be welded. One plug will be used to displace cement.

8-5/8" Intermediate Casing: Cemented to surface with 1300 sx Interfill "C" & 200 sx Class "C" + 2% CaCl₂ tail. Float equipment: Float shoe with a float collar 1 joint above the shoe joint and 12 centralizers. The shoe and float collar will be welded. One plug will be used to displace cement.

5-1/2" Production Casing: Cement 1st Stage: 550 sx Super Modified H w/ 0.4% CFR-3, 0.5% Halad 344, 1# salt & 5# Gilsomite.
Cement 2nd Stage (If necessary) +/- 700 sx Interfill "H" w/ 5# Gilsomite followed by 100 sx "H" neat.

5. Pressure Control Equipment:

The blowout preventer equipment (BOP) shown in Exhibits D & E will consist of a double ram-type (5000 psi WP) preventer and a bag-type (hydril) preventer (3000 psi WP). Both units 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. Both BOP's 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 1000 psi before drilling out of surface casing. Before drilling out of intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000 psi and the hydril to 70% of rated working pressure (2100 psi).

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 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 arc 5000 psi WP rating which is shown in Exhibit F.

6. Proposed Mud System:

The proposed mud system will be a combination of fresh water, brine, cut brine, and polymer gel. The depths and mud properties of the mud system are listed below.

<u>Depth</u>	<u>Type</u>	<u>Weight (ppg)</u>	<u>Viscosity (sec)</u>	<u>Waterloss (cc)</u>	<u>ph</u>
0-425'	Fresh Water	8.3-8.8	28-30	Not Critical	9-10
425-4000'	Brine Water	8.8-10.2	28-30	Not Critical	9-10
4000-12,900'	Cut Brine	8.5-9.0	28-30	Not Critical	9-10
12,900-13,750'	Polymer/Gel	9.0-9.8	30-32	<10	9-10

Sufficient mud materials to maintain the above mentioned mud properties and meet minimum lost circulation and weight increase requirements will be kept at the location at all times.

7. Auxiliary Well Control and Monitoring Equipment:

- A kelly cock will be kept in the drill string at all times.
- A full opening drill pipe stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.
- A mud logging unit complete with H2S detector will be monitoring drilling penetration rate and hydrocarbon shows from 5200' to TD.

8. Drillstem Testing, Logging, and Coring Programs:

- Drillstem tests will be run based on shows encountered while drilling.
- No logs are planned for the 11" hole section. The electric logging program for the 7-7/8" hole sections will consist of GR-Dual Laterolog MLL-BHC Sonic and GR Compensated Neutron--LithoDensity from TD to intermediate casing. Selected sidewall cores and RFT's may be taken in zones of interest.
- No conventional coring is anticipated.

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

No abnormal pressures and/or temperatures are anticipated. No hydrogen sulfide or other hazardous gases or fluids are known to exist in this area. No major loss circulation zones are expected.

10. Anticipated Starting Date and Duration of Operations:

The anticipated start date will be October 4, 1998. Once commenced, drilling operations should be completed in approximately 45 days. If the well is productive, another 30 days will be required for completion work and facility installation.

**SURFACE USE PLAN
MATADOR OPERATING COMPANY
TOPACIO FEDERAL 28 COM #1**

1650' FNL, 1980' FEL
Sec 28, T19S, R33E, N.M.P.M.
LEA COUNTY, NEW MEXICO

1. EXISTING ROADS - Area map, Exhibit "A", is a reproduction of the appropriate part of the U.S.G.S. New Mexico 7-1/2 minutes quadrangle. Existing roads are shown on the exhibit and the road to be used on the referenced well is marked. All roads shall be maintained in a condition equal to that which existed prior to the start of construction.
 - A. Exhibit "A" shows the proposed exploratory well site as staked.
 - B. Directions: From jct of US Hwy 62/180 & State Hwy 529, ±15 miles west of Hobbs, go Southwest 13 miles on US Hwy 62/180, thence Northwest 2.5 miles on lease road, thence Southwest 3.2 miles, thence North 1.5 miles, thence East 0.5 , thence Northeast 0.3 mile, thence Northeast 0.5 mile on lease road to existing well #5 & point ±1350' Southwest of location.
2. PLANNED ACCESS ROADS - Existing lease roads with an extension of approximately 2500' of new road from existing location.
3. LOCATION OF EXISTING WELLS ON A ONE-MILE RADIUS
 - A. Water wells - NA.
 - B. Disposal wells - NA.
 - C. Drilling wells - NA.
 - D. Producing wells - As shown on Exhibit "C".
 - E. Abandoned wells - As shown on Exhibit "C".
4. If upon completion, the well is a producer, Matador Operating Company will furnish maps or plats showing On Well Pad Facilities, and Off Well Pad Facilities (if needed) on a Sundry Notice before construction of these facilities starts.

5. LOCATION AND TYPE OF WATER SUPPLY

Water will be purchased locally from a private source and trucked over the access road or piped in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIALS

If needed, construction materials will be obtained from the drill site's excavations, or from a local source. These materials will be transported over the access route as shown in Exhibit "A".

7. METHODS FOR HANDLING WASTE DISPOSAL.

- A.
 - 1. Drill cuttings will be disposed of in the reserve pit.
 - 2. Trash, waste paper, and garbage will be contained in a fenced trash trailer to prevent wind-scattering during storage. When the rig moves out, all trash and debris will be hauled to an approved land-fill site.
 - 3. Salts remaining after completion of the well will be picked up by the supplier, including broken sacks.
 - 4. Sewage from trailer houses will drain into holes with minimum depth of 10'00". These holes will be covered during drilling and back-filled upon completion. A "porta-john" will be provided for the rig crews. This will be properly maintained during the drilling operations and removed upon completion of the well.
 - 5. Chemicals remaining after completion of the well will be stored in the manufacturer's containers and picked up by the supplier.
- B. Remaining drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry enough for back-filling. In the event drilling fluids will not be evaporated in a reasonable period of time, they will be transported by a tank truck to a state approved disposal site.

Water produced during testing of the well will be disposed of in the reserve pit. Oil produced during testing of the well will be stored in test tanks until sold and hauled from the site.

8. ANCILLARY FACILITIES

No camps or airstrips will be constructed.

9. WELL SITE LAYOUT

- A. Exhibit "B" shows the proposed well site layout.
- B. This exhibit indicates proposed location of the reserve pits and trash trailer.
- C. Mud pits in the active circulating system will be steel pits and the reserve pit is proposed to be unlined, unless subsurface conditions encountered during pit construction indicate that lining is needed for lateral containment of fluids.
- D. If needed, the reserve pit is to be lined with a poly-ethylene liner. The pit liner will be a minimum of 6 mils thick. The pit liner will extend a minimum of 2'00" over the reserve pit dikes where the liner will be anchored down.
- E. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

10. PLANS FOR RESTORATION OF SURFACE

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or dry hole.

In either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be levelled and contoured to conform to the original and surrounding area as closely as is possible. Drainage system, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location pad and surface facilities. After the area has been shaped and contoured, topsoil from the soil pits will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

11. OTHER INFORMATION

- A. The area around the wellside has moderate to high dunes with deflation basins 1-2 meters deep, shin oak, yucca, sage brush, mesquite, broom weed & various grasses.
- B. The surface use is grazing and the owner is Ken Smith, Inc., P. O. Box 764, Carlsbad, NM 88221.
- C. An archaeological study has been conducted for the location and road. The report will be submitted under separate cover.
- D. There are no buildings in the area.

12. OPERATOR'S REPRESENTATIVE

Matador Operating Company's field representative for contact regarding compliance with the Surface Use Plan is:

Before, during, and after construction:

John W. Bell

8340 Meadow Road #158

Dallas, TX 75231

Office: 214-987-7144

Res: 972-818-8778

Mobile: 214-214-7670

13. CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site 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 that the work associated with the operations proposed herein will be performed by Matador Operating Company and its contractors/ subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Name: _____

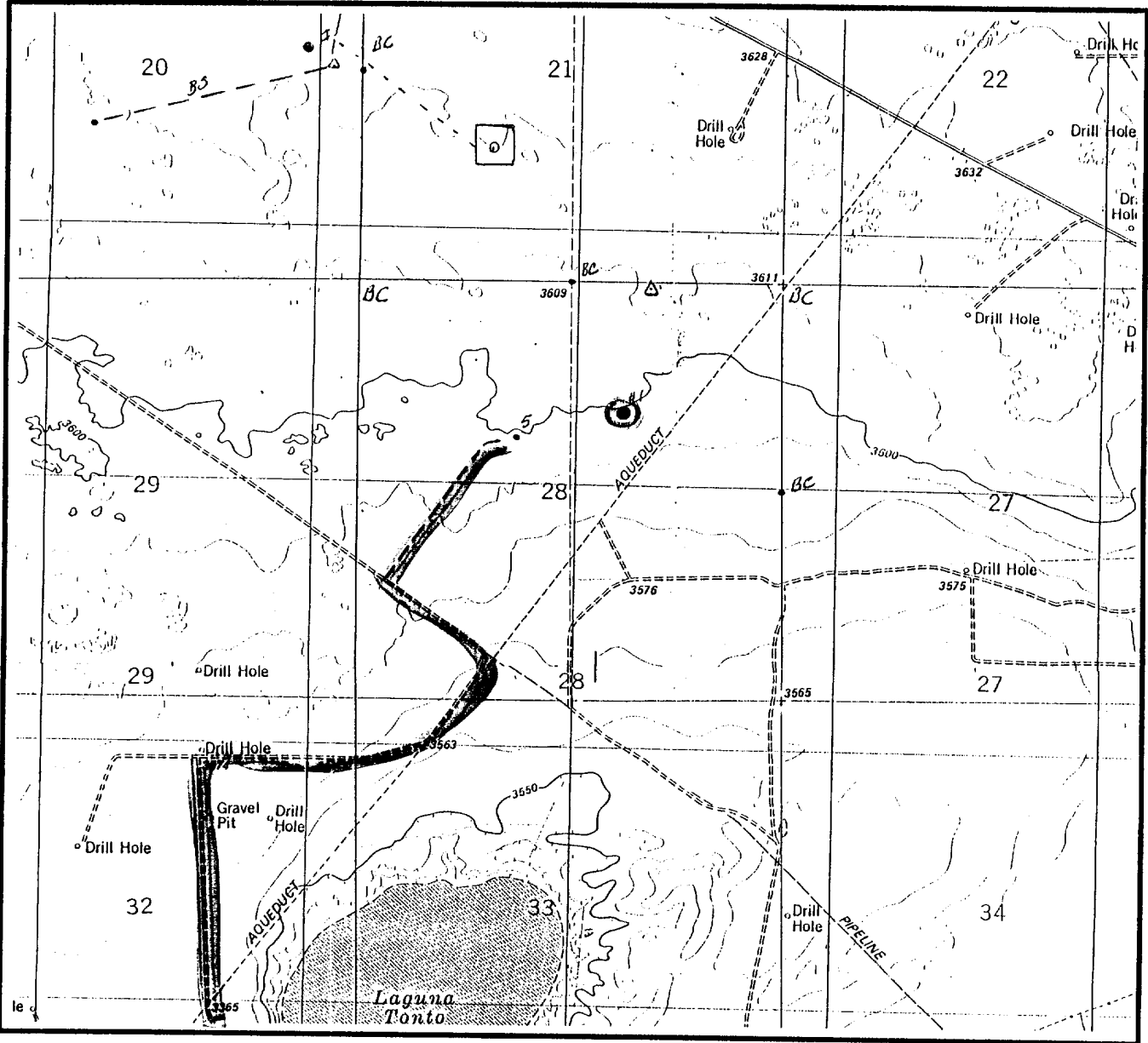
John W. Bell

Drilling Manager

Date: _____

9-15-98

LOCATION & ELEVATION VERIFICATION MAP



SCALE : 1" = 2000' CONTOUR INTERVAL 10'

SECTION 28 TWP 19-S RGE 33-E
SURVEY NEW MEXICO PRINCIPAL MERIDIAN
COUNTY LEA STATE NM
DESCRIPTION 1650' FNL & 1980' FEL
ELEVATION 3598'

OPERATOR MATADOR OPERATING COMPANY
LEASE TOPACIO FEDERAL COM "28" #1

U.S.G.S. TOPOGRAPHIC MAP
LAQUA GATUNA NW, NEW MEXICO

LAT. N 32°38'01.8"
LONG. W 103°39'55.9"



This location has been very carefully staked on the ground according to the best official survey records, maps, and other data available to us.
Review this plot and notify us immediately of any possible discrepancy.

Exhibit "A"
Area Map

TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

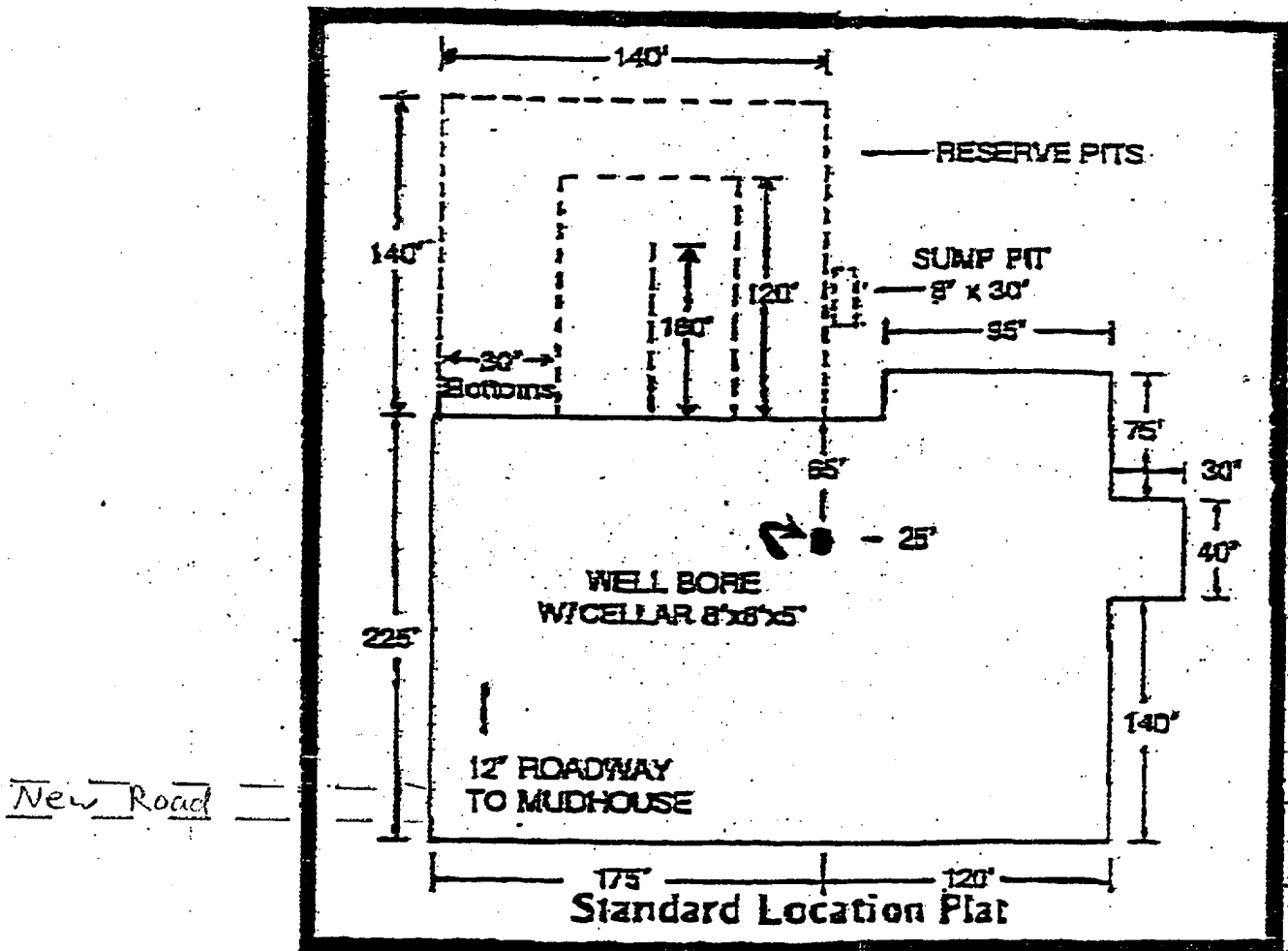
1307 N. HOBART
PAMPA, TX. 79065
(800) 658-6382

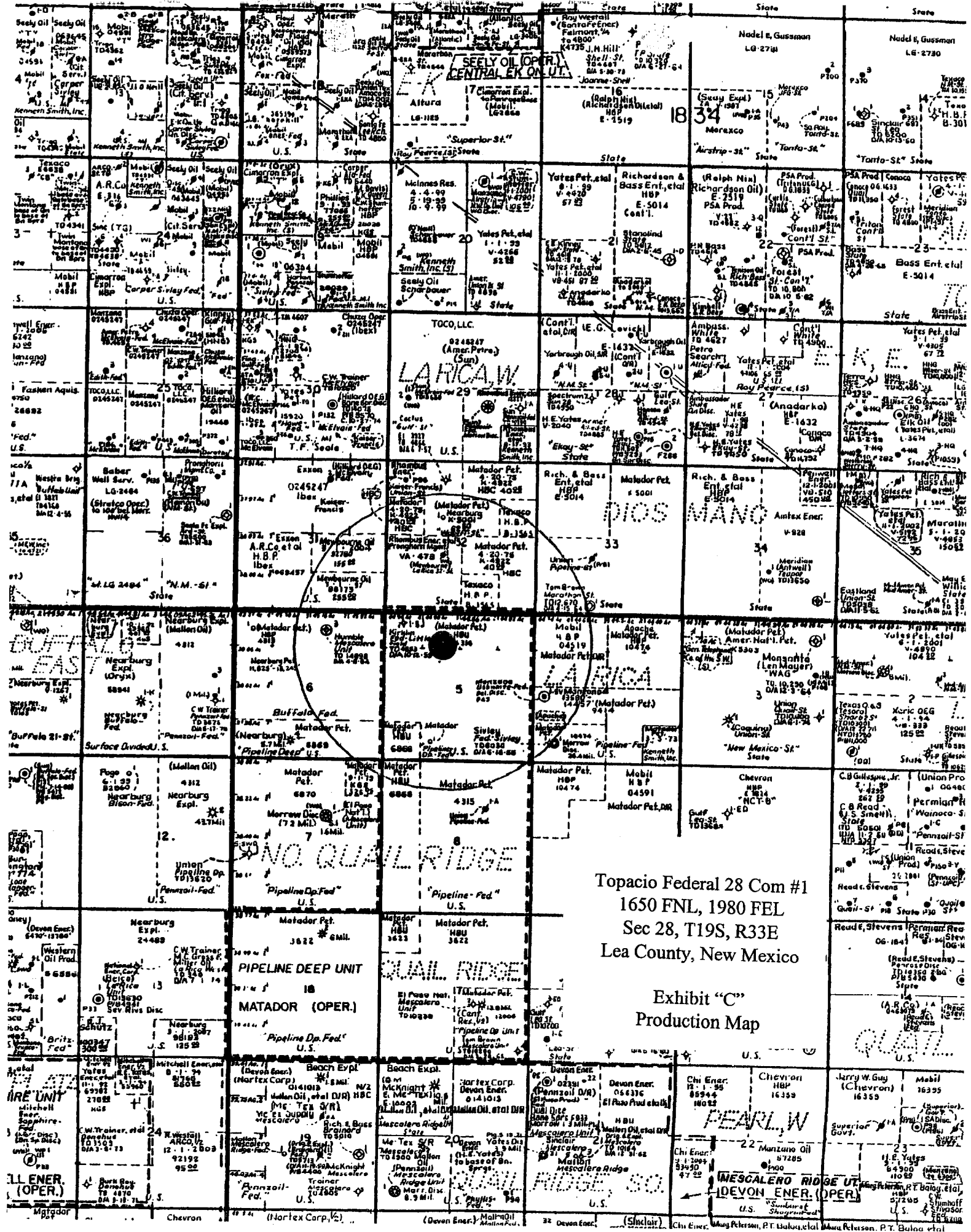
6709 N. CLASSEN BLVD.
OKLAHOMA CITY, OK. 73116
(800) 654-3219

2903 N. BIG SPRING
MIDLAND, TX. 79705
(800) 767-1653

Topacio Federal 28 Com #1
1650 FNL, 1980 FEL
Sec 28, T19S, R33E
Lea County, New Mexico

Exhibit "B"
Wellsite Plan





MINIMUM BLOWOUT PREVENTER REQUIREMENTS
5,000 psi Working Pressure

5 MWP

Topacio Federal 28 Com #1
1650 FNL, 1980 FEL
Sec 28, T19S, R33E
Lea County, New Mexico

Exhibit "D"

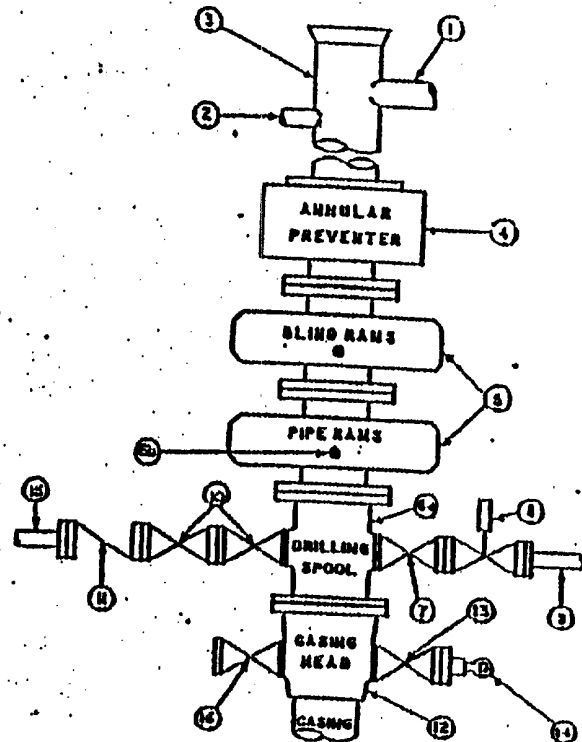
STACK REQUIREMENTS

No.	Item	Min. I.D.	Min. Nominal
1	Flowline		
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		
6b	2" min. kill line and 3" min. choke line outlets in ram. (Alternate to 6a above.)		
7	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/>	3-1/8"	
8	Gate valve—power operated	3-1/8"	
9	Line to choke manifold		3"
10	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/>	2-1/16"	
11	Check valve	2-1/16"	
12	Casing head		
13	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/>	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"	
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CONFIGURATION A



CONTRACTOR'S OPTION TO FURNISH:

1. All equipment and connections above bradenhead or casinghead. Working pressure of preventers to be 5,000 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:

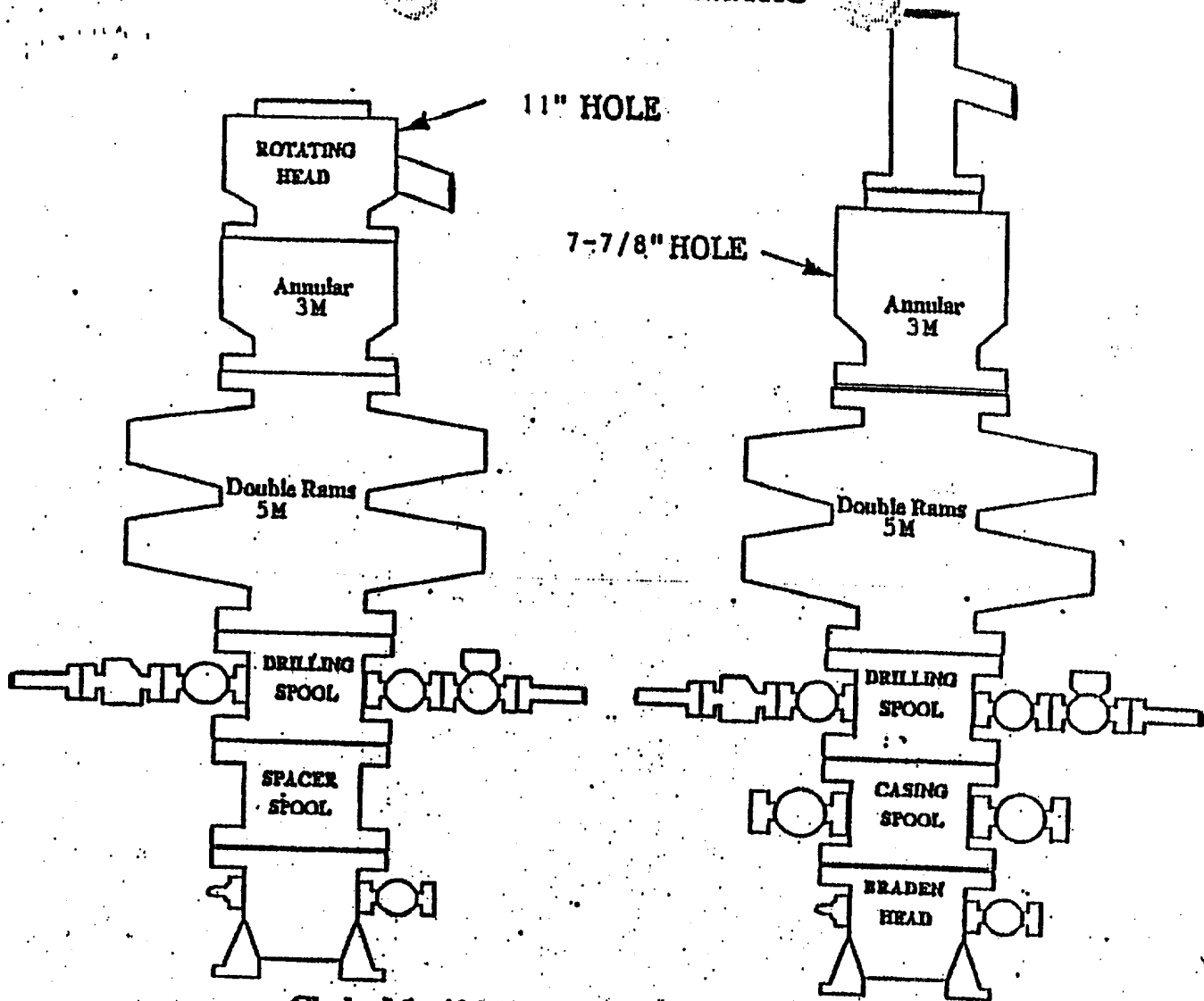
1. Bradenhead or casinghead and side valves.
2. Washbushings if required.

GENERAL NOTES:

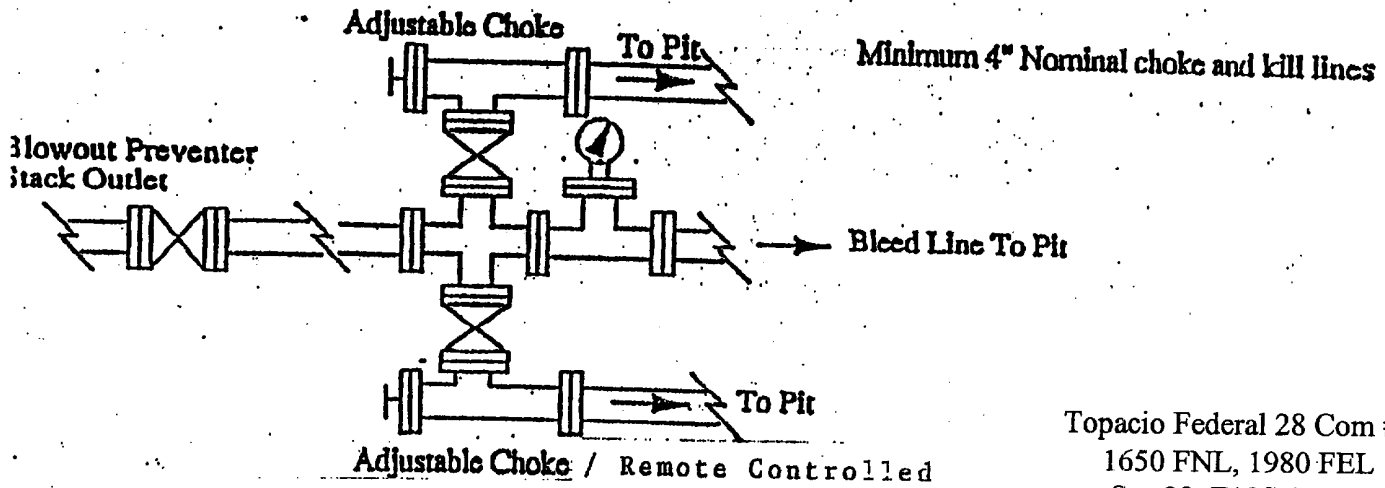
1. Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
2. All connections, valves, fittings, piping, etc., subject to well or pump pressure must be flanged (suitable clamp connections acceptable) and have minimum working pressure equal to rated working 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, other bean sizes, retainers, and choke wrenches to be conveniently located for immediate use.
5. All valves to be equipped with handwheels 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 (5000 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.

BOP SCHEMATIC



Choke Manifold Requirement (5000 psi WP)



Topacio Federal 28 Com #1
1650 FNL, 1980 FEL
Sec 28, T19S, R33E
Lea County, New Mexico

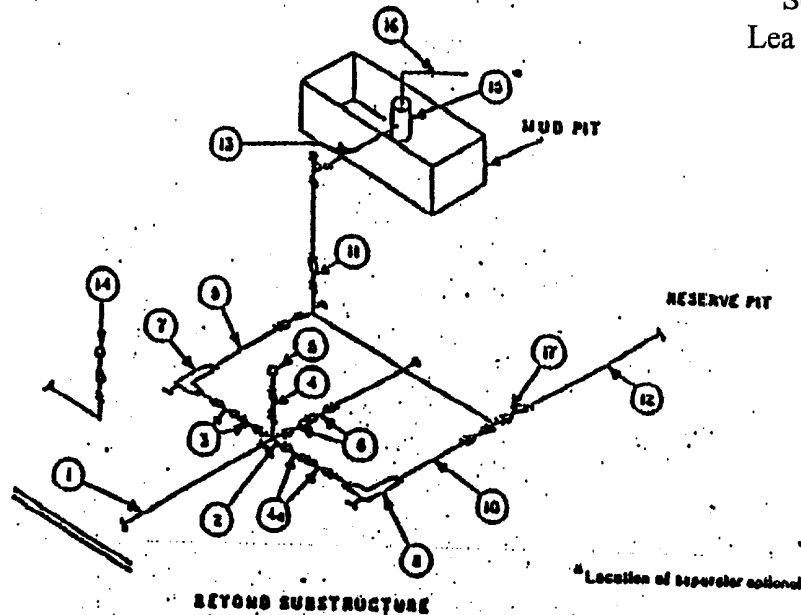
Exhibit "E"

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

3 MWP - 5 MWP - 10 MWP

Topacio Federal 28 Com #1
1650 FNL, 1980 FEL
Sec 28, T19S, R33E
Lea County, New Mexico

Exhibit "F"



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	2-1/16"		10,000
5	Pressure Gauge			3,000			5,000	3-1/8"		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"		5,000	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 311.

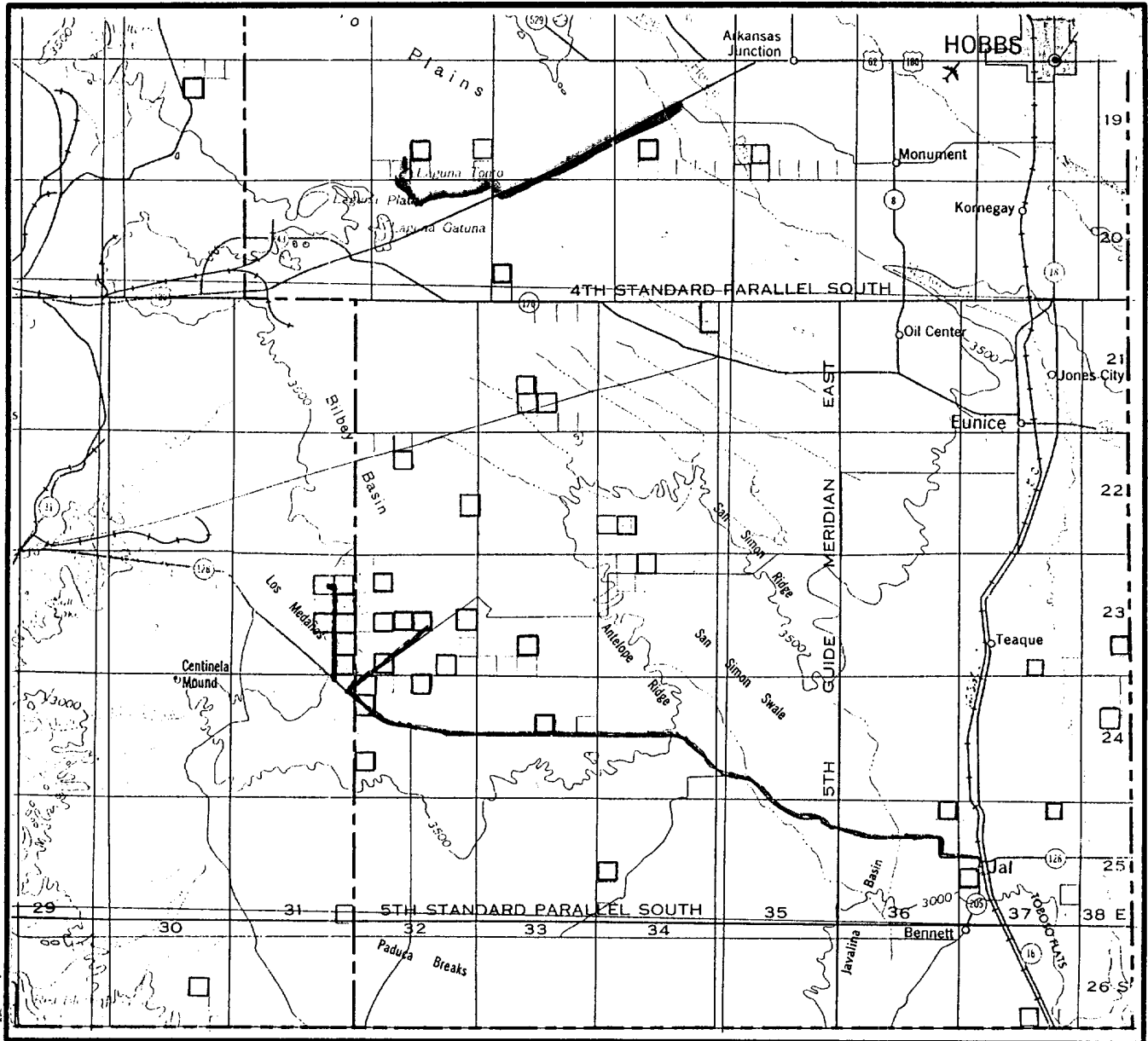
(2) Gate valves only shall be used for Class 1011.

(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 6X or 6Y. Use only 6Y 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 turns by large bends or 90° bends using bull plugged tees.
- Discharge lines from chokes, choke bypass and from top of gas separator should vent as far as practical from the well.

VICINITY MAP



Well Name:	Topacio Federal 28 Com #1	County:	Lea	State:	NM
Location:	1650 FNL, 1980 FEL	Est KB:		TD:	13,750
	Sec 28, T19S, R33E	GL:	3598'		

[illegible]

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell Office

2909 West Second Street

Roswell, New Mexico 88201

Statement Accepting Responsibility for Operations

Operator name: Matador Operating Company
Street or box: 8340 Meadow Road, #158
City, State: Dallas, TX
Zip code: 75231

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

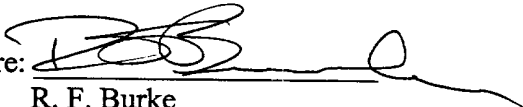
Lease No.: NM27570

Legal Description of land: S/2 Section 21 & N/2 Section 28, T19S, R33E, Lea County, NM

Formation(s) (if applicable):

Bond Coverage: (State if individually bonded or another's bond)
Statewide

BLM Bond File No.: 29403

Authorized Signature: 

R. F. Burke

Title: Vice President

Date: 9-15-98

ABOVE DATE DOES NOT
INDICATE WHEN
CONFIDENTIAL LOGS
WILL BE RELEASED

ELF

8/23/44