

SECRETARY'S POTASH OCD-ARTESIA

NTS-11-222

Form 3160-3
(August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

1a. Type of work: ☒ DRILL ☐ REENTER		5. Lease Serial No. NMNM 67102 & NMNM 54865 BH
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Mewbourne Oil Company		7. If Unit or CA Agreement, Name and No.
3a. Address PO Box 5270 Hobbs, NM 88241		8. Lease Name and Well No. Four Peaks 35 Fed Com #2H
3b. Phone No. (include area code) 575-393-5905		9. API Well No. 30-015-39420
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1975' FNL & 330' FWL Unit E At proposed prod. zone 2310' FNL & 330' FEL Unit H		10. Field and Pool, or Exploratory Turkey Track Bone Spring
14. Distance in miles and direction from nearest town or post office* 20 miles NE of Carlsbad, NM		11. Sec., T. R. M. or Blk. and Survey or Area Sec 35- T19S - R29E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 330'	16. No. of acres in lease 120	12. County or Parish Eddy
17. Spacing Unit dedicated to this well 160	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 500'	13. State NM
19. Proposed Depth 12516' MD 8222' TVD	20. BLM/BIA Bond No. on file NM 1693, Nationwide	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3314' GL ☒	22. Approximate date work will start* ASAP	23. Estimated duration 45 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- | | |
|---|---|
| 1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM. |
|---|---|

25. Signature <i>[Signature: Mickey Young]</i>	Name (Printed/Typed) Mickey Young	Date 06/22/2011
Title District Manager		
Approved by (Signature) <i>[Signature: Jesse L. Juen]</i>	Name (Printed/Typed) Jesse L. Juen	Date SEP 8 2011
Title STATE DIRECTOR		
Office NM STATE OFFICE		

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, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Continued on page 2)

*(Instructions on page 2)

CAPTAN CONTROLLED WATER BASIN

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

Drilling Program
Mewbourne Oil Company
Four Peaks "35" Federal Com #2H
1975' FNL & 330' FWL (SHL)
Sec 35-T19S-R29E
Eddy County, New Mexico

1. The estimated tops of geological markers are as follows:

Rustler	160'
Top Salt	350'
Base Salt	970'
Yates	1400'
Capitan	1720'
*Delaware	3370'
*Bone Springs	5680'

2. Estimated depths of anticipated fresh water, oil, or gas:

Water	Fresh water is anticipated at 75' and will be protected by setting surface casing at 185' and cementing to surface.
Hydrocarbons	Oil and gas are anticipated in the above (*) formations. These zones will be protected by casing as necessary.

3. Pressure control equipment:

A 2M diverter will be installed after running 20" casing. A 2000# WP Annular will be installed after running 13 3/8" casing. A 3000# WP Double Ram BOP and 3000# WP Annular will be installed after running 9 5/8" & 7" casing strings. Pressure tests will be conducted prior to drilling out under all casing strings. BOP controls will be installed prior to drilling under surface casing and will remain in use until completion of drilling operations. BOPE will be inspected and operated as recommended in Onshore Order #2. A kelly cock and a sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position when the kelly is not in use. Will test the 7" & 9 5/8" BOPE to 3000# and both Annular BOPs to 1500# with a third party testing company before drilling below each shoe, but will test again, if needed, in 30 days from the 1st test as per BLM Onshore Oil and Gas Order #2.

4. MOC proposes to drill a vertical wellbore to 7554' & kick off to horizontal @ 8127' TVD. The well will be drilled to 12516' MD (8222' TVD). See attached directional plan.

5. Proposed casing and cementing program:

A. Casing Program:

<u>Hole Size</u>	<u>Casing</u>	<u>Wt/Ft.</u>	<u>Grade</u>	<u>Depth</u>	<u>Jt Type</u>
26"	20" (new)	94#	K55	0'-185' ✓	BT&C
17 1/2"	13 3/8" (new)	48#	J55	0'-1000' 1300	ST&C
17 1/2"	13 3/8" (new)	54.5#	J55	1000'-1450'	ST&C
12 1/4"	9 5/8" (new)	36#	J55	0'-3300' ✓	LT&C
8 3/4"	7" (new)	26#	P110	0'-7555' MD	LT&C
8 3/4"	7" (new)	26#	P110	7555'-8455' MD	BT&C
6 1/8"	4 1/2" (new)	11.6#	P110	8250'-12516' MD	LT&C

Minimum casing design factors: Collapse 1.125, Burst 1.0, Tensile strength 1.8.
*Subject to availability of casing.

B. Cementing Program:

- See COA
- i. Surface Casing: 150 sx Class C light cement (35:65:4) with salt and LCM additives. Yield at 2.0 cuft/sk. 200 sx Class C cement with 2% CaCl₂. Yield at 1.34 cuft/sk. Cmt circulated to surface with 100% excess.
 - ii. 1st Intermediate Casing: 560sacks Class C light cement (35:65:4) with salt and LCM additives. Yield at 2.0 cuft/sk. 200 sacks Class C cement w/2% CaCl₂. Yield at 1.34 cuft/sk Cmt circulated to surface w/25% excess.
 - iii. 2nd Intermediate Casing: 500sacks Class C light cement (35:65:4) with salt and LCM additives. Yield at 2.0 cuft/sk. 200 sacks Class C cement w/2% CaCl₂. Yield at 1.34 cuft/sk Cmt circulated to surface w/25% excess.
 - iii. Production Casing: 360 sacks Class H light cement (35:65:4) with fluid loss, LCM, & salt additives. Yield at 2.12 cuft/sk. 400 sacks Class H cement containing fluid loss additives. Yield at 1.18 cuft/sk cmt calculated to tie into 9 5/8" casing at 1670' w/25% excess.
 - iv. Production Liner: This will be a Packer/Port completion from TD up inside 7" casing with packer type liner hanger.

*Referring to above blends of light cement: (wt% fly ash : wt% cement : wt% bentonite of the total of first two numbers). Generic names of additives are used since the availability of specific company and products are unknown at this time.

6. Mud Program:

Interval	Type System	Weight	Viscosity	Fluid Loss
0'-185' 1300	FW spud mud	8.6-9.0	32-34	NA
185'-1450'	Brine water	10.0-10.2	28-30	NA
1450'-7555'	FW (KOP)	8.3-8.6	28-30	NA
7555'-TD	FW w/Polymer	8.5-8.7	32-35	15

7. Evaluation Program:

Samples: 10' samples from surface casing to TD
 Logging: GR/N & Gyro from KOP -100' (7455') to surface. GR from 7455' to TD.

8. Downhole Conditions

Zones of abnormal pressure: None anticipated
 Zones of lost circulation: Anticipated in surface and intermediate holes
 Maximum bottom hole temperature: 120 degree F
 Maximum bottom hole pressure: 8.3 lbs/gal gradient or less

9. Anticipated Starting Date:

Mewbourne Oil Company intends to drill this well as soon as possible after receiving approval with approximately 40 days involved in drilling operations and an additional 10 days involved in completion operations on the project.

DDC Well Planning Report



Database:	EDM 5000 1 Single User Db	Local Co-ordinate Reference:	Well Four Peaks 35 Fed Com #2H
Company:	Mewbourne Oil Co	TVD Reference:	WELL @ 3332 0usft (Patterson UTI #45/47)
Project:	Eddy County, New Mexico	MD Reference:	WELL @ 3332 0usft (Patterson UTI #45/47)
Site:	Sec35-19S-29E	North Reference:	Grid
Well:	Four Peaks 35 Fed Com #2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Project:	Eddy County, New Mexico		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site:	Sec35-19S-29E				
Site Position:	Northing:	590,381.51 usft	Latitude:	32° 37' 21.895 N	
From:	Map	Easting:	586,446.05 usft	Longitude:	104° 3' 9 204 W
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/16 "	Grid Convergence:	0 15 °

Well:	Four Peaks 35 Fed Com #2H					
Well Position	+N/-S	-1,414.7 usft	Northing:	588,966 86 usft	Latitude:	32° 37' 7.896 N
	+E/-W	0.7 usft	Easting:	586,446 72 usft	Longitude:	104° 3' 9 240 W
Position Uncertainty	0 0 usft	Wellhead Elevation:		Ground Level:	3,314 0 usft	

Wellbore Wellbore #1

Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
	IGRF2010	6/8/2011	(°) 7.84	(°) 60.47	(nT) 48,803

Design Design #1

Audit Notes:

Version:	Phase:	PLAN	Tie On Depth:	0.0
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Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction
	(usft)	(usft)	(usft)	(°)
	0.0	0.0	0.0	94.44

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
7,554.2	0.00	0.00	7,554.2	0.0	0.0	0.00	0.00	0.00	0.00	
8,440.8	88.66	94.44	8,127.0	-43.3	557.9	10.00	10.00	10.65	94.44	
12,515.6	88.66	94.44	8,222.0	-358.4	4,619.4	0.00	0.00	0.00	0.00	PBHL Four Peaks 3

DDC Well Planning Report



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Project:	Eddy County, New Mexico	MD Reference:	WELL @ 3332.0usft (Patterson UTI #45/47)
Site:	Sec35-19S-29E	North Reference:	Grid
Well:	Four Peaks 35 Fed Com #2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	0.00
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00
4,700.0	0.00	0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	0.00
4,800.0	0.00	0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	0.00
4,900.0	0.00	0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	0.00
5,000.0	0.00	0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	0.00
5,100.0	0.00	0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	0.00
5,200.0	0.00	0.00	5,200.0	0.0	0.0	0.0	0.00	0.00	0.00
5,300.0	0.00	0.00	5,300.0	0.0	0.0	0.0	0.00	0.00	0.00

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Wellbore:	Wellbore #1		
Design:	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,400.0	0.00	0.00	5,400.0	0.0	0.0	0.0	0.00	0.00	0.00
5,500.0	0.00	0.00	5,500.0	0.0	0.0	0.0	0.00	0.00	0.00
5,600.0	0.00	0.00	5,600.0	0.0	0.0	0.0	0.00	0.00	0.00
5,700.0	0.00	0.00	5,700.0	0.0	0.0	0.0	0.00	0.00	0.00
5,800.0	0.00	0.00	5,800.0	0.0	0.0	0.0	0.00	0.00	0.00
5,900.0	0.00	0.00	5,900.0	0.0	0.0	0.0	0.00	0.00	0.00
6,000.0	0.00	0.00	6,000.0	0.0	0.0	0.0	0.00	0.00	0.00
6,100.0	0.00	0.00	6,100.0	0.0	0.0	0.0	0.00	0.00	0.00
6,200.0	0.00	0.00	6,200.0	0.0	0.0	0.0	0.00	0.00	0.00
6,300.0	0.00	0.00	6,300.0	0.0	0.0	0.0	0.00	0.00	0.00
6,400.0	0.00	0.00	6,400.0	0.0	0.0	0.0	0.00	0.00	0.00
6,500.0	0.00	0.00	6,500.0	0.0	0.0	0.0	0.00	0.00	0.00
6,600.0	0.00	0.00	6,600.0	0.0	0.0	0.0	0.00	0.00	0.00
6,700.0	0.00	0.00	6,700.0	0.0	0.0	0.0	0.00	0.00	0.00
6,800.0	0.00	0.00	6,800.0	0.0	0.0	0.0	0.00	0.00	0.00
6,900.0	0.00	0.00	6,900.0	0.0	0.0	0.0	0.00	0.00	0.00
7,000.0	0.00	0.00	7,000.0	0.0	0.0	0.0	0.00	0.00	0.00
7,100.0	0.00	0.00	7,100.0	0.0	0.0	0.0	0.00	0.00	0.00
7,200.0	0.00	0.00	7,200.0	0.0	0.0	0.0	0.00	0.00	0.00
7,300.0	0.00	0.00	7,300.0	0.0	0.0	0.0	0.00	0.00	0.00
7,400.0	0.00	0.00	7,400.0	0.0	0.0	0.0	0.00	0.00	0.00
7,500.0	0.00	0.00	7,500.0	0.0	0.0	0.0	0.00	0.00	0.00
Build 10°/100' @ 7554' MD.									
7,554.2	0.00	0.00	7,554.2	0.0	0.0	0.0	0.00	0.00	0.00
7,600.0	4.58	94.44	7,600.0	-0.1	1.8	1.8	10.00	10.00	0.00
7,700.0	14.58	94.44	7,698.4	-1.4	18.4	18.5	10.00	10.00	0.00
7,800.0	24.58	94.44	7,792.5	-4.0	51.8	51.9	10.00	10.00	0.00
7,900.0	34.58	94.44	7,879.4	-7.8	100.9	101.2	10.00	10.00	0.00
8,000.0	44.58	94.44	7,956.4	-12.8	164.4	164.9	10.00	10.00	0.00
8,100.0	54.58	94.44	8,021.1	-18.6	240.2	240.9	10.00	10.00	0.00
8,200.0	64.58	94.44	8,071.7	-25.3	326.0	327.0	10.00	10.00	0.00
8,300.0	74.58	94.44	8,106.5	-32.5	419.4	420.6	10.00	10.00	0.00
8,400.0	84.58	94.44	8,124.6	-40.1	517.3	518.8	10.00	10.00	0.00
EOB @ 8441' MD / 88.66° Inc / 94.44° Azm / 8127' TVD									
8,440.8	88.66	94.44	8,127.0	-43.3	557.9	559.6	10.00	10.00	0.00
8,500.0	88.66	94.44	8,128.4	-47.9	616.9	618.7	0.00	0.00	0.00
8,600.0	88.66	94.44	8,130.7	-55.6	716.6	718.7	0.00	0.00	0.00
8,700.0	88.66	94.44	8,133.0	-63.3	816.2	818.7	0.00	0.00	0.00
8,800.0	88.66	94.44	8,135.4	-71.1	915.9	918.7	0.00	0.00	0.00
8,900.0	88.66	94.44	8,137.7	-78.8	1,015.6	1,018.6	0.00	0.00	0.00
9,000.0	88.66	94.44	8,140.0	-86.5	1,115.3	1,118.6	0.00	0.00	0.00
9,100.0	88.66	94.44	8,142.4	-94.3	1,214.9	1,218.6	0.00	0.00	0.00
9,200.0	88.66	94.44	8,144.7	-102.0	1,314.6	1,318.6	0.00	0.00	0.00
9,300.0	88.66	94.44	8,147.0	-109.7	1,414.3	1,418.5	0.00	0.00	0.00
9,400.0	88.66	94.44	8,149.4	-117.4	1,513.9	1,518.5	0.00	0.00	0.00
9,500.0	88.66	94.44	8,151.7	-125.2	1,613.6	1,618.5	0.00	0.00	0.00
9,600.0	88.66	94.44	8,154.0	-132.9	1,713.3	1,718.4	0.00	0.00	0.00
9,700.0	88.66	94.44	8,156.4	-140.6	1,813.0	1,818.4	0.00	0.00	0.00
9,800.0	88.66	94.44	8,158.7	-148.4	1,912.6	1,918.4	0.00	0.00	0.00
9,900.0	88.66	94.44	8,161.0	-156.1	2,012.3	2,018.4	0.00	0.00	0.00
10,000.0	88.66	94.44	8,163.4	-163.8	2,112.0	2,118.3	0.00	0.00	0.00
10,100.0	88.66	94.44	8,165.7	-171.6	2,211.7	2,218.3	0.00	0.00	0.00
10,200.0	88.66	94.44	8,168.0	-179.3	2,311.3	2,318.3	0.00	0.00	0.00

DDC Well Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Four Peaks 35 Fed Com #2H
Company:	Mewbourne Oil Co	TVD Reference:	WELL @ 3332.0usft (Patterson UTI #45/47)
Project:	Eddy County, New Mexico	MD Reference:	WELL @ 3332.0usft (Patterson UTI #45/47)
Site:	Sec35-19S-29E	North Reference:	Grid
Well:	Four Peaks 35 Fed Com #2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,300.0	88.66	94.44	8,170.3	-187.0	2,411.0	2,418.3	0.00	0.00	0.00
10,400.0	88.66	94.44	8,172.7	-194.8	2,510.7	2,518.2	0.00	0.00	0.00
10,500.0	88.66	94.44	8,175.0	-202.5	2,610.4	2,618.2	0.00	0.00	0.00
10,600.0	88.66	94.44	8,177.3	-210.2	2,710.0	2,718.2	0.00	0.00	0.00
10,700.0	88.66	94.44	8,179.7	-218.0	2,809.7	2,818.1	0.00	0.00	0.00
10,800.0	88.66	94.44	8,182.0	-225.7	2,909.4	2,918.1	0.00	0.00	0.00
10,900.0	88.66	94.44	8,184.3	-233.4	3,009.0	3,018.1	0.00	0.00	0.00
11,000.0	88.66	94.44	8,186.7	-241.2	3,108.7	3,118.1	0.00	0.00	0.00
11,100.0	88.66	94.44	8,189.0	-248.9	3,208.4	3,218.0	0.00	0.00	0.00
11,200.0	88.66	94.44	8,191.3	-256.6	3,308.1	3,318.0	0.00	0.00	0.00
11,300.0	88.66	94.44	8,193.7	-264.4	3,407.7	3,418.0	0.00	0.00	0.00
11,400.0	88.66	94.44	8,196.0	-272.1	3,507.4	3,518.0	0.00	0.00	0.00
11,500.0	88.66	94.44	8,198.3	-279.8	3,607.1	3,617.9	0.00	0.00	0.00
11,600.0	88.66	94.44	8,200.7	-287.6	3,706.8	3,717.9	0.00	0.00	0.00
11,700.0	88.66	94.44	8,203.0	-295.3	3,806.4	3,817.9	0.00	0.00	0.00
11,800.0	88.66	94.44	8,205.3	-303.0	3,906.1	3,917.8	0.00	0.00	0.00
11,900.0	88.66	94.44	8,207.6	-310.8	4,005.8	4,017.8	0.00	0.00	0.00
12,000.0	88.66	94.44	8,210.0	-318.5	4,105.5	4,117.8	0.00	0.00	0.00
12,100.0	88.66	94.44	8,212.3	-326.2	4,205.1	4,217.8	0.00	0.00	0.00
12,200.0	88.66	94.44	8,214.6	-334.0	4,304.8	4,317.7	0.00	0.00	0.00
12,300.0	88.66	94.44	8,217.0	-341.7	4,404.5	4,417.7	0.00	0.00	0.00
12,400.0	88.66	94.44	8,219.3	-349.4	4,504.1	4,517.7	0.00	0.00	0.00
12,500.0	88.66	94.44	8,221.6	-357.2	4,603.8	4,617.7	0.00	0.00	0.00
TD @ 12516' MD / 8222' TVD									
12,515.6	88.66	94.44	8,222.0	-358.4	4,619.4	4,633.3	0.00	0.00	0.00

Design Targets

Target Name	hit/miss target	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL Four Peaks 35		0.00	0.00	8,222.0	-358.4	4,619.4	588,608.50	591,066.10	32° 37' 4 226 N	104° 2' 15 241 W
- plan hits target center										
- Point										

Plan Annotations

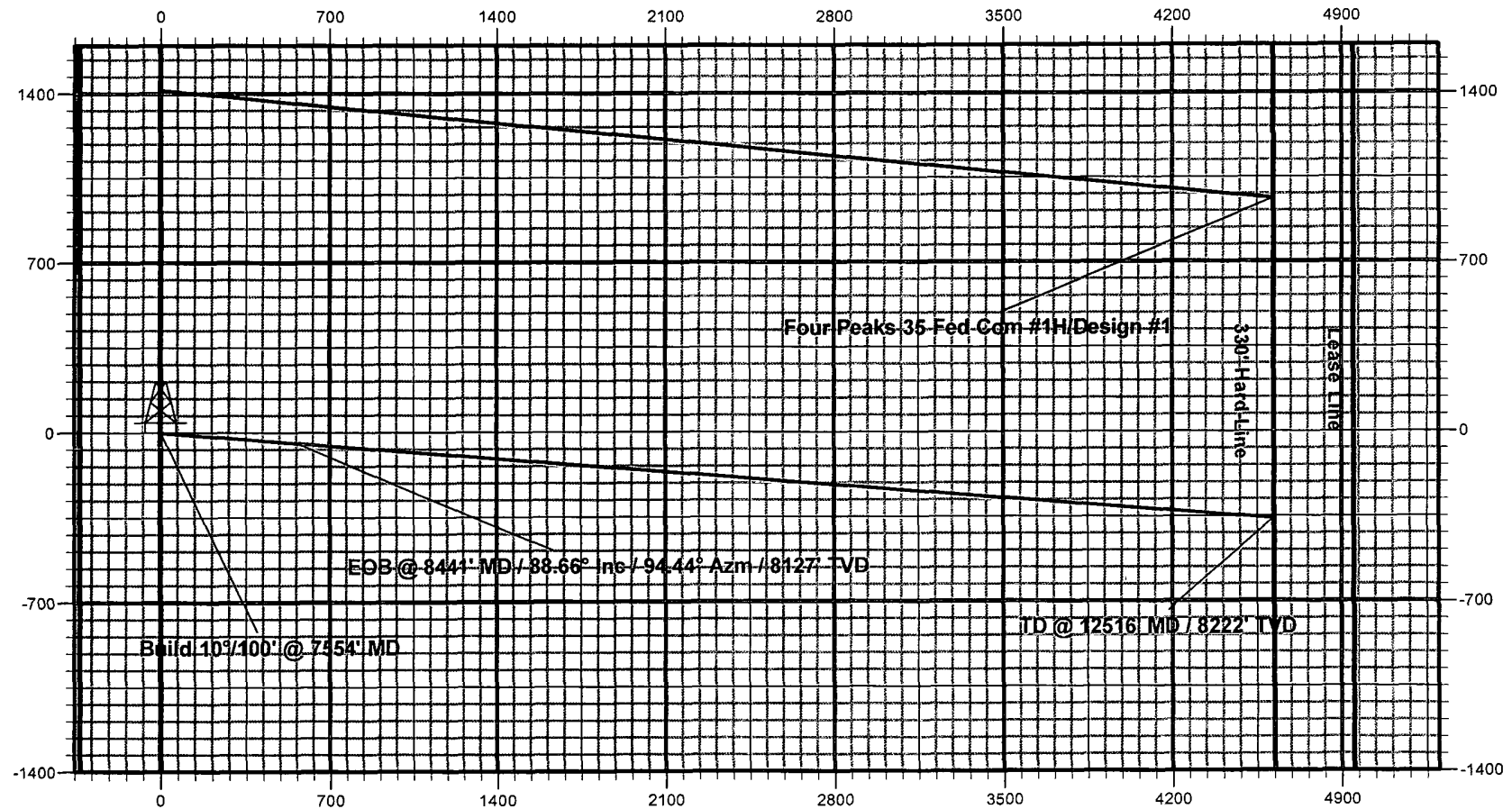
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
7,554.2	7,554.2	0.0	0.0	Build 10°/100' @ 7554' MD
8,440.8	8,127.0	-43.3	557.9	EOB @ 8441' MD / 88.66° Inc / 94.44° Azm / 8127' TVD
12,515.6	8,222.0	-358.4	4,619.4	TD @ 12516' MD / 8222' TVD

Mewbourne Oil Company



Eddy County, New Mexico
Four Peaks 35 Fed Com #2H

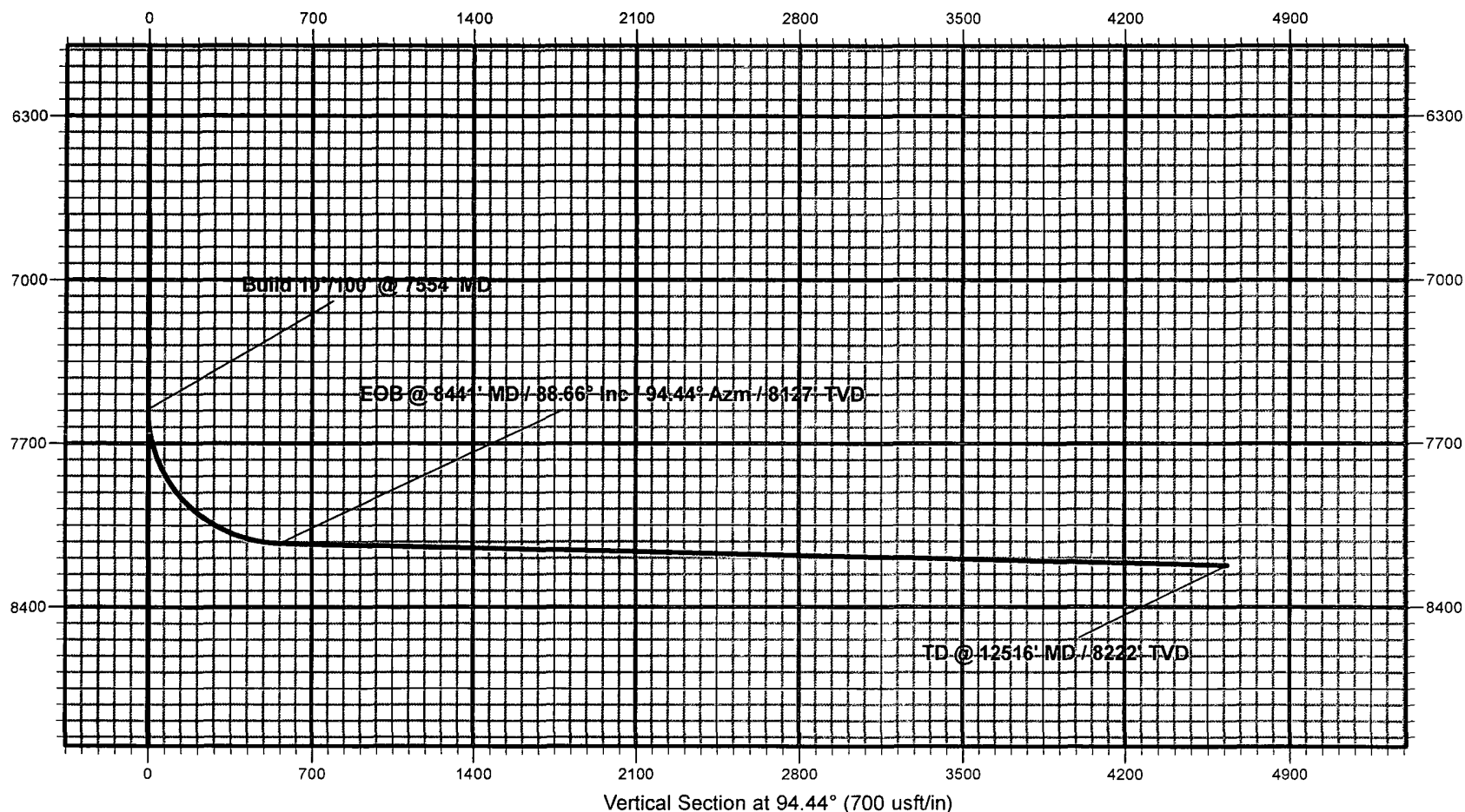
Quote 110415



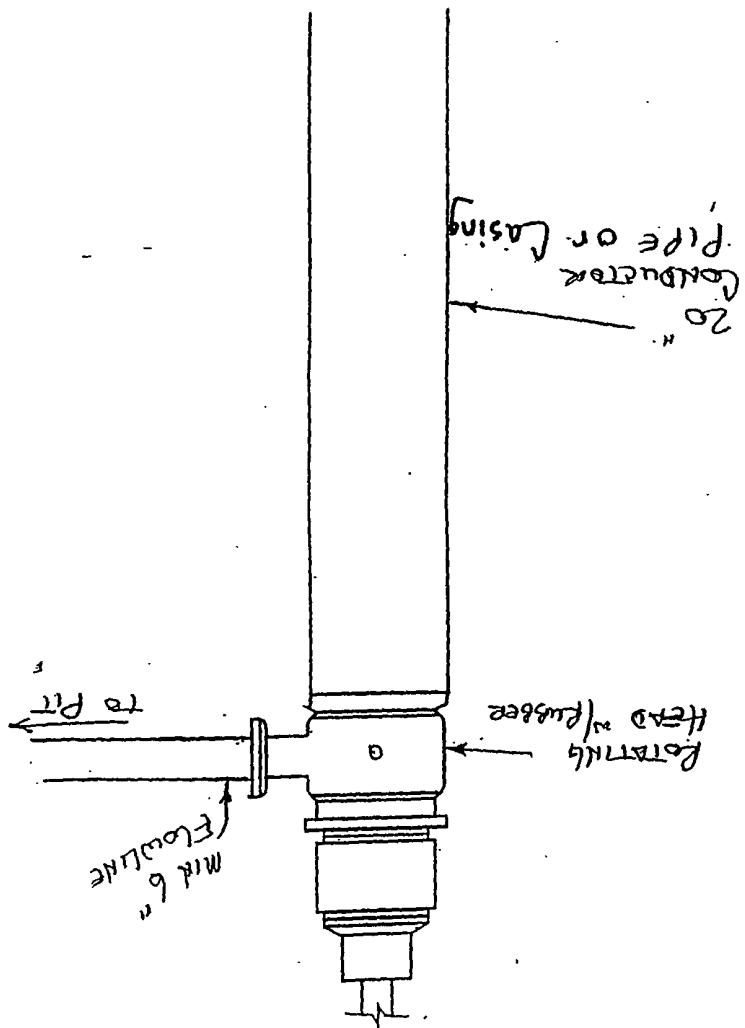
Mewbourne Oil Company



Eddy County, New Mexico
Four Peaks 35 Fed Com #2H
Quote 110415



20" DIVERTER SYSTEM



Mewbourne Oil Company
BOP Schematic for
12 1/4" Hole

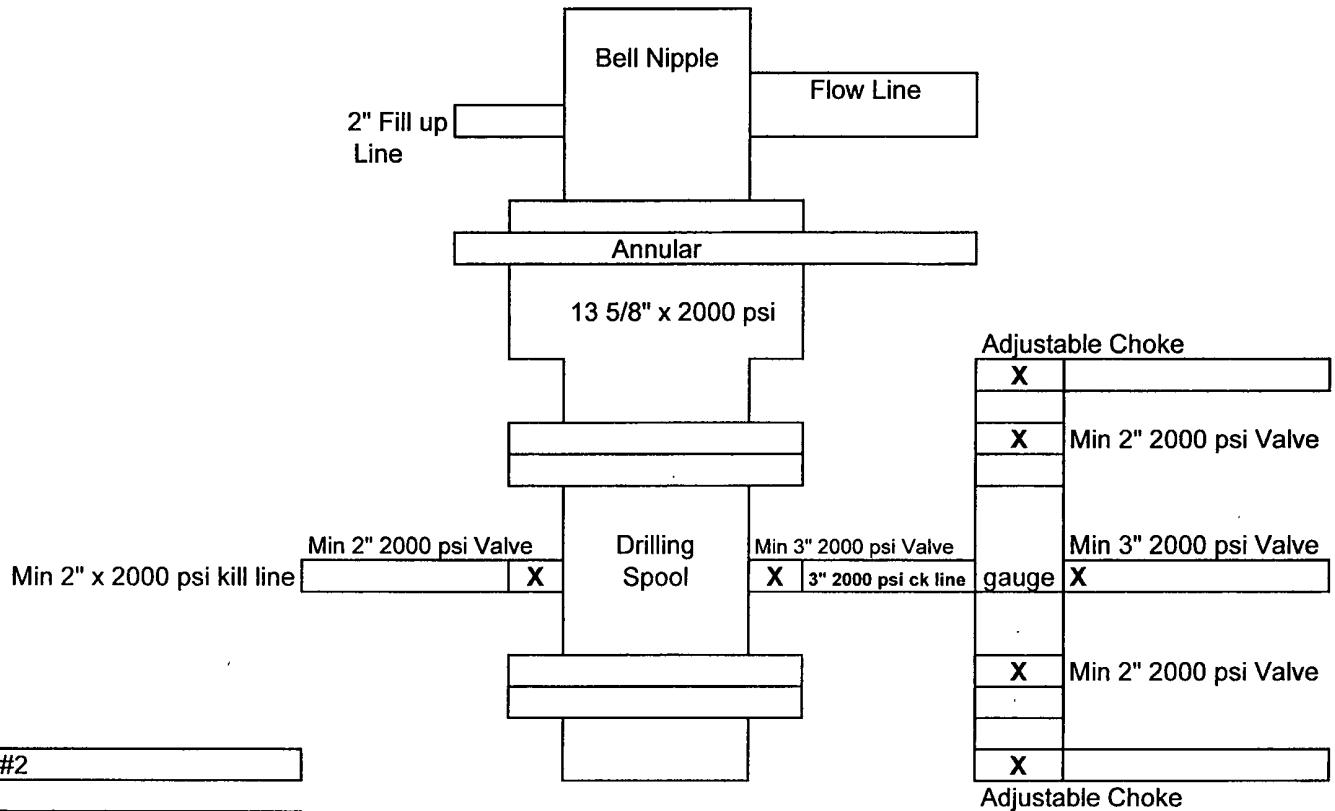


Exhibit #2

Four Peaks 35 Fed #2H
1975' FNL & 330' FWL
Sec 35-T19S-R29E
Eddy, County
New Mexico

Mewbourne Oil Company
BOP Schematic for
6 1/8" & 8 3/4" Holes

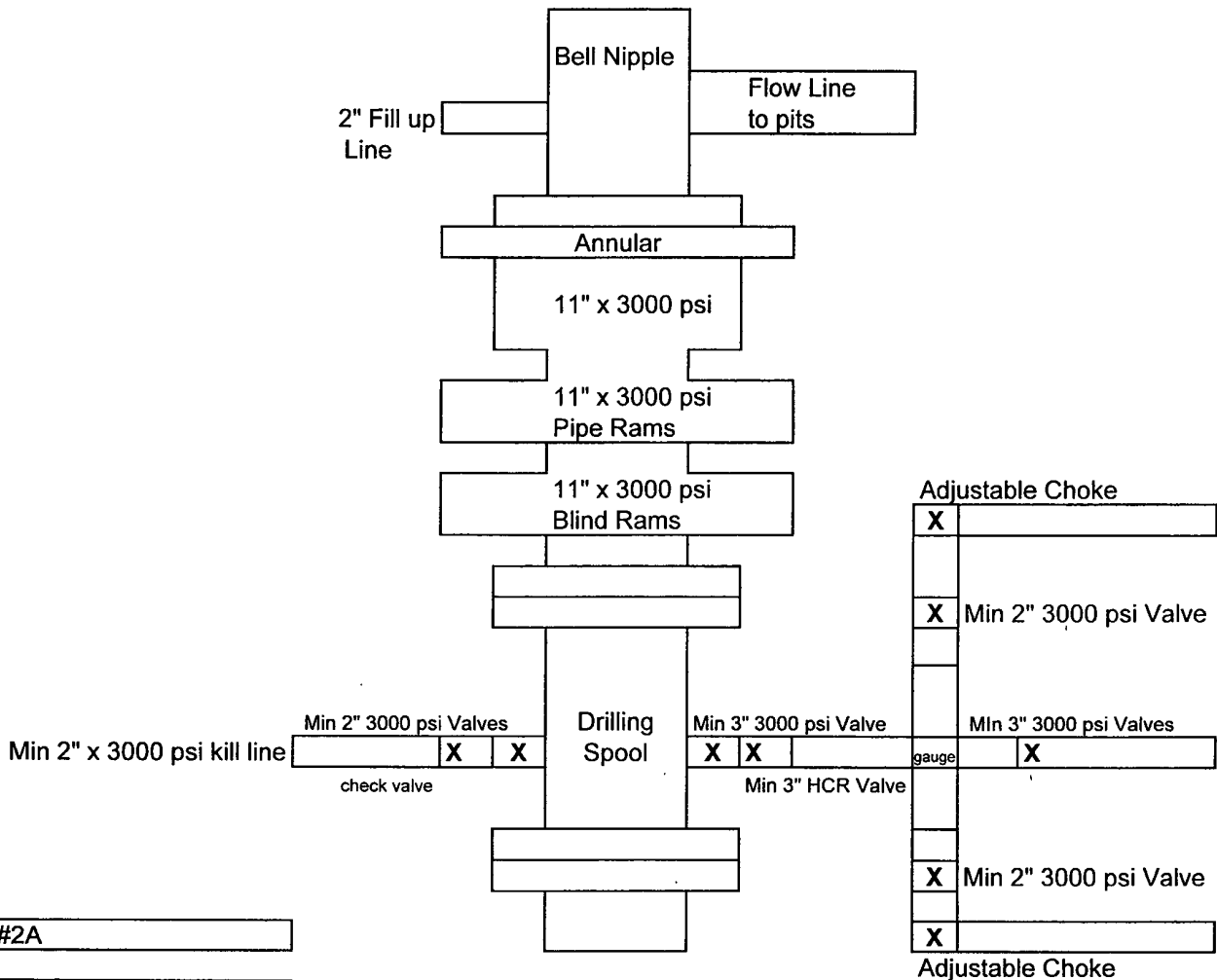


Exhibit #2A

Four Peaks 35 Fed #2H
1975' FNL & 330' FWL
Sec 35-T19S-R29E
Eddy, County
New Mexico

Notes Regarding Blowout Preventer

Mewbourne Oil Company

Four Peaks 35 Federal Com #2H

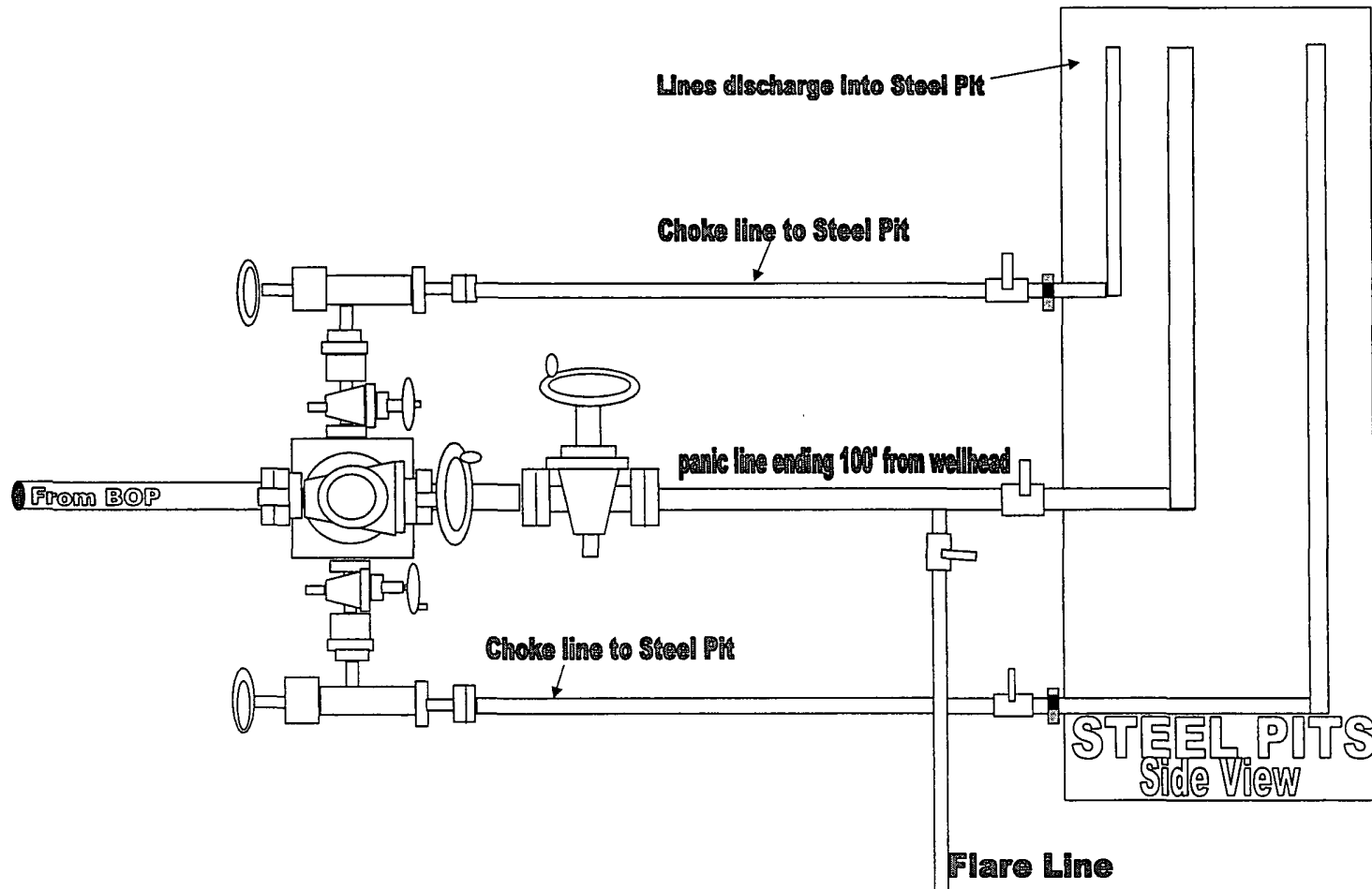
1975' FNL & 330' FWL (SHL)

Sec 35-T19S-R29E

Eddy County, New Mexico

- I. Drilling nipple (bell nipple) to be constructed so that it can be removed without the use of a welder through the opening of the rotary table, with minimum internal diameter equal to blowout preventer bore.
- II. Blowout preventer and all fittings must be in good condition with a minimum 2000 psi working pressure on 13 3/8" casing and 3000 psi working pressure on 9 5/8" & 7".
- III. Safety valve must be available on the rig floor at all times with proper connections to install in the drill string. Valve must be full bore with minimum 3000 psi working pressure.
- IV. Equipment through which bit must pass shall be at least as large as internal diameter of the casing.
- V. A kelly cock shall be installed on the kelly at all times.

Blowout preventer closing equipment to include and accumulator of at least 40 gallon capacity, two independent sources of pressure on closing unit, and meet all other API specifications.



3000# BOP manifold system for Exhibit 2 & 2A

