

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER		5. Lease Serial No. NM-83066
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 < - 14744 >		7. If Unit or CA Agreement, Name and No.
3a. Address PO Box 5270 Hobbs, NM 88241		8. Lease Name and Well No. 30604 Crow Flats 26 Federal #1H
3b. Phone No. (include area code) 575-393-5905		9. API Well No. 30-015-38983
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 330' FSL & 330' FEL (Unit P) At proposed prod. zone (BHL) 400' FSL & 330' FWL Unit M		10. Field and Pool, or Exploratory Dog Canyon Wolfcamp 17970
11. Sec., T., R., M., or Blk. and Survey or Area Sec 26-T16S-R28E		12. County or Parish Eddy
13. State NM		14. Distance in miles and direction from nearest town or post office* 22 miles from Artesia
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 2560	17. Spacing Unit dedicated to this well 160
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 330	19. Proposed Depth 6754' TVD 11089' MD	20. BLM/BIA Bond No. on file NM1693, Nationwide
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3584' 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, shall be attached to this form:

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

25. Signature 	Name (Printed/Typed) Jackie Lathan	Date 2/8/11
Hobbs Regulatory Approved by (Signature) 	Name (Printed/Typed)	Date 4/15/11
Title Gr FIELD MANAGER	Office CARLSBAD FIELD 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.

*(Instructions on reverse)

Roswell Controlled Water Basin

KZ 04/29/11

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Approval Subject to General Requirements
& Special Stipulations Attached

Drilling Program
Mewbourne Oil Company
 Crow Flats "26" Federal #1H
 330' FSL & 330' FEL (SHL)
 Sec 26-T16S-R28E
 Eddy County, New Mexico

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

Yates	570'
Queen	1310'
Grayburg	1720'
San Andres	2110'
*Abo	5582'
*Wolfcamp	6740'

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

Water	Fresh water will be protected by setting surface casing at 550' 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 2000# WP 13 5/8" Annular will be installed after running 13 3/8" casing. A 3000# WP Double Ram 11" BOP and 3000# WP Annular will be installed after running 7" casing. 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. BOP's 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" BOPE to 3000# and the Annular 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 6180' & kick off to horizontal @ 6754' TVD. The well will be drilled to 11089' MD (6662' TVD). See attached directional plan.

5. Proposed casing and cementing program:

A. Casing Program:

See COA

<u>Hole Size</u>	<u>Casing</u>	<u>Wt/Ft.</u>	<u>Grade</u>	<u>Depth</u>	<u>Jt Type</u>
17 1/2"	13 3/8" (new)	48#	H40	0'-550' 210	ST&C
11"	7" (new)	26#	P110	0'-2200' MD	LT&C
8 3/4"	7" (new)	26#	P110	2200'-6180' MD	LT&C
8 3/4"	7" (new)	26#	P110	6180'-7080' MD	BT&C
6 1/8"	4 1/2" (new)	11.6#	P110	6890'-11089' MD	LT&C

Minimum casing design factors: Collapse 1.125, Burst 1.0, Tensile strength 1.8.

*Subject to availability of casing.

See COA

B. Cementing Program:

- See COA
- i. Surface Casing: 350 sks Class C cement containing 2% CaCl₂. Yield at 1.34 cuft/sk. Cmt circulated to surface w/25% excess.
 - ii. Intermediate Casing: 650 sacks Class H light cement (35:65:4) with salt, fluid loss, and LCM additives. Yield at 2.46 cuft/sk. 400 sacks Class H cement Containing FLA. Yield at 1.18 cuft/sk Cmt circulated to surface with 25% excess.
 - ii. Production Liner: This will be a Packer/Port completion from TD up inside 7" casing with packer type liner hanger.

See COA *Mewbourne Oil Company reserves the right to change cement designs as hole conditions may warrant.

6. Mud Program:

<u>Interval</u>	<u>Type System</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0'-550' 210	FW spud mud	8.6-9.0	32-34	NA
550'-7080'	Brine water	10.0-10.2	28-30	NA
7080'- TD	FW w/Polymer	8.5-8.7	32-35	15

7. Evaluation Program: See COA

Samples: 10' samples from surface casing to TD
Logging: GR & Gyro from KOP -100' (6080') to surface. GR from 6080' to TVD.

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.

Location: Eddy County, NM
 Field: Crow Flats
 Facility: Crow Flats 26 Fed No. 1H

Sht: No. 1H SHL
 Well: No. 1H
 Wellbore: No. 1H PWB

Well Profile Data

Design Comment	MD (ft)	Inc (°)	Az (°)	TVD (ft)	Local N (ft)	Local E (ft)	DLS (°/100ft)	VS (ft)
Tie On	0.00	0.000	271.000	0.00	0.00	0.00	0.00	0.00
Est KOP	6180.00	0.000	271.000	6180.00	0.00	0.00	0.00	0.00
End of Curve	7081.64	90.000	271.000	6754.00	10.02	-573.91	9.98	574.00
EOB	7147.97	91.327	271.004	6753.23	11.18	-640.23	2.00	640.33
Crow Flats 26 Fed No. 1H PBHL	11088.49	91.327	271.004	6662.00	80.24	-4579.09	0.00	4579.79

Plot reference wellpath is Prelim.

True vertical depths are referenced to Rig on No. 1H SHL (RT)

Measured depths are referenced to Rig on No. 1H SHL (RT)

Rig on No. 1H SHL (RT) to Mean Sea Level: 3602 feet

Mean Sea Level to Mud line (Facility: Crow Flats 26 Fed No. 1H): -3584 feet

Coordinates are in feet referenced to Slot

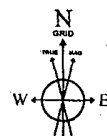
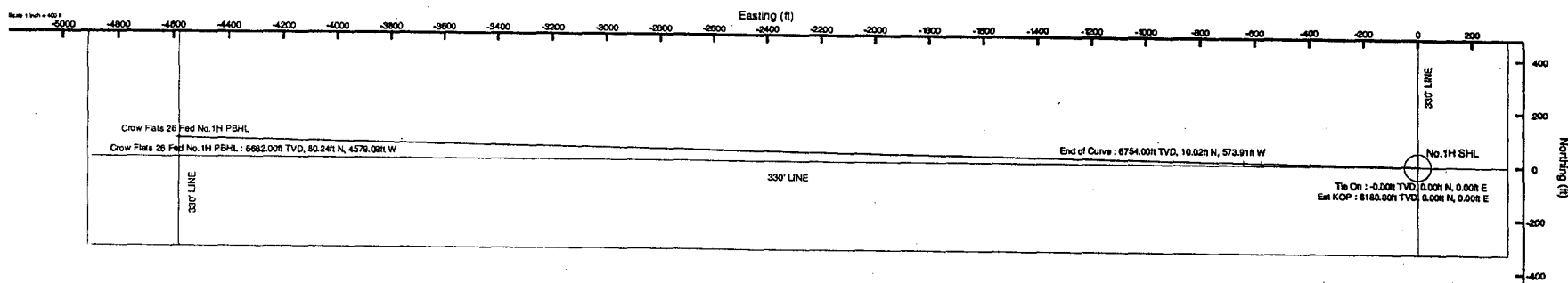
Grid System: NAD27 / TM New Mexico State Planes, Eastern Zone (3001), US feet

North Reference: Grid north

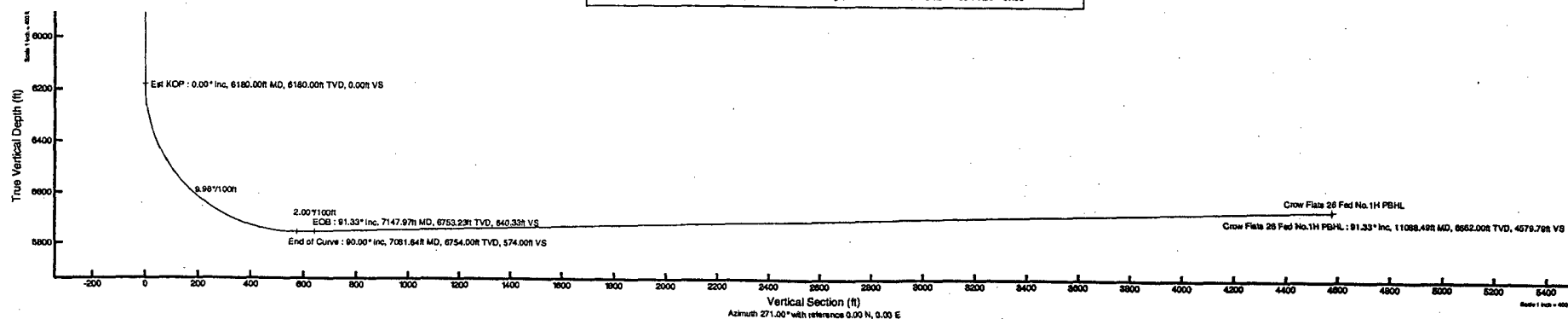
Scale: True distance

Depths are in feet

Created by: gomeacor on 1/31/2011



BGGM (1945.0 to 2012.0) Dip: 60.72° Field: 49020.3 nT
 Magnetic North is 8.00 degrees East of True North (at 1/31/2011)
 Grid North is 0.11 degrees East of True North
 To correct azimuth from True to Grid subtract 0.11 degrees
 To correct azimuth from Magnetic to Grid add 7.90 degrees
 For example: if the Magnetic North Azimuth = 90 degs, then the Grid North Azimuth = 90 + 7.90 = 97.90



Planned Wellpath Report

Mewbourne Oil Company

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INTEQ

REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No.1H SHL
Area	Eddy County, NM	Well	No.1H
Field	Crow Flats	Wellbore	No.1H PWB
Facility	Crow Flats 26 Fed No.1H		

REPORT SETUP INFORMATION

Projection System	NAD27 / TM New Mexico State Planes, Eastern Zone (3001), US feet	Software System	WellArchitect® 2.0
North Reference	Grid	User	Gomeoscr
Scale	0.999913	Report Generated	1/31/2011 at 3:33:54 PM
Convergence at slot	0.11° East	Database/Source file	WA Midland/No.1H_PWB.xml

WELLPATH LOCATION

	Local coordinates		Grid coordinates		Geographic coordinates	
	North[ft]	East[ft]	Easting[USft]	Northing[USft]	Latitude	Longitude
Slot Location	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W
Facility Reference Pt			559687.72	686679.00	32°53'15.396"N	104°08'20.014"W
Field Reference Pt			550387.25	689669.00	32°53'45.139"N	104°10'09.030"W

WELLPATH DATUM

Calculation method	Minimum curvature	Rig on No.1H SHL (RT) to Facility Vertical Datum	18.00ft
Horizontal Reference Pt	Slot	Rig on No.1H SHL (RT) to Mean Sea Level	3602.00ft
Vertical Reference Pt	Rig on No.1H SHL (RT)	Facility Vertical Datum to Mud Line (Facility)	0.00ft
D Reference Pt	Rig on No.1H SHL (RT)	Section Origin	N 0.00, E 0.00 ft
Field Vertical Reference	Mean Sea Level	Section Azimuth	271.00°

Planned Wellpath Report



Mewbourne Oil Company

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REFERENCE WELLPATH IDENTIFICATION

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Area	Eddy County, NM	Well	No.1H
Field	Crow Flats	Wellbore	No.1H PWB
Facility	Crow Flats 26 Fed No.1H		

WELLPATH DATA (115 stations) † = interpolated/extrapolated station

MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [srv ft]	Grid North [srv ft]	Latitude	Longitude	DLS [°/100ft]	Comments
0.00	0.000	271.000	0.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	Tie On
100.00†	0.000	271.000	100.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
200.00†	0.000	271.000	200.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
300.00†	0.000	271.000	300.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
400.00†	0.000	271.000	400.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
500.00†	0.000	271.000	500.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
600.00†	0.000	271.000	600.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
700.00†	0.000	271.000	700.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
800.00†	0.000	271.000	800.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
900.00†	0.000	271.000	900.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
1000.00†	0.000	271.000	1000.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
1100.00†	0.000	271.000	1100.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
1200.00†	0.000	271.000	1200.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
1300.00†	0.000	271.000	1300.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
1400.00†	0.000	271.000	1400.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
1500.00†	0.000	271.000	1500.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
1600.00†	0.000	271.000	1600.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
1700.00†	0.000	271.000	1700.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
1800.00†	0.000	271.000	1800.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
1900.00†	0.000	271.000	1900.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
2000.00†	0.000	271.000	2000.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
2100.00†	0.000	271.000	2100.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
2200.00†	0.000	271.000	2200.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
2300.00†	0.000	271.000	2300.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
2400.00†	0.000	271.000	2400.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
2500.00†	0.000	271.000	2500.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
2600.00†	0.000	271.000	2600.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
2700.00†	0.000	271.000	2700.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
2800.00†	0.000	271.000	2800.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
2900.00†	0.000	271.000	2900.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
3000.00†	0.000	271.000	3000.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
3100.00†	0.000	271.000	3100.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
3200.00†	0.000	271.000	3200.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
3300.00†	0.000	271.000	3300.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
3400.00†	0.000	271.000	3400.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
3500.00†	0.000	271.000	3500.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
3600.00†	0.000	271.000	3600.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
3700.00†	0.000	271.000	3700.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
3800.00†	0.000	271.000	3800.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
3900.00†	0.000	271.000	3900.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
4000.00†	0.000	271.000	4000.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
4100.00†	0.000	271.000	4100.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
4200.00†	0.000	271.000	4200.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
4300.00†	0.000	271.000	4300.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
4400.00†	0.000	271.000	4400.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	

Planned Wellpath Report

Mewbourne Oil Company

Prelim_1

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**BAKER
HUGHES**

INTEQ

REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No.1H SHL
Area	Eddy County, NM	Well	No.1H
Field	Crow Flats	Wellbore	No.1H PWB
Facility	Crow Flats 26 Fed No.1H		

WELLPATH DATA (115 stations) † = interpolated/extrapolated station

MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [srv ft]	Grid North [srv ft]	Latitude	Longitude	DLS [°/100ft]	Comments
4500.00†	0.000	271.000	4500.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
4600.00†	0.000	271.000	4600.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
4700.00†	0.000	271.000	4700.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
4800.00†	0.000	271.000	4800.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
4900.00†	0.000	271.000	4900.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
5000.00†	0.000	271.000	5000.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
5100.00†	0.000	271.000	5100.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
5200.00†	0.000	271.000	5200.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
5300.00†	0.000	271.000	5300.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
5400.00†	0.000	271.000	5400.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
5500.00†	0.000	271.000	5500.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
5600.00†	0.000	271.000	5600.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
5700.00†	0.000	271.000	5700.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
5800.00†	0.000	271.000	5800.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
5900.00†	0.000	271.000	5900.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
6000.00†	0.000	271.000	6000.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
6100.00†	0.000	271.000	6100.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	
6180.00	0.000	271.000	6180.00	0.00	0.00	0.00	559687.72	686679.00	32°53'15.396"N	104°08'20.014"W	0.00	Est KOP
6200.00†	1.996	271.000	6200.00	0.35	0.01	-0.35	559687.37	686679.01	32°53'15.396"N	104°08'20.018"W	9.98	
6300.00†	11.978	271.000	6299.13	12.50	0.22	-12.50	559675.23	686679.22	32°53'15.398"N	104°08'20.161"W	9.98	
6400.00†	21.960	271.000	6394.65	41.65	0.73	-41.64	559646.08	686679.73	32°53'15.404"N	104°08'20.502"W	9.98	
6500.00†	31.942	271.000	6483.68	86.91	1.52	-86.90	559600.83	686680.52	32°53'15.412"N	104°08'21.033"W	9.98	
6600.00†	41.924	271.000	6563.51	146.92	2.56	-146.90	559540.83	686681.56	32°53'15.424"N	104°08'21.737"W	9.98	
6700.00†	51.906	271.000	6631.74	219.87	3.84	-219.83	559467.91	686682.84	32°53'15.438"N	104°08'22.592"W	9.98	
6800.00†	61.887	271.000	6686.28	303.53	5.30	-303.48	559384.27	686684.30	32°53'15.454"N	104°08'23.573"W	9.98	
6900.00†	71.869	271.000	6725.50	395.38	6.90	-395.32	559292.44	686685.90	32°53'15.471"N	104°08'24.650"W	9.98	
7000.00†	81.851	271.000	6748.20	492.64	8.60	-492.56	559195.20	686687.60	32°53'15.490"N	104°08'25.790"W	9.98	
7081.64	90.000	271.000	6754.00	574.00	10.02	-573.91	559113.86	686689.02	32°53'15.505"N	104°08'26.744"W	9.98	End of Curve
7100.00†	90.367	271.001	6753.94	592.36	10.34	-592.27	559095.50	686689.34	32°53'15.509"N	104°08'26.959"W	2.00	
7147.97	91.327	271.004	6753.23	640.33	11.18	-640.23	559047.55	686690.18	32°53'15.518"N	104°08'27.521"W	2.00	EOB
7200.00†	91.327	271.004	6752.03	692.34	12.09	-692.24	558995.54	686691.09	32°53'15.528"N	104°08'28.131"W	0.00	
7300.00†	91.327	271.004	6749.71	792.32	13.84	-792.20	558895.60	686692.84	32°53'15.547"N	104°08'29.303"W	0.00	
7400.00†	91.327	271.004	6747.40	892.29	15.59	-892.15	558795.65	686694.59	32°53'15.566"N	104°08'30.475"W	0.00	
7500.00†	91.327	271.004	6745.08	992.26	17.35	-992.11	558695.70	686696.35	32°53'15.585"N	104°08'31.648"W	0.00	
7600.00†	91.327	271.004	6742.77	1092.24	19.10	-1092.07	558595.75	686698.10	32°53'15.605"N	104°08'32.820"W	0.00	
7700.00†	91.327	271.004	6740.45	1192.21	20.85	-1192.03	558495.80	686699.85	32°53'15.624"N	104°08'33.992"W	0.00	
7800.00†	91.327	271.004	6738.14	1292.18	22.60	-1291.98	558395.85	686701.60	32°53'15.643"N	104°08'35.164"W	0.00	
7900.00†	91.327	271.004	6735.82	1392.16	24.36	-1391.94	558295.90	686703.36	32°53'15.662"N	104°08'36.336"W	0.00	
8000.00†	91.327	271.004	6733.51	1492.13	26.11	-1491.90	558195.95	686705.11	32°53'15.681"N	104°08'37.508"W	0.00	
8100.00†	91.327	271.004	6731.19	1592.10	27.86	-1591.86	558096.00	686706.86	32°53'15.700"N	104°08'38.680"W	0.00	
8200.00†	91.327	271.004	6728.88	1692.07	29.62	-1691.82	557996.05	686708.61	32°53'15.719"N	104°08'39.852"W	0.00	
8300.00†	91.327	271.004	6726.56	1792.05	31.37	-1791.77	557896.11	686710.36	32°53'15.738"N	104°08'41.024"W	0.00	
8400.00†	91.327	271.004	6724.24	1892.02	33.12	-1891.73	557796.16	686712.12	32°53'15.758"N	104°08'42.197"W	0.00	
8500.00†	91.327	271.004	6721.93	1991.99	34.87	-1991.69	557696.21	686713.87	32°53'15.777"N	104°08'43.369"W	0.00	
8600.00†	91.327	271.004	6719.61	2091.97	36.63	-2091.65	557596.26	686715.62	32°53'15.796"N	104°08'44.541"W	0.00	

Planned Wellpath Report

Mewbourne Oil Company

Prelim_1
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**BAKER
HUGHES**

INTEQ

REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No.1H SHL
Area	Eddy County, NM	Well	No.1H
Field	Crow Flats	Wellbore	No.1H PWB
Facility	Crow Flats 26 Fed No.1H		

WELLPATH DATA (115 stations) † = interpolated/extrapolated station

MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [srv ft]	Grid North [srv ft]	Latitude	Longitude	DLS [°/100ft]	Comments
3700.00†	91.327	271.004	6717.30	2191.94	38.38	-2191.60	557496.31	686717.37	32°53'15.815"N	104°08'45.713"W	0.00	
3800.00†	91.327	271.004	6714.98	2291.91	40.13	-2291.56	557396.36	686719.13	32°53'15.834"N	104°08'46.885"W	0.00	
3900.00†	91.327	271.004	6712.67	2391.89	41.88	-2391.52	557296.41	686720.88	32°53'15.853"N	104°08'48.057"W	0.00	
4000.00†	91.327	271.004	6710.35	2491.86	43.64	-2491.48	557196.46	686722.63	32°53'15.872"N	104°08'49.229"W	0.00	
4100.00†	91.327	271.004	6708.04	2591.83	45.39	-2591.44	557096.51	686724.38	32°53'15.891"N	104°08'50.401"W	0.00	
4200.00†	91.327	271.004	6705.72	2691.81	47.14	-2691.39	556996.56	686726.14	32°53'15.910"N	104°08'51.573"W	0.00	
4300.00†	91.327	271.004	6703.41	2791.78	48.89	-2791.35	556896.62	686727.89	32°53'15.929"N	104°08'52.746"W	0.00	
4400.00†	91.327	271.004	6701.09	2891.75	50.65	-2891.31	556796.67	686729.64	32°53'15.948"N	104°08'53.918"W	0.00	
4500.00†	91.327	271.004	6698.78	2991.73	52.40	-2991.27	556696.72	686731.39	32°53'15.968"N	104°08'55.090"W	0.00	
4600.00†	91.327	271.004	6696.46	3091.70	54.15	-3091.23	556596.77	686733.15	32°53'15.987"N	104°08'56.262"W	0.00	
4700.00†	91.327	271.004	6694.15	3191.67	55.90	-3191.18	556496.82	686734.90	32°53'16.006"N	104°08'57.434"W	0.00	
4800.00†	91.327	271.004	6691.83	3291.65	57.66	-3291.14	556396.87	686736.65	32°53'16.025"N	104°08'58.606"W	0.00	
4900.00†	91.327	271.004	6689.52	3391.62	59.41	-3391.10	556296.92	686738.40	32°53'16.044"N	104°08'59.778"W	0.00	
5000.00†	91.327	271.004	6687.20	3491.59	61.16	-3491.06	556196.97	686740.16	32°53'16.063"N	104°09'00.950"W	0.00	
5100.00†	91.327	271.004	6684.89	3591.57	62.91	-3591.01	556097.02	686741.91	32°53'16.082"N	104°09'02.122"W	0.00	
5200.00†	91.327	271.004	6682.57	3691.54	64.67	-3690.97	555997.08	686743.66	32°53'16.101"N	104°09'03.295"W	0.00	
5300.00†	91.327	271.004	6680.26	3791.51	66.42	-3790.93	555897.13	686745.41	32°53'16.120"N	104°09'04.467"W	0.00	
5400.00†	91.327	271.004	6677.94	3891.49	68.17	-3890.89	555797.18	686747.17	32°53'16.139"N	104°09'05.639"W	0.00	
5500.00†	91.327	271.004	6675.62	3991.46	69.92	-3990.85	555697.23	686748.92	32°53'16.158"N	104°09'06.811"W	0.00	
5600.00†	91.327	271.004	6673.31	4091.43	71.68	-4090.80	555597.28	686750.67	32°53'16.177"N	104°09'07.983"W	0.00	
5700.00†	91.327	271.004	6670.99	4191.40	73.43	-4190.76	555497.33	686752.42	32°53'16.196"N	104°09'09.155"W	0.00	
5800.00†	91.327	271.004	6668.68	4291.38	75.18	-4290.72	555397.38	686754.17	32°53'16.215"N	104°09'10.327"W	0.00	
5900.00†	91.327	271.004	6666.36	4391.35	76.93	-4390.68	555297.43	686755.93	32°53'16.234"N	104°09'11.499"W	0.00	
6000.00†	91.327	271.004	6664.05	4491.32	78.69	-4490.64	555197.48	686757.68	32°53'16.253"N	104°09'12.671"W	0.00	
688.49	91.327	271.004	6662.00†	4579.79	80.24	-4579.09	555109.04	686759.23	32°53'16.270"N	104°09'13.709"W	0.00	Crow Flats 26 Fed No.1H PWB

Planned Wellpath Report

Mewbourne Oil Company

Prelim_1
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INTEQ

REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No.1H SHL
Area	Eddy County, NM	Well	No.1H
Field	Crow Flats	Wellbore	No.1H PWB
Facility	Crow Flats 26 Fed No.1H		

TARGETS

Name	MD [ft]	TVD [ft]	North [ft]	East [ft]	Grid East [srv ft]	Grid North [srv ft]	Latitude	Longitude	Shape
) Crow Flats 26 Fed No.1H BHL	11088.49	6662.00	80.24	4579.09	555109.04	686759.23	32°53'16.270"N	104°09'13.709"W	point

SURVEY PROGRAM Ref Wellbore: No.1H PWB Ref Wellpath: Prelim_1

Start MD [ft]	End MD [ft]	Positional Uncertainty Model	Log Name/Comment	Wellbore
18.00	11088.49	NaviTrak (Standard)		No.1H PWB

Notes Regarding Blowout Preventer

Mewbourne Oil Company

Crow Flats "26" Federal #1H

330' FSL & 330' FEL (SHL)

Sec 26-T16S-R28E

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 7" casing.
- 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.

Mewbourne Oil Company

BOP Scematic for
11" & 8 3/4" holes

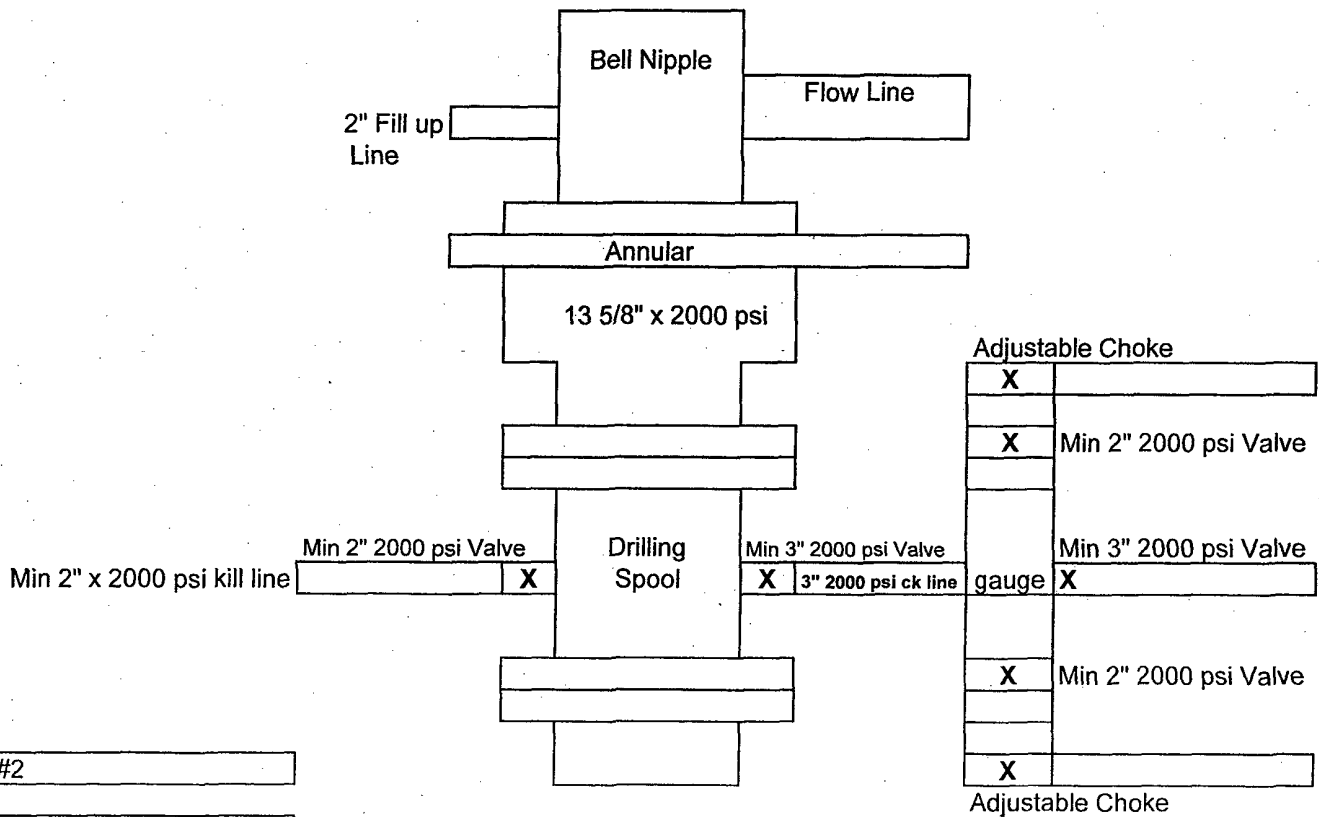


Exhibit #2

Crow Flats 26 Fed #1H
330' FSL & 330' FEL
Sec 24-T16S-R28E
Eddy, County
New Mexico

Mewbourne Oil Company

BOP Schematic for
11" & 8 3/4" Holes

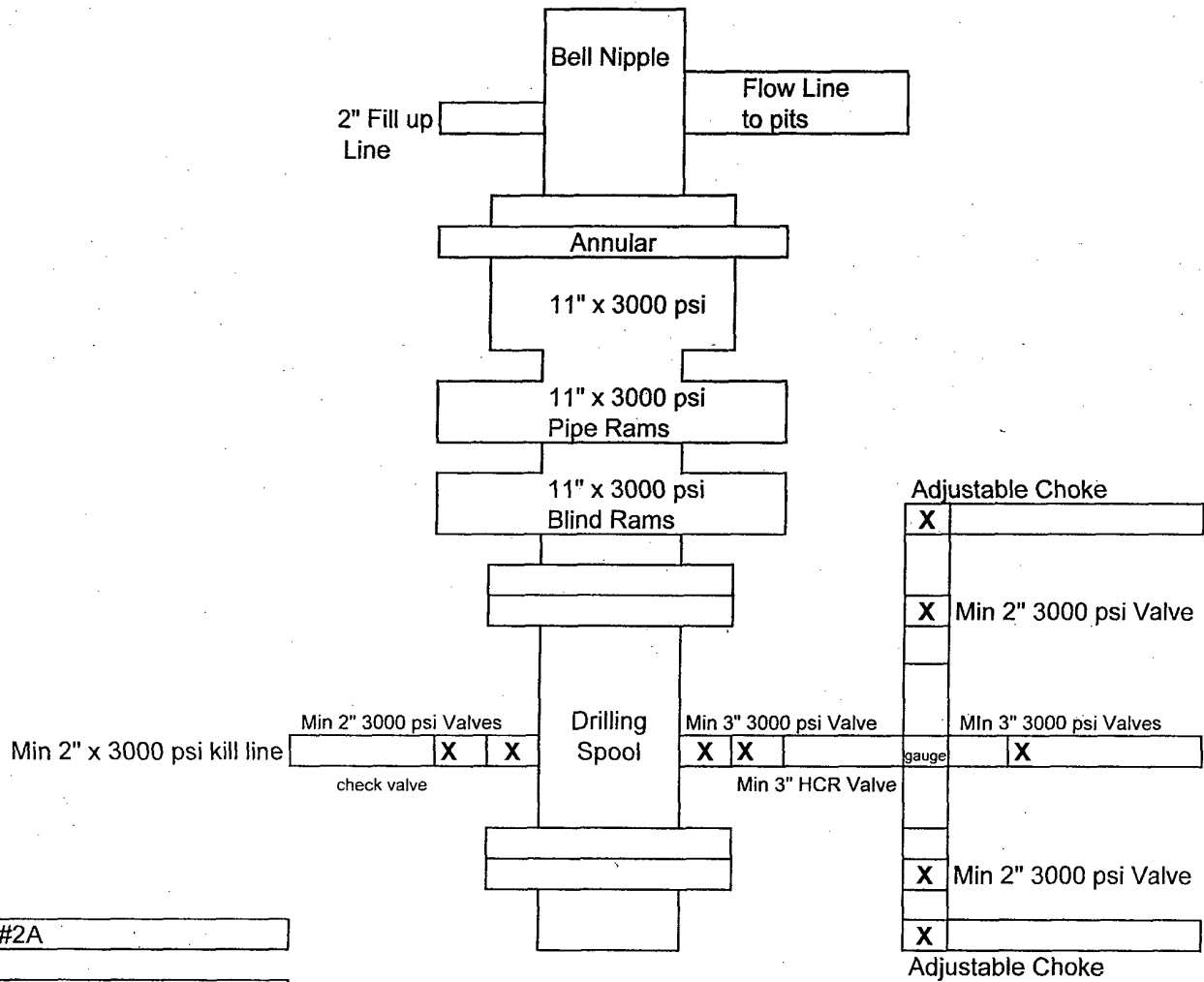


Exhibit #2A

Crow Flats 26 Federal #1H
330' FSL & 330' FEL
Sec 26-T16S-R28E
Eddy, County
New Mexico

Mewbourne Oil Company
BOP Schematic for
6 1/8" Hole

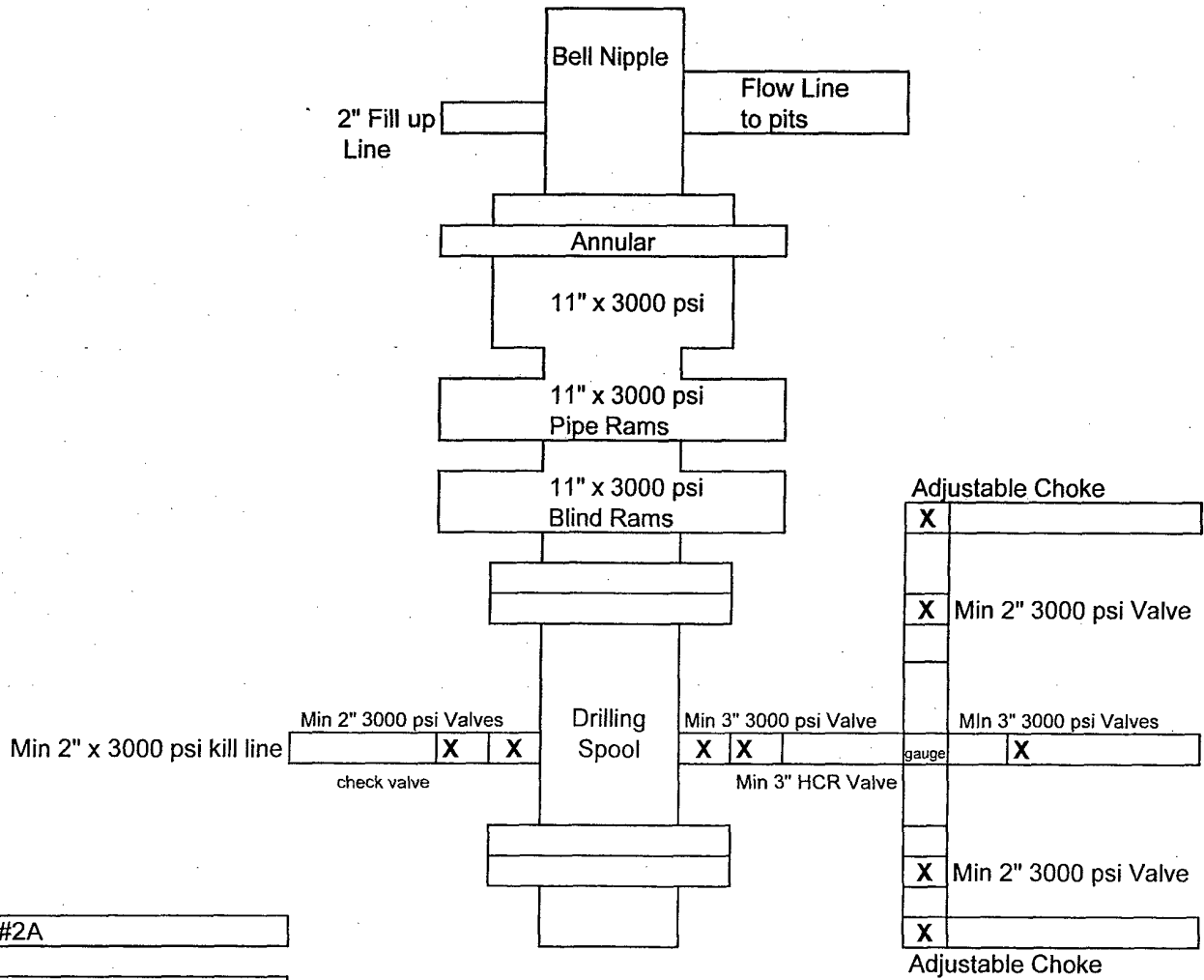
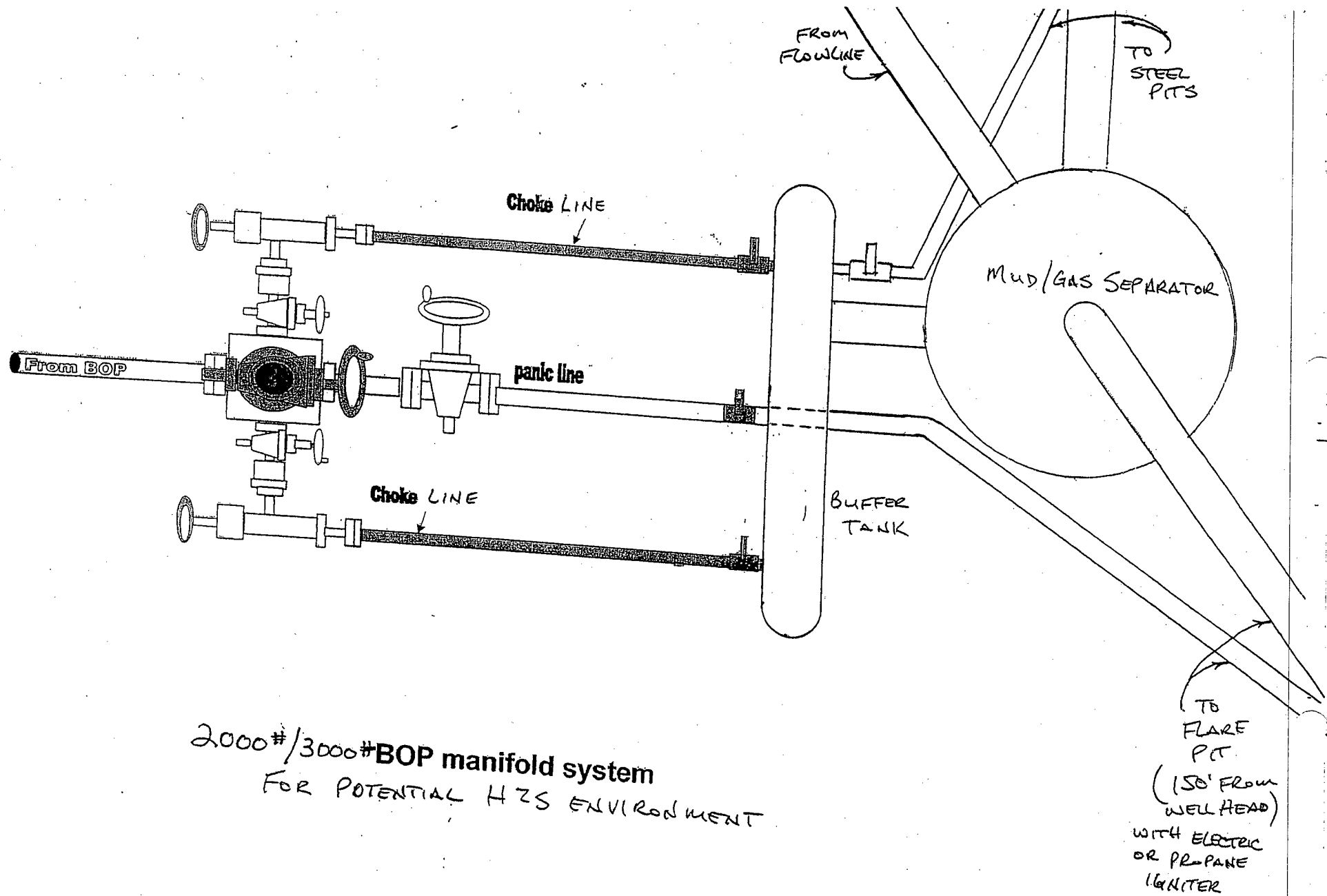
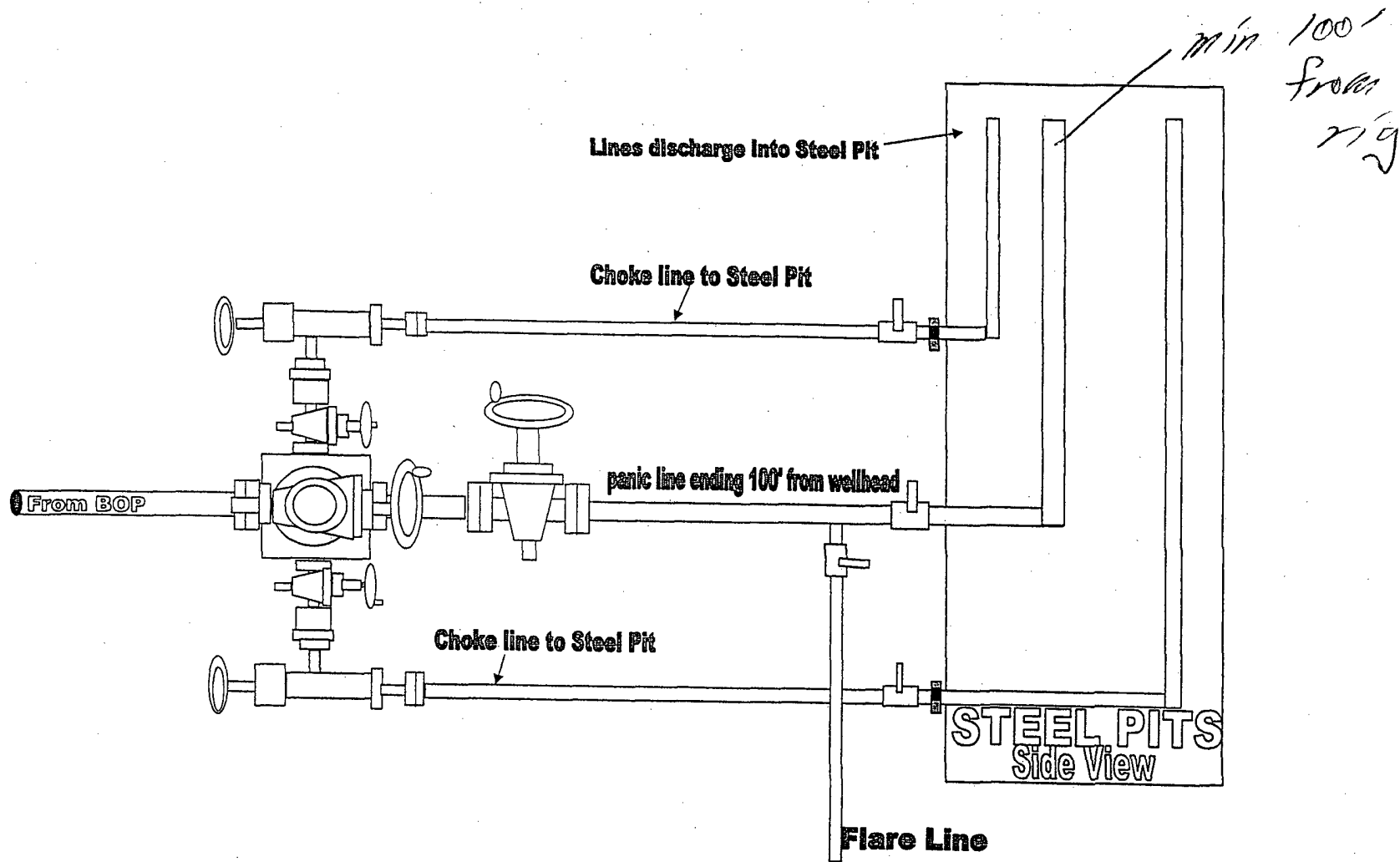


Exhibit #2A

Crow Flats 26 Federal #1H
330' FSL & 330' FEL
Sec 26-T16S-R28E
Eddy, County
New Mexico





2000# & 3000# BOP manifold system for Exhibit 2 & 2A

DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

Operator NEWBOURNE OIL CO OGRID # 14744
 38604 Well Name & # CROW FLATS 26 FED #1H Surface Type (F) (S) (P)
 Location: UL 16 Sect 26 Township 16 S, RNG 28 E, Sub-surface Type (F) (S) (P)
M 26 16-28

A. Date C101 rec'd / / C101 reviewed / /

B. 1. Check mark, Information is OK on Forms:

OGRID X BONDING FED PROP CODE X WELL # SIGNATURE

2. Inactive Well list as of: 4/29/11 # wells 570 # Inactive wells 5

a. District Grant APD but see number of inactive wells:

No letter required X; Sent Letter to Operator , to Santa Fe

3. Additional Bonding as of: 4/29/11

a. District Denial because operator needs addition bonding:

No Letter required X; Sent Letter to Operator , To Santa Fe

b. District Denial because of Inactive well list and Financial Assurance:

No Letter required X; Sent Letter to Operator , To Santa Fe

C. C102 YES X, NO , Signature

1. Pool DOG CANYON WC Code 17970

a. Dedicated acreage 160, What Units MNOP

b. SUR. Location Standard X; Non-Standard Location

c. Well shares acres: Yes , No , # of wells plus this well #

2. 2nd. Operator in same acreage, Yes , No

Agreement Letter , Disagreement letter

3. Intent to Directional Drill Yes X, No

a. Dedicated acreage 160, What Units MNOP

b. Bottomhole Location Standard X, Non-Standard Bottomhole

4. Downhole Commingle: Yes , No X

a. Pool #2 , Code , Acres

Pool #3 , Code , Acres

Pool #4 , Code , Acres

5. POTASH Area Yes , No X

D. Blowout Preventer Yes X, No

E. H2S Yes , No PART FED ADD

F. C144 Pit Registration Yes , No

G. Does APD require Santa Fe Approval:

1. Non-Standard Location: Yes , No X, NSL #

2. Non-Standard Proration: Yes , No X, NSP #

3. Simultaneous Dedication: Yes , No X, SD #

Number of wells Plus #

4. Injection order Yes , No X; PMX # or WFX #

5. SWD order Yes , NO X; SWD #

6. DHC from SF ; DHC-HOB ; Holding

7. OCD Approval Date / /

API #30-0 15-28983

8. Reviewers KZ