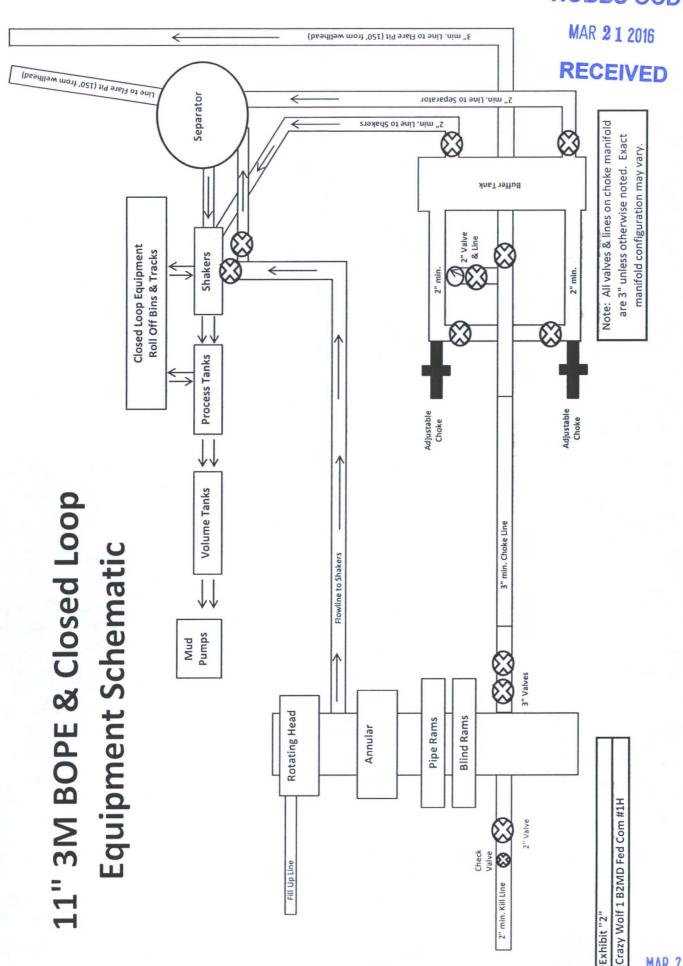
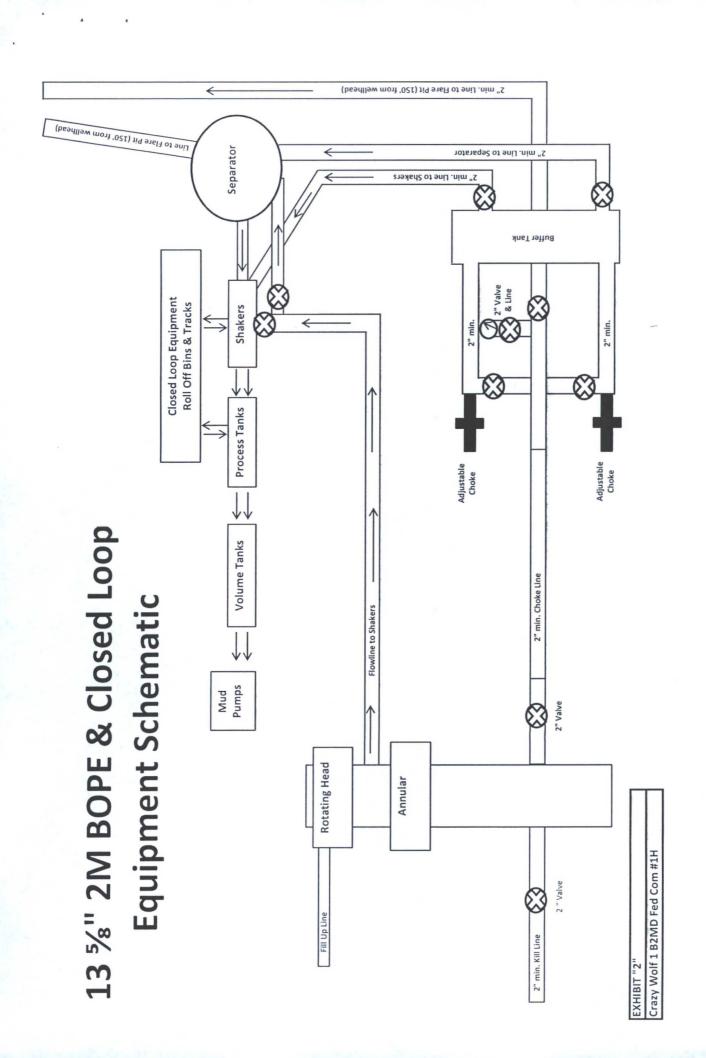
HOBBS OCD





Notes Regarding Blowout Preventer Mewbourne Oil Company

Crazy Wolf 1 B2MD Fed Com #1H 185' FSL & 660' FWL (SHL) Sec 1-T19S-R32E Lea 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 3000 psi working pressure on 9 5/8" and 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

PO Box 5270 Hobbs, NM 88241 (575) 393-5905

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of State and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 24 day of Sept., 2014.

Name: Robin Terrell

Position Title: Hobbs District Manager

Address: PO Box 5270, Hobbs NM 88241

Telephone: 575-393-5905

E-mail: rterrell@mewbourne.com

United States Department of the Interior Bureau of Land Management Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201-1287

Statement Accepting Responsibility for Operations

Operator Name:

Mewbourne Oil Company

Street or Box:

P.O. Box 5270

City, State:

Hobbs, New Mexico

Zip Code:

88241

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

Lease Number:

NMNM 081599

Legal Description of Land:

Section 1, T-19S, R-32E Lea County, New Mexico

Location @ 185' FSL & 660' FWL

Formation (if applicable):

2nd Bone Spring

Bond Coverage:

\$150,000

BLM Bond File:

NM1693 Nationwide, NMB-000919

Authorized Signature:

Name: Robin Terrell Title: District Manager

Date: 9-24-

HOBBS OCD

Form NM 8140-9 (March 2008) MAR 21 2016
RECEIVED

United States Department of the Interior Bureau of Land Management New Mexico State Office

Permian Basin Cultural Resource Mitigation Fund

The company shown below has agreed to contribute funding to the Permian Basin Cultural Resource Fund in lieu of being required to conduct a Class III survey for cultural resources associated with their project. This form verifies that the company has elected to have the Bureau of Land Management (BLM) follow the procedures specified within the Programmatic Agreement (PA) concerning improved strategies for managing historic properties within the Permian Basin, New Mexico, for the undertaking rather than the Protocol to meet the agency's Section 106 obligations.

Company Name: Mewbourne Oil Company
Address: PO Box 5270
Hobbs, NM 88241
Project description: One well pad 340' x 340' and a 1/4 mile of road.
Crazy Wolf 1 B2MD Fed Com #1H
T. 19S_, R. 32E_, Section _1 NMPM,Lea County, New Mexico
Amount of contribution: \$ 1552.00

Provisions of the PA:

- A. No new Class III inventories are required of industry within the Project Area for those projects where industry elects to contribute to the mitigation fund.
- B. The amount of funds contributed was derived from the rate schedule established within Appendix B of the PA. The amount of the funding contribution acknowledged on this form reflects those rates.
- C. The BLM will utilize the funding to carry out a program of mitigation at high-priority sites whose study is needed to answer key questions identified within the Regional Research Design.
- D. Donating to the fund is voluntary. Industry acknowledges that it is aware it has the right to pay for Class III survey rather than contributing to the mitigation fund, and that it must avoid or fund data recovery at those sites already recorded that are eligible for nomination to the National Register or whose eligibility is unknown and that any such payments are independent of the mitigation funds established by this PA.
- E. Previously recorded archeological sites determined eligible for nomination to the National Register or whose eligibility remains undetermined must be avoided or mitigated.
- F. If any skeletal remains that might be human or funerary objects are discovered by any activities, the land-use applicant will cease activities in the area of discovery, protect the remains, and notify the BLM within 24 hours. The BLM will determine the appropriate treatment of the remains in consultation with culturally affiliated Indian Tribe(s) and lineal descendants. Applicants will be required to pay for treatment of the cultural items independent and outside of the mitigation fund.

Company-Authorized Officer	9-24-141 Date
BLM-Authorized Officer	Date

MEWBOURNE OIL COMPANY P O BOX 7698
TYLER TX 75711 7698

228575 No. (903)561-2900

INVOICE DATE	INVOICE NUMBER	DESCRIPTION	VOUCHER	AMOUNT
09/02/14	BLM.MOA-9/14	BLM MOA FOR THE CRAZY WOLF 1 B2MD FED #1H LOCATION & ROAD SEC 1, T19S, R32E, LEA CO., NM	1409228575	1552.00
	*			
	*			

BUREAU OF LAND MANAGEMENT

TOTAL

1,552.00

THIS CHECK IS VOID WITHOUT A BLUE AND GREEN BACKGROUND AND AN ARTIFICIAL WATERMARK ON THE BACK - HOLD AT AN ANGLE TO VIEW

Frost National Bank San Antonio, Texas

MEWBOURNE OIL COMPANY P O BOX 7698 TYLER TX 75711 7698

228575 No.

30-9/1140

*******1,552*DOLLARS AND*****0*CENTS

DATE PAY THIS AMOUNT 9/02/14 *****1,552.00

PAY TO THE

ORDER OF

BUREAU OF LAND MANAGEMENT 620 E GREENE ST CARLSBAD, NM 88220

I for Buckley

BORDER CONTAINS MICROPRINTING

MEWBOURNE OIL COMPANY
P O BOX 7698
TYLER TX 75711 7698

No. 228576

(903)561-2900

INVOICE DATE	INVOICE NUMBER	(903)561-2900 DESCRIPTION	VOUCHER	AMOUNT
9/02/14	APD.FILING.FEE-9/14	APD FILING FEE FOR THE CRAZY WOLF 1 B2MD #1H SEC 1, T19S, R32E, LEA CO., NM	1409228576	6500.00
	,			
	- - - - - - - -			
7	BUREAU OF L	AND MANAGEMENT	TOTAL	6,500.00

THIS CHECK IS VOID WITHOUT A BLUE AND GREEN BACKGROUND AND AN ARTIFICIAL WATERMARK ON THE BACK - HOLD AT AN ANGLE TO VIEW

Frost National Bank

San Antonio, Texas

MEWBOURNE OIL COMPANY
P O BOX 7698
TYLER TX 75711 7698

No. 228576

30-9/1140

********6,500*DOLLARS AND*****0*CENTS

PAY TO THE

ORDER OF

BUREAU OF LAND MANAGEMENT 620 E GREENE ST CARLSBAD, NM 88220 DATE PAY THIS AMOUNT
9/02/14 *****6,500.00

BORDER CONTAINS MICROPRINTING

J be Buckley