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Form 3160-3 (June 2015) UNITED STATES) Hobbsbe		OMB N	APPROVED o. 1004-0137 anuary 31, 2018	ł		
DEPARTMENT OF THE IN BUREAU OF LAND MANA	NTERIC	OK 125	1 3 20	9 5. Lease Serial No. NMNM128929				
APPLICATION FOR PERMIT TO D)eivi	Tellndian, Allotee	or Tribe Name			
				7. If Unit or CA Ag	reement. Name	and No.		
	EENTER ther							
	ngle Zone	e 🔲 Multiple Zone		8. Lease Name and PADUCA 7/6 W1F	\sim	$\langle \rangle$		
				3Н	1 32	4985)		
2. Name of Operator MEWBOURNE OIL COMPANY (14744)			N	9. API-Well No.	30-0	25-45600		
3a. Address PO Box 5270 Hobbs NM 88240	3b. Phor (575)39	one No. <i>(include area code</i> 93-5905		VOLFCAMP WO		63205N L		
4. Location of Well (Report location clearly and in accordance w	•		\frown	11. Sec., T. R. M. of SEC 77 1265 / R3		ey or Area		
At surface SENW / 2500 FNL / 1825 FWL / LAT 32.058 At proposed prod. zone NENW / 330 FNL / 2310 FWL / L		/	156079					
14. Distance in miles and direction from nearest town or post office 30 miles			$\overline{\langle }$	12. County or Parisl LEA	h 13. S NM	State		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No 6 760.71	of acres in lease	17. Spacir 320	ig.Unit dedicated to t	his well			
 18. Distance from proposed location* to nearest well, drilling, completed, 50 feet applied for, on this lease, ft. 		posed Depth	20./BLM/ FED: NM	BIA Bond No. in file				
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3275 feet	22 App 07/17/2	proximate date work will s	start*	23. Estimated durat 60 days	ion			
		Attachments						
The following, completed in accordance with the requirements of (as applicable)	Onshore	e.Oil and Gas Order No. 1	, and the H	lydraulic Fracturing r	ule per 43 CFR	. 3162.3-3		
 Well plat certified by a registered surveyor. A Drilling Plan. 	\searrow	4. Bond to cover the Item 20 above).	e operation	s unless covered by a	n existing bond	on file (see		
3. A Surface Use Plan (if the location is on National Forest Syster SUPO must be filed with the appropriate Forest Service Office	m Lands,)>			mation and/or plans as	s may be request	ed by the		
25. Signature (Electronic Submission)		lame (Printed/Typed) radley Bishop / Ph: (575	5)393-590	5	Date 04/18/2018			
Title (•			
Approved by (Signature) (Electronic Submission)		lame (Printed/Typed) y Allen / Ph: (575)234-5	5978	· · · <u></u>	Date 12/21/2018			
Title Wildlife Biologist	0	Office ARLSBAD			L			
Application approval does not warrant or certify that the applican applicant to conduct operations thereon. Conditions of approval, if any, are attached.			ose rights	in the subject lease w	hich would ent	itle the		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, m					any department	or agency		
of the United States any false, fictitious or fraudulent statements of GCP Rec 02/13/19					F1,9			
	ven l	WITH CONDIT	IUND	Pr	1 /	DU BUD		
(Continued on page 2)				• - *(In	structions or	n page 2)		

pproval Date: 12/21/2018

*(Instructions on page 2)

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the wen, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionany drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.



The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U(\$.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service wen or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record win be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM conects this information to anow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Additional Operator Remarks

Location of Well

1. SHL: SENW / 2500 FNL / 1825 FWL / TWSP: 26S / RANGE: 32E / SECTION: 7 / LAT: 32.0580084 / LONG: -103.7171798 (TVD: 0 feet, MD: 0 feet) PPP: NENW / 1333 FNL / 2310 FWL / TWSP: 26S / RANGE: 32E / SECTION: 6 / LAT: 32.0758934 / LONG: -103.7156083 (TVD: 12099 feet, MD: 18526 feet) PPP: SENW / 2337 FNL / 2310 FWL / TWSP: 26S / RANGE: 32E / SECTION: 7 / LAT: 32.0584488 / LONG: -103.7156106 (TVD: 12030 feet, MD: 12171 feet) BHL: NENW / 330 FNL / 2310 FWL / TWSP: 26S / RANGE: 32E / SECTION: 6 / LAT: 32.0786505 / LONG: -103.7156079 (TVD: 12100 feet, MD: 19530 feet)

BLM Point of Contact

Name: Tenille Ortiz Title: Legal Instruments Examiner Phone: 5752342224 Email: tortiz@blm.gov Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

- Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.
- 4. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) for Water Basin:

After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least <u>8 hours</u>. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.

Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

High Cave/Karst

Possibility of water flows in the Castile and Salado. Possibility of lost circulation in the Rustler, Red Beds, and Delaware. Abnormal pressures may be encountered upon penetrating the 3rd Bone Spring Sandstone and all subsequent formations.

A MINIMUM OF TWO CASING STRINGS CEMENTED TO SURFACE IS REQUIRED IN HIGH CAVE/KARST AREAS. THE CEMENT MUST BE IN A SOLID SHEATH. THEREFORE, ONE INCH OPERATIONS ARE NOT SUFFICIENT TO PROTECT CAVE KARST RESOURCES. A CASING DESIGN THAT HAS A ONE INCH JOB PERFORMED DOES NOT COUNT AS A SOLID SHEATH. IF THE PRIMARY CEMENT JOB ON THE SURFACE CASING DOES NOT CIRCULATE, THEN THE NEXT TWO CASING STRINGS MUST BE CEMENTED TO SURFACE.

- 1. The 13-3/8 inch surface casing shall be set at approximately 1135 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. If salt is encountered, set casing at least 25 feet above the salt.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Formation below the 13-3/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe and the mud weight for the bottom of the hole. Report results to BLM office.

- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
 - □ Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst. Excess calculates to 24% Additional cement may be required.

Formation below the 9-5/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

Centralizers required through the curve and a minimum of one every other joint.

3. The minimum required fill of cement behind the 7 inch production casing is:

Operator has proposed DV tool at depth of 5537', but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range.

- a. First stage to DV tool:____
- □ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve approved top of cement on the next stage. Excess calculates to 24% - Additional cement may be required.
- b. Second stage above DV tool:
- ☐ Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

Formation below the 7" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe and the mud weight for the bottom of the hole. Report results to BLM office. 4. The minimum required fill of cement behind the 4-1/2 inch production Liner is:

 \Box Cement as proposed. Operator shall provide method of verification.

5. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API 53.
- 2. Variance approved to use flex line from BOP to choke manifold. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor. If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).
- 3. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Operator shall perform the 9-5/8" and 7" casing integrity tests to 70% of the casing burst. This will test the multi-bowl seals.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

Variance approved to use a 5M annular. The annular must be tested to full working pressure (5000 psi.)

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10M system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.

- 4. The appropriate BLM office shall be notified a minimum of hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - a. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**.
 - b. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
 - c. The results of the test shall be reported to the appropriate BLM office.
 - d. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - e. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
 - f. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the **Wolfcamp** formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

D. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the **Wolfcamp** formation, and shall be used until production casing is run and cemented.

E. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

F. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

JAM 121218

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PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Mewbourne Oil Company
LEASE NO.:	NMNM 128929
WELL NAME & NO.:	3H:PADUCA 7-6 W1FC FED COM
SURFACE HOLE FOOTAGE:	2500'/N & 1825'/W
BOTTOM HOLE FOOTAGE	330'/N & 2310'/W
LOCATION:	T-26S, R-32E, S7. NMPM
COUNTY:	LEA, NM

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

General Provisions Permit Expiration
Archaeology, Paleontology, and Historical Sites
Noxious Weeds
🔀 Special Requirements
Cave/Karst
Hydrology
Construction
Notification
Topsoil
Closed Loop System
Federal Mineral Material Pits
Well Pads
Roads
Road Section Diagram
Production (Post Drilling)
Well Structures & Facilities
Pipelines
Interim Reclamation
Final Abandonment & Reclamation

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

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V. SPECIAL REQUIREMENT(S)

Cave/Karst Surface Mitigation

The following stipulations will be applied to minimize impacts during construction, drilling and production:

Construction:

In the advent that any underground voids are opened up during construction activities, construction activities will be halted and the BLM will be notified immediately.

No Blasting:

No blasting will be utilized for pad construction. The pad will be constructed and leveled by adding the necessary fill and caliche.

Pad Berming:

- The entire perimeter of the well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad.
- The compacted berm shall be constructed at a minimum of 12 inches high with impermeable mineral material (e.g., caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.
- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.
- The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.
- Any access road entering the well pad shall be constructed so that the integrity of the berm height surrounding the well pad is not compromised. (Any access road crossing the berm cannot be lower than the berm height.)
- Following a rain event, all fluids will vacuumed off of the pad and hauled off-site and disposed at a proper disposal facility.

Tank Battery Liners and Berms:

Tank battery locations and all facilities will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing, or equivalent, to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ¹/₂ times the content of the largest tank.

Leak Detection System:

A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating values and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present. Leak detection plan will be submitted to BLM for approval.

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Automatic Shut-off Systems:

Automatic shut off, check values, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

Cave/Karst Subsurface Mitigation

The following stipulations will be applied to protect cave/karst and ground water concerns:

Rotary Drilling with Fresh Water:

Fresh water will be used as a circulating medium in zones where caves or karst features are expected. SEE ALSO: Drilling COAs for this well.

Directional Drilling:

Kick off for directional drilling will occur at least 100 feet below the bottom of the cave occurrence zone. SEE ALSO: Drilling COAs for this well.

Lost Circulation:

ALL lost circulation zones from the surface to the base of the cave occurrence zone will be logged and reported in the drilling report.

Regardless of the type of drilling machinery used, if a void of four feet or more and circulation losses greater than 70 percent occur simultaneously while drilling in any cavebearing zone, the BLM will be notified immediately by the operator. The BLM will assess the situation and work with the operator on corrective actions to resolve the problem.

Abandonment Cementing:

Upon well abandonment in cave karst areas additional plugging conditions of approval may be required. The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

Pressure Testing:

The operator will perform annual pressure monitoring on all casing annuli and reported in a sundry notice. If the test results indicated a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

FLOWLINES (SURFACE):

- Flowlines will be routed around sinkholes and other karst features to avoid or lessen the possibility of encountering near surface voids and to minimize the possibility of leaks and spills from entering karst systems.
- If a void is encountered alignments may be rerouted to avoid the karst feature and lessen; the potential of subsidence or collapse of karst features, buildup of toxic or combustible gas, or other possible impacts to cave and karst resources from the buried pipeline.
- Regular monitoring is required to quickly identify leaks for their immediate and proper treatment.

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• All spills or leaks will be reported to the BLM immediately for their immediate and proper treatment.

Hydrology

The entire well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The berm shall be maintained through the life of the well and after interim reclamation has been completed. Any water erosion that may occur due to the construction of the well pad during the life of the well will be quickly corrected and proper measures will be taken to prevent future erosion.

Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain 1 $\frac{1}{2}$ times the content of the largest tank or 24 hour production, whichever is greater. Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

A leak detection plan will be submitted to the BLM Carlsbad Field Office for approval prior to pipeline installation. The method could incorporate gauges to detect pressure drops, situating valves and lines so they can be visually inspected periodically or installing electronic sensors to alarm when a leak is present. The leak detection plan will incorporate an automatic shut off system that will be installed for proposed pipelines to minimize the effects of an undesirable event.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

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Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

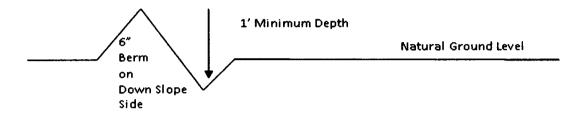
Drainage

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Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope: 400' + 100' = 200' lead-off ditch interval 4%

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

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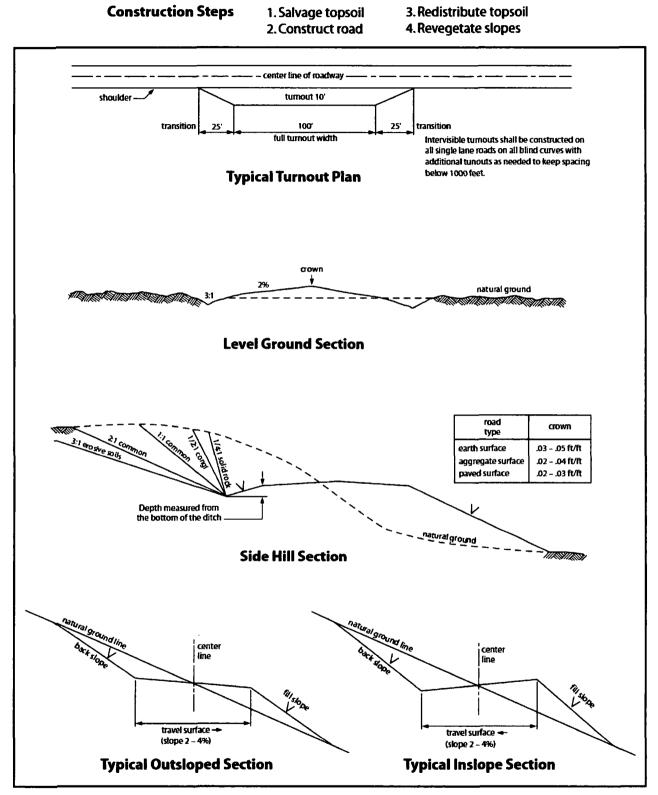


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

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VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

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Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, <u>Shale Green</u> from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the Grant and attachments, including stipulations, survey plat(s) and/or map(s), shall be on location during construction. BLM personnel may request to review a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, Holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC § 2601 *et seq.* (1982) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant (*see* 40 CFR, Part 702-799 and in particular, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193). Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the Authorized Officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. Holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, *et seq.* or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, *et seq.*) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way Holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way Holder on the Right-of-Way. This provision applies without

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regard to whether a release is caused by Holder, its agent, or unrelated third parties.

4. Holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. Holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of Holder including, but not limited to: construction, operation, maintenance, and termination of the facility;
- b. Activities of other parties including, but not limited to:
 - (1) Land clearing
 - (2) Earth-disturbing and earth-moving work
 - (3) Blasting
 - (4) Vandalism and sabotage;
- c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of Holder, regardless of fault. Upon failure of Holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he/she deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of Holder. Such action by the Authorized Officer shall not relieve Holder of any responsibility as provided herein.

6. All construction and maintenance activity shall be confined to the authorized right-of-way width of 20 feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline shall be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline shall be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity shall be confined to existing roads or right-of-ways.

7. No blading or clearing of any vegetation shall be allowed unless approved in

writing by the Authorized Officer.

8. Holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline shall be "snaked" around hummocks and dunes rather than suspended across these features.

9. The pipeline shall be buried with a minimum of <u>24</u> inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will be responsible

for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

17. Surface pipelines shall be less than or equal to 4 inches and a working pressure below 125 psi.

VIII. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

IX. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

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Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

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Seed Mixture 2, for Sandy Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be <u>no</u> primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law (s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

Species	l <u>b/acre</u>
Sand dropseed (Sporobolus cryptandrus)	1.0
Sand love grass (Eragrostis trichodes)	1.0
Plains bristlegrass (Setaria macrostachya)	2.0

*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed

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U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Operator Certification

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.

NAME: Bradley Bishop Signed on: 04/18/2018 Title: Regulatory Street Address: PO Box 5270 City: Hobbs State: NM Zip: 88240 Phone: (575)393-5905 Email address: bbishop@mewbourne.com **Field Representative Representative Name:** Street Address: City: State: Zip: Phone:

Email address:



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

APD ID: 10400029512

Operator Name: MEWBOURNE OIL COMPANY

Well Name: PADUCA 7/6 W1FC FED COM

Well Type: CONVENTIONAL GAS WELL

Submission Date: 04/18/2018

سية تغنية ترامر

Zip: 88240

Well Number: 3H Well Work Type: Drill

A 10.



12/21/2018

Application Data Report

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Section 1 - General		
APD ID: 10400029512	Tie to previous NOS?	Submission Date: 04/18/2018
BLM Office: CARLSBAD	User: Bradley Bishop	Title: Regulatory
Federal/Indian APD: FED	Is the first lease penetra	ted for production Federal or Indian? FED
Lease number: NMNM128929	Lease Acres: 760.71	· · · ·
Surface access agreement in place?	Allotted?	Reservation:
Agreement in place? NO	Federal or Indian agreer	nent:
Agreement number:		
Agreement name:		
Keep application confidential? YES		
Permitting Agent? NO	APD Operator: MEWBO	JRNE OIL COMPANY

Operator letter of designation: Paduca7_6W1FCFederalCom3H_operatorletterofdesignationt_20180417102018.pdf

Operator Info

Operator Organization Name: MEWBOURNE OIL COMPANY

Operator Address: PO Box 5270

Operator PO Box:

Operator City: Hobbs State: NM

Operator Phone: (575)393-5905

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO	Mater Development Plan name:								
Well in Master SUPO? NO	Master SUPO name:								
Well in Master Drilling Plan? NO	Master Drilling Plan name:								
Well Name: PADUCA 7/6 W1FC FED COM	Well Number: 3H	Well API Number:							
Field/Pool or Exploratory? Field and Pool	Field Name: WOLFCAMP	Pool Name: WC-025-G-08 5263205N UPPER WOLFCAMP							

Is the proposed well in an area containing other mineral resources? USEABLE WATER, NATURAL GAS, OIL

Well Number: 3H

Describe other minerals:			
Is the proposed well in a Helium producti	ion area? N	Use Existing Well Pad? NO	New surface disturbance?
Type of Well Pad: MULTIPLE WELL		Multiple Well Pad Name:	Number: 2
Well Class: HORIZONTAL		PADUCA 7/6 W1FC FED COI Number of Legs: 1	VI
Well Work Type: Drill			
Well Type: CONVENTIONAL GAS WELL			
Describe Well Type:			
Well sub-Type: APPRAISAL			
Describe sub-type:			
Distance to town: 30 Miles Di	istance to ne	arest well: 50 FT Dist	ance to lease line: 185 FT
Reservoir well spacing assigned acres M	leasurement:	320 Acres	
Well plat: Paduca7_6W1FCFederalCom	n3H_wellplat_	20180417102118.pdf	
Well work start Date: 07/17/2018		Duration: 60 DAYS	

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	DM	TVD
SHL Leg #1	250 0	FNL	182 5	FWL	26S	32E	7	Aliquot SENW	32.05800 84	- 103.7171 798	LEA	NEW MEXI CO	NEW MEXI CO	F		327 5	0	0
KOP Leg #1	265 7	FNL	231 0	FWL	26S	32E	7	Aliquot SENW	32.05757 74	- 103.7156 107	LEA		NEW MEXI CO	F	NMNM 128929	- 824 2	115 36	115 17
PPP Leg #1	233 7	FNL	231 0	FWL	26S	32E	7	Aliquot SENW	32.05844 88	- 103.7156 106	LEA	NEW MEXI CO		F	NMNM 128929	- 875 5	121 71	120 30

Operator Name: MEWBOURNE OIL COMPANY

Well Name: PADUCA 7/6 W1FC FED COM

Well Number: 3H

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	DM	TVD
PPP Leg #1	133 3	FNL	231 0	FWL	26S	32E	6	Aliquot NENW	32.07589 34	- 103.7156 083	EDD Y	NEW MEXI CO		F	NMNM 120910	- 882 4	185 26	120 99
EXIT Leg #1	330	FNL	231 0	FWL	26S	32E	6	Aliquot NENW		- 103.7156 079	EDD Y		NEW MEXI CO	F	NMNM 120910	- 882 5	195 30	121 00
BHL Leg #1	330	FNL	231 0	FWL	26S	32E	6	Aliquot NENW	32.07865 05	- 103.7156 079	EDD Y		NEW MEXI CO	F	NMNM 120910	- 882 5	195 30	121 00

United States Department of the Interior Bureau of Land Management Carlsbad Field Office 620 E Greene Street Carlsbad, 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 128929, NMNM 120910
Legal Description of Land:	Section 7, T26S, R32E, Lea County, New Mexico. Location @ 2500 FNL & 1825 FWL
Formation (if applicable):	Wolfcamp
Bond Coverage:	\$150,000
BLM Bond File:	NM1693 nationwide, NMB000919

Enordly C'C

Authorized Signature:

Name: Bradley Bishop **Title: Regulatory Manager** Date: <u>3-28-18</u>

Operator Name: MEWBOURNE OIL COMPANY

Well Name: PADUCA 7/6 W1FC FED COM

Well Number: 3H

Pressure Rating (PSI): 10M Rating Depth: 19530

Equipment: Annular, Pipe Rams, Blind Rams

Requesting Variance? YES

Variance request: A variance is requested for use of a 5000 psi annular BOP with the 10,000 psi BOP stack. A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. Anchors not required by manufacturer. A multi-bowl wellhead will be used. See attached schematic.

Testing Procedure: BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested. 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. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold.

Choke Diagram Attachment:

Paduca_7_6_W1FC_Fed_Com_3H_10M_BOPE_Choke_Diagram_20180417152928.pdf

Paduca_7_6_W1FC_Fed_Com_3H_Flex_Line_Specs_20180417152929.pdf

BOP Diagram Attachment:

Paduca_7_6_W1FC_Fed_Com_3H_10M_Annular_BOP_Variance_20180417152950.doc

Paduca_7_6_W1FC_Fed_Com_3H_10M_BOPE_Schematic_20180417152951.pdf

Paduca_7_6_W1FC_Fed_Com_3H_10M_Multi_Bowl_WH_20180417152953.pdf

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Coltapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	1135	0	1135	3275		1135	H-40	48	STC	1.45	3.26	DRY	5.91	DRY	9.93
	INTERMED IATE	12.2 5	9.625	NEW	API	Y	0	4485	0	4485	3275		4485	J-55	36	LTC	1.13	1.96	DRY	2.74	DRY	4.54
-	PRODUCTI ON	8.75	7.0	NEW	API	N	0	12250	0	12057	3275		12250	P- 110	26	LTC	1.3	1.66	DRY	2.06	DRY	2.61
4		6.12 5	4.5	NEW	API	N	11536	19530	11517	12100			7994	P- 110	13.5	LTC	1.3	1.52	DRY	3.13	DRY	3.91

Section 3 - Casing

Casing Attachments

Well Number: 3H

Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Paduca_7_6_W1FC_Fed_Com_3H_Csg_Assumptions_20180417155021.pdf

Casing ID: 2 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Paduca_7_6_W1FC_Fed_Com_3H_TaperedCsg_20180417155211.pdf

Casing Design Assumptions and Worksheet(s):

Paduca_7_6_W1FC_Fed_Com_3H_Csg_Assumptions_20180417155225.pdf

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Paduca_7_6_W1FC_Fed_Com_3H_Csg_Assumptions_20180417155316.pdf

Well Number: 3H

Casing Attachments

Casing ID: 4 String Type:LINER

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Paduca_7_6_W1FC_Fed_Com_3H_Csg_Assumptions_20180417155355.pdf

Section 4 - Cement											
String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	943	620	2.12	12.5	1314	100	Class C	Salt, Gel, Extender, LCM
SURFACE	Tail		943	1135	200	1.34	14.8	268	100	Class C	Retarder
INTERMEDIATE	Lead		0	3838	750	2.12	12.5	1590	25	Class C	Salt, Gel, Extender, LCM
INTERMEDIATE	Tail		3838	4485	200	1.34	14.8	268	25	Class C	Retarder
PRODUCTION	Lead	5537	4285	4895	60	2.12	12.5	127	25	Class C	Gel, Retarder, Defoamer, Extender
PRODUCTION	Tail		4895	5537	100	1.34	14.8	134	25	Class C	Retarder
PRODUCTION	Lead	5537	5537	9749	375	2.12	12.5	795	25	Class C	Gel, Retarder, Defoamer, Extender
PRODUCTION	Tail		9749	1225 0	400	1.18	15.6	472	25	Class H	Retarder, Fluid Loss, Defoamer
LINER	Lead		1153 6	1953 0	325	2.97	11.2	965	25	Class C	Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti-Settling Agent

Operator Name: MEWBOURNE OIL COMPANY

Well Name: PADUCA 7/6 W1FC FED COM

Well Number: 3H

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Lost circulation material Sweeps Mud scavengers in surface hole

Describe the mud monitoring system utilized: Pason/PVT/Visual Monitoring

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (Ibs/gal)	Max Weight (Ibs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	Н	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	1135	SPUD MUD	8.6	8.8							
1135	4485	SALT SATURATED	10	10							
4485	1151 7	WATER-BASED MUD	8.6	9.7							
1151 7	1210 0	OIL-BASED MUD	10	13							

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Will run GR/CNL from KOP (11,536') to surface.

Will run MWD GR from KOP (11,536') to TD.

List of open and cased hole logs run in the well:

CNL,DS,GR,MWD,MUDLOG

Coring operation description for the well:

None

Operator Name: MEWBOURNE OIL COMPANY

Well Name: PADUCA 7/6 W1FC FED COM

Well Number: 3H

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 8180

Anticipated Surface Pressure: 5584

Anticipated Bottom Hole Temperature(F): 165

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Paduca_7_6_W1FC_Fed_Com_3H_H2S_Plan_20180417155959.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

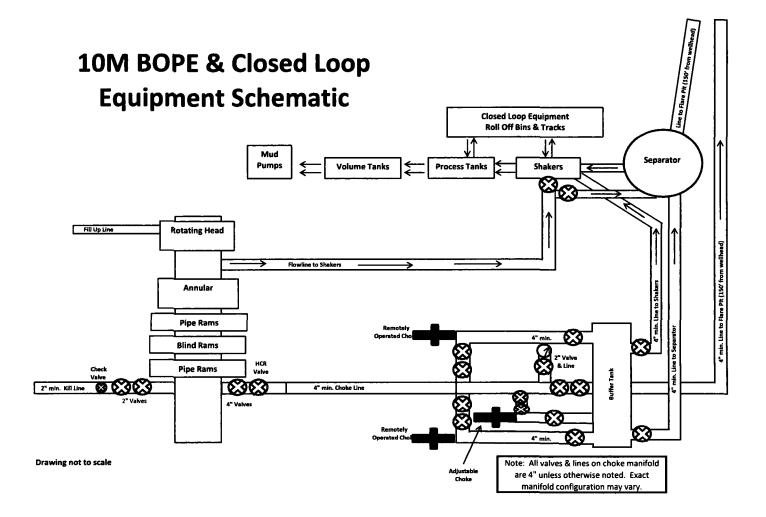
Paduca_7_6_W1FC_Fed_Com_3H_Dir_Plot_20180417160033.pdf Paduca_7_6_W1FC_Fed_Com_3H_Dir_Plan_20180417160033.pdf

Other proposed operations facets description:

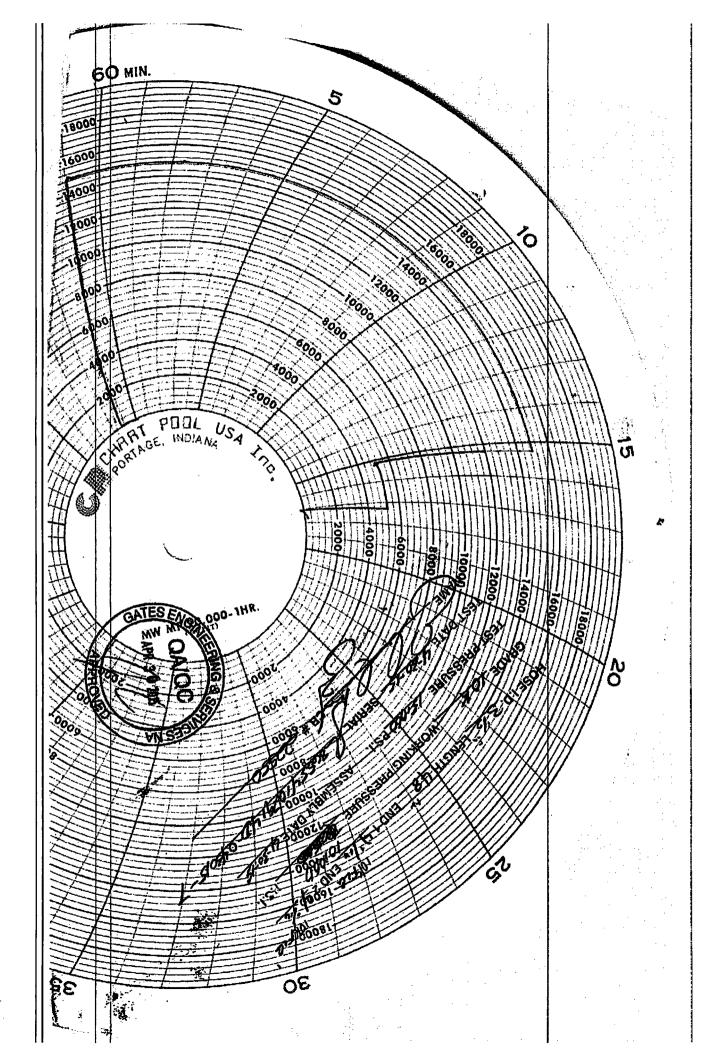
Other proposed operations facets attachment:

Paduca_7_6_W1FC_Fed_Com_3H_Drlg_Program_20180417160050.doc

Other Variance attachment:



CORPUS CHRISTI	TH AMERICA, INC. , TEXAS 78405		PHONE: 361-887-9807 FAX: 361-887-0812 EMAIL: <i>Tim.Cantu@gates.</i>	com
		:	WEB: www.gates.com	
10K C	EMENTING ASSEMB	LY PRESSURE	TEST CERTIFICATE	_
Customer :	AUSTIN DISTRIBUTING	Test Date:	4/30/2015	
Customer Ref. :	4060578	Hose Serial No.:	D-043015-7	
Invoice No. :	500506	Created By:	JUSTIN CROPPER	
Product Description:		10K3.548.0CK4.1/1610KFL		
		·		
End Fitting 1 : Gates Part No. :	4 1/16 10K FLG 4773-6290	End Fitting 2 : Assembly Code :	4 1/16 10K FLG L36554102914D-043015-7	
Working Pressure :	10,000 PSI	Test Pressure :	15,000 PSI	
		Specification requirem	hose assembly has been tested nents and passed the 15 minute act pressure 9.6.7 and per Table	e
hydrostatic tesi	t per API Spec 7K/Q1, Fifth E	Specification requiren dition, June 2010, Te uct number. Hose bu	nents and passed the 15 minute ast pressure 9.6.7 and per Table irst pressure 9.6.7.2 exceeds th	e
hydrostatic tesi	t per API Spec 7K/Q1, Fifth E In accordance with this prod	Specification requiren dition, June 2010, Te uct number. Hose bu	nents and passed the 15 minute ast pressure 9.6.7 and per Table irst pressure 9.6.7.2 exceeds th	e
hydrostatic tesi	t per API Spec 7K/Q1, Fifth E in accordance with this produ- minimum of 2.5 times	Specification requirem dition, June 2010, Te uct number. Hose bu the working pressure Production:	nents and passed the 15 minute ast pressure 9.6.7 and per Table irst pressure 9.6.7.2 exceeds th	e
hydrostatic test to 15,000 psi Quality Manager : Date :	t per API Spec 7K/Q1, Fifth E In accordance with this produ minimum of 2.5 times	Specification requirem dition, June 2010, Te uct number. Hose bu the working pressure Production: bate :	nents and passed the 15 minute est pressure 9.6.7 and per Table first pressure 9.6.7.2 exceeds the per Table 9.	e
hydrostatic test to 15,000 psi Quality Manager :	t per API Spec 7K/Q1, Fifth E in accordance with this produ- minimum of 2.5 times	Specification requirem dition, June 2010, Te uct number. Hose bu the working pressure Production:	nents and passed the 15 minute est pressure 9.6.7 and per Table irst pressure 9.6.7.2 exceeds the per Table 9. PRODUCTION	e
hydrostatic test to 15,000 psi Quality Manager : Date :	t per API Spec 7K/Q1, Fifth E in accordance with this produ- minimum of 2.5 times	Specification requirem dition, June 2010, Te uct number. Hose bu the working pressure Production: bate :	nents and passed the 15 minute est pressure 9.6.7 and per Table irst pressure 9.6.7.2 exceeds the per Table 9. PRODUCTION	e 9 e
hydrostatic test to 15,000 psi Quality Manager : Date :	t per API Spec 7K/Q1, Fifth E in accordance with this produ- minimum of 2.5 times	Specification requirem dition, June 2010, Te uct number. Hose bu the working pressure Production: bate :	PRODUCTION	e 9 e
hydrostatic test to 15,000 psi Quality Manager : Date :	t per API Spec 7K/Q1, Fifth E in accordance with this produ- minimum of 2.5 times	Specification requirem dition, June 2010, Te uct number. Hose bu the working pressure Production: bate :	PRODUCTION	e 9 e
hydrostatic test to 15,000 psi Quality Manager : Date :	t per API Spec 7K/Q1, Fifth E in accordance with this produ- minimum of 2.5 times	Specification requirem dition, June 2010, Te uct number. Hose bu the working pressure Production: bate :	PRODUCTION	e 9 e
hydrostatic test to 15,000 psi Quality Manager : Date :	t per API Spec 7K/Q1, Fifth E in accordance with this produ- minimum of 2.5 times	Specification requirem dition, June 2010, Te uct number. Hose bu the working pressure Production: bate :	PRODUCTION	e 9 e
hydrostatic test to 15,000 psi Quality Manager : Date :	t per API Spec 7K/Q1, Fifth E in accordance with this produ- minimum of 2.5 times	Specification requirem dition, June 2010, Te uct number. Hose bu the working pressure Production: bate :	PRODUCTION PRODUCTION 4/30/2016 FormCPTC-01 Re	e 9 e



10,000 PSI Annular BOP Variance Request

Mewbourne Oil Company request a variance to use a 5000 psi annular BOP with a 10,000 psi BOP stack. The component and compatibility tables along with the general well control plans demonstrate how the 5000 psi annular BOP will be protected from pressures that exceed its rated working pressure (RWP). The pressure at which the control of the wellbore is transferred from the annular preventer to another available preventer will not exceed 3500 psi (70% of the RWP of the 5000 psi annular BOPL).

1. Component and Preventer Compatibility Tables

The tables below outline the tubulars and the compatible preventers in use. This table, combined with the drilling fluid, documents that two barriers to flow will be maintained at all times.

12-1/4" Intermediate Hole Section 10M psi Requirement										
Component	OD	Primary Preventer	RWP	Alternate Preventer(s)	RWP					
Drillpipe	5.000" or	Annular	5M	Upper 3.5"-5.5" VBR	10M					
	4.500"			Lower 3.5"-5.5" VBR	10M					
HWDP	5.000" or	Annular	5M	Upper 3.5"-5.5" VBR	10M					
	4.500"			Lower 3.5"-5.5" VBR	10M					
Jars	6.500"	Annular	5M	-	-					
DCs and MWD tools	6.500"- 8.000"	Annular	5M	_	-					
Mud Motor	8.000"-	Annular	5M	-	-					
	9.625"									
Intermediate Casing	9.625"	Annular	5M	-	-					
Open-Hole	-	Blind Rams	10M	-	-					

8-3/4" Production Hole Section 10M psi Requirement									
Component	OD	Primary Preventer	RWP	Alternate Preventer(s)	RWP				
Drillpipe	5.000" or 4.500"	Annular	5M	Upper 3.5"-5.5" VBR Lower 3.5"-5.5" VBR	10M 10M				
HWDP	5.000" or 4.500"	Annular	5M	Upper 3.5"-5.5" VBR Lower 3.5"-5.5" VBR	10M 10M				
Jars	6.500"	Annular	5M	=	-				
DCs and MWD tools	6.500"- 8.000"	Annular	5M	-	-				
Mud Motor	6.750"- 8.000"	Annular	5M	-	-				
Production Casing	7"	Annular	5M	-	-				

Open-Hole	-	Blind Rams	10M	-	-

6-1/8" Lateral Hole Section 10M psi Requirement									
Component	OD	Primary Preventer	RWP	Alternate Preventer(s)	RWP				
Drillpipe	4.500"	Annular	5M	Upper 3.5"-5.5" VBR	10M				
				Lower 3.5"-5.5" VBR	10M				
HWDP	4.500"	Annular	5M	Upper 3.5"-5.5" VBR	10M				
				Lower 3.5"-5.5" VBR	10M				
DCs and MWD tools	4.750"-	Annular	5M	Upper 3.5"-5.5" VBR	10M				
	5.500"			Lower 3.5"-5.5" VBR	10M				
Mud Motor	4.750"-	Annular	5M	Upper 3.5"-5.5" VBR	10M				
	5.500"			Lower 3.5"-5.5" VBR	10M				
Production Casing	4.500"	Annular	5M	Upper 3.5"-5.5" VBR	10M				
•				Upper 3.5"-5.5" VBR	10M				
Open-Hole	-	Blind Rams	10M	-	-				

VBR = Variable Bore Ram

2. Well Control Procedures

Below are the minimal high-level tasks prescribed to assure a proper shut-in while drilling, tripping, running casing, pipe out of the hole (open hole), and moving the BHA through the BOPs. At least one well control drill will be performed weekly per crew to demonstrate compliance with the procedure and well control plan. The well control drill will be recorded in the daily drilling log. The type of drill will be determined by the ongoing operations, but reasonable attempts will be made to vary the type of drill conducted (pit, trip, open hole, choke, etc.). This well control plan will be available for review by rig personnel in the Mewbourne Oil Company drilling supervisor's office on location and on the rig floor. All BOP equipment will be tested as per Onshore O&G Order No. 2 with the exception of the 5000 psi annular which will be tested to 70% of its RWP.

General Procedure While Drilling

- 1. Sound alarm (alert crew)
- 2. Space out drill string
- 3. Shut down pumps (stop pumps and rotary)
- 4. Shut-in well (uppermost applicable BOP, typically annular preventer, first. HCR & choke will already be in the closed position.)

- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP & SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Tripping

- 1. Sound alarm (alert crew)
- 2. Stab full-opening safety valve & close
- 3. Space out drill string
- 4. Shut-in well (uppermost applicable BOP, typically annular preventer, first. HCR & choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP & SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach 70% of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Running Production Casing

1. Sound alarm (alert crew)

- 2. Stab crossover and full-opening safety valve and close
- 3. Space out string
- 4. Shut-in well (uppermost applicable BOP, typically annular preventer, first. HCR & choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP & SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

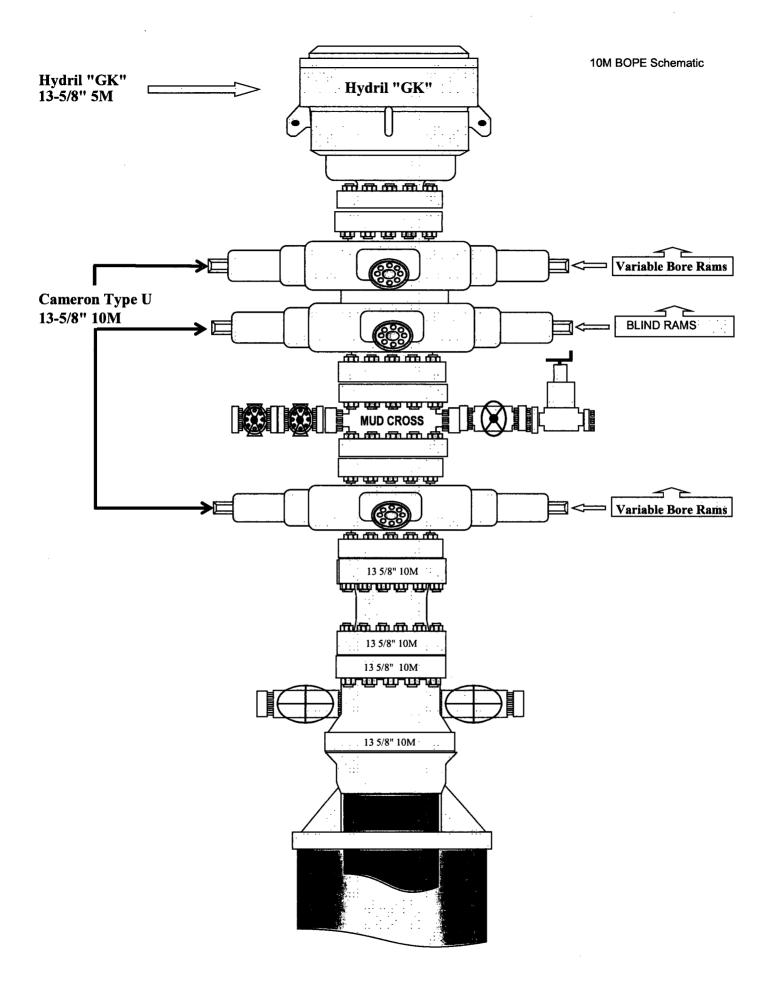
General Procedure With No Pipe In Hole (Open Hole)

- 1. Sound alarm (alert crew)
- 2. Shut-in with blind rams (HCR & choke will already be in the closed position)
- 3. Confirm shut-in
- 4. Notify toolpusher/company representative
- 5. Read and record the following:
 - a. SICP
 - b. Pit gain
 - c. Time
- 6. Regroup and identify forward plan

General Procedures While Pulling BHA Through Stack

- 1. PRIOR to pulling last joint of drillpipe through stack:
 - a. Perform flow check. If flowing, continue to (b).
 - b. Sound alarm (alert crew)
 - c. Stab full-opening safety valve and close
 - d. Space out drill string with tool joint just beneath the upper variable bore rams
 - e. Shut-in using upper variable bore rams (HCR & choke will already be in the closed position)
 - f. Confirm shut-in
 - g. Notify toolpusher/company representative
 - h. Read and record the following:
 - i. SIDPP & SICP
 - ii. Pit gain
 - iii. Time
 - i. Regroup and identify forward plan
- 2. With BHA in the stack and compatible ram preventer and pipe combination immediately available:
 - a. Sound alarm (alert crew)
 - b. Stab crossover and full-opening safety valve and close
 - c. Space out drill string with upset just beneath the upper variable bore rams
 - d. Shut-in using upper variable bore rams (HCR & choke will already be in the closed position)
 - e. Confirm shut-in
 - f. Notify toolpusher/company representative
 - g. Read and record the following:
 - i. SIDPP & SICP
 - ii. Pit gain

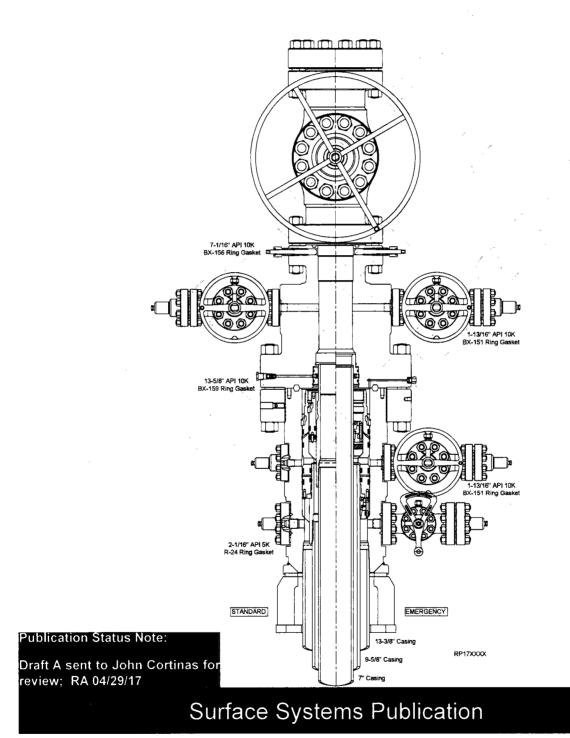
- iii. Time
- h. Regroup and identify forward plan
- 3. With BHA in the stack and NO compatible ram preventer and pipe combination immediately available:
 - a. Sound alarm (alert crew)
 - b. If possible, pull string clear of the stack and follow "Open Hole" procedure.
 - c. If impossible to pull string clear of the stack:
 - d. Stab crossover, make up one joint/stand of drillpipe and full-opening safety valve and close
 - e. Space out drill string with tooljoint just beneath the upper variable bore ram
 - f. Shut-in using upper variable bore ram (HCR & choke will already be in the closed position)
 - g. Confirm shut-in
 - h. Notify toolpusher/company representative
 - i. Read and record the following:
 - i. SIDPP & SICP
 - ii. Pit gain
 - iii. Time
 - j. Regroup and identify forward plan



NOTE DRAFT Publication is for Review ONLY. NOT approved for System Installation. NOT approved for field usage. NOT approved for distribution. If you obtain a DRAFT copy - it is your responsibility to verify SAP revision level or contact Houston Engineering to ensure document has been approved and released.

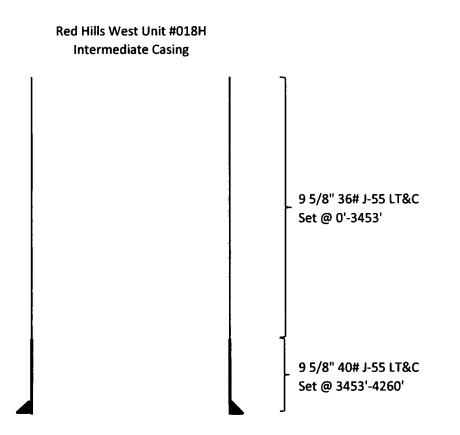
RUNNING PROCEDURE

Mewbourne Oil Co

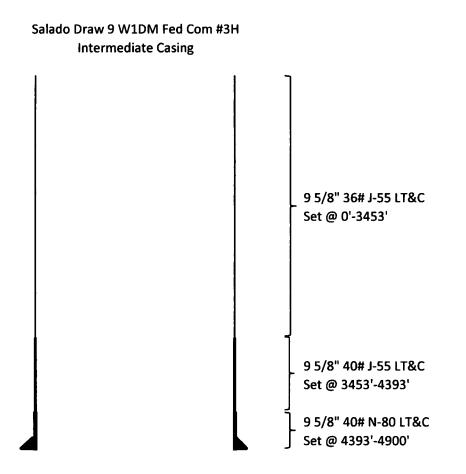




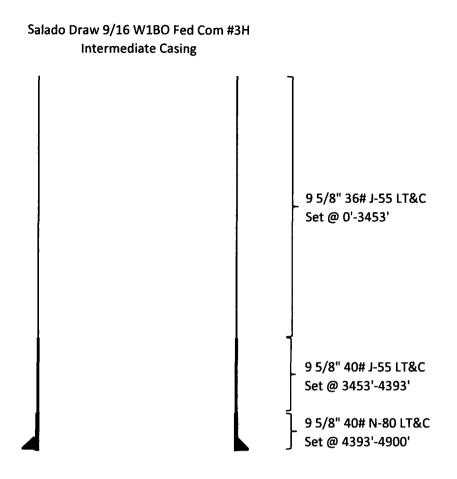
13-5/8" 10K MN-DS System 13-3/8" x 9-5/8" x 7" Casing Program RP-003815 Rev 01 Draft A



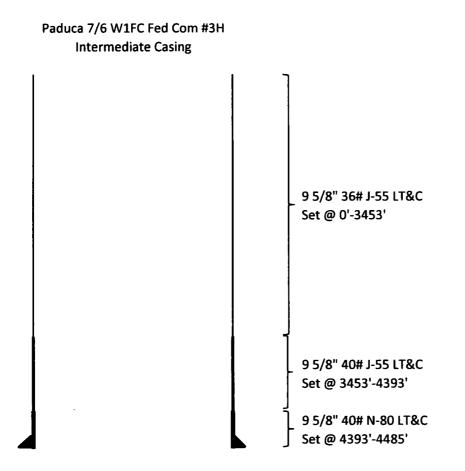
	SF SF		SF Jt	SF Body
Casing	Collapse	Burst	Burst Tension	
36# J-55	1.13	1.96	2.89	4.54
40# J-55	1.16	1.78	16.11	19.52



	SF SF S		SF Jt	SF Body
Casing	Collapse	Burst	Tension	Tension
36# J-55	1.13	1.96	2.49	4.54
40# J-55	1.13	1.73	8.98	16.75
40# N-80	1.21	2.26	36.35	45.18



	SF	SF	SF Jt	SF Body
Casing	Collapse	Burst	Tension	Tension
36# J-55	1.13	1.96	2.78	4.54
40# J-55	1.13	1.73	8.98	16.75
40# N-80	1.21	2.26	36.35	45.18



	SF SF S		SF Jt	SF Body
Casing	Collapse	Burst	Tension	Tension
36# J-55	1.13	1.96	2.74	4.54
40# J-55	1.13	1.73	12.6	16.75
40# N-80	1.32	2.47	200.63	249.35

Casing Program

Hole	Casin	g Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	То	Size	(lbs)			Collapse	Burst	Tension	Tension
17.5"	0'	1135'	13.375"	48	H40	STC	1.45	3.26	5.91	9.93
12.25"	0'	3453'	9.625"	36	J55	LTC	1.13	1.96	2.74	4.54
12.25"	3453'	4383'	9.625"	40	J55	LTC	1.13	1.73	12.60	16.75
12.25"	4383'	4485'	9.625"	40	N80	LTC	1.32	2.47	200.63	249.35
8.75"	0'	12,250'	7"	26	HCP110	LTC	1.30	1.66	2.06	2.61
6.125"	11,536'	19,530'	4.5"	13.5	P110	LTC	1.30	1.52	3.13	3.91
				BLM Min	imum Safet	ty Factor	1.125	1	1.6 Dry	1.6 Dry
									1.8 Wet	1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

Casing Program

Hole	Casin	g Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	То	Size	(lbs)		1	Collapse	Burst	Tension	Tension
17.5"	0'	1135'	13.375"	48	H40	STC	1.45	3.26	5.91	9.93
12.25"	0'	3453'	9.625"	36	J55	LTC	1.13	1.96	2.74	4.54
12.25"	3453'	4383'	9.625"	40	J55	LTC	1.13	1.73	12.60	16.75
12.25"	4383'	4485'	9.625"	40	N80	LTC	1.32	2.47	200.63	249.35
8.75"	0'	12,250'	7"	26	HCP110	LTC	1.30	1.66	2.06	2.61
6.125"	11,536'	19,530'	4.5"	13.5	P110	LTC	1.30	1.52	3.13	3.91
	•	•		BLM Minimum Safety Factor			1.125	1	1.6 Dry	1.6 Dry
						-			1.8 Wet	1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

Casing Program

Hole	Casin	g Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	To	Size	(lbs)			Collapse	Burst	Tension	Tension
17.5"	0'	1135'	13.375"	48	H40	STC	1.45	3.26	5.91	9.93
12.25"	0'	3453'	9.625"	36	J55	LTC	1.13	1.96	2.74	4.54
12.25"	3453'	4383'	9.625"	40	J55	LTC	1.13	1.73	12.60	16.75
12.25"	4383'	4485'	9.625"	40	N80	LTC	1.32	2.47	200.63	249.35
8.75"	0'	12,250'	7"	26	HCP110	LTC	1.30	1.66	2.06	2.61
6.125"	11,536'	19,530'	4.5"	13.5	P110	LTC	1.30	1.52	3.13	3.91
				BLM Min	imum Safet	y Factor	1.125	1	1.6 Dry	1.6 Dry
						-			1.8 Wet	1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide	Y
justification (loading assumptions, casing design criteria).	
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the	Y
collapse pressure rating of the casing?	
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back	
500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

Casing Program

Hole	Casin	g Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	To	Size	(lbs)			Collapse	Burst	Tension	Tension
17.5"	0'	1135'	13.375"	48	H40	STC	1.45	3.26	5.91	9.93
12.25"	0'	3453'	9.625"	36	J55	LTC	1.13	1.96	2.74	4.54
12.25"	3453'	4383'	9.625"	40	J55	LTC	1.13	1.73	12.60	16.75
12.25"	4383'	4485'	9.625"	40	N80	LTC	1.32	2.47	200.63	249.35
8.75"	0'	12,250'	7"	26	HCP110	LTC	1.30	1.66	2.06	2.61
6.125"	11,536'	19,530'	4.5"	13.5	P110	LTC	1.30	1.52	3.13	3.91
	<u> </u>	· · · · · · · · · · · · · · · · · · ·		BLM Min	imum Safe	ty Factor	1.125	1	1.6 Dry 1.8 Wet	1.6 Dry 1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

Hydrogen Sulfide Drilling Operations Plan Mewbourne Oil Company

1. General Requirements

Rule 118 does not apply to this well because MOC has researched this area and no high concentrations of H2S were found. MOC will have on location and working all H2S safety equipment before the Delaware formation for purposes of safety and insurance requirements.

2. Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will have received training from a qualified instructor in the following areas prior to entering the drilling pad area of the well:

- 1. The hazards and characteristics of hydrogen sulfide gas.
- 2. The proper use of personal protective equipment and life support systems.
- 3. The proper use of hydrogen sulfide detectors, alarms, warning systems, briefing areas, evacuation procedures.
- 4. The proper techniques for first aid and rescue operations.

Additionally, supervisory personnel will be trained in the following areas:

- 1 The effects of hydrogen sulfide on metal components. If high tensile tubular systems are utilized, supervisory personnel will be trained in their special maintenance requirements.
- 2 Corrective action and shut in procedures, blowout prevention, and well control procedures while drilling a well.
- 3 The contents of the Hydrogen Sulfide Drilling Operations Plan.

There will be an initial training session prior to encountering a know hydrogen sulfide source. The initial training session shall include a review of the site specific Hydrogen Sulfide Drilling Operations Plan.

3. Hydrogen Sulfide Safety Equipment and Systems

All hydrogen sulfide safety equipment and systems will be installed, tested, and operational prior to drilling below the 9 5/8" intermediate casing.

- 1. <u>Well Control Equipment</u>
 - A. Choke manifold with minimum of one adjustable choke/remote choke.
 - B. Blowout preventers equipped with blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit
 - C. Auxiliary equipment including annular type blowout preventer.
- 2. <u>Protective Equipment for Essential Personnel</u> Thirty minute self contained work unit located in the dog house and at briefing areas.

Additionally: If H2S is encountered in concentrations less than 10 ppm, fans will be placed in work areas to prevent the accumulation of hazardous amounts of poisonous gas. If higher concentrations of H2S are detected the well will be shut in and a rotating head, mud/gas separator, remote choke and flare line with igniter will be installed.

- 3. <u>Hydrogen Sulfide Protection and Monitoring Equipment</u> Two portable hydrogen sulfide monitors positioned on location for optimum coverage and detection. The units shall have audible sirens to notify personnel when hydrogen sulfide levels exceed 20 PPM.
- 4. Visual Warning Systems

A. Wind direction indicators as indicated on the wellsite diagram.

B. Caution signs shall be posted on roads providing access to location. Signs shall be painted a high visibility color with lettering of sufficient size to be readable at reasonable distances from potentially contaminated areas.

4. Mud Program

The mud program has been designed to minimize the amount of hydrogen sulfide entrained in the mud system. Proper mud weight, safe drilling practices, and the use of hydrogen sulfide scavengers will minimize hazards while drilling the well.

5. Metallurgy

All tubular systems, wellheads, blowout preventers, drilling spools, kill lines, choke manifolds, and valves shall be suitable for service in a hydrogen sulfide environment when chemically treated.

6. Communications

State & County Officials phone numbers are posted on rig floor and supervisors trailer. Communications in company vehicles and toolpushers are either two way radios or cellular phones.

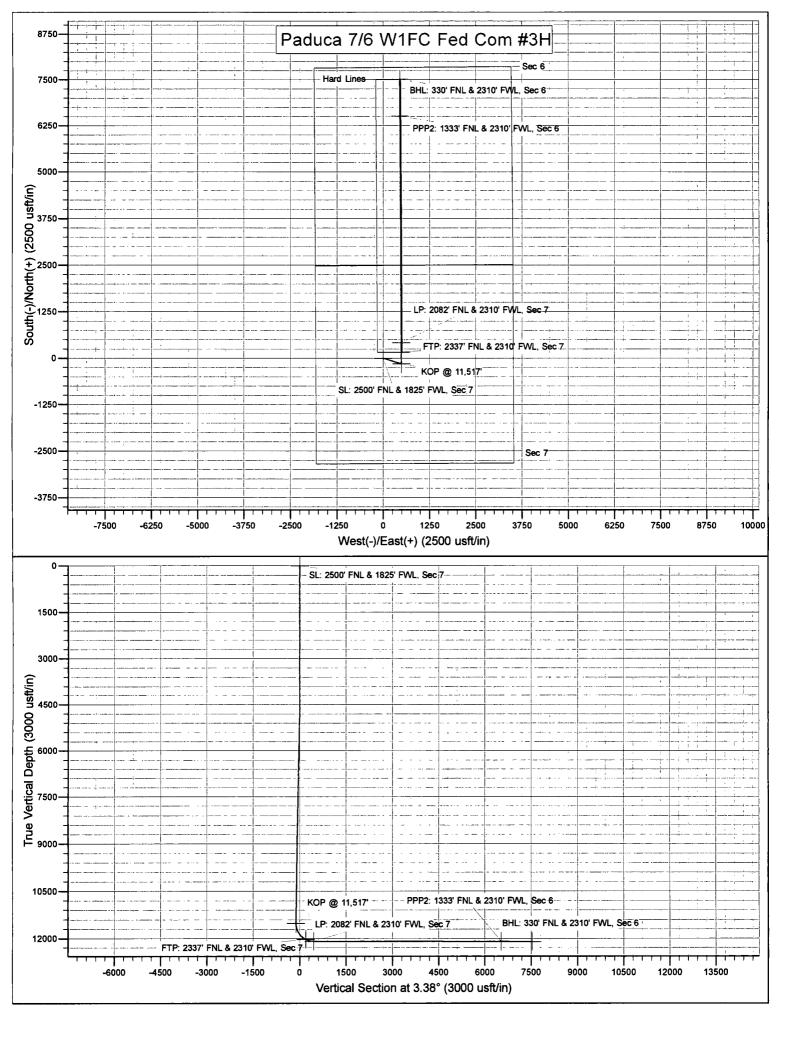
7. Well Testing

Drill stem testing is not an anticipated requirement for evaluation of this well. If a drill stem test is required, it will be conducted with a minimum number of personnel in the immediate vicinity. The test will be conducted during daylight hours only.

8. Emergency Phone Numbers

Eddy County Sheriff's Office	911 or 575-887-7551
Ambulance Service	911 or 575-885-2111
Carlsbad Fire Dept	911 or 575-885-2111
Loco Hills Volunteer Fire De	pt. 911 or 575-677-3266
Closest Medical Facility - Co	lumbia Medical Center of Carlsbad 575-492-5000
Mewbourne Oil Company	Hobbs District Office 575-393-5905

Miewbourne On Company	HUDDS DISTINCT OTHER	575-595-5905	
	Fax	575-397-6252	
	2 nd Fax	575-393-7259	
District Manager	Robin Terrell	575-390-4816	
Drilling Superintendent	Frosty Lathan	575-390-4103	
<u> </u>	Bradley Bishop	575-390-6838	
Drilling Foreman	Wesley Noseff	575-441-0729	



Mewbourne Oil Company

Lea County, New Mexico NAD 83 Paduca 7/6 W1FC Fed Com #3H Sec 7, T26S, R32E SL: 2500' FNL & 1825' FWL, Sec 7 BHL: 330' FNL & 2310' FWL, Sec 6

Plan: Design #1

Standard Planning Report

17 April, 2018

Database: Company: Project:		ourne Oil Com ounty, New Me	•		Local Co- TVD Refe MD Refer		1	Site Paduca 7/6 WELL @ 3275.0 WELL @ 3275.0	usft (Original	Well Elev)
Site:	Paduc	a 7/6 W1FC F	ed Com #3H		. North Ref	ierence:		Grid		
Well:	Sec 7	T26S, R32E			Survey C	alculation Met	hod:	Minimum Curvat	ure	
Nellbore:	BHL: :	330' FNL & 231	0' FWL, Sec 6	3	-					
Design:	Desig	n #1	بندمه المعادية المراجد الم				, 			
Project	Lea Co	unty, New Mex	ico NAD 83							
Map System:		e Plane 1983	4000		System Da	tum:	Me	ean Sea Level		
Geo Datum:		nerican Datum								
Map Zone:	New Me	kico Eastern Zo	one					<u> </u>		
Site	Paduca	a 7/6 W1FC Fe	d Com #3H							
Site Position: From:	Mar	、	North Easti	-		,386.00 usft ,219.00 usft	Latitude: Longitude:			32.058008 -103.717179
Position Uncertai	•			ng. Radius:	732	13-3/16 "	Grid Converg	ence:		-103.717175
Well		126S, R32E			· · ·					······································
Well Position	+N/-S	· · · · · · · · · · · · · · · · · · ·	.0 usft N	orthing:		385.386.00	usft lat	tude:	· · ·	32.058008
Wen Position	+E/-W			-						-103,717179
				asting:		732,219.00		gitude:		
Position Uncertai	nty		.0 usft V	ellhead Elevati	on:	3,275.0	ustt Gro	und Level:		3,248.0 us
Wellbore	BHL: 3	30' FNL & 231	0' FWL, Sec 6							··· ··· ··· ··· ···
Magnetics	Мо	del Name	Samp	le Date	Declina	ation	Dip A	-		Strength
				4/47/0040	(°)		"			nT)
		IGRF2010		4/17/2018		6.80		59.84		47,820
Design	Design	#1		······································						
Audit Notes:										
Version:			Phas	ie: P	ROTOTYPE	Tie	On Depth:		0.0	
Vertical Section:		C	epth From (T	VD)	+N/-S	+E	/-W	Dire	ection	·
			(usft)		(usft)	(u	sft)	((°)	
			0.0		0.0	C	0.0	3	.38	
	_			• •	- · · · · · · · · · · · · · · · · · · ·					·····
Plan Sections				•••	· ·					
Plan Sections Measured			Vertical		· ·	Dogleg	Build	Turn		
Measured	nclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Dogleg Rate	Build Rate	Turn Rate	TFO	
Measured	nclination (°)	Azimuth (°)		+N/-S (usft)	+E/-W (usft)				TFO (°)	Target
Measured Depth Ir			Depth			Rate	Rate	Rate		Target
Measured Depth Ir (usft)	(°)	(°)	Depth (usft)	(usft)	(usft)	Rate (°/100usft)	Rate (°/100usft)	Rate (°/100usft)	(°)	Target
Measured Depth Ir (usft) 0.0	(°) 0.00	(°) 0.00	Depth (usft) 0.0	(usft) 0.0	(usft) 0.0	Rate (°/100usft) 0.00	Rate (°/100usft) 0.00	Rate (°/100usft) 0.00	(°) 0.00	Target
Measured Depth Ir (usft) 0.0 4,500.0	(°) 0.00 0.00	(°) 0.00 0.00	Depth (usft) 0.0 4,500.0	(usft) 0.0 0.0	(usft) 0.0 0.0	Rate (°/100usft) 0.00 0.00	Rate (*/100usft) 0.00 0.00	Rate (*/100usft) 0.00 0.00	(") 0.00 0.00	Target
Measured Depth Ir (usft) 0.0 4,500.0 4,789.4	(°) 0.00 0.00 4.34	(°) 0.00 0.00 107.55	Depth (usft) 0.0 4,500.0 4,789.2	(usft) 0.0 0.0 -3.3	(usft) 0.0 0.0 10.5	Rate (*/100usft) 0.00 0.00 1.50	Rate (°/100usft) 0.00 0.00 1.50	Rate (°/100usft) 0.00 0.00 0.00	(°) 0.00 0.00 107.55 0.00	Target KOP @ 11,517'
Measured Depth ir (usft) 0.0 4,500.0 4,789.4 11,246.7	(°) 0.00 0.00 4.34 4.34	(°) 0.00 0.00 107.55 107.55	Depth (usft) 0.0 4,500.0 4,789.2 11,227.9	(usft) 0.0 -3.3 -150.7	(usft) 0.0 0.0 10.5 476.5	Rate (*/100usft) 0.00 0.00 1.50 0.00	Rate (°/100usft) 0.00 0.00 1.50 0.00	Rate (*/100usft) 0.00 0.00 0.00 0.00	(°) 0.00 0.00 107.55 0.00	. <u></u>

Database:	Hobbs	Local Co-ordinate Reference:	Site Paduca 7/6 W1FC Fed Com #3H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3275.0usft (Original Well Elev)
Project:	Lea County, New Mexico NAD 83	MD Reference:	WELL @ 3275.0usft (Original Well Elev)
Site:	Paduca 7/6 W1FC Fed Com #3H	North Reference:	Grid
Well:	Sec 7, T26S, R32E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 330' FNL & 2310' FWL, Sec 6	х Ч	
Desian:	Desian #1		

Measured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Vertical Section	Dogleg Rate	Build Rate	Turn Rate
(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
	NL & 1825' FWL,								
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	3,000.0	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	4,100.0	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 4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
	0.00	0.00					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	1.50	107.55	4,600.0	-0.4	1.2	-0.3	1.50	1.50	0.00
4,700.0	3.00	107.55	4,699.9	-1.6	5.0	-1.3	1.50	1.50	0.00
4,789.4	4.34	107.55	4,789.2	-3.3	10.5	-2.7	1.50	1.50	0.00
4,800.0	4.34	107.55	4,799.7	-3.5	11.2	-2.9	0.00	0.00	0.00
4,900.0	4.34	107.55	4,899.4	-5.8	18.4	-4.7	0.00	0.00	0,00
4,900.0 5,000.0	4.34	107.55			25.6	-4.7 -6.6	0.00	0.00	0.00
5,000.0	4.34 4.34	107.55	4,999.1 5,098.8	-8.1 -10.4	25.6	-0.0 -8.4	0.00	0.00	0.00

Planned Survey	1		· · ·
Design:	Design #1		
Wellbore:	BHL: 330' FNL & 2310' FWL, Sec 6		
Well:	Sec 7, T26S, R32E	Survey Calculation Method:	Minimum Curvature
Site:	Paduca 7/6 W1FC Fed Com #3H	North Reference:	Grid
Project:	Lea County, New Mexico NAD 83	MD Reference:	WELL @ 3275.0usft (Original Well Elev)
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3275.0usft (Original Well Elev)
Database:	Hobbs	Local Co-ordinate Reference:	Site Paduca 7/6 W1FC Fed Com #3H

Planned Survey

Measured Depth (usft)	Inclination	Azimuth	Vertical Depth (usft)	+N/-S	+E/-W	Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
	(°)	(°)		(usft)	(usft)				
5,200.0	4.34	107.55	5,198.5	-12.7	40.1	-10.3	0.00	0.00	0.00
5,300.0	4.34	107.55	5,298.3	-15.0	47.3	-12.1	0.00	0.00	0.00
5,400.0	4.34	107.55	5,398.0	-17.2	54.5	-14.0	0.00	0.00	0.00
5,500.0	4.34	107.55	5,497.7	-19.5	61.7	-15.8	0.00	0.00	0.00
5,600.0	4.34	107.55	5,597.4	-21.8	69.0	-17.7	0.00	0.00	0.00
5,700.0	4.34	107.55	5,697.1	-24.1	76.2	-19.6	0.00	0.00	0.00
5,800.0	4.34	107.55	5,796.8	-26.4	83.4	-21.4	0.00	0.00	0.00
5,900.0	4.34	107.55	5,896.5	-28.7	90.6	-23.3	0.00	0.00	0.00
6,000.0	4.34	107.55	5,996.2	-30.9	97.8	-25.1	0.00	0.00	0.00
6,100.0	4.34	107.55	6,096.0	-33.2	105.0	-27.0	0.00	0.00	0.00
6,200.0	4.34	107.55	6,195.7	-35.5	112.3	-28.8	0.00	0.00	0.00
6,300.0	4.34	107.55	6,295.4	-37.8	119.5	-30.7	0.00	0.00	0.00
6,400.0	4.34	107.55	6,395.1	-40.1	126.7	-32.5	0.00	0.00	0.00
6,500.0	4.34	107,55	6,494.8	-42.3	133.9	-34.4	0.00	0.00	0.00
6,600.0	4.34	107.55	6,594.5	-44.6	141.1	-36.2	0.00	0.00	0.00
6,700.0	4.34	107.55	6,694.2	-46.9	148.4	-36.2	0.00	0.00	0.00
6,700.0 6,800.0	4.34 4.34	107.55	6,094.2 6,794.0	-46.9 -49.2	148.4	-38.1 -39.9	0.00	0.00	0.00
6,900.0	4.34	107.55	6,893.7	-51.5	162.8	-41.8	0.00	0.00	0.00
7,000.0	4.34	107.55	6,993.4	-53.8	170.0	-43.6	0.00	0.00	0.00
7,100.0	4.34	107,55	7,093.1	-56.0	177.2	-45.5	0.00	0.00	0.00
7,200.0	4.34	107.55	7,192.8	-58.3	184.5	-47.3	0.00	0.00	0.00
7,300.0	4.34	107.55	7,292.5	-60.6	191.7	-49.2	0.00	0.00	0.00
7,400.0	4.34	107.55	7,392.2	-62.9	198.9	-51.0	0.00	0.00	0.00
7,500.0	4.34	107.55	7,491.9	-65.2	206.1	-52.9	0.00	0.00	0.00
7,600.0	4.34	107.55	7,591,7	-67.5	213.3	-54.8	0.00	0.00	0.00
7,700.0	4.34	107.55	7,691.4	-69.7	220.5	-56.6	0.00	0.00	0.00
7,800.0	4.34	107.55	7,791.1	-72.0	227.8	-58.5	0.00	0.00	0.00
7,900.0	4.34	107.55	7,890.8	-74.3	235.0	-60.3	0.00	0.00	0.00
8,000.0	4.34	107,55	7,990,5	-76.6	242.2	-62.2	0,00	0.00	0.00
8,100.0	4.34	107.55	8,090.2	-78.9	249.4	-64.0	0.00	0.00	0.00
8,200.0	4.34	107.55	8,189.9	-81.2	256.6	-65.9	0.00	0.00	0.00
8,300.0	4.34	107.55	8,289.6	-83.4	263.9	-67.7	0.00	0.00	0.00
8,400.0	4.34	107.55	8,389.4	-85.7	271.1	-69.6	0.00	0.00	0.00
8,500.0	4.34	107.55	8,489.1	-88.0	278.3	-71.4	0.00	0.00	0.00
8,600.0	4.34	107.55	8,588.8	-90.3	285.5	-73.3	0.00	0.00	0.00
8,700.0	4.34	107.55	8,688.5	-92.6	292.7	-75.1	0.00	0.00	0.00
8,800.0	4.34	107.55	8,788.2	-94.8	299.9	-77.0	0.00	0.00	0.00
8,900.0	4.34	107.55	8,887.9	-97.1	307.2	-78.8	0.00	0.00	0.00
•								0.00	
9,000.0	4.34	107.55	8,987.6	-99.4	314.4	-80.7	0.00		0.00
9,100.0	4.34	107.55	9,087.4	-101.7	321.6	-82.5	0.00	0.00	0.00
9,200.0 9,300.0	4.34 4.34	107.55 107.55	9,187.1 9,286.8	-104.0 -106.3	328.8 336.0	-84.4 -86.2	0.00 0.00	0.00 0.00	0.00 0.00
9,400.0	4.34	107.55	9,386.5	-108.5	343.3	-88.1	0.00	0.00	0.00
9,500.0	4.34	107,55	9,486.2	-110.8	350.5	-90.0	0.00	0.00	0.00
9,600.0	4.34	107.55	9,585.9	-113.1	357.7	-91.8	0.00	0.00	0.00
9,700.0	4.34	107.55	9,685.6	-115.4	364.9	-93.7	0.00	0.00	0.00
9,800.0	4.34	107.55	9,785.3	-117.7	372.1	-95.5	0.00	0.00	0.00
9,900.0	4.34	107.55	9,885.1	-120.0	379.3	-97.4	0.00	0.00	0.00
10.000.0	4.34	107.55	9,984.8	-122.2	386.6	-99.2	0.00	0.00	0.00
10,100.0	4.34	107.55	10,084.5	-124.5	393.8	-101.1	0.00	0.00	0.00
10,200.0	4.34	107.55	10,184.2	-126.8	401.0	-102.9	0.00	0.00	0.00
10,300.0	4.34	107.55	10,283.9	-129.1	408.2	-104.8	0.00	0.00	0.00
10,400.0	4.34	107.55	10,383.6	-131.4	415.4	-106.6	0.00	0.00	0.00
10,500,0	4.34	107.55	10,483.3	-133.7	422.7	-108.5	0.00	0.00	0.00

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Planned Survey			
Design:	Design #1		a a a a a a a a a a a a a a a a a a a
Wellbore:	BHL: 330' FNL & 2310' FWL, Sec 6		
Well:	Sec 7, T26S, R32E	Survey Calculation Method:	Minimum Curvature
Site:	Paduca 7/6 W1FC Fed Com #3H	North Reference:	Grid
Project:	Lea County, New Mexico NAD 83	MD Reference:	WELL @ 3275.0usft (Original Well Elev)
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3275.0usft (Original Well Elev)
Database:	Hobbs	Local Co-ordinate Reference:	Site Paduca 7/6 W1FC Fed Com #3H

Measured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Vertical Section	Dogleg Rate	Build Rate	Turn Rate
(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)
10,600.0	4.34	107.55	10,583.0	-135.9	429.9	-110.3	0.00	0.00	0.00
10,700.0	4.34	107.55	10,682.8	-138.2	437.1	-112.2	0.00	0.00	0.00
10,800.0	4.34	107.55	10,782.5	-140.5	444.3	-114.0	0.00	0.00	0.00
10,900.0	4.34	107.55	10,882.2	-142.8	451.5	-115.9	0.00	0.00	0.00
11,000.0	4.34	107.55	10,981.9	-145.1	458.7	-117.7	0.00	0.00	0.00
11,100.0	4.34	107.55	11,081.6	-147.3	466.0	-119.6	0.00	0.00	0.00
11,200.0	4.34	107.55	11,181.3	-149.6	473.2	-121.5	0.00	0.00	0.00
11,246.7	4.34	107.55	11,227,9	-150.7	476.5	-122.3	0.00	0.00	0.00
11,300.0	3.54	107.55	11,281.1	-151.8	480.0	-123.2	1.50	-1.50	0.00
11,400.0	2.04	107.55	11,380.9	-153.3	484.7	-124.4	1.50	-1.50	0.00
11,500.0	0.54	107.55	11,480.9	-153.9	486.8	-125.0	1.50	-1.50	0.00
			,					-1.50	
11,536.1	0.00	0.00	11,517.0	-154.0	487.0	-125.0	1.50	-1.50	0.00
KOP @ 11,5 11,600.0	6.39	359.68	11,580.8	-150.4	487.0	-121.4	10.00	10.00	0.00
11,700.0	16.39	359.68	11,678,7	-130.7	486.9	-101.8	10.00	10.00	0.00
11,800.0	26.39	359,68	11,771.7	-130.7 -94.3	486.7	-65.4	10.00	10.00	0.00
								10.00	
11,900.0	36.39	359.68	11,856.9	-42.3	486.4	-13.5	10.00		0.00
12,000.0 12,100.0	46.39 56.39	359.68 359.68	11,931.9 11,994.2	23.7 101.8	486.0 485.6	52.4 130.3	10.00 10.00	10.00 10.00	0.00 0.00
12,170.8	63.47	359.68	12,029.7	163.0	485.2	191.4	10.00	10.00	0.00
	NL & 2310' FWL			100 5	405.4	047.7	40.00	40.00	0.00
12,200.0	66,39	359.68	12,042.0	189.5	485.1	217.7	10.00	10.00	0.00
12,300.0	76.39	359.68	12,073.9	284.1	484.5	312.2	10.00	10.00	0.00
12,400.0	86.39	359.68	12,088.9	382.8	484.0	410.7	10.00	10.00	0.00
12,435.3	89.91	359.68	12,090.0	418.1	483.8	445.9	10.00	10.00	0.00
	IL & 2310' FWL,								
12,500.0	89.92	359.68	12,090.1	482.8	483.4	510.5	0.01	0.01	0.00
12,600.0	89.92	359.68	12,090.2	582.8	482.9	610.3	0.00	0.00	0.00
12,700.0	89.92	359.68	12,090.4	682.8	482.3	710.1	0.00	0.00	0.00
12,800.0	89.92	359.68	12,090.5	782.8	481.7	809.9	0.00	0.00	0.00
12,900.0	89.92	359.68	12,090.7	882.8	481.2	909.7	0.00	0.00	0.00
13,000.0	89.92	359.68	12,090.8	982.8	480.6	1,009.5	0.00	0.00	0.00
13,100.0	89.92	359.68	12,090.9	1,082.8	480.1	1,109.2	0.00	0.00	0.00
13,200.0	89.92	359,68	12,091,1	1,182.8	479.5	1,209.0	0.00	0.00	0.00
13,300.0	89.92	359.68	12,091.2	1,282.8	478.9	1,308.8	0.00	0.00	0.00
13,400.0	89.92	359.68	12,091.4	1,382.8	478.4	1,408.6	0.00	0.00	0.00
13,500.0	89.92	359.68	12,091.5	1,482.8	477.8	1,508.4	0.00	0.00	0.00
13,600.0	89.92	359.68	12,091.6	1,582.8	477.3	1,608.2	0.00	0.00	0.00
13,700.0	89.92	359.68	12,091.8	1,682.8	476.7	1,708.0	0.00	0.00	0.00
13.800.0	89.92	359.68	12,091.9	1,782.8	476.1	1,807.8	0.00	0.00	0.00
13,900.0	89.92	359.68	12,092.1	1,882.8	475.6	1,907.6	0.00	0.00	0.00
14,000.0	89.92	359.68	12,092.2	1,982.8	475.0	2,007.4	0.00	0.00	0.00
14,100.0	89.92	359.68	12,092.3	2,082.8	474.5	2,107.2	0.00	0.00	0.00
		359.68	12,092.5		473.9	2,207.0	0.00	0.00	0.00
14,200.0	89.92			2,182.8					
14,300.0	89.92	359.68	12,092.6	2,282.8	473.3	2,306.7	0.00	0.00	0.00
14,400.0	89.92	359.68	12,092.8	2,382.8	472.8	2,406.5	0.00	0.00	0.00
14,500.0	89.92	359.68	12,092.9	2,482.8	472.2	2,506.3	0.00	0.00	0.00
14,600.0	89.92	359.68	12,093.1	2,582.8	471.6	2,606.1	0.00	0.00	0.00
14,700.0	89.92	359.68	12,093.2	2,682.8	471.1	2,705.9	0.00	0.00	0.00
14,800.0	89.92	359.68	12,093.3	2,782.8	470.5	2,805.7	0.00	0.00	0.00
14,900.0	89.92	359,68	12,093.5	2,882.8	470.0	2,905.5	0.00	0.00	0.00
14,000.0									
15,000.0	89.92	359.68	12,093.6	2,982.8	469.4	3,005.3	0.00	0.00	0.00

Database:	Hobbs	Local Co-ordinate Reference:	Site Paduca 7/6 W1FC Fed Com #3H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3275.0usft (Original Well Elev)
Project:	Lea County, New Mexico NAD 83	MD Reference:	WELL @ 3275.0usft (Original Well Elev)
Site:	Paduca 7/6 W1FC Fed Com #3H	North Reference:	Grid
Well:	Sec 7, T26S, R32E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 330' FNL & 2310' FWL, Sec 6		
Desian:	Desian #1		

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)
(usit)	(°)	(°)	(uəit)	(usn)	(usπ)	(usit)	(/iousiy	(/////////////////////////////////////	(/ IVVUBIL)
15,200.0	89.92	359.68	12,093.9	3,182.8	468.3	3,204.9	0.00	0.00	0.0
15,300.0	89.92	359.68	12,094.0	3,282.8	467.7	3,304.7	0.00	0.00	0.0
15,400.0	89.92	359.68	12,094.2	3,382.8	467.2	3,404.4	0.00	0.00	0.0
15,500.0	89.92	359.68	12,094.3	3,482.8	466.6	3,504.2	0.00	0.00	0.0
15,600.0	89.92	359.68	12,094.5	3,582.8	466.0	3,604.0	0.00	0.00	0.0
15,700.0	89.92	359.68	12,094.6	3,682.8	465.5	3,703.8	0.00	0.00	0.0
15,800.0	89.92	359.68	12,094.7	3,782.8	464.9	3,803.6	0.00	0.00	0.0
15,900.0	89.92	359.68	12,094.9	3,882.8	464.4	3,903.4	0.00	0.00	0.0
16,000.0	89.92	359.68	12,095.0	3,982.8	463.8	4,003.2	0.00	0.00	0.0
16,100.0	89.92	359.68	12,095.2	4,082.8	463.2	4,103.0	0.00	0.00	0.0
16,200.0	89.92	359.68	12,095.3	4,182.8	462.7	4,202.8	0.00	0.00	0.0
16,300.0	89.92	359.68	12,095.4	4,282.8	462.1	4,302.6	0.00	0.00	0.0
16,400.0	89.92	359.68	12,095.6	4,382.8	461.6	4,402.4	0.00	0.00	0.0
16,500.0	89.92	359.68	12,095.7	4,482.8	461.0	4,502,1	0.00	0.00	0.0
16,600.0	89.92	359.68	12,095.9	4,582.8	460.4	4,601.9	0.00	0.00	0.0
16,700.0	89.92	359.68	12,096.0	4,682.8	459.9	4,701.7	0.00	0.00	0.0
16,800.0	89.92	359.68	12,096.2	4,782.7	459.3	4,801.5	0.00	0.00	0.0
16,900.0	89.92	359.68	12,096.3	4,882.7	458.7	4,901.3	0.00	0.00	0.0
17,000.0	89.92	359.68	12,096.4	4,982.7	458.2	5,001.1	0.00	0.00	0.0
17,100.0	89.92	359.68	12,096.6	5,082.7	457.6	5,100.9	0.00	0.00	0.0
17,200.0	89.92	359.68	12,096.7	5,182.7	457.1	5,200.7	0.00	0.00	0.0
17,300.0	89.92	359.68	12,096.9	5,282.7	456.5	5,300.5	0.00	0.00	0.0
17,400.0	89.92	359.68	12,097.0	5,382.7	455.9	5,400.3	0.00	0.00	0.0
17,500.0	89.92	359.68	12,097.1	5,482.7	455.4	5,500.1	0.00	0.00	0.0
17,600.0	89.92	359.68	12,097.3	5,582.7	454.8	5,599.8	0.00	0.00	0.0
17,700.0	89.92	359.68	12,097.4	5,682.7	454.3	5,699.6	0.00	0.00	0.0
17,800.0	89.92	359.68	12,097.6	5,782.7	453.7	5,799.4	0.00	0.00	0.0
17,900.0	89.92	359.68	12,097.7	5,882.7	453.1	5,899.2	0.00	0.00	0.0
18,000.0	89.92	359.68	12,097.8	5,982.7	452.6	5,999.0	0.00	0.00	0.0
18,100.0	89.92	359.68	12,098.0	6,082.7	452.0	6,098.8	0.00	0.00	0.0
18,200.0	89.92	359.68	12,098.1	6,182.7	451.5	6,198.6	0.00	0.00	0.0
18,300.0	89.92	359.68	12,098.3	6,282.7	450.9	6,298.4	0.00	0.00	0.0
18,400.0	89.92	359.68	12,098.4	6,382.7	450.3	6,398.2	0.00	0.00	0.0
18,500.0	89.92	359.68	12,098.5	6,482.7	449.8	6,498.0	0.00	0.00	0.0
18,526.3	89.92	359.68	12,098.6	6,509.0	449.6	6,524.2	0.00	0.00	0.0
	FNL & 2310' FW 89.92	/L, Sec 6 359.68	12 009 7	6,582.7	449.2	6,597.8	0.00	0.00	0.0
18,600.0			12,098.7		449.2 448.7	6,697.5	0.00	0.00	0.0
18,700.0	89.92	359.68	12,098.8	6,682.7					
18,800.0	89.92	359.68	12,099.0	6,782.7	448.1	6,797.3	0.00	0.00	0.0
18,900.0	89.92	359.68	12,099.1	6,882.7	447.5	6,897.1	0.00	0.00	0.0
19,000.0	89.92	359.68	12,099.3	6,982.7	447.0	6,996.9	0.00	0.00	0.0
19,100.0	89.92	359.68	12,099.4	7,082.7	446.4	7,096.7	0.00	0.00	0.0
19,200.0	89.92	359.68	12,099.5	7,182.7	445.8	7,196.5	0.00	0.00	0.0
19,300.0	89.92	359.68	12,099.7	7,282.7	445.3	7,296.3	0.00	0.00	0.0
19,400.0	89.92	359.68	12,099.8	7,382.7	444.7	7,396.1	0.00	0.00	0.0
19,500.0	89.92	359.68	12,100.0	7,482.7	444.2	7,495.9	0.00	0.00	0.0
19,529.3	89,92	359.68	12,100.0	7,512.0	444.0	7,525.1	0.00	0.00	0.0

Company: Project: Site: Well: Wellbore:	Paduca 7/6 V Sec 7, T26S,	New Mexico I V1FC Fed Co	m #3H		TVD Refere MD Referen North Refer	ice:	Site Paduca 7/6 W1FC Fed Com #3H WELL @ 3275.0usft (Original Well Elev) WELL @ 3275.0usft (Original Well Elev) Grid Minimum Curvature			
Design Targets Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude	
SL: 2500' FNL & 1825' F - plan hits target cer - Point		0.00	0.0	0.0	0.0	385,386.00	732,219.00	32.0580084	-103.7171798	
KOP @ 11,517' - plan hits target cer - Point	0.00 nter	0.00	11,517.0	-154.0	487.0	385,232.00	732,706.00	32.0575774	-103.7156107	
FTP: 2337' FNL & 2310' - plan hits target cer - Point	0.00 nter	0.00	12,029.7	163.0	485.2	385,549.00	732,704.22	32.0584488	-103.7156106	
LP: 2082' FNL & 2310' F - plan hits target cer - Point		0.00	12,090.0	418.1	483.8	385,804.10	732,702.80	32.0591501	-103.7156105	
PPP2: 1333' FNL & 2310 - plan hits target cer - Point		0.00	12,098.6	6,509.0	449.6	391,895.00	732,668.62	32.0758934	-103.7156083	
BHL: 330' FNL & 2310' F - plan hits target cer - Point		0.00	12,100.0	7,512.0	444.0	392,898.00 [.]	732,663.00	32.0786505	-103.7156079	

1. Geologic Formations

TVD of target	12,100'	Pilot hole depth	NA
MD at TD:	19,530'	Deepest expected fresh water:	275'

Basin			
Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Quaternary Fill	Surface		
Rustler	1057		
Top of Salt	1397		
Castile			
Base of Salt	4152		
Lamar	4359	Oil	
Bell Canyon	4431		
Cherry Canyon	5390		
Manzanita Marker	5537		
Brushy Canyon	6882		
Bone Spring	8345	Oil/Gas	
1 st Bone Spring Sand	9323		
2 nd Bone Spring Sand	10,022		
3 rd Bone Spring Sand	11,182		
Abo			
Wolfcamp	11,596	Target Zone	
Devonian			
Fusselman			
Ellenburger			
Granite Wash			

*H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

Hole	Casing	, Interval	Csg.	Weight	Grad	le	Conn.	SF	SF	SF Jt	SF Body
Size	From	То	Size	(lbs)				Collapse	Burst	Tension	Tension
17.5"	0'	1135'	13.375'	' 48	H40		STC	1.45	3.26	5.91	9.93
12.25"	0'	3453'	9.625"	36	J55		LTC	1.13	1.96	2.74	4.54
12.25"	3453'	4383'	9.625"	40	J55		LTC	1.13	1.73	12.60	16.75
12.25"	4383'	4485'	9.625"	40	N80		LTC	1.32	2.47	200.63	249.35
8.75"	0'	12,250'	7"	26	HCP1	10	LTC	1.30	1.66	2.06	2.61
6.125"	11,536'	19,530'	4.5"	13.5	P110		LTC	1.30	1.52	3.13	3.91
	BLM Mini	mum Safety I	actor 1	.125	1	1.6	5 Dry	1.6 Dry			
		·				1.8	3 Wet	1.8 Wet			

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Casing	# Sks	Wt. lb/ gal	Yld ft3/ sack	H20 gal/ sk	500# Comp. Strength (hours)	Slurry Description
Surf.	620	12.5	2.12	11	10	Lead: Class C + Salt + Gel + Extender + LCM
	200	14.8	1.34	6.3	8	Tail: Class C + Retarder
Inter.	750	12.5	2.12	11	10	Lead: Class C + Salt + Gel + Extender + LCM
	200	14.8	1.34	6.3	8	Tail: Class C + Retarder
Prod. Stg 1	375	12.5	2.12	11	9	Lead: Class C + Gel + Retarder + Defoamer + Extender
	400	15.6	1.18	5.2	13	Tail: Class H + Retarder + Fluid Loss + Defoamer
					ECP/DV T	'ool @ 5537'
Prod. Stg 2	60	12.5	2.12	11	16	Lead: Class C + Gel + Retarder + Defoamer + Extender
	100	14.8	1.34	6.3	8	Tail: Class C + Retarder
Liner	325	11.2	2.97	18	16	Class C + Salt + Gel + Fluid Loss + Retarder + Dispersant + Defoamer + Anti-Settling Agent

A copy of cement test will be available on location at time of cement job providing pump times & compressive strengths.

Casing String	TOC	% Excess			
Surface	0'	100%			
Intermediate	0'	25%			
Production	4285'	25%			
Liner	11,536'	25%			

4. Pressure Control Equipment

Y Variance: A variance is requested for use of a 5000 psi annular BOP with the 10,000 psi BOP stack. Please see attached description and procedure.

BOP installed and tested before drilling which hole?	Size?	System Rated WP	T	Туре		Tested to:
			An	nular	X	5000#
			Bline	d Ram	X	
12-1/4"	13-5/8"	10M	Pipe	Ram	X	10.000#
			Doub	le Ram		10,000#
			Other*			

*Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

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. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

X	On Ex greate	ation integrity test will be performed per Onshore Order #2. Exploratory wells or on that portion of any well approved for a 5M BOPE system or r, a pressure integrity test of each casing shoe shall be performed. Will be tested in lance with Onshore Oil and Gas Order #2 III.B.1.i.	
Y	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.		
	N	Are anchors required by manufacturer?	
Y	A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.		
	•	Provide description here: See attached schematic.	

5. Mud Program

TVD		Туре	Weight (ppg)	Viscosity	Water Loss
From	То				
0	1135	FW Gel	8.6-8.8	28-34	N/C
1135	4485	Saturated Brine	10.0	28-34	N/C
4485	11,517	Cut Brine	8.6-9.7	28-34	N/C
11,517	11,800	OBM	10.0-13.0	30-40	<10cc

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

What will be used to monitor the loss or gain	Pason/PVT/Visual Monitoring
of fluid?	

6. Logging and Testing Procedures

Logg	Logging, Coring and Testing.		
X	Will run GR/CNL from KOP (11,536') to surface (horizontal well – vertical portion of		
	hole). Stated logs run will be in the Completion Report and submitted to the BLM.		
	No Logs are planned based on well control or offset log information.		
	Drill stem test? If yes, explain		
	Coring? If yes, explain		

Additional logs planned		Interval	
Χ	Gamma Ray	11,536' (KOP) to TD	
	Density		
	CBL		
	Mud log		
	PEX		

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	8180 psi
Abnormal Temperature	No

Mitigation measure for abnormal conditions. Describe. Lost circulation material/sweeps/mud scavengers in surface hole. Weighted mud for possible over-pressure in Wolfcamp formation.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

	H2S is present
X	H2S Plan attached

8. Other facets of operation

Is this a walking operation? If yes, describe. Will be pre-setting casing? If yes, describe.

Attachments

____ Directional Plan

____ Other, describe



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

SUPO Data Report

ALL ALL AND

APD ID: 10400029512

Operator Name: MEWBOURNE OIL COMPANY

Well Name: PADUCA 7/6 W1FC FED COM

Well Type: CONVENTIONAL GAS WELL

Submission Date: 04/18/2018

Well Number: 3H Well Work Type: Drill n (llagislian ingich igeicht diethigeic

Show Final Text

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

Paduca7_6W1FCFederalCom3H_existingroadmap_20180417102232.pdf

Existing Road Purpose: ACCESS, FLUID TRANSPORT

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? NO

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

Paduca7_6W1FCFederalCom3H_existingwellmap_20180417102259.pdf

Operator Name: MEWBOURNE OIL COMPANY

Well Name: PADUCA 7/6 W1FC FED COM

Well Number: 3H

Existing Wells description:

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: Production facility at Paduca 7/6 W1ED #3H location. 2 7/8" surface flow line along the road from well site to battery at Paduca 7/6 W1ED #3H. **Production Facilities map:**

Paduca7 6W1FCFederalCom3H productionfacilitymap 20180417102324.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: CAMP USE, DUST CONTROL, INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE CASING **Describe type:**

Water source type: IRRIGATION

Source volume (acre-feet): 0.2500526

Source longitude: -103.689514

Source latitude: 32.05051

Source datum: NAD83

Water source permit type: WATER WELL

Source land ownership: FEDERAL

Water source transport method: TRUCKING

Source transportation land ownership: FEDERAL

Water source volume (barrels): 1940

Source volume (gal): 81480

Water source and transportation map:

Paduca7 6W1FCFederalCom3H watersourceandtransmap 20180417102426.pdf

Water source comments:

New water well? NO

New Water Well Info

Well latitude:

Well Longitude:

Est thickness of aquifer:

Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft):

Aquifer comments:

Aquifer documentation:

aven.	uepui (it).	
Well	casing outside	diameter (in.):

New water well casing?

Drilling method:

Grout material:

Casing length (ft.):

Well Production type:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: Caliche

Construction Materials source location attachment:

Paduca7_6W1FCFederalCom3H_calichesourceandtransmap_20180417102515.pdf

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drill cuttings

Amount of waste: 940 barrels

Waste disposal frequency : One Time Only

Safe containment description: Drill cuttings will be properly contained in steel tanks (20 yard roll off bins.)

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: PRIVATE FACILITY

Disposal type description:

Disposal location description: NMOCD approved waste disposal locations are CRI or Lea Land, both facilities are located on HWY 62/180, Sec. 27 T20S R32E.

Waste type: SEWAGE

Waste content description: Human waste & grey water

Amount of waste: 1500 gallons

Waste disposal frequency : Weekly

Safe containment description: 2,000 gallon plastic container

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: PRIVATE

Well Number: 3H

Well casing inside diameter (in.):

Well casing type:

Drill material:

Grout depth:

Used casing source:

Casing top depth (ft.):

Completion Method:

Well Number: 3H

FACILITY

Disposal type description:

Disposal location description: City of Carlsbad Water Treatment facility

Waste type: GARBAGE

Waste content description: Garbage & trash

Amount of waste: 1500 pounds

Waste disposal frequency : One Time Only

Safe containment description: Enclosed trash trailer

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: PRIVATE FACILITY

Disposal type description:

Disposal location description: Waste Management facility in Carlsbad.

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.) Reserve pit width (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? NO

Description of cuttings location

Cuttings area length (ft.)

Cuttings area depth (ft.)

Cuttings area width (ft.) Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Well Number: 3H

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

Paduca7_6W1FCFederalCom3H_wellsitelayout_20180417102541.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: PADUCA 7/6 W1FC FED COM

Multiple Well Pad Number: 2

Recontouring attachment:

Drainage/Erosion control construction: None

Drainage/Erosion control reclamation: None

Well pad proposed disturbance	Well pad interim reclamation (acres):	Well pad long term disturbance
(acres): 5.51	1.488	(acres): 4.022
Road proposed disturbance (acres): 0	Road interim reclamation (acres): 0.383	Road long term disturbance (acres): 0.383
Powerline proposed disturbance (acres): 0	Powerline interim reclamation (acres) :	Powerline long term disturbance (acres): 0
Pipeline proposed disturbance (acres): 0	Pipeline interim reclamation (acres): 2.9834712E-7	Pipeline long term disturbance (acres): 2.9834712E-7
Other proposed disturbance (acres): 0	Other interim reclamation (acres):	Other long term disturbance (acres):
Total proposed disturbance: 5.51	1.205 Total interim reclamation: 3.0760002	1.205 Total long term disturbance: 5.61

Disturbance Comments: In areas to be heavily disturbed, the top 6 inches of soil material, will be stripped and stockpiled on the perimeter of the well location to keep topsoil viable, and to make redistribution of topsoil more efficient during interim reclamation. Stockpiled topsoil should include vegetative material. Topsoil will be clearly segregated and stored separately from subsoils. Contaminated soil will not be stockpiled, but properly treated and handled prior to topsoil salvaging. **Reconstruction method:** The areas planned for interim reclamation will then be recontoured to the original contour if feasible, or if not feasible, to an interim contour that blends with the surrounding topography as much as possible. Where applicable, the fill material of the well pad will be backfilled into the cut to bring the area back to the original contour. The interim cut and fill slopes prior to re-seeding will not be steeper than a 3:1 ratio, unless the adjacent native topography is steeper. Note: Constructed slopes may be much steeper during drilling, but will be recontoured to the above ratios during interim reclamation.

Topsoil redistribution: Topsoil will be evenly respread and aggressively revegetated over the entire disturbed area not needed for all-weather operations including cuts & fills. To seed the area, the proper BLM seed mixture, free of noxious

Well Number: 3H

weeds, will be used.

Soil treatment: NA Existing Vegetation at the well pad: Various brush & grasses Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Various brush & grasses Existing Vegetation Community at the road attachment: Existing Vegetation Community at the pipeline: NA Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: NA Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO Seed harvest description: Seed harvest description attachment:

Seed Management

Seed Table

Seed type:	Seed source:
Seed name:	
Source name:	Source address:
Source phone:	
Seed cultivar:	
Seed use location:	
PLS pounds per acre:	Proposed seeding season:

Operator Name: MEWBOURNE OIL COMPANY

Well Name: PADUCA 7/6 W1FC FED COM

Well Number: 3H

Seed Summary		Total pounds/Acre:
Seed Type	Pounds/Acre	

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: Bradley

Last Name: Bishop

Phone: (575)393-5905

Email: bbishop@mewbourne.com

Seedbed prep: Final seedbed preparation will consist of contour cultivating to a depth of 4 to 6 inches within 24 hours prior to seeding, dozer tracking, or other imprinting in order to break the soil crust and create seed germination micro-sites. **Seed BMP:** To seed the area, the proper BLM seed mixture, free of noxious weeds, will be used.

Seed method: drilling or broadcasting seed over entire reclaimed area.

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: NA

Weed treatment plan attachment:

Monitoring plan description: vii. All reclaimed areas will be monitored periodically to ensure that revegetation occurs, that the area is not redisturbed, and that erosion and invasive/noxious weeds are controlled. **Monitoring plan attachment:**

Success standards: regrowth within 1 full growing season of reclamation.

Pit closure description: NA

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Well Number: 3H

Military Local Office:	
USFWS Local Office:	
Other Local Office:	
USFS Region:	
USFS Forest/Grassland:	USFS Ranger District:

Disturbance type: NEW ACCESS ROAD Describe: Surface Owner: BUREAU OF LAND MANAGEMENT Other surface owner description: BIA Local Office: BOR Local Office: COE Local Office: DOD Local Office: NPS Local Office: State Local Office: USFWS Local Office: USFWS Local Office: USFS Region: USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: EXISTING ACCESS ROAD Describe: Surface Owner: BUREAU OF LAND MANAGEMENT Other surface owner description: BIA Local Office: BOR Local Office:

COE Local Office:

Well Number: 3H

DOD Local Office:	
NPS Local Office:	
State Local Office:	
Military Local Office:	
USFWS Local Office:	
Other Local Office:	
USFS Region:	
USFS Forest/Grassland:	USFS Ranger District:

Section 12 - Other Information

Right of Way needed? NO

Use APD as ROW?

ROW Type(s):

ROW Applications

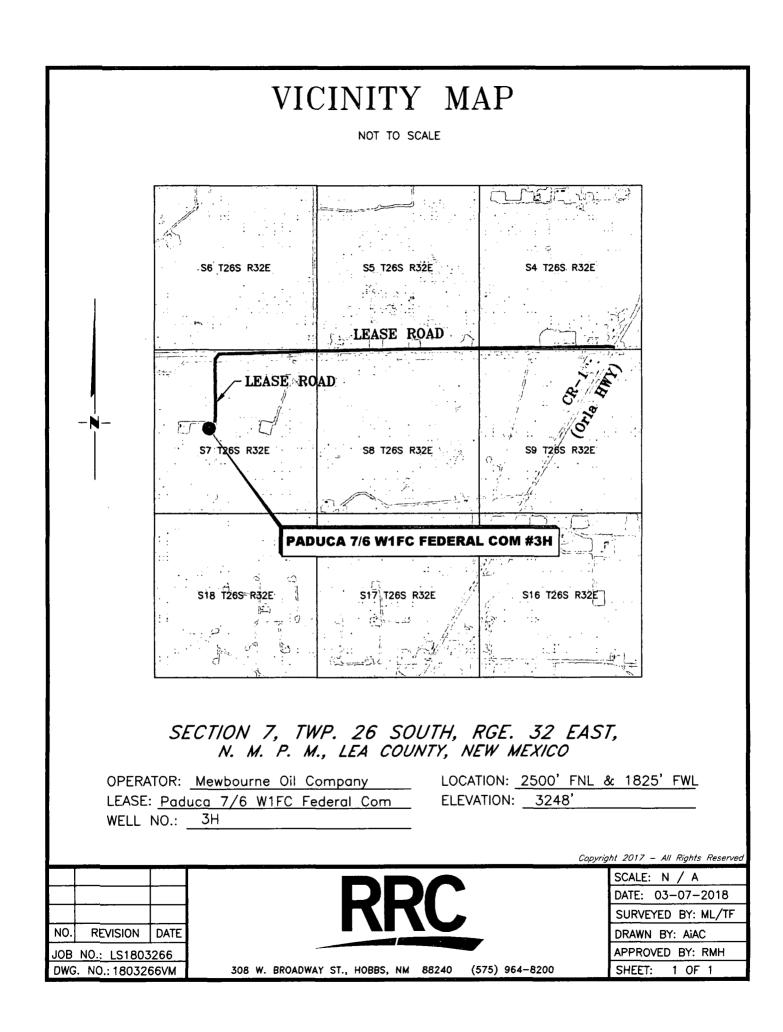
SUPO Additional Information:

Use a previously conducted onsite? YES

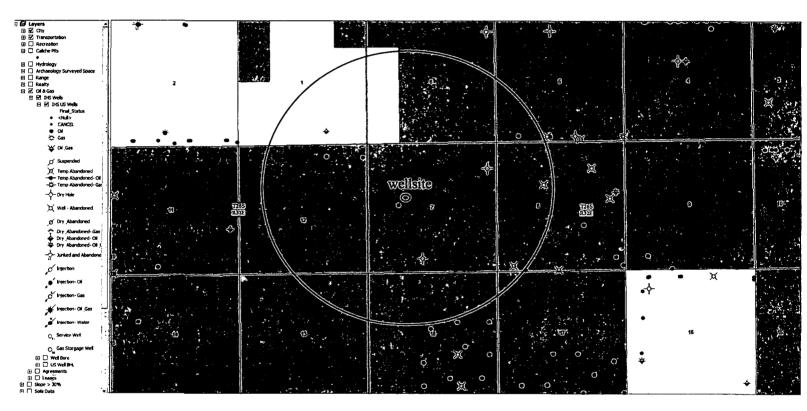
Previous Onsite information: MAR 08 2018 Met w/RRC Surveying & staked location @ 2500' FNL & 1825' FWL, Sec 7, T26S, R32E, Lea, Co., NM. (Elevation @ 3248'). Topsoil will be stockpiled 30' wide on S side. Reclaim 60' S, E, & W. This will be a 400' x 600' pad. Wells will go to existing battery to W. Existing road comes in off NE corner. Location is in the arch PA. Will require onsite w/BLM.

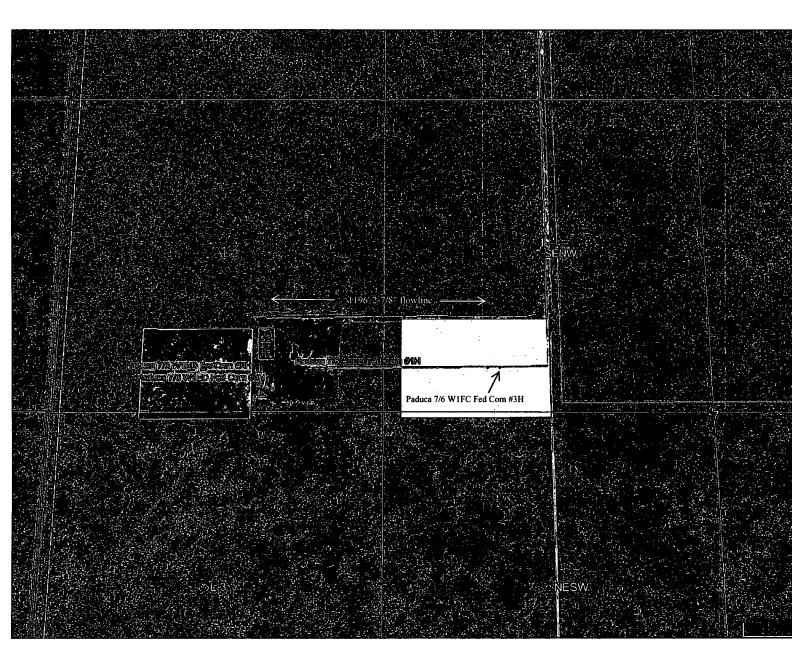
Other SUPO Attachment

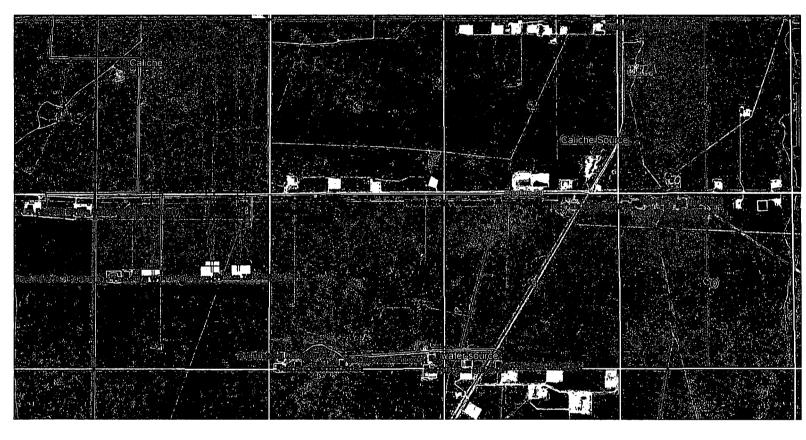
Paduca7_6W1FCFederalCom3H_interimreclaimationdiagram_20180417102729.pdf Paduca7_6W1FCFederalCom3H_gascaptureplan_20180417102744.pdf



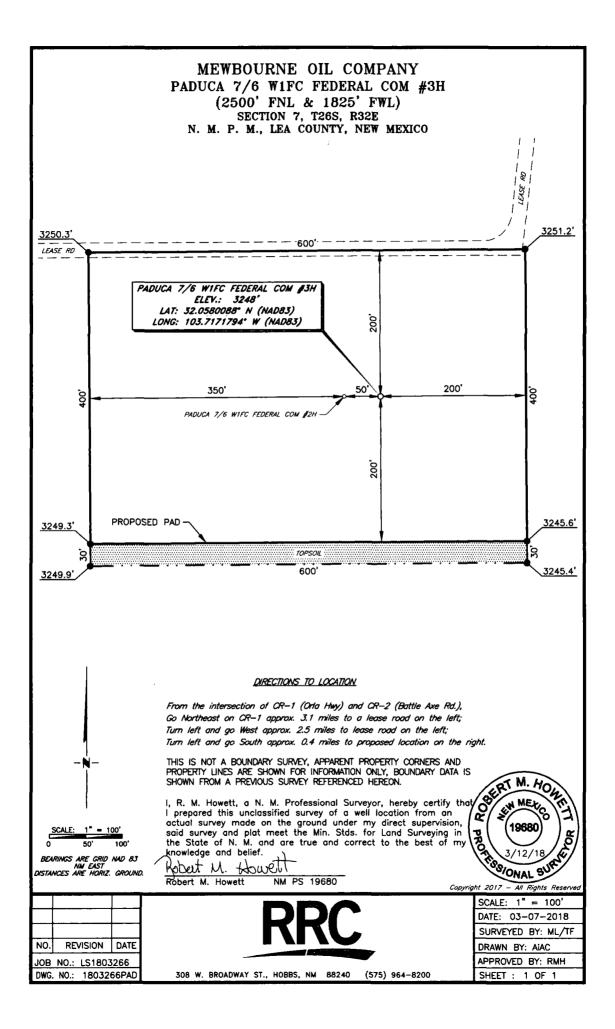
EXISTING WELL MAP PADUCA 7/6 W1FC FEDERAL COM #3H













U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO **Produced Water Disposal (PWD) Location: PWD surface owner:** Lined pit PWD on or off channel: Lined pit PWD discharge volume (bbl/day): Lined pit specifications: **Pit liner description:** Pit liner manufacturers information: Precipitated solids disposal: Decribe precipitated solids disposal: Precipitated solids disposal permit: Lined pit precipitated solids disposal schedule: Lined pit precipitated solids disposal schedule attachment: Lined pit reclamation description: Lined pit reclamation attachment: Leak detection system description: Leak detection system attachment: Lined pit Monitor description: Lined pit Monitor attachment: Lined pit: do you have a reclamation bond for the pit? Is the reclamation bond a rider under the BLM bond? Lined pit bond number: Lined pit bond amount: Additional bond information attachment:

PWD disturbance (acres):

PWD Data Report

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

PWD disturbance (acres):

PWD disturbance (acres):

Injection well type: Injection well number: Assigned injection well API number? Injection well new surface disturbance (acres): Minerals protection information: Mineral protection attachment: Underground Injection Control (UIC) Permit? UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location: PWD surface owner: Surface discharge PWD discharge volume (bbl/day): Surface Discharge NPDES Permit? Surface Discharge NPDES Permit attachment: Surface Discharge site facilities information: Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

Injection well name:

Injection well API number:

PWD disturbance (acres):

PWD disturbance (acres):



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Bond Information

Federal/Indian APD: FED

BLM Bond number: NM1693

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Bond Info Data Report

Part - Contraction of the second

12/21/2018

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

VAFMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT Drilling Plan Data Report

APD ID: 10400029512

Operator Name: MEWBOURNE OIL COMPANY

Well Name: PADUCA 7/6 W1FC FED COM

Well Type: CONVENTIONAL GAS WELL

Well Number: 3H

Submission Date: 04/18/2018

Show Final Text

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Well Work Type: Drill

Section 1 - Geologic Formations

Formation	······································	•	True Vertical	Measured			Producing
ID	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	Formation
1	UNKNOWN	3248	27	27		NONE	No
2	RUSTLER	2191	1057	1057	DOLOMITE,ANHYDRIT E	USEABLE WATER	No
3	TOP SALT	1851	1397	1397	SALT	NONE	No
4	BOTTOM SALT	-904	4152	4152	SALT	NONE	No
5	LAMAR	-1111	4359	4359	LIMESTONE	NATURAL GAS,OIL	No
6	BELL CANYON	-1183	4431	4431	SANDSTONE	NATURAL GAS,OIL	No
7	CHERRY CANYON	-2142	5390	5390	SANDSTONE	NATURAL GAS,OIL	No
8	MANZANITA	-2289	5537	5537	LIMESTONE	NATURAL GAS,OIL	No
9	BRUSHY CANYON	-3634	6882	6882	SANDSTONE	NATURAL GAS,OIL	No
10	BONE SPRING	-5097	8345	8345	LIMESTONE, SHALE	NATURAL GAS,OIL	No
11	BONE SPRING 1ST	-6075	9323	9323	SANDSTONE	NATURAL GAS,OIL	No
12	BONE SPRING 2ND	-6774	10022	10022	SANDSTONE	NATURAL GAS,OIL	No
13	BONE SPRING 3RD	-7934	11182	11182	SANDSTONE	NATURAL GAS, OIL	No
14	WOLFCAMP	-8348	11596	11596	LIMESTONE,SHALE,SA NDSTONE	NATURAL GAS,OIL	Yes

Section 2 - Blowout Prevention

