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| 1. Operator Name and Address MEWBOURNE OIL CO PO BOX 5270 HOBBS, NM 88241 | | 2. OGRID Number 14744 |
| | | 3. API Number 30-015-36650 |
| 4. Property Code 37401 | 5. Property Name PARKWAY 26 STATE COM | 6. Well No. 001 |

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|------------------|---------------|----------------|
| UL - Lot D | Section 26 | Township 19S | Range 29E | Lot Idn D | Feet From 875 | N/S Line N | Feet From 660 | E/W Line W | County EDDY |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|------------------|---------------|----------------|

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|----------------------------|-------|
| PARKWAY MORROW, WEST (GAS) | 82600 |
|----------------------------|-------|

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|---|-----------------------------|--|-------------------------|------------------------------------|
| 9. Work Type New Well | 10. Well Type GAS | 11. Cable/Rotary | 12. Lease Type State | 13. Ground Level Elevation 3338 |
| 14. Multiple N | 15. Proposed Depth 11800 | 16. Formation Morrow | 17. Contractor | 18. Spud Date 11/1/2008 |
| Depth to Ground water | | Distance from nearest fresh water well | | Distance to nearest surface water |
| Pit: Liner: Synthetic <input type="checkbox"/> mls thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> | | | | |

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5 | 13.375 | 48 | 350 | 350 | 0 |
| Int1 | 12.25 | 9.625 | 40 | 3300 | 1200 | 0 |
| Prod | 8.75 | 4.5 | 11.6 | 11800 | 800 | 2700 |

MOC proposes to drill & test the Morrow & intermediate formations. H2S rule 118 does not apply because MOC has researched this area & no high concentrations were found. Will have on location & working all H2S safety equipment before Yates formation for safety & insurance purposes. If commercial, production casing will be run & cemented. Will perforate & stimulate as needed for production.

| Type | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| Annular | 2000 | 1500 | Schaffer |
| DoubleRam | 5000 | 5000 | Schaffer |
| Annular | 5000 | 2500 | Schaffer |

Conditions of Approval Attached

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
 Permit 82699

WELL LOCATION AND ACREAGE DEDICATION PLAT

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| 1. API Number 30-015-36650 | 2. Pool Code 82600 | 3. Pool Name PARKWAY,MORROW, WEST (GAS) |
| 4. Property Code 37401 | 5. Property Name PARKWAY 26 STATE COM | 6. Well No. 001 |
| 7. OGRID No. 14744 | 8. Operator Name MEWBOURNE OIL CO | 9. Elevation 3338 |

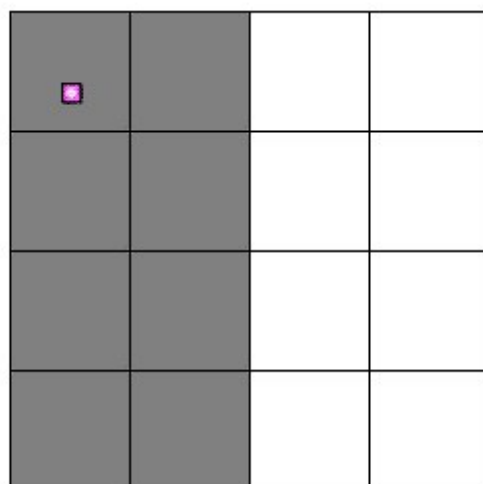
10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| D | 26 | 19S | 29E | | 875 | N | 660 | W | EDDY |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|-------------------------------|---------|---------------------|-------|------------------------|-----------|---------------|-----------|----------|--------|
| 12. Dedicated Acres 320.00 | | 13. Joint or Infill | | 14. Consolidation Code | | 15. Order No. | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Monty Whetstone
 Title: Vice President Operations
 Date: 9/29/2008

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Surveyed By: Gary Jones
 Date of Survey: 9/10/2008
 Certificate Number: 7977

Permit Comments

Operator: MEWBOURNE OIL CO , 14744
Well: PARKWAY 26 STATE COM #001
API: 30-015-36650

| Created By | Comment | Comment Date |
|------------|---|--------------|
| NMYOUNG | Mud Program: 0-350' FW spud mud, lime for pH & LCM as needed. 350'-3300' Brine Water, Lime for pH & LCM as needed. 3300'-TD Cut Brine water, 9.3#/g, caustic for pH, starch for WL control & LCM as needed. | 9/29/2008 |

Permit Conditions of Approval

Operator: MEWBOURNE OIL CO , 14744

Well: PARKWAY 26 STATE COM #001

API: 30-015-36650

| OCD Reviewer | Condition |
|--------------|--|
| TGUM | NOTE: TIE BACK CHANGE ON PRODUCTION CSG. |