

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 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-101
August 1, 2011
Permit 258783

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MEWBOURNE OIL CO P.O. Box 5270 Hobbs , NM 88241		2. OGRID Number 14744
4. Property Code 322756		3. API Number 30-025-45282
5. Property Name INLAND 26 23 B3ML STATE COM		6. Well No. 002H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	26	21S	34E	M	285	S	300	W	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	23	21S	34E	L	2542	S	450	W	Lea

9. Pool Information

GRAMA RIDGE;BONE SPRING, NE	28435
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3670
16. Multiple N	17. Proposed Depth 18562	18. Formation 3rd Bone Spring Sand	19. Contractor	20. Spud Date 11/17/2018
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1800	1255	0
Int1	12.25	9.625	40	5525	1165	0
Prod	8.75	7	26	11489	725	5325
Liner1	6.125	4.5	13.5	18820	325	10734

Casing/Cement Program: Additional Comments

MOC proposed to drill & test the Bone Springs formation. H2S rule 118 does not apply because MOC has researched the area & no high concentrations were found. Will have on location & working all H2S safety equipment before Yates formation for safety & insurance purposes. Will stimulate as needed for production.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	2000	1500	Schaffer
Double Ram	3000	3000	Schaffer
Annular	3000	1500	Schaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Monty Whetstone	Approved By: Paul F Kautz
Title: Vice President Operations	Title: Geologist
Email Address: prodmgr@mewbourne.com	Approved Date: 10/22/2018 Expiration Date: 10/22/2020
Date: 10/19/2018 Phone: 903-561-2900	Conditions of Approval Attached

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Form C-102
 August 1, 2011
 Permit 258783

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-45282	2. Pool Code 28435	3. Pool Name GRAMA RIDGE;BONE SPRING, NE
4. Property Code 322756	5. Property Name INLAND 26 23 B3ML STATE COM	6. Well No. 002H
7. OGRID No. 14744	8. Operator Name MEWBOURNE OIL CO	9. Elevation 3670

10. Surface Location

UL - Lot M	Section 26	Township 21S	Range 34E	Lot Idn M	Feet From 285	N/S Line S	Feet From 300	E/W Line W	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot L	Section 23	Township 21S	Range 34E	Lot Idn L	Feet From 2542	N/S Line S	Feet From 450	E/W Line W	County Lea
12. Dedicated Acres 240.00	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>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.</i> E-Signed By: Monty Whetstone Title: Vice President Operations Date: 10/19/2018
	SURVEYOR CERTIFICATION <i>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.</i> Surveyed By: Robert Howett Date of Survey: 10/20/2016 Certificate Number: 19680

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Form APD Comments

Permit 258783

PERMIT COMMENTS

Operator Name and Address: MEWBOURNE OIL CO [14744] P.O. Box 5270 Hobbs , NM 88241		API Number: 30-025-45282
		Well: INLAND 26 23 B3ML STATE COM #002H

Created By	Comment	Comment Date
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Form APD Conditions

Permit 258783

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

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: MEWBOURNE OIL CO [14744] P.O. Box 5270 Hobbs , NM 88241	API Number: 30-025-45282
	Well: INLAND 26 23 B3ML STATE COM #002H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing -- 3) Liner - Cement must tie back into production casing
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD.
pkautz	Stage Tool - 1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.