

| | | |
|--|--|---|
| Well Name: LITTLE RASCALS 17/18 W0PM FED COM | Well Location: T22S / R28E / SEC 17 / SESE / 32.3878689 / -104.1019991 | County or Parish/State: EDDY / NM |
| Well Number: 1H | Type of Well: CONVENTIONAL GAS WELL | Allottee or Tribe Name: |
| Lease Number: NMNM415688A | Unit or CA Name: | Unit or CA Number: |
| US Well Number: | Operator: MEWBOURNE OIL COMPANY | |

Notice of Intent

Sundry ID: 2790442

Type of Submission: Notice of Intent

Type of Action: APD Change

Date Sundry Submitted: 05/15/2024

Time Sundry Submitted: 08:07

Date proposed operation will begin: 05/15/2024

Procedure Description: Mewbourne Oil Company requests that the following changes be made to the approved APD for the Little Rascals 17/18 W0PM Fed Com #1H (APD#10400085718)... Change well name from Little Rascals 17/18 W0PM Fed Com #1H to Old Indian Draw Unit Com #4H. Change SHL From 910' FSL & 205' FEL (Sec 17) to 930' FSL & 205' FEL (Sec 17) Change BHL From 440' FSL & 330' FEL (Sec 18) to 880' FSL & 100' FWL (Sec 18) Change Federal lease name from NMNM0415688A to NMNM415688A Change 7" casing set depth from 9573' to 8873' Change 4.5" liner set depth from 19167' to 19340' Request permission for offline cementing and BOP break testing. Please see new C102, casing assumptions, drilling program, Dir plot & plan, add info, and variance request that detail these requests.

NOI Attachments

Procedure Description

Old_Indian_Draw_Unit_Com__4H_MOC_Dir_Plan_20240515080721.pdf

Old_Indian_Draw_Unit_Com__4H_MOC_Dir_Plot_20240515080722.pdf

OLD_INDIAN_DRAW_UNIT_COM__4H_20240515080715.pdf

Old_Indian_Draw_Unit_Com__4H_CsgAssumptions_20240515080714.pdf

Old_Indian_Draw_Unit_Com__4H_Drlg_Program_20240515080714.pdf

MOC_Offline_Cementing_Variance_20240515080714.pdf

MOC_Break_Testing_Variance_20240515080714.pdf

Well Name: LITTLE RASCALS 17718
W0PM FED COM

Well Location: T22S / R28E / SEC 17 /
SESE / 32.3878689 / -104.1019991

County or Parish/State: EDDY /
NM

Well Number: 1H

Type of Well: CONVENTIONAL GAS
WELL

Allottee or Tribe Name:

Lease Number: NMNM415688A

Unit or CA Name:

Unit or CA Number:

US Well Number:

Operator: MEWBOURNE OIL
COMPANY

Old_Indian_Draw_Unit_Com___4H_AddInfo_20240515080714.pdf

Conditions of Approval

Additional

Old_Indian_Draw_Unit_Com_4H_Eng_COA_20240524135754.pdf

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: CARTER CROOK

Signed on: MAY 15, 2024 08:07 AM

Name: MEWBOURNE OIL COMPANY

Title: Engineer

Street Address: 4801 BUSINESS PARK BLVD

City: HOBBS

State: NM

Phone: (580) 754-3849

Email address: CCROOK@MEWBOURNE.COM

Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: CHRISTOPHER WALLS

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5752342234

BLM POC Email Address: cwalls@blm.gov

Disposition: Approved

Disposition Date: 05/25/2024

Signature: Chris Walls

Form 3160-5
(June 2019)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well

Oil Well Gas Well Other

8. Well Name and No.

2. Name of Operator

9. API Well No.

3a. Address

3b. Phone No. (include area code)

10. Field and Pool or Exploratory Area

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)

11. Country or Parish, State

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Title

Signature

Date

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law 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, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. 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.

NOTICES

The privacy Act of 1974 and the 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., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

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

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

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 Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Location of Well

0. SHL: SESE / 910 FSL / 205 FEL / TWSP: 22S / RANGE: 28E / SECTION: 17 / LAT: 32.3878689 / LONG: -104.1019991 (TVD: 0 feet, MD: 0 feet)

PPP: SESE / 440 FSL / 330 FEL / TWSP: 22S / RANGE: 28E / SECTION: 17 / LAT: 32.3865827 / LONG: -104.1024073 (TVD: 9414 feet, MD: 9573 feet)

BHL: SWSW / 440 FSL / 330 FWL / TWSP: 22S / RANGE: 28E / SECTION: 18 / LAT: 32.386735 / LONG: -104.1334763 (TVD: 9326 feet, MD: 19168 feet)

CONFIDENTIAL

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

| | |
|-----------------------|-----------------------------------|
| OPERATOR'S NAME: | MEWBOURNE OIL COMPANY |
| WELL NAME & NO.: | OLD INDIAN DRAW UNIT COM 4H |
| APD ID | 10400085718 |
| SURFACE HOLE FOOTAGE: | 930'/S & 205'/E |
| BOTTOM HOLE FOOTAGE | 880'/S & 100'/W |
| SURFACE LOCATION: | Section 17, T.22 S., R.28 E. NMP. |
| COUNTY: | Eddy County, New Mexico |

COA

| | | | |
|----------------------|---|--|---|
| H ₂ S | <input checked="" type="radio"/> Yes | <input type="radio"/> No | |
| Potash | <input checked="" type="radio"/> None | <input type="radio"/> Secretary | <input type="radio"/> R-111-P |
| Cave/Karst Potential | <input type="radio"/> Low | <input checked="" type="radio"/> Medium | <input type="radio"/> High |
| Cave/Karst Potential | <input type="radio"/> Critical | | |
| Variance | <input type="radio"/> None | <input checked="" type="radio"/> Flex Hose | <input type="radio"/> Other |
| Wellhead | <input type="radio"/> Conventional | <input checked="" type="radio"/> Multibowl | <input type="radio"/> Both |
| Other | <input type="checkbox"/> 4 String | <input type="checkbox"/> Capitan Reef | <input type="checkbox"/> WIPP |
| Other | <input type="checkbox"/> Fluid Filled | <input type="checkbox"/> Pilot Hole | <input type="checkbox"/> Open Annulus |
| Other Variances | <input checked="" type="checkbox"/> Offline cementing | <input type="checkbox"/> Squeeze cement | <input checked="" type="checkbox"/> Break testing |
| Special Requirements | <input type="checkbox"/> Water Disposal | <input checked="" type="checkbox"/> COM | <input checked="" type="checkbox"/> Unit |

SEE ORIGINAL COA FOR ALL OTHER REQUIREMENTS.

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H₂S) Drilling Plan shall be activated **AT SPUD**. As a result, the Hydrogen Sulfide area must meet **43 CFR 3176** requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING DESIGN

Primary Casing Design

1. The **13-3/8** inch surface casing shall be set at approximately **300 ft.** (a minimum of 70 feet (Eddy County) into the Rustler Anhydrite and above the salt) and cemented to the surface. **If salt is encountered, set casing at least 25 ft. 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 will be a minimum of **8 hours** or **500 psi compressive strength**, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 psi compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The **9-5/8** inch intermediate casing shall be set in a competent bed at approximately **2,425 ft.** 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 cement is less than 25%, more cement is required if washout occurs. Adjust cement volume and excess based on a fluid caliper or similar method that reflects the as-drilled size of the wellbore.
- ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
3. Operator has proposed to set **7 in. 26# N-80** production casing at approximately **8,873 ft.** (8,871 ft. TVD). The minimum required fill of cement behind the **7 in.** production casing is:
- Option 1 (Single Stage):** Cement should tie-back **at least 200 feet** into previous casing string. Operator shall provide method of verification. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to **cave/karst**.
- Option 2 (Two-stage):** Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.
- a. **First stage to DV tool:** Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
 - b. **Second stage above DV tool:** Cement should tie-back **at least 200 feet** into previous casing string. Operator shall provide method of verification. If cement does not circulate, contact the appropriate BLM office. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to **cave/karst**.
4. The minimum required fill of cement behind the **4-1/2 in.** production liner is:
- Cement should tie-back **at least 100 feet** into previous casing string. Operator shall provide method of verification.

Alternate Casing Design

1. The **13-3/8** inch surface casing shall be set at approximately **300 ft.** (a minimum of 70 feet (Eddy County) into the Rustler Anhydrite and above the salt) and cemented to the surface. **If salt is encountered, set casing at least 25 ft. above the salt.**
 - e. 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.
 - f. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or **500 psi compressive strength**, whichever is greater. (This is to include the lead cement)
 - g. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 psi compressive strength, whichever is greater.
 - h. If cement falls back, remedial cementing will be done prior to drilling out that string.

2. The **9-5/8** inch intermediate casing shall be set in a competent bed at approximately **2,425 ft.** 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 cement is less than 25%, more cement is required if washout occurs. Adjust cement volume and excess based on a fluid caliper or similar method that reflects the as-drilled size of the wellbore.

 - ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.

3. Operator has proposed to set **7 in. 26# HCP-110** production casing at approximately **9,764 ft.** (9,444 ft. TVD). The minimum required fill of cement behind the **7 in.** production casing is:

Option 1 (Single Stage): Cement should tie-back **at least 200 feet** into previous casing string. Operator shall provide method of verification. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to **cave/karst**.

Option 2 (Two-stage): Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

 - c. **First stage to DV tool:** Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.

- d. **Second stage above DV tool:** Cement should tie-back **at least 200 feet** into previous casing string. Operator shall provide method of verification. If cement does not circulate, contact the appropriate BLM office. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to **cave/karst**.
4. The minimum required fill of cement behind the **4-1/2 in.** production liner is:
 - Cement should tie-back **at least 100 feet** into previous casing string. Operator shall provide method of verification.

C. PRESSURE CONTROL

1. Variance approved to use **flex line** from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).
2. 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 **5000 (5M) psi**. Before drilling the surface casing shoe out, the BOP/BOPE and annular preventer shall be pressure-tested in accordance with **title 43 CFR 3172 and API Standard 53**.
 - 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. 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.
 - e. Whenever any seal subject to test pressure is broken, all the tests in the **title 43 CFR 3172.6(b)(9)** must be followed.

BOPE Break Testing Variance (Note: For a minimum 5M BOPE or less (Utilizing a 10M BOPE system))

- BOPE Break Testing is ONLY permitted for 5M BOPE or less. (**Annular preventer must be tested to a minimum of 70% of BOPE working pressure and shall be higher than the MASP**)
- BOPE Break Testing is NOT permitted to drilling the production hole section.
- Variance only pertains to the intermediate hole-sections and no deeper than the Bone Springs formation.
- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier

- or cradle.
- Any well control event while drilling require notification to the BLM Petroleum Engineer (**575-706-2779**) prior to the commencement of any BOPE Break Testing operations.
 - A full BOPE test is required prior to drilling the first deep intermediate hole section. If any subsequent hole interval is deeper than the first, a full BOPE test will be required. (200' TVD tolerance between intermediate shoes is allowable).
 - The BLM is to be contacted (**575-361-2822 Eddy County**) 4 hours prior to BOPE tests.
 - As a minimum, a full BOPE test shall be performed at 21-day intervals.
 - In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per title **43 CFR 3172**.
 - If in the event break testing is not utilized, then a full BOPE test would be conducted.

Offline Cementing

Offline cementing variance is approved for surface and intermediate casings only. Contact the BLM prior to the commencement of any offline cementing procedure.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

Unit Wells

The well sign for a unit well shall include the unit number in addition to the surface and bottom hole lease numbers. This also applies to participating area numbers. If a participating area has not been established, the operator can use the general unit designation, but will replace the unit number with the participating area number when the sign is replaced.

Commercial Well Determination

A commercial well determination shall be submitted after production has been established for at least six months. (This is not necessary for secondary recovery unit wells)

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

Eddy County

EMAIL or call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,

BLM_NM_CFO_DrillingNotifications@BLM.GOV

(575) 361-2822

Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)

689-5981

1. 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.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.

- BOP/BOPE test to be conducted per **title 43 CFR 3172**
 - as soon as 2nd Rig is rigged up on well.
2. 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 are located, this does not include the dog house or stairway area.
 3. 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.

A. CASING

1. 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.
2. Wait on cement (WOC) for Potash Areas: 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 for all cement blends, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
3. 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 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
4. 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.

5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
7. 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.
8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in the **title 43 CFR 3172** and **API STD 53 Sec. 5.3**.
2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. 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.
3. 5M or higher 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. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - 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. Whenever any seal subject to test pressure is broken, all the tests in the **title 43 CFR 3172.6(b)(9)** must be followed.
 - 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.
5. The appropriate BLM office shall be notified a minimum of 4 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 cement), 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).
 - b. In potash areas, 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. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)
 - c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to **43 CFR 3172** with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (8 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
 - d. 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.
 - e. The results of the test shall be reported to the appropriate BLM office.
 - f. 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.

- g. 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.
- h. 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 **43 CFR 3172**.

C. 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.

D. 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.

SA 05/24/2024

Mewbourne Oil Company

Eddy County, New Mexico NAD 83

Old Indian Draw Unit Com #4H

Sec 17, T22S, R28E

SHL: 930' FSL & 205' FEL (Sec 17)

BHL: 880' FSL & 100' FWL (Sec 18)

Plan: Design #1

Standard Planning Report

28 March, 2024

Planning Report

| | | | |
|------------------|-----------------------------------|-------------------------------------|-----------------------------------|
| Database: | Hobbs | Local Co-ordinate Reference: | Site Old Indian Draw Unit Com #4H |
| Company: | Mewbourne Oil Company | TVD Reference: | Well @ 3109.0usft (Original Well) |
| Project: | Eddy County, New Mexico NAD 83 | MD Reference: | Well @ 3109.0usft (Original Well) |
| Site: | Old Indian Draw Unit Com #4H | North Reference: | Grid |
| Well: | Sec 17, T22S, R28E | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | BHL: 880' FSL & 100' FWL (Sec 18) | | |
| Design: | Design #1 | | |

| | | | |
|--------------------|--------------------------------|----------------------|--------------|
| Project | Eddy County, New Mexico NAD 83 | | |
| Map System: | US State Plane 1983 | System Datum: | Ground Level |
| Geo Datum: | North American Datum 1983 | | |
| Map Zone: | New Mexico Eastern Zone | | |

| | | | | | |
|------------------------------|------------------------------|---------------------|-----------------|-------------------|--------------|
| Site | Old Indian Draw Unit Com #4H | | | | |
| Site Position: | | Northing: | 504,935.60 usft | Latitude: | 32.3879245 |
| From: | Map | Easting: | 612,744.80 usft | Longitude: | -104.1019993 |
| Position Uncertainty: | 0.0 usft | Slot Radius: | 13-3/16 " | | |

| | | | | | | |
|-----------------------------|--------------------|----------|----------------------------|-----------------|----------------------|--------------|
| Well | Sec 17, T22S, R28E | | | | | |
| Well Position | +N-S | 0.0 usft | Northing: | 504,935.60 usft | Latitude: | 32.3879245 |
| | +E-W | 0.0 usft | Easting: | 612,744.80 usft | Longitude: | -104.1019993 |
| Position Uncertainty | | 0.0 usft | Wellhead Elevation: | 3,109.0 usft | Ground Level: | 3,081.0 usft |
| Grid Convergence: | 0.12 ° | | | | | |

| | | | | | |
|------------------|-----------------------------------|--------------------|------------------------|----------------------|----------------------------|
| Wellbore | BHL: 880' FSL & 100' FWL (Sec 18) | | | | |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
| | IGRF2010 | 12/31/2014 | 7.41 | 60.16 | 48,280.56123313 |

| | | | | |
|--------------------------|--------------------------------|--------------------|----------------------|----------------------|
| Design | Design #1 | | | |
| Audit Notes: | | | | |
| Version: | Phase: | PROTOTYPE | Tie On Depth: | 0.0 |
| Vertical Section: | Depth From (TVD) (usft) | +N-S (usft) | +E-W (usft) | Direction (°) |
| | 0.0 | 0.0 | 0.0 | 269.98 |

| | | | | |
|---------------------------------|------------------------|--------------------------|---------------------------------|----------------|
| Plan Survey Tool Program | Date | 3/28/2024 | | |
| Depth From (usft) | Depth To (usft) | Survey (Wellbore) | Tool Name | Remarks |
| 1 | 0.0 | 19,340.4 | Design #1 (BHL: 880' FSL & 100' | |

| Plan Sections | | | | | | | | | | |
|-----------------------|-----------------|-------------|-----------------------|-------------|-------------|-------------------------|------------------------|-----------------------|---------|-----------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N-S (usft) | +E-W (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) | TFO (°) | Target |
| 0.0 | 0.00 | 0.00 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 350.0 | 0.00 | 0.00 | 350.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 418.2 | 1.36 | 104.19 | 418.1 | -0.2 | 0.8 | 2.00 | 2.00 | 0.00 | 104.19 | |
| 8,805.2 | 1.36 | 104.19 | 8,802.9 | -49.1 | 194.2 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 8,873.4 | 0.00 | 0.00 | 8,871.0 | -49.3 | 195.0 | 2.00 | -2.00 | 0.00 | 180.00 | KOP: 880' FSL & 10' F |
| 9,780.2 | 90.67 | 270.26 | 9,444.0 | -46.7 | -384.7 | 10.00 | 10.00 | 0.00 | -89.74 | |
| 19,340.4 | 90.67 | 270.26 | 9,333.0 | -4.1 | -9,944.2 | 0.00 | 0.00 | 0.00 | 0.00 | BHL: 880' FSL & 100' |

Planning Report

| | | | |
|------------------|-----------------------------------|-------------------------------------|-----------------------------------|
| Database: | Hobbs | Local Co-ordinate Reference: | Site Old Indian Draw Unit Com #4H |
| Company: | Mewbourne Oil Company | TVD Reference: | Well @ 3109.0usft (Original Well) |
| Project: | Eddy County, New Mexico NAD 83 | MD Reference: | Well @ 3109.0usft (Original Well) |
| Site: | Old Indian Draw Unit Com #4H | North Reference: | Grid |
| Well: | Sec 17, T22S, R28E | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | BHL: 880' FSL & 100' FWL (Sec 18) | | |
| Design: | Design #1 | | |

| Planned Survey | | | | | | | | | |
|--|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| 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) |
| 0.0 | 0.00 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| SHL: 930' FSL & 205' FEL (Sec 17) | | | | | | | | | |
| 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 |
| 350.0 | 0.00 | 0.00 | 350.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 400.0 | 1.00 | 104.19 | 400.0 | -0.1 | 0.4 | -0.4 | 2.00 | 2.00 | 0.00 |
| 418.2 | 1.36 | 104.19 | 418.1 | -0.2 | 0.8 | -0.8 | 2.00 | 2.00 | 0.00 |
| 500.0 | 1.36 | 104.19 | 500.0 | -0.7 | 2.7 | -2.7 | 0.00 | 0.00 | 0.00 |
| 600.0 | 1.36 | 104.19 | 599.9 | -1.3 | 5.0 | -5.0 | 0.00 | 0.00 | 0.00 |
| 700.0 | 1.36 | 104.19 | 699.9 | -1.8 | 7.3 | -7.3 | 0.00 | 0.00 | 0.00 |
| 800.0 | 1.36 | 104.19 | 799.9 | -2.4 | 9.6 | -9.6 | 0.00 | 0.00 | 0.00 |
| 900.0 | 1.36 | 104.19 | 899.9 | -3.0 | 11.9 | -11.9 | 0.00 | 0.00 | 0.00 |
| 1,000.0 | 1.36 | 104.19 | 999.8 | -3.6 | 14.2 | -14.2 | 0.00 | 0.00 | 0.00 |
| 1,100.0 | 1.36 | 104.19 | 1,099.8 | -4.2 | 16.5 | -16.5 | 0.00 | 0.00 | 0.00 |
| 1,200.0 | 1.36 | 104.19 | 1,199.8 | -4.8 | 18.8 | -18.8 | 0.00 | 0.00 | 0.00 |
| 1,300.0 | 1.36 | 104.19 | 1,299.7 | -5.3 | 21.1 | -21.1 | 0.00 | 0.00 | 0.00 |
| 1,400.0 | 1.36 | 104.19 | 1,399.7 | -5.9 | 23.4 | -23.4 | 0.00 | 0.00 | 0.00 |
| 1,500.0 | 1.36 | 104.19 | 1,499.7 | -6.5 | 25.7 | -25.7 | 0.00 | 0.00 | 0.00 |
| 1,600.0 | 1.36 | 104.19 | 1,599.7 | -7.1 | 28.0 | -28.0 | 0.00 | 0.00 | 0.00 |
| 1,700.0 | 1.36 | 104.19 | 1,699.6 | -7.7 | 30.3 | -30.3 | 0.00 | 0.00 | 0.00 |
| 1,800.0 | 1.36 | 104.19 | 1,799.6 | -8.3 | 32.7 | -32.7 | 0.00 | 0.00 | 0.00 |
| 1,900.0 | 1.36 | 104.19 | 1,899.6 | -8.8 | 35.0 | -35.0 | 0.00 | 0.00 | 0.00 |
| 2,000.0 | 1.36 | 104.19 | 1,999.5 | -9.4 | 37.3 | -37.3 | 0.00 | 0.00 | 0.00 |
| 2,100.0 | 1.36 | 104.19 | 2,099.5 | -10.0 | 39.6 | -39.6 | 0.00 | 0.00 | 0.00 |
| 2,200.0 | 1.36 | 104.19 | 2,199.5 | -10.6 | 41.9 | -41.9 | 0.00 | 0.00 | 0.00 |
| 2,300.0 | 1.36 | 104.19 | 2,299.5 | -11.2 | 44.2 | -44.2 | 0.00 | 0.00 | 0.00 |
| 2,400.0 | 1.36 | 104.19 | 2,399.4 | -11.8 | 46.5 | -46.5 | 0.00 | 0.00 | 0.00 |
| 2,500.0 | 1.36 | 104.19 | 2,499.4 | -12.3 | 48.8 | -48.8 | 0.00 | 0.00 | 0.00 |
| 2,600.0 | 1.36 | 104.19 | 2,599.4 | -12.9 | 51.1 | -51.1 | 0.00 | 0.00 | 0.00 |
| 2,700.0 | 1.36 | 104.19 | 2,699.3 | -13.5 | 53.4 | -53.4 | 0.00 | 0.00 | 0.00 |
| 2,800.0 | 1.36 | 104.19 | 2,799.3 | -14.1 | 55.7 | -55.7 | 0.00 | 0.00 | 0.00 |
| 2,900.0 | 1.36 | 104.19 | 2,899.3 | -14.7 | 58.0 | -58.0 | 0.00 | 0.00 | 0.00 |
| 3,000.0 | 1.36 | 104.19 | 2,999.3 | -15.3 | 60.3 | -60.3 | 0.00 | 0.00 | 0.00 |
| 3,100.0 | 1.36 | 104.19 | 3,099.2 | -15.8 | 62.6 | -62.6 | 0.00 | 0.00 | 0.00 |
| 3,200.0 | 1.36 | 104.19 | 3,199.2 | -16.4 | 64.9 | -64.9 | 0.00 | 0.00 | 0.00 |
| 3,300.0 | 1.36 | 104.19 | 3,299.2 | -17.0 | 67.2 | -67.2 | 0.00 | 0.00 | 0.00 |
| 3,400.0 | 1.36 | 104.19 | 3,399.1 | -17.6 | 69.6 | -69.5 | 0.00 | 0.00 | 0.00 |
| 3,500.0 | 1.36 | 104.19 | 3,499.1 | -18.2 | 71.9 | -71.9 | 0.00 | 0.00 | 0.00 |
| 3,600.0 | 1.36 | 104.19 | 3,599.1 | -18.8 | 74.2 | -74.2 | 0.00 | 0.00 | 0.00 |
| 3,700.0 | 1.36 | 104.19 | 3,699.1 | -19.3 | 76.5 | -76.5 | 0.00 | 0.00 | 0.00 |
| 3,800.0 | 1.36 | 104.19 | 3,799.0 | -19.9 | 78.8 | -78.8 | 0.00 | 0.00 | 0.00 |
| 3,900.0 | 1.36 | 104.19 | 3,899.0 | -20.5 | 81.1 | -81.1 | 0.00 | 0.00 | 0.00 |
| 4,000.0 | 1.36 | 104.19 | 3,999.0 | -21.1 | 83.4 | -83.4 | 0.00 | 0.00 | 0.00 |
| 4,100.0 | 1.36 | 104.19 | 4,099.0 | -21.7 | 85.7 | -85.7 | 0.00 | 0.00 | 0.00 |
| 4,200.0 | 1.36 | 104.19 | 4,198.9 | -22.2 | 88.0 | -88.0 | 0.00 | 0.00 | 0.00 |
| 4,300.0 | 1.36 | 104.19 | 4,298.9 | -22.8 | 90.3 | -90.3 | 0.00 | 0.00 | 0.00 |
| 4,400.0 | 1.36 | 104.19 | 4,398.9 | -23.4 | 92.6 | -92.6 | 0.00 | 0.00 | 0.00 |
| 4,500.0 | 1.36 | 104.19 | 4,498.8 | -24.0 | 94.9 | -94.9 | 0.00 | 0.00 | 0.00 |
| 4,600.0 | 1.36 | 104.19 | 4,598.8 | -24.6 | 97.2 | -97.2 | 0.00 | 0.00 | 0.00 |
| 4,700.0 | 1.36 | 104.19 | 4,698.8 | -25.2 | 99.5 | -99.5 | 0.00 | 0.00 | 0.00 |
| 4,800.0 | 1.36 | 104.19 | 4,798.8 | -25.7 | 101.8 | -101.8 | 0.00 | 0.00 | 0.00 |
| 4,900.0 | 1.36 | 104.19 | 4,898.7 | -26.3 | 104.1 | -104.1 | 0.00 | 0.00 | 0.00 |
| 5,000.0 | 1.36 | 104.19 | 4,998.7 | -26.9 | 106.5 | -106.4 | 0.00 | 0.00 | 0.00 |

Planning Report

| | | | |
|------------------|-----------------------------------|-------------------------------------|-----------------------------------|
| Database: | Hobbs | Local Co-ordinate Reference: | Site Old Indian Draw Unit Com #4H |
| Company: | Mewbourne Oil Company | TVD Reference: | Well @ 3109.0usft (Original Well) |
| Project: | Eddy County, New Mexico NAD 83 | MD Reference: | Well @ 3109.0usft (Original Well) |
| Site: | Old Indian Draw Unit Com #4H | North Reference: | Grid |
| Well: | Sec 17, T22S, R28E | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | BHL: 880' FSL & 100' FWL (Sec 18) | | |
| Design: | Design #1 | | |

| Planned Survey | | | | | | | | | | |
|--|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|--|
| 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) | |
| 5,100.0 | 1.36 | 104.19 | 5,098.7 | -27.5 | 108.8 | -108.8 | 0.00 | 0.00 | 0.00 | |
| 5,200.0 | 1.36 | 104.19 | 5,198.6 | -28.1 | 111.1 | -111.1 | 0.00 | 0.00 | 0.00 | |
| 5,300.0 | 1.36 | 104.19 | 5,298.6 | -28.7 | 113.4 | -113.4 | 0.00 | 0.00 | 0.00 | |
| 5,400.0 | 1.36 | 104.19 | 5,398.6 | -29.2 | 115.7 | -115.7 | 0.00 | 0.00 | 0.00 | |
| 5,500.0 | 1.36 | 104.19 | 5,498.6 | -29.8 | 118.0 | -118.0 | 0.00 | 0.00 | 0.00 | |
| 5,600.0 | 1.36 | 104.19 | 5,598.5 | -30.4 | 120.3 | -120.3 | 0.00 | 0.00 | 0.00 | |
| 5,700.0 | 1.36 | 104.19 | 5,698.5 | -31.0 | 122.6 | -122.6 | 0.00 | 0.00 | 0.00 | |
| 5,800.0 | 1.36 | 104.19 | 5,798.5 | -31.6 | 124.9 | -124.9 | 0.00 | 0.00 | 0.00 | |
| 5,900.0 | 1.36 | 104.19 | 5,898.4 | -32.2 | 127.2 | -127.2 | 0.00 | 0.00 | 0.00 | |
| 6,000.0 | 1.36 | 104.19 | 5,998.4 | -32.7 | 129.5 | -129.5 | 0.00 | 0.00 | 0.00 | |
| 6,100.0 | 1.36 | 104.19 | 6,098.4 | -33.3 | 131.8 | -131.8 | 0.00 | 0.00 | 0.00 | |
| 6,200.0 | 1.36 | 104.19 | 6,198.4 | -33.9 | 134.1 | -134.1 | 0.00 | 0.00 | 0.00 | |
| 6,300.0 | 1.36 | 104.19 | 6,298.3 | -34.5 | 136.4 | -136.4 | 0.00 | 0.00 | 0.00 | |
| 6,400.0 | 1.36 | 104.19 | 6,398.3 | -35.1 | 138.7 | -138.7 | 0.00 | 0.00 | 0.00 | |
| 6,500.0 | 1.36 | 104.19 | 6,498.3 | -35.7 | 141.0 | -141.0 | 0.00 | 0.00 | 0.00 | |
| 6,600.0 | 1.36 | 104.19 | 6,598.2 | -36.2 | 143.4 | -143.3 | 0.00 | 0.00 | 0.00 | |
| 6,700.0 | 1.36 | 104.19 | 6,698.2 | -36.8 | 145.7 | -145.6 | 0.00 | 0.00 | 0.00 | |
| 6,800.0 | 1.36 | 104.19 | 6,798.2 | -37.4 | 148.0 | -148.0 | 0.00 | 0.00 | 0.00 | |
| 6,900.0 | 1.36 | 104.19 | 6,898.2 | -38.0 | 150.3 | -150.3 | 0.00 | 0.00 | 0.00 | |
| 7,000.0 | 1.36 | 104.19 | 6,998.1 | -38.6 | 152.6 | -152.6 | 0.00 | 0.00 | 0.00 | |
| 7,100.0 | 1.36 | 104.19 | 7,098.1 | -39.2 | 154.9 | -154.9 | 0.00 | 0.00 | 0.00 | |
| 7,200.0 | 1.36 | 104.19 | 7,198.1 | -39.7 | 157.2 | -157.2 | 0.00 | 0.00 | 0.00 | |
| 7,300.0 | 1.36 | 104.19 | 7,298.0 | -40.3 | 159.5 | -159.5 | 0.00 | 0.00 | 0.00 | |
| 7,400.0 | 1.36 | 104.19 | 7,398.0 | -40.9 | 161.8 | -161.8 | 0.00 | 0.00 | 0.00 | |
| 7,500.0 | 1.36 | 104.19 | 7,498.0 | -41.5 | 164.1 | -164.1 | 0.00 | 0.00 | 0.00 | |
| 7,600.0 | 1.36 | 104.19 | 7,598.0 | -42.1 | 166.4 | -166.4 | 0.00 | 0.00 | 0.00 | |
| 7,700.0 | 1.36 | 104.19 | 7,697.9 | -42.7 | 168.7 | -168.7 | 0.00 | 0.00 | 0.00 | |
| 7,800.0 | 1.36 | 104.19 | 7,797.9 | -43.2 | 171.0 | -171.0 | 0.00 | 0.00 | 0.00 | |
| 7,900.0 | 1.36 | 104.19 | 7,897.9 | -43.8 | 173.3 | -173.3 | 0.00 | 0.00 | 0.00 | |
| 8,000.0 | 1.36 | 104.19 | 7,997.8 | -44.4 | 175.6 | -175.6 | 0.00 | 0.00 | 0.00 | |
| 8,100.0 | 1.36 | 104.19 | 8,097.8 | -45.0 | 177.9 | -177.9 | 0.00 | 0.00 | 0.00 | |
| 8,200.0 | 1.36 | 104.19 | 8,197.8 | -45.6 | 180.3 | -180.2 | 0.00 | 0.00 | 0.00 | |
| 8,300.0 | 1.36 | 104.19 | 8,297.8 | -46.2 | 182.6 | -182.5 | 0.00 | 0.00 | 0.00 | |
| 8,400.0 | 1.36 | 104.19 | 8,397.7 | -46.7 | 184.9 | -184.8 | 0.00 | 0.00 | 0.00 | |
| 8,500.0 | 1.36 | 104.19 | 8,497.7 | -47.3 | 187.2 | -187.2 | 0.00 | 0.00 | 0.00 | |
| 8,600.0 | 1.36 | 104.19 | 8,597.7 | -47.9 | 189.5 | -189.5 | 0.00 | 0.00 | 0.00 | |
| 8,700.0 | 1.36 | 104.19 | 8,697.6 | -48.5 | 191.8 | -191.8 | 0.00 | 0.00 | 0.00 | |
| 8,805.2 | 1.36 | 104.19 | 8,802.9 | -49.1 | 194.2 | -194.2 | 0.00 | 0.00 | 0.00 | |
| 8,873.4 | 0.00 | 0.00 | 8,871.0 | -49.3 | 195.0 | -195.0 | 2.00 | -2.00 | 0.00 | |
| KOP: 880' FSL & 10' FEL (Sec 17) | | | | | | | | | | |
| 8,900.0 | 2.66 | 270.26 | 8,897.6 | -49.3 | 194.4 | -194.4 | 10.00 | 10.00 | 0.00 | |
| 8,950.0 | 7.66 | 270.26 | 8,947.4 | -49.3 | 189.9 | -189.9 | 10.00 | 10.00 | 0.00 | |
| 9,000.0 | 12.66 | 270.26 | 8,996.6 | -49.2 | 181.1 | -181.0 | 10.00 | 10.00 | 0.00 | |
| 9,050.0 | 17.66 | 270.26 | 9,044.8 | -49.2 | 168.0 | -168.0 | 10.00 | 10.00 | 0.00 | |
| 9,100.0 | 22.66 | 270.26 | 9,091.8 | -49.1 | 150.8 | -150.8 | 10.00 | 10.00 | 0.00 | |
| 9,150.0 | 27.66 | 270.26 | 9,137.0 | -49.0 | 129.5 | -129.5 | 10.00 | 10.00 | 0.00 | |
| 9,198.9 | 32.55 | 270.26 | 9,179.3 | -48.9 | 105.0 | -105.0 | 10.00 | 10.00 | 0.00 | |
| FTP: 880' FSL & 100' FEL (Sec 17) | | | | | | | | | | |
| 9,200.0 | 32.66 | 270.26 | 9,180.2 | -48.9 | 104.4 | -104.4 | 10.00 | 10.00 | 0.00 | |
| 9,250.0 | 37.66 | 270.26 | 9,221.1 | -48.8 | 75.6 | -75.6 | 10.00 | 10.00 | 0.00 | |
| 9,300.0 | 42.66 | 270.26 | 9,259.3 | -48.6 | 43.4 | -43.4 | 10.00 | 10.00 | 0.00 | |
| 9,350.0 | 47.65 | 270.26 | 9,294.5 | -48.5 | 8.0 | -7.9 | 10.00 | 10.00 | 0.00 | |
| 9,400.0 | 52.65 | 270.26 | 9,326.6 | -48.3 | -30.4 | 30.4 | 10.00 | 10.00 | 0.00 | |
| 9,450.0 | 57.65 | 270.26 | 9,355.1 | -48.1 | -71.4 | 71.5 | 10.00 | 10.00 | 0.00 | |

Planning Report

| | | | |
|------------------|-----------------------------------|-------------------------------------|-----------------------------------|
| Database: | Hobbs | Local Co-ordinate Reference: | Site Old Indian Draw Unit Com #4H |
| Company: | Mewbourne Oil Company | TVD Reference: | Well @ 3109.0usft (Original Well) |
| Project: | Eddy County, New Mexico NAD 83 | MD Reference: | Well @ 3109.0usft (Original Well) |
| Site: | Old Indian Draw Unit Com #4H | North Reference: | Grid |
| Well: | Sec 17, T22S, R28E | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | BHL: 880' FSL & 100' FWL (Sec 18) | | |
| Design: | Design #1 | | |

| Planned Survey | | | | | | | | | |
|---|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| 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) |
| 9,500.0 | 62.65 | 270.26 | 9,380.0 | -47.9 | -114.8 | 114.8 | 10.00 | 10.00 | 0.00 |
| 9,550.0 | 67.65 | 270.26 | 9,401.0 | -47.7 | -160.1 | 160.2 | 10.00 | 10.00 | 0.00 |
| 9,600.0 | 72.65 | 270.26 | 9,418.0 | -47.5 | -207.2 | 207.2 | 10.00 | 10.00 | 0.00 |
| 9,650.0 | 77.65 | 270.26 | 9,430.8 | -47.3 | -255.5 | 255.5 | 10.00 | 10.00 | 0.00 |
| 9,700.0 | 82.65 | 270.26 | 9,439.3 | -47.1 | -304.7 | 304.7 | 10.00 | 10.00 | 0.00 |
| 9,750.0 | 87.65 | 270.26 | 9,443.6 | -46.9 | -354.5 | 354.5 | 10.00 | 10.00 | 0.00 |
| 9,763.5 | 89.00 | 270.26 | 9,444.0 | -46.8 | -368.0 | 368.0 | 10.00 | 10.00 | 0.00 |
| LP: 880' FSL & 583' FEL (Sec 17) | | | | | | | | | |
| 9,780.2 | 90.67 | 270.26 | 9,444.0 | -46.7 | -384.7 | 384.7 | 10.00 | 10.00 | 0.00 |
| 9,800.0 | 90.67 | 270.26 | 9,443.8 | -46.6 | -404.5 | 404.5 | 0.00 | 0.00 | 0.00 |
| 9,900.0 | 90.67 | 270.26 | 9,442.6 | -46.2 | -504.5 | 504.5 | 0.00 | 0.00 | 0.00 |
| 10,000.0 | 90.67 | 270.26 | 9,441.4 | -45.7 | -604.5 | 604.5 | 0.00 | 0.00 | 0.00 |
| 10,100.0 | 90.67 | 270.26 | 9,440.3 | -45.3 | -704.5 | 704.5 | 0.00 | 0.00 | 0.00 |
| 10,200.0 | 90.67 | 270.26 | 9,439.1 | -44.8 | -804.5 | 804.5 | 0.00 | 0.00 | 0.00 |
| 10,300.0 | 90.67 | 270.26 | 9,438.0 | -44.4 | -904.5 | 904.5 | 0.00 | 0.00 | 0.00 |
| 10,400.0 | 90.67 | 270.26 | 9,436.8 | -44.0 | -1,004.5 | 1,004.5 | 0.00 | 0.00 | 0.00 |
| 10,500.0 | 90.67 | 270.26 | 9,435.6 | -43.5 | -1,104.5 | 1,104.5 | 0.00 | 0.00 | 0.00 |
| 10,600.0 | 90.67 | 270.26 | 9,434.5 | -43.1 | -1,204.5 | 1,204.5 | 0.00 | 0.00 | 0.00 |
| 10,700.0 | 90.67 | 270.26 | 9,433.3 | -42.6 | -1,304.4 | 1,304.5 | 0.00 | 0.00 | 0.00 |
| 10,800.0 | 90.67 | 270.26 | 9,432.2 | -42.2 | -1,404.4 | 1,404.5 | 0.00 | 0.00 | 0.00 |
| 10,900.0 | 90.67 | 270.26 | 9,431.0 | -41.7 | -1,504.4 | 1,504.4 | 0.00 | 0.00 | 0.00 |
| 11,000.0 | 90.67 | 270.26 | 9,429.8 | -41.3 | -1,604.4 | 1,604.4 | 0.00 | 0.00 | 0.00 |
| 11,100.0 | 90.67 | 270.26 | 9,428.7 | -40.8 | -1,704.4 | 1,704.4 | 0.00 | 0.00 | 0.00 |
| 11,200.0 | 90.67 | 270.26 | 9,427.5 | -40.4 | -1,804.4 | 1,804.4 | 0.00 | 0.00 | 0.00 |
| 11,300.0 | 90.67 | 270.26 | 9,426.4 | -39.9 | -1,904.4 | 1,904.4 | 0.00 | 0.00 | 0.00 |
| 11,400.0 | 90.67 | 270.26 | 9,425.2 | -39.5 | -2,004.4 | 2,004.4 | 0.00 | 0.00 | 0.00 |
| 11,500.0 | 90.67 | 270.26 | 9,424.0 | -39.0 | -2,104.4 | 2,104.4 | 0.00 | 0.00 | 0.00 |
| 11,600.0 | 90.67 | 270.26 | 9,422.9 | -38.6 | -2,204.4 | 2,204.4 | 0.00 | 0.00 | 0.00 |
| 11,700.0 | 90.67 | 270.26 | 9,421.7 | -38.2 | -2,304.4 | 2,304.4 | 0.00 | 0.00 | 0.00 |
| 11,800.0 | 90.67 | 270.26 | 9,420.5 | -37.7 | -2,404.4 | 2,404.4 | 0.00 | 0.00 | 0.00 |
| 11,900.0 | 90.67 | 270.26 | 9,419.4 | -37.3 | -2,504.4 | 2,504.4 | 0.00 | 0.00 | 0.00 |
| 12,000.0 | 90.67 | 270.26 | 9,418.2 | -36.8 | -2,604.3 | 2,604.4 | 0.00 | 0.00 | 0.00 |
| 12,100.0 | 90.67 | 270.26 | 9,417.1 | -36.4 | -2,704.3 | 2,704.4 | 0.00 | 0.00 | 0.00 |
| 12,200.0 | 90.67 | 270.26 | 9,415.9 | -35.9 | -2,804.3 | 2,804.3 | 0.00 | 0.00 | 0.00 |
| 12,300.0 | 90.67 | 270.26 | 9,414.7 | -35.5 | -2,904.3 | 2,904.3 | 0.00 | 0.00 | 0.00 |
| 12,400.0 | 90.67 | 270.26 | 9,413.6 | -35.0 | -3,004.3 | 3,004.3 | 0.00 | 0.00 | 0.00 |
| 12,500.0 | 90.67 | 270.26 | 9,412.4 | -34.6 | -3,104.3 | 3,104.3 | 0.00 | 0.00 | 0.00 |
| 12,600.0 | 90.67 | 270.26 | 9,411.3 | -34.1 | -3,204.3 | 3,204.3 | 0.00 | 0.00 | 0.00 |
| 12,700.0 | 90.67 | 270.26 | 9,410.1 | -33.7 | -3,304.3 | 3,304.3 | 0.00 | 0.00 | 0.00 |
| 12,800.0 | 90.67 | 270.26 | 9,408.9 | -33.3 | -3,404.3 | 3,404.3 | 0.00 | 0.00 | 0.00 |
| 12,900.0 | 90.67 | 270.26 | 9,407.8 | -32.8 | -3,504.3 | 3,504.3 | 0.00 | 0.00 | 0.00 |
| 13,000.0 | 90.67 | 270.26 | 9,406.6 | -32.4 | -3,604.3 | 3,604.3 | 0.00 | 0.00 | 0.00 |
| 13,100.0 | 90.67 | 270.26 | 9,405.5 | -31.9 | -3,704.3 | 3,704.3 | 0.00 | 0.00 | 0.00 |
| 13,200.0 | 90.67 | 270.26 | 9,404.3 | -31.5 | -3,804.3 | 3,804.3 | 0.00 | 0.00 | 0.00 |
| 13,300.0 | 90.67 | 270.26 | 9,403.1 | -31.0 | -3,904.2 | 3,904.3 | 0.00 | 0.00 | 0.00 |
| 13,400.0 | 90.67 | 270.26 | 9,402.0 | -30.6 | -4,004.2 | 4,004.3 | 0.00 | 0.00 | 0.00 |
| 13,500.0 | 90.67 | 270.26 | 9,400.8 | -30.1 | -4,104.2 | 4,104.2 | 0.00 | 0.00 | 0.00 |
| 13,600.0 | 90.67 | 270.26 | 9,399.6 | -29.7 | -4,204.2 | 4,204.2 | 0.00 | 0.00 | 0.00 |
| 13,700.0 | 90.67 | 270.26 | 9,398.5 | -29.2 | -4,304.2 | 4,304.2 | 0.00 | 0.00 | 0.00 |
| 13,800.0 | 90.67 | 270.26 | 9,397.3 | -28.8 | -4,404.2 | 4,404.2 | 0.00 | 0.00 | 0.00 |
| 13,900.0 | 90.67 | 270.26 | 9,396.2 | -28.4 | -4,504.2 | 4,504.2 | 0.00 | 0.00 | 0.00 |
| 14,000.0 | 90.67 | 270.26 | 9,395.0 | -27.9 | -4,604.2 | 4,604.2 | 0.00 | 0.00 | 0.00 |
| 14,100.0 | 90.67 | 270.26 | 9,393.8 | -27.5 | -4,704.2 | 4,704.2 | 0.00 | 0.00 | 0.00 |

Planning Report

| | | | |
|------------------|-----------------------------------|-------------------------------------|-----------------------------------|
| Database: | Hobbs | Local Co-ordinate Reference: | Site Old Indian Draw Unit Com #4H |
| Company: | Mewbourne Oil Company | TVD Reference: | Well @ 3109.0usft (Original Well) |
| Project: | Eddy County, New Mexico NAD 83 | MD Reference: | Well @ 3109.0usft (Original Well) |
| Site: | Old Indian Draw Unit Com #4H | North Reference: | Grid |
| Well: | Sec 17, T22S, R28E | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | BHL: 880' FSL & 100' FWL (Sec 18) | | |
| Design: | Design #1 | | |

| Planned Survey | | | | | | | | | | |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|--|
| 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) | |
| 14,200.0 | 90.67 | 270.26 | 9,392.7 | -27.0 | -4,804.2 | 4,804.2 | 0.00 | 0.00 | 0.00 | |
| 14,300.0 | 90.67 | 270.26 | 9,391.5 | -26.6 | -4,904.2 | 4,904.2 | 0.00 | 0.00 | 0.00 | |
| 14,400.0 | 90.67 | 270.26 | 9,390.4 | -26.1 | -5,004.2 | 5,004.2 | 0.00 | 0.00 | 0.00 | |
| 14,500.0 | 90.67 | 270.26 | 9,389.2 | -25.7 | -5,104.2 | 5,104.2 | 0.00 | 0.00 | 0.00 | |
| 14,600.0 | 90.67 | 270.26 | 9,388.0 | -25.2 | -5,204.1 | 5,204.2 | 0.00 | 0.00 | 0.00 | |
| 14,700.0 | 90.67 | 270.26 | 9,386.9 | -24.8 | -5,304.1 | 5,304.1 | 0.00 | 0.00 | 0.00 | |
| 14,800.0 | 90.67 | 270.26 | 9,385.7 | -24.3 | -5,404.1 | 5,404.1 | 0.00 | 0.00 | 0.00 | |
| 14,900.0 | 90.67 | 270.26 | 9,384.6 | -23.9 | -5,504.1 | 5,504.1 | 0.00 | 0.00 | 0.00 | |
| 15,000.0 | 90.67 | 270.26 | 9,383.4 | -23.4 | -5,604.1 | 5,604.1 | 0.00 | 0.00 | 0.00 | |
| 15,100.0 | 90.67 | 270.26 | 9,382.2 | -23.0 | -5,704.1 | 5,704.1 | 0.00 | 0.00 | 0.00 | |
| 15,200.0 | 90.67 | 270.26 | 9,381.1 | -22.6 | -5,804.1 | 5,804.1 | 0.00 | 0.00 | 0.00 | |
| 15,300.0 | 90.67 | 270.26 | 9,379.9 | -22.1 | -5,904.1 | 5,904.1 | 0.00 | 0.00 | 0.00 | |
| 15,400.0 | 90.67 | 270.26 | 9,378.8 | -21.7 | -6,004.1 | 6,004.1 | 0.00 | 0.00 | 0.00 | |
| 15,500.0 | 90.67 | 270.26 | 9,377.6 | -21.2 | -6,104.1 | 6,104.1 | 0.00 | 0.00 | 0.00 | |
| 15,600.0 | 90.67 | 270.26 | 9,376.4 | -20.8 | -6,204.1 | 6,204.1 | 0.00 | 0.00 | 0.00 | |
| 15,700.0 | 90.67 | 270.26 | 9,375.3 | -20.3 | -6,304.1 | 6,304.1 | 0.00 | 0.00 | 0.00 | |
| 15,800.0 | 90.67 | 270.26 | 9,374.1 | -19.9 | -6,404.1 | 6,404.1 | 0.00 | 0.00 | 0.00 | |
| 15,900.0 | 90.67 | 270.26 | 9,372.9 | -19.4 | -6,504.0 | 6,504.1 | 0.00 | 0.00 | 0.00 | |
| 16,000.0 | 90.67 | 270.26 | 9,371.8 | -19.0 | -6,604.0 | 6,604.0 | 0.00 | 0.00 | 0.00 | |
| 16,100.0 | 90.67 | 270.26 | 9,370.6 | -18.5 | -6,704.0 | 6,704.0 | 0.00 | 0.00 | 0.00 | |
| 16,200.0 | 90.67 | 270.26 | 9,369.5 | -18.1 | -6,804.0 | 6,804.0 | 0.00 | 0.00 | 0.00 | |
| 16,300.0 | 90.67 | 270.26 | 9,368.3 | -17.7 | -6,904.0 | 6,904.0 | 0.00 | 0.00 | 0.00 | |
| 16,400.0 | 90.67 | 270.26 | 9,367.1 | -17.2 | -7,004.0 | 7,004.0 | 0.00 | 0.00 | 0.00 | |
| 16,500.0 | 90.67 | 270.26 | 9,366.0 | -16.8 | -7,104.0 | 7,104.0 | 0.00 | 0.00 | 0.00 | |
| 16,600.0 | 90.67 | 270.26 | 9,364.8 | -16.3 | -7,204.0 | 7,204.0 | 0.00 | 0.00 | 0.00 | |
| 16,700.0 | 90.67 | 270.26 | 9,363.7 | -15.9 | -7,304.0 | 7,304.0 | 0.00 | 0.00 | 0.00 | |
| 16,800.0 | 90.67 | 270.26 | 9,362.5 | -15.4 | -7,404.0 | 7,404.0 | 0.00 | 0.00 | 0.00 | |
| 16,900.0 | 90.67 | 270.26 | 9,361.3 | -15.0 | -7,504.0 | 7,504.0 | 0.00 | 0.00 | 0.00 | |
| 17,000.0 | 90.67 | 270.26 | 9,360.2 | -14.5 | -7,604.0 | 7,604.0 | 0.00 | 0.00 | 0.00 | |
| 17,100.0 | 90.67 | 270.26 | 9,359.0 | -14.1 | -7,704.0 | 7,704.0 | 0.00 | 0.00 | 0.00 | |
| 17,200.0 | 90.67 | 270.26 | 9,357.9 | -13.6 | -7,803.9 | 7,804.0 | 0.00 | 0.00 | 0.00 | |
| 17,300.0 | 90.67 | 270.26 | 9,356.7 | -13.2 | -7,903.9 | 7,903.9 | 0.00 | 0.00 | 0.00 | |
| 17,400.0 | 90.67 | 270.26 | 9,355.5 | -12.7 | -8,003.9 | 8,003.9 | 0.00 | 0.00 | 0.00 | |
| 17,500.0 | 90.67 | 270.26 | 9,354.4 | -12.3 | -8,103.9 | 8,103.9 | 0.00 | 0.00 | 0.00 | |
| 17,600.0 | 90.67 | 270.26 | 9,353.2 | -11.9 | -8,203.9 | 8,203.9 | 0.00 | 0.00 | 0.00 | |
| 17,700.0 | 90.67 | 270.26 | 9,352.0 | -11.4 | -8,303.9 | 8,303.9 | 0.00 | 0.00 | 0.00 | |
| 17,800.0 | 90.67 | 270.26 | 9,350.9 | -11.0 | -8,403.9 | 8,403.9 | 0.00 | 0.00 | 0.00 | |
| 17,900.0 | 90.67 | 270.26 | 9,349.7 | -10.5 | -8,503.9 | 8,503.9 | 0.00 | 0.00 | 0.00 | |
| 18,000.0 | 90.67 | 270.26 | 9,348.6 | -10.1 | -8,603.9 | 8,603.9 | 0.00 | 0.00 | 0.00 | |
| 18,100.0 | 90.67 | 270.26 | 9,347.4 | -9.6 | -8,703.9 | 8,703.9 | 0.00 | 0.00 | 0.00 | |
| 18,200.0 | 90.67 | 270.26 | 9,346.2 | -9.2 | -8,803.9 | 8,803.9 | 0.00 | 0.00 | 0.00 | |
| 18,300.0 | 90.67 | 270.26 | 9,345.1 | -8.7 | -8,903.9 | 8,903.9 | 0.00 | 0.00 | 0.00 | |
| 18,400.0 | 90.67 | 270.26 | 9,343.9 | -8.3 | -9,003.9 | 9,003.9 | 0.00 | 0.00 | 0.00 | |
| 18,500.0 | 90.67 | 270.26 | 9,342.8 | -7.8 | -9,103.8 | 9,103.8 | 0.00 | 0.00 | 0.00 | |
| 18,600.0 | 90.67 | 270.26 | 9,341.6 | -7.4 | -9,203.8 | 9,203.8 | 0.00 | 0.00 | 0.00 | |
| 18,700.0 | 90.67 | 270.26 | 9,340.4 | -7.0 | -9,303.8 | 9,303.8 | 0.00 | 0.00 | 0.00 | |
| 18,800.0 | 90.67 | 270.26 | 9,339.3 | -6.5 | -9,403.8 | 9,403.8 | 0.00 | 0.00 | 0.00 | |
| 18,900.0 | 90.67 | 270.26 | 9,338.1 | -6.1 | -9,503.8 | 9,503.8 | 0.00 | 0.00 | 0.00 | |
| 19,000.0 | 90.67 | 270.26 | 9,337.0 | -5.6 | -9,603.8 | 9,603.8 | 0.00 | 0.00 | 0.00 | |
| 19,100.0 | 90.67 | 270.26 | 9,335.8 | -5.2 | -9,703.8 | 9,703.8 | 0.00 | 0.00 | 0.00 | |
| 19,200.0 | 90.67 | 270.26 | 9,334.6 | -4.7 | -9,803.8 | 9,803.8 | 0.00 | 0.00 | 0.00 | |
| 19,300.0 | 90.67 | 270.26 | 9,333.5 | -4.3 | -9,903.8 | 9,903.8 | 0.00 | 0.00 | 0.00 | |
| 19,340.4 | 90.67 | 270.26 | 9,333.0 | -4.1 | -9,944.2 | 9,944.2 | 0.00 | 0.00 | 0.00 | |

BHL: 880' FSL & 100' FWL (Sec 18)

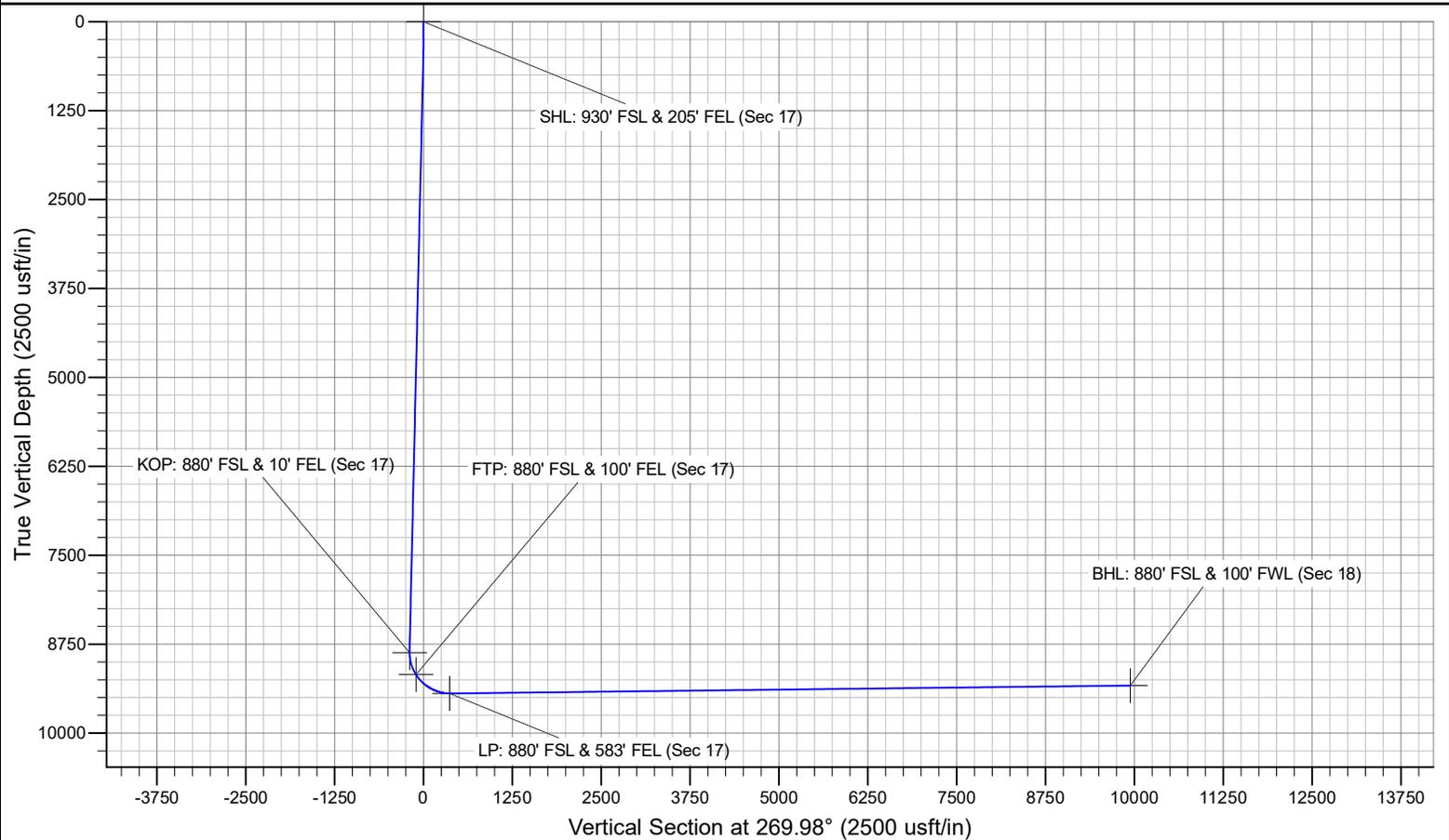
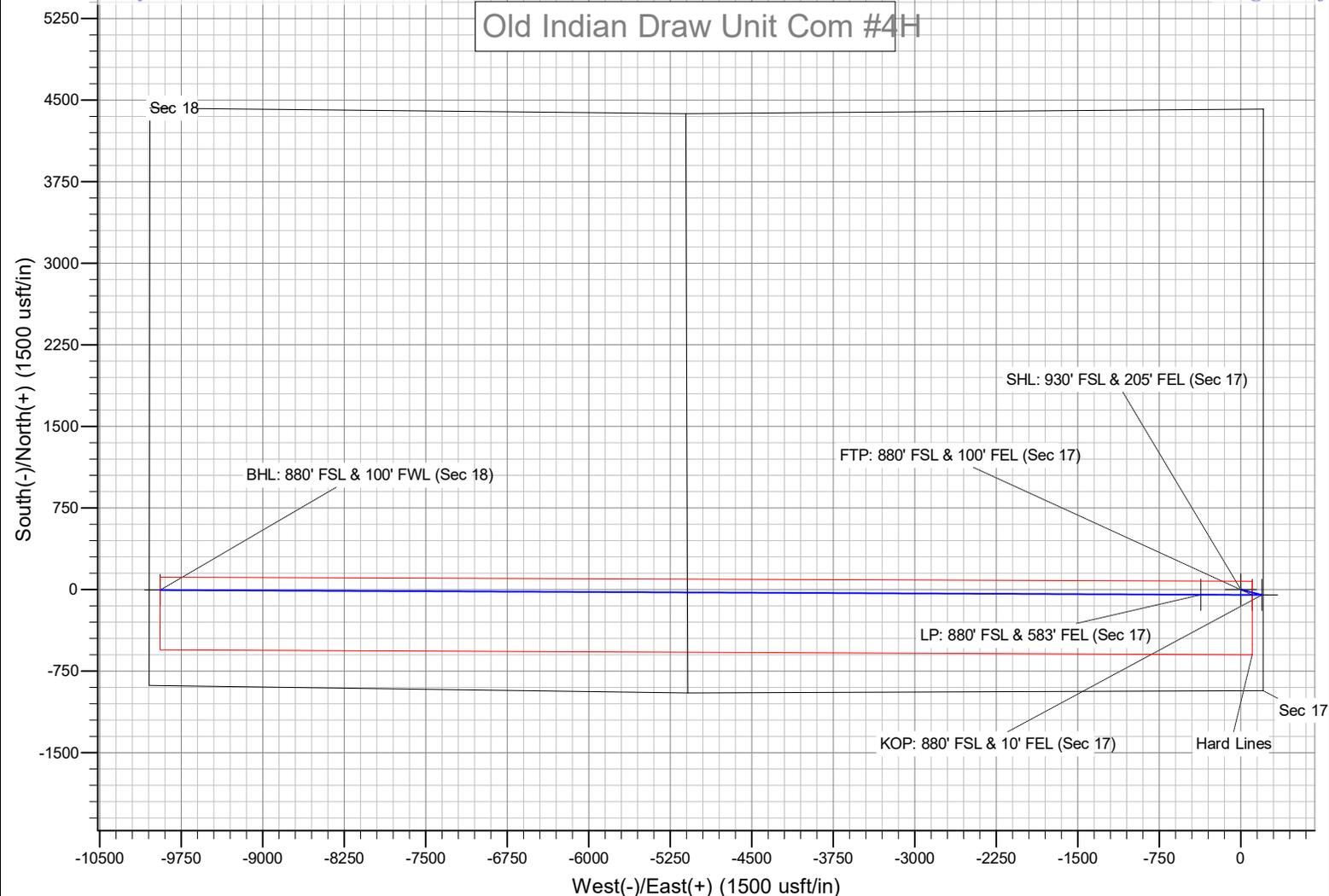
Planning Report

| | | | |
|------------------|-----------------------------------|-------------------------------------|-----------------------------------|
| Database: | Hobbs | Local Co-ordinate Reference: | Site Old Indian Draw Unit Com #4H |
| Company: | Mewbourne Oil Company | TVD Reference: | Well @ 3109.0usft (Original Well) |
| Project: | Eddy County, New Mexico NAD 83 | MD Reference: | Well @ 3109.0usft (Original Well) |
| Site: | Old Indian Draw Unit Com #4H | North Reference: | Grid |
| Well: | Sec 17, T22S, R28E | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | BHL: 880' FSL & 100' FWL (Sec 18) | | |
| Design: | Design #1 | | |

| Planned Survey | | | | | | | | | |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| 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) |

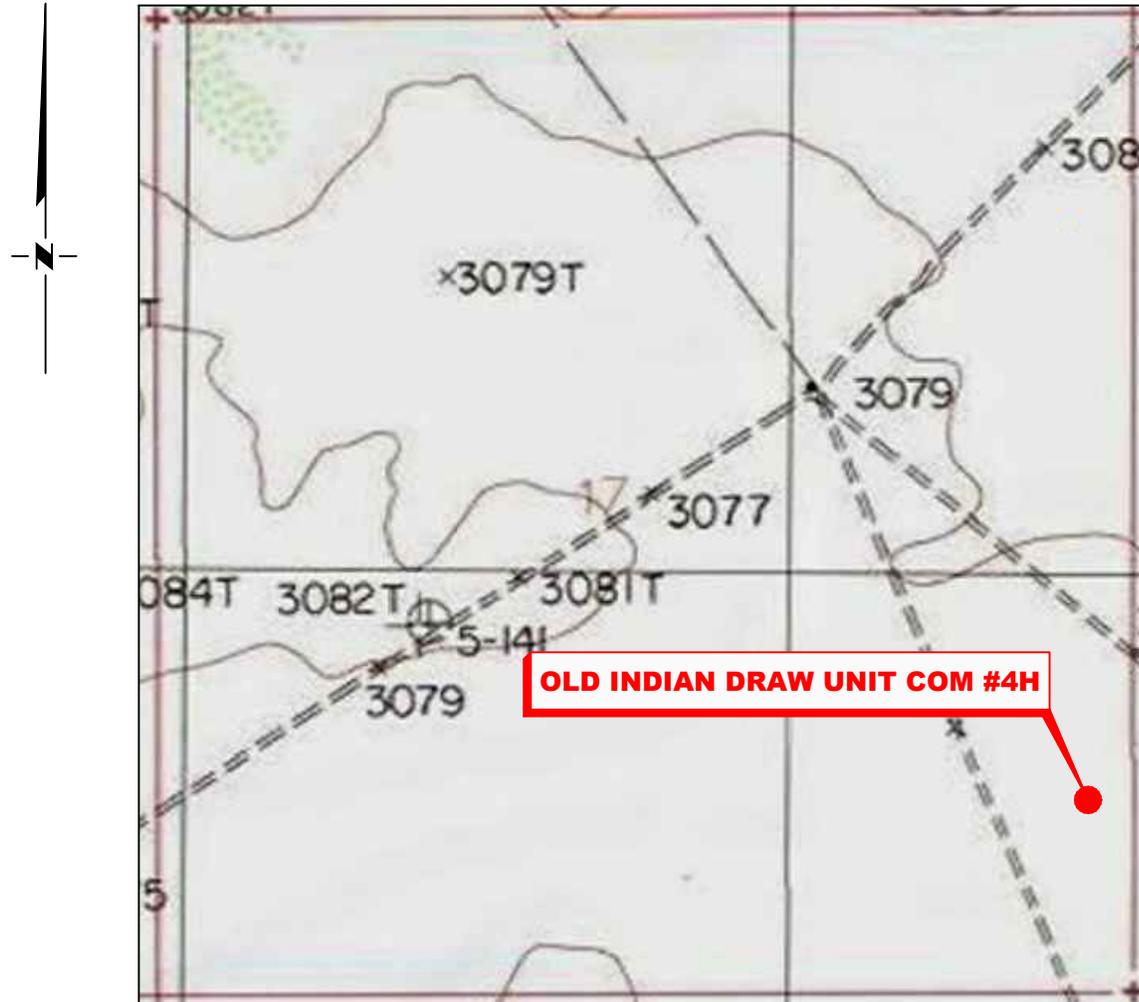
| Design Targets | | | | | | | | | |
|---|---------------|--------------|------------|--------------|--------------|-----------------|----------------|------------|--------------|
| Target Name - hit/miss target - Shape | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude | Longitude |
| SHL: 930' FSL & 205' FE - plan hits target center - Point | 0.00 | 0.00 | 0.0 | 0.0 | 0.0 | 504,935.60 | 612,744.80 | 32.3879245 | -104.1019993 |
| KOP: 880' FSL & 10' FEI - plan hits target center - Point | 0.00 | 0.00 | 8,871.0 | -49.3 | 195.0 | 504,886.30 | 612,939.80 | 32.3877878 | -104.1013679 |
| FTP: 880' FSL & 100' FE - plan hits target center - Point | 0.00 | 0.00 | 9,179.3 | -48.9 | 105.0 | 504,886.70 | 612,849.80 | 32.3877894 | -104.1016595 |
| BHL: 880' FSL & 100' Fv - plan hits target center - Point | 0.00 | 0.00 | 9,333.0 | -4.1 | -9,944.2 | 504,931.50 | 602,800.60 | 32.3879682 | -104.1342148 |
| LP: 880' FSL & 583' FEL - plan hits target center - Point | 0.00 | 0.00 | 9,444.0 | -46.8 | -368.0 | 504,888.81 | 612,376.80 | 32.3877980 | -104.1031918 |

Old Indian Draw Unit Com #4H



LOCATION VERIFICATION MAP

NOT TO SCALE



*SECTION 17, TWP. 22 SOUTH, RGE. 28 EAST,
N. M. P. M., EDDY COUNTY, NEW MEXICO*

| | |
|--|--|
| OPERATOR: <u>Mewbourne Oil Company</u> | LOCATION: <u>930' FSL & 205' FEL</u> |
| LEASE: <u>Old Indian Draw Unit Com</u> | CONTOUR INTERVAL: <u>10'</u> |
| WELL NO.: <u>4H</u> | USGS TOPO. SOURCE MAP: |
| ELEVATION: <u>3078'</u> | <u>Indian Flats, NM (P. E. 1985)</u> |

| | | |
|-----------------------|--------------------------|---------|
| 1 | SH MOVE & NAME CHANGE | 3/20/24 |
| NO. | REVISION | DATE |
| JOB NO.: LS19050600D | | |
| DWG. NO.: 19050600D-2 | | |

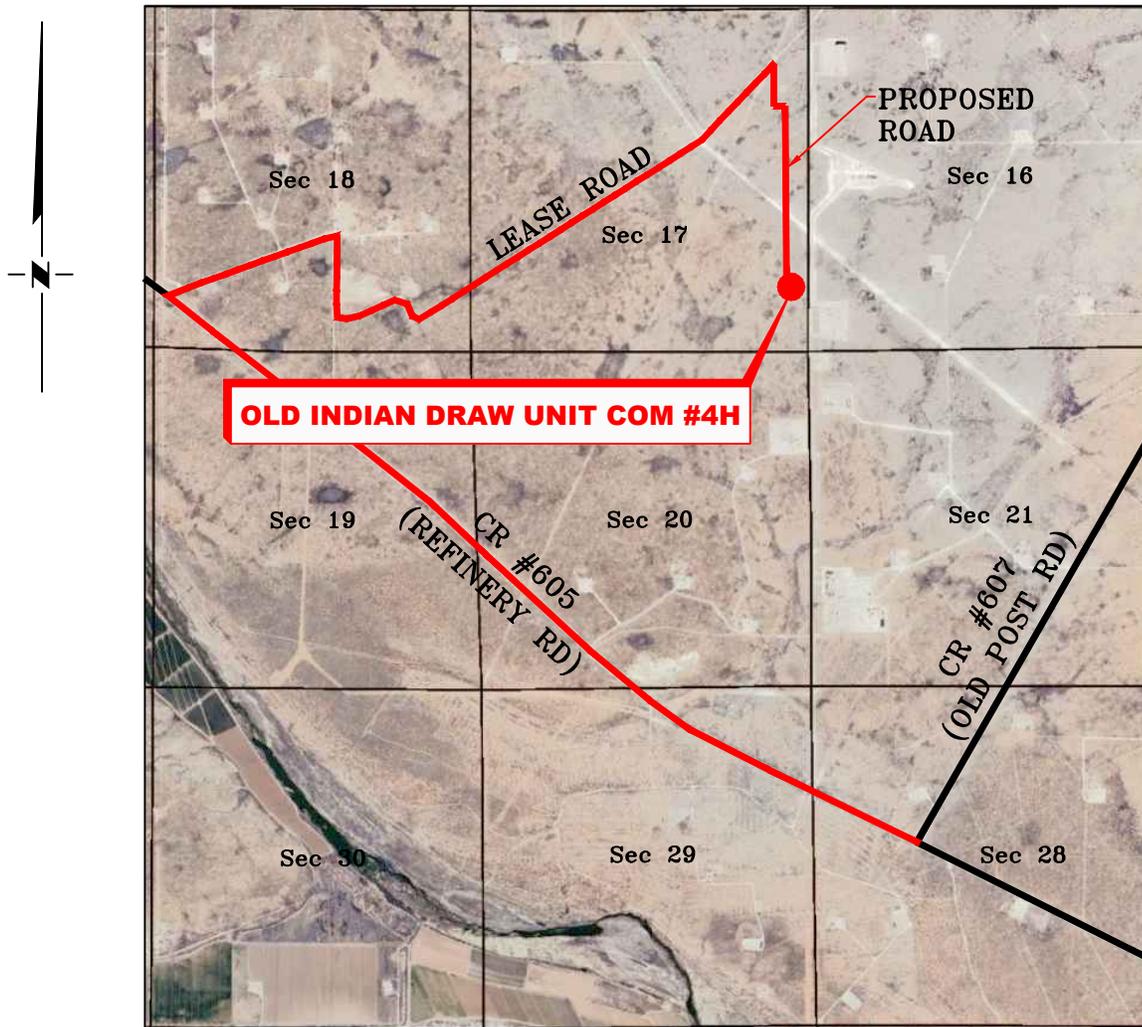


701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

| |
|--------------------|
| SCALE: N. T. S. |
| DATE: 05/17/2019 |
| SURVEYED BY: ML/JC |
| DRAWN BY: KAKN |
| APPROVED BY: RMH |
| SHEET: 1 OF 1 |

VICINITY MAP

NOT TO SCALE



*SECTION 17, TWP. 22 SOUTH, RGE. 28 EAST,
N. M. P. M., EDDY COUNTY, NEW MEXICO*

OPERATOR: Mewbourne Oil Company LOCATION: 930' FSL & 205' FEL
 LEASE: Old Indian Draw Unit Com ELEVATION: 3078'
 WELL NO.: 4H

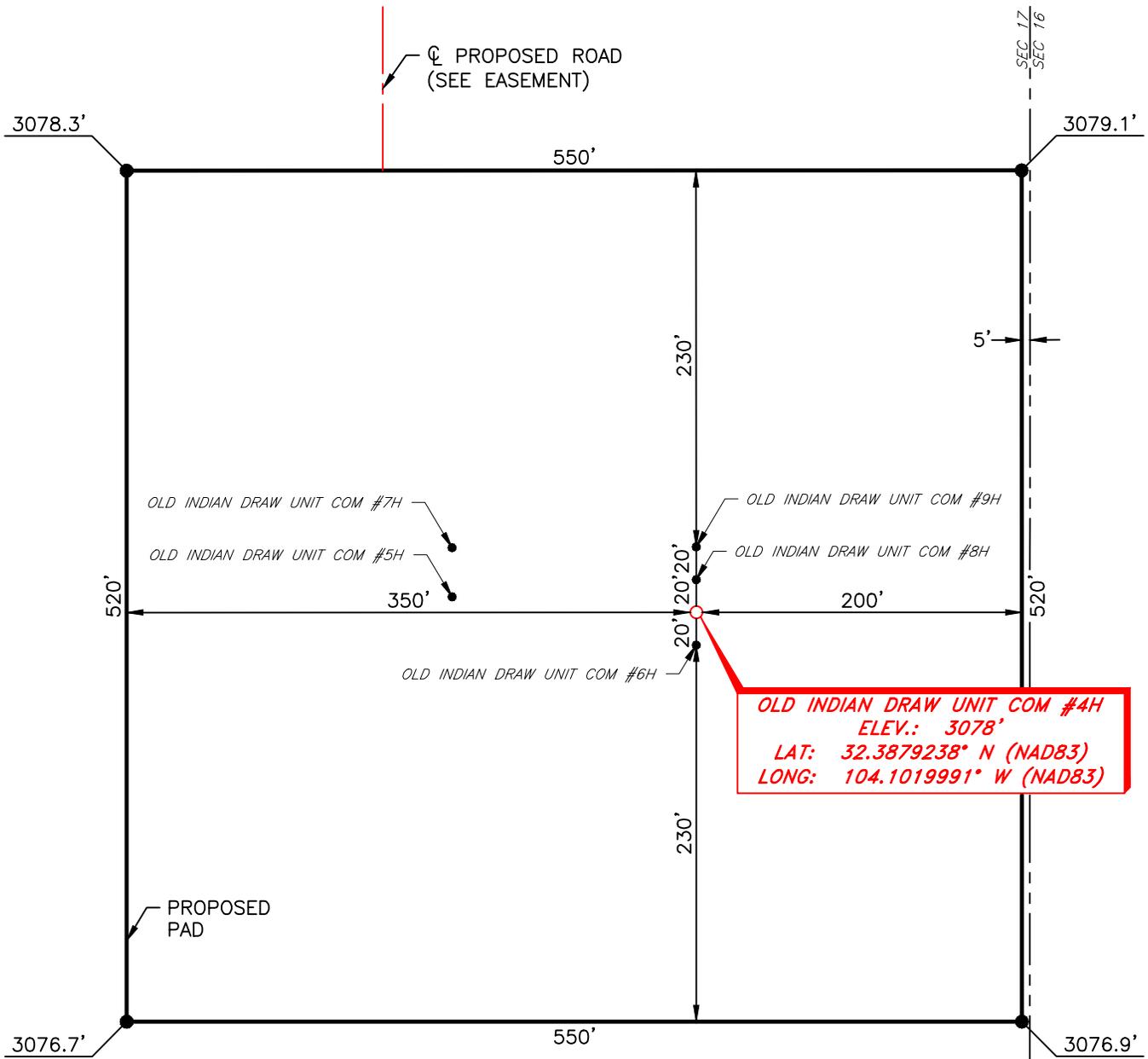
| | | |
|-----------------------|--------------------------|---------|
| 1 | SH MOVE & NAME CHANGE | 3/20/24 |
| NO. | REVISION | DATE |
| JOB NO.: LS19050600D | | |
| DWG. NO.: 19050600D-3 | | |



701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

| |
|--------------------|
| SCALE: N. T. S. |
| DATE: 05/17/2019 |
| SURVEYED BY: ML/JC |
| DRAWN BY: KAKN |
| APPROVED BY: RMH |
| SHEET: 1 OF 1 |

**MEWBOURNE OIL COMPANY
 OLD INDIAN DRAW UNIT COM #4H
 (930' FSL & 205' FEL)
 SECTION 17, T22S, R28E
 N. M. P. M., EDDY COUNTY, NEW MEXICO**



DIRECTIONS TO LOCATION

*From the intersection of CR #607 (Old Post Rd.) & CR #605 (Refinery Rd.);
 Go Northwest on CR #605 approx. 2.8 miles to a lease road on the right;
 Turn right and go Northeast approx. 0.5 miles to a lease road on the right;
 Turn right and go South approx. 0.2 miles to a lease road on the left;
 Turn left and go Northeast approx. 1.6 miles to a proposed road on the right;
 Turn right and go South approx. 0.7 miles to location on the left.*

THIS IS NOT A BOUNDARY SURVEY, APPARENT PROPERTY CORNERS AND PROPERTY LINES ARE SHOWN FOR INFORMATION ONLY.

I, R. M. Howett, a N. M. Professional Surveyor, hereby certify that I prepared this unclassified survey of a well location from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief.

Robert M. Howett
 Robert M. Howett NM PS 19680



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SCALE: 1" = 100'
 0 50 100
 BEARINGS ARE
 NAD 83 GRID - NM EAST
 DISTANCES ARE
 GROUND.

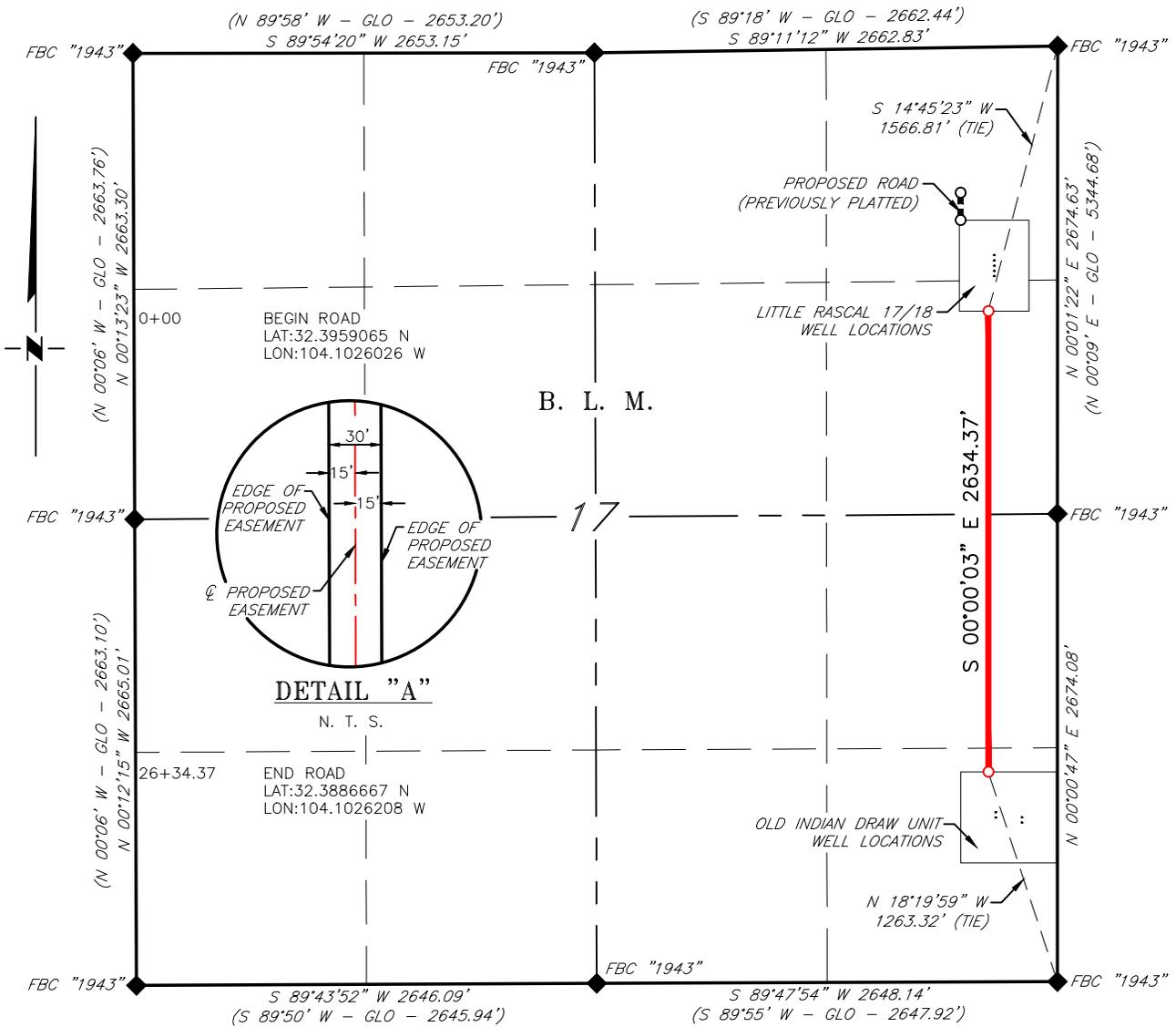
| | | |
|-----------------------|-----------------------|---------|
| 1 | SH MOVE & NAME CHANGE | 3/20/24 |
| NO. | REVISION | DATE |
| JOB NO.: LS19050600D | | |
| DWG. NO.: 19050600D-4 | | |



701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

| |
|--------------------|
| SCALE: 1" = 100' |
| DATE: 03/04/2024 |
| SURVEYED BY: ML/JH |
| DRAWN BY: AR |
| APPROVED BY: RMH |
| SHEET: 1 OF 1 |

MEWBOURNE OIL COMPANY ACCESS ROAD FOR THE OLD INDIAN DRAW UNIT WELL LOCATIONS SECTION 17, T22S, R28E N. M. P. M., EDDY COUNTY, NEW MEXICO



DESCRIPTION

A strip of land 30 feet wide, being 2,634.37 feet or 159.659 rods in length, lying in Section 17, Township 22 South, Range 28 East, N. M. P. M., Eddy County, New Mexico, being 15 feet left and 15 feet right of the following described survey of a centerline across B. L. M. land:

BEGINNING at Engr. Sta. 0+00, a point in the Northeast quarter of Section 17, which bears, S 14°45'23" W, 1,566.81 feet from a brass cap, stamped "1943", found for the Northeast corner of Section 17;

Thence S 00°00'03" E, 2,634.37 feet, to Engr. Sta. 26+34.37, the End of Survey, a point in the Southeast quarter of Section 17, which bears, N 18°19'59" W, 1,263.32 feet from a brass cap, stamped "1943", found for the Southeast corner of Section 17.

Said strip of land contains 1.814 acres, more or less, and is allocated by forties as follows:

| | | | |
|---------------|---------------|-------------|-------------|
| SE 1/4 NE 1/4 | 1,161.81 Feet | 70.413 Rods | 0.800 Acres |
| NE 1/4 SE 1/4 | 1,336.58 Feet | 81.005 Rods | 0.920 Acres |
| SE 1/4 SE 1/4 | 135.98 Feet | 8.241 Rods | 0.094 Acres |

SCALE: 1" = 1000'
0 500' 1000'

BEARINGS ARE GRID NAD 83
NM EAST
DISTANCES ARE HORIZ. GROUND.

LEGEND

- () RECORD DATA - GLO
- ◆ FOUND MONUMENT AS NOTED
- PROPOSED PIPELINE

I, R. M. Howett, a N. M. Professional Surveyor, hereby certify that I prepared this plat from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief.

Robert M. Howett
Robert M. Howett NM PS 19680



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| | | |
|----------------------|----------|------|
| NO. | REVISION | DATE |
| JOB NO.: LS24030184 | | |
| DWG. NO.: 24030184-5 | | |



701 S. CECIL ST., HOBBS, NM 88240 (575) 964-8200

| |
|--------------------|
| SCALE: 1" = 1000' |
| DATE: 03/04/2024 |
| SURVEYED BY: ML/JH |
| DRAWN BY: AR |
| APPROVED BY: RMH |
| SHEET: 1 OF 1 |

Mewbourne Oil Company, Old Indian Draw Unit Com #4H
 Sec 17, T22S, R28E
 SHL: 930' FSL 205' FEL (Sec 17)
 BHL: 880' FSL 100' FWL (Sec 18)

| Casing Program Design A | | | | | | BLM Minimum Safety Factors | 1.125 | 1.0 | 1.6 Dry | 1.6 Dry |
|-------------------------|-----------|--------|---------|--------|---------|----------------------------|-------------|----------|---------------|-----------------|
| | | | | | | | | | 1.8 Wet | 1.8 Wet |
| String | Hole Size | Top MD | Top TVD | Bot MD | Bot TVD | Csg. Size | SF Collapse | SF Burst | SF Jt Tension | SF Body Tension |
| Surface | 17.5' | 0' | 0' | 300' | 300' | 13.375" 48# H40 STC | 5.88 | 13.20 | 22.36 | 37.57 |
| Int | 12.25' | 0' | 0' | 2425' | 2425' | 9.625" 36# J55 LTC | 1.78 | 3.10 | 5.19 | 6.46 |
| Production | 8.75' | 0' | 0' | 8873' | 8871' | 7" 26# N-80 LTC | 1.17 | 1.57 | 2.25 | 2.62 |
| Liner | 6.125' | 8673' | 8672' | 19340' | 9444' | 4.5" 13.5# P110 LTC | 1.89 | 2.20 | 2.35 | 2.93 |

Cement Program

| Casing | | # Sacks | Wt. lb/gal | Yield ft ³ /sack | TOC/BOC | Volume ft ³ | % Excess | Slurry Description |
|------------------------|------|---------|------------|-----------------------------|----------------|------------------------|----------|---|
| 13.375 in | LEAD | 80 | 12.5 | 2.12 | 0' - 116' | 170 | 100% | Class C: Salt, Gel, Extender, LCM |
| | TAIL | 200 | 14.8 | 1.34 | 116' - 300' | 268 | | Class C: Retarder |
| 1st Stg 9.625 in | LEAD | 50 | 12.5 | 2.12 | 2500' - 2478' | 110 | 25% | Class C: Salt, Gel, Extender, LCM |
| | TAIL | 200 | 14.8 | 1.34 | 2478' - 2425' | 268 | | Class C: Retarder |
| 9.5/8" DV Tool @ 2500' | | | | | | | | |
| 2nd Stg 9.625 in | LEAD | 400 | 12.5 | 2.12 | 0' - 2160' | 850 | 25% | Class C: Salt, Gel, Extender, LCM |
| | TAIL | 100 | 14.8 | 1.34 | 2160' - 2500' | 0 | | Class C: Retarder |
| 1st Stg 7 in | LEAD | 260 | 12.5 | 2.12 | 3450' - 6393' | 560 | 25% | Class C: Salt, Gel, Extender, LCM, Defoamer |
| | TAIL | 400 | 15.6 | 1.18 | 6393' - 8873' | 472 | | Class H: Retarder, Fluid Loss, Defoamer |
| 7" DV Tool @ 3450' | | | | | | | | |
| 2nd Stg 7 in | LEAD | 50 | 12.5 | 2.12 | 2225' - 2777' | 110 | 25% | Class C: Salt, Gel, Extender, LCM, Defoamer |
| | TAIL | 100 | 14.8 | 1.34 | 2777' - 3450' | 134 | | Class C: Retarder, Fluid Loss, Defoamer |
| 4.5 in | LEAD | 680 | 13.5 | 1.85 | 8673' - 19340' | 1260 | 25% | Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- |

Design A - Mud Program

| Depth | Mud Wt | Mud Type |
|----------------|--------|-------------|
| 0' - 300' | 8.4 | Fresh Water |
| 300' - 2425' | 9 | Brine |
| 2425' - 8873' | 10 | Cut-Brine |
| 8873' - 19340' | 11.5 | OBM |

Geology

| Formation | Est. Top (TVD) | Mineral Resources | Formation | Est. Top (TVD) | Mineral Resources |
|--------------|----------------|-------------------|---------------------|----------------|-------------------|
| Rustler | 239' | Usable Water | Yeso | | |
| Castile | | | Delaware (Lamar) | 2494' | Oil/Natural Gas |
| Salt Top | 439' | None | Bell Canyon | 2533' | Oil/Natural Gas |
| Salt Base | 2241' | None | Cherry Canyon | 3368' | Oil/Natural Gas |
| Yates | | | Manzanita Marker | 3525' | Oil/Natural Gas |
| Seven Rivers | | | Basal Brushy Canyon | 5746' | Oil/Natural Gas |
| Queen | | | Bone Spring | 5988' | Oil/Natural Gas |
| Capitan | | | 1st Bone Spring | 7034' | Oil/Natural Gas |
| Grayburg | | | 2nd Bone Spring | 7734' | Oil/Natural Gas |
| San Andres | | | 3rd Bone Spring | 9050' | Oil/Natural Gas |
| Glorieta | | | Wolfcamp | 9326' | Oil/Natural Gas |

All casing strings will be tested in accordance with 43 CFR Part 3170 Subpart 3172. Must have table for contingency casing.

| | 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. | N |
| 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 an open annulus used to satisfy R-111-Q? If yes, see cement design. | |
| Is an engineered weak point used to satisfy R-111-Q? | |
| If yes, at what depth is the weak point planned? | |
| 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? | |

Mewbourne Oil Company, Old Indian Draw Unit Com #4H
 Sec 17, T22S, R28E
 SHL: 930' FSL 205' FEL (Sec 17)
 BHL: 880' FSL 100' FWL (Sec 18)

| Casing Program Design B | | | | | | BLM Minimum Safety Factors | 1.125 | 1.0 | 1.6 Dry | 1.6 Dry |
|-------------------------|-----------|--------|---------|--------|---------|----------------------------|-------------|----------|---------------|-----------------|
| String | Hole Size | Top MD | Top TVD | Bot MD | Bot TVD | Csg. Size | SF Collapse | SF Burst | SF Jt Tension | SF Body Tension |
| Surface | 17.5' | 0' | 0' | 300' | 300' | 13.375" 48# H40 STC | 5.88 | 13.20 | 22.36 | 37.57 |
| Int 2 | 12.25' | 0' | 0' | 2425' | 2425' | 9.625" 36# J55 LTC | 1.78 | 3.10 | 5.19 | 6.46 |
| Production | 8.75' | 0' | 0' | 9764' | 9444' | 7" 26# HCP110 LTC | 1.59 | 2.03 | 2.73 | 3.27 |
| Liner | 6.125' | 8873' | 8871' | 19340' | 9444' | 4.5" T3.5# P110 LTC | 1.89 | 2.20 | 2.39 | 2.99 |

Design B - Cement Program

| Casing | | # Sacks | Wt. lb/gal | Yield ft ³ /sack | TOC/BOC | Volume ft ³ | % Excess | Slurry Description |
|------------------------|------|---------|------------|-----------------------------|----------------|------------------------|----------|---|
| 13.375 in | LEAD | 80 | 12.5 | 2.12 | 0' - 116' | 170 | 100% | Class C: Salt, Gel, Extender, LCM |
| | TAIL | 200 | 14.8 | 1.34 | 116' - 300' | 268 | | Class C: Retarder |
| 1st Stg 9.625 in | LEAD | 50 | 12.5 | 2.12 | 2500' - 3187' | 110 | 25% | Class C: Salt, Gel, Extender, LCM |
| | TAIL | 200 | 14.8 | 1.34 | 3187' - 2425' | 268 | | Class C: Retarder |
| 9 5/8" DV Tool @ 2500' | | | | | | | | |
| 2nd Stg 9.625 in | LEAD | 590 | 12.5 | 2.12 | 0' - 3164' | 1260 | 25% | Class C: Salt, Gel, Extender, LCM |
| | TAIL | 100 | 14.8 | 1.34 | 3164' - 3500' | 0 | | Class C: Retarder |
| 1st Stg 7 in | LEAD | 340 | 12.5 | 2.12 | 3450' - 7285' | 730 | 25% | Class C: Salt, Gel, Extender, LCM, Defoamer |
| | TAIL | 400 | 15.6 | 1.18 | 7285' - 9764' | 472 | | Class H: Retarder, Fluid Loss, Defoamer |
| 7" DV Tool @ 3450' | | | | | | | | |
| 2nd Stg 7 in | LEAD | 50 | 12.5 | 2.12 | 2225' - 2777' | 110 | 25% | Class C: Salt, Gel, Extender, LCM, Defoamer |
| | TAIL | 100 | 14.8 | 1.34 | 2777' - 3450' | 134 | | Class C: Retarder, Fluid Loss, Defoamer |
| 4.5 in | LEAD | 660 | 13.5 | 1.85 | 8873' - 19340' | 1230 | 25% | Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- |

Design B - Mud Program

| Depth | Mud Wt | Mud Type |
|----------------|--------|-------------|
| 0' - 300' | 8.4 | Fresh Water |
| 300' - 2425' | 9 | Brine |
| 2425' - 9764' | 10 | Cut-Brine |
| 9764' - 19340' | 11.5 | OBM |

Geology

| Formation | Est. Top (TVD) | Mineral Resources | Formation | Est. Top (TVD) | Mineral Resources |
|--------------|----------------|-------------------|---------------------|----------------|-------------------|
| Rustler | 239' | Usable Water | Yeso | | |
| Castile | | | Delaware (Lamar) | 2494' | Oil/Natural Gas |
| Salt Top | 439' | None | Bell Canyon | 2533' | Oil/Natural Gas |
| Salt Base | 2241' | None | Cherry Canyon | 3368' | Oil/Natural Gas |
| Yates | | | Manzanita Marker | 3525' | Oil/Natural Gas |
| Seven Rivers | | | Basal Brushy Canyon | 5746' | Oil/Natural Gas |
| Queen | | | Bone Spring | 5988' | Oil/Natural Gas |
| Capitan | | | 1st Bone Spring | 7034' | Oil/Natural Gas |
| Grayburg | | | 2nd Bone Spring | 7734' | Oil/Natural Gas |
| San Andres | | | 3rd Bone Spring | 9050' | Oil/Natural Gas |
| Glorieta | | | Wolfcamp | 9326' | Oil/Natural Gas |

All casing strings will be tested in accordance with 43 CFR Part 3170 Subpart 3172. Must have table for contingency casing.

| | 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. | N |
| 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 an open annulus used to satisfy R-111-Q? If yes, see cement design. | |
| Is an engineered weak point used to satisfy R-111-Q? | |
| If yes, at what depth is the weak point planned? | |
| 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? | |

Mewbourne Oil Company, Old Indian Draw Unit Com #4H

Sec 17, T22S, R28E

SHL: 930' FSL 205' FEL (Sec 17)

BHL: 880' FSL 100' FWL (Sec 18)

Well Location GL: 3081'

| Point | Calls | Leases | Aliquot | Section | Township | Range | County | Lat | Long | TVD | MD |
|-------|-----------------------------------|--------------|---------|---------|----------|-------|--------|------------|-------------|--------|---------|
| SHL | SHL: 930' FSL & 205' FEL (Sec 17) | NMNM0415688A | SESE | 17 | 22S | 28E | Eddy | 32.3879245 | 104.1019993 | 0' | 0' |
| KOP | KOP: 880' FSL & 10' FEL (Sec 17) | NMNM0415688A | SESE | 17 | 22S | 28E | Eddy | 32.3877878 | 104.1013679 | 8,871' | 8,873' |
| FTP | FTP: 880' FSL & 100' FEL (Sec 17) | NMNM0415688A | SESE | 17 | 22S | 28E | Eddy | 32.3877894 | 104.1016595 | 9,177' | 9,199' |
| BHL | BHL: 880' FSL & 100' FWL (Sec 18) | NMNM0415688A | SWSW | 18 | 22S | 28E | Eddy | 32.3879682 | 104.1342148 | 9,333' | 19,340' |

GEOLOGY

| Formation | Est. Top (TVD) | Lithology | Mineral Resources | Formation | Est. Top (TVD) | Lithology | Mineral Resources |
|--------------|----------------|--------------------|-------------------|---------------------|----------------|---------------------------|-------------------|
| Rustler | 239' | Dolomite/Anhydrite | Usable Water | Yeso | | | |
| Castile | | | | Delaware (Lamar) | 2494' | Limestone/Dolomite | Oil/Natural Gas |
| Salt Top | 439' | Salt | None | Bell Canyon | 2533' | Sandstone | Oil/Natural Gas |
| Salt Base | 2241' | Salt | None | Cherry Canyon | 3368' | Sandstone | Oil/Natural Gas |
| Yates | | | | Manzanita Marker | 3525' | Limestone | Oil/Natural Gas |
| Seven Rivers | | | | Basal Brushy Canyon | 5746' | Sandstone | Oil/Natural Gas |
| Queen | | | | Bone Spring | 5988' | Limestone | Oil/Natural Gas |
| Capitan | | | | 1st Bone Spring | 7034' | Sandstone | Oil/Natural Gas |
| Grayburg | | | | 2nd Bone Spring | 7734' | Sandstone | Oil/Natural Gas |
| San Andres | | | | 3rd Bone Spring | 9050' | Sandstone | Oil/Natural Gas |
| Glorietta | | | | Wolfcamp | 9326' | Shale/Sandstone/Limestone | Oil/Natural Gas |

| Casing Program Design A | | | | | | BLM Minimum Safety Factors | | 1.125 | 1.0 | 1.6 Dry | 1.6 Dry |
|-------------------------|-----------|--------|---------|--------|---------|----------------------------|-------------|----------|-------|---------|---------|
| String | Hole Size | Top MD | Top TVD | Bot MD | Bot TVD | Csg. Size | SF Collapse | SF Burst | SF J1 | SF Body | Tension |
| Surface | 17.5' | 0' | 0' | 300' | 300' | 13.375" 48# H40 STC | 5.88 | 13.20 | 22.36 | 37.57 | |
| Int | 12.25' | 0' | 0' | 2425' | 2425' | 9.625" 36# J55 LTC | 1.78 | 3.10 | 5.19 | 6.46 | |
| Production | 8.75' | 0' | 0' | 8873' | 8871' | 7" 26# N-80 LTC | 1.17 | 1.57 | 2.25 | 2.62 | |
| Liner | 6.125' | 8673' | 8672' | 19340' | 9444' | 4.5" 13.5# P110 LTC | 1.89 | 2.20 | 2.35 | 2.93 | |

All casing strings will be tested in accordance with 43 CFR Part 3172. Must have table for contingency casing.

| | 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. | N |
| 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 an open annulus used to satisfy R-111-Q? If yes, see cement design. | |
| Is an engineered weak point used to satisfy R-111-Q? | |
| If yes, at what depth is the weak point planned? | |
| 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? | |

Mewbourne Oil Company, Old Indian Draw Unit Com #4H

Sec 17, T22S, R28E

SHL: 930' FSL 205' FEL (Sec 17)

BHL: 880' FSL 100' FWL (Sec 18)

Design A - Cement Program

| Csg. Size | | # Sacks | Wt., lb/gal | Yield, ft ³ /sack | TOC/BOC | Volume, ft ³ | % Excess | Slurry Description |
|-------------------------------|------|---------|-------------|------------------------------|----------------|-------------------------|----------|---|
| 13.375 in | LEAD | 80 | 12.5 | 2.12 | 0' - 116' | 170 | 100% | Class C: Salt, Gel, Extender, LCM |
| | TAIL | 200 | 14.8 | 1.34 | 116' - 300' | 268 | | Class C: Retarder |
| 1st Stg 9.625 in | LEAD | 50 | 12.5 | 2.12 | 2500' - 2478' | 110 | 25% | Class C: Salt, Gel, Extender, LCM |
| | TAIL | 200 | 14.8 | 1.34 | 2478' - 2425' | 268 | | Class C: Retarder |
| 9 5/8" DV Tool @ 2500' | | | | | | | | |
| 2nd Stg 9.625 in | LEAD | 400 | 12.5 | 2.12 | 0' - 2160' | 850 | 25% | Class C: Salt, Gel, Extender, LCM |
| | TAIL | 100 | 14.8 | 1.34 | 2160' - 2500' | 0 | | Class C: Retarder |
| 1st Stg 7 in | LEAD | 260 | 12.5 | 2.12 | 3450' - 6393' | 560 | 25% | Class C: Salt, Gel, Extender, LCM, Defoamer |
| | TAIL | 400 | 15.6 | 1.18 | 6393' - 8873' | 472 | | Class H: Retarder, Fluid Loss, Defoamer |
| 7" DV Tool @ 3450' | | | | | | | | |
| 2nd Stg 7 in | LEAD | 50 | 12.5 | 2.12 | 2225' - 2777' | 110 | 25% | Class C: Salt, Gel, Extender, LCM, Defoamer |
| | TAIL | 100 | 14.8 | 1.34 | 2777' - 3450' | 134 | | Class C: Retarder, Fluid Loss, Defoamer |
| 4.5 in | LEAD | 680 | 13.5 | 1.85 | 8673' - 19340' | 1260 | 25% | Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- |

Pressure Control Equipment

| BOP installed and tested before drilling hole, in: | Size, in | System Rated WP | Type | Tested to: | Rating Depth | |
|--|----------|-----------------|------------|------------|--------------|---------|
| 12.25 | 13.375 | 5M | Annular | X | 2500# | 19,340' |
| | | | Blind Ram | X | | |
| | | 5M | Pipe Ram | X | 5000# | |
| | | | Double Ram | | | |
| | | | Other* | | | |

*Specify if additional ram is utilized.

Equipment: Annular, Pipe Rams, Blind Rams, 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.

Variance Request: A variance is requested for the use of a variable choke line from the BOP to the choke manifold. See attached for hydrostatic test chart. Anchors are not required by manufacturer. Variance is requested to use a multi bowl wellhead. Variance is requested to perform break testing according to attached procedure.

Testing Procedure: BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per 43 CFR Part 3172 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.

| | |
|---|--|
| Y | Formation integrity test will be performed per 43 CFR Part 3172. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with 43 CFR Part 3172. |
| N | Mewbourne Oil Company request a variance to use a 5000 psi annular BOP with a 10,000 psi BOP stack. |

Mud Program

| Depth (MD) | Mud Wt., lb/gal | Mud Type |
|----------------|-----------------|-------------|
| | 8.4 | Fresh Water |
| 0' - 300' | 8.4 | Fresh Water |
| 300' - 2425' | 9 | Brine |
| 2425' - 8873' | 10 | Cut-Brine |
| 8873' - 19340' | 11.5 | OBM |

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 of fluid? | Pason/PVT/Visual Monitoring |
|---|-----------------------------|

Mewbourne Oil Company, Old Indian Draw Unit Com #4H

Sec 17, T22S, R28E

SHL: 930' FSL 205' FEL (Sec 17)

BHL: 880' FSL 100' FWL (Sec 18)

Logging and Testing Procedures

| Logging, Coring and Testing. | |
|------------------------------|--|
| Y | Will run GR/CNL from KOP (8873') to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM. |
| N | No logs are planned based on well control or offset log information. Offset Well: |
| N | Coring? If yes, explain: |

Open & Cased Hole Logs Run In the Well

| | | | | | |
|-------------------------------------|---|-------------------------------------|----------------------------|--------------------------|-----------------------------------|
| <input type="checkbox"/> | Caliper | <input type="checkbox"/> | Cement Bond Log | <input type="checkbox"/> | CNL/FDC |
| <input type="checkbox"/> | Compensated Densilog | <input checked="" type="checkbox"/> | Compensated Neutron Log | <input type="checkbox"/> | Computer Generated Log |
| <input type="checkbox"/> | Dip Meter Log | <input checked="" type="checkbox"/> | Directional Survey | <input type="checkbox"/> | Dual Induction/Microresistivity |
| <input type="checkbox"/> | Dual Lateral Log/Microspherically Focused | <input type="checkbox"/> | Electric Log | <input type="checkbox"/> | Formation Density Compensated Log |
| <input checked="" type="checkbox"/> | Gamma Ray Log | <input checked="" type="checkbox"/> | Measurement While Drilling | <input type="checkbox"/> | Mud Log/Geological Lithology Log |
| <input type="checkbox"/> | Other | <input type="checkbox"/> | Porosity-Resistivity Log | <input type="checkbox"/> | Sidewall Neutron Log |
| <input type="checkbox"/> | Sonic Log | <input type="checkbox"/> | Spontaneous Potential Log | <input type="checkbox"/> | Temperature Log |

Drilling Conditions

| Condition | Specify what type and where? |
|--|------------------------------|
| BH Pressure at deepest TVD | 5648 psi |
| BH Temperature | 165 |
| Abnormal Temp, Pressure, or Geologic Hazards | 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 |

Mewbourne Oil Company, Old Indian Draw Unit Com #4H

Sec 17, T22S, R28E

SHL: 930' FSL 205' FEL (Sec 17)

BHL: 880' FSL 100' FWL (Sec 18)

Other facets of operation

Mewbourne Oil Company also requests approval to implement Design B as described below. BLM will be notified of elected design.

Offline Cementing Variance: Variance is request to perform offline cementing according to the attached procedure.

| Casing Program Design B | | | | | | BLM Minimum Safety Factors | 1.125 | 1.0 | 1.6 Dry | 1.6 Dry |
|-------------------------|-----------|--------|---------|--------|---------|----------------------------|-------------|----------|---------|---------|
| String | Hole Size | Top MD | Top TVD | Bot MD | Bot TVD | Csg. Size | SF Collapse | SF Burst | SF Jt | SF Body |
| Surface | 17.5' | 0' | 0' | 300' | 300' | 13.375" 48# H40 STC | 5.88 | 13.20 | 22.36 | 37.57 |
| Int 2 | 12.25' | 0' | 0' | 2425' | 2425' | 9.625" 36# J55 LTC | 1.78 | 3.10 | 5.19 | 6.46 |
| Production | 8.75' | 0' | 0' | 9764' | 9444' | 7" 26# HCP110 LTC | 1.59 | 2.03 | 2.73 | 3.27 |
| Liner | 6.125' | 8873' | 8871' | 19340' | 9444' | 4.5" 13.5# P110 LTC | 1.89 | 2.20 | 2.39 | 2.99 |

All casing strings will be tested in accordance with 43 CFR Part 3172. Must have table for contingency casing.

| | 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. | N |
| 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 an open annulus used to satisfy R-111-Q? If yes, see cement design. | |
| Is an engineered weak point used to satisfy R-111-Q? | |
| If yes, at what depth is the weak point planned? | |
| 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? | |

Design B - Cement Program

| Csg. Size | # Sacks | Wt., lb/gal | Yield, ft ³ /sack | TOC/BOC | Volume, ft ³ | % Excess | Slurry Description |
|-------------------------------|---------|-------------|------------------------------|---------|-------------------------|----------|---|
| 13.375 in | LEAD | 80 | 12.5 | 2.12 | 0' - 116' | 100% | Class C: Salt, Gel, Extender, LCM |
| | TAIL | 200 | 14.8 | 1.34 | 116' - 300' | | Class C: Retarder |
| 1st Stg 9.625 in | LEAD | 50 | 12.5 | 2.12 | 2500' - 3187' | 25% | Class C: Salt, Gel, Extender, LCM |
| | TAIL | 200 | 14.8 | 1.34 | 3187' - 2425' | | Class C: Retarder |
| 9 5/8" DV Tool @ 2500' | | | | | | | |
| 2nd Stg 9.625 in | LEAD | 590 | 12.5 | 2.12 | 0' - 3164' | 25% | Class C: Salt, Gel, Extender, LCM |
| | TAIL | 100 | 14.8 | 1.34 | 3164' - 3500' | | Class C: Retarder |
| 1st Stg 7 in | LEAD | 340 | 12.5 | 2.12 | 3450' - 7285' | 25% | Class C: Salt, Gel, Extender, LCM, Defoamer |
| | TAIL | 400 | 15.6 | 1.18 | 7285' - 9764' | | Class H: Retarder, Fluid Loss, Defoamer |
| 7" DV Tool @ 3450' | | | | | | | |
| 2nd Stg 7 in | LEAD | 50 | 12.5 | 2.12 | 2225' - 2777' | 25% | Class C: Salt, Gel, Extender, LCM, Defoamer |
| | TAIL | 100 | 14.8 | 1.34 | 2777' - 3450' | | Class C: Retarder, Fluid Loss, Defoamer |
| 4.5 in | LEAD | 660 | 13.5 | 1.85 | 8873' - 19340' | 25% | Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- |



Mewbourne Oil Co.

Surface & Intermediate Offline Cementing Variance

Mewbourne Oil Company requests a variance to perform offline cementing for surface and intermediate casing strings with the following conditions:

- Offline cementing will not be performed on production casing.
- Offline cementing will not be performed on a hole section with MASP > 5000 psi.
- Offline cementing will not be performed concurrently with offset drilling.

Surface Casing Order of Operations:

1. Run 13 3/8" surface casing as per normal operations (TPGS and float collar).
2. Perform negative pressure test to confirm integrity of float equipment while running casing.
3. Confirm well is static.
4. Make up 13 5/8" wellhead or wellhead landing ring assembly and land on 20" conductor.
5. Fill pipe, circulate casing capacity and confirm float(s) are still holding.
6. Confirm well is static.
7. Back out landing joint and pull to rig floor. Lay down landing joint.
8. Walk rig to next well on pad with cement crew standing by to rig up.
9. Make up offline cement tool with forklift per wellhead manufacturer (Fig. 1 & 2).
10. Make up cement head on top of offline cement tool with forklift.
11. Commence cement operations.
12. If cement circulates, confirm well is static and proceed to step 16.
13. If cement does not circulate, notify the appropriate BLM office, wait a minimum of six hours, and run a temperature survey to determine the top of cement.
14. Use 1" pipe for remedial cement job until the surface casing is cemented to surface.
15. Confirm well is static.
16. Once cement job is complete, the cement head and offline cementing tool are removed. The wellhead technician returns to cellar to install wellhead/valves.
17. Install wellhead capping flange.

Barriers

Before Walk:

- Float(s) in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus



After Walk:

- Float(s) in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Offline cementing tool tested to 5000 psi and cement head
- Capping flange after cementing

20" Surface Casing Order of Operations (4 string area):

1. Run 20" surface casing as per normal operations (TPGS and float collar).
2. Perform negative pressure test to confirm integrity of float equipment while running casing.
3. Fill pipe, circulate casing capacity and confirm float(s) are still holding.
4. Confirm well is static.
5. Back out landing joint and pull to rig floor. Lay down landing joint.
6. Make up cement head.
7. Walk rig to next well on pad with cement crew standing by to rig up.
8. Commence cement operations.
9. If cement circulates, confirm well is static and proceed to step 13.
10. If cement does not circulate, notify the appropriate BLM office, wait a minimum of six hours, and run a temperature survey to determine the top of cement.
11. Use 1" pipe for remedial cement job until the surface casing is cemented to surface.
12. Confirm well is static.
13. Once cement job is complete, remove cement head and install cap.

Barriers

Before Walk:

- Float(s) in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Cement Head

After Walk:

- Float(s) in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Cement head
- Capping flange after cementing



Intermediate Casing Order of Operations:

1. Run casing as per normal operations (float shoe and float collar).
2. Perform negative pressure test to confirm integrity of float equipment while running casing.
3. Confirm well is static (if running SBM).
4. Land casing.
5. Fill pipe, circulate casing capacity and confirm floats are still holding.
6. Confirm well is static.
7. Back out landing joint and pull to rig floor. Lay down landing joint. Install packoff & test.
8. Nipple down BOP.
9. Walk rig to next well on pad with cement crew standing by to rig up.
10. Make up offline cement tool using forklift per wellhead manufacturer (Fig. 3 - 8).
11. Make up cement head on top of offline cement tool.
12. Commence cement operations.
13. If cement circulates, confirm well is static and proceed to step 16.
14. If cement does not circulate (when required), notify the appropriate BLM office, wait a minimum of six hours, and run a temperature survey to determine the top of cement.
15. Pump remedial cement job if required.
16. Confirm well is static.
17. Remove cement head and offline cementing tool.
18. Install wellhead capping flange and test.

Barriers

Before Nipple Down:

- Floats in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Solid body mandrel and/or packoff

After Nipple Down:

- Floats in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Solid body mandrel and/or packoff
- Offline cementing tool tested to 5000 psi and cement head
- Capping flange after cementing



Risks:

- Pressure build up in annulus before cementing
 - Contact BLM if a well control event occurs.
 - Rig up 3rd party pump or rig pumps to pump down casing and kill well.
 - Returns will be taken through the wellhead valves to a choke manifold (Fig 9 & 10).
 - Well could also be killed through the wellhead valves down the annulus.

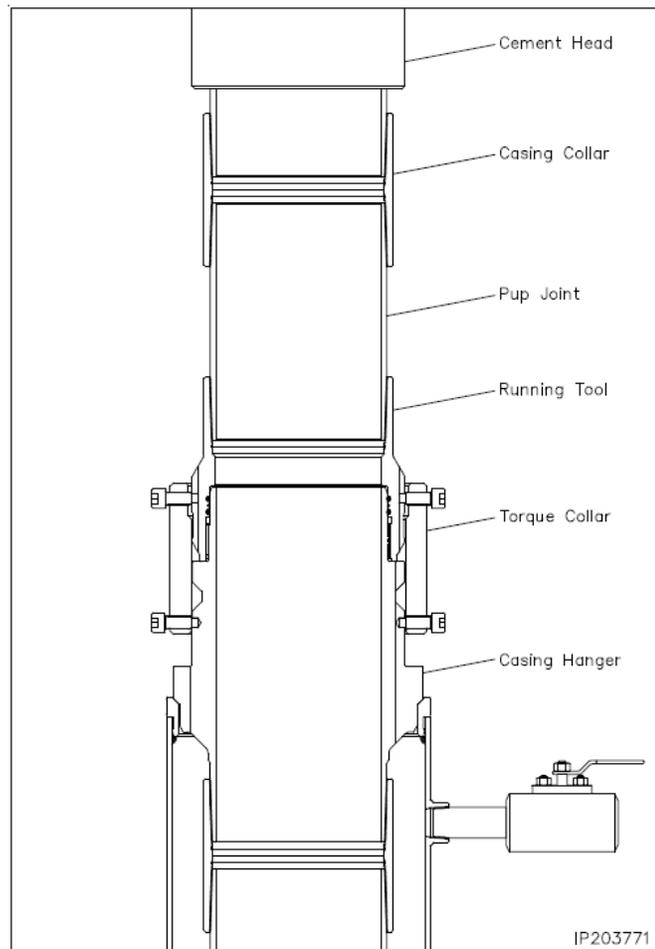


Figure 1. Cactus 13 3/8" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 13 3/8" pup joint and casing.

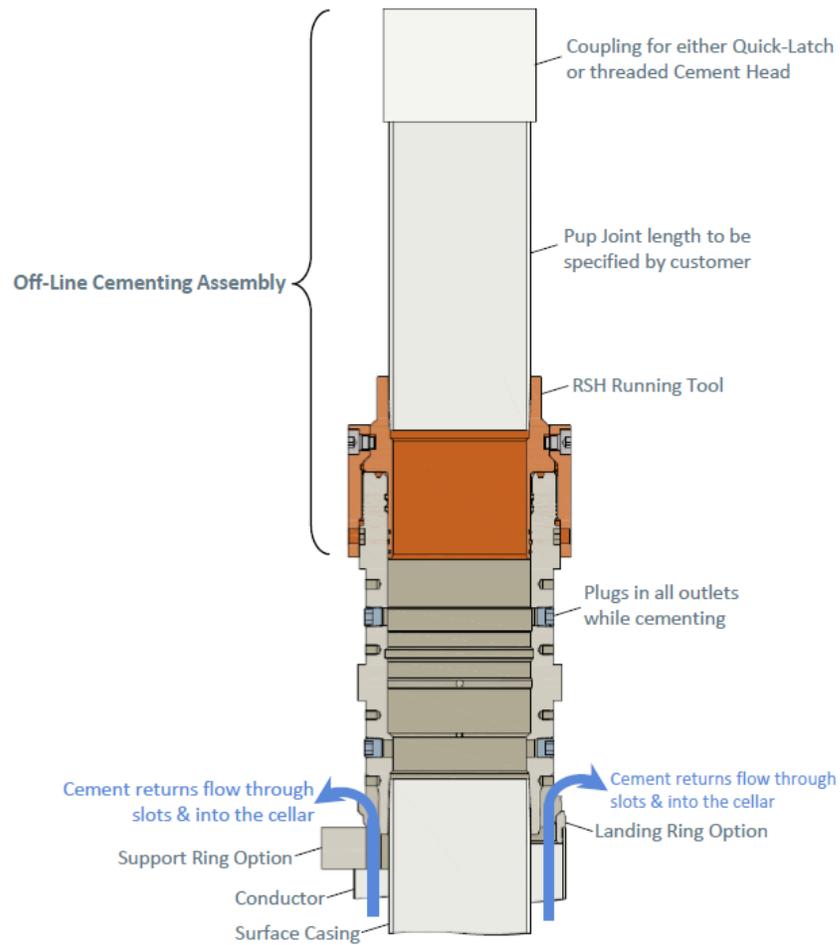


Figure 2. Vault 13 3/8" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 13 3/8" pup joint and casing.

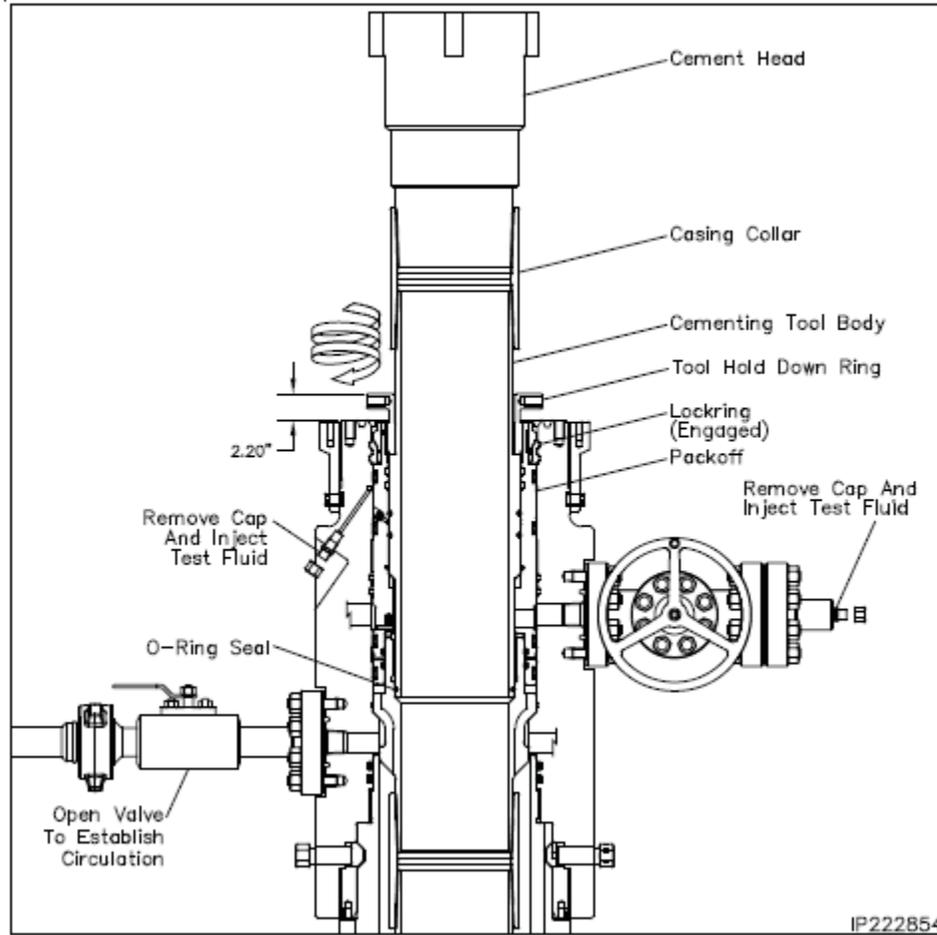


Figure 3. Cactus 9 5/8" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 9 5/8" pup joint and casing.

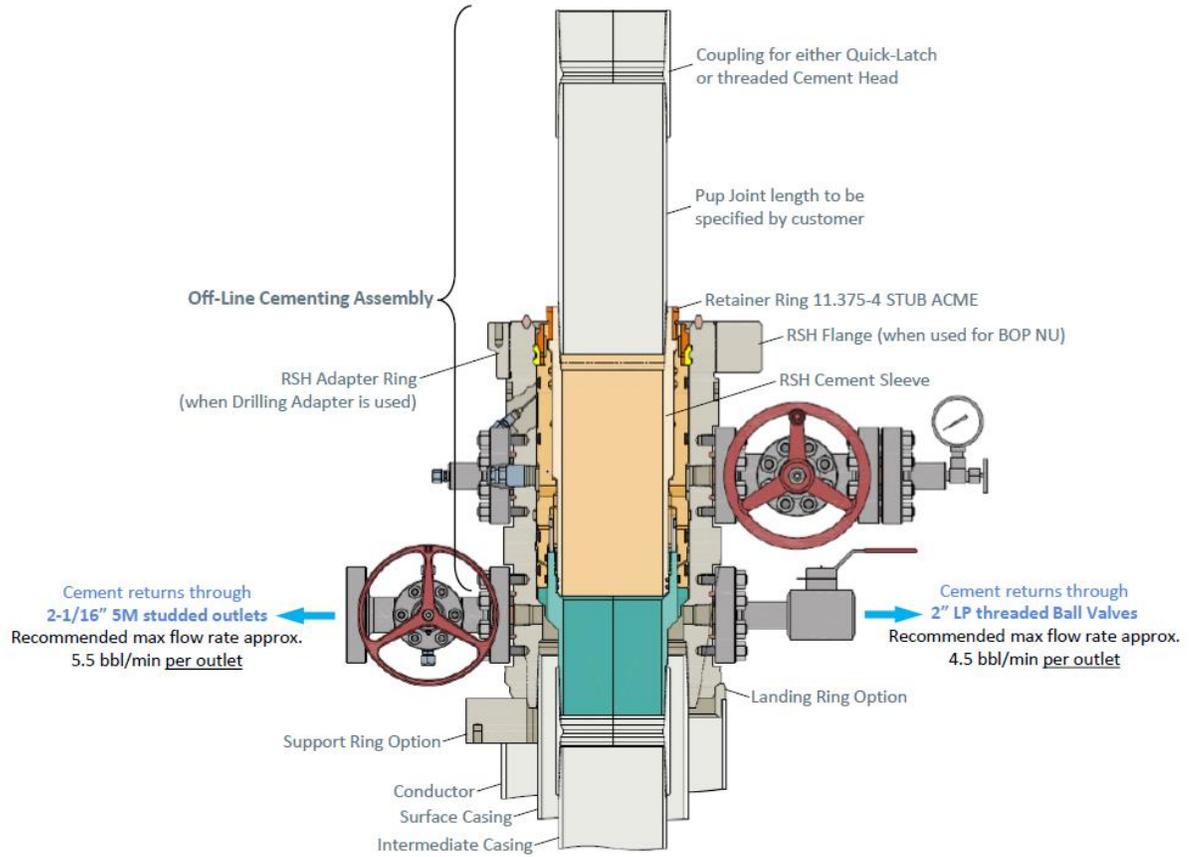


Figure 4. Vault 9 5/8" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 9 5/8" pup joint and casing.

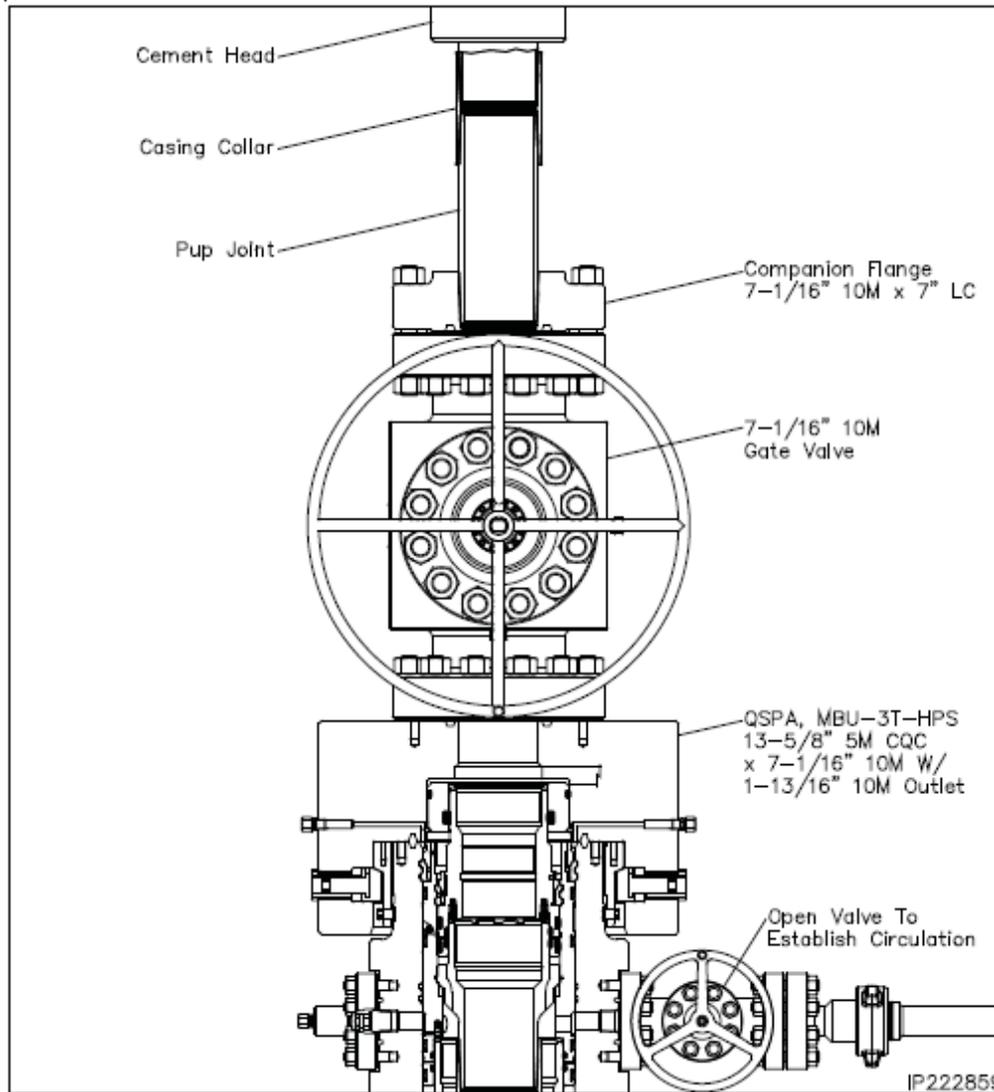


Figure 5. Cactus 7" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 7" pup joint and casing.

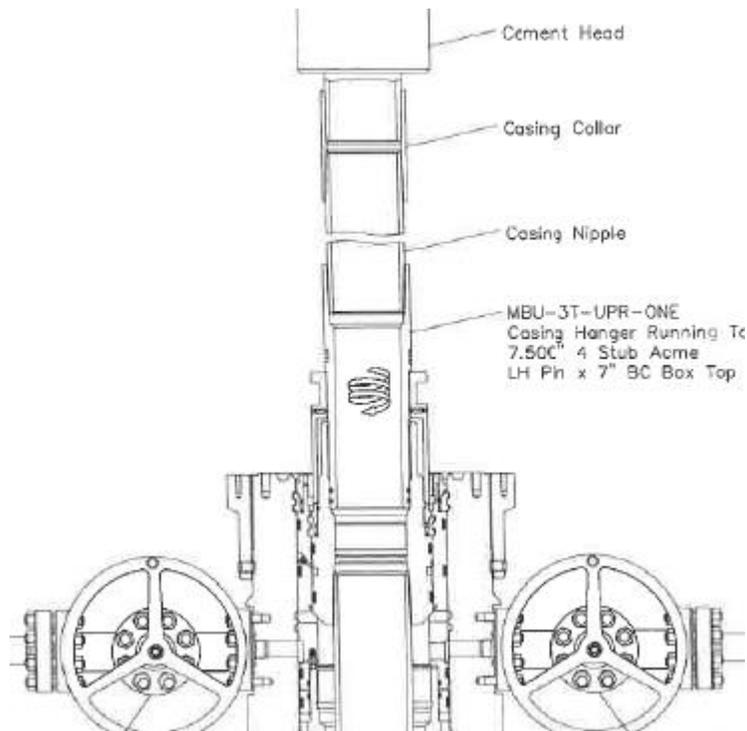


Figure 6. Cactus 7" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 7" pup joint and casing.

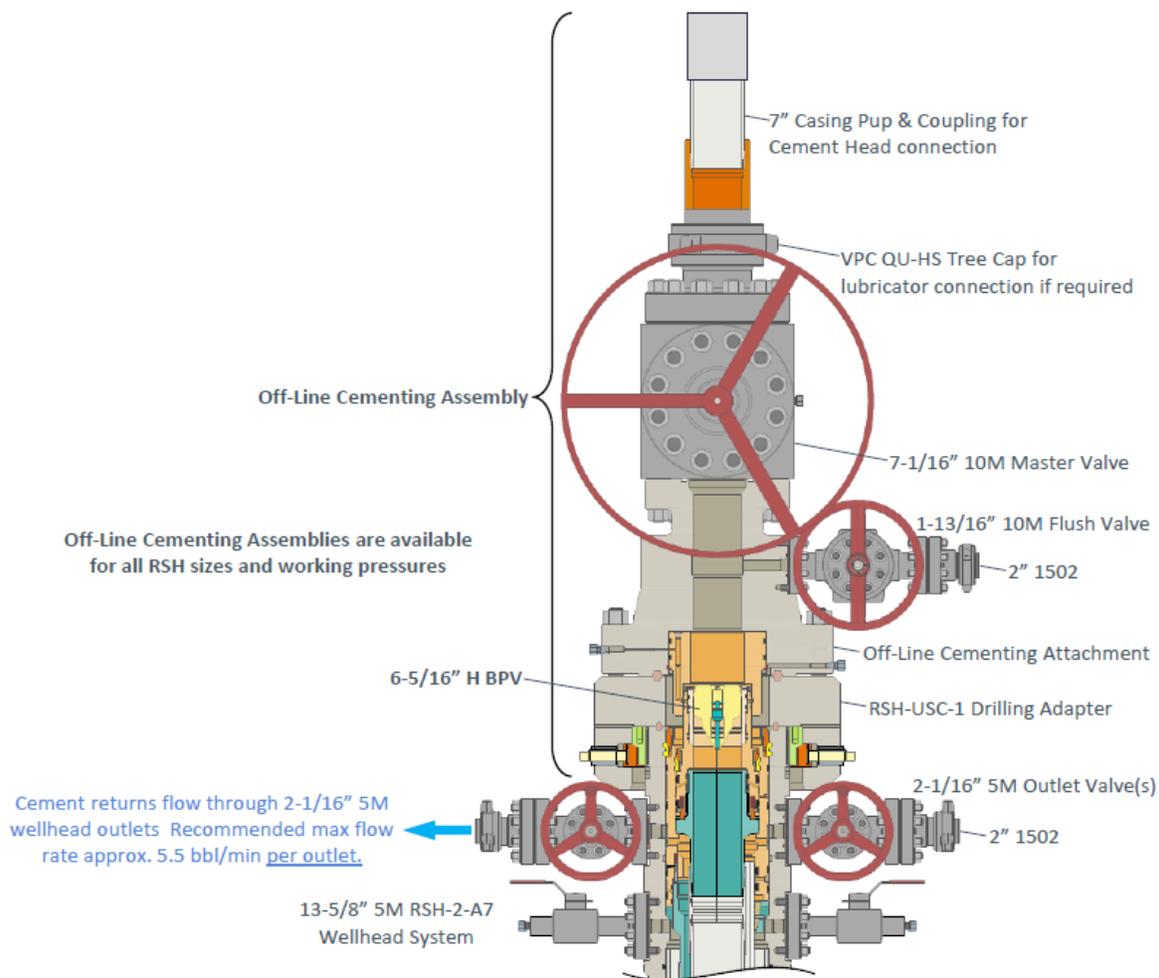


Figure 7. Vault 7" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 7" pup joint and casing.

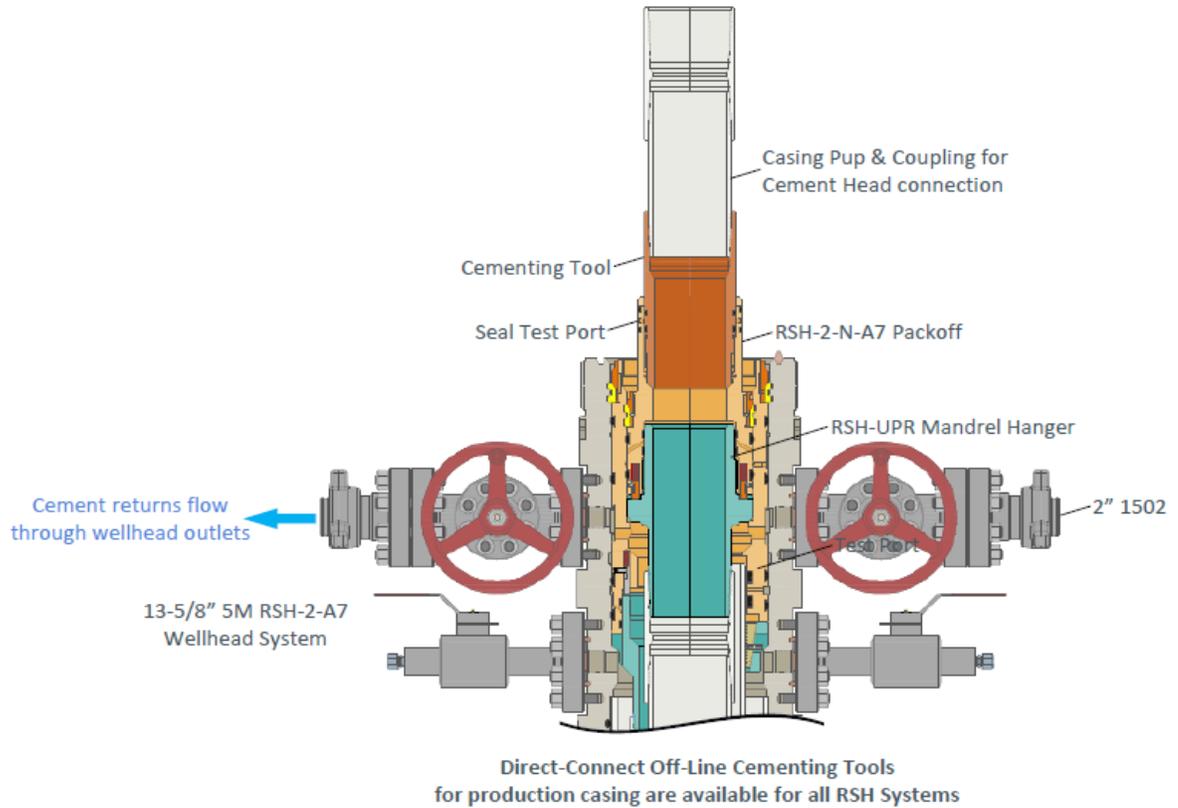


Figure 8. Vault 7" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 7" pup joint and casing.

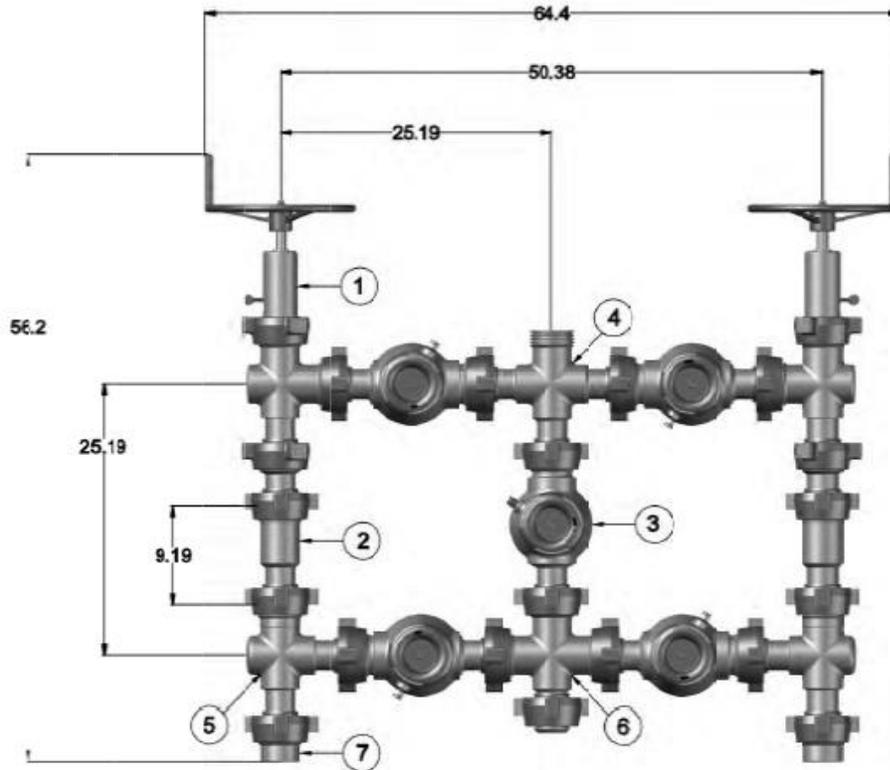


Figure 9. Five valve 15k choke manifold.

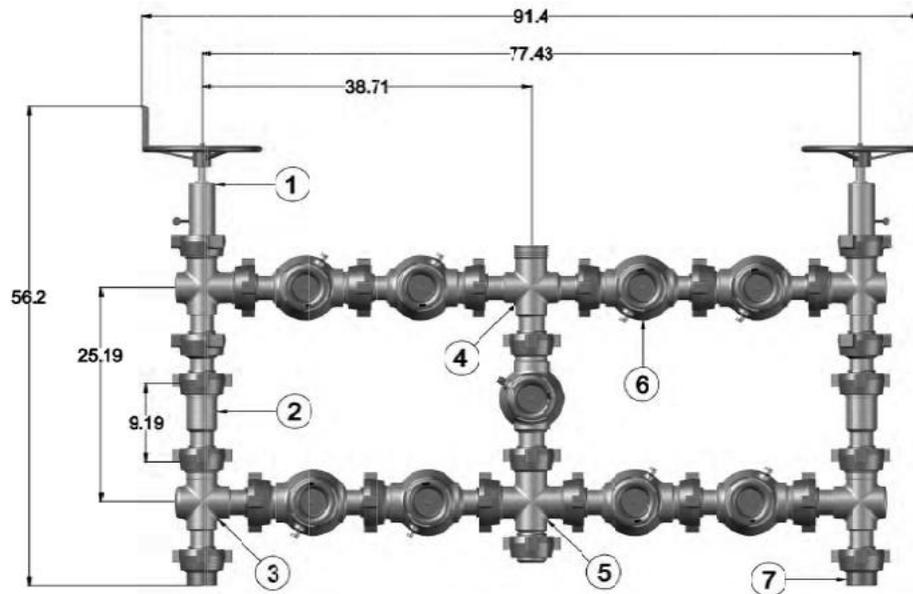


Figure 10. Nine valve 15k choke manifold.



Mewbourne Oil Co.

BOP Break Testing Variance

Mewbourne Oil Company requests a variance from the minimum standards for well control equipment testing of 43 CFR 3172 to allow a testing schedule of the blow out preventer (BOP) and blow out prevention equipment (BOPE) along with batch drilling & offline cementing operations. Modern rig upgrades which facilitate pad drilling allow the BOP stack to be moved between wells on a multi-well pad without breaking any BOP stack components apart. Widespread use of these technologies has led to break testing BOPE being endorsed as safe and reliable. American Petroleum Institute (API) best practices are frequently used by regulators to develop their regulations. API Standard 53, *Well Control Equipment Systems for Drilling Wells* (5th Ed., Dec. 2018) Section 5.3.7.1 states "A pressure test of the pressure containing component shall be performed following the disconnection or repair, limited to the affected component."

Procedures

1. Full BOPE test at first installation on the pad.
 - Full BOPE test at least every 21 days.
 - Function test BOP elements per 43 CFR 3172.
 - Contact the BLM if a well control event occurs.
2. After the well section is secured and the well is confirmed to be static, the BOP will be disconnected from the wellhead and walked with the rig to another well on the pad. Two breaks on the BOPE will be made (Fig. 1).
 - Connection between the flex line and the HCR valve
 - Connection between the wellhead and the BOP quick connect (Fig. 5 & 6).
3. A capping flange will be installed after cementing per wellhead vendor procedure & casing pressure will be monitored via wellhead valve.
4. The BOP will be removed and carried by a hydraulic carrier (Fig. 3 & 4).
5. The rig will then walk to the next well.
6. Confirm that the well is static and remove the capping flange.
7. The connection between the flex line and HCR valve and the connection between the wellhead and the BOP quick connect will be reconnected.
8. Install a test plug into the wellhead.
9. A test will then be conducted against the upper pipe rams and choke, testing both breaks (Fig. 1 & 2).
10. The test will be held at 250 psi low and to the high value submitted in the APD, not to exceed 5000 psi.
11. The annular, blind rams and lower pipe rams will then be function tested.
12. If a pad consists of three or more wells, steps 4 through 11 will be repeated.



13. A break test will only be conducted if the intermediate section can be drilled and cased within 21 days of the last full BOPE test.

Barriers

Before Nipple Down:

- Floats in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Solid body mandrel and/or packoff

After Nipple Down:

- Floats in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Solid body mandrel and/or packoff
- Offline cementing tool and/or cement head
- Capping flange after cementing

Summary

A variance is requested to only test broken pressure seals on the BOPE when moving between wells on a multi-well pad if the following conditions are met:

- A full BOPE test is conducted on the first well on the pad. API Standard 53 requires testing annular BOP to 70% of RWP or 100% of MASP, whichever is greater.
- If the first well on the pad is not the well with the deepest intermediate section, a full BOPE test will also be performed when moving to a deeper well.
- The hole section being drilled has a MASP under 5000 psi.
- If a well control event occurs, Mewbourne will contact BLM for permission to continue break testing.
- If significant (>50%) losses occur, full BOPE testing will be required going forward.
- Full BOPE test will be required prior to drilling the production hole.

While walking the rig, the BOP stack will be secured via hydraulic winch or hydraulic carrier. A full BOPE test will be performed at least every 21 days.

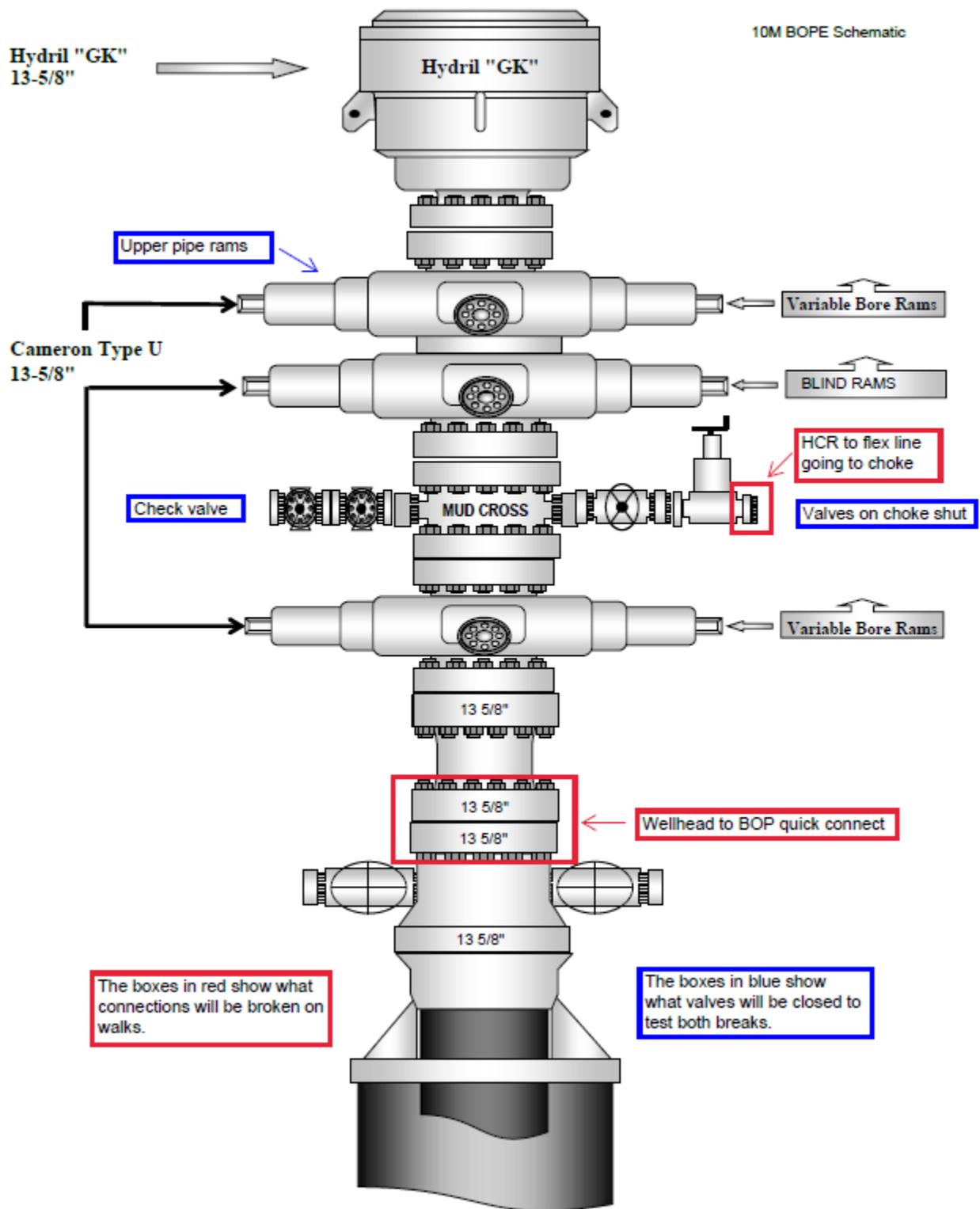


Figure 1. BOP diagram



Figure 3. BOP handling system



Figure 4. BOP handling system

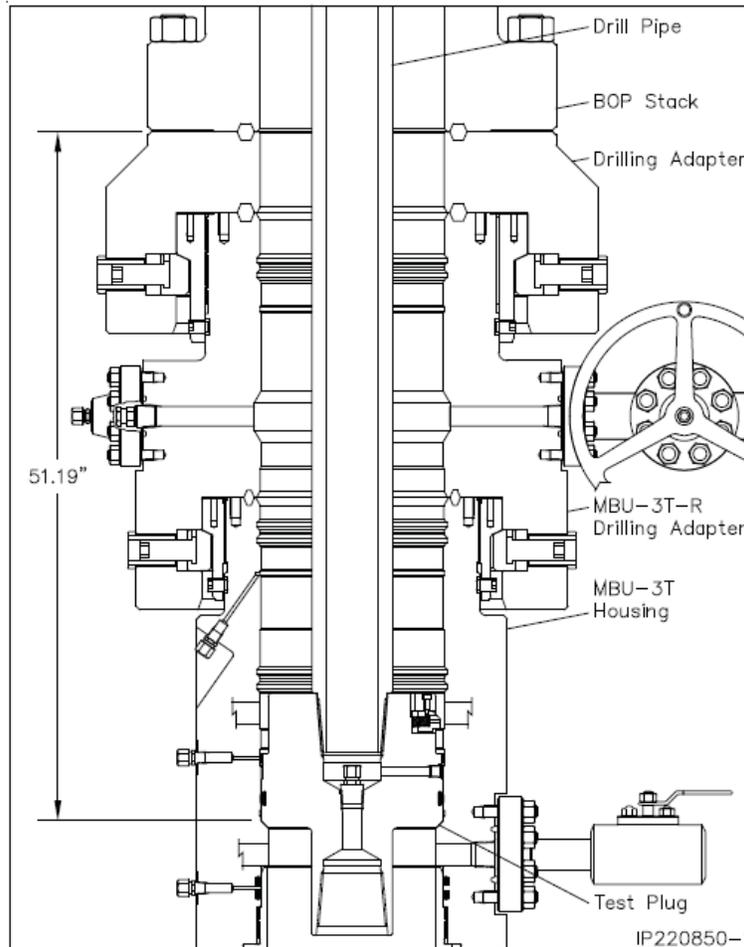


Figure 5. Cactus 5M wellhead with BOP quick connect

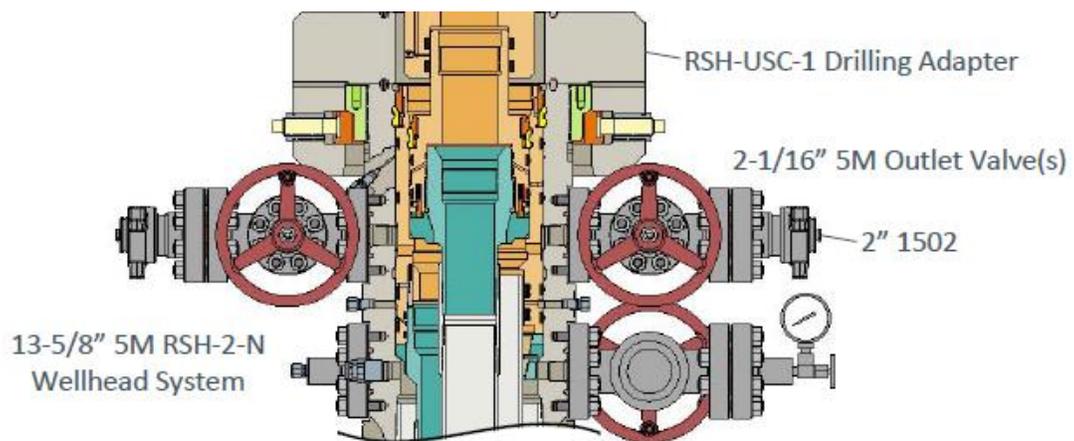


Figure 6. Vault 5M wellhead with BOP quick connect

Mewbourne Oil Company, Old Indian Draw Unit Com #4H

Sec 17, T22S, R28E

SHL: 930' FSL 205' FEL (Sec 17)

BHL: 880' FSL 100' FWL (Sec 18)

| | | |
|-----------------------|--------------------------|-------------|
| Operator Name: | Property Name: | Well Number |
| Mewbourne Oil Company | Old Indian Draw Unit Com | #4H |

Kick Off Point (KOP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|------------|---------|----------|-------|-----|--------------|----------|------|----------|--------|
| P | 17 | 22 | 28 | - | 880' | FSL | 10' | FEL | Eddy |
| Latitude | | | | | Longitude | | | | NAD |
| 32.3877878 | | | | | -104.1013679 | | | | 83 |

First Take Point (FTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|------------|---------|----------|-------|-----|--------------|----------|------|----------|--------|
| P | 17 | 22 | 28 | - | 880' | FSL | 100' | FEL | Eddy |
| Latitude | | | | | Longitude | | | | NAD |
| 32.3877894 | | | | | -104.1016595 | | | | 83 |

Last Take Point (LTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|------------|---------|----------|-------|-----|--------------|----------|------|----------|--------|
| M | 18 | 22 | 28 | - | 880' | FSL | 100' | FWL | Eddy |
| Latitude | | | | | Longitude | | | | NAD |
| 32.3879682 | | | | | -104.1342148 | | | | 83 |

Is this well the defining well for the Horizontal Spacing Unit? Y

Is this well an infill well? N

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

| |
|-------|
| API # |
| |

| | | |
|----------------|----------------|-------------|
| Operator Name: | Property Name: | Well Number |
| | | |

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

CONDITIONS
 Action 348647

CONDITIONS

| | |
|---|--|
| Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241 | OGRID: 14744 |
| | Action Number: 348647 |
| | Action Type: [C-103] NOI Change of Plans (C-103A) |

CONDITIONS

| Created By | Condition | Condition Date |
|-------------|---|----------------|
| ward.rikala | All original COA's still apply. Additionally, if cement is not circulated to surface during cementing operations, then a CBL is required. | 6/21/2024 |