

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 Fax:(575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

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

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

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

Form C-101
August 1, 2011
Permit 174740

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

1. Operator Name and Address MEWBOURNE OIL CO Po Box 5270 Hobbs, NM 88241		2. OGRID Number 14744
4. Property Code 40166		3. API Number 30-015-41730
5. Property Name Layla 35 MD Fee		6. Well No. 002H

7. Surface Location

UL - Lot M	Section 35	Township 23S	Range 28E	Lot Idn M	Feet From 150	N/S Line S	Feet From 660	E/W Line W	County Eddy
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8. Proposed Bottom Hole Location

UL - Lot D	Section 35	Township 23S	Range 28W	Lot Idn D	Feet From 330	N/S Line N	Feet From 660	E/W Line W	County Eddy
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9. Pool Information

CULEBRA BLUFF;WOLFCAMP, SOUTH (GAS)	75750
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Additional Well Information

11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3018
16. Multiple N	17. Proposed Depth 15150	18. Formation Wolfcamp	19. Contractor	20. Spud Date 11/4/2013
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

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

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	450	0
Int1	12.25	9.625	36	2550	600	0
Prod	8.75	7	26	11000	1000	2350
Liner1	6.125	4.5	13.5	15150	0	0

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1500	Schaffer
Double Ram	5000	5000	Schaffer
Annular	5000	3000	Schaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature: _____ Printed Name: Electronically filed by Monty Whetstone Title: Vice President Operations Email Address: prodmgr@mewbourne.com Date: 10/9/2013	OIL CONSERVATION DIVISION Approved By: Randy Dade Title: District Supervisor Approved Date: 10/9/2013 Conditions of Approval Attached
Phone: 903-561-2900	Expiration Date: 10/9/2015

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Form C-102
August 1, 2011
Permit 174740

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-41730	2. Pool Code 75750	3. Pool Name CULEBRA BLUFF;WOLFCAMP, SOUTH (GAS)
4. Property Code 40166	5. Property Name Layla 35 MD Fee	6. Well No. 002H
7. OGRID No. 14744	8. Operator Name MEWBOURNE OIL CO	9. Elevation 3018

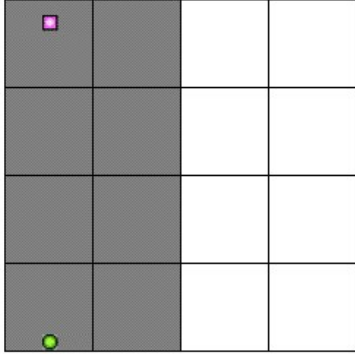
10. Surface Location

UL - Lot M	Section 35	Township 23S	Range 28E	Lot Idn	Feet From 150	N/S Line S	Feet From 660	E/W Line W	County Eddy
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11. Bottom Hole Location If Different From Surface

UL - Lot D	Section 35	Township 23S	Range 28E	Lot Idn D	Feet From 330	N/S Line N	Feet From 660	E/W Line W	County Eddy
12. Dedicated Acres 320.00	13. Joint or Infill			14. Consolidation Code			15. Order No.		

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

	<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: Monty Whetstone Title: Vice President Operations Date: 10/9/2013</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Surveyed By: Robert Howett Date of Survey: 10/2/2013 Certificate Number: 19680</p>
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Form APD Comments
Permit 174740

PERMIT COMMENTS

Operator Name and Address: MEWBOURNE OIL CO [14744] Po Box 5270 Hobbs, NM 88241		API Number: 30-015-41730
		Well: Layla 35 MD Fee #002H
Created By	Comment	Comment Date
CSHAPARD	Land p/P	10/9/2013

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Form APD Conditions
Permit 174740

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: MEWBOURNE OIL CO [14744] Po Box 5270 Hobbs, NM 88241		API Number: 30-015-41730
		Well: Layla 35 MD Fee #002H

OCD Reviewer	Condition
CSHAPARD	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string