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

District II

811 S. First St., Artesia, NM 88210

Phone:(575) 748-1283 Fax:(575) 748-9720

District III

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

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

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

Form C-101 August 1, 2011

Permit 197814

1. Operati		e and Address VBOURNE OIL CO)					2. OGF	RID Number 14744		
		Box 5270 bs, NM 88241						3. API	Number 30-025-43235		
4. Propert	3162		5. Pro	perty Name BIRDDOG 20 1	7 B2ED STATE C	ОМ		6. Well	No. 001H		
					7. Surf	face Location					
UL - Lot	Е	Section 20	Township 21S	Range 34E	Lot Idn E	Feet From 2380	N/S Line N	Feet From 660	E/W Line W	County	Lea
					8. Proposed E	ottom Hole Locatio	on				
		Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
JL - Lot		17	21S	34E		330	N	450	W		Lea

BERRY;BONE SPRING, SOUTH	a Salaste alata Malatan	96660

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3721
16. Multiple N	17. Proposed Depth 18100	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 6/1/2016
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

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

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1920	1340	0
Int1	12.25	9.625	40	5700	1205	0
Int2	8.75	7	26	10460	1010	0
Prod	8.75	5.5	17	18100	0	0

Casing/Cement Program: Additional Comments

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

22. Proposed Blowout Prevention Program

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

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable. Signature:				OIL CONSERVATIO	N DIVISION
Printed Name:	Electronically filed by Monty Whets	tone	Approved By:	Paul Kautz	
Title:	Vice President Operations			Geologist	
Email Address:	Address: prodmgr@mewbourne.com			5/19/2016	Expiration Date: 5/19/2018
Date:	5/13/2016 Phone: 903-561-2900		Conditions of Appr	oval Attached	

UL - Lot

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Section

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

Form C-102 August 1, 2011

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3. Pool Name
30-025-43235	96660	BERRY;BONE SPRING, SOUTH
4. Property Code	5. Property Name	6. Well No.
316220	BIRDDOG 20 17 B2ED STATE COM	001H
7. OGRID No.	8. Operator Name MEWBOLIBNE OIL CO	9. Elevation 3721

10. Surface Location Township Range Lot Idn N/S Line Feet From E/W Line County 218 Е 2380 660 W 34E N Lea

11. Bottom Hole Location If Different From Surface

UL - Lot D	Section 17	Township 21S	Range 34E	Lot Idn D	Feet From 330	N/S Line N	Feet From 450	E/W Line W	County Lea
12. Dedicated Acre 240.00			13. Joint or Infill		14. Consolidation Code	e		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

- 09	THE DIVISION
owns a working int location pursuant t	OPERATOR CERTIFICATION It the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either terest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling intered by the division.
E-Signed By: Title:	Monty Whetstone Vice President Operations
Date:	5/13/2016
	SURVEYOR CERTIFICATION It the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that nd correct to the best of my belief.
Surveyed By: Date of Survey: Certificate Number	Robert Howett 4/21/2016 r: 19680

Form APD Comments

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

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311 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 <u>District III</u>:
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State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Permit 197814

PERMIT COMMENTS

Operator Name and Address:	API Number:
MEWBOURNE OIL CO [14744]	30-025-43235
PO Box 5270	Well:
Hobbs, NM 88241	BIRDDOG 20 17 B2ED STATE COM #001H

Form APD Conditions

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 Phone:(575) 393-0161 Fax:(675) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(675) 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

Permit 197814

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
MEWBOURNE OIL CO [14744]	30-025-43235
PO Box 5270	Well:
Hobbs, NM 88241	BIRDDOG 20 17 B2ED STATE COM #001H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	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
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface 2) PRODUCTION CASING - Cement must tie back into intermediate casing
pkautz	f cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186
pkautz	Must notify OCD Hobbs Office of any water flows in the Salado Formation at 575-370-3186. Report depth and flow rate
pkautz	1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.
pkautz	The New! Gas Capture Plan (GCP) notice is posted on the NMOCD website under Announcements. The Plan became effective May 1, 2016. A copy of the GCP form is included with the NOTICE and is also in our FORMS section under Unnumbered Forms. Please review filing dates for all applicable activities currently approved or pending and submit accordingly. Failure to file a GCP may jeopardize the operator's ability to obtain C-129 approval to flare gas after the initial 60-day completion period.