<u>District I</u> 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 261430

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

| Operator Name and Address MEWBOURNE OIL CO | | 2. OGRID Number 14744 |
|--|--|----------------------------|
| P.O. Box 5270 Hobbs, NM 88241 | | 3. API Number 30-015-45578 |
| 4. Property Code 323067 | 5. Property Name ROCK SPUR 27 W0BO STATE COM | 6. Well No. 003H |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| Α | 27 | 24S | 28E | Α | 250 | N | 1300 | E | Eddy |

8. Proposed Bottom Hole Location

| ſ | UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|---|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| | 0 | 27 | 24S | 28E | 0 | 330 | S | 1500 | E | Eddy |

9. Pool Information

| PURPLE SAGE;WOLFCAMP (GAS) | 98220 |
|----------------------------|-------|
| | |

Additional Well Information

| 11. Work Type | 12. Well Type | 13. Cable/Rotary | 14. Lease Type | 15. Ground Level Elevation | |
|-----------------------|--------------------|--|----------------|-----------------------------------|--|
| New Well | GAS | | State | 2957 | |
| 16. Multiple | 17. Proposed Depth | 18. Formation | 19. Contractor | 20. Spud Date | |
| N | 14139 | Wolfcamp | | 2/4/2019 | |
| 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

| 21.1 Topoda duding and demont Togram | | | | | | | | | | |
|--------------------------------------|-----------|-------------|------------------|---------------|-----------------|---------------|--|--|--|--|
| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC | | | | |
| Surf | 17.5 | 13.375 | 48 | 400 | 340 | 0 | | | | |
| Int1 | 12.25 | 9.625 | 36 | 2465 | 550 | 0 | | | | |
| Prod | 8.75 | 7 | 26 | 9831 | 850 | 2265 | | | | |
| Liner1 | 6.125 | 4.5 | 13.5 | 14139 | 205 | 9085 | | | | |

Casing/Cement Program: Additional Comments

MOC proposed to drill & test the Wolfcamp 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 | 5000 | 2500 | Schaffer | | | | |
| Double Ram | 5000 | 5000 | Schaffer | | | | |
| Annular | 5000 | 2500 | Schaffer | | | | |

| knowledge and be | Signature: | | | OIL CONSERVATIO | ON DIVISION |
|--------------------------------------|-----------------------------------|---------|--------------------|-----------------|---------------------------|
| Printed Name: | Electronically filed by Monty Who | etstone | Approved By: | Raymond Podany | |
| Title: Vice President Operations | | | Title: | Geologist | |
| Email Address: prodmgr@mewbourne.com | | | Approved Date: | 1/3/2019 | Expiration Date: 1/3/2021 |
| Date: 1/3/2019 Phone: 903-561-2900 | | | Conditions of Appr | oval Attached | |

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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

Permit 261430

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1. API Number 2. I | | 2. Pool Code | 3. Pool Name |
|--------------------|--------------|-----------------------------|----------------------------|
| | 30-015-45578 | 98220 | PURPLE SAGE;WOLFCAMP (GAS) |
| 4. Property Code | | 5. Property Name | 6. Well No. |
| | 323067 | ROCK SPUR 27 W0BO STATE COM | 003H |
| | 7. OGRID No. | 8. Operator Name | 9. Elevation |
| | 14744 | MEWBOURNE OIL CO | 2957 |

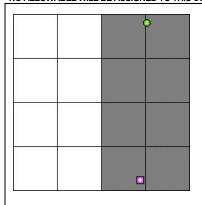
10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| Α | 27 | 24S | 28E | Α | 250 | N | 1300 | E | Eddy |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|---------------------|---------|---------------------|-------|----------------------|-----------|----------|---------------|----------|--------|
| 0 | 27 | 24S | 28E | 0 | 330 | S | 1500 | E | Eddy |
| 12. Dedicated Acres | | 13. Joint or Infill | | 14. Consolidation Co | de | | 15. Order No. | | |
| 320.0 | 320.00 | | | | | | | | |

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



OPERATOR CERTIFICATION

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

E-Signed By: Monty Whetstone

Title: Vice President Operations

Date: 1/3/2019

SURVEYOR CERTIFICATION

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

Surveyed By: Robert Howett

Date of Survey: 11/1/2017
Certificate Number: 19680

Form APD Comments

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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 261430

PERMIT COMMENTS

| Operator Name and Address: | API Number: |
|----------------------------|-----------------------------------|
| MEWBOURNE OIL CO [14744] | 30-015-45578 |
| P.O. Box 5270 | Well: |
| Hobbs, NM 88241 | ROCK SPUR 27 W0BO STATE COM #003H |
| | |

| Created By Comment | Comment Date |
|--------------------|--------------|
|--------------------|--------------|

Form APD Conditions

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Permit 261430

PERMIT CONDITIONS OF APPROVAL

| Operator Name and Address: | API Number: |
|----------------------------|-----------------------------------|
| MEWBOURNE OIL CO [14744] | 30-015-45578 |
| P.O. Box 5270 | Well: |
| Hobbs, NM 88241 | ROCK SPUR 27 W0BO STATE COM #003H |

| OCD Reviewer | Condition |
|--------------|---|
| rpodany | Will require a directional survey with the C-104 |
| rpodany | Cement is required to circulate on both surface and intermediate1 strings of casing |