

OCD-ARTESIA

Form 3160-3
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SECRETARY'S POTASH

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

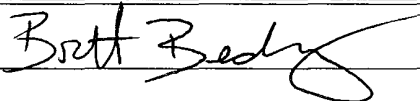
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: ☒ DRILL ☐ REENTER		7. If Unit or CA Agreement, Name and No.	
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone		8. Lease Name and Well No. [38899] Ursa "27" Fed Com #1H	
2. Name of Operator Mewbourne Oil Company		9. API Well No. 30-015-39581	
3a. Address PO BOX 5270 Hobbs, NM 88240	3b. Phone No. (include area code) 575-393-5905	10. Field and Pool, or Exploratory Leo South Bone Spring [39720]	
4. Location of Well (Report location clearly and in accordance with any State requirements *) At surface 147' FSL & 223' FWL (Unit M) At proposed prod. zone 660' FSL & 330' FEL (Unit P)		11. Sec., T. R. M. or Blk. and Survey or Area Sec 27, T18S, R30E	
14. Distance in miles and direction from nearest town or post office* 25 miles NE of Carlsbad, NM		12. County or Parish Eddy	13. State NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 147'	16. No. of acres in lease 80 acres	17. Spacing Unit dedicated to this well 160 acres	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft 580'	19. Proposed Depth 12938' MD 8416' TVD	20. BLM/BIA Bond No. on file NM1693, Nationwide	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3433' GL	22. Approximate date work will start* 11/08/2011	23. Estimated duration 42 days	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, must be attached to this form:

- | | |
|---|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office) | 6. Such other site specific information and/or plans as may be required by the BLM |

25. Signature 	Name (Printed/Typed) Brett Bednarz	Date 08/09/2011
Title Petroleum Engineer		
Approved by (Signature)	Name (Printed/Typed)	Date
Title STATE DIRECTOR	Office NM STATE OFFICE	

Application approval 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.
Conditions of approval, if any, are attached.

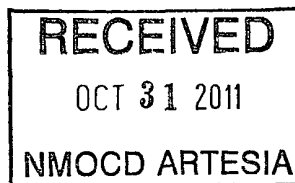
APPROVAL FOR TWO YEARS

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

(Continued on page 2)

*(Instructions on page 2)

Capitan Controlled Water Basin





Approval Subject to General Requirements
& Special Stipulations Attached

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
1901 W. Grand Avenue, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised July 16, 2010

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 36-015-39581	Pool Code 37920	Pool Name Leo South Bone Spring
Property Code 37920-38899	Property Name URSA "27" FEDERAL COM	Well Number 1H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3433'

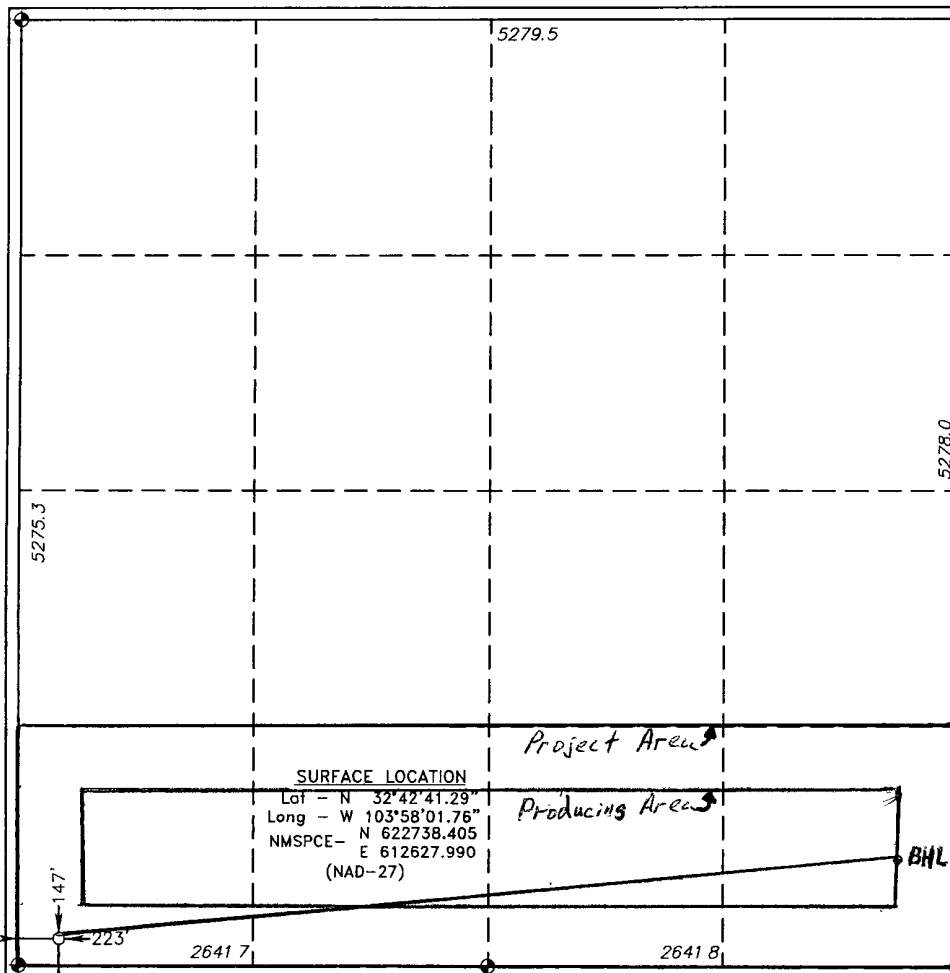
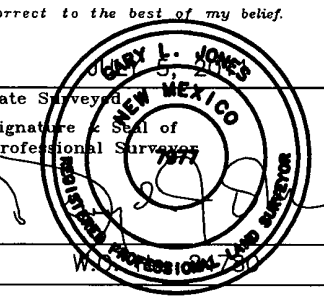
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	27	18 S	30 E		147	SOUTH	223	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	27	18 S	30 E		660	SOUTH	330	EAST	Eddy
Dedicated Acres 160	Joint or Infill	Consolidation Code	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

 SURFACE LOCATION Lot - N 32°42'41.29" Long - W 103°58'01.76" NMSPCE - N 622738.405 E 612627.990 (NAD-27) Project Area Producing Area BHL		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 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>Charles Martin</i> 8-9-11 Signature Date Charles Martin Printed Name c.martin@mewbourne.com Email Address 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.  Date Surveyed Signature & Seal of Professional Surveyor Certificate No. Gary L. Jones 7977 BASIN SURVEYS 24780
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Drilling Program
Mewbourne Oil Company
 Ursa "27" Fed Com #1H
 147' FSL & 223' FWL (SHL)
 Sec 27-T18S-R30E
 Eddy County, New Mexico

1. The estimated tops of geological markers are as follows:

Rustler	580'
Top Salt	690'
Base Salt	1120'
*Yates	1680'
*Queen	2830'
*Delaware	4500'
*Bone Springs	5620'

2. Estimated depths of anticipated fresh water, oil, or gas:

Water	Fresh water is anticipated @ 220' and will be protected by setting surface casing at 605' and cementing to surface.
Hydrocarbons	Oil and gas are anticipated in the above (*) formations. These zones will be protected by casing as necessary.

3. Pressure control equipment:

A 2000# WP Annular will be installed after running 13 3/8" casing. A 3000# WP Double Ram BOP and 3000# WP Annular will be installed after running 9 5/8" & 7" casing. Pressure tests will be conducted prior to drilling out under all casing strings. BOP controls will be installed prior to drilling under surface casing and will remain in use until completion of drilling operations. BOP's will be inspected and operated as recommended in Onshore Order #2. A Kelly cock and a sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position when the Kelly is not in use. Will test the 7" BOPE to 3000# and the Annular to 1500# with a third party testing company before drilling below each shoe, but will test again, if needed, in 30 days from the 1st test as per BLM Onshore Oil and Gas Order #2.

4. MOC proposes to drill a vertical wellbore to 7908' & kick off to horizontal @ 8386' TVD. The well will be drilled to 12938' MD (8416' TVD). See attached directional plan.

5. Proposed casing and cementing program:

A. Casing Program:

Hole Size	Casing	Wt/Ft	Grade	Depth	Jt Type
17 1/2"	13 3/8" (new)	48#	H40	0'-605' 380	ST&C
12 1/4"	9 5/8" (new)	36#	J55	0'-1780' 1600	ST&C
8 3/4"	7" (new)	26#	P110	0'-7908' MD	LT&C
8 3/4"	7" (new)	26#	P110	7908'-8655' MD	BT&C
6 1/8"	4 1/2" (new)	11.6#	P110	8455'-12938' MD	LT&C

Minimum casing design factors: Collapse 1.125, Burst 1.0, Tensile strength 1.8.

*Subject to availability of casing.

B. Cementing Program:

- See CoA
- i. Surface Casing: 630 sks Class "C" cement w/2% CaCl. Yield at 1.34 cuft/sk. Cmt circulated to surface w/100% excess..
 - ii. Intermediate Casing: 215 sacks Class "C" (35:65:4) light cement w/ salt & LCM additives. Yield @ 2.12 cuft/sk. 200 sacks Class "C" cement w/2% CaCl2. Yield at 1.18 cuft/sk. Cmt circulated to surface w/25% excess.
 - iii. Production Casing: 530 sacks Class "H" (35:65:4) light cement w/ salt & LCM additives. Yield @ 2.12 cuft/sk. 400 sacks Class "H" cement. Yield @ 1.18 cuft/sk. Cmt circulated to surface w/25% excess.
 - iv. Production Liner: This will be a Packer/Port completion from TD up inside 7" casing with packer type liner hanger.

*Referring to above blends of light cement: (wt% fly ash : wt% cement : wt% bentonite of the total of first two numbers). Generic names of additives are used since the availability of specific company and products are unknown at this time.

6. Mud Program:

Interval	Type System	Weight	Viscosity	Fluid Loss
0' - 605' 380	FW spud mud	8.6-9.0	32-34	NA
605' - 1780' 1600	Brine water	10.0-10.2	28-30	NA
1780' - 7908' (KOP)	FW	8.5-8.7	28-30	NA
7908' - TD	FW w/Polymer	8.5-8.7	32-35	15

7. Evaluation Program:

Samples: 10' samples from surface casing to TD
Logging: GR & Gyro from KOP -100' (7808') to surface. GR from 7808' to TD.

8. Downhole Conditions

Zones of abnormal pressure: None anticipated
Zones of lost circulation: Anticipated in surface and intermediate holes
Maximum bottom hole temperature: 120 degree F
Maximum bottom hole pressure: 8.3 lbs/gal gradient or less

9. Anticipated Starting Date:

Mewbourne Oil Company intends to drill this well as soon as possible after receiving approval with approximately 40 days involved in drilling operations and an additional 10 days involved in completion operations on the project.



Mewbourne Oil Company

Location: Eddy County, NM
Field: (Ursa) Sec27, T18S, R30E
Facility: Ursa 27 Fed Com

Mewbourne Oil Company

Slot: No. 1H SHL
Well: No. 1H
Wellbore: No. 1H PWB



Well Profile Data

Design Comment	MD (ft)	Inc (°)	Az (°)	TVD (ft)	Local N (ft)	Local E (ft)	DLS (%/100ft)	VS (ft)
Tie On	18.00	0.000	83.725	18.00	0.00	0.00	0.00	0.00
Est. KOP	7908.55	0.000	83.725	7908.55	0.00	0.00	0.00	0.00
End of Curve	8655.21	89.599	83.725	8386.00	51.82	471.28	12.00	474.12
No. 1H PBL	12938.47	89.599	83.725	8416.00	519.94	4728.78	0.00	4757.28

Plot reference wellpath is Prelim. 1

True vertical depths are referenced to Rig on No. 1H SHL (KB)

Measured depths are referenced to Rig on No. 1H SHL (KB)

Rig on No. 1H SHL (KB) to Mean Sea Level 3451 feet

Mean Sea Level to Mud line (At Slot No. 1H SHL) 0 feet

Coordinates are in feet referenced to Slot

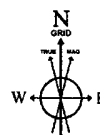
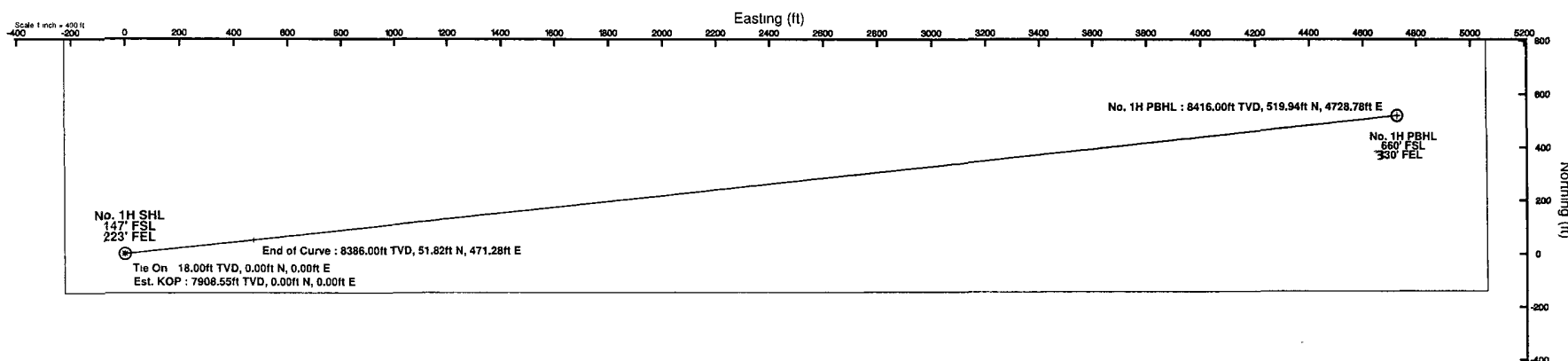
Grid System NAD27 / TM New Mexico SP, Eastern Zone (3001), US feet

North Reference Grid north

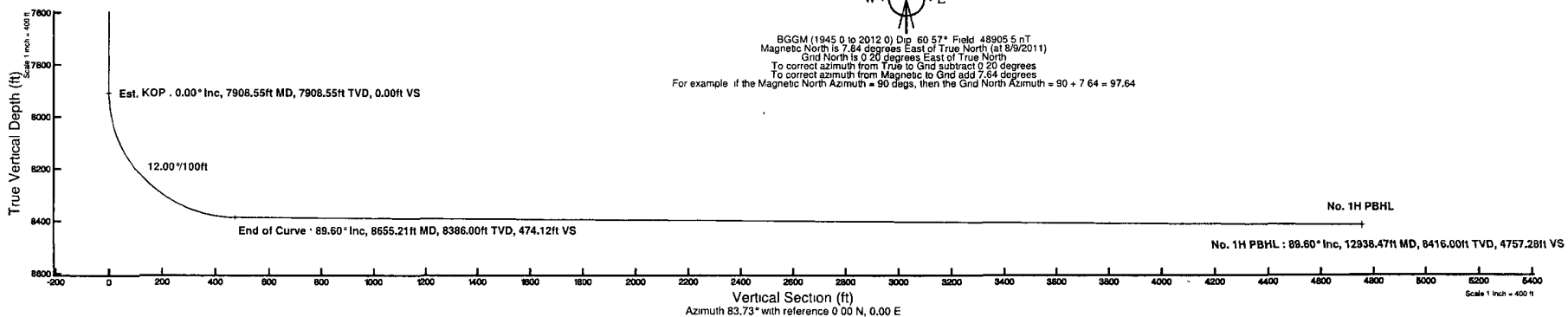
Scale True distance

Depths are in feet

Created by calphphik on 8/10/2011



BGGM (1945.0 to 2012.0) Dip: 60.57° Field: 48905.5 nT
Magnetic North is 7.64 degrees East of True North (at 8/9/2011)
Grid North is 0.20 degrees East of True North
To correct azimuth from True to Grid subtract 0.20 degrees
To correct azimuth from Magnetic to Grid add 7.64 degrees
For example: if the Magnetic North Azimuth = 90 degrees, then the Grid North Azimuth = 90 + 7.64 = 97.64



Planned Wellpath Report

Prelim_1
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REFERENCE WELLPATH IDENTIFICATION			
Operator	Mewbourne Oil Company	Slot	No. 1H SHL
Area	Eddy County, NM	Well	No. 1H
Field	(Ursa) Sec27, T18S, R30E	Wellbore	No. 1H PWB
Facility	Ursa 27 Fed Com		

REPORT SETUP INFORMATION			
Projection System	NAD27 / TM New Mexico SP, Eastern Zone (3001), US feet	Software System	WellArchitect® 3.0.0
North Reference	Grid	User	Calphik
Scale	0.999924	Report Generated	8/10/2011 at 9:59:39 AM
Convergence at slot	0.20° East	Database/Source file	WA_Midland/No. 1H_PWB.xml

WELLPATH LOCATION						
	Local coordinates		Grid coordinates		Geographic coordinates	
	North[ft]	East[ft]	Easting[US ft]	Northing[US ft]	Latitude	Longitude
Slot Location	-0.01	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W
Facility Reference Pt			612627.99	622738.41	32°42'41.293"N	103°58'01.763"W
Field Reference Pt			612627.99	622738.41	32°42'41.293"N	103°58'01.763"W

WELLPATH DATUM			
Calculation method	Minimum curvature	Rig on No. 1H SHL (KB) to GL	3451.00ft
Horizontal Reference Pt	Slot	Rig on No. 1H SHL (KB) to Mean Sea Level	3451.00ft
Vertical Reference Pt	Rig on No. 1H SHL (KB)	Rig on No. 1H SHL (KB) to Mud Line at Slot (No. 1H SHL)	3451.00ft
MD Reference Pt	Rig on No. 1H SHL (KB)	Section Origin	N 0.00, E 0.00 ft
Field Vertical Reference	Mean Sea Level	Section Azimuth	83.73°

 Mewbourne Oil Company

Planned Wellpath Report

 Prelim_1
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REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No. 1H SHL
Area	Eddy County, NM	Well	No. 1H
Field	(Ursa) Sec27, T18S, R30E	Wellbore	No. 1H PWB
Facility	Ursa 27 Fed Com		

WELLPATH DATA (134 stations) † = interpolated/extrapolated station

MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	DLS [°/100ft]	Comments
0.00†	0.000	83.725	0.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
18.00	0.000	83.725	18.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	Tie On
118.00†	0.000	83.725	118.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
218.00†	0.000	83.725	218.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
318.00†	0.000	83.725	318.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
418.00†	0.000	83.725	418.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
518.00†	0.000	83.725	518.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
618.00†	0.000	83.725	618.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
718.00†	0.000	83.725	718.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
818.00†	0.000	83.725	818.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
918.00†	0.000	83.725	918.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
1018.00†	0.000	83.725	1018.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
1118.00†	0.000	83.725	1118.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
1218.00†	0.000	83.725	1218.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
1318.00†	0.000	83.725	1318.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
1418.00†	0.000	83.725	1418.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
1518.00†	0.000	83.725	1518.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
1618.00†	0.000	83.725	1618.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
1718.00†	0.000	83.725	1718.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
1818.00†	0.000	83.725	1818.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
1918.00†	0.000	83.725	1918.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
2018.00†	0.000	83.725	2018.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
2118.00†	0.000	83.725	2118.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
2218.00†	0.000	83.725	2218.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
2318.00†	0.000	83.725	2318.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
2418.00†	0.000	83.725	2418.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
2518.00†	0.000	83.725	2518.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
2618.00†	0.000	83.725	2618.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
2718.00†	0.000	83.725	2718.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
2818.00†	0.000	83.725	2818.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
2918.00†	0.000	83.725	2918.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
3018.00†	0.000	83.725	3018.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
3118.00†	0.000	83.725	3118.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
3218.00†	0.000	83.725	3218.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
3318.00†	0.000	83.725	3318.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
3418.00†	0.000	83.725	3418.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
3518.00†	0.000	83.725	3518.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
3618.00†	0.000	83.725	3618.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
3718.00†	0.000	83.725	3718.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
3818.00†	0.000	83.725	3818.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
3918.00†	0.000	83.725	3918.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
4018.00†	0.000	83.725	4018.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
4118.00†	0.000	83.725	4118.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
4218.00†	0.000	83.725	4218.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
4318.00†	0.000	83.725	4318.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	

Planned Wellpath Report

 Mewbourne Oil Company

 Prelim_1
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REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No. 1H SHL
Area	Eddy County, NM	Well	No. 1H
Field	(Ursa) Sec27, T18S, R30E	Wellbore	No. 1H PWB
Facility	Ursa 27 Fed Com		

WELLPATH DATA (134 stations) † = interpolated/extrapolated station

MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	DLS [°/100ft]	Comments
4418.00†	0.000	83.725	4418.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
4518.00†	0.000	83.725	4518.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
4618.00†	0.000	83.725	4618.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
4718.00†	0.000	83.725	4718.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
4818.00†	0.000	83.725	4818.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
4918.00†	0.000	83.725	4918.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
5018.00†	0.000	83.725	5018.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
5118.00†	0.000	83.725	5118.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
5218.00†	0.000	83.725	5218.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
5318.00†	0.000	83.725	5318.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
5418.00†	0.000	83.725	5418.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
5518.00†	0.000	83.725	5518.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
5618.00†	0.000	83.725	5618.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
5718.00†	0.000	83.725	5718.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
5818.00†	0.000	83.725	5818.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
5918.00†	0.000	83.725	5918.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
6018.00†	0.000	83.725	6018.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
6118.00†	0.000	83.725	6118.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
6218.00†	0.000	83.725	6218.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
6318.00†	0.000	83.725	6318.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
6418.00†	0.000	83.725	6418.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
6518.00†	0.000	83.725	6518.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
6618.00†	0.000	83.725	6618.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
6718.00†	0.000	83.725	6718.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
6818.00†	0.000	83.725	6818.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
6918.00†	0.000	83.725	6918.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
7018.00†	0.000	83.725	7018.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
7118.00†	0.000	83.725	7118.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
7218.00†	0.000	83.725	7218.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
7318.00†	0.000	83.725	7318.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
7418.00†	0.000	83.725	7418.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
7518.00†	0.000	83.725	7518.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
7618.00†	0.000	83.725	7618.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
7718.00†	0.000	83.725	7718.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
7818.00†	0.000	83.725	7818.00	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	
7908.55	0.000	83.725	7908.55	0.00	0.00	0.00	612627.99	622738.41	32°42'41.293"N	103°58'01.763"W	0.00	Est. KOP
7918.00†	1.134	83.725	7918.00	0.09	0.01	0.09	612628.08	622738.42	32°42'41.294"N	103°58'01.762"W	12.00	
8018.00†	13.134	83.725	8017.04	12.49	1.37	12.42	612640.40	622739.77	32°42'41.306"N	103°58'01.618"W	12.00	
8118.00†	25.134	83.725	8111.35	45.21	4.94	44.94	612672.92	622743.35	32°42'41.341"N	103°58'01.237"W	12.00	
8218.00†	37.134	83.725	8196.79	96.82	10.58	96.24	612724.22	622748.99	32°42'41.395"N	103°58'00.636"W	12.00	
8318.00†	49.134	83.725	8269.63	165.06	18.04	164.07	612792.05	622756.44	32°42'41.466"N	103°57'59.842"W	12.00	
8418.00†	61.134	83.725	8326.69	246.96	26.99	245.48	612873.45	622765.39	32°42'41.552"N	103°57'58.889"W	12.00	
8518.00†	73.134	83.725	8365.48	338.94	37.04	336.91	612964.87	622775.45	32°42'41.648"N	103°57'57.819"W	12.00	
8618.00†	85.134	83.725	8384.29	436.96	47.76	434.35	613062.30	622786.16	32°42'41.751"N	103°57'56.678"W	12.00	
8655.21	89.599	83.725	8386.00	474.12	51.82	471.28	613099.23	622790.22	32°42'41.790"N	103°57'56.246"W	12.00	End of Curve

 Mewbourne Oil Company

Planned Wellpath Report

 Prelim_1
 Page 4 of 4


REFERENCE WELLPATH IDENTIFICATION			
Operator	Mewbourne Oil Company	Slot	No. 1H SHL
Area	Eddy County, NM	Well	No. 1H
Field	(Ursa) Sec27, T18S, R30E	Wellbore	No. 1H PWB
Facility	Ursa 27 Fed Com		

WELLPATH DATA (134 stations) † = interpolated/extrapolated station												
MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	DLS [°/100ft]	Comments
8718.00†	89.599	83.725	8386.44	536.91	58.68	533.70	613161.65	622797.08	32°42'41.856"N	103°57'55.515"W	0.00	
8818.00†	89.599	83.725	8387.14	636.91	69.61	633.10	613261.04	622808.01	32°42'41.960"N	103°57'54.351"W	0.00	
8918.00†	89.599	83.725	8387.84	736.91	80.54	732.49	613360.43	622818.94	32°42'42.065"N	103°57'53.187"W	0.00	
9018.00†	89.599	83.725	8388.54	836.91	91.47	831.89	613459.82	622829.87	32°42'42.170"N	103°57'52.024"W	0.00	
9118.00†	89.599	83.725	8389.24	936.90	102.40	931.29	613559.21	622840.79	32°42'42.275"N	103°57'50.860"W	0.00	
9218.00†	89.599	83.725	8389.94	1036.90	113.33	1030.69	613658.60	622851.72	32°42'42.379"N	103°57'49.696"W	0.00	
9318.00†	89.599	83.725	8390.64	1136.90	124.25	1130.09	613757.99	622862.65	32°42'42.484"N	103°57'48.532"W	0.00	
9418.00†	89.599	83.725	8391.35	1236.90	135.18	1229.49	613857.38	622873.58	32°42'42.589"N	103°57'47.369"W	0.00	
9518.00†	89.599	83.725	8392.05	1336.89	146.11	1328.89	613956.77	622884.51	32°42'42.693"N	103°57'46.205"W	0.00	
9618.00†	89.599	83.725	8392.75	1436.89	157.04	1428.28	614056.16	622895.43	32°42'42.798"N	103°57'45.041"W	0.00	
9718.00†	89.599	83.725	8393.45	1536.89	167.97	1527.68	614155.55	622906.36	32°42'42.903"N	103°57'43.877"W	0.00	
9818.00†	89.599	83.725	8394.15	1636.89	178.90	1627.08	614254.94	622917.29	32°42'43.008"N	103°57'42.714"W	0.00	
9918.00†	89.599	83.725	8394.85	1736.88	189.83	1726.48	614354.33	622928.22	32°42'43.112"N	103°57'41.550"W	0.00	
10018.00†	89.599	83.725	8395.55	1836.88	200.76	1825.88	614453.72	622939.15	32°42'43.217"N	103°57'40.386"W	0.00	
10118.00†	89.599	83.725	8396.25	1936.88	211.69	1925.28	614553.12	622950.08	32°42'43.322"N	103°57'39.223"W	0.00	
10218.00†	89.599	83.725	8396.95	2036.88	222.62	2024.67	614652.51	622961.00	32°42'43.426"N	103°57'38.059"W	0.00	
10318.00†	89.599	83.725	8397.65	2136.87	233.54	2124.07	614751.90	622971.93	32°42'43.531"N	103°57'36.895"W	0.00	
10418.00†	89.599	83.725	8398.35	2236.87	244.47	2223.47	614851.29	622982.86	32°42'43.636"N	103°57'35.731"W	0.00	
10518.00†	89.599	83.725	8399.05	2336.87	255.40	2322.87	614950.68	622993.79	32°42'43.740"N	103°57'34.568"W	0.00	
10618.00†	89.599	83.725	8399.75	2436.87	266.33	2422.27	615050.07	623004.72	32°42'43.845"N	103°57'33.404"W	0.00	
10718.00†	89.599	83.725	8400.45	2536.86	277.26	2521.67	615149.46	623015.64	32°42'43.950"N	103°57'32.240"W	0.00	
10818.00†	89.599	83.725	8401.15	2636.86	288.19	2621.07	615248.85	623026.57	32°42'44.054"N	103°57'31.076"W	0.00	
10918.00†	89.599	83.725	8401.85	2736.86	299.12	2720.46	615348.24	623037.50	32°42'44.159"N	103°57'29.913"W	0.00	
11018.00†	89.599	83.725	8402.55	2836.86	310.05	2819.86	615447.63	623048.43	32°42'44.264"N	103°57'28.749"W	0.00	
11118.00†	89.599	83.725	8403.25	2936.85	320.98	2919.26	615547.02	623059.36	32°42'44.368"N	103°57'27.585"W	0.00	
11218.00†	89.599	83.725	8403.95	3036.85	331.91	3018.66	615646.41	623070.28	32°42'44.473"N	103°57'26.421"W	0.00	
11318.00†	89.599	83.725	8404.65	3136.85	342.83	3118.06	615745.80	623081.21	32°42'44.578"N	103°57'25.258"W	0.00	
11418.00†	89.599	83.725	8405.35	3236.85	353.76	3217.46	615845.19	623092.14	32°42'44.682"N	103°57'24.094"W	0.00	
11518.00†	89.599	83.725	8406.05	3336.84	364.69	3316.86	615944.59	623103.07	32°42'44.787"N	103°57'22.930"W	0.00	
11618.00†	89.599	83.725	8406.75	3436.84	375.62	3416.25	616043.98	623114.00	32°42'44.892"N	103°57'21.766"W	0.00	
11718.00†	89.599	83.725	8407.45	3536.84	386.55	3515.65	616143.37	623124.93	32°42'44.996"N	103°57'20.603"W	0.00	
11818.00†	89.599	83.725	8408.15	3636.84	397.48	3615.05	616242.76	623135.85	32°42'45.101"N	103°57'19.439"W	0.00	
11918.00†	89.599	83.725	8408.85	3736.83	408.41	3714.45	616342.15	623146.78	32°42'45.205"N	103°57'18.275"W	0.00	
12018.00†	89.599	83.725	8409.55	3836.83	419.34	3813.85	616441.54	623157.71	32°42'45.310"N	103°57'17.111"W	0.00	
12118.00†	89.599	83.725	8410.25	3936.83	430.27	3913.25	616540.93	623168.64	32°42'45.415"N	103°57'15.948"W	0.00	
12218.00†	89.599	83.725	8410.95	4036.83	441.20	4012.65	616640.32	623179.57	32°42'45.519"N	103°57'14.784"W	0.00	
12318.00†	89.599	83.725	8411.65	4136.83	452.12	4112.04	616739.71	623190.49	32°42'45.624"N	103°57'13.620"W	0.00	
12418.00†	89.599	83.725	8412.36	4236.82	463.05	4211.44	616839.10	623201.42	32°42'45.729"N	103°57'12.456"W	0.00	
12518.00†	89.599	83.725	8413.06	4336.82	473.98	4310.84	616938.49	623212.35	32°42'45.833"N	103°57'11.293"W	0.00	
12618.00†	89.599	83.725	8413.76	4436.82	484.91	4410.24	617037.88	623223.28	32°42'45.938"N	103°57'10.129"W	0.00	
12718.00†	89.599	83.725	8414.46	4536.82	495.84	4509.64	617137.27	623234.21	32°42'46.042"N	103°57'08.965"W	0.00	
12818.00†	89.599	83.725	8415.16	4636.81	506.77	4609.04	617236.67	623245.14	32°42'46.147"N	103°57'07.801"W	0.00	
12918.00†	89.599	83.725	8415.86	4736.81	517.70	4708.43	617336.06	623256.06	32°42'46.252"N	103°57'06.638"W	0.00	
12938.47	89.599	83.725	8416.00†	4757.28	519.94	4728.78	617356.40	623258.30	32°42'46.273"N	103°57'06.399"W	0.00	No. 1H PBHL

TARGETS

Name	MD [ft]	TVD [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	Shape
1) No. 1H PBHL	12938.47	8416.00	519.94	4728.78	617356.40	623258.30	32°42'46.273"N	103°57'06.399"W	point

SURVEY PROGRAM - Ref Wellbore: No. 1H PWB Ref Wellpath: Prelim_1						
Start MD [ft]	End MD [ft]	Positional Uncertainty Model			Log Name/Comment	Wellbore
3451.00	12938.47	NaviTrak (Standard)				No. 1H PWB

BOP Scematic for 12 1/4" Hole

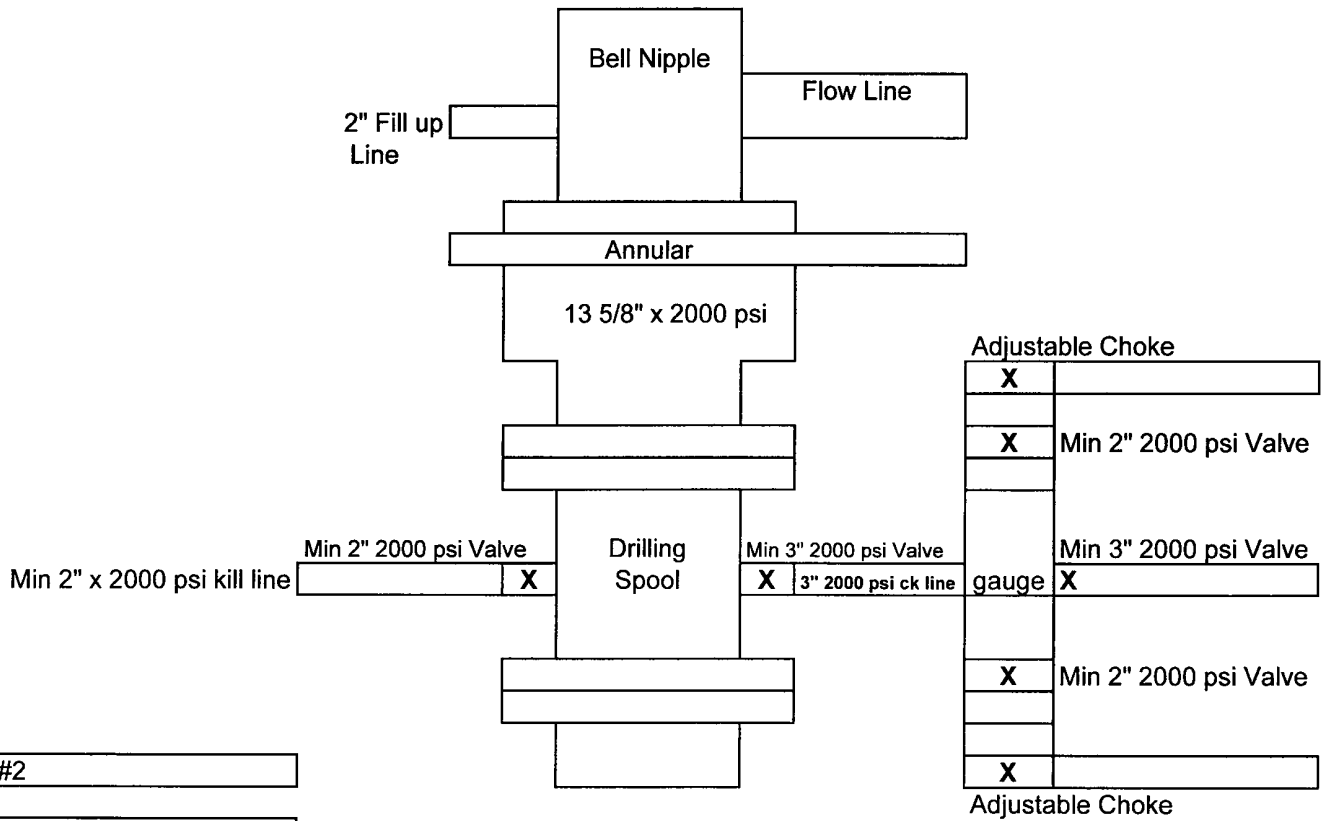


Exhibit #2

Ursa "27" Fed Com #1H
147' FSL & 223' FWL
Sec 27-T18S-R30E
Eddy, County
New Mexico

Mewbourne Oil Company
BOP Schematic for
8 3/4" & 6 1/8" Holes

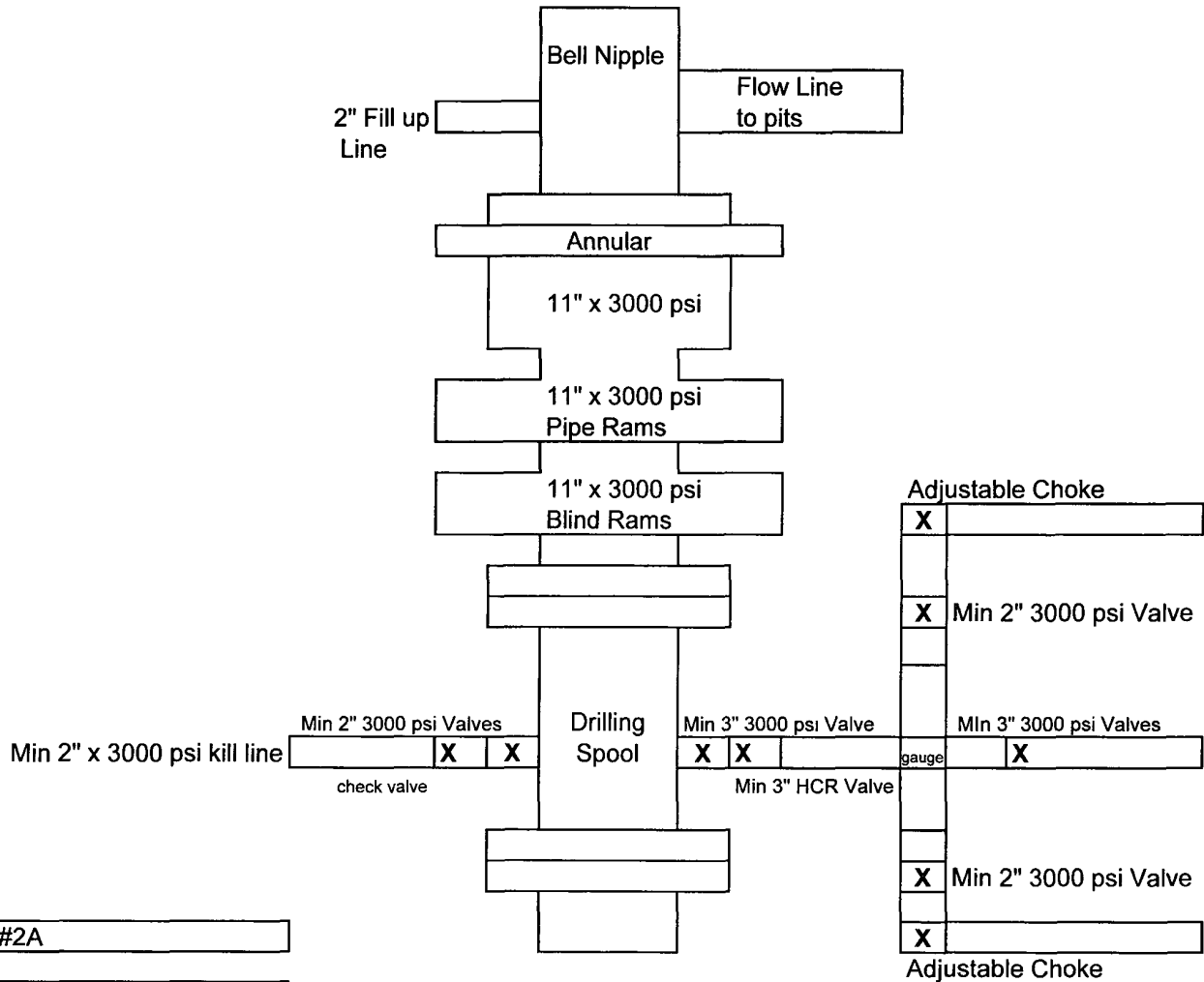


Exhibit #2A

Ursa "27" Fed Com #1H
147' FSL & 223' FWL
Sec 27-T18S-R30E
Eddy, County
New Mexico

Notes Regarding Blowout Preventer

Mewbourne Oil Company

Ursa "27" Federal Com #1H

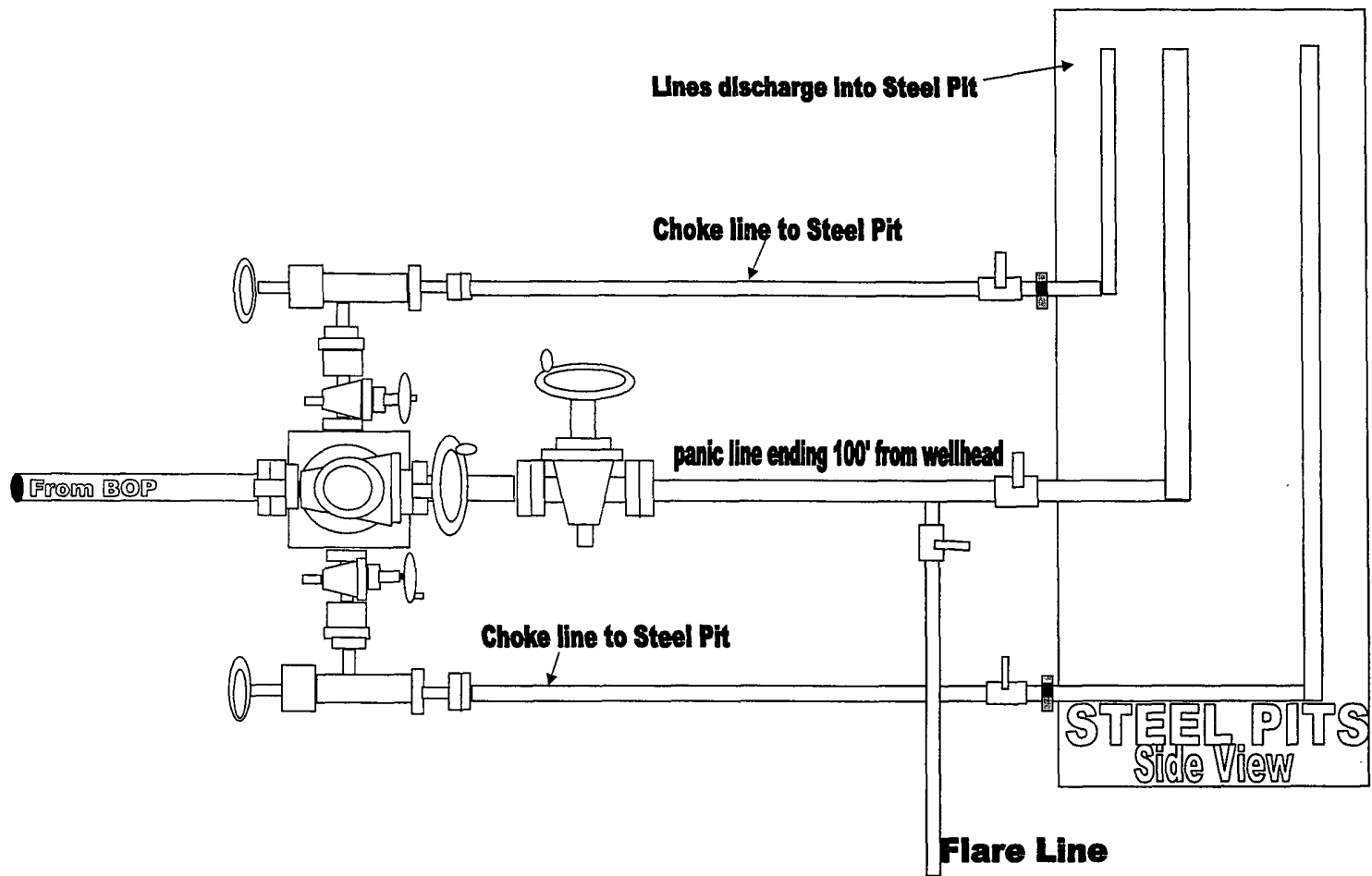
147' FSL & 223' FWL (SHL)

Sec 27-T18S-R30E

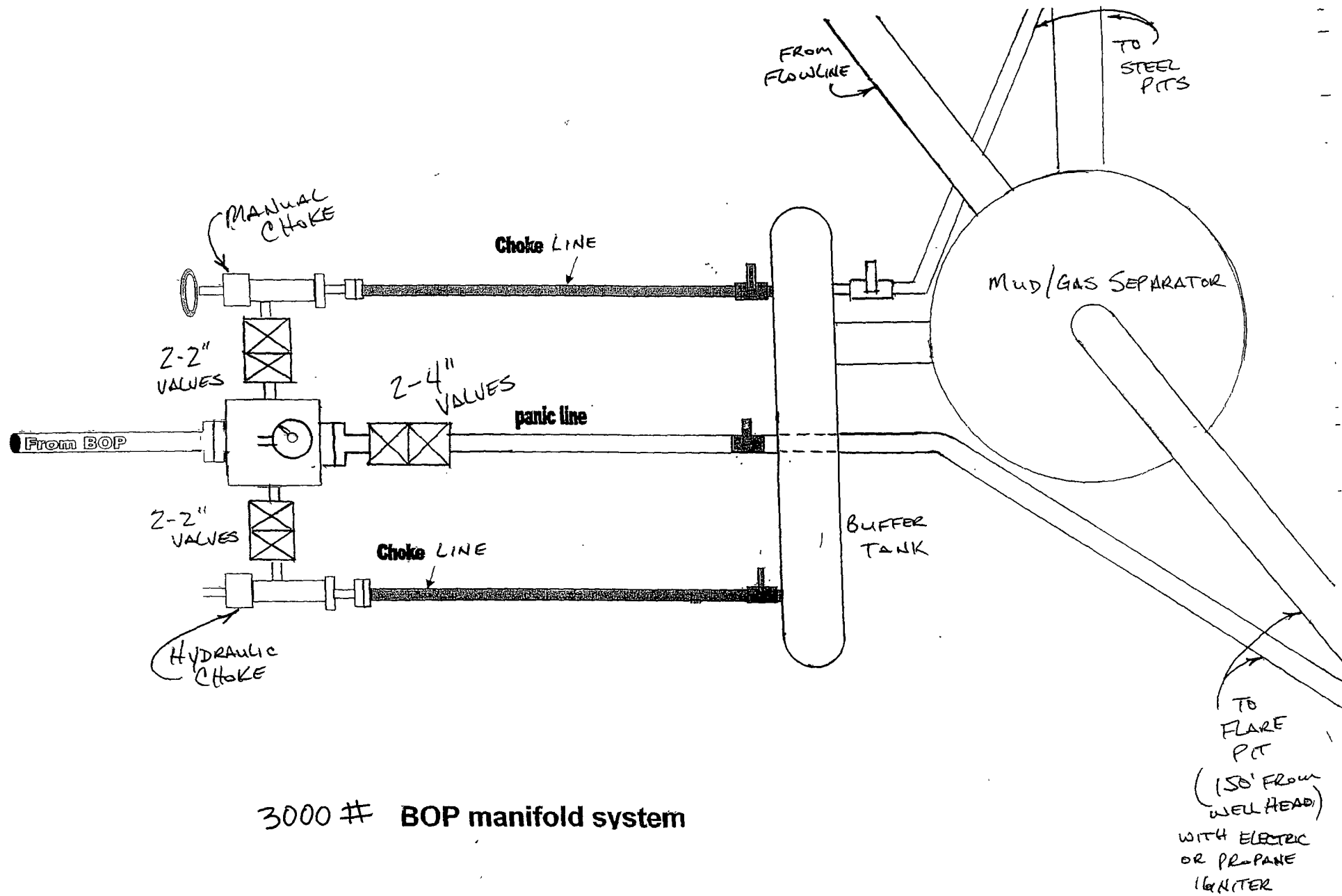
Eddy County, New Mexico

- I. Drilling nipple (bell nipple) to be constructed so that it can be removed without the use of a welder through the opening of the rotary table, with minimum internal diameter equal to blowout preventer bore.
- II. Blowout preventer and all fittings must be in good condition with a minimum 2000 psi working pressure on 13 $\frac{3}{8}$ " casing and 3000 psi working pressure on the 9 $\frac{5}{8}$ " & 7" casing strings.
- III. Safety valve must be available on the rig floor at all times with proper connections to install in the drill string. Valve must be full bore with minimum 3000 psi working pressure.
- IV. Equipment through which bit must pass shall be at least as large as internal diameter of the casing.
- V. A kelly cock shall be installed on the kelly at all times.

Blowout preventer closing equipment to include and accumulator of at least 40 gallon capacity, two independent sources of pressure on closing unit, and meet all other API specifications.



3000# BOP manifold system for Exhibit 2 & 2A



Closed Loop Pad Dimensions 280' x 320'

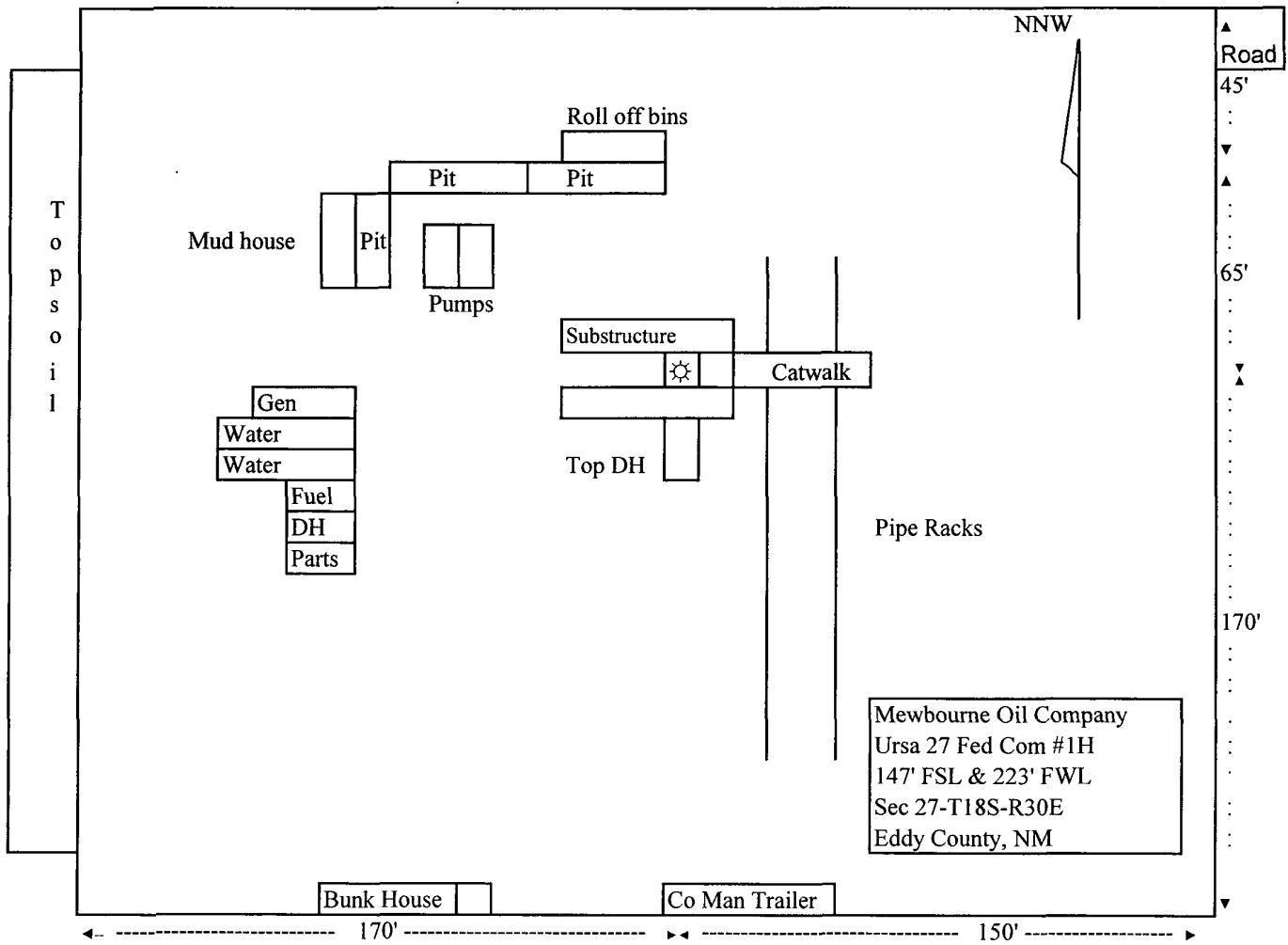


Exhibit 5

DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

Operator New Horve OGRID # 14744
 Well Name & # URSA "27" FEDERAL COM Surface Type (F)(S) (P)
 Location: UL 0, Sect 27, Township 18 s, RNG 30 e, Sub-surface Type (F)(S) (P)

A. Date C101 rec'd 10/31/2011 C101 reviewed 11/2/2011

B. 1. Check mark, Information is OK on Forms:

OGRID , BONDING , PROP CODE , WELL # , SIGNATURE
 2. Inactive Well list as of: 11/2/2011 # wells 611, # Inactive wells 2

a. District Grant APD but see number of inactive wells:

No letter required ✓, Sent Letter to Operator , to Santa Fe

3. Additional Bonding as of: 11/2/2011

a. District Denial because operator needs addition bonding:

No Letter required ✓, Sent Letter to Operator , To Santa Fe

b. District Denial because of Inactive well list and Financial Assurance:

No Letter required ✓, Sent Letter to Operator , To Santa Fe

C. C102 YES ✓, NO , Signature

1. Pool 160 B.S. South, Code 39720

a. Dedicated acreage , What Units

b. SUR. Location Standard : Non-Standard Location

c. Well shares acres: Yes , No , # of wells plus this well #

2. 2nd. Operator in same acreage, Yes , No

Agreement Letter , Disagreement letter

3. Intent to Directional Drill Yes ✓, No

a. Dedicated acreage 160, What Units M-N-O-B

b. Bottomhole Location Standard , Non-Standard Bottomhole

4. Downhole Commingle: Yes , No

a. Pool #2 , Code , Acres

Pool #3 , Code , Acres

Pool #4 , Code , Acres

5. POTASH Area Yes , No ✓

D. Blowout Preventer Yes ✓, No

E. H2S Yes ✓, No

F. C144 Pit Registration Yes , No

G. Does APD require Santa Fe Approval:

1. Non-Standard Location: Yes , No ✓, NSL #

2. Non-Standard Proration: Yes , No ✓, NSP #

3. Simultaneous Dedication: Yes , No ✓, SD #

Number of wells Plus #

4. Injection order Yes , No ✓; PMX # or WFX #

5. SWD order Yes , NO ✓; SWD #

6. DHC from SF ; DHC-HOB ; Holding

7. OCD Approval Date 11/2/2011

API #30-0 15-39581

8. Reviewers

Field EXT 11/2/2011
 URSA