

Form 3160-3
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

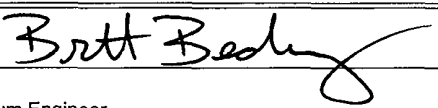
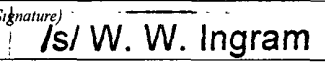
FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

1a. Type of work: ☒ DRILL ☐ REENTER		5. Lease Serial No. NM 89881 & NMLC 029388(a)
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Mewbourne Oil Company		7. If Unit or CA Agreement, Name and No.
3a. Address PO BOX 5270 Hobbs, NM 88240		8. Lease Name and Well No. Tamano "10" Fed Com #7H [32676]
3b. Phone No. (include area code) (575) 393-5905		9. API Well No. 30-015-39685
4. Location of Well (Report location clearly and in accordance with any State requirements *) At surface 2125' FNL & 455' FWL (Unit E) At proposed prod. zone 1950' FNL & 330' FEL (Unit H)		10. Field and Pool, or Exploratory Tamano Bone Spring 58040
14. Distance in miles and direction from nearest town or post office* 7.5 miles SE of Loco Hills, NM		11. Sec., T. R. M. or Blk and Survey or Area Sec 10, T18S, R31E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease 160	17. Spacing Unit dedicated to this well 160
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft	19. Proposed Depth 12687' MD 8452' TVD	20. BLM/BIA Bond No. on file NM1693, Nationwide
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3714' GL	22. Approximate date work will start* 12/01/2011	23. Estimated duration 40 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 10/03/2011
Title Petroleum Engineer		
Approved by (Signature) 	Name (Printed/Typed)	Date NOV 15 2011
Title FIELD MANAGER		
Office CARLSBAD FIELD 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.

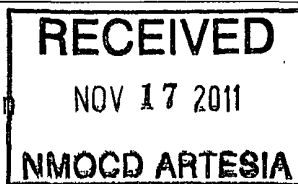
APPROVAL FOR TWO YEARS

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



SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

**United States Department of the Interior
Bureau of Land Management
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-1287**

Statement Accepting Responsibility for Operations

Operator Name: Mewbourne Oil Company
Street or Box: P.O. Box 5270
City, State: Hobbs, New Mexico
Zip Code: 88241

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted of the leased land or portion thereof, as described below.

Lease Number: Lease Number # NM 89881 & NMLC 029388(a)

Legal Description of Land: Section 10, T-18S, R-31E Eddy County, New Mexico.
Location @ 2125' FNL & 455' FWL.

Formation (if applicable): Bone Springs

Bond Coverage: \$150,000

BLM Bond File: NM1693, Nationwide

Authorized Signature: _____

Brett Bealy for NM
Young

Name: NM (Micky) Young

Title: District Manager

Date: 10-3-11

Drilling Program
Mewbourne Oil Company
 Tamano "10" Fed Com #7H
 2125' FNL & 455' FWL (SHL)
 Sec 10-T18S-R31E
 Eddy County, New Mexico

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

Rustler	690'
Top Salt	900'
Yates	2100'
*Queen	3250'
*Grayburg	3770'
*San Andres	3970'
*Delaware	4580'
*Bone Springs Lime	5550'

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

Water	Fresh water is anticipated at 400' and will be protected by setting surface casing at 715' and by 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" & 9 5/8" 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 7864' & kick off to horizontal @ 8437' TVD. The well will be drilled to 12687' MD (8452' TVD). See attached directional plan.

5. Proposed casing and cementing program:

A. Casing Program:

<u>Hole Size</u>	<u>Casing</u>	<u>Wt/Ft.</u>	<u>Grade</u>	<u>Depth</u>	<u>Jt Type</u>
17 1/2"	13 3/8" (new)	48#	H40	0-715' 150	ST&C
12 1/4"	9 5/8" (new)	36#	J55	0'-2200'	ST&C
8 3/4"	7" (new)	26#	P110	0'-7864' MD	LT&C
8 3/4"	7" (new)	26#	P110	7864'-8761' MD	BT&C
6 1/8"	4 1/2" (new)	11.6#	P110	8561'-12687' 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: 340 sks Class "C" (35:65:4) light cement w/ salt & LCM additives. Yield at 2.15 cuft/sk. 200 sks Class "C" cement w/ 2% CaCl₂. Yield at 1.34 cuft/sk. Cmt circulated to surface w/100% excess.
 - ii. Intermediate Casing: 275 sacks Class "C" (35:65:4) light cement w/ salt & LCM additives. Yield @ 1.97 cuft/sk. 200 sacks Class "C" cement w/2% CaCl₂. Yield at 1.34 cuft/sk. Cmt circulated to surface w/25% excess.
 - iii. Production Casing: 540 sacks Class "H" (35:65:4) light cement w/ salt, FL & LCM additives. Yield @ 2.11 cuft/sk. 400 sacks Class "H" cement w/ salt, FL & R3. Yield @ 1.19 cuft/sk. Cmt circulated to surface w/25% excess.
 - iii. 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' - 715' 750	FW spud mud	8.6-9.0	32-34	NA
715' - 2200'	Brine water	10.0-10.2	28-30	NA
2200' - 7864' (KOP)	FW	8.5-8.7	28-30	NA
7864' - TD	FW w/Polymer	8.5-8.7	32-35	15

7. Evaluation Program: See COA

Samples: 10' samples from surface casing to TD
Logging: CN/GR & Gyro from KOP -100' (7764') to surface. GR from 7764' 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 Co

Eddy County, New Mexico

Sec 10, T18S, R31E

Tamano 10 Fed Com #7H

Wellbore #1

Plan: Design #1

DDC Well Planning Report

30 September, 2011



DDC Well Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Tamano 10 Fed Com #7H
Company:	Mewbourne Oil Co	TVD Reference:	WELL @ 3732.0usft (Patterson UTI #47)
Project:	Eddy County, New Mexico	MD Reference:	WELL @ 3732.0usft (Patterson UTI #47)
Site:	Sec 10, T18S, R31E	North Reference:	Grid
Well:	Tamano 10 Fed Com #7H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Project	Eddy County, New Mexico		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Sec 10, T18S, R31E		
Site Position:		Northing:	641,725.21 usft
From:	Map	Easting:	644,281.10 usft
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/16 "
		Latitude:	32° 45' 47.938 N
		Longitude:	103° 51' 50.309 W
		Grid Convergence:	0.25 °

Well	Tamano 10 Fed Com #7H		
Well Position	+N/-S	0.0 usft	Northing: 641,725.21 usft
	+E/-W	0.0 usft	Easting: 644,281.10 usft
Position Uncertainty	0.0 usft	Wellhead Elevation:	3,714.0 usft
		Latitude:	32° 45' 47.938 N
		Longitude:	103° 51' 50.309 W
		Ground Level:	

Wellbore	Wellbore #1		
-----------------	-------------	--	--

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	9/30/2011	7.73	60.63	48,878

Design	Design #1		
---------------	-----------	--	--

Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	87.79

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	
7,864.0	0.00	0.00	7,864.0	0.0	0.0	0.00	0.00	0.00	0.00	
8,761.8	89.78	87.79	8,437.0	22.0	570.3	10.00	10.00	9.78	87.79	
12,687.4	89.78	87.79	8,452.0	173.5	4,493.0	0.00	0.00	0.00	0.00	PBHL Tamano 10 F

DDC
Well Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Tamano 10 Fed Com #7H
Company:	Mewbourne Oil Co	TVD Reference:	WELL @ 3732.0usft (Patterson UTI #47)
Project:	Eddy County, New Mexico	MD Reference:	WELL @ 3732.0usft (Patterson UTI #47)
Site:	Sec 10, T18S, R31E	North Reference:	Grid
Well:	Tamano 10 Fed Com #7H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
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
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
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	0.00
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00
4,700.0	0.00	0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	0.00
4,800.0	0.00	0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	0.00
4,900.0	0.00	0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	0.00
5,000.0	0.00	0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	0.00
5,100.0	0.00	0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	0.00
5,200.0	0.00	0.00	5,200.0	0.0	0.0	0.0	0.00	0.00	0.00
5,300.0	0.00	0.00	5,300.0	0.0	0.0	0.0	0.00	0.00	0.00

DDC Well Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Tamano 10 Fed Com #7H
Company:	Mewbourne Oil Co	TVD Reference:	WELL @ 3732.0usft (Patterson UTI #47)
Project:	Eddy County, New Mexico	MD Reference:	WELL @ 3732.0usft (Patterson UTI #47)
Site:	Sec 10, T18S, R31E	North Reference:	Grid
Well:	Tamano 10 Fed Com #7H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
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)
5,400.0	0.00	0.00	5,400.0	0.0	0.0	0.0	0.00	0.00	0.00
5,500.0	0.00	0.00	5,500.0	0.0	0.0	0.0	0.00	0.00	0.00
5,600.0	0.00	0.00	5,600.0	0.0	0.0	0.0	0.00	0.00	0.00
5,700.0	0.00	0.00	5,700.0	0.0	0.0	0.0	0.00	0.00	0.00
5,800.0	0.00	0.00	5,800.0	0.0	0.0	0.0	0.00	0.00	0.00
5,900.0	0.00	0.00	5,900.0	0.0	0.0	0.0	0.00	0.00	0.00
6,000.0	0.00	0.00	6,000.0	0.0	0.0	0.0	0.00	0.00	0.00
6,100.0	0.00	0.00	6,100.0	0.0	0.0	0.0	0.00	0.00	0.00
6,200.0	0.00	0.00	6,200.0	0.0	0.0	0.0	0.00	0.00	0.00
6,300.0	0.00	0.00	6,300.0	0.0	0.0	0.0	0.00	0.00	0.00
6,400.0	0.00	0.00	6,400.0	0.0	0.0	0.0	0.00	0.00	0.00
6,500.0	0.00	0.00	6,500.0	0.0	0.0	0.0	0.00	0.00	0.00
6,600.0	0.00	0.00	6,600.0	0.0	0.0	0.0	0.00	0.00	0.00
6,700.0	0.00	0.00	6,700.0	0.0	0.0	0.0	0.00	0.00	0.00
6,800.0	0.00	0.00	6,800.0	0.0	0.0	0.0	0.00	0.00	0.00
6,900.0	0.00	0.00	6,900.0	0.0	0.0	0.0	0.00	0.00	0.00
7,000.0	0.00	0.00	7,000.0	0.0	0.0	0.0	0.00	0.00	0.00
7,100.0	0.00	0.00	7,100.0	0.0	0.0	0.0	0.00	0.00	0.00
7,200.0	0.00	0.00	7,200.0	0.0	0.0	0.0	0.00	0.00	0.00
7,300.0	0.00	0.00	7,300.0	0.0	0.0	0.0	0.00	0.00	0.00
7,400.0	0.00	0.00	7,400.0	0.0	0.0	0.0	0.00	0.00	0.00
7,500.0	0.00	0.00	7,500.0	0.0	0.0	0.0	0.00	0.00	0.00
7,600.0	0.00	0.00	7,600.0	0.0	0.0	0.0	0.00	0.00	0.00
7,700.0	0.00	0.00	7,700.0	0.0	0.0	0.0	0.00	0.00	0.00
7,800.0	0.00	0.00	7,800.0	0.0	0.0	0.0	0.00	0.00	0.00
Build 10°/100' @ 7864' MD									
7,864.0	0.00	0.00	7,864.0	0.0	0.0	0.0	0.00	0.00	0.00
7,900.0	3.60	87.79	7,900.0	0.0	1.1	1.1	10.00	10.00	0.00
8,000.0	13.60	87.79	7,998.7	0.6	16.1	16.1	10.00	10.00	0.00
8,100.0	23.60	87.79	8,093.4	1.8	47.9	47.9	10.00	10.00	0.00
8,200.0	33.60	87.79	8,181.1	3.7	95.7	95.7	10.00	10.00	0.00
8,300.0	43.60	87.79	8,259.1	6.1	157.9	158.0	10.00	10.00	0.00
8,400.0	53.60	87.79	8,325.2	9.0	232.8	233.0	10.00	10.00	0.00
8,500.0	63.60	87.79	8,377.2	12.3	318.0	318.2	10.00	10.00	0.00
8,600.0	73.60	87.79	8,413.6	15.9	410.9	411.2	10.00	10.00	0.00
8,700.0	83.60	87.79	8,433.4	19.6	508.7	509.1	10.00	10.00	0.00
EOB @ 8762' MD / 89.78° Inc / 87.79° Azm / 8437' TVD									
8,761.8	89.78	87.79	8,437.0	22.0	570.3	570.8	10.00	10.00	0.00
8,800.0	89.78	87.79	8,437.1	23.5	608.5	609.0	0.00	0.00	0.00
8,900.0	89.78	87.79	8,437.5	27.4	708.4	709.0	0.00	0.00	0.00
9,000.0	89.78	87.79	8,437.9	31.2	808.4	809.0	0.00	0.00	0.00
9,100.0	89.78	87.79	8,438.2	35.1	908.3	909.0	0.00	0.00	0.00
9,200.0	89.78	87.79	8,438.6	38.9	1,008.2	1,009.0	0.00	0.00	0.00
9,300.0	89.78	87.79	8,439.0	42.8	1,108.1	1,109.0	0.00	0.00	0.00
9,400.0	89.78	87.79	8,439.4	46.6	1,208.1	1,209.0	0.00	0.00	0.00
9,500.0	89.78	87.79	8,439.8	50.5	1,308.0	1,309.0	0.00	0.00	0.00
9,600.0	89.78	87.79	8,440.2	54.4	1,407.9	1,409.0	0.00	0.00	0.00
9,700.0	89.78	87.79	8,440.5	58.2	1,507.8	1,509.0	0.00	0.00	0.00
9,800.0	89.78	87.79	8,440.9	62.1	1,607.8	1,609.0	0.00	0.00	0.00
9,900.0	89.78	87.79	8,441.3	65.9	1,707.7	1,708.9	0.00	0.00	0.00
10,000.0	89.78	87.79	8,441.7	69.8	1,807.6	1,808.9	0.00	0.00	0.00
10,100.0	89.78	87.79	8,442.1	73.7	1,907.5	1,908.9	0.00	0.00	0.00
10,200.0	89.78	87.79	8,442.5	77.5	2,007.5	2,008.9	0.00	0.00	0.00

DDC Well Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Tamano 10 Fed Com #7H
Company:	Mewbourne Oil Co	TVD Reference:	WELL @ 3732.0usft (Patterson UTI #47)
Project:	Eddy County, New Mexico	MD Reference:	WELL @ 3732.0usft (Patterson UTI #47)
Site:	Sec 10, T18S, R31E	North Reference:	Grid
Well:	Tamano 10 Fed Com #7H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
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)
10,300.0	89.78	87.79	8,442.8	81.4	2,107.4	2,108.9	0.00	0.00	0.00
10,400.0	89.78	87.79	8,443.2	85.2	2,207.3	2,208.9	0.00	0.00	0.00
10,500.0	89.78	87.79	8,443.6	89.1	2,307.2	2,308.9	0.00	0.00	0.00
10,600.0	89.78	87.79	8,444.0	93.0	2,407.2	2,408.9	0.00	0.00	0.00
10,700.0	89.78	87.79	8,444.4	96.8	2,507.1	2,508.9	0.00	0.00	0.00
10,800.0	89.78	87.79	8,444.8	100.7	2,607.0	2,608.9	0.00	0.00	0.00
10,900.0	89.78	87.79	8,445.1	104.5	2,706.9	2,708.9	0.00	0.00	0.00
11,000.0	89.78	87.79	8,445.5	108.4	2,806.8	2,808.9	0.00	0.00	0.00
11,100.0	89.78	87.79	8,445.9	112.2	2,906.8	2,908.9	0.00	0.00	0.00
11,200.0	89.78	87.79	8,446.3	116.1	3,006.7	3,008.9	0.00	0.00	0.00
11,300.0	89.78	87.79	8,446.7	120.0	3,106.6	3,108.9	0.00	0.00	0.00
11,400.0	89.78	87.79	8,447.1	123.8	3,206.5	3,208.9	0.00	0.00	0.00
11,500.0	89.78	87.79	8,447.4	127.7	3,306.5	3,308.9	0.00	0.00	0.00
11,600.0	89.78	87.79	8,447.8	131.5	3,406.4	3,408.9	0.00	0.00	0.00
11,700.0	89.78	87.79	8,448.2	135.4	3,506.3	3,508.9	0.00	0.00	0.00
11,800.0	89.78	87.79	8,448.6	139.3	3,606.2	3,608.9	0.00	0.00	0.00
11,900.0	89.78	87.79	8,449.0	143.1	3,706.2	3,708.9	0.00	0.00	0.00
12,000.0	89.78	87.79	8,449.4	147.0	3,806.1	3,808.9	0.00	0.00	0.00
12,100.0	89.78	87.79	8,449.7	150.8	3,906.0	3,908.9	0.00	0.00	0.00
12,200.0	89.78	87.79	8,450.1	154.7	4,005.9	4,008.9	0.00	0.00	0.00
12,300.0	89.78	87.79	8,450.5	158.6	4,105.9	4,108.9	0.00	0.00	0.00
12,400.0	89.78	87.79	8,450.9	162.4	4,205.8	4,208.9	0.00	0.00	0.00
12,500.0	89.78	87.79	8,451.3	166.3	4,305.7	4,308.9	0.00	0.00	0.00
12,600.0	89.78	87.79	8,451.7	170.1	4,405.6	4,408.9	0.00	0.00	0.00
TD @ 12687' MD / 8452' TVD									
12,687.4	89.78	87.79	8,452.0	173.5	4,493.0	4,496.3	0.00	0.00	0.00

Design Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
hit/miss target									
Shape									
PBHL Tamano 10 Fed	0.00	0.00	8,452.0	173.5	4,493.0	641,898.71	648,774.10	32° 45' 49.455 N	103° 50' 57.684 W
- plan hits target center									
- Point									

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
7,864.0	7,864.0	0.0	0.0	Build 10°/100' @ 7864' MD
8,761.8	8,437.0	22.0	570.3	EOB @ 8762' MD / 89.78° Inc / 87.79° Azm / 8437' TVD
12,687.4	8,452.0	173.5	4,493.0	TD @ 12687' MD / 8452' TVD

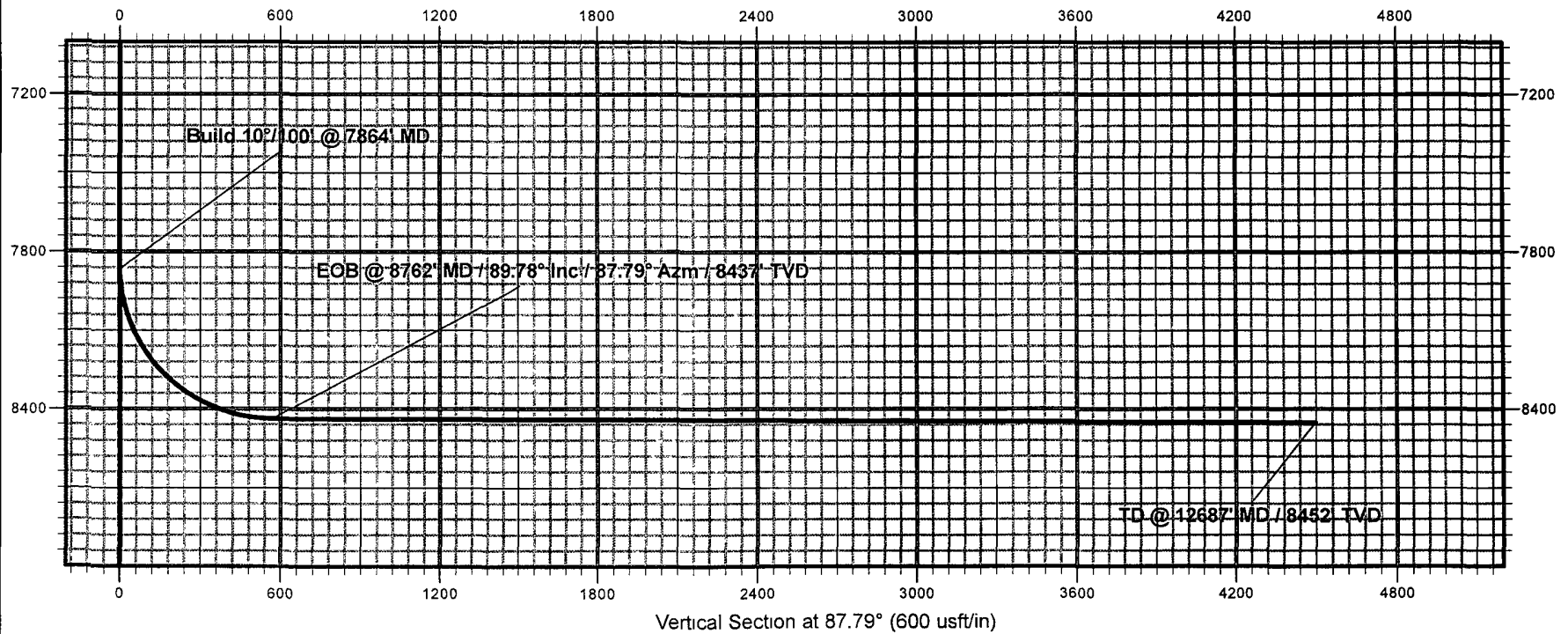
Mewbourne Oil Company



Eddy County, New Mexico

Tamano 10 Fed Com #7H

Quote 110671

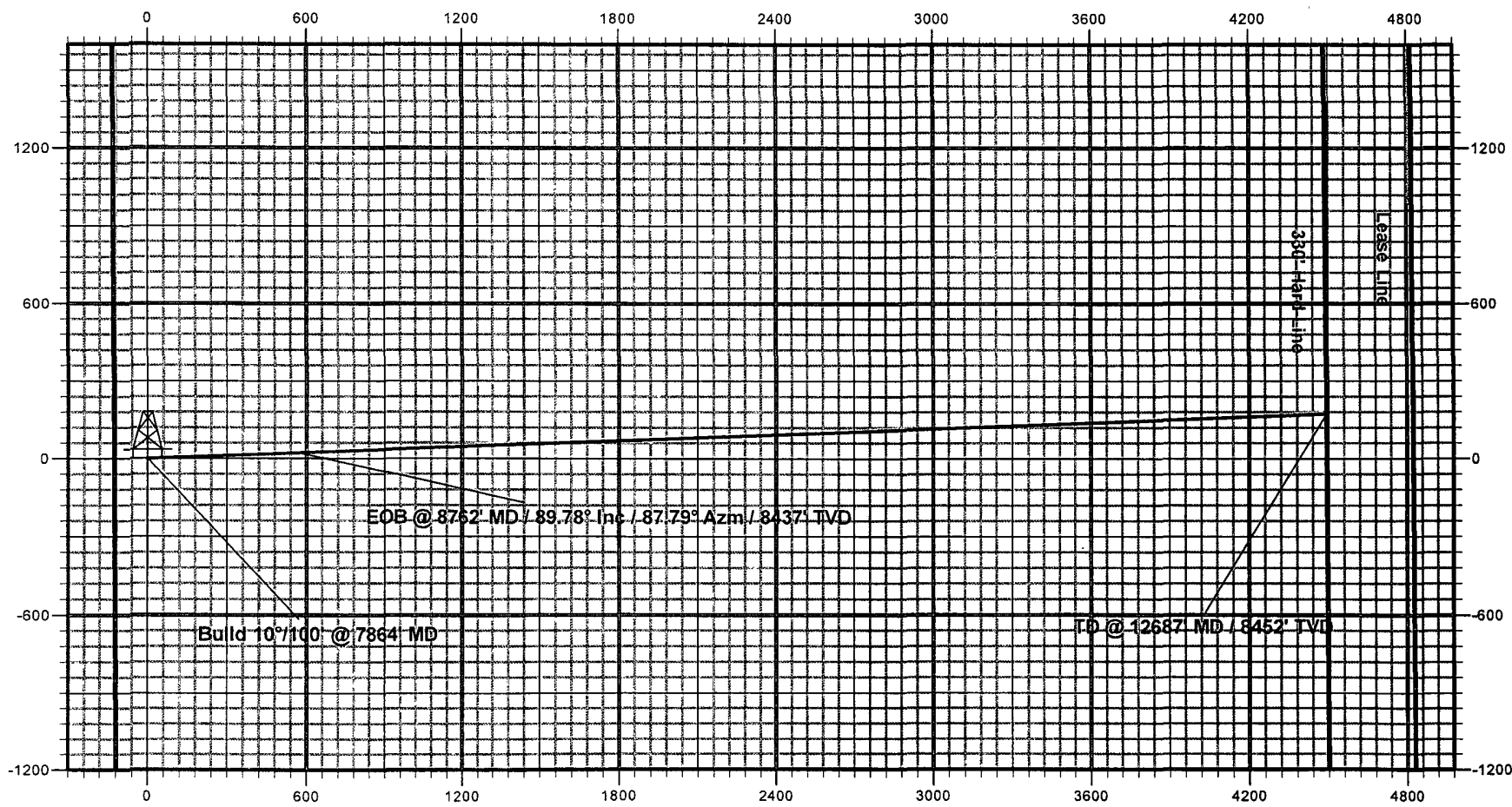


Mewbourne Oil Company

Eddy County, New Mexico

Tamano 10 Fed Com #7H

Quote 110671



Notes Regarding Blowout Preventer

Mewbourne Oil Company

Tamano "10" Fed Com #7H
2125' FNL & 455' FWL (SHL)

Sec 10-T18S-R31E
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 3/8" casing and 3000 psi working pressure on 9 5/8" & 7" casing.
- 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.

Mewbourne Oil Company
BOP Schematic for
12 1/4" Hole

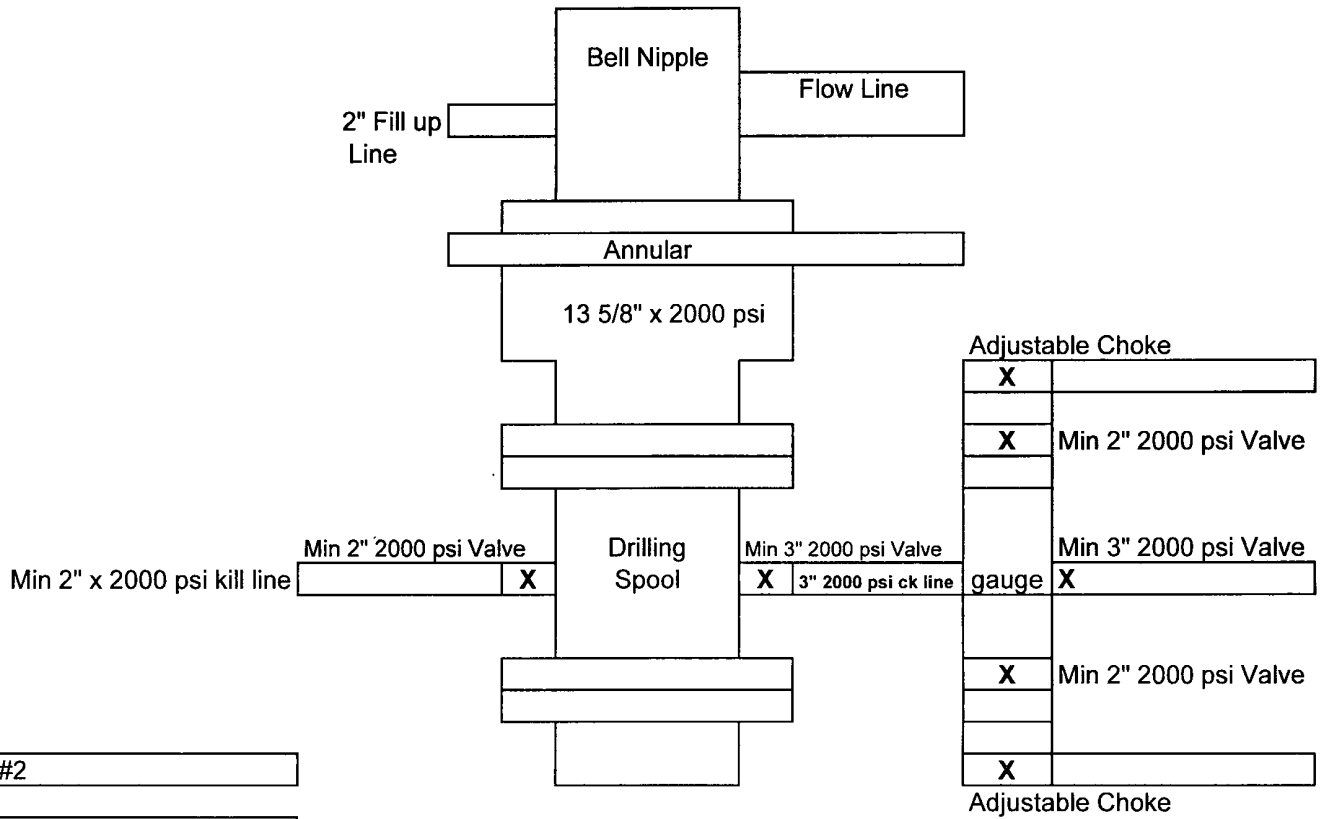


Exhibit #2

Tamano 10 Fed Com #7H
2125' FNL & 455' FWL
Sec 10-T18S-R31E
Eddy, County
New Mexico

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

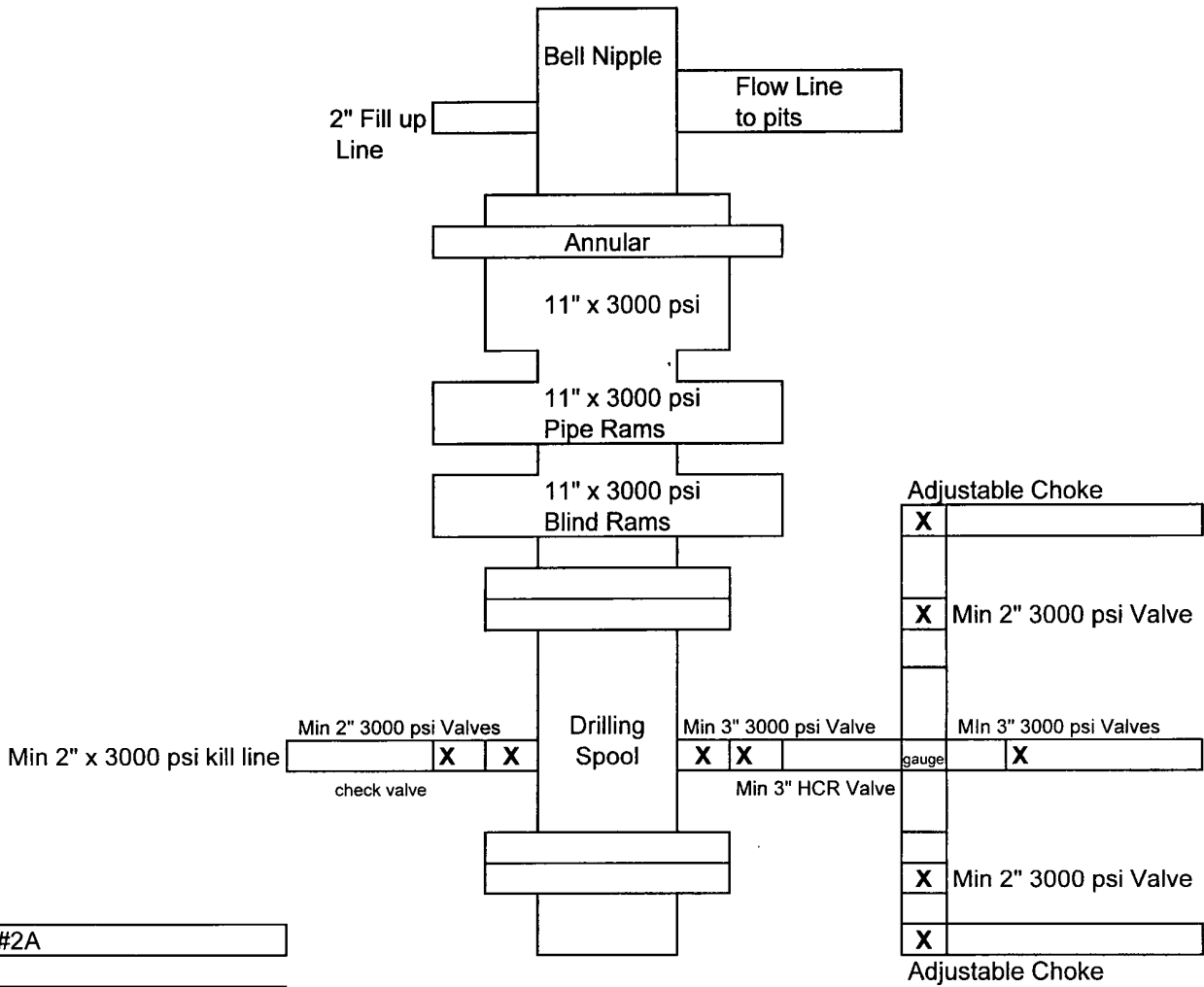
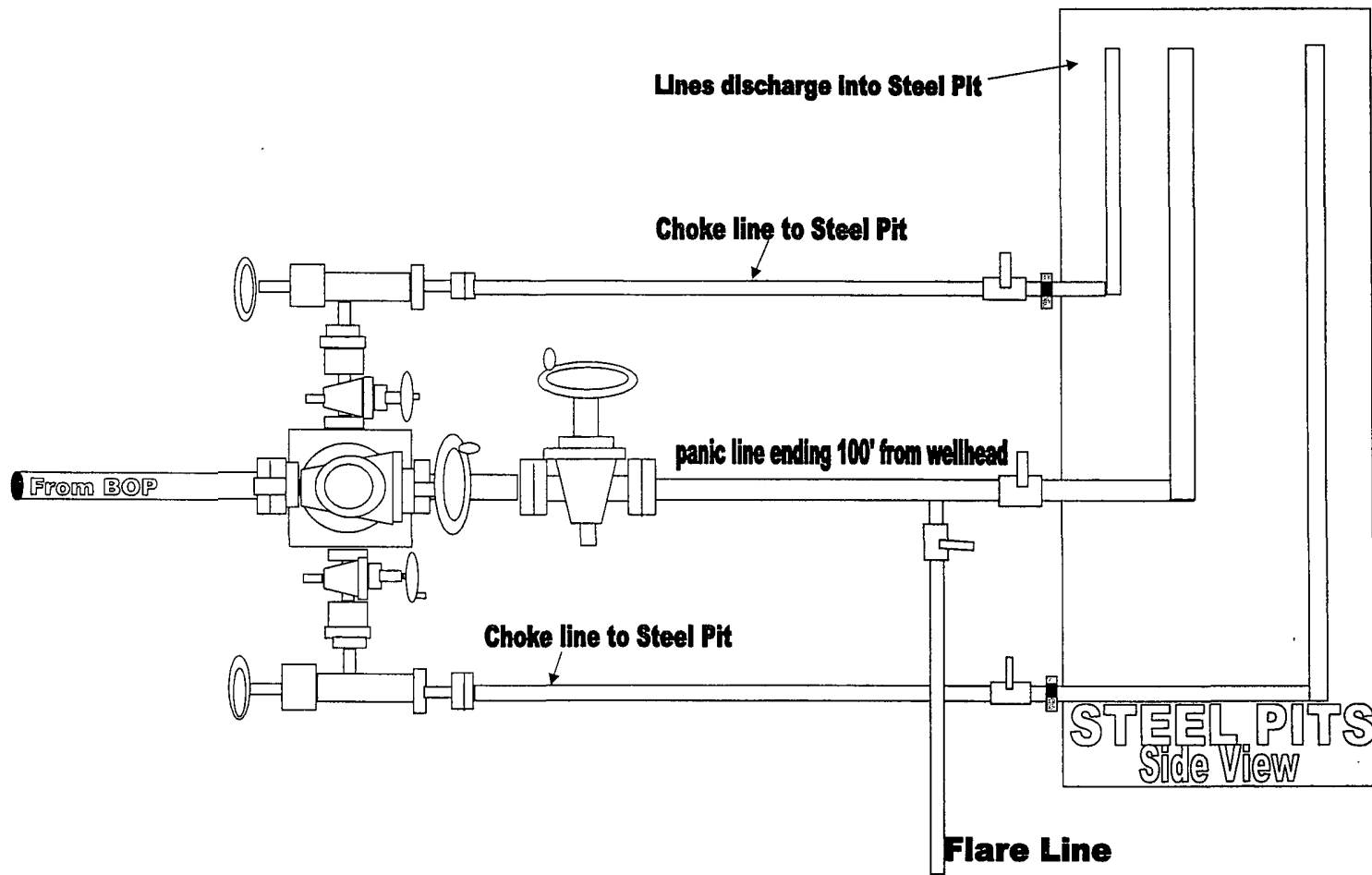


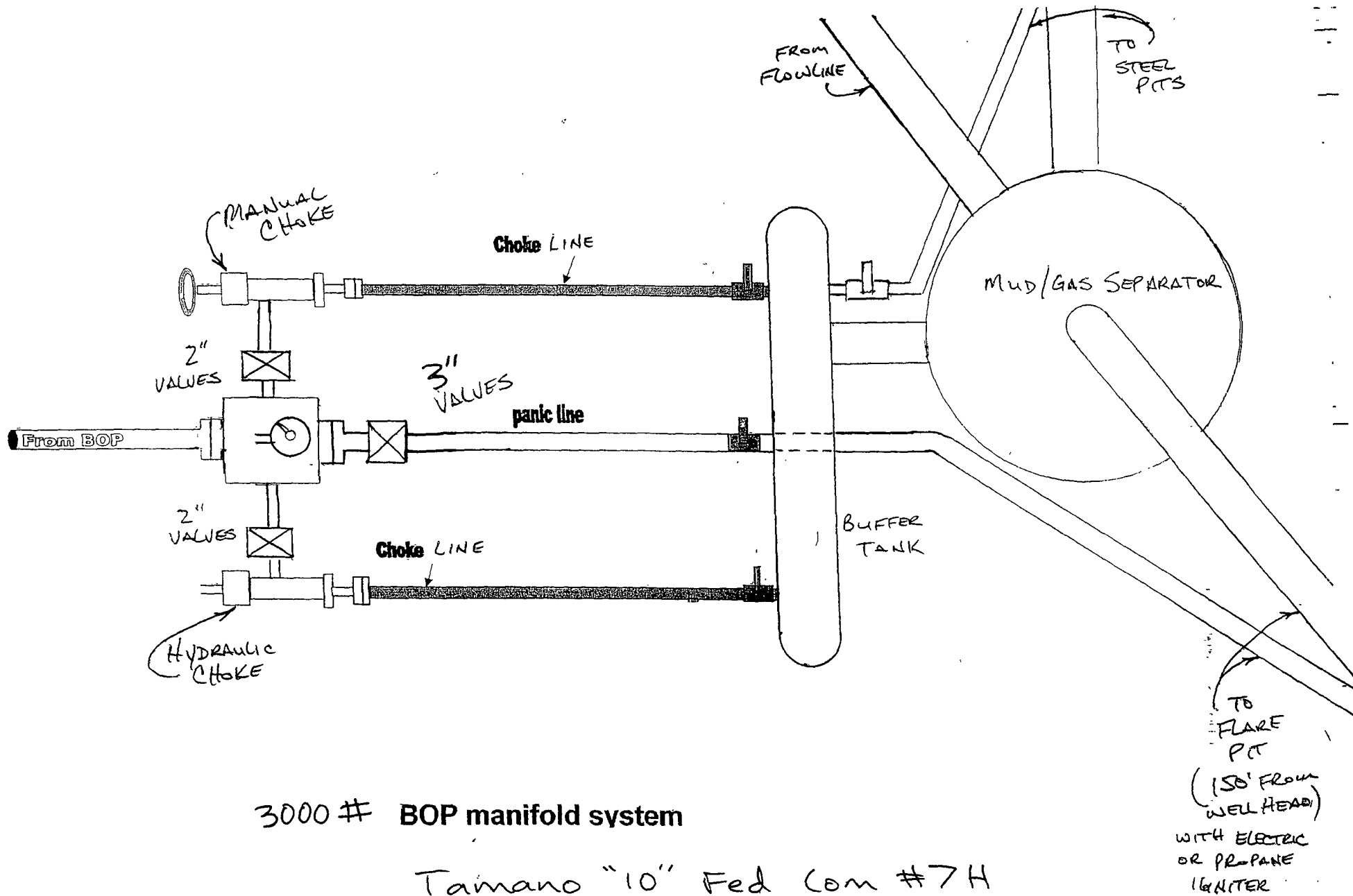
Exhibit #2A

Tamano "10" Fed Com #7H
2125' FNL & 455' FWL
Sec 10-T18S-R31E
Eddy, County
New Mexico



3000# BOP manifold system for Exhibit 2 & 2A

Tamano "10" Fed Com #7H



X MOC Tamano "10" Fed #4 Wellhead

Closed Loop Pad Dimensions 280' x 320'

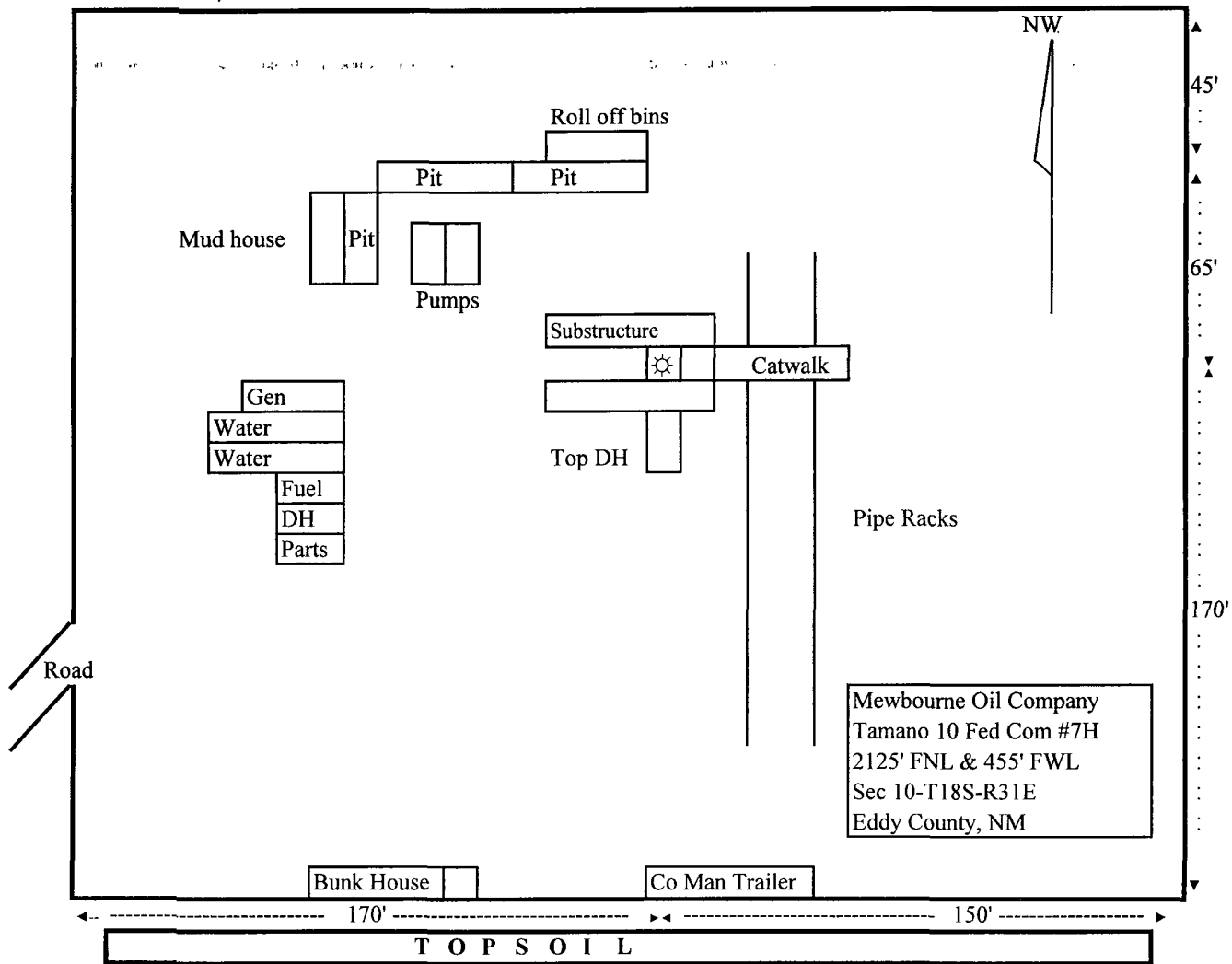


Exhibit 5

DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

32676

Operator Newbourne OGRID # 14744
Well Name & # TAMANO 10 FEDERAL COM 7H Surface Type (F) (S) (P)
Location: UL E, Sect 10, Township 18 s, RNG 31 e, Sub-surface Type (F) (S) (P)

A. Date C101 rec'd 11/17/2011 C101 reviewed 11/23/2011

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

OGRID ☒ BONDING ☒ PROP CODE ☐ WELL # ☐ SIGNATURE ☐
2. Inactive Well list as of: 11/23/2011 # wells 615, # 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: 11/23/2011

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 TAMANO B.S., Code 58040

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 E-F-G-H

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 11/23/2011

API #30-0 15-39685

8. Reviewers TEG