

OCD-HOBBS

HOBBS OCD

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

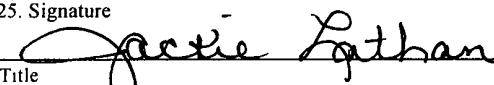
JUL 06 2011

1a. Type of Work: ☒ DRILL ☐ REENTER		5. Lease Serial No. NM-077004	
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 <14744>		7. If Unit or CA Agreement, Name and No.	
3a. Address PO Box 5270 Hobbs, NM 88241		8. Lease Name and Well No. <38695> Spyglass 17 Fed #2H	
3b. Phone No. (include area code) 575-393-5905		9. API Well No. 30-025-40185	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 660' FNL & 330' FWL Unit D At proposed prod. zone 660' FNL & 330' FEL, Unit A		10. Field and Pool, or Exploratory Tonto Bone Springs <59475>	
14. Distance in miles and direction from nearest town or post office* 19 miles SE of Maljamar, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec 17 - T19S-R33E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 330'		12. County or Parish Lea	13. State NM
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. 1475'		20. BLM/BIA Bond No. on file NM1693, Nationwide	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3652' GL		22. Approximate date work will start* ASAP	
		23. Estimated duration 50	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall 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 shall be filed with the appropriate Forest Service Office) | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Jackie Lathan	Date 04/13/11
Title Hobbs Regulatory		
Approved by (Signature) /s/ Don Peterson	Name (Printed/Typed) /s/ Don Peterson	Date JUN 24 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.

*(Instructions on reverse)

Witness Surface &
Intermediate Casing

KZ 06/07/11

Capitan Controlled Water Basin

SEE ATTACHED FOR
CONDITIONS OF APPROVALAPPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 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

OIL CONSERVATION DIVISION

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

HOBBS OGD Submit one copy to appropriate
District Office

JUL 06 2011

WELL LOCATION AND ACREAGE DEDICATION RECEIVED

☐ AMENDED REPORT

API Number 30-025-40185	Pool Code 59475	Pool Name TONTO BONE SPRING OIL POOL
Property Code 38695	Property Name SPYGLASS "17" FEDERAL	Well Number 2H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3652'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	17	19 S	33 E		660	NORTH	330	WEST	LEA

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
A	17	19 S	33 E		660	NORTH	330	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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 Lat - N 32°39'56.17" Long - W 103°41'31.98" NMSPCE- N 606452.967 E 697295.520 (NAD-27) PROPOSED BOTTOM HOLE LOCATION Lat - N 32°39'56.19" Long - W 103°40'37.90" NMSPCE- N 606484.272 E 701918.696 (NAD-27)	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>Jackie Lathan</i> 4/13/11 Signature Date Jackie Lathan Printed Name <i>jathan@mewbourne.com</i> 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 24248
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Drilling Program
Mewbourne Oil Company
 Spyglass "17" Federal #2H
 660' FNL & 330' FWL (SHL)
 Sec 17-T19S-R33E
 Lea County, New Mexico

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

Rustler	1350'
Salt top	1520'
Salt base	3000'
Yates	3250'
Queen	4200'
*Delaware	5950'
*Bone Springs	7700'

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

Water	Fresh water is anticipated @ 125' and will be protected by setting surface casing at 1375' 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 7" & 9 5/8" 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. BOPE 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 all annulars 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 9307' & kick off to horizontal @ 9880' TVD. The well will be drilled to 14259' MD (9960' 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'-1375' 1455	ST&C
12 1/4"	9 5/8" (new)	36#	J55	0'-3350'	LT&C
8 3/4"	7" (new)	26#	P110	0'-9300' MD	LT&C
8 3/4"	7" (new)	26#	P110	9300'-10200' MD	BT&C
6 1/8"	4 1/2" (new)	11.6#	P110	10000'-14259' 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: 430 sacks *Lite "C" (35:65:4) cement w/salt and lost circulation material additives. Yield at 2.15 cuft/sk. 200 sks class "C" w/1% CaCl₂. Yield at 1.34 cuft/sk. Cmt circulated to surface w/25% excess.
- ii. Intermediate Casing: 355 sacks *Lite "C" (35:65:4) cement w/lost circulation material additives. Yield at 2.15 cuft/sk. 400 sks class "C" neat. Yield at 1.33 cuft/sk. Cmt circulated to surface w/25% excess.
- iii. Production Casing: 355 sacks *Lite "H" (35:65:6) cement w/salt and fluid loss additives. Yield at 2.47 cuft/sk. 400 sks class "H" w/salt and fluid loss additives. Yield at 1.18 cuft/sk. Cmt calculated to tieback into intermediate casing @ 2380' w/25% excess.

*Referring to above blends of lite 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.

SEP CoA
*Mewbourne Oil Company reserves the right to change cement designs as hole conditions may warrant.

6. Mud Program:

Interval	Type System	Weight	Viscosity	Fluid Loss
0'-1375' <i>1455</i>	FW spud mud	8.6-9.0	32-34	NA
1375'-3350'	Brine water	10.0-10.2	28-30	NA
3350'-9300'	FW	8.4-8.7	29-32	NA
9300'-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: GR, Neutron, & Gyro from KOP -100' (9200') to surface. GR from 9200' 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

Lea County, NM

Sec 17-19S-33E

Spyglass 17 Federal Com #2H

Wellbore #1

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Plan: Design #1

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DDC Well Planning Report

08 April, 2011



DDC Well Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Spyglass 17 Federal Com #2H
Company:	Mewbourne Oil Co	TVD Reference:	WELL @ 3670.0usft (Patterson UTI #45/47)
Project:	Lea County, NM	MD Reference:	WELL @ 3670.0usft (Patterson UTI #45/47)
Site:	Sec 17-19S-33E	North Reference:	Grid
Well:	Spyglass 17 Federal Com #2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Project: Lea County, NM			
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 17-19S-33E			
Site Position:		Northing:	606,452.97 usft	Latitude:	32° 39' 56.167 N
From:	Map	Easting:	697,295.52 usft	Longitude:	103° 41' 31.979 W
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/16 "	Grid Convergence:	0.35 °

Well	Spyglass 17 Federal Com #2H.					
Well Position	+N/-S	0.0 usft	Northing:	606,452.97 usft	Latitude:	32° 39' 56.167 N
	+E/-W	0.0 usft	Easting:	697,295.52 usft	Longitude:	103° 41' 31.979 W
Position Uncertainty		0.0 usft	Wellhead Elevation:		Ground Level:	3,652.0 usft

Wellbore: Wellbore #1					
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	4/8/2011	7.70	60.58	48,887

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	89.61

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	
9,307.2	0.00	0.00	9,307.2	0.0	0.0	0.00	0.00	0.00	0.00	
10,195.9	88.87	89.61	9,880.0	3.8	561.7	10.00	10.00	10.08	89.61	
14,258.3	88.87	89.61	9,960.0	31.3	4,623.2	0.00	0.00	0.00	0.00	PBHL Spyglass 17

DDC Well Planning Report



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Well:	Spyglass 17 Federal Com #2H	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



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Site:	Sec 17-19S-33E	North Reference:	Grid
Well:	Spyglass 17-Federal Com #2H	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	
7,900.0	0.00	0.00	7,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,000.0	0.00	0.00	8,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,100.0	0.00	0.00	8,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,200.0	0.00	0.00	8,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,300.0	0.00	0.00	8,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,400.0	0.00	0.00	8,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,500.0	0.00	0.00	8,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,600.0	0.00	0.00	8,600.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,700.0	0.00	0.00	8,700.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,800.0	0.00	0.00	8,800.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,900.0	0.00	0.00	8,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
9,000.0	0.00	0.00	9,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
9,100.0	0.00	0.00	9,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
9,200.0	0.00	0.00	9,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
9,300.0	0.00	0.00	9,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
Build 10°/100' @ 9307' MD										
9,307.2	0.00	0.00	9,307.2	0.0	0.0	0.0	0.00	0.00	0.00	
9,400.0	9.28	89.61	9,399.6	0.1	7.5	7.5	10.00	10.00	0.00	
9,500.0	19.28	89.61	9,496.4	0.2	32.1	32.1	10.00	10.00	0.00	
9,600.0	29.28	89.61	9,587.4	0.5	73.2	73.2	10.00	10.00	0.00	
9,700.0	39.28	89.61	9,669.9	0.9	129.5	129.5	10.00	10.00	0.00	
9,800.0	49.28	89.61	9,741.4	1.3	199.2	199.2	10.00	10.00	0.00	
9,900.0	59.28	89.61	9,799.8	1.9	280.3	280.3	10.00	10.00	0.00	
10,000.0	69.28	89.61	9,843.1	2.5	370.2	370.2	10.00	10.00	0.00	
10,100.0	79.28	89.61	9,870.2	3.2	466.4	466.4	10.00	10.00	0.00	
EOB @ 10196' MD / 88.87° Inc / 89.61° Azm / 9880' TVD										
10,195.9	88.87	89.61	9,880.0	3.8	561.7	561.7	10.00	10.00	0.00	
10,200.0	88.87	89.61	9,880.1	3.8	565.7	565.8	0.00	0.00	0.00	

DDC Well Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Spyglass 17 Federal Com #2H
Company:	Mewbourne Oil Co	TVD Reference:	WELL @ 3670.0usft (Patterson UTI #45/47)
Project:	Lea County, NM	MD Reference:	WELL @ 3670.0usft (Patterson UTI #45/47)
Site:	Sec 17-19S-33E	North Reference:	Grid
Well:	Spyglass 17 Federal Com #2H	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	88.87	89.61	9,882.1	4.5	665.7	665.7	0.00	0.00	0.00	
10,400.0	88.87	89.61	9,884.1	5.2	765.7	765.7	0.00	0.00	0.00	
10,500.0	88.87	89.61	9,886.0	5.9	865.7	865.7	0.00	0.00	0.00	
10,600.0	88.87	89.61	9,888.0	6.5	965.7	965.7	0.00	0.00	0.00	
10,700.0	88.87	89.61	9,890.0	7.2	1,065.6	1,065.7	0.00	0.00	0.00	
10,800.0	88.87	89.61	9,891.9	7.9	1,165.6	1,165.6	0.00	0.00	0.00	
10,900.0	88.87	89.61	9,893.9	8.6	1,265.6	1,265.6	0.00	0.00	0.00	
11,000.0	88.87	89.61	9,895.9	9.2	1,365.6	1,365.6	0.00	0.00	0.00	
11,100.0	88.87	89.61	9,897.8	9.9	1,465.5	1,465.6	0.00	0.00	0.00	
11,200.0	88.87	89.61	9,899.8	10.6	1,565.5	1,565.6	0.00	0.00	0.00	
11,300.0	88.87	89.61	9,901.8	11.3	1,665.5	1,665.5	0.00	0.00	0.00	
11,400.0	88.87	89.61	9,903.7	12.0	1,765.5	1,765.5	0.00	0.00	0.00	
11,500.0	88.87	89.61	9,905.7	12.6	1,865.5	1,865.5	0.00	0.00	0.00	
11,600.0	88.87	89.61	9,907.7	13.3	1,965.4	1,965.5	0.00	0.00	0.00	
11,700.0	88.87	89.61	9,909.6	14.0	2,065.4	2,065.5	0.00	0.00	0.00	
11,800.0	88.87	89.61	9,911.6	14.7	2,165.4	2,165.4	0.00	0.00	0.00	
11,900.0	88.87	89.61	9,913.6	15.3	2,265.4	2,265.4	0.00	0.00	0.00	
12,000.0	88.87	89.61	9,915.6	16.0	2,365.4	2,365.4	0.00	0.00	0.00	
12,100.0	88.87	89.61	9,917.5	16.7	2,465.3	2,465.4	0.00	0.00	0.00	
12,200.0	88.87	89.61	9,919.5	17.4	2,565.3	2,565.4	0.00	0.00	0.00	
12,300.0	88.87	89.61	9,921.5	18.0	2,665.3	2,665.4	0.00	0.00	0.00	
12,400.0	88.87	89.61	9,923.4	18.7	2,765.3	2,765.3	0.00	0.00	0.00	
12,500.0	88.87	89.61	9,925.4	19.4	2,865.2	2,865.3	0.00	0.00	0.00	
12,600.0	88.87	89.61	9,927.4	20.1	2,965.2	2,965.3	0.00	0.00	0.00	
12,700.0	88.87	89.61	9,929.3	20.8	3,065.2	3,065.3	0.00	0.00	0.00	
12,800.0	88.87	89.61	9,931.3	21.4	3,165.2	3,165.3	0.00	0.00	0.00	
12,900.0	88.87	89.61	9,933.3	22.1	3,265.2	3,265.2	0.00	0.00	0.00	
13,000.0	88.87	89.61	9,935.2	22.8	3,365.1	3,365.2	0.00	0.00	0.00	
13,100.0	88.87	89.61	9,937.2	23.5	3,465.1	3,465.2	0.00	0.00	0.00	
13,200.0	88.87	89.61	9,939.2	24.1	3,565.1	3,565.2	0.00	0.00	0.00	
13,300.0	88.87	89.61	9,941.1	24.8	3,665.1	3,665.2	0.00	0.00	0.00	
13,400.0	88.87	89.61	9,943.1	25.5	3,765.1	3,765.1	0.00	0.00	0.00	
13,500.0	88.87	89.61	9,945.1	26.2	3,865.0	3,865.1	0.00	0.00	0.00	
13,600.0	88.87	89.61	9,947.0	26.8	3,965.0	3,965.1	0.00	0.00	0.00	
13,700.0	88.87	89.61	9,949.0	27.5	4,065.0	4,065.1	0.00	0.00	0.00	
13,800.0	88.87	89.61	9,951.0	28.2	4,165.0	4,165.1	0.00	0.00	0.00	
13,900.0	88.87	89.61	9,952.9	28.9	4,264.9	4,265.0	0.00	0.00	0.00	
14,000.0	88.87	89.61	9,954.9	29.6	4,364.9	4,365.0	0.00	0.00	0.00	
14,100.0	88.87	89.61	9,956.9	30.2	4,464.9	4,465.0	0.00	0.00	0.00	
14,200.0	88.87	89.61	9,958.9	30.9	4,564.9	4,565.0	0.00	0.00	0.00	
TD @ 14258' MD / 9960' TVD										
14,258.3	88.87	89.61	9,960.0	31.3	4,623.2	4,623.3	0.00	0.00	0.00	

Design Targets										
Target Name	hit/miss target	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/S (usft)	+E/W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
Shape										
PBHL Spyglass 17 Fe		0.00	0.00	9,960.0	31.3	4,623.2	606,484.28	701,918.69	32° 39' 56.198 N	103° 40' 37.897 W
- plan hits target center										
- Point										

DDC Well Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Spyglass 17 Federal Com.#2H
Company:	Mewbourne Oil Co	TVD Reference:	WELL @ 3670.0usft (Patterson UTI #45/47)
Project:	Lea County, NM	MD Reference:	WELL @ 3670.0usft (Patterson UTI #45/47)
Site:	Sec 17-19S-33E	North Reference:	Grid
Well:	Spyglass 17 Federal Com.#2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Plan Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
9,307.2	9,307.2	0.0	0.0	Build 10°/100' @ 9307' MD
10,195.9	9,880.0	3.8	561.7	EOB @ 10196' MD / 88.87° Inc / 89.61° Azm / 9880' TVD
14,258.3	9,960.0	31.3	4,623.2	TD @ 14258' MD / 9960' TVD

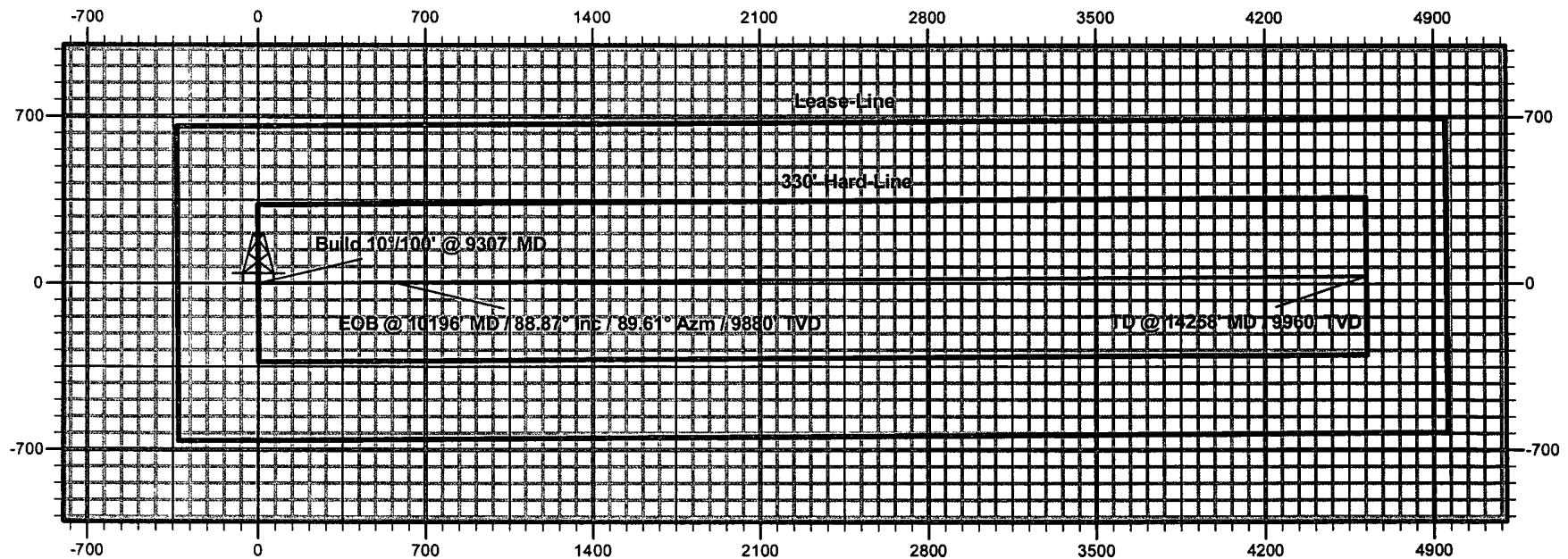
Mewbourne Oil Company



Lea County, NM

Spyglass 17 Federal Com #2H

Q110293



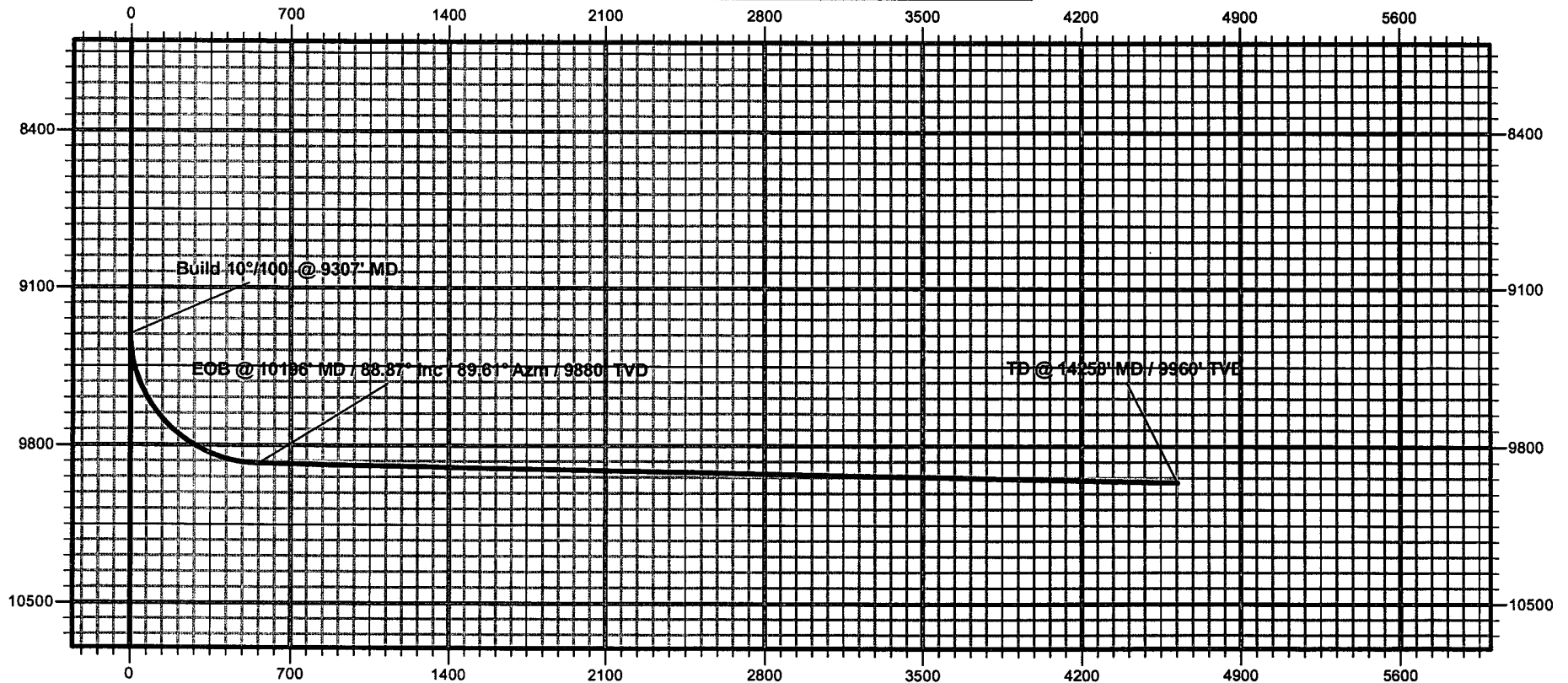
Mewbourne Oil Company



Lea County, NM

Spyglass 17 Federal Com #2H

Quote 110293



Vertical Section at 89.61° (700 usft/in)

Notes Regarding Blowout Preventer

Mewbourne Oil Company

Spyglass "17" Federal #2H
660' FNL & 330' FWL (SHL)

Sec 17-T19S-R33E
Lea 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 9 $\frac{5}{8}$ " & 7".
- 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
6 1/8" & 8 3/4" Holes

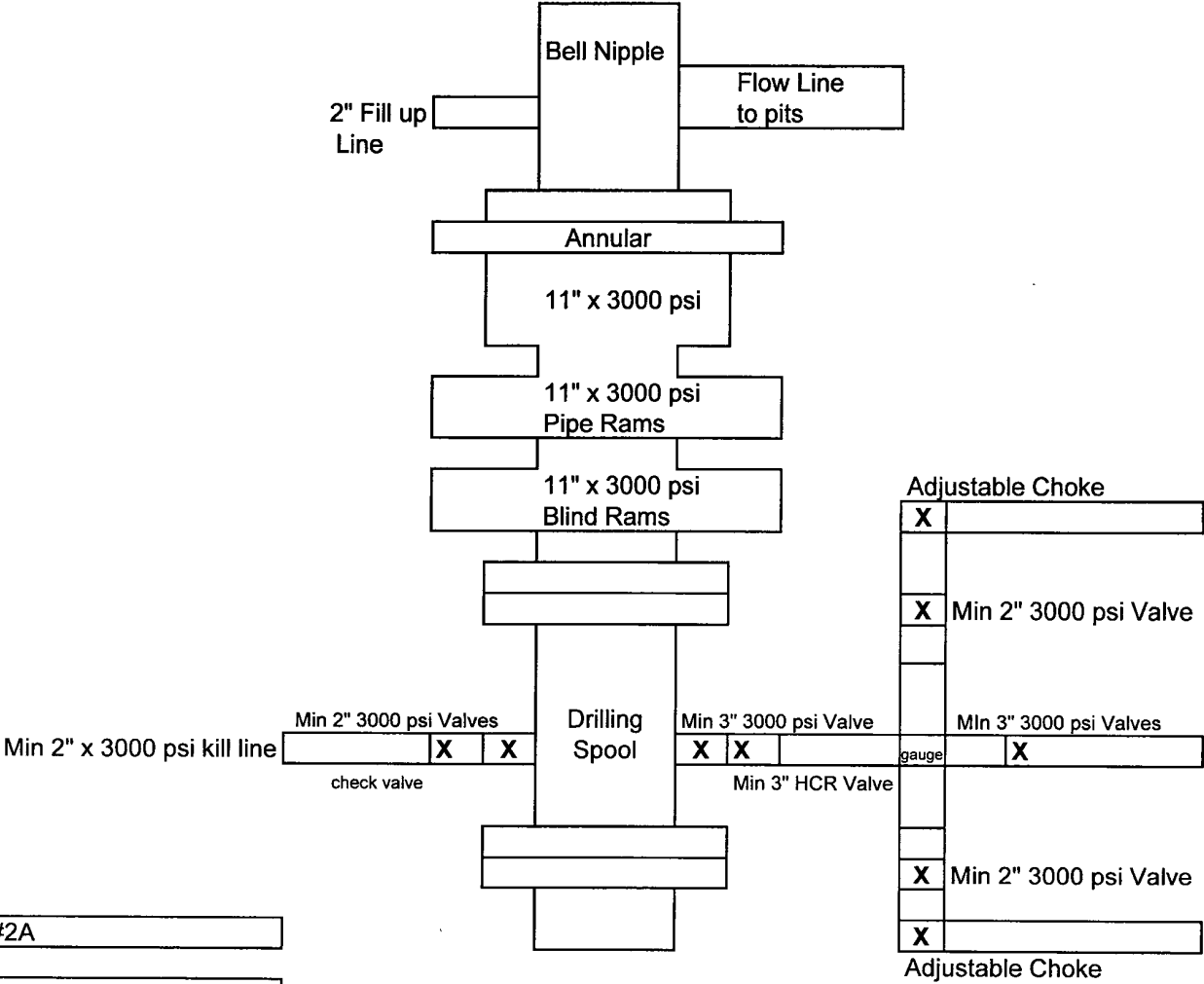


Exhibit #2A

Spyglass 17 Fed #2H
660' FNL & 330' FWL
Sec 17, T19S, R33E
Lea, County
New Mexico

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

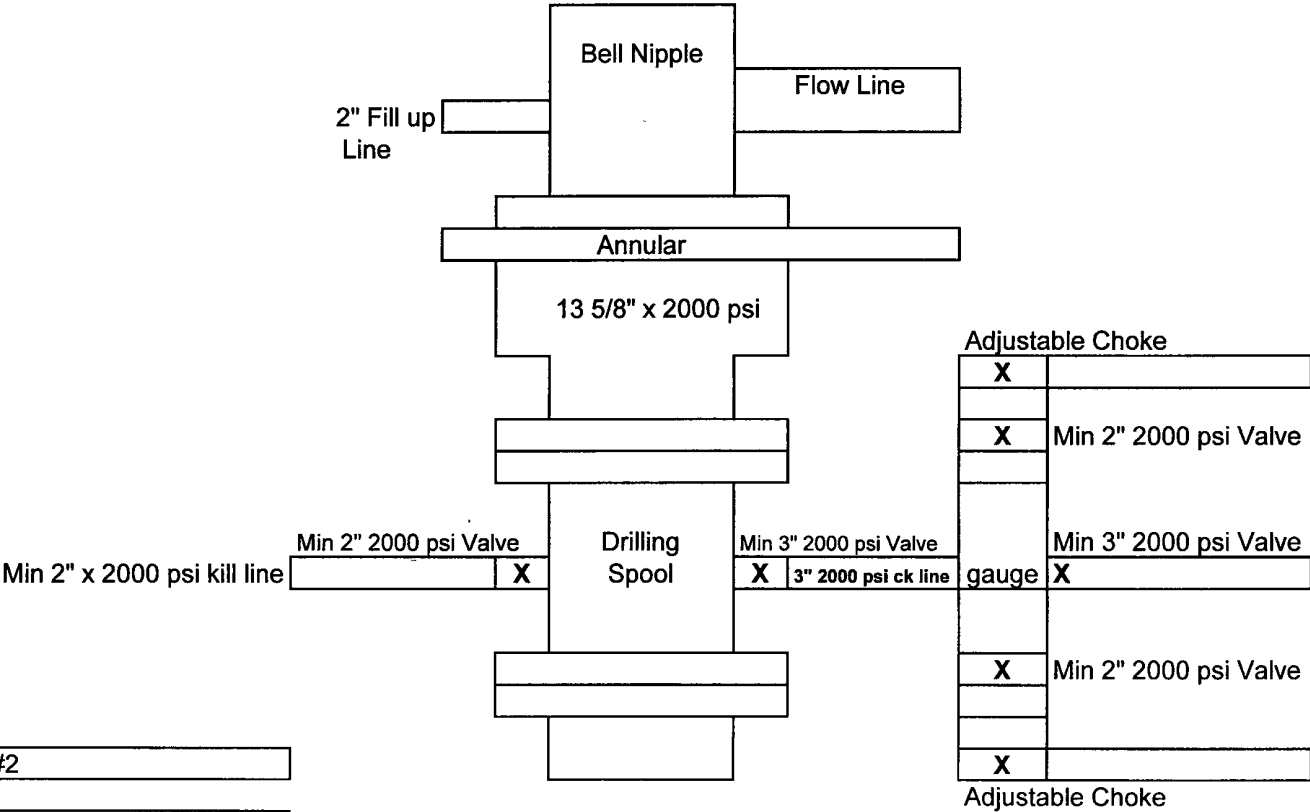
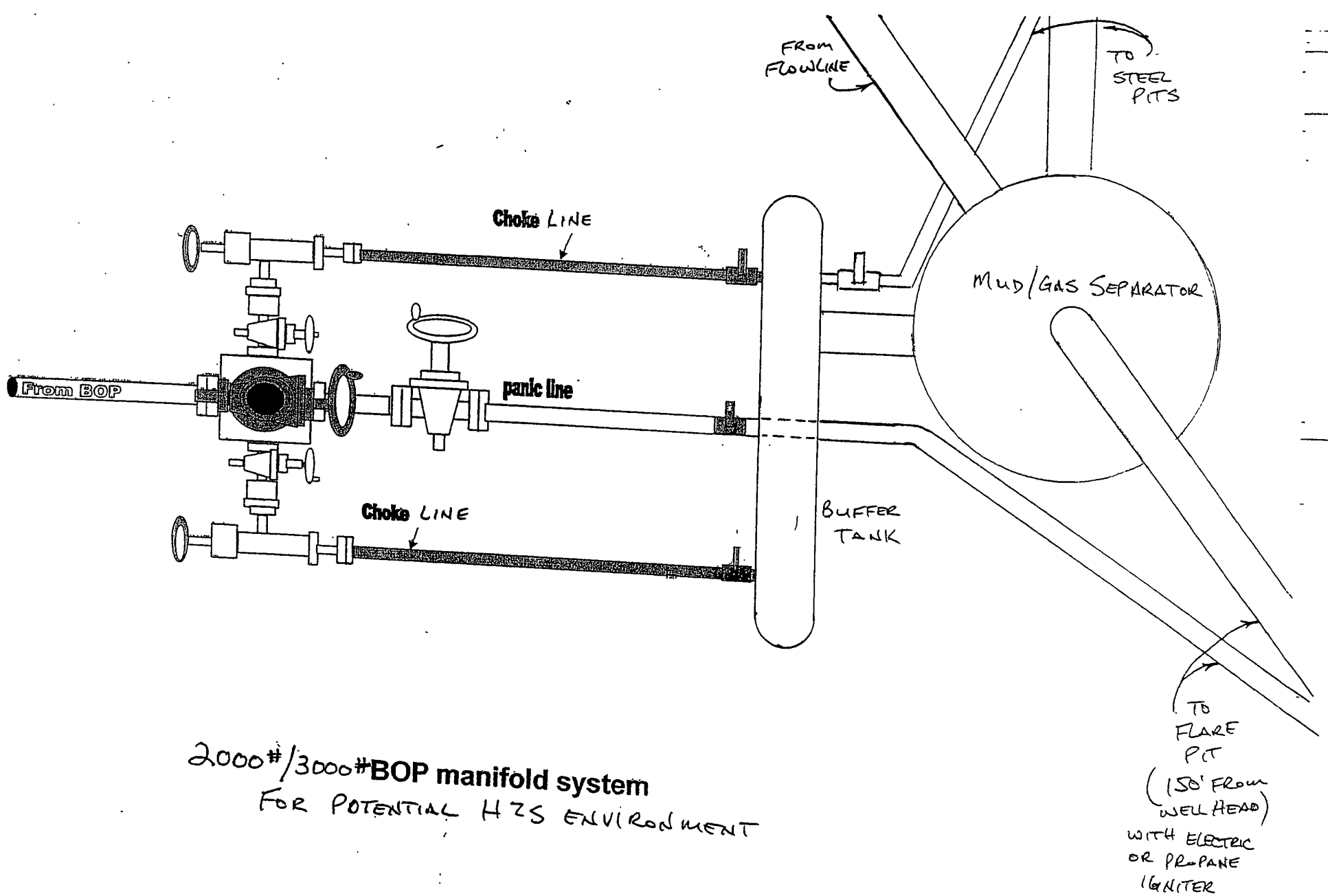
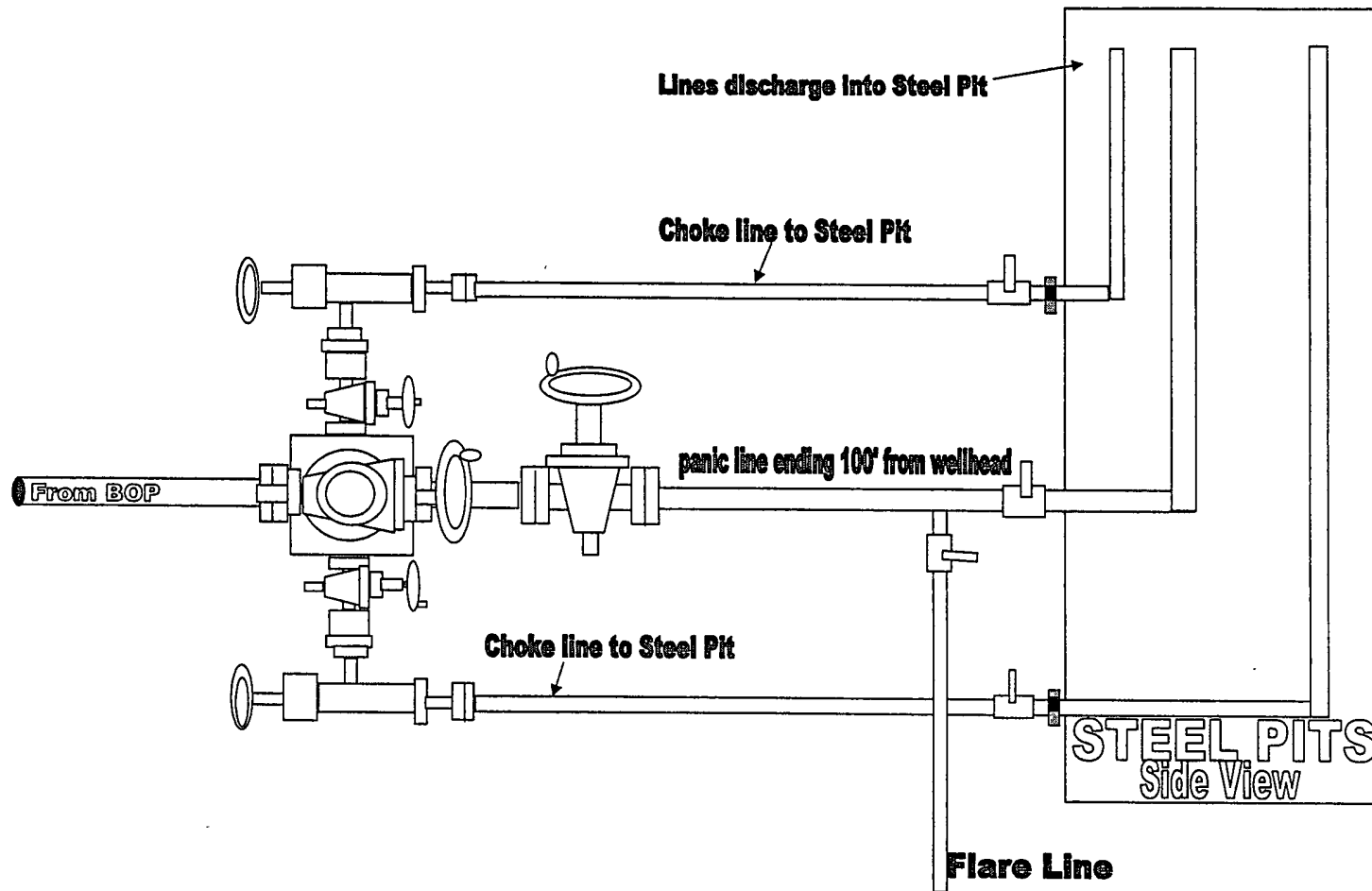


Exhibit #2

Spyglass 17 Fed #2H
660' FNL & 330' FWL
Sec 17, T19S, R33E
Lea, County
New Mexico





2000# & 3000# BOP manifold system for Exhibit 2 & 2A

Closed Loop Pad Dimensions 280' x 320'

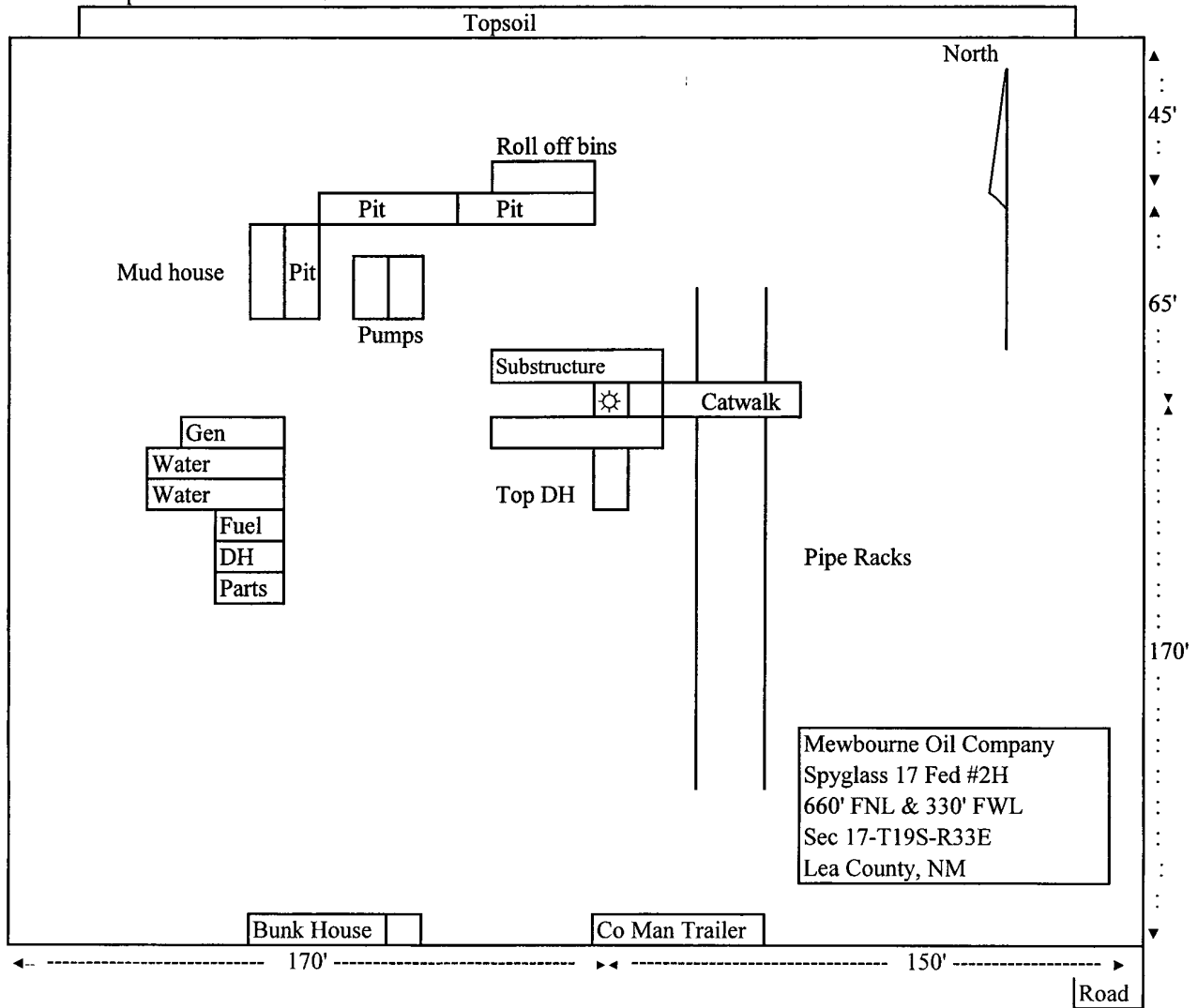


Exhibit 5