

OCD-HOBBS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

ATS-08-600

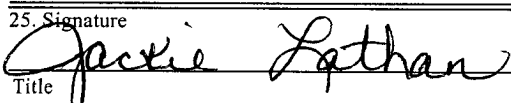
FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-27205
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> 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 88240		8. Lease Name and Well No. <37209> Upland 23 Federal Com #1
3b. Phone No (include area code) 575-393-5905		9. API Well No. 30-025-39153
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 870' FNL & 1125' FWL Unit D At proposed prod. zone Same		10. Field and Pool, or Exploratory West Osudo Morrow
14. Distance in miles and direction from nearest town or post office* 15 Miles NW Oil Center NM or 18 miles SW of Monument		11. Sec., T., R., M., or Blk. and Survey or Area Sec 23-T20S-R35E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 990'	16. No. of Acres in lease 320	12. County or Parish Lea
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 600'	17. Spacing Unit dedicated to this well 320	13. State NM
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3692' GL	19. Proposed Depth 13600'	20. BLM/BIA Bond No. on file NM1693, Nationwide
22. Approximate date work will start* ASAP	23. Estimated duration 45	

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 05/02/08
Title Hobbs Regulatory		
Approved by (Signature) /s/ Don Peterson	Name (Printed/Typed) /s/ Don Peterson	Date JUN 10 2008
Title FOR 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)

CAPTAN CONTROLLED WATER BASIN



SEE ATTACHED FOR
CONDITIONS OF APPROVAL

RECEIVED

JUN 13 2008

HOBBS OCD

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED