<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

State of New Mexico

Form C-101 Permit 76187

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

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

	in the control of the property						
1.	Operator Name and Address	2. OGRID Number					
Iv	14744						
	3. API Number						
	HOBBS , NM 88241						
4. Property Code	5. Property Name	6. Well No.					
36234	PEARL 26 STATE	003					

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	26	19S	35E	0	760	S	1650	E	LEA

8. Pool Information

DEADLE ADMETT MODELL (CAC)	02422
PEARL;BARNETT, NORTH (GAS)	91023

Additional Well Information

9. Work Type New Well	10. Well Type GAS		11. Cable/Rotary	12. Lease Type Private		13. Ground Level Elevation 3691	
14. Mon tip le N	15. Propose	d Depth	16. Formati Mississippian Age Ro	96 (2001) 18 Au	17. Contractor		18. Spud Date 6/30/2008
Depth to Groun	d water		Distance from neares	t fresh water well		Dist	tance to nearest surface water
Pit: Liner: Synthetic Closed Loop Syst	tem 🗙	mils thic	c Clay Pit Volume:	bbls Drilling Fresh W	Method: Vater Brine	Diesel/	Oil-based Gas/Air

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	500	550	0
Int1	12.25	9.625	40	5500	1900	0
Prod	8.75	5.5	17	13100	1250	10000

Casing/Cement Program: Additional Comments

MOC proposes to drill & test the Barnett & intermediate formations. H2S rule 118 does not apply because MOC has researched this area & no high concentrations were found. Will have on location & working all H2S safety equipment before Yates formation for safety & insurance purposes. If commercial, production casing will be run & cemented. Will perforate & stimulate as needed for production.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer		
DoubleRam	5000	5000	Schaffer or equivalent		

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to	OIL CONSERVATION DIVISION				
NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .	Approved By: Paul Kautz				
Printed Name: Electronically filed by Monty Whetstone	Title: Geologist				
Title: Vice President Operations	Approved Date: 7/10/2008 Expiration Date: 7/10/2010				
Email Address: prodmgr@mewbourne.com					
Date: 6/5/2008 Phone: 903-561-2900	Conditions of Approval Attached				

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

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

Form C-102 Pennit 76187

Energy, Minerals and Natural Resources Oil Conservation Division

1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION DLAT

***	ELL LOCATION AND ACI	CEAGE DEDICATION FE	AI .
1. API Number	2. Pool Code	3. Poo	l Name
30-025-39020	97623	T, NORTH (GAS)	
4. Property Code	5. Proper	6. Well No.	
36234	PEARL 26	003	
7. OGRID No.	8. Operat	9. Elevation	
14744	MEWBOUR	3691	

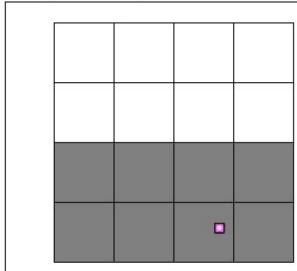
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	26	19S	35E		760	S	1650	E	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot 1	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
1000011500115001	ated Acres	13.	Joint or Intill		14	. Consolidation (Code			15. 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



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: 6/5/2008

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: Gary Jones Date of Survey: 5/14/2008 Certificate Number: 7977

Permit Comments

Operator: MEWBOURNE OIL CO , 14744 Well: PEARL 26 STATE #003

30-025-39020 API:

Created By	Comment	Comment Date
NMYOUNG	Mud Program: 0-500' Fresh water mud. 500'-5500' Brine Water w/sweeps. 5500'-TD Cut Brine w/starch mud.	6/5/2008
DMULL	OCD received form C-144 "Pit Registration". OCD Permit Number P1-00111.	7/10/2008

Permit Conditions of Approval

Operator: MEWBOURNE OIL CO , 14744 Well: PEARL 26 STATE #003

API: 30-025-39020

OCD Reviewer	Condition
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
DMULL	Will requires Financial Assurance report brought up to date.
DMULL	Financial Assurance brought into compliance.