State of New Mexico

Form C-101 Permit 103325

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

| MEWB | or Name and Address OURNE OIL CO | 2. OGRID Number 14744 | |
|---------------------------|-------------------------------------|-------------------------------|--|
| 1.200.00 | D BOX 5270 BS , NM 88241 | 3. API Number 30-015-37377 | |
| 4. Property Code 37885 | 5. Property Name QUICK DRAW 22 D | 6. Wett No. 001 | |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| D | 22 | 20S | 25E | D | 330 | N | 330 | W | EDDY |

8. Pool Information

| CEMETARY:YESO 11 | CEMETARY;YESO | 11795 |
|------------------|---------------|-------|
|------------------|---------------|-------|

Additional Well Information

| 9. Work Type New Well | 10. Well Type OIL | 11. Cable/Rotary | 12. Lesse Type Private | 13. Ground Level Elevation 3452 |
|---|----------------------------|---------------------------------|---|------------------------------------|
| 14. Multiple N | 15. Proposed Depth 3500 | 16. Formation Yeso Formation | 17. Contractor | 18. Spud Date 11/1/2009 |
| Depth to Ground | water | Distance from nearest fresh was | ter well | Distance to nearest surface water |
| Pit: Liner: Synthetic Closed Loop Syste | mils thick | Clay Pit Volume: bb | ols Drilling Method: Fresh Water X Brine I | Diesel/Oil-based Gas/Air |

19. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 11 | 8.625 | 24 | 800 | 400 | 0 |
| Prod | 7.875 | 4.5 | 11.6 | 3500 | 600 | 0 |

Casing/Cement Program: Additional Comments

MOC proposes to drill & test the Yeso. Will have on location & working all H2S safety equipment before Queen formation. If commercial, production casing will be run & cemented. Will perforate & stimulate as needed for production.

Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer | | | | | | |
|---------|------------------|---------------|--------------|--|--|--|--|--|--|
| Annular | 2000 | 4000 | Schaffer | | | | | | |

| I hereby certify that the information gi of my knowledge and belief. I further certify that the drilling pi | ven above is true and complete to the best t will be constructed according to | OIL CONSERVATION DIVISION Approved By: Jacqueta Reeves | | | | |
|---|---|---|----------------------------|--|--|--|
| | ermit , or an (attached) alternative | | | | | |
| Printed Name: Electronically fi | led by Monty Whetstone | Title: District Geologist | | | | |
| Title: Vice President Operation | s | Approved Date: 11/4/2009 | Expiration Date: 11/4/2011 | | | |
| Email Address: prodmgr@mew | bourne.com | | 6.7 (Y) | | | |
| Date: 10/8/2009 | Phone: 903-561-2900 | | | | | |

District I

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

District II

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

District III

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 Permit 103325

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1. API Number 30-015-37377 | 2. Pool Code 11795 | 3. Pool Name CEMETARY;YESO |
|-------------------------------|--------------------------------|-------------------------------|
| 4. Property Code 37885 | 5. Property Nam QUICK DRAW | |
| 7. OGRID No. 14744 | 8. Operator Nan MEWBOURNE O | |

10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| D | 22 | 20S | 25E | 1. | 330 | N | 330 | W | EDDY |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot | Idn | Feet From | N/S L | ine | Feet From | E/W Line | County |
|---|-------------|----------|-----------------|-----|------------------------|-----------|-------|-----|---------------|----------|--------|
| V. 100 100 100 100 100 100 100 100 100 10 | cated Acres | 13 | Joint or Infill | | 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: 10/8/2009

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: 6/4/2009 Certificate Number: 7977

Permit Comments

Operator: MEWBOURNE OIL CO , 14744 Well: QUICK DRAW 22 D #001 API: 30-015-37377

| Created By | Comment | Comment Date |
|------------|--|--------------|
| NMYOUNG | Mud Progaram - 0-3500' FW Gel & LCM sweeps. Soda Ash for pH control. | 10/8/2009 |
| NMYOUNG | C144 CLEZ has been filed & mailed 10/08/09 | 10/8/2009 |