

1. Operator Name and Address MEWBOURNE OIL CO PO BOX 5270 HOBBS , NM 88241		2. OGRID Number 14744
		3. API Number 30-015-38005
4. Property Code 37401	5. Property Name PARKWAY 26 STATE COM	6. Well No. 003H

UL - Lot E	Section 26	Township 19S	Range 29E	Lot Idn E	Feet From 2240	N/S Line N	Feet From 330	E/W Line W	County EDDY
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TURKEY TRACK:BONE SPRING	60660
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9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3325
14. Multiple N	15. Proposed Depth 12500	16. Formation Bone Spring	17. Contractor	18. Spud Date 6/1/2010
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mls thick    Clay <input type="checkbox"/> Pit Volume:      bbls    Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	300	350	0
Int1	12.25	9.625	36	3300	1400	0
Int2	8.75	7	26	8150	700	0
Prod	6.125	4.5	11.6	12500	0	0

MOC proposes to drill & test the Bone Springs 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 & will utilize packer/port system. No cmt is required. Will stimulate as need for production.

Type	Working Pressure	Test Pressure	Manufacturer
Annular	2000	1500	Schaffer
DoubleRam	5000	5000	Schaffer
Annular	5000	2500	Schaffer

Conditions of Approval Attached

**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**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
 Permit 113353

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-38005	2. Pool Code 60660	3. Pool Name TURKEY TRACK;BONE SPRING
4. Property Code 37401	5. Property Name PARKWAY 26 STATE COM	6. Well No. 003H
7. OGRID No. 14744	8. Operator Name MEWBOURNE OIL CO	9. Elevation 3325

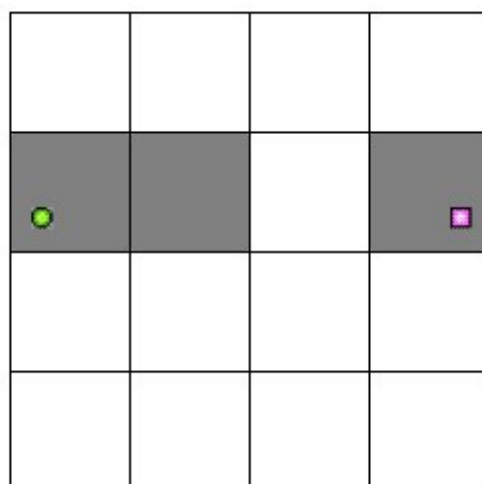
**10. Surface Location**

UL - Lot E	Section 26	Township 19S	Range 29E	Lot Idn	Feet From 2240	N/S Line N	Feet From 330	E/W Line W	County EDDY
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**11. Bottom Hole Location If Different From Surface**

UL - Lot H	Section 26	Township 19S	Range 29E	Lot Idn H	Feet From 2240	N/S Line N	Feet From 330	E/W Line E	County EDDY
12. Dedicated Acres 160.00		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: 7/21/2010

**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: 4/19/2010  
 Certificate Number: 7977

## Permit Comments

**Operator:** MEWBOURNE OIL CO , 14744

**Well:** PARKWAY 26 STATE COM #003H

**API:** 30-015-38005

Created By	Comment	Comment Date
NMYOUNG	Mud Program: 0-300' FW w/sweeps. 300'-3300' Brine water w/sweeps. 3300' 8150' (MD) FW w/sweeps. 8150' - TD FW mud w/polymer.	5/12/2010
NMYOUNG	Directional plan and Form C144 CLEZ mailed to NMOCD Artesia.	5/12/2010
pkautz	Potash Area	5/27/2010
pkautz	within LMR and/or buffer zone	6/11/2010
Artesia	received letter dated 07/09/2010 from Intrepid Potash granting a wavier to drill this well in the potash area. Intrepid is the potash lesee in this area.	7/21/2010



# Permit Conditions of Approval

**Operator:** MEWBOURNE OIL CO , 14744

**Well:** PARKWAY 26 STATE COM #003H

**API:** 30-015-38005

OCD Reviewer	Condition
Artesia	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string