State of New Mexico

Form C-101 Permit 118010

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	r Name and Address DURNE OIL CO	2. OGRID Number 14744	
PO BOX 5270		3. API Number	
HOBBS , NM 88241		30-015-38068	
4. Property Code	5. Property Name	6. Weti No.	
38278	PINE BOX 21 DE	001H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	16	20S	25E	M	200	S	390	W	EDDY

8. Pool Information

CEMETARY:YESO	11795

Additional Well Information

9. Work Type	10. Well Type	11. Cable/Rotary	12. Lesse Type	13. Ground Level Elevation
New Well	OIL		State	3470
14. Multiple	15. Proposed Depth	16. Formation	17. Contractor	18. Spud Date
N	4950	Yeso Formation		8/15/2010
Depth to Ground	water	Distance from nearest fresh	water well	Distance to nearest surface water
Pit: Liner: Synthetic Closed Loop Syste	mils thick	Clay Pit Volume:	bbls Drilling Method: Fresh Water X Brine	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	12.25	9.625	36	750	400	0
Prod	8.75	5.5	17	3000	400	0
Prod	7.875	4.5	11.6	4950	0	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. 4 1/2" & 5 1/2" production casing will be run together. The 4 1/2" csg will utilize a packer port system in the lateral hole & 5 1/2" csg will be in the vertical. The 5 1/2" csg will have an ECP & FO cementer placed immediately above KOP & cmt will be circulated to surface through the FO cementer.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer	7
Annular	2000	4000	Schaffer	

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 NMOCD guidelines, a general permit, or an (attached) alternative OCD-approved plan		OIL CONSERVATION DIVISION		
		Approved By: Randy Dade		
Printed Name: Electronically filed by Monty Wi	ietstone	Title: District Supervisor		
Title: Vice President Operations		Approved Date: 8/19/2010	Expiration Date: 8/19/2012	
Email Address: prodmgr@mewbourne.com				
Date: 7/28/2010 Phone: 903-56	1-2900	Conditions of Approval Atta	ached	

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 118010

Energy, Minerals and Natural Resources

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

***	LLL LOCATION AND ACILLA	GL DEDICATION FLAT
1. API Number	2. Pool Code	3. Pool Name
30-015-38068	11795	CEMETARY;YESO
4. Property Code	5. Property Nar	ne 6. Wett No.
38278	PINE BOX 21	DE 001H
7. OGRID No.	8. Operator Nar	ne 9. Elevation
14744	MEWBOURNE (DIL CO 3470

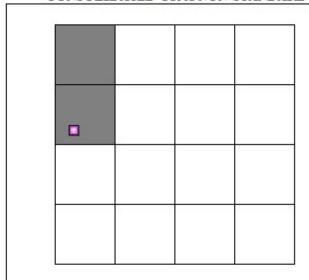
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	16	20S	25E	1.	200	S	390	W	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	21	20S	25E	E	2310	N	390	W	EDDY
V. 100 100 100 100 100 100 100 100 100 10	cated Acres	13. J	oint 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: 7/28/2010

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: 7/24/2010 Certificate Number: 7977

Permit Comments

Operator: MEWBOURNE OIL CO , 14744 Well: PINE BOX 21 DE #001H

API: 30-015-38068

Created By	Comment	Comment Date
NMYOUNG	Mud Program: 0-750' FW. 750 - 4950' FW w/Polymer sweeps.	7/28/2010
NMYOUNG	Will mail C-102 showing both SL & BHL, directional plan & C-144 CLEZ.	7/28/2010

Permit Conditions of Approval

Operator: MEWBOURNE OIL CO , 14744 Well: PINE BOX 21 DE #001H

API: 30-015-38068

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