State of New Mexico

Form C-101 Permit 118324

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

MEWBO	r Name and Address DURNE OIL CO	OGRID Number 14744	
PO BOX 5270		3. API Number	
HOBBS , NM 88241		30-015-38111	
4. Property Code	5. Property Name	6. Wett No.	
38302	GUNSMOKE 9 NM	001H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	9	20S	25E	0	350	S	2310	E	EDDY

8. Pool Information

CEMETARY:YESO	11795

Additional Well Information

	N/I	TRUUTITUDEN TO CHI LE			
9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lesse Type State	13. Ground Level Elevation 3452	
14. Multiple N	15. Proposed Depth 4970	16. Formation Yeso Formation			
Depth to Ground	water	Distance from nearest fresi	h 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	2900	400	0
Prod	7.875	4.5	11.6	4970	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
Annular	2000	4000	Schaffer

of my knowledge and belief.	tiven above is true and complete to the best to will be constructed according to	OIL CONSERVATION DIVISION		
	permit , or an (attached) alternative	Approved By: Randy Dade		
Printed Name: Electronically f	iled by Monty Whetstone	Title: District Supervisor	86	
Title: Vice President Operatio	ns	Approved Date: 8/30/2010	Expiration Date: 8/30/2012	
Email Address: prodmgr@me	wbourne.com			
Date: 8/5/2010	Phone: 903-561-2900	Conditions of Approval Atta	ched	

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 118324

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	2. Pool Code	3. Pool Name
30-015-38111	11795	CEMETARY;YESO
4. Property Code	5. Property Nan	e 6. Well No.
38302	GUNSMOKE 9	NM 001H
7. OGRID No.	8. Operator Nam	e 9. Elevation
14744	MEWBOURNE OIL CO 3452	

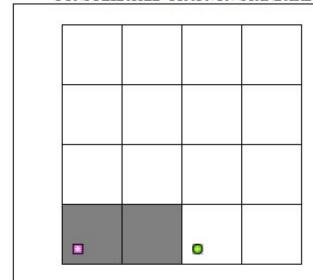
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	9	20S	25E		350	S	2310	E	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section 9	Township 20S	Range 25E	Lot Idn M	Feet From 350	N/S Line S	Feet From 330	E/W Line W	County
12. Dedi	cated Acres	100000	oint or Infill	2000	. 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: 8/5/2010

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: 7/20/2010 Certificate Number: 7977

Permit Comments

Operator: MEWBOURNE OIL CO , 14744 Well: GUNSMOKE 9 NM #001H

API: 30-015-38111

Created By	Comment	Comment Date
NMYOUNG	Mud Program: 0-750' FW. 750' - 4970' FW w/polymer sweeps.	8/5/2010
NMYOUNG	Mailed C-102 showing surface & bottom hole, directional plan and C-144 CLEZ to NMOCD Artesia 08/05/10.	8/5/2010

Permit Conditions of Approval

Operator: MEWBOURNE OIL CO , 14744 Well: GUNSMOKE 9 NM #001H

API: 30-015-38111

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