State of New Mexico

Form C-101 Permit 124791

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

	tor Name and Address BOURNE OIL CO	2. OGRID Number 14744	
	Po Box 5270 obs, NM 88241	3. API Number 30-025-40000	
4. Property Code 38426	5. Property Name ZEBRA 16 STATE COM	6. Wett No. 001H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	16	17S	35E	M	330	S	385	W	LEA

8. Pool Information

VACUUM:ABO, NORTH	61760
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Additional Well Information

9. Work Type New Well	10. Wett Type OIL	11. Cable/Rotary	12. Lesse Type State	13. Ground Level Elevation 3965
14. Multiple N	15. Proposed Depth 13260	16. Formation Abo	17. Contractor	18. Spud Date 1/1/2010
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	17.5	13.375	48	450	500	0
Int1	12.25	9.625	36	1800	600	0
Int2	8.75	7	26	9200	1200	0
Prod	6.125	4.5	11.6	13260	0	0

Casing/Cement Program: Additional Comments

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.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
	•	+	Schaffer
Annular	2000	1500	-
DoubleRam	3000	3000	Schaffer
Annular	3000	2500	Schaffer

of my knowledge and belief.	given above is true and complete to the best oit will be constructed according to	OIL CONSERVATION DIVISION			
	permit □, or an (attached) alternative	Approved By: Paul Kautz			
Printed Name: Electronically	filed by Monty Whetstone	Title: Geologist			
Title: Vice President Operation	ons	Approved Date: 12/28/2010	Expiration Date: 12/28/2012		
Email Address: prodmgr@me	wbourne.com				
Date: 12/21/2010	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

District I

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 124791

Energy, Minerals and Natural Resources Oil Conservation Division

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

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1. API Number	2. Pool Code	3. I	ool Name	
30-025-40000	61760 VACUUN		I;ABO, NORTH	
4. Property Code	5. Property N	l <mark>ame</mark>	6. Well No.	
38426	ZEBRA 16 STATE COM		001H	
7. OGRID No.	8. Operator Name		9. Elevation	
14744	MEWBOURNE	3965		

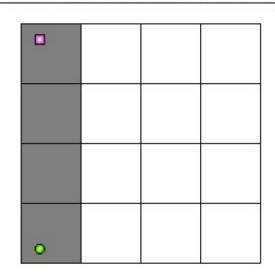
10 Surface Location

10. Surface Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	16	178	35E	for the second	330	S	385	W	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot Sec	tion	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
79.54	6	17S	35E	D	330	N	385	W	LEA
12. Dedicated A	Acres	13. Jo	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: 12/21/2010

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: 10/26/2010 Certificate Number: 7977

Permit Comments

Operator: MEWBOURNE OIL CO , 14744 Well: ZEBRA 16 STATE COM #001H

API: 30-025-40000

Created By	Comment	Comment Date
NMYOUNG	Mud Program: 0-450' Fresh water spud mud with lime for pH & LCM as needed. 450-1800' Brine water w/lime for pH & LCM as needed. 1800'-9200' Brine water w/lime for pH & LCM as needed. 9200'-TD Fresh water w/polymer mud.	12/20/2010
NMYOUNG	Directional plan and C-102 showing surface & bottom hole locations will be mailed along with C144CLEZ to the Artesia Office.	12/20/2010
Artesia	the location and pool for this well are located in Lea County. However, you submitted this for Eddy County. Please correct and resubmit	12/21/2010
pkautz	LAND S/S	12/21/2010

Permit Conditions of Approval

Operator: MEWBOURNE OIL CO , 14744 Well: ZEBRA 16 STATE COM #001H

API: 30-025-40000

OCD Reviewer	Condition
pkautz	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