

**State of New Mexico**  
**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**

1. Operator Name and Address MEWBOURNE OIL CO Po Box 5270 Hobbs, NM 88241		2. OGRID Number 14744
4. Property Code 38449		3. API Number 30-015-38675
5. Property Name LAYLA 35		6. Well No. 002H

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	35	23S	28E	C	185	N	2150	W	EDDY

**8. Pool Information**

CULEBRA BLUFF;BONE SPRING, SOUTH	15011
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**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3018
14. Multiple N	15. Proposed Depth 11075	16. Formation Bone Spring	17. Contractor	18. Spud Date 6/1/2011
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"/>				

**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	500	200	0
Prod	8.75	7	26	7020	950	0
Prod	6.125	4.5	11.6	11075	0	0

**Casing/Cement Program: Additional Comments**

MOC proposes to drill & test the Bone Spring. Will have on location & working all H2S safety equipment before Delaware formation. The 4 1/2" liner set @ 6820' to TD will utilize a packer port system (no cmt) in the lateral hole.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
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 <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Electronically filed by Monty Whetstone	Approved By: Randy Dade	
Title: Vice President Operations	Title: District Supervisor	
Email Address: prodmgr@mewbourne.com	Approved Date: 4/11/2011	Expiration Date: 4/11/2013
Date: 4/8/2011	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 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

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Form C-102  
Permit 129946

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-38675	2. Pool Code 15011	3. Pool Name CULEBRA BLUFF;BONE SPRING, SOUTH
4. Property Code 38449	5. Property Name LAYLA 35	6. Well No. 002H
7. OGRID No. 14744	8. Operator Name MEWBOURNE OIL CO	9. Elevation 3018

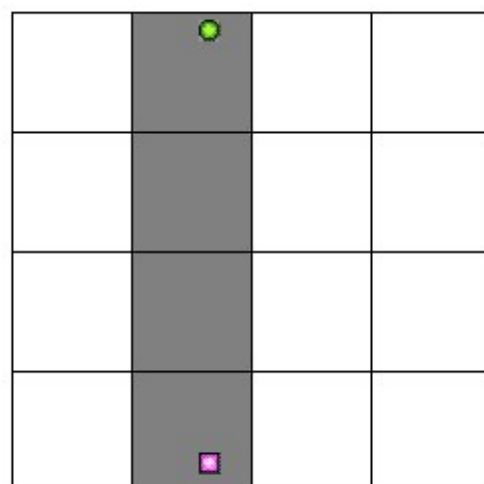
**10. Surface Location**

UL - Lot C	Section 35	Township 23S	Range 28E	Lot Idn	Feet From 185	N/S Line N	Feet From 2150	E/W Line W	County EDDY
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**11. Bottom Hole Location If Different From Surface**

UL - Lot N	Section 35	Township 23S	Range 28E	Lot Idn N	Feet From 330	N/S Line S	Feet From 2150	E/W Line W	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: 4/8/2011

**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: 3/29/2011  
Certificate Number: 7977

## Permit Comments

Operator: MEWBOURNE OIL CO , 14744

Well: LAYLA 35 #002H

API: 30-015-38675

Created By	Comment	Comment Date
NMYOUNG	Mud Program: 0-500' FW spud mud. 500' -7020' Brine. 7020' - TD FW w/polymer.	4/8/2011
Artesia	Land P/P	4/8/2011

# Permit Conditions of Approval

Operator: MEWBOURNE OIL CO , 14744

Well: LAYLA 35 #002H

API: 30-015-38675

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
Artesia	Will require administrative order for non-standard location