

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 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-101
August 1, 2011
Permit 160425

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 39651		3. API Number 30-015-41006
5. Property Name TWO LAKES 12 AD STATE COM		6. Well No. 001H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	12	16S	28E	A	990	N	150	E	EDDY

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	12	16S	28E	D	990	N	330	W	Eddy

9. Pool Information

WC;CROW FLATS;ABO	97691
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3592
16. Multiple N	17. Proposed Depth	18. Formation Wolfcamp	19. Contractor	20. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

21. 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	300	320	0
Int1	8.75	7	26	7098	950	0
Prod	6.125	4.5	13.5	11300	0	0

Casing/Cement Program: Additional Comments

MOC proposes to drill & test the Wolfcamp formation. 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 drilling into the Yates for safety & insurance purposes. 4 1/2 production liner will be run & will utilize packer port system. No cement is required. Will stimulate as needed for production.

22. Proposed Blowout Prevention Program

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

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature:	OIL CONSERVATION DIVISION Approved By: Randy Dade
Printed Name: Electronically filed by Monty Whetstone	Title: District Supervisor
Title: Vice President Operations	Approved Date: 1/23/2013 Expiration Date: 1/23/2015
Email Address: prodmgr@mewbourne.com	
Date: 1/17/2013 Phone: 903-561-2900	Conditions of Approval Attached

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Santa Fe, NM 87505

Form C-102
August 1, 2011
Permit 160425

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-41006	2. Pool Code 97691	3. Pool Name WC;CROW FLATS;ABO
4. Property Code 39651	5. Property Name TWO LAKES 12 AD STATE COM	6. Well No. 001H
7. OGRID No. 14744	8. Operator Name MEWBOURNE OIL CO	9. Elevation 3592

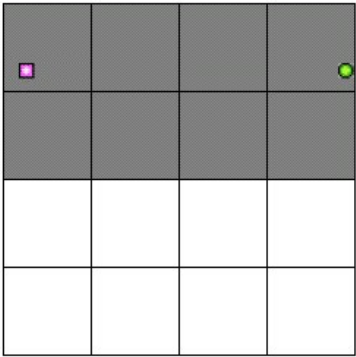
10. Surface Location

UL - Lot A	Section 12	Township 16S	Range 28E	Lot Idn D	Feet From 990	N/S Line N	Feet From 150	E/W Line E	County EDDY
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11. Bottom Hole Location If Different From Surface

UL - Lot D	Section 12	Township 16S	Range 28E	Lot Idn D	Feet From 990	N/S Line N	Feet From 330	E/W Line W	County EDDY
12. Dedicated Acres 320.00		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

	<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>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.</i></p> <p>E-Signed By: Monty Whetstone Title: Vice President Operations Date: 1/17/2013</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Surveyed By: Gary Jones Date of Survey: 12/10/2012 Certificate Number: 7977</p>
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Permit Comments

Operator: MEWBOURNE OIL CO , 14744

Well: TWO LAKES 12 AD STATE COM #001H

API: 30-015-41006

Created By	Comment	Comment Date
CSHAPARD	Land s/S	1/22/2013

Permit Conditions of Approval

Operator: MEWBOURNE OIL CO , 14744

Well: TWO LAKES 12 AD STATE COM #001H

API: 30-015-41006

OCD Reviewer	Condition
CSHAPARD	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