

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-8181 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 185348

**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 313326		3. API Number 30-015-42405
5. Property Name Esperanza 15/14 B2BC State Com		6. Well No. 001H

**7. Surface Location**

UL - Lot <b>B</b>	Section <b>15</b>	Township <b>21S</b>	Range <b>27E</b>	Lot Idn <b>B</b>	Feet From <b>500</b>	N/S Line <b>N</b>	Feet From <b>2455</b>	E/W Line <b>E</b>	County <b>Eddy</b>
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**8. Proposed Bottom Hole Location**

UL - Lot <b>C</b>	Section <b>14</b>	Township <b>21S</b>	Range <b>27E</b>	Lot Idn <b>C</b>	Feet From <b>500</b>	N/S Line <b>N</b>	Feet From <b>2310</b>	E/W Line <b>W</b>	County <b>Eddy</b>
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**9. Pool Information**

AVALON;BONE SPRING, EAST	3713
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**Additional Well Information**

11. Work Type <b>New Well</b>	12. Well Type <b>OIL</b>	13. Cable/Rotary	14. Lease Type <b>State</b>	15. Ground Level Elevation <b>3305</b>
16. Multiple <b>N</b>	17. Proposed Depth <b>12820</b>	18. Formation <b>2nd Bone Spring Sand</b>	19. Contractor	20. Spud Date <b>6/16/2014</b>
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	600	470	0
Int1	12.25	9.625	36	2650	470	0
Prod	8.75	7	26	8000	550	2450
Liner1	6.125	4.5	13.5	12820	0	0

**Casing/Cement Program: Additional Comments**

MOC proposed to drill & test the Bone Springs formation. H2S rule 118 does not apply because MOC has researched the area & no high concentrations were found. Will have on location & working all H2S safety equipment before drilling the surface csg shoe for safety & insurance purposes. 4.5" 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
Double Ram	3000	2500	Schaffer
Annular	3000	1500	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:	<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: 6/5/2014      Expiration Date: 6/5/2016
Date: 6/4/2014      Phone: 903-561-2900	Conditions of Approval Attached

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**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
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**Santa Fe, NM 87505**

Form C-102  
August 1, 2011  
Permit 185348

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-42405	2. Pool Code 3713	3. Pool Name AVALON;BONE SPRING, EAST
4. Property Code 313326	5. Property Name Esperanza 15/14 B2BC State Com	6. Well No. 001H
7. OGRID No. 14744	8. Operator Name MEWBOURNE OIL CO	9. Elevation 3305

**10. Surface Location**

UL - Lot B	Section 15	Township 21S	Range 27E	Lot Idn B	Feet From 500	N/S Line N	Feet From 2455	E/W Line E	County Eddy
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**11. Bottom Hole Location If Different From Surface**

UL - Lot C	Section 14	Township 21S	Range 27E	Lot Idn C	Feet From 500	N/S Line N	Feet From 2310	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**

<table border="1" style="width: 100%; height: 150px; border-collapse: collapse;"> <tr><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td></tr> </table>																	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></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:                 6/4/2014</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></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:        James Tompkins Date of Survey:     5/13/2014 Certificate Number: 14729</p>

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State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

Form APD Comments

Permit 185348

PERMIT COMMENTS

Operator Name and Address:		API Number:
MEWBOURNE OIL CO [14744]		30-015-42405
PO Box 5270		Well:
Hobbs, NM 88241		Esperanza 15/14 B2BC State Com #001H

Created By	Comment	Comment Date
CSHAPARD	Land s/S	6/5/2014

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Form APD Conditions

Permit 185348

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: MEWBOURNE OIL CO [14744] PO Box 5270 Hobbs, NM 88241		API Number: 30-015-42405
		Well: Esperanza 15/14 B2BC State Com #001H

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