### District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

Depth to Ground water

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

Distance to nearest surface water

Permit 230741

| APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE |  |
|--|--|
|--|--|

| ME                     | me and Address<br>WBOURNE OIL C | 0                           |                              |                         | ,                                       | -                 | 2.0               | OGRID Number<br>14744          |               |
|------------------------|---------------------------------|-----------------------------|------------------------------|-------------------------|---|-------------------|-------------------|--------------------------------|---------------|
|                        | Box 5270<br>bbs, NM 88241       |                             | ***                          |                         |   |                   | 3. /              | API Number<br>30-025-43540     |               |
| 4. Property Coo<br>317 | e<br>'292                       | 5. Pro                      | operty Name<br>REBEL 16 9 B2 | 2OJ STATE COM           |   |                   | 6. \              | Vell No.<br>001H               |               |
|                        |                                 |                             |                              | 7. Sur                  | face Location                           |                   |                   |                                |               |
| UL - Lot<br>O          | Section 16                      | Township 21S                | Range<br>34E                 | Lot Idn<br>O            | Feet From 316                           | N/S Line<br>S     | Feet From 2095    | E/W Line                       | County<br>Lea |
|                        |                                 |                             |                              | 8. Proposed F           | Bottom Hole Location                    | on                |                   |                                |               |
| UL - Lot<br>J          | Section 9                       | Township 21S                | Range<br>34E                 | Lot Idn<br>J            | Feet From 2310                          | N/S Line<br>S     | Feet From<br>1980 | E/W Line                       | County<br>Lea |
|                        |                                 |                             |                              | 9. Por                  | ol Information                          |                   |                   |                                |               |
| BERRY;BON              | IE SPRING, SOU                  | ГН                          |                              | 1-1-1-1                 | Access to the state of the state of the |                   |                   | 96660                          |               |
|                        |                                 |                             |                              | Additiona               | I Well Information                      |                   |                   |                                |               |
| 11. Work Type<br>Nev   | v Well                          | 12. Well Type<br>OIL        | 13. Cable/Re                 | otary                   |   | 14. Lease Ty<br>S | rpe 15.<br>state  | Ground Level Elevation<br>3730 |               |
| 16. Multiple<br>N      |                                 | 17. Proposed Depth<br>17950 | 18. Formatio                 | on<br>2nd Bone Spring : | Sand                                    | 19. Contracto     | or 20.            | Spud Date<br>3/1/2017          |               |

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

21 Dronnead Casing and Coment Drogram

Distance from nearest fresh water well

| NA 000000 | 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               | 1840          | 1730            | 0             |  |  |
| Int1      | 12.25                                  | 9.625       | 40               | 5703          | 2260            | 0             |  |  |
| Prod      | 8.75                                   | 5.5         | 17               | 17950         | 1325            | 5503          |  |  |

Casing/Cement Program: Additional Comments

MOC proposed to drill & test the Bone Springs formation. Surface & Inter. casing are both in place. MOC plan's to reenter the well and extend the lateral into Sec. 9 T21S R34E. 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 equiptment before Yates formation for safety & insurance purposes. Will stimulate as needed for production.

22. Proposed Blowout Prevention Program

| Туре       | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Annular    | 2000             | 1500          | Schaffer     |
| Double Ram | 3000             | 3000          | 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 ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable. |                            |                  |                 | OIL CONS   | SERVATION DIVISION         |
|---|----------------------------|------------------|-----------------|------------|----------------------------|
| Signature:  |                            |                  |                 |            |                            |
| Printed Name:   | Electronically filed by Mo | onty Whetstone   | Approved By:    | Paul Kautz |                            |
| Title: Vice President Operations  |                            |                  | Title:          | Geologist  |                            |
| Email Address: prodmgr@mewbourne.com  |                            |                  | Approved Date:  | 1/12/2017  | Expiration Date: 1/12/2019 |
| Date:   | 1/12/2017                  | Conditions of Ap | proval Attached | •          |                            |

## District I

UL - Lot

12. Dedicated Acres 240.00

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<u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u>

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

Section

Township

218

# State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Form C-102 August 1, 2011

Permit 230741

## WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1. API Number         | 2. Pool Code                       | 3. Pool Name             |
|-----------------------|------------------------------------|--------------------------|
| 30-025-43540          | 96660                              | BERRY;BONE SPRING, SOUTH |
| 4. Property Code      | 5. Property Name                   | 6. Well No.              |
| 317292                | REBEL 16 9 B2OJ STATE COM          | 001H                     |
| 7. OGRID No.<br>14744 | Operator Name     MEWBOURNE OIL CO | 9. Elevation<br>3730     |

10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| 0        | 16      | 21S      | 34E   | 0       | 316       | S        | 2095      | E        | Lea    |

# NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY

| 9   | THE DIVISION   |
|---|--|
| owns a working int<br>location pursuant t | OPERATOR CERTIFICATION  t the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either erest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this or a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling itered by the division. |
| E-Signed By:                              | Monty Whetstone  |
| Title:                                    | Vice President Operations  |
| Date:                                     | 1/12/2017  |
|   | SURVEYOR CERTIFICATION  t the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and the dornect to the best of my belief.  |
| Surveyed By:                              | Robert Howett  |
| Date of Survey:                           | 1/3/2017   |
| Certificate Number                        | : 19680  |

Form APD Comments

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311 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 <u>District III</u>:
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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

# PERMIT COMMENTS

| Operator Name and Address: MEWBOURNE OIL CO [14744] | API Number:<br>30-025-43540     |
|---|---------------------------------|
| PO Box 5270   | Well:                           |
| Hobbs, NM 88241                                     | REBEL 16 9 B2OJ STATE COM #001H |

Created By Comment Comment Date

Permit 230741

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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

Permit 230741

### PERMIT CONDITIONS OF APPROVAL

| Operator Name and Address: | API Number:                     |
|----------------------------|---------------------------------|
| MEWBOURNE OIL CO [14744]   | 30-025-43540                    |
| PO Box 5270                | Well:                           |
| Hobbs, NM 88241            | REBEL 16 9 B2OJ STATE COM #001H |

| OCD      | Condition  |
|----------|--|
| Reviewer |  |
| pkautz   | Will require a directional survey with the C-104   |
| 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   |
| pkautz   | If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.  |
| pkautz   | 1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface 2) PRODUCTION CASING - Cement must tie back into intermediate casing   |
| pkautz   | If cement does not circulate to surface, must run temperature survey or other log to determine top of cement   |
| pkautz   | Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water   |
| pkautz   | Operator shall notify appropriate District office when setting conductor pipe.   |
| pkautz   | The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of spudding a well.  |
| pkautz   | It is the operator's responsibility to monitor cancellation dates of approved APDs.  |
| pkautz   | Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186  |
| pkautz   | 1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe. |
| pkautz   | Submit Gas Capture Plan form prior to spudding or initiating recompletion operations   |