

NM OIL CONS. COMMISSION
DEPARTMENT OF THE INTERIOR
ARTESIA, NM 88210 AND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. TYPE OF WORK

DRILL ☒DEEPEN ☐

JUN - 6 '94

B. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒OTHER ☐SINGLE
ZONE ☒MULTIPLE
ZONES ☐

2. NAME OF OPERATOR

Mewbourne Oil Company

ARTESIA, OFFICE

3. ADDRESS AND TELEPHONE NO.

P.O. Box 5270 Hobbs, New Mexico 88241 (505) 393-5905

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface

UNORTHODOX LOCATION:

790' FWL & 1190' FSL Unit "M" Subject to
At proposed prod. zone Like Approval
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

6 miles Southwest of Lakewood, N.M.

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

790'

16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

None

19. PROPOSED DEPTH

10,300'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3515' GR

Roswell Controlled Water Basin

22. APPROX. DATE WORK WILL START*

Upon Approval

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8" K-55LS	48#	350'±	300 sks. Class "C" CIRCULATE
12-1/4"	9-5/8" K-55LS	36#	2500'±	600 sks. Class "C" CIRCULATE
8-3/4"	5-1/2" N-80 S-95 & K-55	17#	10300'±	700 sks. Class "H"

Used

Mewbourne Oil Company proposes to drill to a depth sufficient to test the Morrow formation for gas. If productive, 5-1/2" casing will be cemented at T.D. If non-productive, the well will be plugged and abandoned in a manner consistent with federal regulations. Specific programs are outlined in the following attachments. GAS IS NOT DEDICATED.

Drilling Program

Surface Use and Operating Plan -

Land Owner Agreement Letter

Exhibit #1 - Location and Elevation Plat

Schedule #1 - Casing Design Program

Exhibit #2, 2A, 2B, Attachment - Blowout Preventor & Choke Manifold Equipment.

Exhibit #3, 3A - Existing and Planned Access Road w/Location.

Exhibit #4 - Two Mile Radius Map with Attachment.

Exhibit #5 - Proposed Production Facilities Layout.

Exhibit #6 - Proposed Drilling Rig Layout.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

*Bill Pierce*TITLE Drilling SuperintendentDATE April 4, 1994

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

(ORIG. SGD.) RICHARD L. MANUS

AREA MANAGER

APPROVED BY _____

TITLE _____

DATE

5-27-94

APPROVAL OF THIS APPLICATION DOES NOT WARRANT

OR CERTIFY THAT THE APPLICANT IS ENTITLED TO ANY RIGHTS IN THE SUBJECT LEASE WHICH WOULD ENTITLE THE APPLICANT TO CONDUCT OPERATIONS THEREON.

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1101 provides that any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160.

PRINCIPAL PURPOSE: The information is to be used to process and evaluate your application for permit to drill or deepen an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effects of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the operator elects to initiate drilling operation on an oil and gas lease.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering existing data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Aluternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0136), Washington, D.C. 20503.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the operator elects to initiate drilling operations on an oil and gas lease.

New Mexico Oil Conservation Division
C-102 Instructions

IF THIS IS AN AMENDED REPORT, CHECK THE BOX LABELED "AMENDED REPORT" AT THE TOP OF THIS DOCUMENT.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed contact the appropriate OCD district office. Independent subdivision surveys will not be acceptable.

1. The OCD assigned API number for this well
2. The pool code for this (proposed) completion
3. The pool name for this (proposed) completion
4. The property code for this (proposed) completion
5. The property name (well name) for this (proposed) completion
6. The well number for this (proposed) completion
7. Operator's OGRID number
8. The operator's name
9. The ground level elevation of this well
10. The surveyed surface location of this well measured from the section lines. NOTE: If the United States government survey designates a Lot Number for this location use that number in the "UL or lot no." box. Otherwise use the OCD unit letter.
11. Proposed bottom hole location. If this is a horizontal hole indicate the location of the end of the hole.
12. The calculated acreage dedicated to this completion to the nearest hundredth of an acre
13. Put a Y if more than one completion will be sharing this same acreage or N if this is the only completion on this acreage
14. If more than one lease of different ownership has been dedicated to the well show the consolidation code from the following table:

C	Communitization
U	Unitization
F	Forced pooling
O	Other
P	Consolidation pending

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!

15. Write in the OCD order(s) approving a non-standard location, non-standard spacing, or directional or horizontal drilling

16. This grid represents a standard section. You may superimpose a non-standard section over this grid. Outline the dedicated acreage and the separate leases within that dedicated acreage. Show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. (Note: A legal location is determined from the perpendicular distance to the edge of the tract.) If this is a high angle or horizontal hole show that portion of the well bore that is open within this pool.

Show all lots, lot numbers, and their respective acreage.

If more than one lease has been dedicated to this completion, outline each one and identify the ownership as to both working interest and royalty.

17. The signature, printed name, and title of the person authorized to make this report, and the date this document was signed.
18. The registered surveyors certification. This section does not have to be completed if this form has been previously accepted by the OCD and is being filed for a change of pool or dedicated acreage.

SURFACE USE AGREEMENT

This document shall serve as written confirmation that an agreement does exist between Henry Terpening, private surface owner, and Mewbourne Oil Company; regarding the building of an access road and location for Mewbourne's proposed:

Bubbling Springs "23" Federal #1
1190' FSL & 790' FWL
Section 23-T20S-R25E
Eddy County, New Mexico

Agreed to this 5th day of April, 1994.

Bill Pierce

Bill Pierce
Mewbourne Oil Company
P.O. Box 5270
Hobbs, New Mexico
88241

Henry Terpening

Henry Terpening
3612 East Castleberry Rd.
Artesia, New Mexico
88210

MEWBOURNE OIL COMPANY

P.O. BOX 5270
HOBBS, NEW MEXICO 88241

(505) 393-5905

INGRESS-EGRESS AGREEMENT

This document shall serve as written notice to the Carlsbad BLM office that an agreement does exist between Mewbourne Oil Company and Mr. Henry Terpening, a private surface land owner, allowing access to Mewbournes' proposed Bubbling Springs "26" Federal #1 well and also the Bubbling Springs "23" Federal #1 well.

Accepted by:



Bill Pierce
Drilling Superintendent
Mewbourne Oil Company
Date: 5-10-94



Henry Terpening
3612 E. Castleberry Road
Artesia, New Mexico
Date: 5-10-94

BOP SCHEMATIC

INTERMEDIATE HOLE

(3,000 psi min. WP)

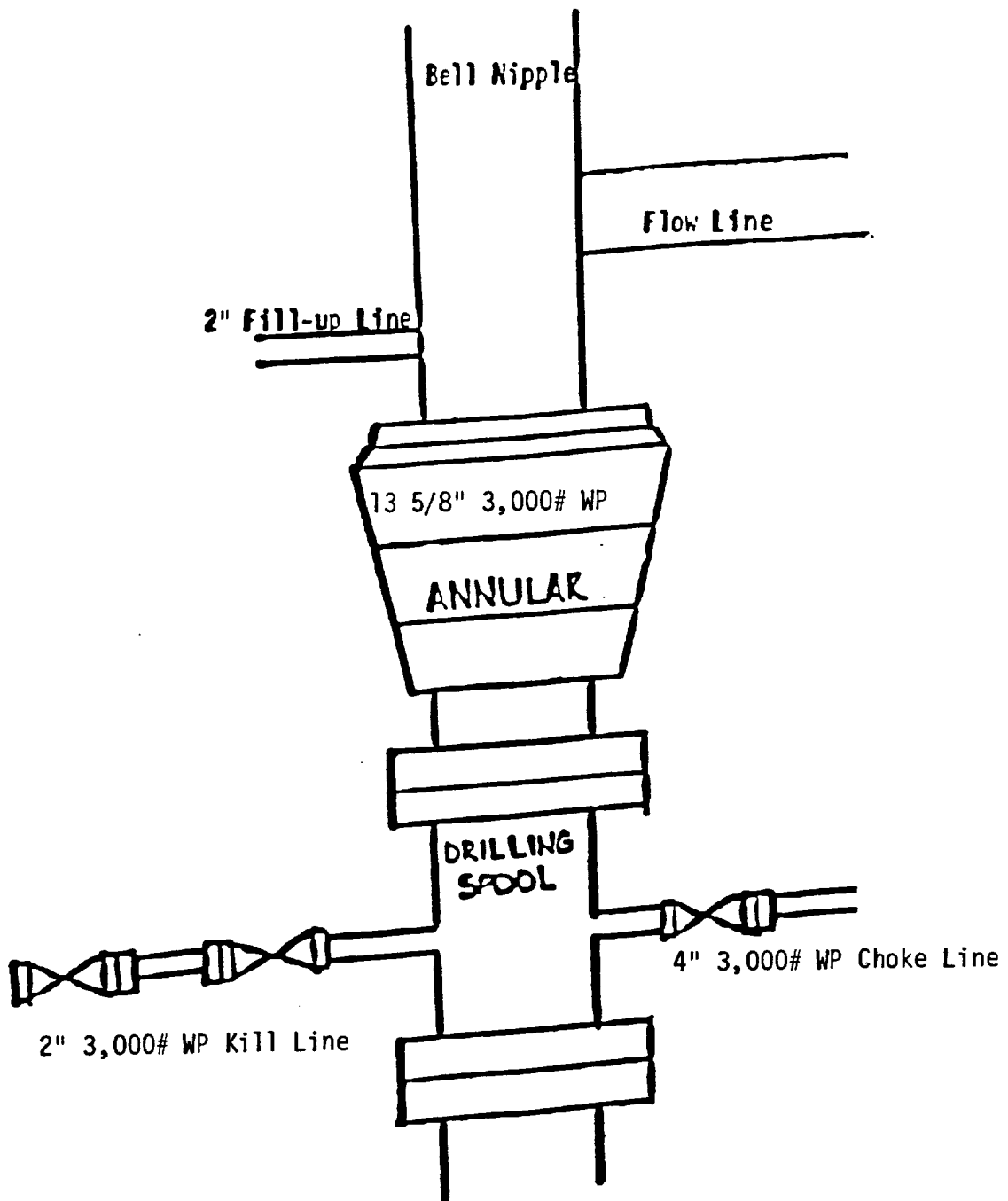


EXHIBIT #2
Mewbourne Oil Company
Bubbling Springs "23" Federal #1
1190' FSL & 790' FWL
Sec. 23-T20S-R25E
Eddy County, New Mexico
Lease # NM-88098

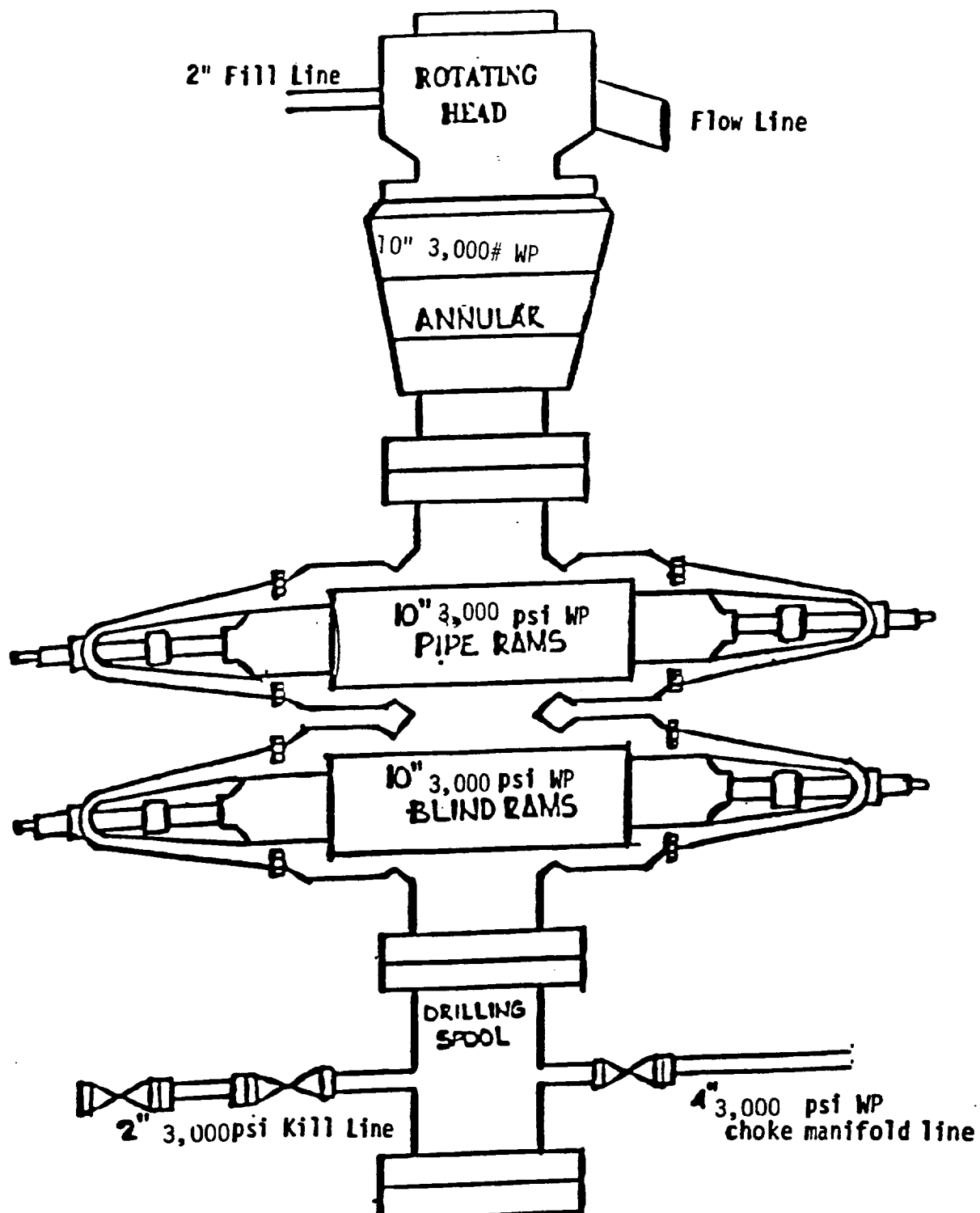


EXHIBIT # 2A
 Mewbourne Oil Company
 Bubbling Springs "23" Federal #1
 1190' FSL & 790' FWL
 Sec. 23-T20S-R25E
 Eddy County, New Mexico
 Lease # NM-88098

CHOKE MANIFOLD
(3,000 psi min. WP)

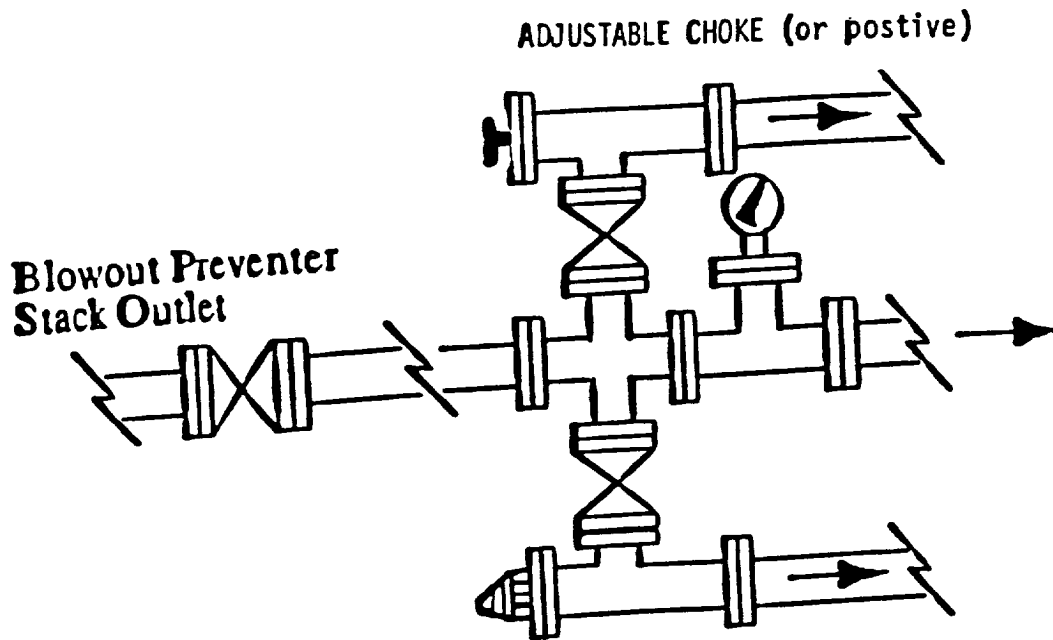


EXHIBIT # 2B
Mewbourne Oil Company
Bubbling Springs "23" Federal #1
1190' FSL & 790' FWL
Sec. 23-T20S-R25E
Eddy County, New Mexico
Lease # NM-88098