District I PO Box 1980, Hobbs, NM 88241-1980

District II 811 South First, Artesia, NM 88210

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV 2040 South Pacheco, Santa Fe, NM 87505 State of New Mexico

Energy, Minerals & Natural Resources Department

Form C-101 Revised October 18, 1994 Instructions on back Submit to Appropriate District Office State Lease - 6 Copies

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

AMENDED REPORT

Fee Lease - 5 Copies

| APPLICA  | TION F                   | FOR PE        | ERMIT                 | TO DRI        | LL, RE-EN                              | ITER, DEF   | EPE                            | N, PLUGB            | ACK,     | , OR ADI       | D A ZONE            |  |
|--|--------------------------|---------------|-----------------------|---------------|--|---|--------------------------------|---------------------|----------|----------------|---------------------|--|
| Operator Name and Address  |                          |               |                       |               |  |   |                                |                     |          |                | 2OGRID Number       |  |
| Mewbourne C<br>PO Box 5270   |                          | nay           |                       |               |  |   |                                |                     | 1        | 14744          |                     |  |
| Hobbs, New   |                          | 88240         |                       |               |  |   |                                |                     | !        | 3API Number    |                     |  |
| (505)393-590   | 05                       |               |                       |               | ·                                      |   |                                |                     | !        | 30-015-30650   |                     |  |
| 4Property  | 7                        |               |                       | •             | erty Name                              |   |                                |                     |          | ₀Well No.      |                     |  |
| 24594  |                          |               |                       |               |  | Avalon Hills 1"31" State                                |                                |                     |          |                | 1                   |  |
| Surface Location   |                          |               |                       |               |  |   |                                |                     |          |                |                     |  |
| UL or lot no.  | UL or lot no. Section To |               | Township Range        |               | Lot Idn Feet from the                  |   | North/South line Feet from the |                     |          | /West Line     | County              |  |
| Н  | H 31 21                  |               | 26E                   |               | 1980                                   | North   |                                | 990                 |          | East Eddy      |                     |  |
| Proposed Bottom Hole Location If Different From Surface  |                          |               |                       |               |  |   |                                |                     |          |                |                     |  |
| UL or lot no.  | Section                  | Township      | Range                 | Lot Idn       | Feet from the                          | North/South I   | line                           | Feet from the East  |          | t/West Line    | County              |  |
|  |                          |               |                       |               |  |   |                                |                     | <u> </u> |                | L                   |  |
| Avaion Gas Pool 70920  |                          |               |                       |               |  |   |                                | 10Proposi           | ed Poor  | 2              |                     |  |
|  |                          |               |                       | INV           |  | <u> </u>  |                                |                     |          |                |                     |  |
| Land Tag Code County and Floor   |                          |               |                       |               |  |   |                                |                     |          |                | d Level Elevation   |  |
| 11Work Type Code   |                          |               | ₁₂Well Type Code<br>G |               | 13Cable/Rotary                         |   | ыLease Type Code<br>S          |                     | 3308     |                |                     |  |
|  |                          |               |                       |               |  |   |                                | 19Contractor        |          | 20Spud Date    |                     |  |
| 16Multiple   |                          |               | 17Propose             | •             | ₁₃Formation<br>Morrow                  |   |                                | 18Contractor Unkown |          | 05-28-99       |                     |  |
| N  | <u> </u>                 |               | 11500                 |               |  |   |                                |                     |          |                | 33 23 33            |  |
| Minimum WOC time 8 hrs. <sup>21</sup> Proposed Casing and Cement Program   |                          |               |                       |               |  |   |                                |                     |          |                |                     |  |
| Hole Size  |                          | Casing        | Casing Size           |               | Casing weight/foot                     |   | oth                            | Sacks of Cement     |          | Estimated TOC  |                     |  |
| 17   | 17 1 <i>1</i> 2"         |               | 13 3/8"               |               | 48#                                    |   | 400                            | 420                 |          | Circulate      |                     |  |
| 12 1/4"  |                          |               | 8 5/8"                |               | 32#                                    |   | 600                            | 1200                |          | Circulate      |                     |  |
| 7 7/8"   |                          |               | 5 1 <b>/2</b> "       |               | 17#                                    |   | 500                            | 1000                |          | Tie Back       |                     |  |
|  |                          |               |                       |               |  |   |                                | <u> </u>            |          | Past ID-       |                     |  |
|  |                          |               |                       |               | <u></u>                                |   |                                |                     |          | <u> </u>       | 14-77               |  |
| 22Describe the p   | proposed pro             | ogram. If thi | s application         | i is to DEEPF | EN or PLUG BACI<br>I sheets if necessa | K give the data or                                      | n the pr                       | resent productive z | cone and | s proposed nev | iv productive zone. |  |
| 3  |                          |               |                       |               |  |   | ioe wil                        | th a Hydril 900     | series ' | from interm-   | edieate             |  |
| BOP Program: Schaffer LWS or equivalent (Doubkle-Ram Hydraulic) 900 series with a Hydril 900 series from intermedieate casing to total depth. Rotating Head, PVT Monitors, and aMud Gas Seperator from the Wolfcamp to TD. |                          |               |                       |               |  |   |                                |                     |          |                |                     |  |
| Notify N.M.O.C.C. in sufficient  |                          |               |                       |               |  |   |                                |                     |          |                |                     |  |
| Mud Program: o' to 2600' Fresh water spud mud, lime for pH, and LCM as needed  2600' to 9700' Cut Brine, Caustic Soda for pH, and LCM as needed  CALI  |                          |               |                       |               |  |   |                                |                     |          |                |                     |  |
| 9700 to TD 9.3 to 10# Brine, Caustic Soda for pH, Starch for WL Control, and LCM as needed.  |                          |               |                       |               |  |   |                                |                     |          |                |                     |  |
|  |                          |               |                       |               |  |   |                                |                     |          |                | 0                   |  |
|  |                          |               |                       |               | 1-4-4-45-                              |   |                                |                     |          |                |                     |  |
| <sup>23</sup> I hereby certify<br>best of my know  | ormation giv             | en above is   | true and com          | iplete to the | OIL CONSERVATION DIVISION              |   |                                |                     |          |                |                     |  |
| Signature:   | M                        | 1<br>1 1 1 km | ius I                 |               | Approved By:                           | •   | Tim le                         | 2 1                 | Zem      | BER            |                     |  |
| Printed name:  | atthews                  | Al Pilit      |                       |               | Title: Ristrict Supervisor             |   |                                |                     |          |                |                     |  |
| Title: Drilling  | Superinte                | endent        |                       |               |  | Approval Date: 5 - 13 - 99 Expiration Date: 5 - 13 - CO |                                |                     |          |                |                     |  |