

District I  
PO Box 1990, Hobbs, NM 88241-1990

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

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-101  
Revised October 18, 1994  
Instructions on back  
Permit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

|                                                                                              |                                     |                            |
|----------------------------------------------------------------------------------------------|-------------------------------------|----------------------------|
| Operator Name and Address<br>Mewbourne Oil Company<br>PO Box 5270<br>Hobbs, New Mexico 88241 |                                     | OGRID Number<br>14744      |
|                                                                                              |                                     | API Number<br>30-015-32061 |
| Property Code<br>28913                                                                       | Property Name<br>Esperanza 23 State | Well No.<br>1              |

Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| F             | 23      | 21S      | 27E   |         | 2500          | N                | 1700          | W              | Eddy   |

Proposed Bottom Hole Location If Different From Surface

| UL or lot no.                          | Section | Township | Range | Lot Idn | Feet from the   | North/South line | Feet from the | East/West Line | County |
|----------------------------------------|---------|----------|-------|---------|-----------------|------------------|---------------|----------------|--------|
| Proposed Pool 1<br>Burton Flats Morrow |         |          |       |         | Proposed Pool 2 |                  |               |                |        |

|                     |                         |                     |                      |                                |
|---------------------|-------------------------|---------------------|----------------------|--------------------------------|
| Work Type Code<br>N | Well Type Code<br>G     | Cable/Rotary<br>R   | Lease Type Code<br>S | Ground Level Elevation<br>3239 |
| Multiple            | Proposed Depth<br>11900 | Formation<br>Morrow | Contractor<br>TBA    | Spud Date<br>11-01-01          |

Proposed Casing and Cement Program

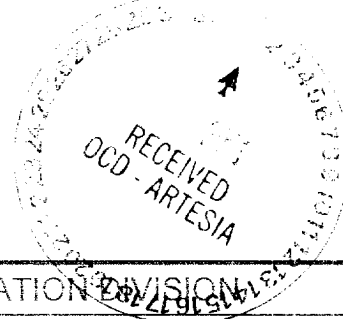
| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC  |
|-----------|-------------|--------------------|---------------|-----------------|----------------|
| 17 1/2"   | 13 3/8"     | 43# H-40           | 400           | 400 sks         | Surface        |
| 12 1/4"   | 8 5/8"      | 32# J-55           | 2600          | 800 sks         | Surface        |
| 7 7/8"    | 5 1/2"      | 17# N & S          | 11900         | 500 sks         | Above Wolfcamp |
|           |             |                    |               |                 |                |
|           |             |                    |               |                 |                |

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

0-400' Drill w/ FW & spud mud.  
400-2600' Drill w/ FW. Sweep when needed.  
2600-10,300' Drill w/ cut brine. Sweep when needed.  
10,300-TD Drill w/ cut brine & mud.

BOP diagram's attached.

NSL-4655



I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *[Signature]*  
Printed name: N. J. Young

Title: District Manager

Approved By:

ORIGINAL SIGNED BY TIM W. GUM  
DISTRICT II SUPERVISOR

Title:

Approval Date:

OCT 19 2001

Expiration Date:

OCT 19 2002

NOTIFY OCD SPUD & TIME TO WITNESS  
CEMENTING OF 8 5/8" CASING STRING