

1. Operator Name and Address MEWBOURNE OIL CO PO BOX 5270 HOBBS , NM 88241		2. OGRID Number 14744
		3. API Number 30-015-37854
4. Property Code 38170	5. Property Name ZIRCON 11 STATE COM	6. Well No. 001H

UL - Lot D	Section 11	Township 19S	Range 29E	Lot Idn D	Feet From 370	N/S Line N	Feet From 330	E/W Line W	County EDDY
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WC: BONE SPRING	
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9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3370
14. Multiple N	15. Proposed Depth 12500	16. Formation Bone Spring	17. Contractor	18. Spud Date 5/1/2010
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> miles thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method:				
Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	350	300	0
Int1	8.75	7	26	8000	700	0
Prod	6.125	4.5	11.6	12500	0	0

MOC proposes to drill & test the Bone Springs formation. H2S rule 118 does not apply because MOC has researched this area & no high concentration were found. Will have on location & working all H2S safety equipment before drilling below the surface casing for safety & insurance purposes. If commercial, a production liner will be run & will utilize packer/port system. No cmt is required. Will stimulate as needed for production.

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1500	Schaffer
DoubleRam	3000	3000	Schaffer

Date: 4/16/2010 Phone: 903-561-2900

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 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-102
 Permit 112675

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-37854	2. Pool Code	3. Pool Name WC; BONE SPRING
4. Property Code 38170	5. Property Name ZIRCON 11 STATE COM	6. Well No. 001H
7. OGRID No. 14744	8. Operator Name MEWBOURNE OIL CO	9. Elevation 3370



10. Surface Location

UL - Lot D	Section 11	Township 19S	Range 29E	Lot Idn	Feet From 370	N/S Line N	Feet From 330	E/W Line W	County EDDY
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11. Bottom Hole Location If Different From Surface

UL - Lot A	Section 11	Township 19S	Range 29E	Lot Idn A	Feet From 370	N/S Line N	Feet From 330	E/W Line E	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

OPERATOR CERTIFICATION

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.

E-Signed By: Monty Whetstone
 Title: Vice President Operations
 Date: 4/16/2010

SURVEYOR CERTIFICATION

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.

Surveyed By: Gary Jones
 Date of Survey: 4/15/2010
 Certificate Number: 7977

Permit Comments

Operator: MEWBOURNE OIL CO , 14744

Well: ZIRCON 11 STATE COM #001H

API: 30-015-37854

Created By	Comment	Comment Date
NMYOUNG	Mud Program: 0-350 FW spud mud. 350' - 8150' Brine water w/sweeps. 8150'-TD Cut Brine w/polymer.	4/16/2010
NMYOUNG	Will mail directional plan & C144 CLEZ to NMOCD Artesia.	4/16/2010
NMYOUNG	Change intermediate mud program from 8150' to 8000' TVD. Also production mud program starting at 8000' to TD.	4/16/2010