

1. Operator Name and Address MEWBOURNE OIL CO Po Box 5270 Hobbs, NM 88241		2. OGRID Number 14744
		3. API Number 30-015-38404
4. Property Code 38449	5. Property Name LAYLA 35	6. Well No. 002H

UL - Lot L	Section 35	Township 23S	Range 28E	Lot Idn L	Feet From 1980	N/S Line S	Feet From 360	E/W Line W	County EDDY
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LOVING:BRUSHY CANYON, EAST	40350
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9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3029
14. Multiple N	15. Proposed Depth 10610	16. Formation Delaware	17. Contractor	18. Spud Date 3/1/2011
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mls 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	500	200	0
Prod	8.75	7	26	6520	950	0
Prod	6.125	4.5	11.6	10610	0	0

MOC proposes to drill & test the Deleware. Will have on location & working all H2S safety equipment before Deleware formation. The 4 1/2" liner set @ 6320' to TD will utilize a packer port system (no cmt) in the lateral hole.

Type	Working Pressure	Test Pressure	Manufacturer
Annular	2000	4000	Schaffer

Conditions of Approval Attached

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 125466

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-38404	2. Pool Code 40350	3. Pool Name LOVING;BRUSHY CANYON, EAST
4. Property Code 38449	5. Property Name LAYLA 35	6. Well No. 002H
7. OGRID No. 14744	8. Operator Name MEWBOURNE OIL CO	9. Elevation 3029

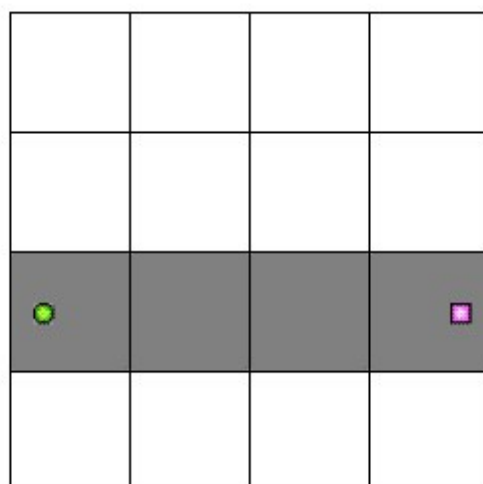
10. Surface Location

UL - Lot L	Section 35	Township 23S	Range 28E	Lot Idn	Feet From 1980	N/S Line S	Feet From 360	E/W Line W	County EDDY
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11. Bottom Hole Location If Different From Surface

UL - Lot L	Section 35	Township 23S	Range 28E	Lot Idn L	Feet From 1980	N/S Line S	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: 1/7/2011

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: 11/10/2010
 Certificate Number: 7977

Permit Comments

Operator: MEWBOURNE OIL CO , 14744

Well: LAYLA 35 #002H

API: 30-015-38404

Created By	Comment	Comment Date
NMYOUNG	Mud Program: 0-500' FW spud mud. 500'-6520 Brine water. 6520' - TD FW w/polymer.	1/7/2011
Artesia	Land P/P	1/7/2011

Permit Conditions of Approval

Operator: MEWBOURNE OIL CO , 14744

Well: LAYLA 35 #002H

API: 30-015-38404

OCD Reviewer	Condition
Artesia	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