District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 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-101 August 1, 2011

Permit 135475

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

	r Name and Address DURNE OIL CO	2. OGRID Number	
Po Box 5270 Hobbs, NM 88241		14744 3. API Number 30-015-39525	
4. Property Code	5. Property Name	6. Well No.	
38739	STATE B 33 EH COM	001H	

7. Surface Location

UL - L	t Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	33	198	25E	E	2260	N	330	W	EDDY

8. Pool Information

- 1	N. SEVEN RIVERS: GLORIETA-YESO	97565

Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable Rotary	12. Lesse Type State	13. Ground Level Elevation 3495	
14. Multiple 15. Proposed Depth N 6945		16. Formation Yeso Formation	No. of the second secon		
Depth to Ground water		Distance from nearest fresh water	well	1/15/2012 Distance to nearest surface wate	

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	685	400	0
Prod	8.75	7	26	2900	400	0
Prod	6.125	4.5	11.6	6945	0	0

Casing/Cement Program: Additional Comments

MOC proposes to drill & test the Yeso. Will have on location & working all H2S safety equipment before San Andres formation. The 4 1/2" liner set @ 2700' to TD will utilize a packer port system (no cmt) in the lateral hole. 7" csg will be cemented.

Proposed Blowout Prevention Program

200	Troposed Blon	out lie tention liogium	
Type	Working Pressure	Test Pressure	Manufacturer
Annula	2000	4000	Schaffer

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to	OIL CONSERVATION DIVISION			
NMOCD guidelines , a general permit , or an (attached) alternative	Approved By: Randy Dade			
Printed Name: Electronically filed by Monty Whetstone	Title: District Supervisor			
Title: Vice President Operations	Approved Date: 8/8/2011 Expiration Date: 8/8/2013			
Email Address: prodmgr@mewbourne.com				
Date: 8/3/2011 Phone: 903-561-2900	Conditions of Approval Attached			

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Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-102 August 1, 2011

Permit 135475

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	N. SEVEN RI	3. Pool Name
30-015-39525	97565		IVERS; GLORIETA-YESO
4. Property Code	5. Property Name		6. Well No.
38739	STATE B 33 EH COM		001H
7. OGRID No. 14744	8. Operator Name MEWBOURNE OIL CO		9. Elevation 3495

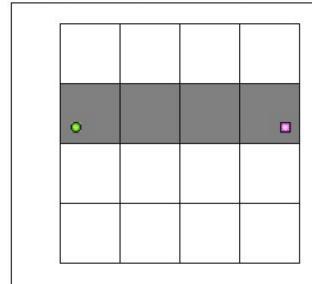
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	33	198	25E		2260	N	330	W	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	33	198	25E	H	2260	N	330	E	EDDY
12. Dedicated Acres 160.00		13. J	oint 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: 8/3/2011

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: 8/2/2011 Certificate Number: 7977

Permit Comments

Operator: MEWBOURNE OIL CO , 14744 Well: STATE B 33 EH COM #001H

API: 30-015-39525

Created By	Comment	Comment Date
NMYOUNG	Mud Program: 0-685'(MD) FW w/sweeps, 685'-2000'(MD) FW, 2000'-6945'(MD) FW w/polymer.	8/3/2011
Artesia	LAND S/S	8/5/2011

Permit Conditions of Approval

Operator: MEWBOURNE OIL CO , 14744 Well: STATE B 33 EH COM #001H

API: 30-015-39525

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