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

Annular

State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division

Form C-101 August 1, 2011

1220 S. St Francis Dr. Santa Fe, NM 87505

1. Operator Name and Address	2. OGRID Number
MEWBOURNE OIL CO Po Box 5270	14744
Hobbs. NM 88241	3. API Number
110005, 141/1 00241	30-015-41005

	1.000 2.00 (201	30-015-41005
4. Property Code	5. Property Name	6. Well No.
39650	TWO LAKES 1 PM STATE COM	001H

-	7. Surface Location											
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County			
P	1	16S	28E	P	660	S	150	E	EDDY			

1		8. Proposed Bottom Hole Location											
	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County			
	M	1	16S	28E	M	660	S	330	W	Eddy			

9. Pool Information	-3
WC;CROW FLATS;ABO	97691

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lesse Type	15. Ground Level Elevation	
New Well	OIL		State	3596	
16. Multiple N	17. Proposed Depth	18. Formation Wolfcamp	19. Contractor	20. Spud Date	

	21. Proposed Casing and Cement Program											
Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC						
Surf	17.5	13.375	48	300	320	0						
Int1	8.75	7	26	7100	950	0						
Dend	6 125	4.5	12.5	11300	0	0						

Casing/Cement Program: Additional Comments MOC proposes to drill & test the Wolfcamp formation. H2S rule 118 does not apply because MOC has researched this area & no high concentrations were found. Will have on location & working all H2S safety equipment before drilling into the Yates for safety & insurance purposes. 4 1/2 production liner will be run & will utilize packer port system. No cement is required. Will stimulate as needed for production.

22. Proposed Blowout Prevention Program Type Working Pressure Test Pressure Manufacturer Annular 2000 1500 Schaffer 5000 5000 DoubleRam Schaffer

2500

Schaffer

5000

23. I hereby certify that the inform best of my knowledge and belief.	action given above is true and complete to the	OIL C	ONSERV	ATION DIVISION	
	d with 19.15.14.9 (A) NMAC 🔀 and/or plicable.	Approved By: Randy Dade			
-	y filed by Monty Whetstone	Title: District Su	pervisor		_
Title: Vice President Operat	tions	Approved Date: 1	1/23/2013	Expiration Date: 1/23/2	015
Email Address: prodmgr@n	newbourne.com			981 981	
Date: 1/17/2013	Phone: 903-561-2900	Conditions of Ap	proval Attacl	ned	

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.

Santa Fe, NM 87505

Form C-102 August 1, 2011

Permit 160969

<u>District IV</u> 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3.	Pool Name
30-015-41005	97691	WC;CRC	OW FLATS;ABO
4. Property Code	5. Property N	ame	6. Well No.
39650	TWO LAKES 1 PM S	TATE COM	001H
7. OGRID No.	8. Operator N	ame	9. Elevation
14744	MEWBOURNE	OIL CO	3596

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	1	16S	28E		660	S	150	E	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section 1	Township 16S	Range 28E	Lot Idn M	Feet From 660	N/S Line	Feet From 330	E/W Line W	County EDDY
1000	cated Acres	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: 1/17/2013

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: 12/10/2012 Certificate Number: 7977

Permit Comments

Operator: MEWBOURNE OIL CO , 14744
Well: TWO LAKES 1 PM STATE COM #001H
API: 30-015-41005

Created By	Comment	Comment Date	
CSHAPARD	Land s/S	1/22/2013	

Permit Conditions of Approval

Operator: MEWBOURNE OIL CO , 14744
Well: TWO LAKES 1 PM STATE COM #001H
API: 30-015-41005

OCD Reviewer	Condition
CSHAPARD	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