

**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 176415

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

1. Operator Name and Address MEWBOURNE OIL CO Po Box 5270 Hobbs, NM 88241		2. OGRID Number 14744
4. Property Code 40204		3. API Number 30-015-41776
5. Property Name Black Lake 7 MD State Com		6. Well No. 001H

**7. Surface Location**

UL - Lot M	Section 7	Township 25S	Range 28E	Lot Idn	Feet From 110	N/S Line S	Feet From 400	E/W Line W	County Eddy
---------------	--------------	-----------------	--------------	---------	------------------	---------------	------------------	---------------	----------------

**8. Proposed Bottom Hole Location**

UL - Lot D	Section 7	Township 25S	Range 28E	Lot Idn D	Feet From 330	N/S Line N	Feet From 400	E/W Line W	County Eddy
---------------	--------------	-----------------	--------------	--------------	------------------	---------------	------------------	---------------	----------------

**9. Pool Information**

HAY HOLLOW;BONE SPRING, NORTH	30216
-------------------------------	-------

**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3061
16. Multiple N	17. Proposed Depth 12600	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 11/11/2013
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☐ We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	600	500	0
Int1	12.25	9.625	40	2350	600	0
Int2	8.75	7	26	8020	675	2150
Prod	6.125	4.5	13.5	12600	0	0

**Casing/Cement Program: Additional Comments**

MOC proposes to drill and test the Bone Spring formation. H2S rule 118 does not apply. MOC has researched this area & no high concentrations were found. Will have on location & working all H2S safety equipment before drilling the surface csg shoe for safety & insurance purposes. If commercial, 4 1/2" liner will be run & will use pkr port (no cmt) in the lateral hole. Will stimulate as needed for production.

**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1500	Schaffer
Double Ram	5000	5000	Schaffer
Annular	5000	3000	Schaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable.  Signature:	<b>OIL CONSERVATION DIVISION</b>
Printed Name: Electronically filed by Monty Whetstone	Approved By: Randy Dade
Title: Vice President Operations	Title: District Supervisor
Email Address: prodmgr@mewbourne.com	Approved Date: 11/5/2013      Expiration Date: 11/5/2015
Date: 11/1/2013      Phone: 903-561-2900	Conditions of Approval Attached

**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-102  
 August 1, 2011  
 Permit 176415

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-41776	2. Pool Code 30216	3. Pool Name HAY HOLLOW;BONE SPRING, NORTH
4. Property Code 40204	5. Property Name Black Lake 7 MD State Com	6. Well No. 001H
7. OGRID No. 14744	8. Operator Name MEWBOURNE OIL CO	9. Elevation 3061

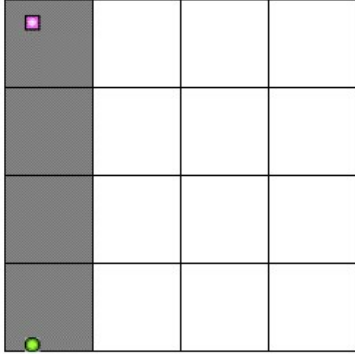
**10. Surface Location**

UL - Lot M	Section 7	Township 25S	Range 28E	Lot Idn	Feet From 110	N/S Line S	Feet From 400	E/W Line W	County Eddy
---------------	--------------	-----------------	--------------	---------	------------------	---------------	------------------	---------------	----------------

**11. Bottom Hole Location If Different From Surface**

UL - Lot D	Section 7	Township 25S	Range 28E	Lot Idn	Feet From 330	N/S Line N	Feet From 400	E/W Line W	County Eddy
12. Dedicated Acres 162.10	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**

	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>E-Signed By:        Monty Whetstone        Title:                Vice President Operations        Date:                11/1/2013</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By:        Robert Howett        Date of Survey:    10/25/2013        Certificate Number: 19680</p>
---	---

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-8181 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) 334-8178 Fax:(505) 334-8170  
**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 APD Comments  
  
Permit 176415

**PERMIT COMMENTS**

Operator Name and Address: MEWBOURNE OIL CO [14744] Po Box 5270 Hobbs, NM 88241		API Number: 30-015-41776
		Well: Black Lake 7 MD State Com #001H
Created By	Comment	Comment Date
CSHAPARD	Land p/S	11/4/2013

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-8181 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) 334-8178 Fax:(505) 334-8170  
**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 APD Conditions  
Permit 176415

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: MEWBOURNE OIL CO [14744] Po Box 5270 Hobbs, NM 88241		API Number: 30-015-41776
		Well: Black Lake 7 MD State Com #001H

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