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

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 189343

| | | APPLIC | ATION FOR | PERMIT: | TO DRILL, RE- | ENTER, DEEPE | N, PLUGBACH | K, OR ADD | A ZONE | | |
|-------------------------|--------------------|----------|------------------------|----------|----------------|--------------------|---------------|-----------|---------------------------|------|------------|
| | OURNE OIL CO |) | | | | | | | 2. OGRID Number 14744 | | |
| PO Box Hobbs, | × 5270 NM 88241 | | | | | | | | 3. API Number 30-025-4 | 1984 | |
| Property Code 313501 | | | 5. Property Nan Mac | | AP State Com | | | | 6. Well No. 001H | | |
| | | | | | 7. Surfa | ice Location | | | | | |
| JL - Lot A | Section 35 | Township | 23S Rang | e 34E | Lot Idn A | Feet From 185 | N/S Line N | Feet From | 660 E/W Line | E | nty Lea |
| | | | | | 8. Proposed Bo | ottom Hole Locatio | on | | | | |
| JL - Lot | Section | Township | Rang | e | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | Cou | nty |
| D | 35 | | 23S | 34E | Р | 330 | S | 3 | 330 | E | Lea |

| ANTELOPE RIDGE;BONE SPRING | 2200 |
|----------------------------|------|
| | |

Additional Well Information

| 11. Work Type New Well | 12. Well Type OIL | 13. Cable/Rotary | 14. Lease Type State | 15. Ground Level Elevation 3411 |
|---------------------------|-----------------------------|--|-------------------------|------------------------------------|
| 16. Multiple N | 17. Proposed Depth 16075 | 18. Formation 3rd Bone Spring Sand | 19. Contractor | 20. Spud Date 7/31/2014 |
| 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

| | Zit i roposcu cusing una coment i rogium | | | | | | | |
|------|--|-------------|------------------|---------------|-----------------|---------------|--|--|
| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC | | |
| Surf | 17.5 | 13.375 | 48 | 835 | 600 | 0 | | |
| Int1 | 12.25 | 9.625 | 36 | 3400 | 0 | 0 | | |
| Int1 | 12.25 | 9.625 | 40 | 4300 | 0 | 0 | | |
| Int1 | 12.25 | 9.625 | 40 | 5050 | 1050 | 0 | | |
| Prod | 8.75 | 5.5 | 17 | 16075 | 1200 | 4850 | | |

Casing/Cement Program: Additional Comments

MOC proposed to drill & test the Bone Springs formation. H2S rule 118 does not apply because MOC has researched the area & no high concentrations were found. Will have on location & working all H2S safety equiptment before Yates formation for safety & insurance purposes.

22. Proposed Blowout Prevention Program

| ZZ. I Toposcu Diomout i Tevendon i Togium | | | | | | |
|---|------------------|---------------|--------------|--|--|--|
| Type | Working Pressure | Test Pressure | Manufacturer | | | |
| Annular | 2000 | 1500 | Schaffer | | | |
| Double Ram | 3000 | 3000 | Schaffer | | | |
| Annular | 3000 | 1500 | 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 ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable. Signature: | | | 200 | | |
|---|-------------------------------------|--------------|---------------------------------|-----------|----------------------------|
| Printed Name: | Electronically filed by Monty Whets | Approved By: | Paul Kautz | | |
| Title: | Vice President Operations | | Title: | Geologist | |
| Email Address: | prodmgr@mewbourne.com | | Approved Date: | 7/24/2014 | Expiration Date: 7/24/2016 |
| Date: | 7/23/2014 Phone: 903-561-2900 | | Conditions of Approval Attached | | |

District I

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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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1. API Number 30-025-41984 | 2. Pool Code 2200 | 3. Pool Name ANTELOPE RIDGE;BONE SPRING |
|-------------------------------|---|---|
| 4. Property Code 313501 | Property Name Mad Dog 35 B3AP State Com | 6. Well No. 001H |
| 7. OGRID No. 14744 | 8. Operator Name MEWBOURNE OIL CO | 9. Elevation 3411 |

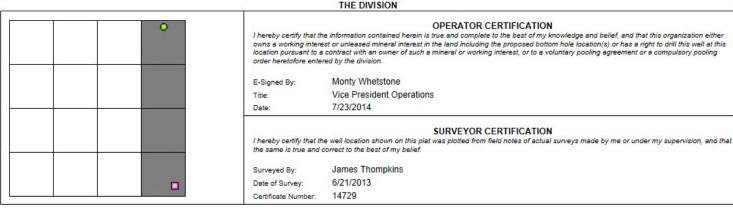
10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| Α | 35 | 23S | 34E | Α | 185 | N | 660 | E | Lea |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section 35 | Township 23S | Range 34E | Lot Idn P | Feet From 330 | N/S Line S | Feet From 330 | E/W Line | County Lea |
|------------------------------|------------|--------------|---------------------|--------------|------------------------|---------------|------------------|---------------|---------------|
| 12. Dedicated Acre 160.00 | | | 13. Joint or Infill | | 14. Consolidation Code | е | | 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



Form APD Comments

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

Phone:(575) 393-6161 Fax:(575) 393-0720 <u>District II</u> 311 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u> 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

Permit 189343

PERMIT COMMENTS

| Operator Name and Address: | API Number: | | |
|----------------------------|---------------------------------|--|--|
| MEWBOURNE OIL CO [14744] | 30-025-41984 | | |
| PO Box 5270 | Well: | | |
| Hobbs, NM 88241 | Mad Dog 35 B3AP State Com #001H | | |

| Created By | Comment | Comment Date |
|------------|-------------|--------------|
| DMULL | Fee / State | 7/24/2014 |

Form APD Conditions

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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

Permit 189343

PERMIT CONDITIONS OF APPROVAL

| Operator Name and Address: | API Number: |
|----------------------------|---------------------------------|
| MEWBOURNE OIL CO [14744] | 30-025-41984 |
| PO Box 5270 | Well: |
| Hobbs, NM 88241 | Mad Dog 35 B3AP State Com #001H |

| OCD Reviewer | Condition |
|-----------------|--|
| DMULL | Will require a directional survey with the C-104 |
| pkautz | 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 |
| pkautz | If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well. |
| pkautz | 1) SURFACE & INTERNEMIATE CASING - Cement must circulate to surface 2) PRODUCTION CASING - Cement must tie back into intermediate casing |
| pkautz | Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water |