District | 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 193109

APPLICATION FOR PERMIT TO DRILL	, re-enter, deepen, plugback,	OR ADD A ZONE
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1. Operato	MEV	and Address BOURNE OIL CO							2. OG	RID Number 14744		
		30x 5270 os, NM 88241							3. API	Number 30-025-42149		
4. Propert	y Code 3137			5. Property Name CAB		11 B3PA STATE	COM		6. Wel	^{II No.} 001H		
						7. Su	rface Location					
UL - Lot	Р	Section 11	Township 2	2S Range	34E	Lot Idn	Feet From 185	N/S Line S	Feet From 660	E/W Line	County	Lea
						8. Proposed	Bottom Hole Locati	ion				
JL - Lot	Α	Section 11	Township 2	Range 2S	34E	Lot Idn A	Feet From 330	N/S Line N	Feet From 660	E/W Line	County	Lea
						9. Po	ol Information					
OJO CH	IISO:B	ONE SPRING				10.764	State of the Paris			96553		

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3502
16. Multiple N	17. Proposed Depth 15762	18. Formation 3rd Bone Spring Sand	19. Contractor	20. Spud Date 10/22/2014
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

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	54.5	1700	1190	0
Surf	17.5	13.375	48	1200	0	0
Int1	12.25	9.625	40	4300	0	0
Int1	12.25	9.625	36	3400	0	0
Int1	12.25	9.625	40	5675	0	0
Int1	12.25	9.625	40	5000	0	0
Prod	8.75	7	26	11480	850	3880
Liner1	6.125	4.5	13.5	15762	0	0

Casing/Cement Program: Additional Comments

Int. 1 casing will set DV Tool @ 3880, 1st stage will have 405 sks cmt, 2nd stage will have 1000 sks cmt. MOC proposes 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 equipment before testing the Yates formation for safety purposes & ins. purposes. If commercial, production casing will be run & will utilize packer port system. Will stimulate as needed for production.

22. Proposed Blowout Prevention Program

Туре	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:				OIL CONSERVATIO	N DIVISION
Printed Name:	Electronically filed by Monty Whets	tone	Approved By:	Paul Kautz	
Title:	Vice President Operations		Title:	Geologist	
Email Address:	prodmgr@mewbourne.com		Approved Date:	9/26/2014	Expiration Date: 9/26/2016
Date:	9/26/2014 Phone: 903-561-2900		Conditions of Approval Attached		

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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> 2320 S. S. Especie Dr. Scate Fo. NM 87558

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 193109

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-42149	2. Pool Code 96553	3. Pool Name OJO CHISO;BONE SPRING
4. Property Code 313735	5. Property Name CABRA LOCA 11 B3PA STATE COM	6. Well No. 001H
7. OGRID No. 14744	8. Operator Name MEWBOURNE OIL CO	9. Elevation 3502

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	11	22S	34E	P	185	S	660	E	Lea

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
Α	11	22S	34E	A	330	N	660	E	Lea
12. Dedicated Acre 160.00			13. Joint or Infill		14. Consolidation Code	e		15. Order No.	0.00

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY

<u> </u>	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: 9/26/2014
	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: Robert Howett
	Date of Survey: 6/16/2014
	Certificate Number: 19680

Form APD Comments

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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 193109

PERMIT COMMENTS

Operator Name and Address:	API Number:
MEWBOURNE OIL CO [14744]	30-025-42149
PO Box 5270	Well:
Hobbs, NM 88241	CABRA LOCA 11 B3PA STATE COM #001H

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 193109

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: API Number:	
MEWBOURNE OIL CO [14744]	30-025-42149
PO Box 5270	Well:
Hobbs, NM 88241	CABRA LOCA 11 B3PA STATE COM #001H

OCD Reviewer	Condition
pkautz	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	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	1) SURFACE & INTERNEMIATE CASING - Cement must circulate to surface 2) PRODUCTION CASING - Cement must tie back into intermediate casing
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement