

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-8161 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) 476-3482

**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 223224

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

|  |  |                               |
|--|--|-------------------------------|
| 1. Operator Name and Address<br>MEWBOURNE OIL CO<br>PO Box 5270<br>Hobbs, NM 88241 |  | 2. OGRID Number<br>14744      |
| 4. Property Code<br>316477   |  | 3. API Number<br>30-015-43846 |
| 5. Property Name<br>JOURNEY 12 WOMP FEE COM  |  | 6. Well No.<br>003H           |

**7. Surface Location**

|          |   |         |    |          |     |       |     |         |   |           |     |          |   |           |     |          |   |        |      |
|----------|---|---------|----|----------|-----|-------|-----|---------|---|-----------|-----|----------|---|-----------|-----|----------|---|--------|------|
| UL - Lot | M | Section | 12 | Township | 24S | Range | 28E | Lot Idn | M | Feet From | 250 | N/S Line | S | Feet From | 200 | E/W Line | W | County | Eddy |
|----------|---|---------|----|----------|-----|-------|-----|---------|---|-----------|-----|----------|---|-----------|-----|----------|---|--------|------|

**8. Proposed Bottom Hole Location**

|          |   |         |    |          |     |       |     |         |   |           |     |          |   |           |     |          |   |        |      |
|----------|---|---------|----|----------|-----|-------|-----|---------|---|-----------|-----|----------|---|-----------|-----|----------|---|--------|------|
| UL - Lot | P | Section | 12 | Township | 24S | Range | 28E | Lot Idn | P | Feet From | 330 | N/S Line | S | Feet From | 330 | E/W Line | E | County | Eddy |
|----------|---|---------|----|----------|-----|-------|-----|---------|---|-----------|-----|----------|---|-----------|-----|----------|---|--------|------|

**9. Pool Information**

|                                   |       |
|-----------------------------------|-------|
| PIERCE CROSSING;WOLFCAMP,NW (GAS) | 96712 |
|-----------------------------------|-------|

**Additional Well Information**

|                           |                             |  |                           |                                    |
|---------------------------|-----------------------------|--|---------------------------|------------------------------------|
| 11. Work Type<br>New Well | 12. Well Type<br>GAS        | 13. Cable/Rotary                       | 14. Lease Type<br>Private | 15. Ground Level Elevation<br>2975 |
| 16. Multiple<br>N         | 17. Proposed Depth<br>14300 | 18. Formation<br>Wolfcamp              | 19. Contractor            | 20. Spud Date<br>7/27/2016         |
| 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      | 54.5             | 545           | 400             | 0             |
| Int1   | 12.25     | 9.625       | 36               | 2620          | 600             | 0             |
| Prod   | 8.75      | 7           | 26               | 10000         | 850             | 2420          |
| Liner1 | 6.125     | 4.5         | 13.5             | 14300         | 210             | 9100          |

**Casing/Cement Program: Additional Comments**

MOC proposed to drill & test the Wolfcamp 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 Yates formation for safety & insurance purposes. Will stimulate as needed for production.

**22. Proposed Blowout Prevention Program**

| Type       | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Annular    | 5000             | 2500          | Schaffer     |
| Double Ram | 5000             | 5000          | Schaffer     |
| Annular    | 5000             | 2500          | Schaffer     |

|   |  |
|---|--|
| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br>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.<br><br>Signature: _____<br>Printed Name: Electronically filed by Monty Whetstone<br>Title: Vice President Operations<br>Email Address: prodmgr@mewbourne.com<br>Date: 7/1/2016 | <b>OIL CONSERVATION DIVISION</b><br><br>Approved By: Paul Kautz<br>Title: Geologist<br>Approved Date: 7/5/2016<br>Expiration Date: 7/5/2018<br>Conditions of Approval Attached |
| Phone: 903-561-2900   |  |

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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 223224

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                               |   |   |
|-------------------------------|---|---|
| 1. API Number<br>30-015-43846 | 2. Pool Code<br>96712                       | 3. Pool Name<br>PIERCE CROSSING;WOLFCAMP,NW (GAS) |
| 4. Property Code<br>316477    | 5. Property Name<br>JOURNEY 12 WOMP FEE COM | 6. Well No.<br>003H                               |
| 7. OGRID No.<br>14744         | 8. Operator Name<br>MEWBOURNE OIL CO        | 9. Elevation<br>2975                              |

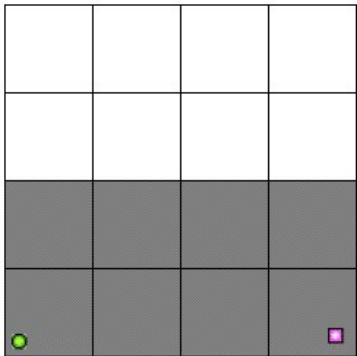
**10. Surface Location**

|               |               |                 |              |              |                  |               |                  |               |                |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|------------------|---------------|----------------|
| UL - Lot<br>M | Section<br>12 | Township<br>24S | Range<br>28E | Lot Idn<br>M | Feet From<br>250 | N/S Line<br>S | Feet From<br>200 | E/W Line<br>W | County<br>Eddy |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|------------------|---------------|----------------|

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

|                               |                     |                 |                        |              |                  |               |                  |               |                |
|-------------------------------|---------------------|-----------------|------------------------|--------------|------------------|---------------|------------------|---------------|----------------|
| UL - Lot<br>P                 | Section<br>12       | Township<br>24S | Range<br>28E           | Lot Idn<br>P | Feet From<br>330 | N/S Line<br>S | Feet From<br>330 | E/W Line<br>E | County<br>Eddy |
| 12. Dedicated Acres<br>320.00 | 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<br/>Title:                Vice President Operations<br/>Date:                 7/1/2016</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<br/>Date of Survey:     6/30/2016<br/>Certificate Number: 19680</p> |
|---|---|

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Form APD Comments

Permit 223224

**PERMIT COMMENTS**

|  |  |
|--|--|
| Operator Name and Address:<br>MEWBOURNE OIL CO [14744]<br>PO Box 5270<br>Hobbs, NM 88241 | API Number:<br>30-015-43846            |
|  | Well:<br>JOURNEY 12 W0MP FEE COM #003H |

|            |         |              |
|------------|---------|--------------|
| Created By | Comment | Comment Date |
|------------|---------|--------------|

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Form APD Conditions

Permit 223224

**PERMIT CONDITIONS OF APPROVAL**

|  |  |
|--|--|
| Operator Name and Address:<br>MEWBOURNE OIL CO [14744]<br>PO Box 5270<br>Hobbs, NM 88241 | API Number:<br>30-015-43846            |
|  | Well:<br>JOURNEY 12 W0MP FEE COM #003H |

| OCD<br>Reviewer | Condition  |
|-----------------|--|
| kjones          | Will require a directional survey with the C-104   |
| kjones          | 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 |
| kjones          | Cement is required to circulate on both surface and intermediate1 strings of casing  |
| kjones          | If cement fails to circulate, run a temperature survey.  |