

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 223648

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 316516		3. API Number 30-025-43361
5. Property Name SALADO DRAW 10 W1DM FEE COM		6. Well No. 002H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	10	26S	33E	D	310	N	330	W	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	10	26S	33E	M	330	S	330	W	Lea

9. Pool Information

RED HILLS;WOLFCAMP (GAS)	83600
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Additional Well Information

11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3330
16. Multiple N	17. Proposed Depth 16750	18. Formation Wolfcamp	19. Contractor	20. Spud Date 8/15/2016
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	48	980	720	0
Int1	12.25	9.625	36	4955	1030	0
Prod	8.75	7	26	12500	870	4755
Liner1	6.125	4.5	13.5	16750	205	11774

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. 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: _____ Printed Name: Electronically filed by Monty Whetstone Title: Vice President Operations Email Address: prodmgr@mewbourne.com Date: 7/19/2016	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 7/20/2016 Expiration Date: 7/20/2018 Conditions of Approval Attached
Phone: 903-561-2900	

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Form C-102
August 1, 2011
Permit 223648

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-43361	2. Pool Code 83600	3. Pool Name RED HILLS;WOLFCAMP (GAS)
4. Property Code 316516	5. Property Name SALADO DRAW 10 W1DM FEE COM	6. Well No. 002H
7. OGRID No. 14744	8. Operator Name MEWBOURNE OIL CO	9. Elevation 3330

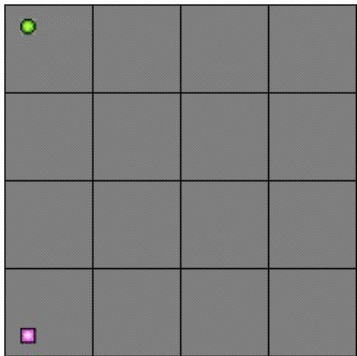
10. Surface Location

UL - Lot D	Section 10	Township 26S	Range 33E	Lot Idn D	Feet From 310	N/S Line N	Feet From 330	E/W Line W	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot M	Section 10	Township 26S	Range 33E	Lot Idn M	Feet From 330	N/S Line S	Feet From 330	E/W Line W	County Lea
12. Dedicated Acres 640.00	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;">OPERATOR CERTIFICATION</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: 7/19/2016</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</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: 10/24/2014 Certificate Number: 19680</p>
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Form APD Comments

Permit 223648

PERMIT COMMENTS

Operator Name and Address: MEWBOURNE OIL CO [14744] PO Box 5270 Hobbs, NM 88241	API Number: 30-025-43361
	Well: SALADO DRAW 10 W1DM FEE COM #002H

Created By	Comment	Comment Date
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Form APD Conditions

Permit 223648

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: MEWBOURNE OIL CO [14744] PO Box 5270 Hobbs, NM 88241		API Number: 30-025-43361
		Well: SALADO DRAW 10 W1DM FEE COM #002H
OCD Reviewer	Condition	
pkautz	Will require a directional survey with the C-104	
pkautz	Will require a administrative order for non-standard location prior to placing the well on production.	
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 & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing -- 3) Liner -- Cement must tie back into production casing	
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement	
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water	
pkautz	Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186	
pkautz	Must notify OCD Hobbs Office of any water flows in the Salado Formation at 575-370-3186. Report depth and flow rate	
pkautz	1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.	
pkautz	The New! Gas Capture Plan (GCP) notice is posted on the NMOCD website under Announcements. The Plan became effective May 1, 2016. A copy of the GCP form is included with the NOTICE and is also in our FORMS section under Unnumbered Forms. Please review filing dates for all applicable activities currently approved or pending and submit accordingly. Failure to file a GCP may jeopardize the operator's ability to obtain C-129 approval to flare gas after the initial 60-day completion period.	