

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM99018
2. Name of Operator MEWBOURNE OIL COMPANY Contact: JACKIE LATHAN E-Mail: jlathan@mewbourne.com		6. If Indian, Allottee or Tribe Name
3a. Address PO BOX 5270 HOBBS, NM 88241	3b. Phone No. (include area code) Ph: 575-393-5905	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 7 T21S R25E Mer NMP SENW 1980FNL 1980FWL		8. Well Name and No. ZEBRA FF FEDERAL 1
		9. API Well No. 30-015-32056
		10. Field and Pool, or Exploratory SWD; CANYON
		11. County or Parish, and State EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA:

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

*Successor of
Operator*

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Mewbourne Oil Company took over operations from COG Operating, LLC on the above captioned well 11/18/15.

NM OIL CONSERVATION
ARTESIA DISTRICT

As new operator Mewbourne accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease or portion of lease described.

JAN 08 2016

Bond on file: NM1693 nationwide & NMB000919

**SEE ATTACHED FOR RECEIVED
CONDITIONS OF APPROVAL**

Accepted for record
NMOCD

1/15/16

14. I hereby certify that the foregoing is true and correct. Electronic Submission #325440 verified by the BLM Well Information System For MEWBOURNE OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by JENNIFER SANCHEZ on 12/07/2015 ()	
Name (Printed/Typed) ROBIN TERRELL	Title DISTRICT MANAGER
Signature (Electronic Submission)	Date 12/03/2015
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By	Title
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	
Office	

APPROVED

DEC

**BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

District I
1826 N. French Dr., Hobbs, NM 88240
Phone (505) 393-8181 Fax (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone (505) 748-1283 Fax (505) 748-9720
District III
1000 Rio Grande 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) 478-3470 Fax (505) 478-3483

State of New Mexico
Energy, Minerals and Natural
Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505
Change of Operator

Form C-145
August 1, 2011
Form 212841

NM OIL CONSERVATION
ARTESIA DISTRICT

JAN 08 2016

RECEIVED

Previous Operator Information

New Operator Information

OGRID:	229137	Effective Date:	Effective on the date of approval by the OCD
Name:	COG OPERATING LLC	OGRID:	14744
Address:	One Concho Center	Name:	MEWBOURNE OIL CO
	600 W. Rhyola Ave	Address:	PO Box 5270
City, State, Zip:	Midland, TX 79701	City, State, Zip:	Hobbs, NM 88241

I hereby certify that the rules of the Oil Conservation Division ("OCD") have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, MEWBOURNE OIL CO certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(i) NMAC.

MEWBOURNE OIL CO understands that the OCD's approval of this operator change:

1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
2. constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

As the operator of record of wells in New Mexico, MEWSBURNE OIL CO agrees to the following statements:

1. I am responsible for ensuring that the wells and related facilities comply with applicable statutes and rules, and am responsible for all regulatory filings with the OCD. I have familiarized myself with all applicable statutes and rules, not just the rules referenced in this list. I understand that the OCD's rules (19.15.2-19.15.112 NMAC) and the Water Quality Control Commission's rules (20.6.2-20.6.7 NMAC) are available at the New Mexico State Records Center and Archives website (www.nmcp.state.nm.us).
2. I understand that if I acquire wells from another operator, the OCD must approve the operator change before I begin operating those wells, see 19.15.9(B) NMAC. I understand that if I acquire wells or facilities subject to a compliance order addressing inactive wells or environmental cleanup, before the OCD will approve the operator change it may require me to enter into an enforceable agreement to return those wells to compliance. See 19.15.9(C)(2) NMAC.
3. I must file a monthly C-115 report showing production for each non-plugged well completion for which the OCD has approved an allowable and authorization to transport, and injection for each injection well. See 19.15.7.24 NMAC. I understand that the OCD may cancel my authority to transport from or inject into all the wells I operate if I fail to file C-115 reports. See 19.15.7.24(C) NMAC.
4. I UNDERSTAND THAT New Mexico requires wells that have been inactive for certain time periods to be plugged or placed on approved temporary abandonment. See 19.15.25.8 NMAC. I understand the requirements for plugging and approved temporary abandonment in 19.15.25 NMAC. I understand that I can check my compliance with the basic requirements of 19.15.25.8 NMAC by using the "Inactive Well List" on OCD's website.
5. I must keep current with financial assurances for well plugging. I understand that New Mexico requires each state or fee well that has been inactive for more than two years and has not been plugged and released to be covered by a single-well financial assurance, or blanket plugging financial assurance for wells in temporarily abandoned status, even if the well is also covered by a blanket financial assurance and even if the well is on approved temporary abandonment status. See 19.15.6.9(C) NMAC. I understand that I can check my compliance with the single-well financial assurance requirement by using the "Inactive Well Additional Financial Assurance Report" on the OCD's website.
6. I am responsible for reporting releases as defined by 19.15.29 NMAC. I understand the OCD will look to me as the operator of record to take corrective action for releases at my wells and related facilities, including releases that occurred before I became operator of record.
7. I have read 19.15.5.9 NMAC, commonly known as "Rule 5.9" and understand that to be in compliance with its requirements I must have the appropriate financial assurances in place, comply with orders requiring corrective action, pay penalties assessed by the courts or agreed to by me in a settlement agreement, and not have too many wells out of compliance with the inactive well rule (19.15.25.8 NMAC). If I am in violation of 19.15.5.9 NMAC, I may not be allowed to drill, acquire or produce any additional wells, and will not be able to obtain any new injection permits. See 19.15.16.19 NMAC, 19.15.25.8 NMAC, 19.15.9.9 NMAC and 19.15.14.10 NMAC. If I am in violation of 19.15.5.9 NMAC the OCD may, after notice and hearing, revoke my existing injection permits. See 19.15.25.8 NMAC.
8. For injection (or disposal) wells, I acknowledge that I have read and agree to operate my wells in compliance with 19.15.25 NMAC. I acknowledge that I have read and agree to the terms of my injection permit. I understand that I must report injection volume and injection pressure on my monthly C-115 report. I understand that I must conduct mechanical integrity tests on my injection wells at least once every five years. See 19.15.25.11 NMAC. I understand that when there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a saltwater disposal well or special purpose injection well, authority for that injection automatically terminates. See 19.15.25.12 NMAC. I understand that if I transfer operation of any injection well to another operator, the OCD must approve the transfer or authority to inject, and the OCD may require me to demonstrate the well's mechanical integrity prior to approving that transfer. See 19.15.25.15 NMAC.
9. I am responsible for providing the OCD with my current address of record and emergency contact information, and I am responsible for updating that information when it changes. See 19.15.9.8 C NMAC. I understand that I can update that information on the OCD's website under "Electronic Permitting."
10. If I transfer well operations to another operator, the OCD must approve the change before the new operator can begin operations. See 19.15.9.9(B) NMAC. I remain responsible for the wells and related facilities and all related regulatory filings until the OCD approves the operator change. I understand that the transfer will not relieve me of responsibility or liability for any act or omission which occurred while I operated the wells and related facilities.

Previous Operator	New Operator
Signature: <u><i>Ray Peterson</i></u>	Signature: <u><i>Monty Whetstone</i></u>
Printed Name: <u>Ray Peterson</u>	Printed Name: <u>Monty Whetstone</u>
Title: <u>VP Drilling</u>	Title: <u>Vice-President of Operations</u>
Date: <u>11-12-15</u> Phone: <u>575-748-6845</u>	Date: <u>11/12/15</u> Phone: <u>803-561-2900</u>

NMOCD ApprovalElectronic Signature: Randy Dade, District 2Date: November 18, 2015

District I

1625 N. French Dr., Hobbs, NM 88240
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Phone:(505) 478-3470 Fax:(505) 478-3482

State of New Mexico
Energy, Minerals and Natural
Resources

Oil Conservation Division**1220 S. St Francis Dr.****Santa Fe, NM 87505**

Wells Selected for Transfer

Permit 212841
Permit Status: APPROVED

Wells Selected for Transfer

From:	COG OPERATING LLC	OGRID:	229137
To:	MEWBOURNE OIL CO	OGRID:	14744

OCD District: Artesia

Property	Well	Lease Type	ULSTR	OCD Unit	API	Well Type	Pool ID	Pool Name
315660	ZEBRA FF FEDERAL #001	F	F-07-21S-25E	F	30-015-32056	S	96184	SWD,CANYON

**Zebra FF Federal 1
30-015-32056
Mewbourne Oil Company
December 07, 2015
Conditions of Approval**

1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
2. Submit for approval of water disposal method.
3. Submit updated facility diagrams as per Onshore Order #3
4. This agency shall be notified of any spill or discharge as required by NTL-3A.
5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
6. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
7. Subject to like approval by NMOCD.
8. All Reporting to ONRR (OGOR Reports) must be brought current within 30 days of this approval including any past history.
9. If this well is incapable of producing in paying quantities submit NOI to plug and abandon this well or obtain approval to do otherwise within 90 days.
10. Submit plan for approval of well operations for all TA/SI wells within 30 days of this approval to change operator.
11. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.

JAM 120715