

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

811 S. 1ST ST. ARTESIA, NM (Other instructions on reverse side)

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

C/SF

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL [X]

DEEPEN []

b. TYPE OF WELL

OIL WELL []

GAS WELL [X]

OTHER []

SINGLE ZONE [X]

MULTIPLE ZONE []

2. NAME OF OPERATOR

Mewbourne Oil Company

14744

3. ADDRESS AND TELEPHONE NO.

P.O. Box 5270 Hobbs, NM 88241 (505) 393-5905

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface 1980' FNL & 660' FWL

At proposed prod. zone

Unit E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

18 miles East of Artesia, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT (Also to nearest drig. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

10,100

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3557 GL

22. APPROX. DATE WORK WILL START*

07/15/00

23.

PROPOSED CASING AND CEMENT SCHEDULE

ROSWELL CONTROLLED WATER BASIN

Table with 6 columns: SIZE OF HOLE, GRADE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Includes handwritten values like 17-1/2", H-40, 13-3/8", 48#, 400', 550', 400 sacks, etc.

Mewbourne Oil Company proposes to drill this well to a depth of 10,100' or a depth sufficient to test the Morrow Formation for the presence of hydrocarbons. If determined to be productive, the well will be equipped with 5-1/2" production casing to total depth. If determined to be nonproductive, the well will be plugged and abandoned in accordance with regulatory guidelines. Specific plans are outlined in the following attachments:

- 1) Drilling Program
2) Surface Use and Operation Plan
3) Location and Elevation Plat (NMOCD form C102)
4) Schematic Diagram of Blowout Preventer and Choke Manifold (Exhibits 2 & 2A)
5) Map of existing and Planned Access Road and Location (Exhibits 3 & 3A)
6) Lists of Offset Wells (Exhibit 4)
7) Proposed Drilling Rig Layout (Exhibit 5)
8) Proposed Production Facilities Layout (Exhibit 6)
9) Hydrogen Sulfide Contingency Plan (Exhibit 7)

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

RECEIVED OCD - ARTESIA

IN ABOVE SPACE DESCRIBE PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Terry Burke

TITLE Drilling Foreman

DATE 06/06/00

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval 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. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

(ORIGINAL) JOHN G. SIMITZ

Assistant Field Manager, Lands And Minerals

DATE

AUG 21 2000

*See Instructions On Reverse Side

APPROVED FOR 1 YEAR

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.