| HOBBS OCD   | OCD-HO  | BBS  |   |   |                    |
|---|---|--|---|---|--------------------|
| orm 3160-3<br>August 2007) FEB <b>1 3 2012</b>  |   |  |   | FORM APPROVED<br>OMB No. 1004-0137            |                    |
| UNITED STATES   |   |  | Expires July 31, 2010<br>5 Lease Serial No. 910                                     |   |                    |
| DEPARTMENT OF THE INTERIOR 56   |   |  | 5H  | NM-105560 & NM-120190 94 1 14, 1/21           |                    |
| APPLICATION FOR PERMI   | t to drill of   | REENTER  |   | 6. If Indian, Allotee or T                    | rıbe Name          |
| la. Type of work: 🔽 DRILL   | ······  |  | 7 If Unit or CA Agreement, Name and NS3835<br>Red Hills West Unit '8' #3H NM125386X |   |                    |
| Ib. Type of Well: ✓ On Well Gas Well Other Single Zone Multip   |   |  | ple Zone  | 8. Lease Name and Well No.                    |                    |
| 2. Name of Operator Mewbourne Oil Company   |   |  |   | 9. API Well No.                               | 112/112            |
| Address po por 5070 $(include area code)$   |   |  | 30 - 025 - 40442<br>10 Field and Pool, or Exploratory 972                           |   |                    |
| 3a. Address PO Box 5270<br>Hobbs, NM 88240  | (575) 393-5905  |  |   | Wildcat Bone Spring UNNER SHALC               |                    |
| 4. Location of Well (Report location clearly and in accordance with any State requirements)<br>At surface 150' FSL & 890' FWL (Unit M)                                    |   |  | XOC   | 11. Sec., T. R. M. or Blk and Survey or Area  |                    |
| At surface 150' FSL & 890' FWL (Unit M)   |   | LOCATIO  | N   | Sec 8, T26S, R32E                             |                    |
| At proposed prod. zone 330' FNL & 890' FWL (Unit  |   | LOOM   |   | 12 County or Parish                           | 13. State          |
| <ol> <li>Distance in miles and direction from nearest town or post of<br/>30 miles West of Jal, NM</li> </ol>   | office*   |  |   | Lea   | NM                 |
| 15. Distance from proposed*<br>location to nearest<br>property or lease line, ft<br>(Also to nearest drig. unit line, if any)   | 16. No. of a<br>1920                                  | 16. No. of acres in lease         17 Spa           1920         160  |   | ng Unit dedicated to this well                |                    |
| 18 Distance from proposed location* 626'  | 19 Proposed   | 19 Proposed Depth 20 BLM/  |   | BIA Bond No. on file                          |                    |
| to nearest well, drilling, completed, applied for, on this lease, ft  |   | 13477' MD I<br>8857' TVD   |   | M 1693, Nationwide                            |                    |
| 21 Elevations (Show whether DF, KDB, RT, GL, etc.)<br>3194' GL  |   | 22 Approximate date work will start*<br>02/01/2012   |   | 23. Estimated duration<br>40 days             |                    |
| · · · · · · · · · · · · · · · · · · ·   | 24. Attac   | chments  |   |   |                    |
| The following, completed in accordance with the requirements  | of Onshore Oil and Gas                                | Order No.1, must be a  | attached to thi   | s form:                                       |                    |
| <ol> <li>Well plat certified by a registered surveyor</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest System Land</li> </ol> |   | <ul> <li>4 Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).</li> <li>1s, the</li> <li>5. Operator certification</li> </ul> |   |   |                    |
| SUPO must be filed with the appropriate Forest Service Of   | fice).  | 6. Such other site<br>BLM.   | specific info   | rmation and/or plans as may                   | be required by the |
| 25. Signature Brth Bed  | *   | (Printed/Typed)<br>Bednarz   |   | Date<br>12                                    | e<br>/12/2011      |
| Title Petroleum Engineer  | $\frown$  |  |   |   |                    |
| Approved by Signafe ANETTE MARTINE  | Z   | (Printed/Typed)  |   | Dat<br>s                                      | B - 9 2012         |
| Title CARLSBAD FIELD OFFICE   | Office  | Office FIELD MANAGER   |   |   |                    |
| Application approval does not warrant or certify that the appli<br>conduct operations thereon.<br>Conditions of approval, if any, are attached.                           | cant holds legal or equi                              | table title to those righ  |   | ect lease which would entitle<br>APPROVAL FOF |                    |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, ma<br>States any false, fictitious or fraudulent statements or represent                                   | ke it a crime for any pa<br>ations as to any matter w | erson knowingly and writhin its jurisdiction.  | willfully to m  | ake to any department or ag                   | ency of the United |
|   |   | /  |   | *(Instruct                                    | tions on page 2)   |
| (Continued on page 2)   |   |  | / //  |   |                    |
| (Continued on page 2)<br>Isbad Controlled Water Basin   | ,   | Ktorl  | 14/1  | u   |                    |

Approval Subject to General Requirements & Special Stipulations Attached SEE ATTACHED FUL CONDITIONS OF APPROVAL

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