

OCD Hobbs

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: ☒ DRILL ☐ REENTER		5. Lease Serial No. NMNM128929
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Mewbourne Oil Company		7. If Unit or CA Agreement, Name and No.
3a. Address PO Box 5270 Hobbs, NM 88241		8. Lease Name and Well No. Paduca 76 A2GB Fed Com #1H
3b. Phone No. (include area code) 575-393-5905		9. API Well No. 30-025-42321
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 2455' FNL & 1650' FEL, Sec 7 T26S R32E At proposed prod. zone 330' FNL & 1650' FEL, Sec 6 T26S R32E		10. Field and Pool, or Exploratory Jennings Upper Bone Spring Shale
14. Distance in miles and direction from nearest town or post office* 30 miles west of Jal, NM		11. Sec., T. R. M. or Blk. and Survey or Area Sec. 7 T26S R32E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)		12. County or Parish Lea
16. No. of acres in lease NMNM128929 - 760.71		13. State NM
17. Spacing Unit dedicated to this well 240 241.51		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. NA		20. BLM/BIA Bond No. on file NM1693 nationwide, NMB-000919
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3249' - GL		22. Approximate date work will start* 08/20/2014
		23. Estimated duration 60 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature <i>Bradley Bishop</i>	Name (Printed/Typed) Bradley Bishop	Date 6-20-14
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Title

Approved by (Signature) Steve Caffey	Name (Printed/Typed)	Date DEC 8 2014
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Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE
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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, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Continued on page 2)

*(Instructions on page 2)

Carlsbad Controlled Water Basin

Approval Subject to General Requirements
& Special Stipulations Attached

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

DEC 10 2014

Drilling Program
Mewbourne Oil Company
Paduca 7/6 A2GB Fed Com #1H
2455' FNL & 1650' FEL
Sec. 7 T26S R32E
Lea County, New Mexico

1. The estimated (TVD) tops of geological markers are as follows:

Rustler	1000'
Top of Salt	1550'
Base of Salt/Castile	4140'
Delaware	4360'
Bell Canyon	4400'
Cherry Canyon	5480'
Manzanita Marker	5620'
Brushy Canyon	7040'
*Bone Springs	8370'
1 st Bone Spring Sand	-
2 nd Bone Spring Sand	-
3 rd Bone Spring Sand	-
Wolfcamp	-

2. Estimated depths of anticipated fresh water, oil, or gas:

Water	Fresh water is anticipated @ 275' and will be protected by setting surface casing at 1025' and cementing to surface.
Hydrocarbons	Oil and gas are anticipated in the above (*) formations. These zones will be protected by casing as necessary.

3. Pressure control equipment:

See CoA → A 2000# WP annular will be installed after running 13 3/8" casing. A 3000# WP double ram BOP and 3000# WP Annular will be installed after running 9 5/8" casing. Pressure tests will be conducted prior to drilling out under all casing strings. BOP controls will be installed prior to drilling under surface casing and will remain in use until completion of drilling operations. BOPs will be inspected and operated as recommended in Onshore Order #2. A Kelly cock and a sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position when the Kelly is not in use. Will test the 13 3/8" annular to 1250' and the 9 5/8" BOPE to 3000# and annular to 1500# with a third party testing company before drilling below each shoe, but will test again, if needed, in 30 days from the 1st test as per BLM Onshore Oil and Gas Order #2.

4. Drilling Program:

MOC proposes to drill a vertical wellbore to 8291' & kick off to horizontal @ 8864' TVD. The well will be drilled to 16083' MD (8879' TVD). See attached directional plan.

5. Proposed casing and cementing program:

A. Casing Program:

See CoA

Hole Size	Casing	Wt/Ft.	Grade	Depth	Jt Type
17 1/2"	13 3/8" (new)	48#	H40	0'-1025'	ST&C
12 1/4"	9 5/8" (new)	36#	J55	0'-3400'	LT&C
12 1/4"	9 5/8" (new)	40#	J55	3400'-4300'	LT&C
8 3/4"	5 1/2" (new)	17#	P110	0-8291'	LT&C
8 3/4"	5 1/2" (new)	17#	P110	8291'-9190'	BT&C
8 3/4"	5 1/2" (new)	17#	P110	9190'- TD	LT&C

Minimum casing design factors: Collapse 1.125, Burst 1.0, Tensile strength 1.8.

*Subject to availability of casing.

B. Cementing Program:

- i. Surface Casing: 550 sacks *Lite "C" (35:65:4) cement w/salt and lost circulation additives. Yield at 2.12 cuft/sk. Mix @ 11.17gal/sk FW. 200 sks class "C" w/2% CaCl₂. Yield at 1.34 cuft/sk. Mix @ 6.34gal/sk FW. Cmt circulated to surface w/100% excess.
- ii. Intermediate Casing: 670 sacks *Lite "C" (35:65:4) cement w/salt and lost circulation material additives. Yield at 2.12 cuft/sk. Mix @ 11.17gal/sk FW. 200 sks class "C" neat. Yield at 1.34 cuft/sk. Mix @ 6.34gal/sk. Cmt circulated to surface w/25% excess.
- iii. Production Casing: 1270 sacks *Lite "C" (15:61:11) cement w/salt and fluid loss additives. Yield at 2.99 cuft/sk. Mix @ 17.43 gal/sk FW. Cmt calculated to tieback 200' into 9 5/8" casing @ 4100' w/25% excess.

See
COA

*Referring to above blends of lite cement: (wt% fly ash : wt% cement : wt% bentonite of the total of first two numbers). Generic names of additives are used since the availability of specific company and products are unknown at this time.

*Mewbourne Oil Company reserves the right to change cement designs as hole conditions may warrant.

6. Mud Program:

See
COA

Interval	Type System	Weight	Viscosity	Fluid Loss
0'-1025'	FW spud mud	8.6-9.0	32-34	NA
1025'-4300'	Brine water	10.0	29-30	NA
4300'-8291'	FW mud	8.6-8.8	28-30	NA
8291'- TD	FW w/Polymer	8.5-8.7	32-35	15

*Visual mud monitoring system shall be in place to detect volume changes indicating loss or gain of circulation fluid volume. Sufficient mud materials will be kept on location at all times to combat abnormal conditions.

7. Evaluation Program:

Samples: 10' samples from surface casing to TD
Logging: Gyro from KOP-100' (8191') to surface and GR from 8191 to TD. Cased hole logs (GR & CNL) will be ran in 5 1/2" casing during completion process from 8191' to surface.

8. Downhole Conditions

See
COA

Zones of abnormal pressure:	None anticipated
Zones of lost circulation:	Anticipated in surface and intermediate holes
Maximum bottom hole temperature:	120 degree F
Maximum bottom hole pressure:	8.3 lbs/gal gradient or less (8879' x .43668 = 3877.3 psi per foot.)

9. Anticipated Starting Date:

Mewbourne Oil Company intends to drill this well as soon as possible after receiving approval with approximately 45 days involved in drilling operations and an additional 10 days involved in completion operations on the project.

Mewbourne Oil Company

Lea County, New Mexico

Paduca 7/6 A2GB Fed Com 1H

Sec 7/6, 26S, 32E

SL: 2455 FNL & 1650 FEL, BHL: 330 FNL & 1650 FEL (Sec 6)

Plan: Design #1

Standard Planning Report

19 June, 2014

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Paduca 7/6 A2GB Fed Com 1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3269.0usft (Original Well Elev)
Project:	Lea County, New Mexico	MD Reference:	WELL @ 3269.0usft (Original Well Elev)
Site:	Paduca 7/6 A2GB Fed Com 1H	North Reference:	Grid
Well:	Sec 7/6, 26S, 32E	Survey Calculation Method:	Minimum Curvature
Wellbore:	SL: 2455 FNL & 1650 FEL, BHL: 330 FNL & 1650 FEL (Sec 6)		
Design:	Design #1		

Project	Lea County, New Mexico		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Paduca 7/6 A2GB Fed Com 1H		
Site Position:	Map	Northings:	385,386.90 usft
From:		Easting:	692,901.90 usft
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/16 "
		Latitude:	32° 3' 28.851 N
		Longitude:	103° 42' 38.417 W
		Grid Convergence:	0.33 °

Well	Sec 7/6, 26S, 32E		
Well Position	+N/-S	0.0 usft	Northings:
	+E/-W	0.0 usft	Easting:
Position Uncertainty	0.0 usft	Wellhead Elevation:	3,269.0 usft
		Latitude:	32° 3' 28.851 N
		Longitude:	103° 42' 38.417 W
		Ground Level:	3,249.0 usft

Wellbore	SL: 2455 FNL & 1650 FEL, BHL: 330 FNL & 1650 FEL (Sec 6)				
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
	IGRF2010	6/19/2014	(°)	(°)	(nT)
			7.27	59.93	48,201

Design	Design #1			
Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction
	(usft)	(usft)	(usft)	(°)
	0.0	0.0	0.0	359.52

Plan Sections										
Measured	Inclination	Azimuth	Vertical	+N/-S	+E/-W	Dogleg	Build	Turn	TFO	Target
Depth	(°)	(°)	Depth	(usft)	(usft)	Rate	Rate	Rate	(°)	
(usft)			(usft)			(°/100usft)	(°/100usft)	(°/100usft)		
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
8,291.0	0.00	0.00	8,291.0	0.0	0.0	0.00	0.00	0.00	0.00	
9,189.8	89.88	359.52	8,864.0	571.7	-4.7	10.00	10.00	0.00	-0.48	
16,083.4	89.88	359.52	8,879.0	7,465.1	-62.0	0.00	0.00	0.00	0.00	PBHL (330 FNL & 1650 FEL)

Planning Report

Database: Hobbs
 Company: Mewbourne Oil Company
 Project: Lea County, New Mexico
 Site: Paduca 7/6 A2GB Fed Com 1H
 Well: Sec 7/6, 26S, 32E
 Wellbore: SL: 2455 FNL & 1650 FEL, BHL: 330 FNL & 1650 FEL (Sec 6)
 Design: Design #1

Local Co-ordinate Reference:
 TVD Reference:
 MD Reference:
 North Reference:
 Survey Calculation Method:

Site Paduca 7/6 A2GB Fed Com 1H
 WELL @ 3269.0usft (Original Well Elev)
 WELL @ 3269.0usft (Original Well Elev)
 Grid
 Minimum Curvature

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	0.00
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00
4,700.0	0.00	0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	0.00
4,800.0	0.00	0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	0.00
4,900.0	0.00	0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	0.00
5,000.0	0.00	0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	0.00
5,100.0	0.00	0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	0.00
5,200.0	0.00	0.00	5,200.0	0.0	0.0	0.0	0.00	0.00	0.00

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Paduca 7/6 A2GB Fed Com 1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3269.0usft (Original Well Elev)
Project:	Lea County, New Mexico	MD Reference:	WELL @ 3269.0usft (Original Well Elev)
Site:	Paduca 7/6 A2GB Fed Com 1H	North Reference:	Grid
Well:	Sec 7/6, 26S, 32E	Survey Calculation Method:	Minimum Curvature
Wellbore:	SL: 2455 FNL & 1650 FEL, BHL: 330 FNL & 1650 FEL (Sec 6)		
Design:	Design #1		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
5,300.0	0.00	0.00	5,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,400.0	0.00	0.00	5,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,500.0	0.00	0.00	5,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,600.0	0.00	0.00	5,600.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,700.0	0.00	0.00	5,700.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,800.0	0.00	0.00	5,800.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,900.0	0.00	0.00	5,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,000.0	0.00	0.00	6,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,100.0	0.00	0.00	6,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,200.0	0.00	0.00	6,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,300.0	0.00	0.00	6,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,400.0	0.00	0.00	6,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,500.0	0.00	0.00	6,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,600.0	0.00	0.00	6,600.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,700.0	0.00	0.00	6,700.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,800.0	0.00	0.00	6,800.0	0.0	0.0	0.0	0.00	0.00	0.00	
6,900.0	0.00	0.00	6,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,000.0	0.00	0.00	7,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,100.0	0.00	0.00	7,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,200.0	0.00	0.00	7,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,300.0	0.00	0.00	7,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,400.0	0.00	0.00	7,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,500.0	0.00	0.00	7,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,600.0	0.00	0.00	7,600.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,700.0	0.00	0.00	7,700.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,800.0	0.00	0.00	7,800.0	0.0	0.0	0.0	0.00	0.00	0.00	
7,900.0	0.00	0.00	7,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,000.0	0.00	0.00	8,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,100.0	0.00	0.00	8,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,200.0	0.00	0.00	8,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
8,291.0	0.00	0.00	8,291.0	0.0	0.0	0.0	0.00	0.00	0.00	
KOP @ 8291										
8,300.0	0.90	359.52	8,300.0	0.1	0.0	0.1	10.00	10.00	0.00	
8,400.0	10.90	359.52	8,399.3	10.3	-0.1	10.3	10.00	10.00	0.00	
8,500.0	20.90	359.52	8,495.4	37.7	-0.3	37.7	10.00	10.00	0.00	
8,600.0	30.90	359.52	8,585.2	81.3	-0.7	81.3	10.00	10.00	0.00	
8,700.0	40.90	359.52	8,666.1	139.9	-1.2	139.9	10.00	10.00	0.00	
8,800.0	50.90	359.52	8,735.7	211.6	-1.8	211.6	10.00	10.00	0.00	
8,900.0	60.90	359.52	8,791.7	294.3	-2.4	294.3	10.00	10.00	0.00	
9,000.0	70.89	359.52	8,832.4	385.4	-3.2	385.5	10.00	10.00	0.00	
9,100.0	80.89	359.52	8,856.8	482.3	-4.0	482.3	10.00	10.00	0.00	
9,189.8	89.87	359.52	8,864.0	571.7	-4.7	571.7	10.00	10.00	0.00	
LP @ 9190										
9,200.0	89.88	359.52	8,864.0	581.9	-4.8	581.9	0.03	0.03	0.00	
9,300.0	89.88	359.52	8,864.2	681.9	-5.7	681.9	0.00	0.00	0.00	
9,400.0	89.88	359.52	8,864.5	781.9	-6.5	781.9	0.00	0.00	0.00	
9,500.0	89.88	359.52	8,864.7	881.9	-7.3	881.9	0.00	0.00	0.00	
9,600.0	89.88	359.52	8,864.9	981.9	-8.2	981.9	0.00	0.00	0.00	
9,700.0	89.88	359.52	8,865.1	1,081.9	-9.0	1,081.9	0.00	0.00	0.00	
9,800.0	89.88	359.52	8,865.3	1,181.9	-9.8	1,181.9	0.00	0.00	0.00	
9,900.0	89.88	359.52	8,865.5	1,281.9	-10.6	1,281.9	0.00	0.00	0.00	
10,000.0	89.88	359.52	8,865.8	1,381.9	-11.5	1,381.9	0.00	0.00	0.00	
10,100.0	89.88	359.52	8,866.0	1,481.9	-12.3	1,481.9	0.00	0.00	0.00	

Planning Report

Database: Hobbs
 Company: Mewbourne Oil Company
 Project: Lea County, New Mexico
 Site: Paduca 7/6 A2GB Fed Com 1H
 Well: Sec 7/6, 26S, 32E
 Wellbore: SL: 2455 FNL & 1650 FEL, BHL: 330 FNL & 1650 FEL (Sec 6)
 Design: Design #1

Local Co-ordinate Reference:
 TVD Reference:
 MD Reference:
 North Reference:
 Survey Calculation Method:

Site Paduca 7/6 A2GB Fed Com 1H
 WELL @ 3269.0usft (Original Well Elev)
 WELL @ 3269.0usft (Original Well Elev)
 Grid
 Minimum Curvature

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,200.0	89.88	359.52	8,866.2	1,581.9	-13.1	1,581.9	0.00	0.00	0.00
10,300.0	89.88	359.52	8,866.4	1,681.9	-14.0	1,681.9	0.00	0.00	0.00
10,400.0	89.88	359.52	8,866.6	1,781.9	-14.8	1,781.9	0.00	0.00	0.00
10,500.0	89.88	359.52	8,866.9	1,881.9	-15.6	1,881.9	0.00	0.00	0.00
10,600.0	89.88	359.52	8,867.1	1,981.9	-16.5	1,981.9	0.00	0.00	0.00
10,700.0	89.88	359.52	8,867.3	2,081.9	-17.3	2,081.9	0.00	0.00	0.00
10,800.0	89.88	359.52	8,867.5	2,181.9	-18.1	2,181.9	0.00	0.00	0.00
10,900.0	89.88	359.52	8,867.7	2,281.9	-18.9	2,281.9	0.00	0.00	0.00
11,000.0	89.88	359.52	8,867.9	2,381.8	-19.8	2,381.9	0.00	0.00	0.00
11,100.0	89.88	359.52	8,868.2	2,481.8	-20.6	2,481.9	0.00	0.00	0.00
11,200.0	89.88	359.52	8,868.4	2,581.8	-21.4	2,581.9	0.00	0.00	0.00
11,300.0	89.88	359.52	8,868.6	2,681.8	-22.3	2,681.9	0.00	0.00	0.00
11,400.0	89.88	359.52	8,868.8	2,781.8	-23.1	2,781.9	0.00	0.00	0.00
11,500.0	89.88	359.52	8,869.0	2,881.8	-23.9	2,881.9	0.00	0.00	0.00
11,600.0	89.88	359.52	8,869.2	2,981.8	-24.8	2,981.9	0.00	0.00	0.00
11,700.0	89.88	359.52	8,869.5	3,081.8	-25.6	3,081.9	0.00	0.00	0.00
11,800.0	89.88	359.52	8,869.7	3,181.8	-26.4	3,181.9	0.00	0.00	0.00
11,900.0	89.88	359.52	8,869.9	3,281.8	-27.2	3,281.9	0.00	0.00	0.00
12,000.0	89.88	359.52	8,870.1	3,381.8	-28.1	3,381.9	0.00	0.00	0.00
12,100.0	89.88	359.52	8,870.3	3,481.8	-28.9	3,481.9	0.00	0.00	0.00
12,200.0	89.88	359.52	8,870.5	3,581.8	-29.7	3,581.9	0.00	0.00	0.00
12,300.0	89.88	359.52	8,870.8	3,681.8	-30.6	3,681.9	0.00	0.00	0.00
12,400.0	89.88	359.52	8,871.0	3,781.8	-31.4	3,781.9	0.00	0.00	0.00
12,500.0	89.88	359.52	8,871.2	3,881.8	-32.2	3,881.9	0.00	0.00	0.00
12,600.0	89.88	359.52	8,871.4	3,981.8	-33.1	3,981.9	0.00	0.00	0.00
12,700.0	89.88	359.52	8,871.6	4,081.8	-33.9	4,081.9	0.00	0.00	0.00
12,800.0	89.88	359.52	8,871.9	4,181.8	-34.7	4,181.9	0.00	0.00	0.00
12,900.0	89.88	359.52	8,872.1	4,281.8	-35.5	4,281.9	0.00	0.00	0.00
13,000.0	89.88	359.52	8,872.3	4,381.8	-36.4	4,381.9	0.00	0.00	0.00
13,100.0	89.88	359.52	8,872.5	4,481.8	-37.2	4,481.9	0.00	0.00	0.00
13,200.0	89.88	359.52	8,872.7	4,581.8	-38.0	4,581.9	0.00	0.00	0.00
13,300.0	89.88	359.52	8,872.9	4,681.8	-38.9	4,681.9	0.00	0.00	0.00
13,400.0	89.88	359.52	8,873.2	4,781.8	-39.7	4,781.9	0.00	0.00	0.00
13,500.0	89.88	359.52	8,873.4	4,881.8	-40.5	4,881.9	0.00	0.00	0.00
13,600.0	89.88	359.52	8,873.6	4,981.8	-41.4	4,981.9	0.00	0.00	0.00
13,700.0	89.88	359.52	8,873.8	5,081.7	-42.2	5,081.9	0.00	0.00	0.00
13,800.0	89.88	359.52	8,874.0	5,181.7	-43.0	5,181.9	0.00	0.00	0.00
13,900.0	89.88	359.52	8,874.2	5,281.7	-43.8	5,281.9	0.00	0.00	0.00
14,000.0	89.88	359.52	8,874.5	5,381.7	-44.7	5,381.9	0.00	0.00	0.00
14,100.0	89.88	359.52	8,874.7	5,481.7	-45.5	5,481.9	0.00	0.00	0.00
14,200.0	89.88	359.52	8,874.9	5,581.7	-46.3	5,581.9	0.00	0.00	0.00
14,300.0	89.88	359.52	8,875.1	5,681.7	-47.2	5,681.9	0.00	0.00	0.00
14,400.0	89.88	359.52	8,875.3	5,781.7	-48.0	5,781.9	0.00	0.00	0.00
14,500.0	89.88	359.52	8,875.6	5,881.7	-48.8	5,881.9	0.00	0.00	0.00
14,600.0	89.88	359.52	8,875.8	5,981.7	-49.7	5,981.9	0.00	0.00	0.00
14,700.0	89.88	359.52	8,876.0	6,081.7	-50.5	6,081.9	0.00	0.00	0.00
14,800.0	89.88	359.52	8,876.2	6,181.7	-51.3	6,181.9	0.00	0.00	0.00
14,900.0	89.88	359.52	8,876.4	6,281.7	-52.1	6,281.9	0.00	0.00	0.00
15,000.0	89.88	359.52	8,876.6	6,381.7	-53.0	6,381.9	0.00	0.00	0.00
15,100.0	89.88	359.52	8,876.9	6,481.7	-53.8	6,481.9	0.00	0.00	0.00
15,200.0	89.88	359.52	8,877.1	6,581.7	-54.6	6,581.9	0.00	0.00	0.00
15,300.0	89.88	359.52	8,877.3	6,681.7	-55.5	6,681.9	0.00	0.00	0.00
15,400.0	89.88	359.52	8,877.5	6,781.7	-56.3	6,781.9	0.00	0.00	0.00

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Paduca 7/6 A2GB Fed Com 1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3269.0usft (Original Well Elev)
Project:	Lea County, New Mexico	MD Reference:	WELL @ 3269.0usft (Original Well Elev)
Site:	Paduca 7/6 A2GB Fed Com 1H	North Reference:	Grid
Well:	Sec 7/6, 26S, 32E	Survey Calculation Method:	Minimum Curvature
Wellbore:	SL: 2455 FNL & 1650 FEL, BHL: 330 FNL & 1650 FEL (Sec 6)		
Design:	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
15,500.0	89.88	359.52	8,877.7	6,881.7	-57.1	6,881.9	0.00	0.00	0.00
15,600.0	89.88	359.52	8,877.9	6,981.7	-58.0	6,981.9	0.00	0.00	0.00
15,700.0	89.88	359.52	8,878.2	7,081.7	-58.8	7,081.9	0.00	0.00	0.00
15,800.0	89.88	359.52	8,878.4	7,181.7	-59.6	7,181.9	0.00	0.00	0.00
15,900.0	89.88	359.52	8,878.6	7,281.7	-60.4	7,281.9	0.00	0.00	0.00
16,000.0	89.88	359.52	8,878.8	7,381.7	-61.3	7,381.9	0.00	0.00	0.00
16,083.4	89.88	359.52	8,879.0	7,465.1	-62.0	7,465.3	0.00	0.00	0.00
PBHL (330 FNL & 1650 FEL, Sec 6)									

Design Targets									
Target Name	hit/miss target	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude Longitude
KOP @ 8291	- plan hits target center - Point	0.00	0.00	8,291.0	0.0	0.0	385,386.90	692,901.90	32° 3' 28.851 N 103° 42' 38.417 W
LP @ 9190	- plan hits target center - Point	0.00	0.00	8,864.0	571.7	-4.7	385,958.60	692,897.20	32° 3' 34.509 N 103° 42' 38.434 W
PBHL (330 FNL & 1650 I	- plan hits target center - Point	0.00	0.00	8,879.0	7,465.1	-62.0	392,851.97	692,839.93	32° 4' 42.730 N 103° 42' 38.637 W

13 5/8" 2M BOPE & Closed Loop Equipment Schematic

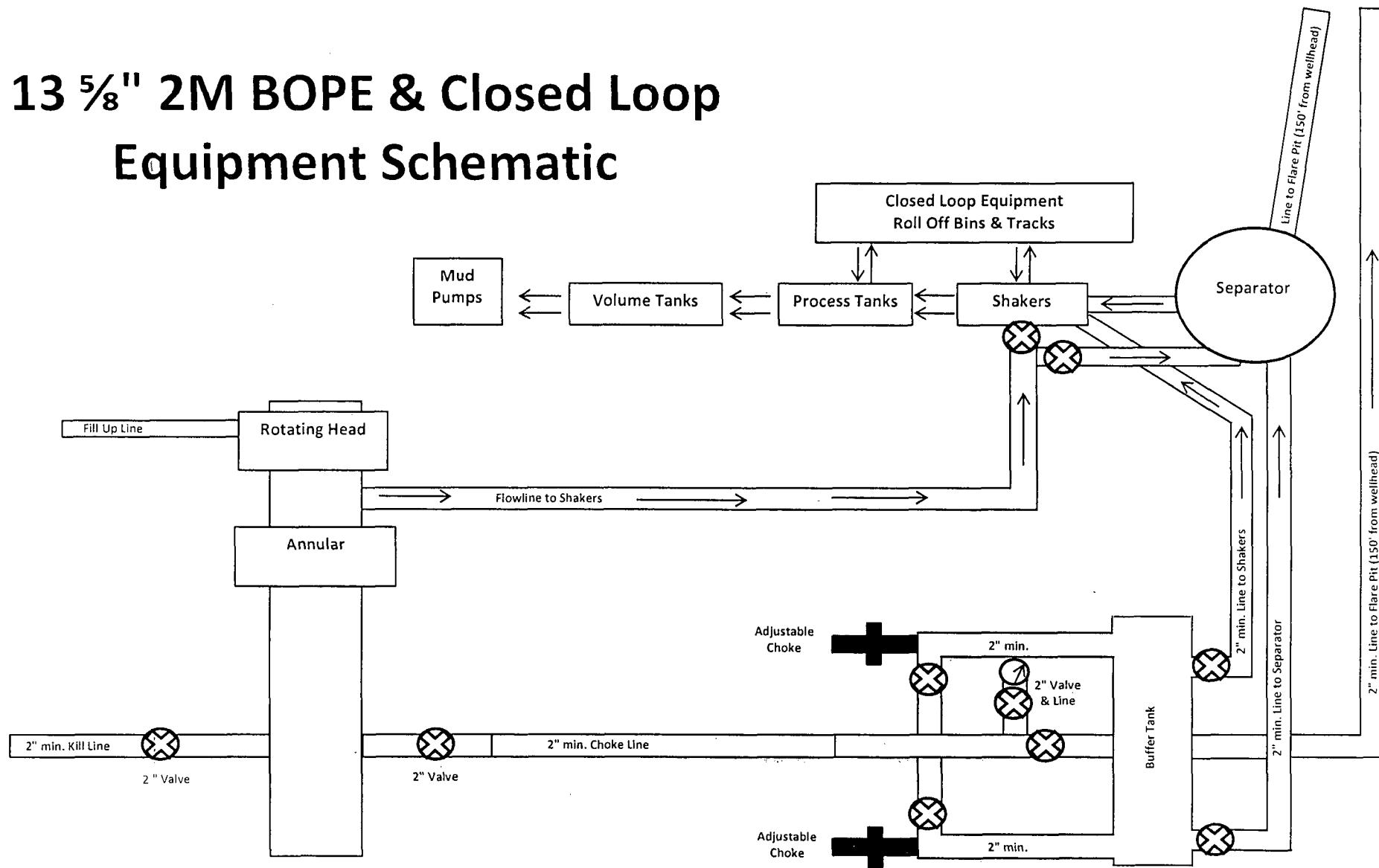


EXHIBIT "2"

Paduca 7/6 A2GB Fed Com #1H

11" 3M BOPE & Closed Loop Equipment Schematic

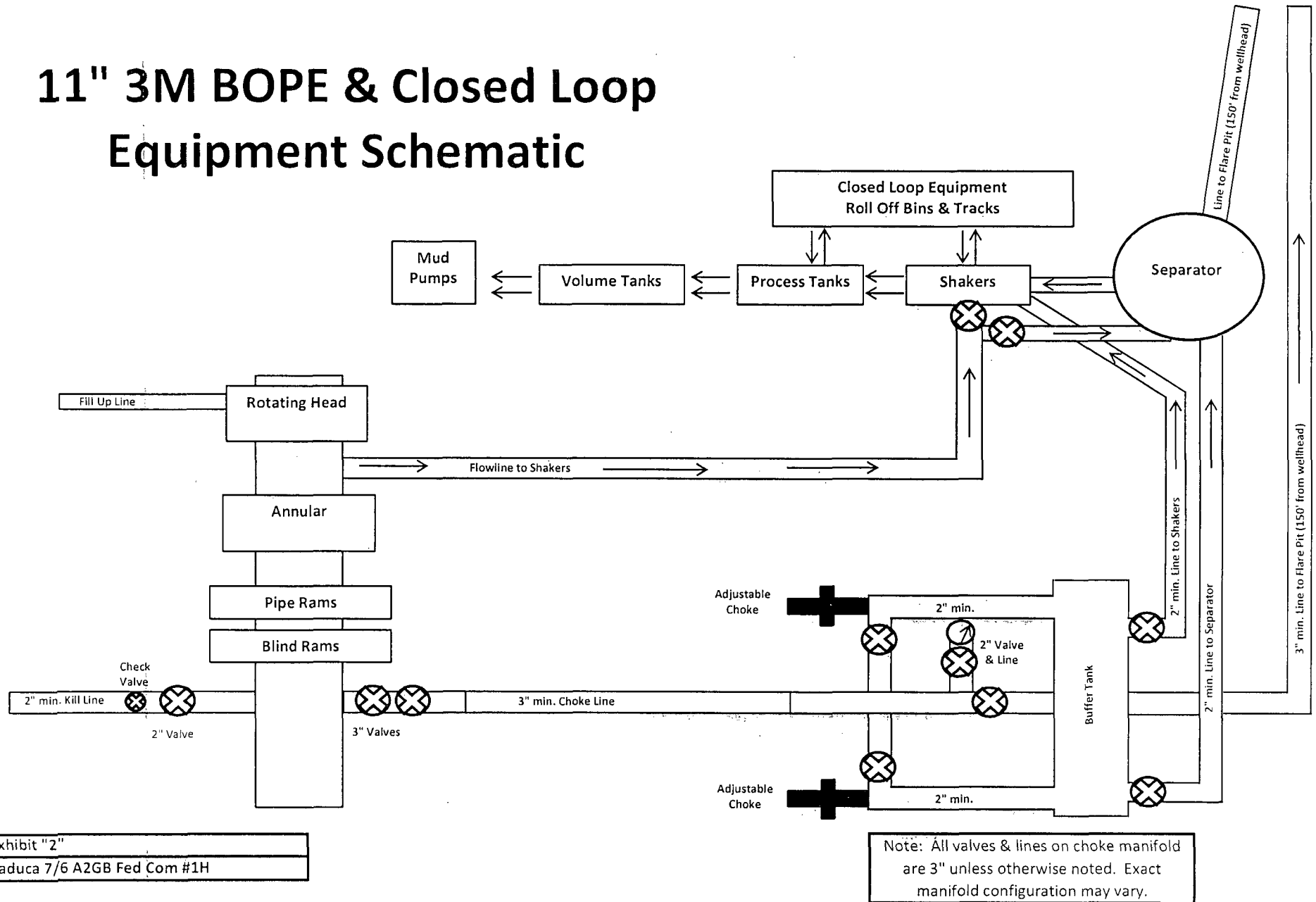


Exhibit "2"

Paduca 7/6 A2GB Fed Com #1H

Notes Regarding Blowout Preventer

Mewbourne Oil Company

Paduca 7/6 A2GB Fed Com #1H

2455' FNL & 1650' FEL (SHL)

Sec 7-T26S-R32E

Lea County, New Mexico

- I. Drilling nipple (bell nipple) to be constructed so that it can be removed without the use of a welder through the opening of the rotary table, with minimum internal diameter equal to blowout preventer bore.
- II. Blowout preventer and all fittings must be in good condition with a minimum 3000 psi working pressure on 9 5/8" and 7" casing.
- III. Safety valve must be available on the rig floor at all times with proper connections to install in the drill string. Valve must be full bore with minimum 3000 psi working pressure.
- IV. Equipment through which bit must pass shall be at least as large as internal diameter of the casing.
- V. A kelly cock shall be installed on the kelly at all times.

Blowout preventer closing equipment to include and accumulator of at least 40 gallon capacity, two independent sources of pressure on closing unit, and meet all other API specifications.

H2S Diagram
Closed Loop Pad Dimensions 340' x 340'

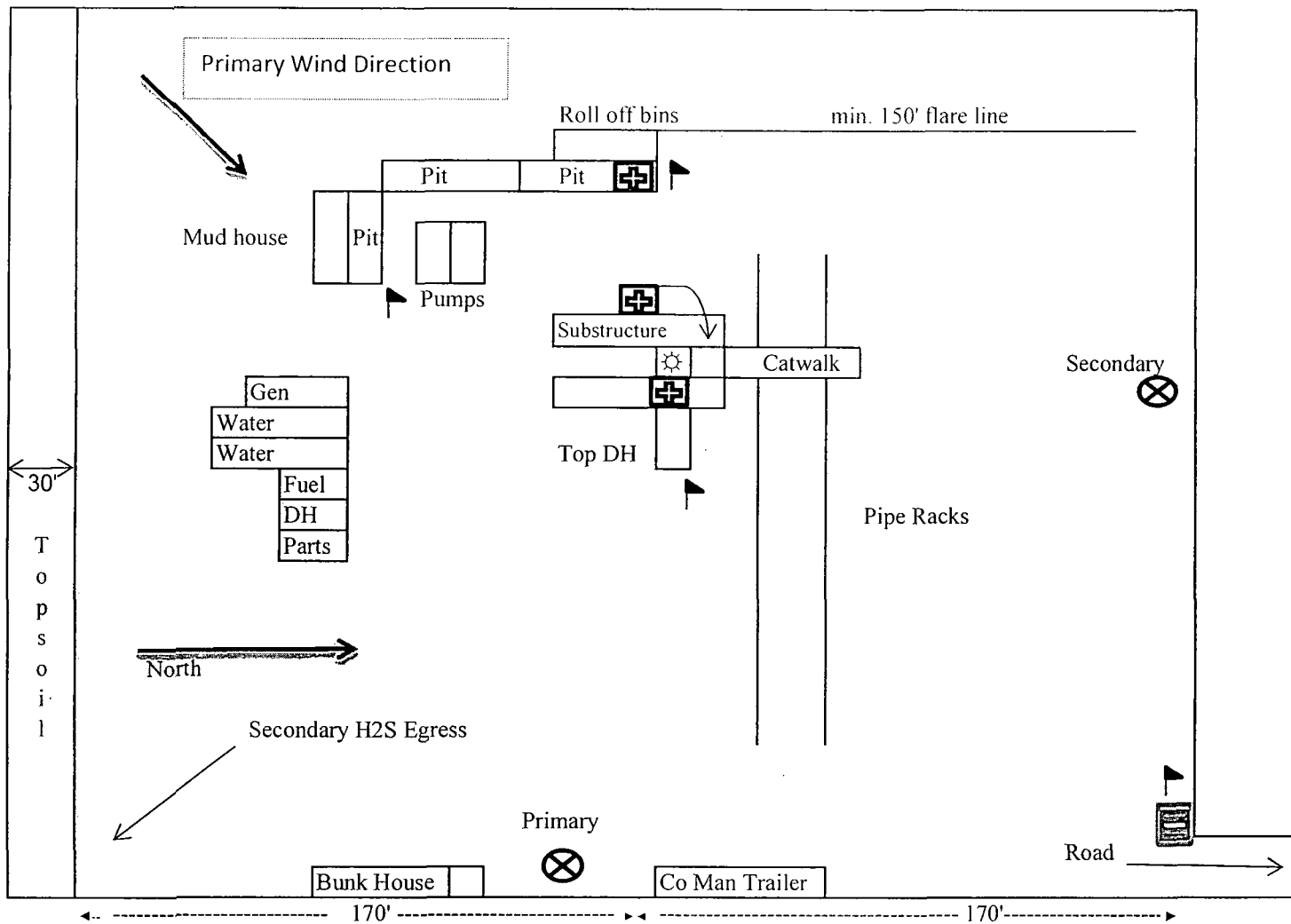


Exhibit 5



= Safety Stations



= H2S Monitors



= Wind Markers



= Warning Signs

Mewbourne Oil Company
Paduca 7/6 A2GB Fed Com #1H
2455' FNL & 1650' FEL
Sec. 7 T26S R32E
Lea County, NM