

OCD Hobbs ~~HOBB~~ OCD

ATS-15-191

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

APR 08 2015

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED

1a. Type of work: ☒ DRILL ☐ REENTER		7. If Unit or CA Agreement, Name and No.
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone		8. Lease Name and Well No. El Mar 21 A3CN Fed Com #1H (314737)
2. Name of Operator Mewbourne Oil Company (14744)		9. API Well No. 30-025-42507
3a. Address PO Box 5270 Hobbs, NM 88241	3b. Phone No. (include area code) 575-393-5905	10. Field and Pool, or Exploratory Red Hills Upper Bone Spring Shale (97900)
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 190' FNL & 1965' FWL, Sec 21 T26S R33E (C) At proposed prod. zone 390' - per plat 360 FSL & 2310 FWL, Sec 21 T26S R33E (N) NORTH DOX LOCATION		11. Sec., T. R. M. or Blk. and Survey or Area Sec 21 T26S R33E
14. Distance in miles and direction from nearest town or post office* 28 miles northeast of Orla, TX.		12. County or Parish Lea
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 190'		13. State NM
16. No. of acres in lease 2,174.12		17. Spacing Unit dedicated to this well 320
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1465' - El Mar 21 A3DM Fed Com #1H		20. BLM/BIA Bond No. on file NM-1693 Nationwide, NMB-000919
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3274'-GL		22. Approximate date work will start* 01/18/2015
		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:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. 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 11/18/2014
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Title		
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Approved by (Signature) Steve Caffey	Name (Printed/Typed)	Date APR 7 2015
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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

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Approval Subject to General Requirements
& Special Stipulations Attached

APR 08 2015

Mewbourne Oil Co, El Mar 21 A3CN Fed Com #1H
Sec 21, T26S, R33E
SL: 190' FNL & 1965' FWL
BHL: 330' FSL & 2310' FWL

1. Geologic Formations

TVD of target	9959	Pilot hole depth	NA
MD at TD:	14408	Deepest expected fresh water:	115

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Quaternary Fill	Surface	Water	
Rustler	800	Water	
Top of Salt	1080	Salt	
Base of Salt/Tansill	4650	Barren	
Delaware (Lamar)	4900	Oil/Gas	
Manzanita Marker	6230	Oil/Gas	
Bone Spring	9060	Target Zone	
2 nd Bone Spring			
Wolfcamp		Will Not Penetrate	
Canyon			
Strawn			
Atoka			
Morrow			
Barnett Shale			
Woodford Shale			
Devonian			
Fusselman			
Ellenburger			
Granite Wash			

*H2S, water flows, loss of circulation, abnormal pressures, etc.

Mewbourne Oil Co, El Mar 21 A3CN Fed Com #1H
Sec 21, T26S, R33E
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2. Casing Program

See COA

Hole Size	Casing Interval		Csg. Size	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
	From	To							
17.5"	0	825' 910'	13.375"	48	H40	STC	1.72	4.03	8.13
12.25"	0	3400	9.625"	36	J55	LTC	1.14	8.21	2.36
12.25"	3400	4350	9.625"	40	J55	LTC	1.14	1.75	9.28
12.25"	4350	4800	9.625"	40	N80	LTC	1.25	2.30	40.39
8.75"	0	9306	5.5"	17	P110	LTC	1.55	1.87	1.81
8.75"	9306	10195	5.5"	17	P110	BTC	1.46	2.07	6.30
8.75"	10195	14408	5.5"	17	P110	LTC	1.44	2.05	6.20
BLM Minimum Safety Factor							1.125	1	1.6 Dry 1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Must have table for contingency casing

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

Mewbourne Oil Co, El Mar 21 A3CN Fed Com #1H
 Sec 21, T26S, R33E
 SL: 190' FNL & 1965' FWL
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3. Cementing Program

Casing	# Sks	Wt. lb/ gal	Yld ft3/ sack	H ₂ O gal/ sk	500# Comp. Strength (hours)	Slurry Description
Surf	420	12.5	2.12	11	10	Lead: Class C + 4.0% Bentonite + 0.6% CD-32 + 5% Sodium Chloride +0.25lb/sk Cello-Flake
	200	14.8	1.34	6.3	8	Class C + 0.005pps Static Free + 1% CaCl ₂ + 0.25 pps CelloFlake + 0.005 gps FP-6L
Inter.	760	12.5	2.12	11	10	Lead: Class C (35:65:4) + 5% Sodium Chloride +5#/sk LCM +0.25lb/sk Cello-Flake
	200	14.8	1.34	6.3	8	Tail: Class C + 0.25 lb/sk Cello Flake + 0.005 lb/sk Static Free
Prod.	1033	11.2	2.99	17	74	Class C (15:61:11)+5#/sk LCM+0.6%FL52+3% Sodium Metasilicate+9.2#/sk CSE2

See COA

See COA

~~DV tool depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.~~

No DV Tool will be used

Casing String	TOC	% Excess
Surface	0'	100%
Intermediate	0'	25%
Production	4600'	25%

Mewbourne Oil Co, El Mar 21 A3CN Fed Com #1H
Sec 21, T26S, R33E
SL: 190' FNL & 1965' FWL
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4. Pressure Control Equipment

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BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
12-1/4"	13-5/8"	2M	Annular	x	1250# <i>See COA must test to 2000 psi</i>
			Blind Ram		
			Pipe Ram		
			Double Ram		
			Other*		
8-3/4"	11"	3M	Annular	x	1500# 3000#
			Blind Ram	x	
			Pipe Ram	x	
			Double Ram		
			Other*		
			Annular		
			Blind Ram		
			Pipe Ram		
			Double Ram		
			Other*		

*Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

X	Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.
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Mewbourne Oil Co, El Mar 21 A3CN Fed Com #1H
Sec 21, T26S, R33E
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N	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.
	Y /N Are anchors required by manufacturer?
N	A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. • Provide description here See attached schematic.

See COA

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From	To				
0	825 910'	FW Gel	8.6-8.8	28-34	N/C
825	4800	Saturated Brine	10.0-10.2	28-34	N/C
4800	9306	Cut Brine	8.5-9.3	28-34	N/C
9306	14408	FW/Polymer	8.5-9.3	28-34	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

What will be used to monitor the loss or gain of fluid?	Visual Monitoring
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Mewbourne Oil Co, El Mar 21 A3CN Fed Com #1H
Sec 21, T26S, R33E
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6. Logging and Testing Procedures

Logging, Coring and Testing.	
X	Will run GR/CNL from KOP (9306) to surface. Stated logs run will be in the Completion Report and submitted to the BLM.
	No Logs are planned based on well control or offset log information.
	Drill stem test? If yes, explain
	Coring? If yes, explain

Additional logs planned	Interval
X	Gamma
	Density
	CBL
	Mud log
	PEX

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	4282 psi
Abnormal Temperature	No

Mitigation measure for abnormal conditions. Describe. Lost circulation material/sweeps/mud scavengers.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.	
	H2S is present
	H2S Plan attached

8. Other facets of operation

Is this a walking operation? If yes, describe.

Will be pre-setting casing? If yes, describe.

Attachments

___ Directional Plan

___ Other, describe

HOBBSOCD

APR 08 2015

RECEIVED

Mewbourne Oil Company

Lea County, New Mexico

El Mar 21 A3CN Fed Com 1H

Sec 21, T26S, R33E

SL: 190' FNL & 1965' FWL

BHL: 330' FSL & 2310' FWL

Plan: Design #1

Standard Planning Report

18 November, 2014

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site El Mar 21 A3CN Fed Com 1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3294.0usft (Original Well Elev)
Project:	Lea County, New Mexico	MD Reference:	WELL @ 3294.0usft (Original Well Elev)
Site:	El Mar 21 A3CN Fed Com 1H	North Reference:	Grid
Well:	Sec 21, T26S, R33E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 330' FSL & 2310' FWL		
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:	El Mar 21 A3CN Fed Com 1H				
Site Position:	Map	Northing:	377,495.90 usft	Latitude:	32° 2' 8.184 N
From:		Easting:	733,768.10 usft	Longitude:	103° 34' 44.212 W
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/16"	Grid Convergence:	0.40 °

Well:	Sec 21, T26S, R33E					
Well Position	+N/-S	0.0 usft	Northing:	377,495.90 usft	Latitude:	32° 2' 8.184 N
	+E/-W	0.0 usft	Easting:	733,768.10 usft	Longitude:	103° 34' 44.212 W
Position Uncertainty	0.0 usft		Wellhead Elevation:	3,294.0 usft	Ground Level:	3,274.0 usft

Wellbore:	BHL: 330' FSL & 2310' FWL				
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
			(°)	(°)	(nT)
	IGRF2010	11/18/2014	7.15	59.92	48,160

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	175.42

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
9,306.0	0.00	0.00	9,306.0	0.0	0.0	0.00	0.00	0.00	0.00	
10,195.3	88.91	175.42	9,879.0	-560.4	44.9	10.00	10.00	0.00	175.42	
14,408.2	88.91	175.42	9,959.0	-4,759.1	381.1	0.00	0.00	0.00	0.00	BHL: 330 FSL & 2310

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site El Mar 21 A3CN Fed Com 1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3294.0usft (Original Well Elev)
Project:	Lea County, New Mexico	MD Reference:	WELL @ 3294.0usft (Original Well Elev)
Site:	El Mar 21 A3CN Fed Com 1H	North Reference:	Grid
Well:	Sec 21, T26S, R33E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL 330' FSL & 2310' FWL		
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)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
SL 190' FNL & 1965' FWL									
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
 Company: Mewbourne Oil Company
 Project: Lea County, New Mexico
 Site: El Mar 21 A3CN Fed Com 1H
 Well: Sec 21, T26S, R33E
 Wellbore: BHL: 330' FSL & 2310' FWL
 Design: Design #1

Local Co-ordinate Reference: Site El Mar 21 A3CN Fed Com 1H
 TVD Reference: WELL @ 3294.0usft (Original Well Elev)
 MD Reference: WELL @ 3294.0usft (Original Well Elev)
 North Reference: Grid
 Survey Calculation Method: 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)
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
8,300.0	0.00	0.00	8,300.0	0.0	0.0	0.0	0.00	0.00	0.00
8,400.0	0.00	0.00	8,400.0	0.0	0.0	0.0	0.00	0.00	0.00
8,500.0	0.00	0.00	8,500.0	0.0	0.0	0.0	0.00	0.00	0.00
8,600.0	0.00	0.00	8,600.0	0.0	0.0	0.0	0.00	0.00	0.00
8,700.0	0.00	0.00	8,700.0	0.0	0.0	0.0	0.00	0.00	0.00
8,800.0	0.00	0.00	8,800.0	0.0	0.0	0.0	0.00	0.00	0.00
8,900.0	0.00	0.00	8,900.0	0.0	0.0	0.0	0.00	0.00	0.00
9,000.0	0.00	0.00	9,000.0	0.0	0.0	0.0	0.00	0.00	0.00
9,100.0	0.00	0.00	9,100.0	0.0	0.0	0.0	0.00	0.00	0.00
9,200.0	0.00	0.00	9,200.0	0.0	0.0	0.0	0.00	0.00	0.00
9,300.0	0.00	0.00	9,300.0	0.0	0.0	0.0	0.00	0.00	0.00
9,306.0	0.00	0.00	9,306.0	0.0	0.0	0.0	0.00	0.00	0.00
KOP @ 9306									
9,400.0	9.40	175.42	9,399.6	-7.7	0.6	7.7	10.00	10.00	0.00
9,500.0	19.40	175.42	9,496.3	-32.4	2.6	32.5	10.00	10.00	0.00
9,600.0	29.39	175.42	9,587.3	-73.5	5.9	73.8	10.00	10.00	0.00
9,700.0	39.39	175.42	9,669.7	-129.8	10.4	130.2	10.00	10.00	0.00
9,707.4	40.13	175.42	9,675.4	-134.5	10.8	134.9	10.00	10.00	0.00
First Take Point: 330 FNL & 1975 FWL									
9,800.0	49.39	175.42	9,741.1	-199.4	16.0	200.0	10.00	10.00	0.00
9,900.0	59.38	175.42	9,799.2	-280.3	22.4	281.2	10.00	10.00	0.00
10,000.0	69.38	175.42	9,842.4	-370.1	29.6	371.3	10.00	10.00	0.00
10,100.0	79.38	175.42	9,869.3	-466.0	37.3	467.5	10.00	10.00	0.00
10,195.3	88.91	175.42	9,879.0	-560.4	44.9	562.2	10.00	10.00	0.00

Planning Report

Database: Hobbs
 Company: Mewbourne Oil Company
 Project: Lea County, New Mexico
 Site: El Mar 21 A3CN Fed Com 1H
 Well: Sec 21, T26S, R33E
 Wellbore: BHL: 330' FSL & 2310' FWL
 Design: Design #1

Local Co-ordinate Reference: Site El Mar 21 A3CN Fed Com 1H
 TVD Reference: WELL @ 3294.0usft (Original Well Elev)
 MD Reference: WELL @ 3294.0usft (Original Well Elev)
 North Reference: Grid
 Survey Calculation Method: 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)
LP: 750 FNL & 2004 FWL									
10,200.0	88.91	175.42	9,879.1	-565.1	45.2	566.9	0.05	0.05	0.00
10,300.0	88.91	175.42	9,881.0	-664.7	53.2	666.9	0.00	0.00	0.00
10,400.0	88.91	175.42	9,882.9	-764.4	61.2	766.8	0.00	0.00	0.00
10,500.0	88.91	175.42	9,884.8	-864.1	69.2	866.8	0.00	0.00	0.00
10,600.0	88.91	175.42	9,886.7	-963.7	77.2	966.8	0.00	0.00	0.00
10,700.0	88.91	175.42	9,888.6	-1,063.4	85.2	1,066.8	0.00	0.00	0.00
10,800.0	88.91	175.42	9,890.5	-1,163.0	93.1	1,166.8	0.00	0.00	0.00
10,900.0	88.91	175.42	9,892.4	-1,262.7	101.1	1,266.7	0.00	0.00	0.00
11,000.0	88.91	175.42	9,894.3	-1,362.4	109.1	1,366.7	0.00	0.00	0.00
11,100.0	88.91	175.42	9,896.2	-1,462.0	117.1	1,466.7	0.00	0.00	0.00
11,200.0	88.91	175.42	9,898.1	-1,561.7	125.1	1,566.7	0.00	0.00	0.00
11,300.0	88.91	175.42	9,900.0	-1,661.4	133.0	1,666.7	0.00	0.00	0.00
11,400.0	88.91	175.42	9,901.9	-1,761.0	141.0	1,766.7	0.00	0.00	0.00
11,500.0	88.91	175.42	9,903.8	-1,860.7	149.0	1,866.6	0.00	0.00	0.00
11,600.0	88.91	175.42	9,905.7	-1,960.3	157.0	1,966.6	0.00	0.00	0.00
11,700.0	88.91	175.42	9,907.6	-2,060.0	165.0	2,066.6	0.00	0.00	0.00
11,800.0	88.91	175.42	9,909.5	-2,159.7	172.9	2,166.6	0.00	0.00	0.00
11,900.0	88.91	175.42	9,911.4	-2,259.3	180.9	2,266.6	0.00	0.00	0.00
12,000.0	88.91	175.42	9,913.3	-2,359.0	188.9	2,366.5	0.00	0.00	0.00
12,100.0	88.91	175.42	9,915.2	-2,458.7	196.9	2,466.5	0.00	0.00	0.00
12,200.0	88.91	175.42	9,917.1	-2,558.3	204.9	2,566.5	0.00	0.00	0.00
12,300.0	88.91	175.42	9,919.0	-2,658.0	212.8	2,666.5	0.00	0.00	0.00
12,400.0	88.91	175.42	9,920.9	-2,757.7	220.8	2,766.5	0.00	0.00	0.00
12,500.0	88.91	175.42	9,922.8	-2,857.3	228.8	2,866.5	0.00	0.00	0.00
12,600.0	88.91	175.42	9,924.7	-2,957.0	236.8	2,966.4	0.00	0.00	0.00
12,700.0	88.91	175.42	9,926.6	-3,056.6	244.8	3,066.4	0.00	0.00	0.00
12,800.0	88.91	175.42	9,928.5	-3,156.3	252.8	3,166.4	0.00	0.00	0.00
12,900.0	88.91	175.42	9,930.4	-3,256.0	260.7	3,266.4	0.00	0.00	0.00
13,000.0	88.91	175.42	9,932.3	-3,355.6	268.7	3,366.4	0.00	0.00	0.00
13,100.0	88.91	175.42	9,934.2	-3,455.3	276.7	3,466.4	0.00	0.00	0.00
13,200.0	88.91	175.42	9,936.1	-3,555.0	284.7	3,566.3	0.00	0.00	0.00
13,300.0	88.91	175.42	9,938.0	-3,654.6	292.7	3,666.3	0.00	0.00	0.00
13,400.0	88.91	175.42	9,939.9	-3,754.3	300.6	3,766.3	0.00	0.00	0.00
13,500.0	88.91	175.42	9,941.8	-3,853.9	308.6	3,866.3	0.00	0.00	0.00
13,600.0	88.91	175.42	9,943.7	-3,953.6	316.6	3,966.3	0.00	0.00	0.00
13,700.0	88.91	175.42	9,945.6	-4,053.3	324.6	4,066.2	0.00	0.00	0.00
13,800.0	88.91	175.42	9,947.5	-4,152.9	332.6	4,166.2	0.00	0.00	0.00
13,900.0	88.91	175.42	9,949.3	-4,252.6	340.5	4,266.2	0.00	0.00	0.00
14,000.0	88.91	175.42	9,951.2	-4,352.3	348.5	4,366.2	0.00	0.00	0.00
14,100.0	88.91	175.42	9,953.1	-4,451.9	356.5	4,466.2	0.00	0.00	0.00
14,200.0	88.91	175.42	9,955.0	-4,551.6	364.5	4,566.2	0.00	0.00	0.00
14,300.0	88.91	175.42	9,956.9	-4,651.2	372.5	4,666.1	0.00	0.00	0.00
14,400.0	88.91	175.42	9,958.8	-4,750.9	380.4	4,766.1	0.00	0.00	0.00
14,408.2	88.91	175.42	9,959.0	-4,759.1	381.1	4,774.3	0.00	0.00	0.00
BHL: 330 FSL & 2310 FWL									

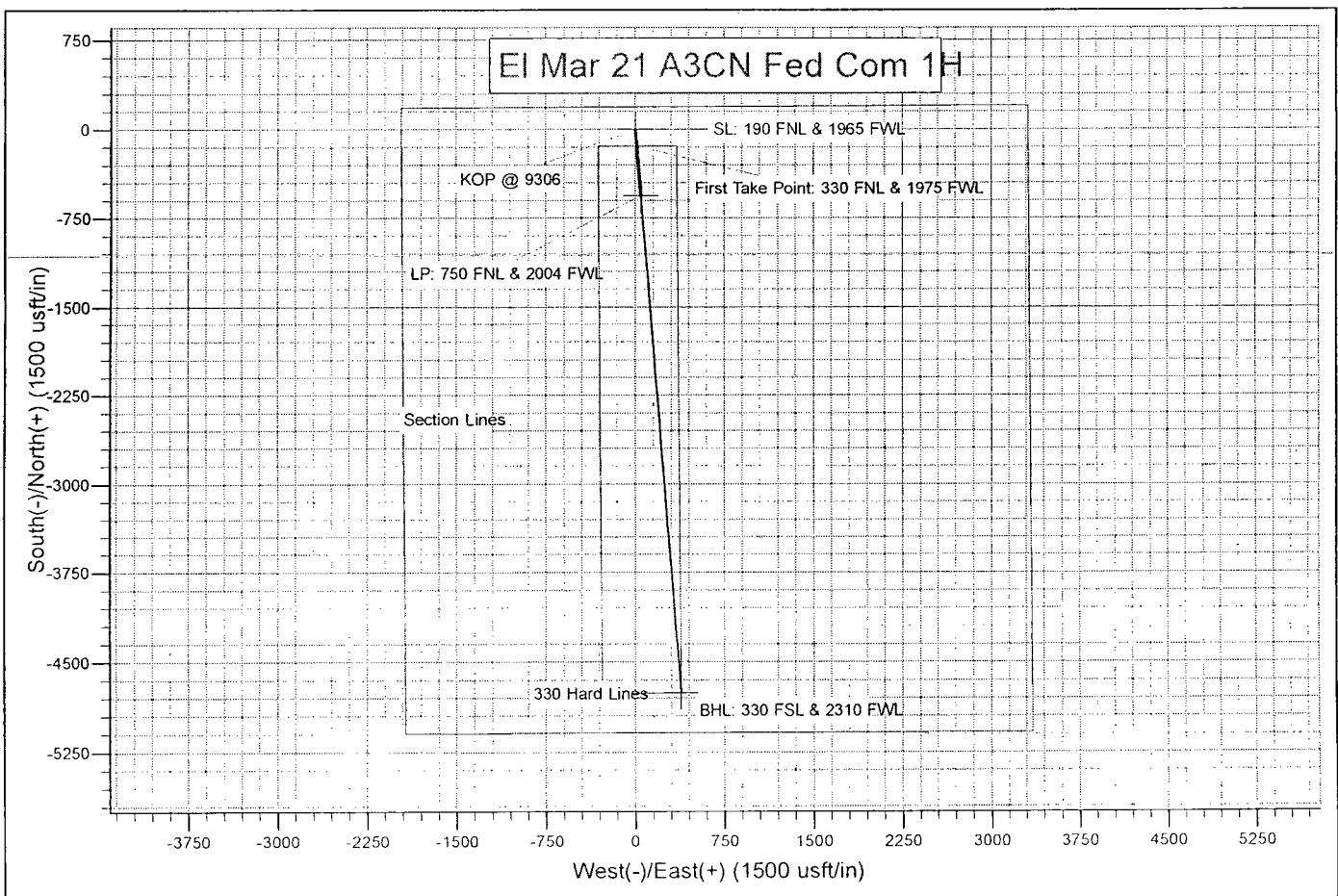
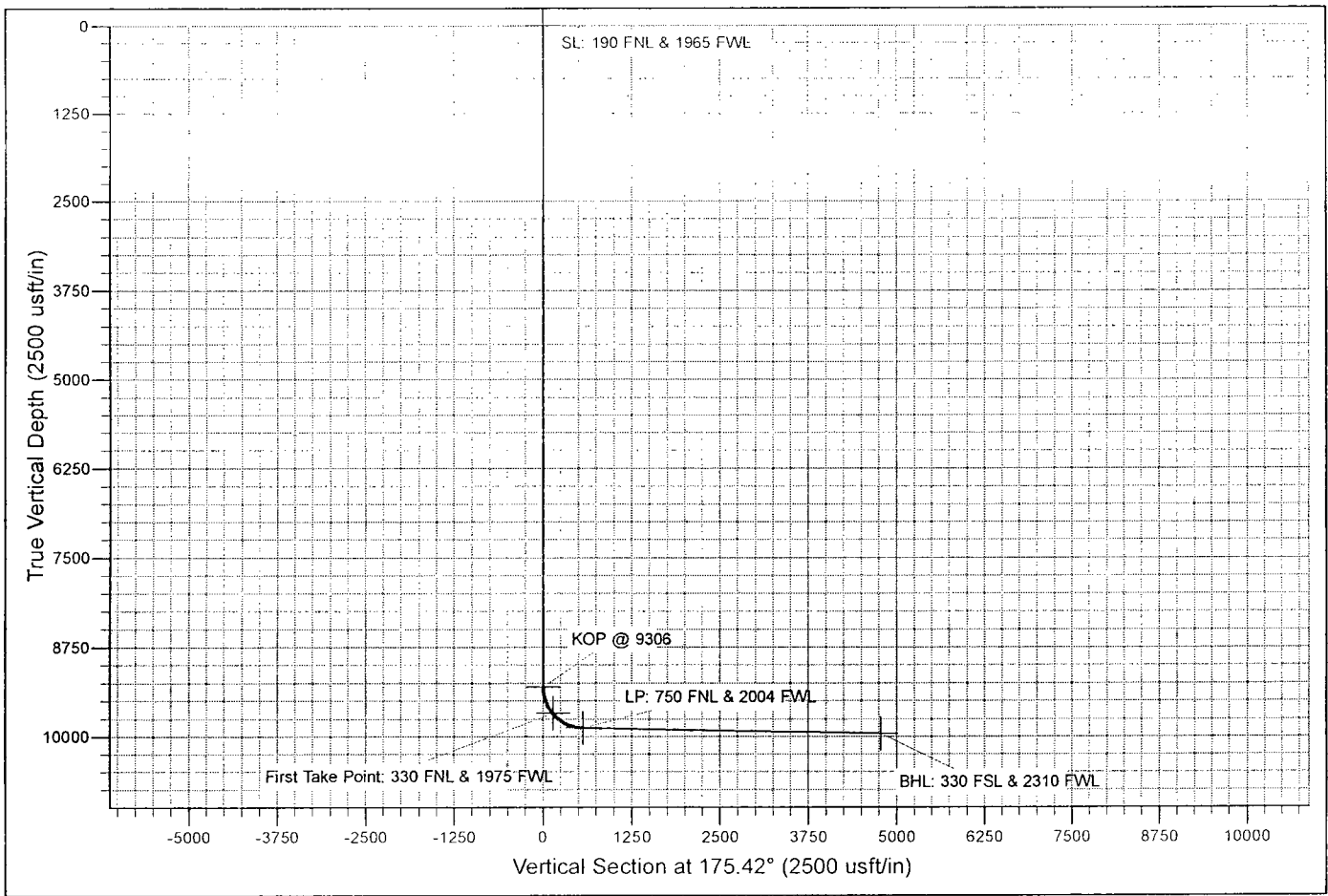
Planning Report

Database: Hobbs
 Company: Mewbourne Oil Company
 Project: Lea County, New Mexico
 Site: El Mar 21 A3CN Fed Com 1H
 Well: Sec 21, T26S, R33E
 Wellbore: BHL 330' FSL & 2310' FWL
 Design: Design #1

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

Site El Mar 21 A3CN Fed Com 1H
 WELL @ 3294.0usft (Original Well Elev)
 WELL @ 3294.0usft (Original Well Elev)
 Grid
 Minimum Curvature

Design Targets									
Target Name	Dip Angle	Dip Dir	TVD	+N-S	+E-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)		
Shape									
SL: 190 FNL & 1965 FW - plan hits target center - Point	0.00	0.00	0.0	0.0	0.0	377,495.90	733,768.10	32° 2' 8.184 N	103° 34' 44.212 W
KOP @ 9306 - plan hits target center - Point	0.00	0.00	9,306.0	0.0	0.0	377,495.90	733,768.10	32° 2' 8.184 N	103° 34' 44.212 W
First Take Point: 330 FN - plan misses target center by 7.7usft at 9706.8usft MD (9674.9 TVD, -134.1 N, 10.7 E) - Point	0.00	0.00	9,670.0	-140.0	11.6	377,355.90	733,779.70	32° 2' 6.798 N	103° 34' 44.088 W
LP: 750 FNL & 2004 FW - plan hits target center - Point	0.00	0.00	9,879.0	-560.4	44.9	376,935.50	733,813.00	32° 2' 2.635 N	103° 34' 43.736 W
BHL: 330 FSL & 2310 F - plan hits target center - Point	0.00	0.00	9,959.0	-4,759.1	381.1	372,736.80	734,149.20	32° 1' 21.062 N	103° 34' 40.171 W



Mewbourne Oil Company

PO Box 5270
Hobbs, NM 88241
(575) 393-5905

HOBBSOCD

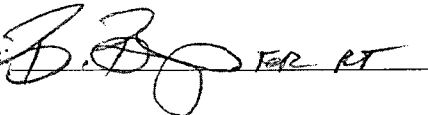
APR 08 2015

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I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of State and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 18 day of Nov., 2014.

Name: Robin Terrell

Signature: 

Position Title: Hobbs District Manager

Address: PO Box 5270, Hobbs NM 88241

Telephone: 575-393-5905

E-mail: rterrell@mewbourne.com