

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCT 26 2015

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. Red Hills West Unit #008H (39542)	
2. Name of Operator Mewbourne Oil Company (14744)		9. API Well No. 20-025 42901 (98065)	
3a. Address PO Box 5270 Hobbs, NM 88241	3b. Phone No. (include area code) 575-393-5905	10. Field and Pool or Environment WC-025-6-08 5263205N; WAPR WC	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 150' FSL & 2250' FWL, Sec 8 T26S R32E (N) UNORTHODUA At proposed prod. zone 330' FNL & 2250' FWL, Sec 8 T26S R32E (C) LOCATION		11. Sec., T. R. M. or Blk. and Survey or Area Sec 8 T26S R32E	
14. Distance in miles and direction from nearest town or post office* 29 miles SW of Jal, NM		12. County or Parish Lea	13. State NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 150'	16. No. of acres in lease 120 acres (SL) & 360 acres	17. Spacing Unit dedicated to this well 180 320 160	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 765' - Highland Fed #1	19. Proposed Depth 12,007' - TVD 16,613' - MD	20. BLM/BIA Bond No. on file NM1693 nationwide, NMB-000919	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3186' - GL	22. Approximate date work will start* 09/24/2015	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 B. Bishop	Name (Printed/Typed) Bradley Bishop	Date 07/24/2015
Title		

Approved by (Signature) /s/ STEPHEN J. CAFFEY	Name (Printed/Typed)	Date OCT 23 2015
Title FOR FIELD MANAGER	Office BLM-CARLSBAD FIELD OFFICE	

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)

Witness Surface &
Intermediate Cases

Carlsbad Controlled Water Basin

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

KW
10/21/15

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

OCT 27 2015

Mewbourne Oil Co, Red Hills West Unit #008H
Sec 8, T26S, R32E
SL: 150' FSL & 2250' FWL
BHL: 330' FNL & 2250' FWL

HOBBS OCD

OCT 26 2015

RECEIVED

1. Geologic Formations

TVD of target	12007'	Pilot hole depth	NA
MD at TD:	16613'	Deepest expected fresh water:	260'

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Quaternary Fill	Surface	Water	
Rustler	1051	Water	
Top of Salt	1551	Salt	
Base of Salt/Castile	4143	Barren	
Delaware (Lamar)	4361	Oil/Gas	
Manzanita Marker	5538		
Bone Spring	8383	Oil/Gas	
2 nd Bone Spring			
Wolfcamp	11814	Target Zone	
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, Red Hills West Unit #008H
Sec 8, T26S, R32E
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2. Casing Program

Hole Size	Casing Interval		Csg. Size	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
	From	To							
17.5"	0'	1060'	13.375"	48	H40	STC	1.32	3.09	6.23
12.25"	0'	3453'	9.625"	36	J55	LTC	1.13	1.96	2.87
12.25"	3453'	4290'	9.625"	40	J55	LTC	1.15	1.77	15.53
8.75"	0'	11420'	7"	26	HCP110	LTC	1.31	1.68	2.16
8.75"	11420'	12318'	7"	26	HCP110	BTC	1.25	1.60	35.55
6.125"	11420'	16612'	4.5"	13.5	P110	LTC	1.71	1.99	4.81
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?	Y
If yes, are there two strings cemented to surface?	Y
(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, Red Hills West Unit #008H

Sec 8, T26S, R32E

SL: 150' FSL & 2250' FWL

BHL: 330' FNL & 2250' FWL

3. Cementing Program

Casing	# Sks	Wt. lb/ gal	Yld ft3/ sack	H ₂ O gal/ sk	500# Comp. Strength (hours)	Slurry Description
Surf	580	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.	670	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.	510	12	2.12	11	10	Lead: Class C (60:40:0)+3% Sodium Chloride+5#/sk LCM+0.7% Sodium Metasilicate+0.3% FL52A+6%MPA5
	400	15.6	1.18	5.2	12	Tail: Class H+0.1%R3+0.3%FL52A
Liner	210	11.2	2.97	18	16	Class C (60:40:0)+4% MPA5+1.2% BA10A+10#/sk BA90+5%A10+0.65%ASA301+1.5%SMS+1.2%R21

See CorA
See CorA
See CorA

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.

Casing String	TOC	% Excess
Surface	0'	100%
Intermediate	0'	25%
Production	4090'	25%
Liner	11420'	25%

Mewbourne Oil Co, Red Hills West Unit #008H
Sec 8, T26S, R32E
SL: 150' FSL & 2250' FWL
BHL: 330' FNL & 2250' FWL

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#
			Blind Ram		must test to 2000 psi.
			Pipe Ram		
			Double Ram		
			Other*		
8-3/4"	13 5/8"	10M	Annular	X	5000#
			Blind Ram	X	10000#
			Pipe Ram	X	
			Double Ram		
			Other*		
6-1/8"	13 5/8"	10M	Annular	X	5000#
			Blind Ram	X	10000#
			Pipe Ram	X	
			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, Red Hills West Unit #008H

Sec 8, T26S, R32E

SL: 150' FSL & 2250' FWL

BHL: 330' FNL & 2250' FWL

See COA

Y	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.	
	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.	

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From	To				
0	1076 10420	FW Gel	8.6-8.8	28-34	N/C
1076	4290	Saturated Brine	10.0-10.2	28-34	N/C
4290	11420	Cut Brine	8.5-9.3	28-34	N/C
11420	16612	FW/Polymer	10.0-13.0	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/PVT/Pason
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Mewbourne Oil Co, Red Hills West Unit #008H

Sec 8, T26S, R32E

SL: 150' FSL & 2250' FWL

BHL: 330' FNL & 2250' FWL

6. Logging and Testing Procedures

Logging, Coring and Testing.	
X	Will run GR/CNL from KOP (11420) 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	From KOP(11420) to TD
Density	
CBL	
Mud log	
PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	5207 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.

☒	H ₂ S is present
☐	H ₂ S Plan attached

8. Other facets of operation

Is this a walking operation? If yes, describe. **NO**

Will be pre-setting casing? If yes, describe. **NO**

Attachments

☒ Directional Plan

☐ Other, describe

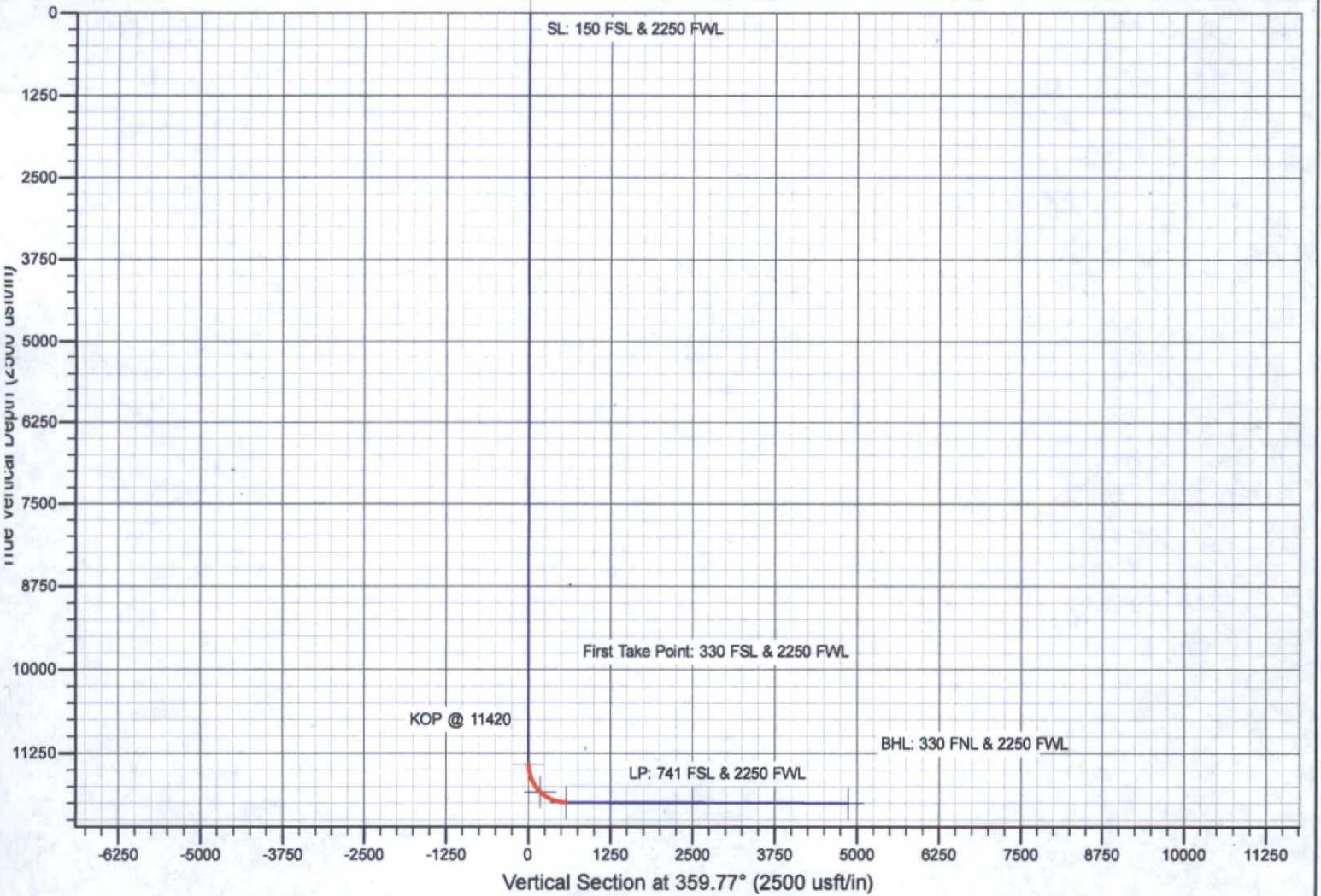
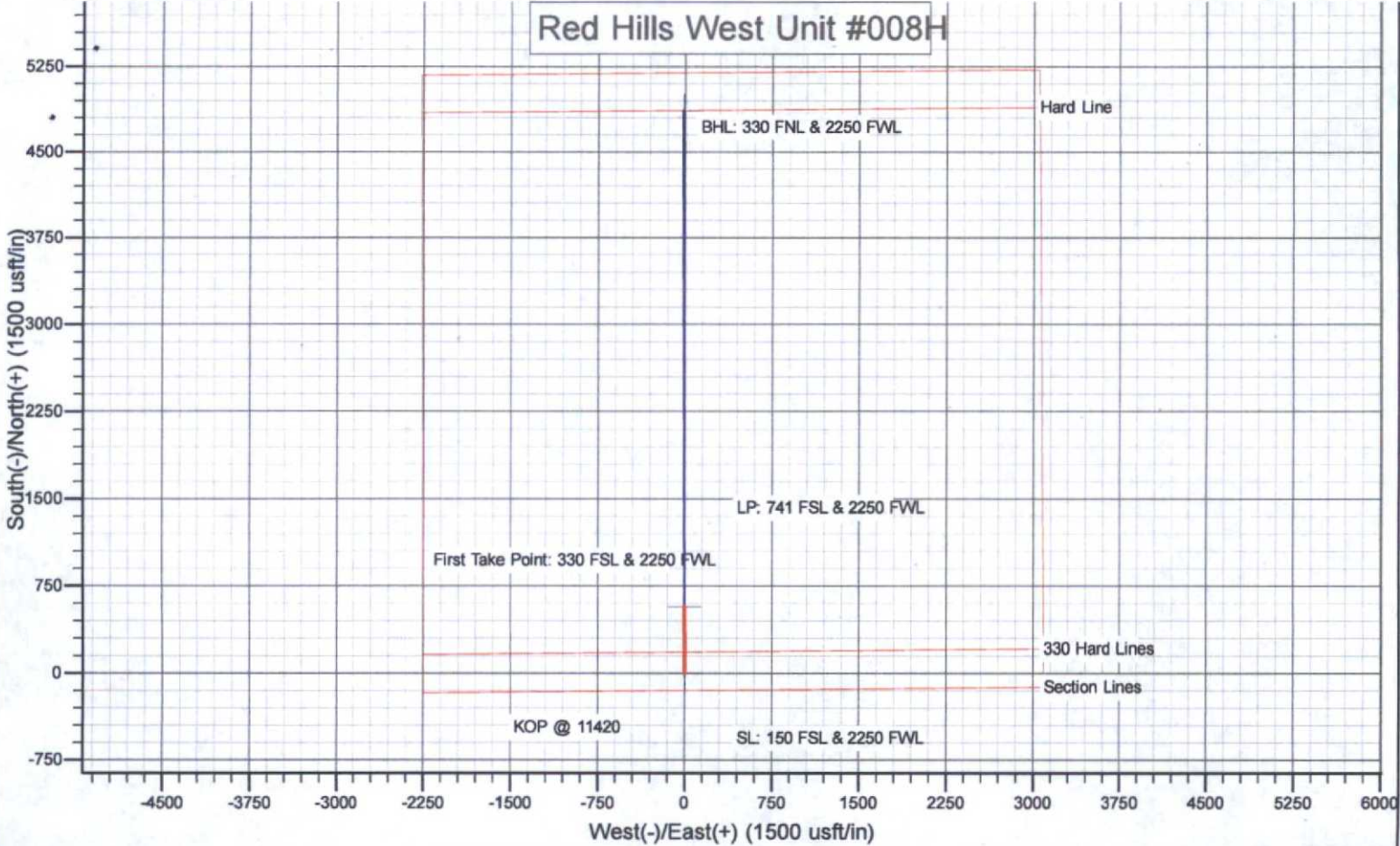
Mewbourne Oil Co, Red Hills West Unit #008H

Sec 8, T26S, R32E

SL: 150' FSL & 2250' FWL

BHL: 330' FNL & 2250' FWL

Red Hills West Unit #008H



Mewbourne Oil Company

Lea County, New Mexico

Red Hills West Unit #008H

Sec 8, T26S, R32E

SL: 150' FSL & 2250' FWL

BHL: 330' FNL & 2250' FWL

Plan: Design #1

Standard Planning Report

30 June, 2015

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Red Hills West Unit #008H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3211.0usft (Original Well Elev)
Project:	Lea County, New Mexico	MD Reference:	WELL @ 3211.0usft (Original Well Elev)
Site:	Red Hills West Unit #008H	North Reference:	Grid
Well:	Sec 8, T26S, R32E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 330' FNL & 2250' 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		Red Hills West Unit #008H			
Site Position:		Northing:	382,677.57 usft	Latitude:	32° 3' 1.814 N
From:	Map	Easting:	696,810.07 usft	Longitude:	103° 41' 53.191 W
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/16 "	Grid Convergence:	0.34

Well	Sec 8, T26S, R32E					
Well Position	+N/-S	0.0 usft	Northing:	382,677.57 usft	Latitude:	32° 3' 1.814 N
	+E/-W	0.0 usft	Easting:	696,810.07 usft	Longitude:	103° 41' 53.191 W
Position Uncertainty		0.0 usft	Wellhead Elevation:	3,211.0 usft	Ground Level:	3,186.0 usft

Wellbore	BHL: 330' FNL & 2250' FWL				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	6/30/2015	7.13	59.90	48,096

Design	Design #1			
Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	359.77

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Buidl 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	
11,420.0	0.00	0.00	11,420.0	0.0	0.0	0.00	0.00	0.00	0.00	
12,318.2	89.81	359.77	11,993.0	571.1	-2.3	10.00	10.00	0.00	-0.23	
16,612.5	89.81	359.77	12,007.0	4,865.4	-19.2	0.00	0.00	0.00	0.00	BHL: 330 FNL & 2250

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Red Hills West Unit #008H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3211.0usft (Original Well Elev)
Project:	Lea County, New Mexico	MD Reference:	WELL @ 3211.0usft (Original Well Elev)
Site:	Red Hills West Unit #008H	North Reference:	Grid
Well:	Sec 8, T26S, R32E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 330' FNL & 2250' 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: 150 FSL & 2250 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

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Wellbore:	BHL: 330' FNL & 2250' 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)	
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	
9,400.0	0.00	0.00	9,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
9,500.0	0.00	0.00	9,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
9,600.0	0.00	0.00	9,600.0	0.0	0.0	0.0	0.00	0.00	0.00	
9,700.0	0.00	0.00	9,700.0	0.0	0.0	0.0	0.00	0.00	0.00	
9,800.0	0.00	0.00	9,800.0	0.0	0.0	0.0	0.00	0.00	0.00	
9,900.0	0.00	0.00	9,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
10,000.0	0.00	0.00	10,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
10,100.0	0.00	0.00	10,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
10,200.0	0.00	0.00	10,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
10,300.0	0.00	0.00	10,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
10,400.0	0.00	0.00	10,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
10,500.0	0.00	0.00	10,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
10,600.0	0.00	0.00	10,600.0	0.0	0.0	0.0	0.00	0.00	0.00	

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Red Hills West Unit #008H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3211.0usft (Original Well Elev)
Project:	Lea County, New Mexico	MD Reference:	WELL @ 3211.0usft (Original Well Elev)
Site:	Red Hills West Unit #008H	North Reference:	Grid
Well:	Sec 8, T26S, R32E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 330' FNL & 2250' 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)
10,700.0	0.00	0.00	10,700.0	0.0	0.0	0.0	0.00	0.00	0.00
10,800.0	0.00	0.00	10,800.0	0.0	0.0	0.0	0.00	0.00	0.00
10,900.0	0.00	0.00	10,900.0	0.0	0.0	0.0	0.00	0.00	0.00
11,000.0	0.00	0.00	11,000.0	0.0	0.0	0.0	0.00	0.00	0.00
11,100.0	0.00	0.00	11,100.0	0.0	0.0	0.0	0.00	0.00	0.00
11,200.0	0.00	0.00	11,200.0	0.0	0.0	0.0	0.00	0.00	0.00
11,300.0	0.00	0.00	11,300.0	0.0	0.0	0.0	0.00	0.00	0.00
11,400.0	0.00	0.00	11,400.0	0.0	0.0	0.0	0.00	0.00	0.00
11,420.0	0.00	0.00	11,420.0	0.0	0.0	0.0	0.00	0.00	0.00
KOP @ 11420									
11,500.0	8.00	359.77	11,499.7	5.6	0.0	5.6	10.00	10.00	0.00
11,600.0	18.00	359.77	11,597.1	28.0	-0.1	28.0	10.00	10.00	0.00
11,700.0	28.00	359.77	11,689.0	67.1	-0.3	67.1	10.00	10.00	0.00
11,800.0	38.00	359.77	11,772.8	121.5	-0.5	121.5	10.00	10.00	0.00
11,887.0	46.70	359.77	11,837.0	180.0	-0.7	180.0	10.00	10.00	0.00
First Take Point: 330 FSL & 2250 FWL									
11,900.0	48.00	359.77	11,845.8	189.6	-0.7	189.6	10.00	10.00	0.00
12,000.0	58.00	359.77	11,905.9	269.3	-1.1	269.3	10.00	10.00	0.00
12,100.0	67.99	359.77	11,951.3	358.3	-1.4	358.3	10.00	10.00	0.00
12,200.0	77.99	359.77	11,980.5	453.8	-1.8	453.8	10.00	10.00	0.00
12,300.0	87.99	359.77	11,992.7	552.9	-2.2	552.9	10.00	10.00	0.00
12,318.2	89.81	359.77	11,993.0	571.1	-2.3	571.1	10.00	10.00	0.00
LP: 741 FSL & 2250 FWL									
12,400.0	89.81	359.77	11,993.3	652.9	-2.6	652.9	0.00	0.00	0.00
12,500.0	89.81	359.77	11,993.6	752.9	-3.0	752.9	0.00	0.00	0.00
12,600.0	89.81	359.77	11,993.9	852.9	-3.4	852.9	0.00	0.00	0.00
12,700.0	89.81	359.77	11,994.2	952.9	-3.8	952.9	0.00	0.00	0.00
12,800.0	89.81	359.77	11,994.6	1,052.9	-4.1	1,052.9	0.00	0.00	0.00
12,900.0	89.81	359.77	11,994.9	1,152.9	-4.5	1,152.9	0.00	0.00	0.00
13,000.0	89.81	359.77	11,995.2	1,252.9	-4.9	1,252.9	0.00	0.00	0.00
13,100.0	89.81	359.77	11,995.5	1,352.9	-5.3	1,352.9	0.00	0.00	0.00
13,200.0	89.81	359.77	11,995.9	1,452.9	-5.7	1,452.9	0.00	0.00	0.00
13,300.0	89.81	359.77	11,996.2	1,552.9	-6.1	1,552.9	0.00	0.00	0.00
13,400.0	89.81	359.77	11,996.5	1,652.9	-6.5	1,652.9	0.00	0.00	0.00
13,500.0	89.81	359.77	11,996.9	1,752.9	-6.9	1,752.9	0.00	0.00	0.00
13,600.0	89.81	359.77	11,997.2	1,852.9	-7.3	1,852.9	0.00	0.00	0.00
13,700.0	89.81	359.77	11,997.5	1,952.9	-7.7	1,952.9	0.00	0.00	0.00
13,800.0	89.81	359.77	11,997.8	2,052.9	-8.1	2,052.9	0.00	0.00	0.00
13,900.0	89.81	359.77	11,998.2	2,152.9	-8.5	2,152.9	0.00	0.00	0.00
14,000.0	89.81	359.77	11,998.5	2,252.9	-8.9	2,252.9	0.00	0.00	0.00
14,100.0	89.81	359.77	11,998.8	2,352.9	-9.3	2,352.9	0.00	0.00	0.00
14,200.0	89.81	359.77	11,999.1	2,452.9	-9.7	2,452.9	0.00	0.00	0.00
14,300.0	89.81	359.77	11,999.5	2,552.9	-10.1	2,552.9	0.00	0.00	0.00
14,400.0	89.81	359.77	11,999.8	2,652.9	-10.5	2,652.9	0.00	0.00	0.00
14,500.0	89.81	359.77	12,000.1	2,752.9	-10.8	2,752.9	0.00	0.00	0.00
14,600.0	89.81	359.77	12,000.4	2,852.9	-11.2	2,852.9	0.00	0.00	0.00
14,700.0	89.81	359.77	12,000.8	2,952.9	-11.6	2,952.9	0.00	0.00	0.00
14,800.0	89.81	359.77	12,001.1	3,052.9	-12.0	3,052.9	0.00	0.00	0.00
14,900.0	89.81	359.77	12,001.4	3,152.9	-12.4	3,152.9	0.00	0.00	0.00
15,000.0	89.81	359.77	12,001.7	3,252.9	-12.8	3,252.9	0.00	0.00	0.00
15,100.0	89.81	359.77	12,002.1	3,352.9	-13.2	3,352.9	0.00	0.00	0.00
15,200.0	89.81	359.77	12,002.4	3,452.9	-13.6	3,452.9	0.00	0.00	0.00
15,300.0	89.81	359.77	12,002.7	3,552.9	-14.0	3,552.9	0.00	0.00	0.00

Planning Report

Database:	Hobbs	Local Co-ordinate Reference:	Site Red Hills West Unit #008H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3211.0usft (Original Well Elev)
Project:	Lea County, New Mexico	MD Reference:	WELL @ 3211.0usft (Original Well Elev)
Site:	Red Hills West Unit #008H	North Reference:	Grid
Well:	Sec 8, T26S, R32E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 330' FNL & 2250' 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)
15,400.0	89.81	359.77	12,003.0	3,652.9	-14.4	3,652.9	0.00	0.00	0.00
15,500.0	89.81	359.77	12,003.4	3,752.9	-14.8	3,752.9	0.00	0.00	0.00
15,600.0	89.81	359.77	12,003.7	3,852.9	-15.2	3,852.9	0.00	0.00	0.00
15,700.0	89.81	359.77	12,004.0	3,952.9	-15.6	3,952.9	0.00	0.00	0.00
15,800.0	89.81	359.77	12,004.4	4,052.9	-16.0	4,052.9	0.00	0.00	0.00
15,900.0	89.81	359.77	12,004.7	4,152.9	-16.4	4,152.9	0.00	0.00	0.00
16,000.0	89.81	359.77	12,005.0	4,252.9	-16.8	4,252.9	0.00	0.00	0.00
16,100.0	89.81	359.77	12,005.3	4,352.9	-17.2	4,352.9	0.00	0.00	0.00
16,200.0	89.81	359.77	12,005.7	4,452.9	-17.5	4,452.9	0.00	0.00	0.00
16,300.0	89.81	359.77	12,006.0	4,552.9	-17.9	4,552.9	0.00	0.00	0.00
16,400.0	89.81	359.77	12,006.3	4,652.9	-18.3	4,652.9	0.00	0.00	0.00
16,500.0	89.81	359.77	12,006.6	4,752.9	-18.7	4,752.9	0.00	0.00	0.00
16,600.0	89.81	359.77	12,007.0	4,852.9	-19.1	4,852.9	0.00	0.00	0.00
16,612.5	89.81	359.77	12,007.0	4,865.4	-19.2	4,865.4	0.00	0.00	0.00
BHL: 330 FNL & 2250 FWL									

Design Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
- hit/miss target									
- Shape									
SL: 150 FSL & 2250 FW - plan hits target center - Point	0.00	0.00	0.0	0.0	0.0	382,677.57	696,810.07	32° 3' 1.814 N	103° 41' 53.191 W
KOP @ 11420 - plan hits target center - Point	0.00	0.00	11,420.0	0.0	0.0	382,677.57	696,810.07	32° 3' 1.814 N	103° 41' 53.191 W
First Take Point: 330 FSI - plan hits target center - Point	0.00	0.00	11,837.0	180.0	-0.7	382,857.57	696,809.37	32° 3' 3.596 N	103° 41' 53.187 W
LP: 741 FSL & 2250 FW - plan hits target center - Point	0.00	0.00	11,993.0	571.1	-2.3	383,248.67	696,807.77	32° 3' 7.466 N	103° 41' 53.178 W
BHL: 330 FNL & 2250 F - plan hits target center - Point	0.00	0.00	12,007.0	4,865.4	-19.2	387,542.96	696,790.90	32° 3' 49.964 N	103° 41' 53.081 W

Notes Regarding Blowout Preventer

Mewbourne Oil Company

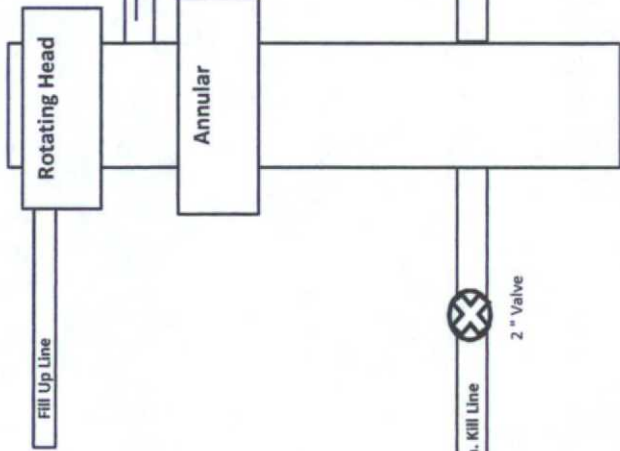
Red Hills West Unit #008H
185' FSL & 2250' FWL (SHL)

Sec 8-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 2000 psi working pressure on 13 3/8" casing and 3000 psi working pressure on 9 5/8" & 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~~ ^{10,000 psi} 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.

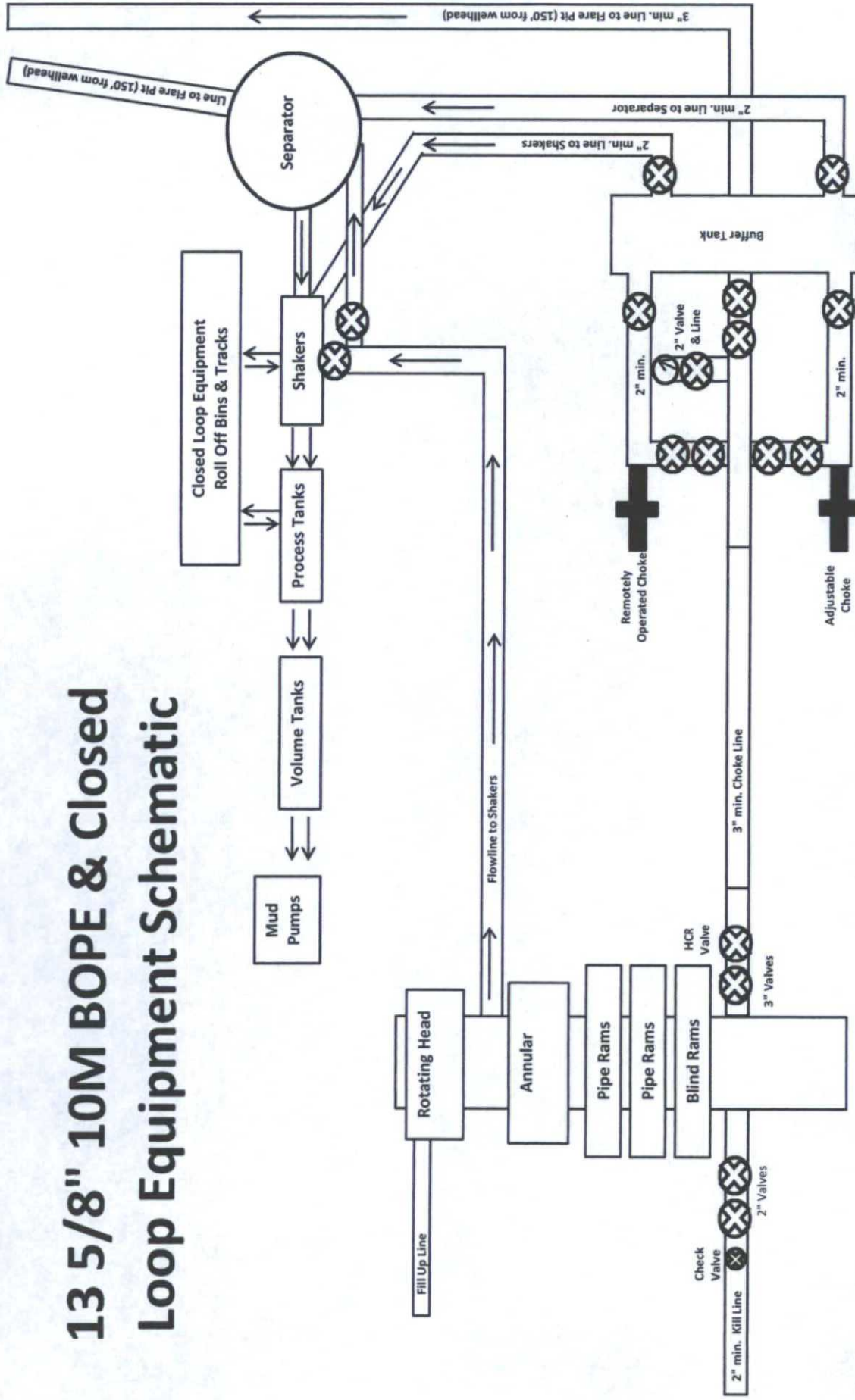
Blowout preventer closing equipment to include and accumulator of at least 40 gallon capacity, two independent sources of pressure on closing unit, and meet all other API specifications.

Equipment Schematic



Well Name: Red Hills West Unit #008H

13 5/8" 10M BOPE & Closed Loop Equipment Schematic



Note: All valves & lines on choke manifold are 3" unless otherwise noted. Exact manifold configuration may vary.

Exhibit 2
Well Name : Red Hills West Unit #008H



GATES E & S NORTH AMERICA, INC.
134 44TH STREET
CORPUS CHRISTI, TEXAS 78405

PHONE: 361-887-9807
FAX: 361-887-0812
EMAIL: Tim.Cantu@gates.com
WEB: www.gates.com

10K CEMENTING ASSEMBLY PRESSURE TEST CERTIFICATE

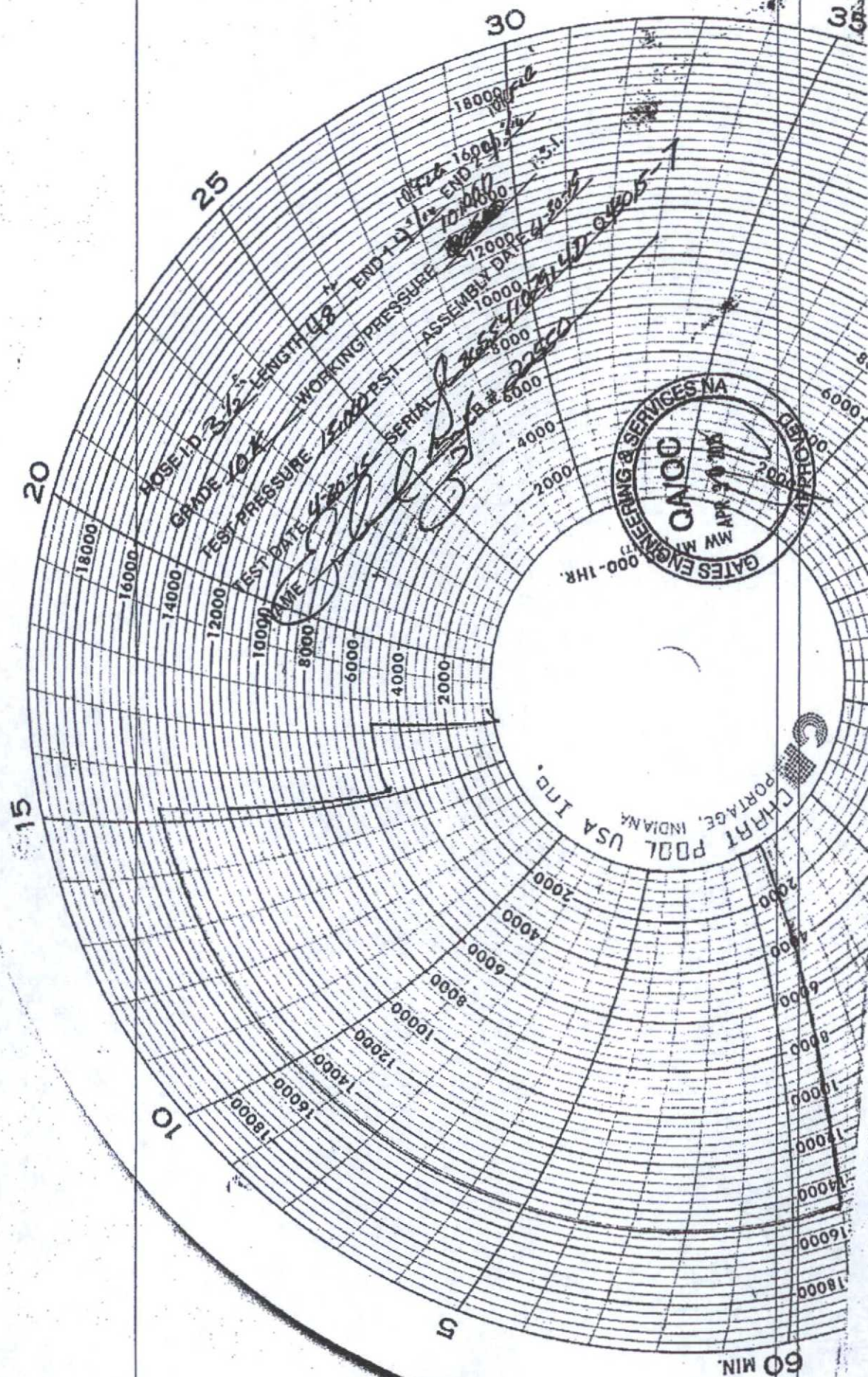
Customer :	AUSTIN DISTRIBUTING	Test Date:	4/30/2015
Customer Ref. :	4060578	Hose Serial No.:	D-043015-7
Invoice No. :	500506	Created By:	JUSTIN CROPPER
Product Description:	10K3.548.0CK4.1/1610KFLGE/E LE		
End Fitting 1 :	4 1/16 10K FLG	End Fitting 2 :	4 1/16 10K FLG
Gates Part No. :	4773-6290	Assembly Code :	L36554102914D-043015-7
Working Pressure :	10,000 PSI	Test Pressure :	15,000 PSI

Gates E & S North America, Inc. certifies that the following hose assembly has been tested to the Gates Oilfield Roughneck Agreement/Specification requirements and passed the 15 minute hydrostatic test per API Spec 7K/Q1, Fifth Edition, June 2010, Test pressure 9.6.7 and per Table 9 to 15,000 psi in accordance with this product number. Hose burst pressure 9.6.7.2 exceeds the minimum of 2.5 times the working pressure per Table 9.

Quality Manager :	QUALITY	Production:	PRODUCTION
Date :	4/30/2015	Date :	4/30/2015
Signature :		Signature :	

Form PTC - 01 Rev.02





60 MIN.

**United States Department of the Interior
Bureau of Land Management
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-1287**

Statement Accepting Responsibility for Operations

Operator Name: Mewbourne Oil Company
Street or Box: P.O. Box 5270
City, State: Hobbs, New Mexico
Zip Code: 88241

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted of the leased land or portion thereof, as described below.

Lease Number: NMNM 105560 & NMNM 120190

Legal Description of Land: Section 22, T-26S, R-32E, Lea County, New Mexico.
Location @ 185' FNL & 760' FWL.

Formation (if applicable): Bone Springs

Bond Coverage: \$150,000

BLM Bond File: NM1693 Nationwide, NMB 000919

Authorized Signature: _____

R. Terrell

Name: Robin Terrell

Title: District Manager

Date: 7-24-15

Mewbourne Oil Company

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

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 24 day of July, 2015.

Name: Robin Terrell

Signature: B. Terrell

Position Title: Hobbs District Manager

Address: PO Box 5270, Hobbs NM 88241

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