

OCD Hobbs

Form 3164
(March 2012)

RECEIVED
AUG 08 2017

SECRETARY'S POTASH

RECEIVED
HOBBS OCD
AUG 08 2017

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: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM 86710
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator MEWBOURNE OIL COMPANY (14744)		7. If Unit or CA Agreement, Name and No.
3a. Address PO Box 5270 Hobbs NM 88240		8. Lease Name and Well No. (319279) BILBREY 34/27 B2OB FED COM 1H
3b. Phone No. (include area code) (575)393-5905		9. API Well No. 30-025-43918
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWSE / 185 FSL / 2240 FEL / LAT 32.4284961 / LONG -103.6613218 At proposed prod. zone NWNE / 330 FNL / 1800 FEL / LAT 32.4561455 / LONG -103.6598735		10. Field and Pool, or Exploratory (5695) BILBREY BASIN; BOMB GRABING
14. Distance in miles and direction from nearest town or post office* 20 miles		11. Sec., T. R. M. or Blk. and Survey or Area SEC 34 / T21S / R32E / NMP
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 185 feet	16. No. of acres in lease 1079.27	12. County or Parish LEA
17. Spacing Unit dedicated to this well 320	13. State NM	
18. Distance from proposed location* to nearest well, drilling, completed, 1012 feet applied for, on this lease, ft.	19. Proposed Depth 10693 feet / 20618 feet	20. BLM/BIA Bond No. on file FED: NM1693
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3726 feet	22. Approximate date work will start* 03/30/2017	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 (Electronic Submission)	Name (Printed/Typed) Bradley Bishop / Ph: (575)393-5905	Date 11/22/2016
Title Regulatory		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) Cody Layton / Ph: (575)234-5959	Date 07/31/2017
Title Supervisor Multiple Resources	Office HOBBS	

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.

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)

APPROVED WITH CONDITIONS

Ka
08/09/17

United States Department of the Interior
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE
CARLSBAD, NEW MEXICO 88220

In Reply
Refer To:
3160 (NMP0201)
NMNM-86710
NMNM-83607
NMNM-63019
NMNM-114819

HOBBS OCD
AUG 08 2017
RECEIVED

Memorandum

To: Manager, Carlsbad Field Office (NMP0201)
From: Division of Land and Minerals (NMP0220)
Subject: Application for Permit to Drill

Applicant: **Mewbourne Oil Company**
Lease: NMNM – 86710
NMNM – 83607
NMNM – 63019
NMNM – 114819

Well Name: **Bilbrey 34 B2OB Federal Com 1H**
Surface Location: 185' FSL & 2240' FEL T21S, R32E: Sec. 34 NMNM-86710 (Fee Surface)
Bottom Hole Location: 330' FNL & 1800' FEL T21S, R32E: Sec. 27 NMNM-114819

Well Type: Oil and Gas Well; TVD: 10,693'; MD: 20,618'
Producing Formation: 2nd Bone Spring

Approval Recommendation

Objective

The APD was evaluated with respect to the following lease stipulations as stated in the Secretary's 2012 Potash Order.

1. Drilling for oil and gas shall be permitted only in the event that the lessee establishes to the satisfaction of the authorized officer, Bureau of Land Management, that such will not interfere with the mining and recovery of potash deposits (Section III A 1).
2. No Wells shall be drilled for oil or gas at a location which, in the opinion of the authorized officer, would result in undue waste of potash deposits or constitute a hazard to or unduly interfere with mining operations being conducted for the extraction of potash deposits. (Section III A 2)
3. When the authorized officer, determines that unitization is necessary for orderly oil and gas development and proper protection of potash deposits, no well shall be drilled for oil or gas

- except pursuant to a unit plan approved by the authorized officer. (Section III A 3)
4. The drilling or the abandonment of any well on said lease shall be in accordance with applicable oil and gas operating regulations, including such requirements as the authorized officer may prescribe as necessary to prevent the infiltration of oil, gas or water into formations containing potash deposits or into mines or workings being utilized in the extraction of such deposits. (Section III A 4)
 5. In taking any action under Part A, Items 1, 2, 3, and 4 of this Order, the authorized officer shall take into consideration the applicable rules and regulations of the Oil Conservation Division of the State of New Mexico.

New Objectives

1. It is the intent of the Department of the Interior to administer oil and gas operations through the Designated Potash Area in a manner which promotes safe, orderly co-development of oil, gas, and potash resources. It is the policy of the Department of the Interior to deny approval of most applications for permits to drill oil and gas wells from surface locations within the Designated Potash Area. Three exceptions to this policy will be permitted if the drilling will occur under the following conditions from:
 - a. A Drilling Island associated with a Development Area established under this Order or a Drilling Island established under a prior Order;
 - b. A Barren Area and the Authorized Officer determines that such operations will not adversely affect active or planned potash mining operations in the immediate vicinity of the proposed drill-site; or
 - c. A Drilling Island, not covered by (a) above, or single well site established under this Order by the approval and in the sole discretion of the Authorized Officer, provided that such site was jointly recommended to the Authorized Officer by the oil and gas lessee(s) and the nearest potash lessee(s).
2. In taking any action under Section 6.e. of this Order, the Authorized Officer will take into consideration the applicable rules and regulations of the NMOCD.
3. The Authorized Officer will make full use of his/her authorities wherever necessary or advisable to require unitization and/or communitization pursuant to the regulations in 43CFR Subparts 3105 and 3180.
4. In implementing this Order, the BLM is authorized to exercise its discretion through any and all appropriate means, including rulemaking, notices to lessees, and orders of the Authorized Officer.

Chronology and Data

The APD was evaluated using all the pertinent information and data available at the date of the application. The information and data pertinent to this decision are:

1. The area was included within the Secretary's Potash Area on May 11, 1965.
2. Oil and gas lease NMNM-86710, NMNM-83607, NMNM-63019 and NMNM-114819 were issued respectively on September 1, 1971, April 1, 1990, September 1, 1985, and July 1, 1973.
3. The Application for Permit to Drill (APD) was received on November 22, 2016.
4. The proposed well will be horizontally drilled with a total vertical depth of 10,693 feet.
5. The proposed well is not within the potash enclave.
6. The proposed well is not leased for potassium.
7. The proposed well is not within one mile of a Three Year Mine Plan.
8. The proposed well is not within one mile of open mine workings.
9. The proposed well does not interfere with access to potash ore deposits.
10. The proposed well is not in a known barren area.

11. The proposed well casing requirements will have two casing strings cemented to surface.
12. The proposed location is a Drilling Island associated with a Development Area established under this Order.

Rationale:

Buffer Zones Established by the BLM - Buffer zones of ¼ mile for oil wells and ½ mile for gas wells have been established in the Secretary's Potash Order of 2012. These Buffer Zones will stay in effect until such time as revised distances are adopted by the BLM Director or other BLM official, as delegated. The Director will base revised Buffer Zones on science, engineering, and new technology and will consider comments and reports from the Joint Industry Technical Committee and other interested parties in adopting any revisions.

The proposed well is within established oil and gas well buffer zone.

Base of Second Bone Spring Sandstone General – The BLM differentiates between shallow and deep wells with respect to the base of the Second Bone Spring Sandstone of the Leonardian Group, correlated from existing wells, for the respective area within the Secretary's Potash Area. The BLM generally defines shallow and deep zones for oil and gas as:

Shallow Zone - all formations above the base of the Second Bone Spring Sandstone as defined by the BLM geological report for the respective area within the Secretary's Potash Area.

Deep Zone - all formations below the base of the Second Bone Spring Sandstone as defined by the BLM geological report for the respective area within the Secretary's Potash Area.

The BLM, at its discretion, uses the base of the Second Bone Spring Sandstone of the Leonardian Group as a liberally defined demarcation between shallow oil wells and deep gas wells. The Second Bone Spring Sandstone is often produced for oil at or very near the bottom of the formation. The BLM allows wells to be drilled 50 feet below the base of the Second Bone Spring Sandstone to accommodate logging the zones at the base of the formation, and still be classified as shallow oil wells.

The proposed location is to be horizontally drilled to a total vertical depth of 10,693 feet. The base of the Second Bone Spring Sandstone is given in the BLM's geological report as 10,935 feet. The proposed well is 242 feet deeper than the base of the Second Bone Spring Sandstone and is therefore classified as "shallow" by BLM definitions.

Development Areas, Drill Islands & Three Year Mine Plans: - The Secretary's 2012 Order allows for the establishment of Development Areas and Drilling Islands within Development Areas. A Development Area established by the BLM within the Designated Potash Area in consideration of appropriate oil and gas technology such that wells can be drilled from a Drilling Island capable of effectively extracting oil and gas resources while managing the impact on potash resources. Each Development Area will typically have only one Drilling Island, subject to narrow exceptions based on specific facts and circumstances. All new oil and gas wells that penetrate the potash formations within a Development Area will be drilled from the Drilling Island (s) associated with that Development Area. The boundaries of each Development Area will be determined in conformity with Section 6.e. (2).

The Bilbrey 34 B2OB Federal Com 1H will be drilled in the Bilbrey 34/27 Development Area (DA) (See Attached – Location Map). The Bilbrey 34/27 DA encompasses all of Sections 27 and 34 in T21S R32E.

Drilling Islands usually associated with and within a Development Area, from which all new drilling of vertical, directional, or horizontal wells that newly penetrate the potash formations can be performed in order to support the development of oil and gas resources. The size and shape of a Drilling Island defines the area where wellbore penetrations of the potash formations will be allowed; this area is to be small as practical to allow effective oil and gas development while managing impacts on potash.

No islands shall be established within one mile of any area where approved mining operations will be conducted within three years. Three-year mine plans are filed to make this determination.

A three-year mine plan has been filed by Intrepid for CY 2017. Intrepid's Three Year Mine Plan is approximately 6.2 miles northwest of proposed location.

The Bilbrey 34 B2OB Federal Com 1H will be drilled from the Bilbrey 34/27 Drill Island. The Bilbrey 34/27 Drill Island extends one mile across the southern section line and 600 feet from the southern section line in Section 34 in T21S 32E (See Attached Map).

Open Mine Workings - The proposed location is not within one mile of open mine workings. Intrepid's mine workings are located approximately 4.7 miles northwest of the proposed location.

In areas where there are no mineable ore reserves, or the reserves have been completely mined and no mining is being conducted in that mine, drilling is allowed no closer to open mine workings than ½ mile for deep wells and ¼ mile for shallow wells.

Access to Measured Potash Ore Reserves - The proposed location is not in an area which if drilled will limit access to currently defined Measured Ore reserves.

Measured Potash Ore Reserves - The proposed location is not within currently defined Measured Ore reserves.

In the area of the proposed location the Tenth Ore Zone is defined by the core holes listed below.

Core-Hole	10 th Ore Zone Thickness(ft)	%K ₂ O as Sylvite
P-135	4.0	11.2
P-157	2.5	17.63
IP-034	5.9	Barren

The above information is considered confidential and shall not be disclosed

Protests or Objections – The proposed location has not been protested by an affected party.

Casing Requirements- The Authorized Officer shall take into consideration the applicable rules and regulations of the Oil Conservation Division of the State of New Mexico as necessary to prevent the infiltration of oil, gas or water into formations containing potash deposits or into mines or workings being utilized in the extraction of such deposits.

The Casing and Cementing requirements in the Secretary's Potash Area are delineated by whether the proposed well is inside or outside of the R-111-P boundary.

Secretary's Potash—Casing design is for three strings of casing. The first two strings, which protect the fresh water and the salt formation, are cemented to surface. The intermediate casing may be set deeper than the base of the salt. The requirement for the third casing string is varying tie-back a minimum of 500 feet into the next larger casing string.

R-111-P—Casing design is for three or four strings of casing. With three casing strings, all will be cemented to surface. With four casing strings, the fourth casing string will have varying tie-back of at least 500 feet into the next larger casing. The first casing protects surface water; the second casing is a salt string and is set within 100 to 600 feet of the salt base. The third and possibly fourth casings are production casings.

The proposed well is not within the R-111-P and will not require R-111-P casing design. The surface

casing will be set into the first competent formation and above the salt and cemented circulated to surface. The intermediate casing will be set to protect the salt formation with cement circulated to surface.

Determination

Considering the above analysis, it has been determined that the drilling of this well satisfies all conditions of the Secretary's 2012 Potash Order because it is a Drilling Island associated with a Development Area established under this Order. The drilling of the proposed well is in accordance with applicable oil and gas operating regulations, including such requirements as necessary to prevent the infiltration of oil, gas or water into formations containing potash deposits or into mines or workings being utilized in the extraction of such deposits. Drilling at this location will not result in undue waste of potash deposits, nor will it constitute a hazard to or unduly interfere with mining operations being conducted for the extraction of potash deposits. Unitization is not applicable because the adjacent lease is open to drilling.

Recommendation of Bilbrey 34 B2OB Federal Com 1H

The APD was evaluated with consideration of the 2012 Potash Order and is recommended for approval at the requested location. A well drilled for oil and gas at the proposed location will not result in the undue waste of potash deposits, and will not constitute a hazard to or unduly interfere with mining operations being conducted for the extraction of potash deposits.

See Attachments:



James S. Rutley
Geologist
Carlsbad Field Office

Date:

March 14, 2017

Concurrence of Recommendation of Bilbrey 34 B2OB Federal Com 1H

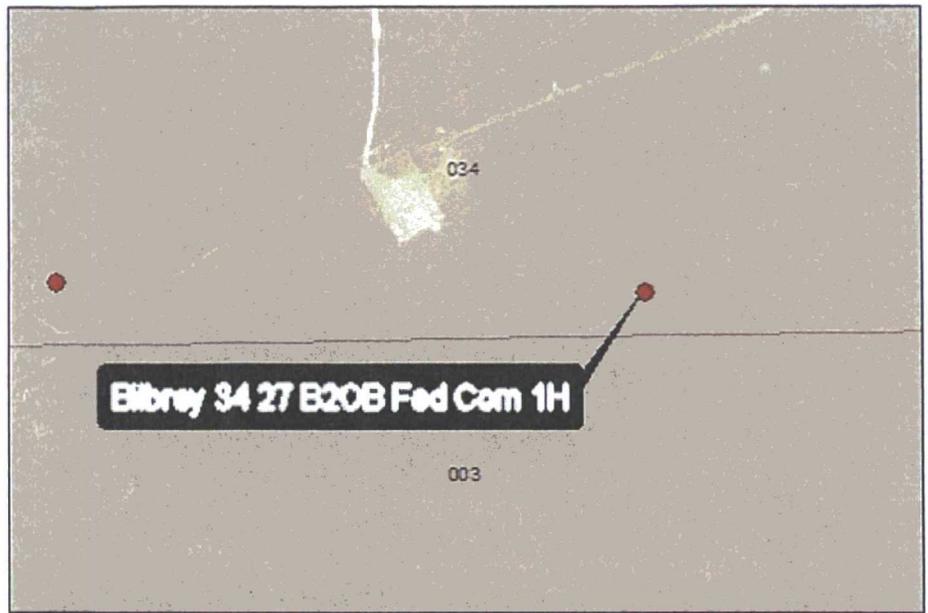


Acting Field Manager
Carlsbad Field Office

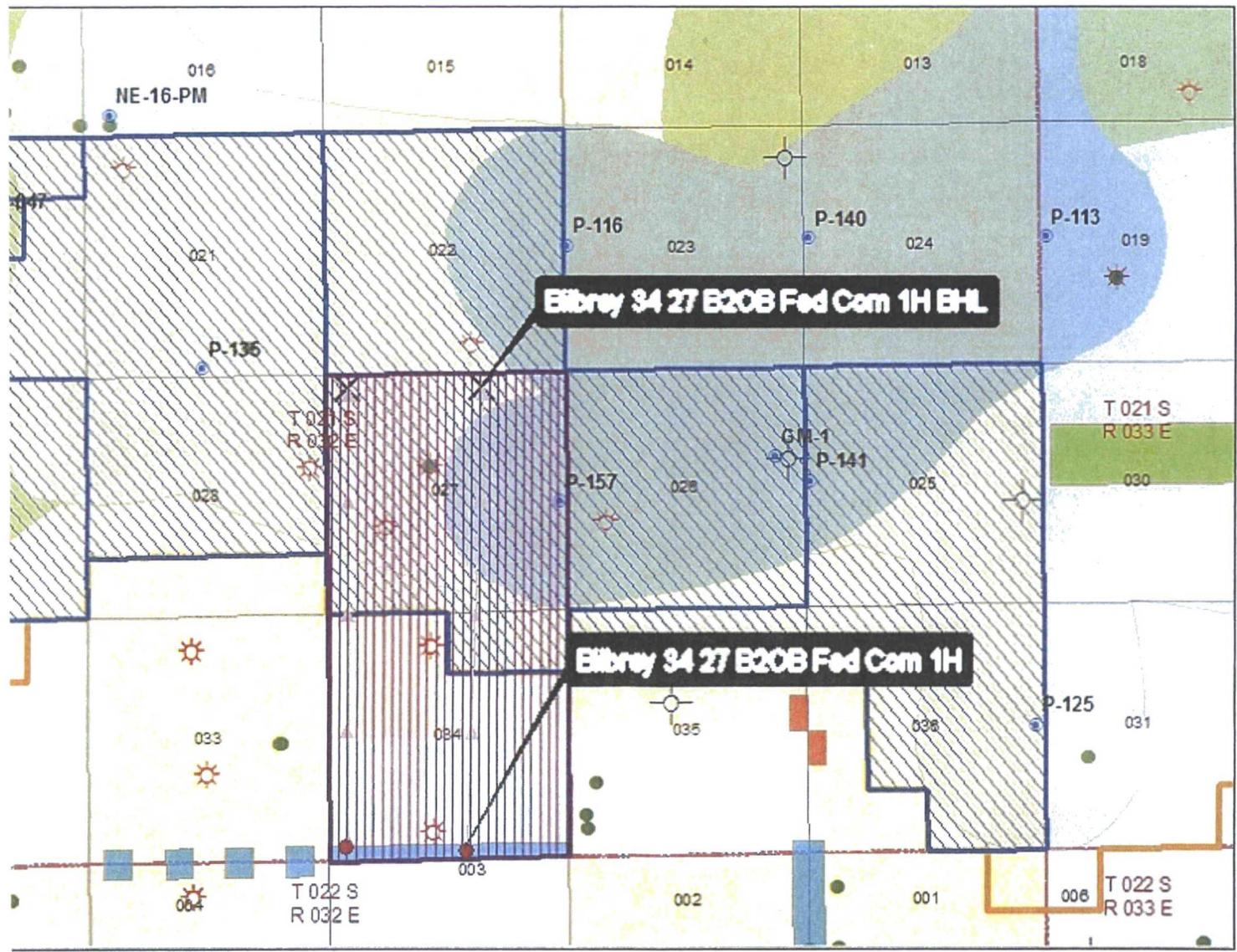
Date:

02/3/17

- ships
- ons
- f
- 4_27_DA
- Buffer
- l, All Depths
- l, Shallow
- d, All Depths
- d, Shallow
- ases
- as Archived
- line Workings
- retary Potash Area
- Bureau of Land Management
- Private
- State
- IHS US Wells
- Final_Status
- Oil
- Gas
- Oil & Gas
- Temp Abandoned- Oil
- Temp Abandoned- Gas
- Dry Hole
- Dry & Abandoned- Gas
- Dry & Abandoned- Oil
- Dry & Abandoned- Oil & Gas
- Injection
- Injection - Water



SHL : T21S, R32E, Section 34, 185' FSL & 2240' FEL
 BHL : T21S, R32E, Section 27, 330' FNL & 1800' FEL
 TVD: 10,693' Formation: 3BSS



APD ID: 10400008307	Submission Date: 11/22/2016	Highlight All Changes
Operator Name: MEWBOURNE OIL COMPANY	Federal/Indian APD: FED	
Well Name: BILBREY 34/27 B2OB FED COM	Well Number: 1H	
Well Type: OIL WELL	Well Work Type: Drill	

Application

Section 1 - General

APD ID: 10400008307	Tie to previous NOS?	Submission Date: 11/22/2016
BLM Office: HOBBS	User: Bradley Bishop	Title: Regulatory
Federal/Indian APD: FED	Is the first lease penetrated for production Federal or Indian? FED	
Lease number: NMNM 86710	Lease Acres: 1079.27	
Surface access agreement in place?	Allotted?	Reservation:
Agreement in place? NO	Federal or Indian agreement:	
Agreement number:		
Agreement name:		
Keep application confidential? YES		
Permitting Agent? NO	APD Operator: MEWBOURNE OIL COMPANY	
Operator letter of designation:	Bilbrey 34_27 B2OB Federal Com 1H_Operatorletterofcertification_11-22-2016.pdf	
Keep application confidential? YES		

Operator Info

Operator Organization Name: MEWBOURNE OIL COMPANY
Operator Address: PO Box 5270
Operator PO Box: Zip: 88240
Operator City: Hobbs **State:** NM
Operator Phone: (575)393-5905
Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO	Master Development Plan name:
Well in Master SUPO? NO	Master SUPO name:
Well in Master Drilling Plan? NO	Master Drilling Plan name:

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: RED TANK BONE SPRING

Pool Name: BONE SPRING

Is the proposed well in an area containing other mineral resources? POTASH

Describe other minerals:

Is the proposed well in a Helium production area? N

Use Existing Well Pad? NO

New surface disturbance?

Type of Well Pad: SINGLE WELL

Multiple Well Pad Name:

Number:

Well Class: HORIZONTAL

Number of Legs:

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: APPRAISAL

Describe sub-type:

Distance to town: 20 Miles

Distance to nearest well: 1012 FT

Distance to lease line: 185 FT

Reservoir well spacing assigned acres Measurement: 320 Acres

Well plat: Bilbrey 34_27 B2OB Federal Com 1H_wellplat_11-22-2016.pdf

Well work start Date: 03/30/2017

Duration: 60 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
SHL Leg #1	185	FSL	2240	FEL	21S	32E	34	Aliquot SWSE 61	32.4284961	-103.6613218	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 86710	3726	0	0
KOP Leg #1	185	FSL	2240	FEL	21S	32E	34	Aliquot SWSE 61	32.4284961	-103.6613218	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 86710	-6549	10275	10275
PPP Leg #1	330	FSL	2235	FEL	21S	32E	34	Aliquot SWSE 61	32.4284961	-103.6613218	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 86710	-6892	10658	10618

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
EXIT Leg #1	330	FNL	1800	FEL	21S	32E	27	Aliquot NWNE	32.4561455	-103.6598735	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 114819	-6967	20618	10693
BHL Leg #1	330	FNL	1800	FEL	21S	32E	27	Aliquot NWNE	32.4561455	-103.6598735	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 114819	-6967	20618	10693

Drilling Plan

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
17691	UNKNOWN	3753	27	27		NONE	No
17746	RUSTLER	2883	870	870	DOLOMITE, ANHYDRITE	USEABLE WATER	No
17718	TOP SALT	2553	1200	1200	SALT	NONE	No
17723	BOTTOM SALT	953	2800	2800	SALT	NONE	No
15315	DELAWARE	-1117	4870	4870	LIMESTONE	NATURAL GAS, OIL	No
17721	BONE SPRING LIME	-4987	8740	8740	LIMESTONE, SHALE	NATURAL GAS, OIL	No
15338	BONE SPRING 1ST	-6007	9760	9760	SANDSTONE	NATURAL GAS, OIL	No
17737	BONE SPRING 2ND	-6647	10400	10400	SANDSTONE	NATURAL GAS, OIL	Yes

Section 2 - Blowout Prevention

Pressure Rating (PSI): 2M

Rating Depth: 4795

Equipment: Annular

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold.

Testing Procedure: Test Annular to 1250#.

Choke Diagram Attachment:

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Bilbrey 34-27 B2OB Fed Com 1H_2M Surface BOPE Choke Diagram_11-22-2016.pdf

BOP Diagram Attachment:

Bilbrey 34-27 B2OB Fed Com 1H_2M Surface BOPE Schematic_11-22-2016.pdf

Pressure Rating (PSI): 3M

Rating Depth: 11028

Equipment: Annular, Pipe Ram, Blind Ram

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold.

Testing Procedure: Test Annular to 2500# Test BOPE to 5000#

Choke Diagram Attachment:

Bilbrey 34-27 B2OB Fed Com 1H_5M BOPE Choke Diagram_11-22-2016.pdf

BOP Diagram Attachment:

Bilbrey 34-27 B2OB Fed Com 1H_5M BOPE Schematic_11-22-2016.pdf

Pressure Rating (PSI): 5M

Rating Depth: 20618

Equipment: Annular, Pipe Rams, Blind Ram

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold

Testing Procedure: Test annular to 2500#. Test BOPE to 5000#.

Choke Diagram Attachment:

Bilbrey 34-27 B2OB Fed Com 1H_5M BOPE Choke Diagram_11-22-2016.pdf

Bilbrey 34-27 B2OB Fed Com 1H_Flex Line Specs_11-22-2016.pdf

BOP Diagram Attachment:

Bilbrey 34-27 B2OB Fed Com 1H_5M BOPE Schematic_11-22-2016.pdf

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	...
1	SURFACE	17.5	13.375	NEW	API	N	0	895	0	895	-6892	-7787	895	H-40	48	STC	1.65	3.72	DRY	7.5	DRY	12.9
2	INTERMEDIATE	12.25	9.625	NEW	API	Y	0	4795	0	4795	-6892	-11687	4795	J-55	36	LTC	1.13	1.96	DRY	2.55	DRY	4.
3	PRODUCTION	8.75	7.0	NEW	API	N	0	11028	0	10753	-6892	-17645	11028	P-110	26	LTC	1.39	1.78	DRY	2.26	DRY	2.
4	LINER	6.125	4.5	NEW	API	N	10275	20618	10275	10753	-17167	-17645	10343	P-110	13.5	LTC	1.47	1.71	DRY	2.42	DRY	3.

Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Taperd String Spec:

Casing Design Assumptions and Worksheet(s):

Bilbrey 34-27 B2OB Fed Com 1H_drilling program_11-22-2016.pdf

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Casing Attachments

Casing ID: 2 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Taperd String Spec:

Bilbrey 34-27 B2OB Fed Com 1H_Tapered String Diagram_11-22-2016.pdf

Casing Design Assumptions and Worksheet(s):

Bilbrey 34-27 B2OB Fed Com 1H_drilling program_11-22-2016.pdf

Casing ID: 3 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Taperd String Spec:

Casing Design Assumptions and Worksheet(s):

Bilbrey 34-27 B2OB Fed Com 1H_drilling program_11-22-2016.pdf

Casing ID: 4 **String Type:** LINER

Inspection Document:

Spec Document:

Taperd String Spec:

Casing Design Assumptions and Worksheet(s):

Bilbrey 34-27 B2OB Fed Com 1H_drilling program_11-22-2016.pdf

Section 4 - Cement

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	702	480	2.12	12.5	1017	100	Class C	Salt, Gel, Extender, LCM
SURFACE	Tail		702	895	200	1.34	14.8	268	100	Class C	Retarder
INTERMEDIATE	Lead		0	4120	795	2.12	12.5	1685	25	Class C	Salt, Gel, Extender, LCM
INTERMEDIATE	Tail		4120	4795	200	1.34	14.8	268	25	Class C	Retarder
PRODUCTION	Lead		4275	8570	385	2.12	12.5	816		Class C	Gel, Retarder, Defoamer, Extender
PRODUCTION	Tail		8570	11028	400	1.18	15.6	472	25	Class H	Retarder, Fluid Loss, Defoamer
LINER	Lead		10275	20618	410	2.97	11.2	1217		Class C	Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti-Settling Agent

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Lost circulation material Sweeps Mud scavengers in surface hole

Describe the mud monitoring system utilized: Visual Monitoring

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	895	SPUD MUD	8.6	8.8							

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
895	4795	SALT SATURATED	10	10.2							
4795	1027 5	SALT SATURATED	8.5	9.3							
1027 5	2061 8	WATER-BASED MUD	8.6	9.5							

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Will run GR/CNL from KOP (10275') to surface

List of open and cased hole logs run in the well:

CNL,DS,GR,MWD,MUDLOG

Coring operation description for the well:

None

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5595

Anticipated Surface Pressure: 3242.54

Anticipated Bottom Hole Temperature(F): 140

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geohazards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Bilbrey 34-27 B2OB Fed Com 1H_H2S Plan_11-22-2016.pdf

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Bilbrey 34-27 B2OB Fed Com 1H_Wall Plot_11-22-2016.pdf

Bilbrey 34-27 B2OB Fed Com 1H_Well Plan_11-22-2016.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

Other Variance attachment:

SUPO

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

Bilbrey 34_27 B2OB Federal Com 1H_EXISTINGROADMAP_11-22-2016.pdf

Existing Road Purpose: ACCESS,FLUID TRANSPORT

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

Bilbrey 34_27 B2OB Federal Com 1H_NEWROADMAP_11-22-2016.pdf

New road type: RESOURCE

Length: 731

Feet

Width (ft.): 20

Max slope (%): 3

Max grade (%): 3

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: None

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

New road access plan or profile prepared? NO

New road access plan attachment:

Access road engineering design? NO

Access road engineering design attachment:

Access surfacing type: OTHER

Access topsoil source: OFFSITE

Access surfacing type description: Caliche

Access onsite topsoil source depth:

Offsite topsoil source description: Stored onsite, on edge of slope.

Onsite topsoil removal process:

Access other construction information: None

Access miscellaneous information: None

Number of access turnouts: 1

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: None

Road Drainage Control Structures (DCS) description: None

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

Billbrey 34 27 B2OB Federal Com 1H_existing well map_11-22-2016.pdf

Existing Wells description:

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? SUBMIT

Estimated Production Facilities description: a. All permanent, lasting more than 6 months, above ground structures

including but not limited to pumpjacks, storage tanks, pipeline risers, meter housing, etc. that are not subject to safety requirements will be painted a non-reflective paint color that blends in with the surrounding landscape. The paint color will be limited to pumpjacks, storage tanks, pipeline risers, meter housing, etc. that are not subject to safety requirements will be one of the colors from the BLM Standard Environmental Colors chart selected by the BLM authorized officer. b. All proposed painted a non-reflective paint color that blends in with the surrounding landscape. The paint color will be one of the colors

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

production facilities that are located on the well pad will be strategically placed to allow for maximum interim reclamation, recontouring, and revegetation of the well location. c. Production from the proposed well will be located on the Bilbrey 34/27 B2NC Fed Com #1H location. A 2 7/8" steel flowline will be laid within 5' of proposed lease road to battery. d. If any plans change regarding the production facility or other infrastructure (pipeline, electric line, etc.), we will submit a sundry notice or right of way (if applicable) prior to installation of construction. e. An electric line will be applied for through a sundry notice or BLM right of way at a later date.

Production Facilities map:

Bilbrey 34_27 B2OB Federal Com 1H_interimreclamation_12-27-2016.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: CAMP USE, DUST CONTROL, INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE CASING

Describe type:

Source latitude: 32.3991

Source datum: NAD83

Water source permit type: WATER WELL

Source land ownership: FEDERAL

Water source transport method: TRUCKING

Source transportation land ownership: FEDERAL

Water source volume (barrels): 3510

Source volume (gal): 147420

Water source type: IRRIGATION

Source longitude: -103.62513

Water source use type: DUST CONTROL, INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE CASING

Describe type:

Source latitude: 32.430565

Source datum: NAD83

Water source permit type: WATER WELL

Source land ownership: PRIVATE

Water source transport method: TRUCKING

Source transportation land ownership: FEDERAL

Water source volume (barrels): 3510

Source volume (gal): 147420

Water source type: IRRIGATION

Source longitude: -103.66579

Source volume (acre-feet): 0.45241478

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Water source and transportation map:

Bilbrey 34_27 B2OB Federal Com 1H_watersourceandtransportationmap_11-22-2016.pdf

Water source comments: Both sources shown on one map

New water well? NO

New Water Well Info

Well latitude:

Well Longitude:

Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft):

Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft):

Well casing type:

Well casing outside diameter (in.):

Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method:

Drill material:

Grout material:

Grout depth:

Casing length (ft.):

Casing top depth (ft.):

Well Production type:

Completion Method:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: Caliche - both sources shown on one map

Construction Materials source location attachment:

Bilbrey 34_27 B2OB Federal Com 1H_calichesourceandtransportationmap_11-22-2016.pdf

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drill cuttings

Amount of waste: 3510 barrels

Waste disposal frequency : One Time Only

Safe containment description: Drill cuttings will be properly contained in steel tanks (20 yard roll off bins.)

Safe containmant attachment:

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** PRIVATE

Disposal type description:

Disposal location description: NMOCD approved waste disposal locations are CRI or Lea Land, both facilities are located on HWY 62/180, Sec. 27 T20S R32E.

Waste type: SEWAGE

Waste content description: Human waste & grey water

Amount of waste: 1500 gallons

Waste disposal frequency : Weekly

Safe containment description: 2,000 gallon plastic container

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** PRIVATE

Disposal type description:

Disposal location description: City of Carlsbad Water Treatment facility

Waste type: GARBAGE

Waste content description: Garbage & trash

Amount of waste: 1500 pounds

Waste disposal frequency : One Time Only

Safe containment description: Enclosed trash trailer

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** PRIVATE

Disposal type description:

Disposal location description: Waste Management facility in Carlsbad.

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.) Reserve pit width (ft.)

Reserve pit depth (ft.) Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? NO

Description of cuttings location

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

Billbrey 34_27 B2OB Federal Com 1H_wellSITELAYOUT_11-22-2016.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: NEW

Recontouring attachment:

Drainage/Erosion control construction: None

Drainage/Erosion control reclamation: None

Wellpad long term disturbance (acres): 1.239

Wellpad short term disturbance (acres): 2.65

Access road long term disturbance (acres): 0.325

Access road short term disturbance (acres): 0

Pipeline long term disturbance (acres): 0

Pipeline short term disturbance (acres): 0

Other long term disturbance (acres): 0

Other short term disturbance (acres): 0

Total long term disturbance: 1.564

Total short term disturbance: 2.65

Reconstruction method: The areas planned for interim reclamation will then be recontoured to the original contour if feasible, or if not feasible, to an interim contour that blends with the surrounding topography as much as possible. Where

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

applicable, the fill material of the well pad will be backfilled into the cut to bring the area back to the original contour. The interim cut and fill slopes prior to re-seeding will not be steeper than a 3:1 ratio, unless the adjacent native topography is steeper. Note: Constructed slopes may be much steeper during drilling, but will be recontoured to the above ratios during interim reclamation.

Topsoil redistribution: Topsoil will be evenly respread and aggressively revegetated over the entire disturbed area not needed for all-weather operations including cuts & fills. To seed the area, the proper BLM seed mixture, free of noxious weeds, will be used.

Soil treatment: NA

Existing Vegetation at the well pad: Various brush & grasses

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Various brush & grasses

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: NA

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: NA

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table

Seed type:

Seed source:

Seed name:

Source name:

Source address:

Source phone:

Seed cultivar:

Seed use location:

PLS pounds per acre:

Proposed seeding season:

Seed Summary

Total pounds/Acre:

Seed Type

Pounds/Acre

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: Bradley

Last Name: Bishop

Phone: (575)393-5905

Email: bbishop@mewbourne.com

Seedbed prep: Final seedbed preparation will consist of contour cultivating to a depth of 4 to 6 inches within 24 hours prior to seeding, dozer tracking, or other imprinting in order to break the soil crust and create seed germination micro-sites.

Seed BMP: To seed the area, the proper BLM seed mixture, free of noxious weeds, will be used.

Seed method: drilling or broadcasting seed over entire reclaimed area.

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: NA

Weed treatment plan attachment:

Monitoring plan description: vii. All reclaimed areas will be monitored periodically to ensure that revegetation occurs, that the area is not redisturbed, and that erosion and invasive/noxious weeds are controlled.

Monitoring plan attachment:

Success standards: regrowth within 1 full growing season of reclamation.

Pit closure description: NA

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: NEW ACCESS ROAD

Describe:

Surface Owner: PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Fee Owner: Stacey Mills

Fee Owner Address: PO Box 1358 Loving, NM 88256

Phone: (575)390-2779

Email:

Surface use plan certification: NO

Surface use plan certification document:

Surface access agreement or bond: Agreement

Surface Access Agreement Need description: SUA in place.

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Disturbance type: EXISTING ACCESS ROAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Disturbance type: WELL PAD

Describe:

Surface Owner: PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Fee Owner: Stacey Mills

Fee Owner Address: PO Box 1358 Loving, NM 88256

Phone: (575)390-2779

Email:

Surface use plan certification: NO

Surface use plan certification document:

Surface access agreement or bond: Agreement

Surface Access Agreement Need description: SUA in place

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Section 12 - Other Information

Right of Way needed? NO

Use APD as ROW?

ROW Type(s):

ROW Applications

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

SUPO Additional Information: NONE

Use a previously conducted onsite? YES

Previous Onsite information: MAR 5 2014 Met with Tanner Nygren (BLM), WTC Surveying, Christine with Boone Archeology, Stacey Mills and staked location @ 185' FSL & 1800' FEL, Sec 34, T21S, R32E, Lea Co. NM. This location was denied due to raptor nests. Re-staked @ 185' FSL & 2240' FEL, Sec 34, T21S, R32E, Lea Co. NM (Elev. @ 3738'). This appears to be a drillable location with pits to the east. Topsoil will be stockpiled on the south 3' wide. Pad will be 280' x 340'. Road will be on the northwest corner heading west.

Other SUPO Attachment

PWD

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number:

Injection well name:

Assigned injection well API number?

Injection well API number:

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

Bond Info

Bond Information

Federal/Indian APD: FED

BLM Bond number: NM1693

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

Operator Certification

Operator Name: MEWBOURNE OIL COMPANY

Well Name: BILBREY 34/27 B2OB FED COM

Well Number: 1H

Operator Certification

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.

NAME: Bradley Bishop

Signed on: 11/22/2016

Title: Regulatory

Street Address: PO Box 5270

City: Hobbs

State: NM

Zip: 88240

Phone: (575)393-5905

Email address: bbishop@mewbourne.com

Field Representative

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

Payment Info

Payment

APD Fee Payment Method: PAY.GOV

pay.gov Tracking ID: 25V5AMSD