

HOBBS OCD

FEB 26 2020

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED
HOBBS OCD
FEB 17 2020

| | | | |
|---|---|---|-----------------|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. NMNM128927 | |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 6. If Indian, Allottee or Tribe Name | |
| 1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 7. If Unit or CA Agreement, Name and No. | |
| 2. Name of Operator MEWBOURNE OIL COMPANY 14744 | | 8. Lease Name and Well No. RED HILLS WEST UNIT 17H 77942 | |
| 3a. Address PO Box 5270 Hobbs NM 88240 | | 9. API-Well No. 70-025-46910 | |
| 3b. Phone No. (include area code) (575)393-5905 | | 10. Field and Pool, or Exploratory WILDCAT UPPER WOLFCAMP / WOLF | |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface TR M / 150 FSL / 1250 FWL / LAT 32.050894 / LONG -103.6673102 At proposed prod. zone TR C / 100 FNL / 2310 FWL / LAT 32.0794081 / LONG -103.6640323 | | 11. Sec., T. R. M. or Blk. and Survey or Area SEC 10 / T26S / R32E / NMP | |
| 14. Distance in miles and direction from nearest town or post office* 30 miles | | 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) 320 feet | 16. No of acres in lease 200 | 17. Spacing Unit dedicated to this well 160 | |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 50 feet | 19. Proposed Depth 12308 feet / 22677 feet | 20. BLM/BIA Bond No. in file FED: NM1693 | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3219 feet | 22. Approximate date work will start* 08/13/2019 | 23. Estimated duration 60 days | |
| 24. Attachments | | | |

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- | | |
|---|---|
| 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 requested by the BLM. |

| | | |
|---|--|--------------------|
| 25. Signature (Electronic Submission) | Name (Printed/Typed) Bradley Bishop / Ph: (575)393-5905 | Date 06/20/2019 |
| Title Regulatory | | |
| Approved by (Signature) (Electronic Submission) | Name (Printed/Typed) Cody Layton / Ph: (575)234-5959 | Date 02/26/2020 |
| Title Assistant Field Manager Lands & Minerals | | |
| Office CARLSBAD | | |

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.

GCP Rec 02/26/2020

KZ 02/29/2020

APPROVED WITH CONDITIONS

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

| | |
|------------------------------|-------------------------------------|
| OPERATOR'S NAME: | MEWBOURNE OIL COMPANY |
| LEASE NO.: | NMNM128927 |
| WELL NAME & NO.: | 17H - RED HILLS WEST UNIT |
| SURFACE HOLE FOOTAGE: | 150'/S & 1250'/W |
| BOTTOM HOLE FOOTAGE: | 100'/N & 2310'/W |
| LOCATION: | SECTION 10, T26S, R32E, NMPM |
| COUNTY: | Lea County, New Mexico |

COA

| | | | |
|----------------------|--|--|-------------------------------------|
| H2S | <input checked="" type="radio"/> Yes | <input type="radio"/> No | |
| Potash | <input checked="" type="radio"/> None | <input type="radio"/> Secretary | <input type="radio"/> R-111-P |
| Cave/Karst Potential | <input type="radio"/> Low | <input checked="" type="radio"/> Medium | <input type="radio"/> High |
| Cave/Karst Potential | <input type="radio"/> Critical | | |
| Variance | <input type="radio"/> None | <input checked="" type="radio"/> Flex Hose | <input type="radio"/> Other |
| Wellhead | <input type="radio"/> Conventional | <input checked="" type="radio"/> Multibowl | <input type="radio"/> Both |
| Other | <input type="checkbox"/> 4 String Area | <input type="checkbox"/> Capitan Reef | <input type="checkbox"/> WIPP |
| Other | <input checked="" type="checkbox"/> Fluid Filled | <input type="checkbox"/> Cement Squeeze | <input type="checkbox"/> Pilot Hole |
| Special Requirements | <input type="checkbox"/> Water Disposal | <input type="checkbox"/> COM | <input type="checkbox"/> Unit |

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the Delaware formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING

Casing Design:

1. The 13-3/8 inch surface casing shall be set at approximately **826 feet** (a minimum of **25 feet (Lea County)**) into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after

completing the cement job.

- b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

2. The **9-5/8** inch intermediate casing shall be set at approximately **4514** feet. The minimum required fill of cement behind the **9-5/8** inch intermediate casing is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash. Excess cement calculates to 24%, additional cement might be required.**
- ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
3. The minimum required fill of cement behind the **7** inch production casing is:
 - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.
4. The minimum required fill of cement behind the **4-1/2** inch production liner is:
 - Cement should tie-back **100 feet** into the previous casing. Operator shall provide method of verification.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **10,000 (10M) psi. Variance is approved to use a 5000 (5M) Annular which shall be tested to 5000 (5M) psi.**
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

Chaves and Roosevelt Counties
Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201.
During office hours call (575) 627-0272.
After office hours call (575)

Eddy County
Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

Lea County
Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log.

3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.
4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. 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. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.

3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time.
 - c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength,

whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

OTA02042020



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Operator Certification Data Report

02/27/2020

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: 06/20/2019

Title: Regulatory

Street Address: PO Box 5270

City: Hobbs

State: NM

Zip: 88260

Phone: (575)393-5905

Email address: bbishop@mewbourne.com

Field Representative

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Application Data Report

02/27/2020

APD ID: 10400042748

Submission Date: 06/20/2019

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

Well Type: CONVENTIONAL GAS WELL

Well Work Type: Drill



[Show Final Text](#)

Section 1 - General

APD ID: 10400042748

Tie to previous NOS?

Submission Date: 06/20/2019

BLM Office: CARLSBAD

User: Bradley Bishop

Title: Regulatory

Federal/Indian APD: FED

Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMNM128927

Lease Acres: 200

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:

Operator Info

Operator Organization Name: MEWBOURNE OIL COMPANY

Operator Address: PO Box 5270

Zip: 88240

Operator PO Box:

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:

Well Name: RED HILLS WEST UNIT

Well Number: 17H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: WILDCAT UPPER Pool Name: WOLFCAMP
WOLFCAMP

Is the proposed well in an area containing other mineral resources? USEABLE WATER NATURAL GAS OIL

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

Is the proposed well in an area containing other mineral resources? USEABLE WATER,NATURAL GAS,OIL

Is the proposed well in a Hellum production area? N Use Existing Well Pad? NO New surface disturbance?

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name: RED Hills West Unit #10H & #17H

Well Class: HORIZONTAL

Number of Legs: 1

Well Work Type: Drill

Well Type: CONVENTIONAL GAS WELL

Describe Well Type:

Well sub-Type: APPRAISAL

Describe sub-type:

Distance to town: 30 Miles

Distance to nearest well: 50 FT

Distance to lease line: 320 FT

Reservoir well spacing assigned acres Measurement: 160 Acres

Well plat: RedHillsWestUnit17H_wellplat_20190613102825.pdf

Well work start Date: 08/13/2019

Duration: 60 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

Reference Datum:

| Wellbore | 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 | Will this well produce from this lease? |
|------------|---------|--------------|---------|--------------|------|-------|---------|-------------------|------------|--------------|--------|-------------|-------------|------------|--------------|-----------|-------|-------|---|
| SHL Leg #1 | 150 | FSL | 1250 | FW L | 26S | 32E | 10 | Tract M | 32.050694 | -103.6673102 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 105561 | 3219 | 0 | 0 | |
| KOP Leg #1 | 10 | FSL | 2310 | FW L | 26S | 32E | 10 | Tract N | 32.0503161 | -103.6638855 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 105561 | -8494 | 11767 | 11713 | |
| PPP Leg | 100 | FSL | 2310 | FW L | 26S | 32E | 10 | Tract N | 32.0505385 | -103.6638 | LEA | NEW MEXI | NEW MEXI | F | NMNM 105561 | -878 | 12075 | 12007 | |

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

| Wellbore | 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 | Will this well produce from this lease? |
|--------------|---------|--------------|---------|--------------|------|-------|---------|-------------------|------------|--------------|--------|-------------|-------------|------------|--------------|-----------|-------|-------|---|
| PPP Leg #1-2 | 1 | FSL | 2310 | FWL | 26S | 32E | 3 | Tract N | 32.0794081 | -103.6640323 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 105559 | -9077 | 17423 | 12296 | |
| EXIT Leg #1 | 100 | FNL | 2310 | FWL | 26S | 32E | 3 | Tract C | 32.0794081 | -103.6640323 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 105559 | -9087 | 22677 | 12306 | |
| BHL Leg #1 | 100 | FNL | 2310 | FWL | 26S | 32E | 3 | Tract C | 32.0794081 | -103.6640323 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 105559 | -9087 | 22677 | 12306 | |



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Drilling Plan Data Report

02/27/2020

APD ID: 10400042748

Submission Date: 06/20/2019

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

Well Type: CONVENTIONAL GAS WELL

Well Work Type: Drill



Show Final Text

Section 1 - Geologic Formations

| Formation ID | Formation Name | Elevation | True Vertical Depth | Measured Depth | Lithologies | Mineral Resources | Producing Formation |
|--------------|-----------------|-----------|---------------------|----------------|-----------------------------|-------------------|---------------------|
| 476040 | UNKNOWN | 3220 | 27 | 27 | | NONE | N |
| 476051 | RUSTLER | 2554 | 750 | 750 | ANHYDRITE, DOLOMITE | USEABLE WATER | N |
| 476052 | TOP SALT | 2184 | 1120 | 1120 | SALT | NONE | N |
| 476041 | BOTTOM SALT | -986 | 4290 | 4290 | SALT | NONE | N |
| 476048 | LAMAR | -1228 | 4530 | 4530 | LIMESTONE | NATURAL GAS, OIL | N |
| 476044 | BELL CANYON | -1276 | 4580 | 4580 | SANDSTONE | NATURAL GAS, OIL | N |
| 476045 | CHERRY CANYON | -2276 | 5580 | 5580 | SANDSTONE | NATURAL GAS, OIL | N |
| 476046 | MANZANITA | -2403 | 5707 | 5707 | LIMESTONE | NATURAL GAS, OIL | N |
| 477376 | BASAL ANHYDRITE | -5106 | 8410 | 8410 | ANHYDRITE | NATURAL GAS, OIL | N |
| 476039 | BONE SPRING | -5303 | 8607 | 8607 | LIMESTONE, SHALE | NATURAL GAS, OIL | N |
| 476042 | BONE SPRING 1ST | -6246 | 9550 | 9550 | SANDSTONE | NATURAL GAS, OIL | N |
| 476043 | BONE SPRING 2ND | -6956 | 10260 | 10260 | SANDSTONE | NATURAL GAS, OIL | N |
| 476050 | BONE SPRING 3RD | -8066 | 11370 | 11370 | SANDSTONE | NATURAL GAS, OIL | N |
| 476047 | WOLFCAMP | -8486 | 11790 | 11790 | LIMESTONE, SANDSTONE, SHALE | NATURAL GAS, OIL | Y |

Section 2 - Blowout Prevention

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

Pressure Rating (PSI): 10M

Rating Depth: 17869

Equipment: Annular, Pipe Rams, Blind Rams

Requesting Variance? YES

Variance request: Request variance for the use of a flexible choke line from the BOP to Choke Manifold. Anchors not required by manufacturer. A multi-bowl wellhead will be used. See attached schematic.

Testing Procedure: 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.

Choke Diagram Attachment:

10M_BOPE_Choke_Diagram_20190614152959.pdf

Flex_Line_Specs_20190614153020.pdf

Red_Hills_West_Unit__017H_Flex_Line_Specs_API_16C_20191213152102.pdf

POP Diagram Attachment:

10M_BOPE_Schematic_w_5M_Annular_20190614153037.pdf

10M_Annular_BOP_Variance_20190614153052.doc

10M_Multi_Bowl_WH_Running_Proc_20190614153106.pdf

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 | Body SF |
|-----------|--------------|-----------|----------|-----------|----------|----------------|------------|---------------|-------------|----------------|-------------|----------------|-----------------------------|---------|--------|------------|-------------|----------|---------------|----------|--------------|---------|
| 1 | SURFACE | 17.5 | 13.375 | NEW | API | N | 0 | 825 | 0 | 825 | 3220 | 2395 | 825 | H-40 | 48 | ST&C | 1.99 | 4.48 | DRY | 8.13 | DRY | 13.6 |
| 2 | INTERMEDIATE | 12.25 | 9.625 | NEW | API | Y | 0 | 4455 | 0 | 4455 | 3220 | -1235 | 4455 | J-55 | 36 | LT&C | 1.13 | 1.96 | DRY | 2.78 | DRY | 4.54 |
| 3 | PRODUCTION | 8.75 | 7.0 | NEW | API | N | 0 | 12500 | 0 | 12253 | 3220 | -9033 | 12500 | HCP-110 | 26 | LT&C | 1.25 | 1.6 | DRY | 2.05 | DRY | 2.46 |
| 4 | LINER | 6.125 | 4.5 | NEW | API | N | 11768 | 17869 | 11768 | 12306 | -8548 | -9086 | 6101 | P-110 | 13.5 | LT&C | 1.67 | 1.94 | DRY | 2.28 | DRY | 2.86 |

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

Casing Attachments

Casing ID: 1 **String Type:** SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Red_Hills_West_Unit_17_CA_20190614153839.pdf

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

Inspection Document:

Spec Document:

Tapered String Spec:

3_Type_Inter_Tapered_String_Diagram_PDF_20190617075929.pdf

Casing Design Assumptions and Worksheet(s):

Red_Hills_West_Unit_17_CA_20190614160347.pdf

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

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Red_Hills_West_Unit_17_CA_20190614160414.pdf

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

Casing Attachments

Casing ID: 4 String Type: LINER

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Red_Hills_West_Unit_17_CA_20190614160523.pdf

Section 4 - Cement

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|------------------|--------|-----------|--------------|-------|---------|-------|---------|-------------|-----------|
| SURFACE | Lead | | | | | 2.12 | | | | | |
| SURFACE | Tail | | | | | | | | | | |
| INTERMEDIATE | Lead | | | | | 2.12 | | | | | |
| INTERMEDIATE | Tail | | | | | | | | | | |
| PRODUCTION | Lead | | | | | 2.12 | | | | | |
| PRODUCTION | Tail | | | | | | | | | | |
| LINER | Lead | | | | | 2.97 | | | | | |

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

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
cavengers in surface hole**

Describe the mud monitoring system utilized: Pason/PVT/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 | 825 | SPUD MUD | 8.6 | 8.8 | | | | | | | |
| 825 | 4455 | SALT SATURATED | 10 | 10 | | | | | | | |
| 4455 | 1225 3 | WATER-BASED MUD | 8.6 | 9.5 | | | | | | | |
| 1225 3 | 1230 6 | OIL-BASED MUD | 10 | 13 | | | | | | | |

Section 6 - Test, Logging, Coring

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

Will run GR/CNL from KOP (11713') to surface.

Will run MWD GR from KOP (11713') to TD.

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

:NL,DS,GR,MWD,MUDLOG

Coring operation description for the well:

None

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 8318

Anticipated Surface Pressure: 5540.28

Anticipated Bottom Hole Temperature(F): 165

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:

Red_Hills_West_Unit__017_H2S_Plan_20190617083729.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Red_Hills_West_Unit_017H_Dir_plot_20190617083805.pdf

Red_Hills_West_Unit_17H_Dir_plan_20190918153029.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

Red_Hills_West_Unit_017H_Drig_Program_20190617083949.doc

Red_Hills_West_Unit__17H_20190617084503.pdf

Other Variance attachment:

10M BOPE & Closed Loop Equipment Schematic

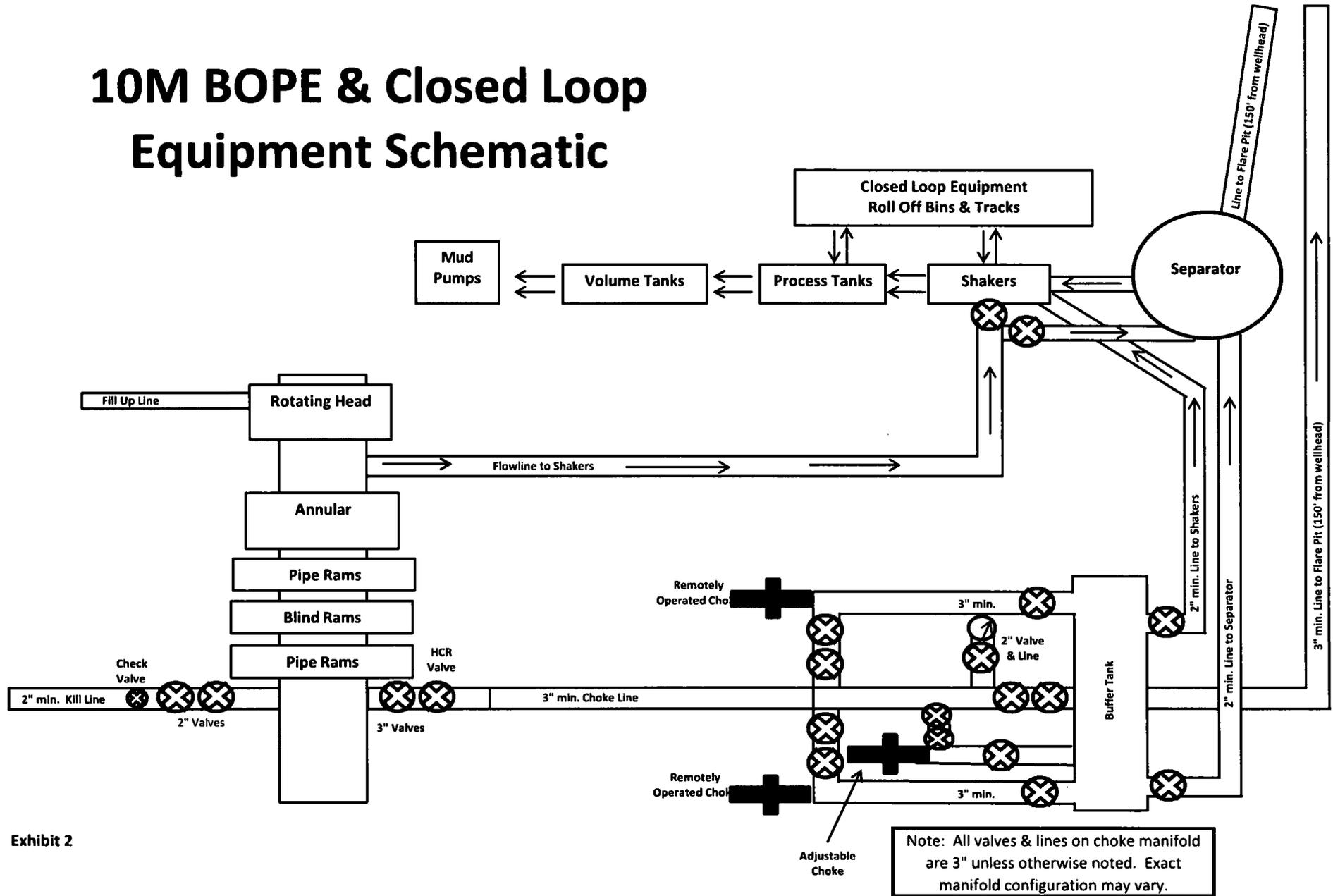
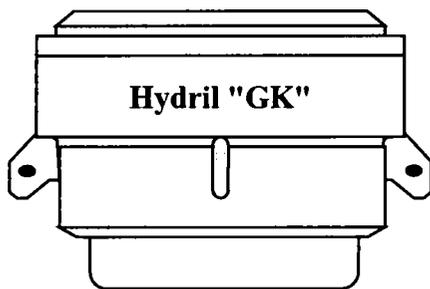
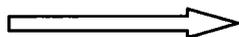


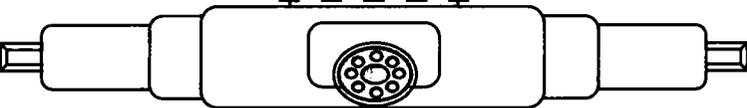
Exhibit 2

Hydril "GK"
13-5/8" 5M

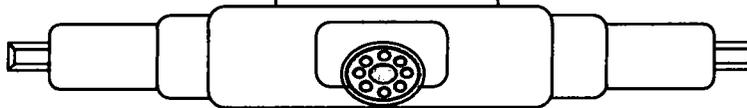


Hydril "GK"

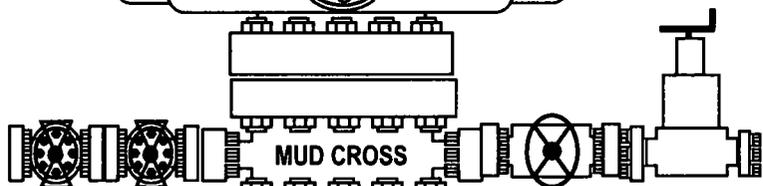
Cameron Type U
13-5/8" 10M



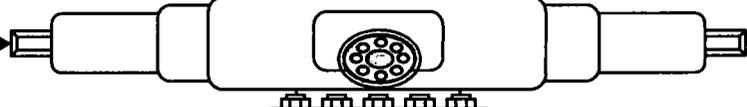
Variable Bore Rams



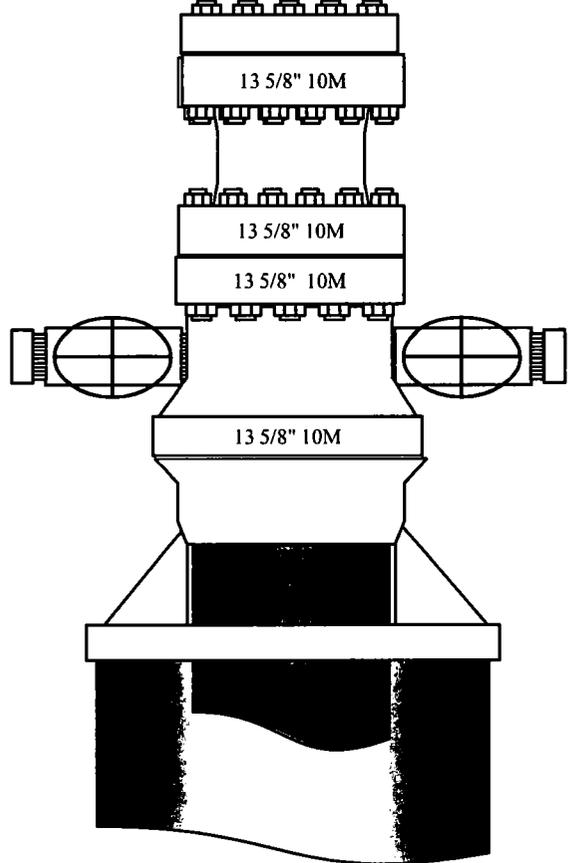
BLIND RAMS



MUD CROSS



Variable Bore Rams



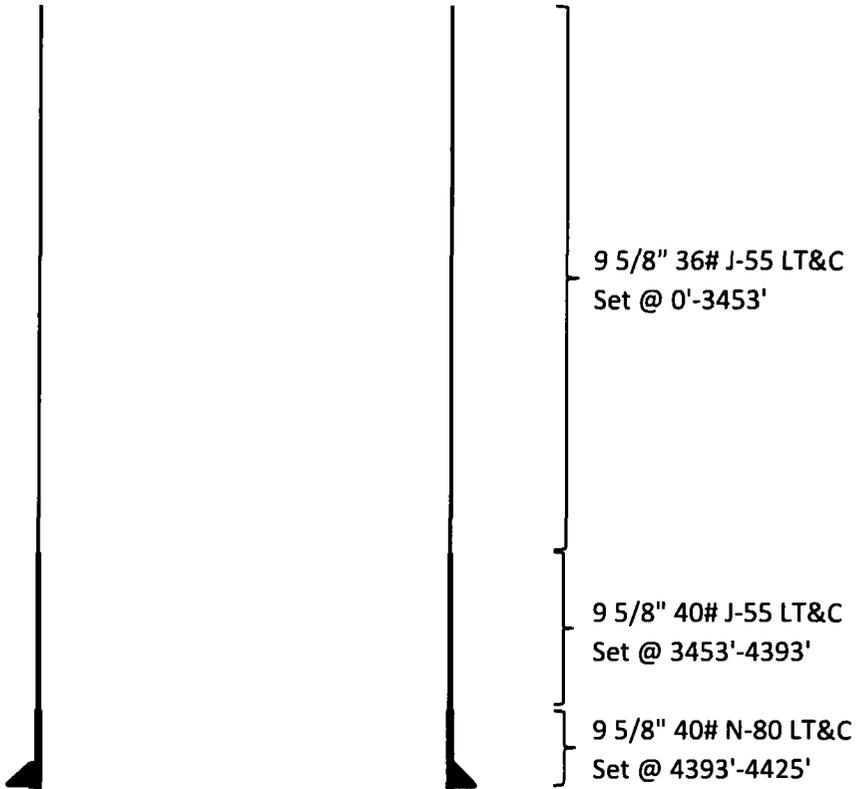
13 5/8" 10M

13 5/8" 10M

13 5/8" 10M

13 5/8" 10M

Virgo 24/23 B2AD Fed Com #1H
Intermediate Casing



| Casing | SF Collapse | SF Burst | SF Jt Tension | SF Body Tension |
|----------|-------------|----------|---------------|-----------------|
| 36# J-55 | 1.13 | 1.96 | 2.78 | 4.54 |
| 40# J-55 | 1.13 | 1.73 | 13.37 | 16.75 |
| 40# N-80 | 1.34 | 2.5 | 578.72 | 719.28 |

2. Casing Program

| Hole Size | Casing Interval | | Csg. Size | Weight (lbs) | Grade | Conn. | SF Collapse | SF Burst | SF Jt Tension | SF Body Tension |
|---------------------------|-----------------|--------|-----------|--------------|--------|-------|-------------|----------|--------------------|--------------------|
| | From | To | | | | | | | | |
| 17.5" | 0' | 825' | 13.375" | 48 | H40 | STC | 1.99 | 4.48 | 8.13 | 13.66 |
| 12.25" | 0' | 3453' | 9.625" | 36 | J55 | LTC | 1.13 | 1.96 | 2.76 | 4.54 |
| 12.25" | 3453' | 4393' | 9.625" | 40 | J55 | LTC | 1.13 | 1.73 | 12.97 | 16.75 |
| 12.25" | 4393' | 4455' | 9.625" | 40 | N80 | LTC | 1.33 | 2.48 | 297.96 | 370.32 |
| 8.75" | 0' | 12500' | 7" | 26 | HCP110 | LTC | 1.22 | 1.62 | 2.02 | 2.55 |
| 6.125" | 11768' | 22677' | 4.5" | 13.5 | P110 | LTC | 1.67 | 1.94 | 2.29 | 2.86 |
| BLM Minimum Safety Factor | | | | | | | 1.125 | 1 | 1.6 Dry 1.8 Wet | 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 |
| Is casing API approved? 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 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? | |

2. Casing Program

| Hole Size | Casing Interval | | Csg. Size | Weight (lbs) | Grade | Conn. | SF Collapse | SF Burst | SF Jt Tension | SF Body Tension |
|---------------------------|-----------------|--------|-----------|--------------|--------|-------|-------------|----------|--------------------|--------------------|
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| If yes, are there three strings cemented to surface? | |

Hydrogen Sulfide Drilling Operations Plan
Mewbourne Oil Company

1. General Requirements

Rule 118 does not apply to this well because MOC has researched this area and no high concentrations of H₂S were found. MOC will have on location and working all H₂S safety equipment before the Delaware formation for purposes of safety and insurance requirements.

2. Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will have received training from a qualified instructor in the following areas prior to entering the drilling pad area of the well:

1. The hazards and characteristics of hydrogen sulfide gas.
2. The proper use of personal protective equipment and life support systems.
3. The proper use of hydrogen sulfide detectors, alarms, warning systems, briefing areas, evacuation procedures.
4. The proper techniques for first aid and rescue operations.

Additionally, supervisory personnel will be trained in the following areas:

- 1 The effects of hydrogen sulfide on metal components. If high tensile tubular systems are utilized, supervisory personnel will be trained in their special maintenance requirements.
- 2 Corrective action and shut in procedures, blowout prevention, and well control procedures while drilling a well.
- 3 The contents of the Hydrogen Sulfide Drilling Operations Plan.

There will be an initial training session prior to encountering a know hydrogen sulfide source. The initial training session shall include a review of the site specific Hydrogen Sulfide Drilling Operations Plan.

3. Hydrogen Sulfide Safety Equipment and Systems

All hydrogen sulfide safety equipment and systems will be installed, tested, and operational prior to drilling below the 9 5/8" intermediate casing.

1. Well Control Equipment
 - A. Choke manifold with minimum of one adjustable choke/remote choke.
 - B. Blowout preventers equipped with blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit
 - C. Auxiliary equipment including annular type blowout preventer.
2. Protective Equipment for Essential Personnel

Thirty minute self contained work unit located in the dog house and at briefing areas.

Additionally: If H₂S is encountered in concentrations less than 10 ppm, fans will be placed in work areas to prevent the accumulation of hazardous amounts of poisonous gas. If higher concentrations of H₂S are detected the well will be shut in and a rotating head, mud/gas separator, remote choke and flare line with igniter will be installed.

3. Hydrogen Sulfide Protection and Monitoring Equipment
Two portable hydrogen sulfide monitors positioned on location for optimum coverage and detection. The units shall have audible sirens to notify personnel when hydrogen sulfide levels exceed 20 PPM.
4. Visual Warning Systems
 - A. Wind direction indicators as indicated on the wellsite diagram.
 - B. Caution signs shall be posted on roads providing access to location. Signs shall be painted a high visibility color with lettering of sufficient size to be readable at reasonable distances from potentially contaminated areas.

4. Mud Program

The mud program has been designed to minimize the amount of hydrogen sulfide entrained in the mud system. Proper mud weight, safe drilling practices, and the use of hydrogen sulfide scavengers will minimize hazards while drilling the well.

5. Metallurgy

All tubular systems, wellheads, blowout preventers, drilling spools, kill lines, choke manifolds, and valves shall be suitable for service in a hydrogen sulfide environment when chemically treated.

6. Communications

State & County Officials phone numbers are posted on rig floor and supervisors trailer. Communications in company vehicles and toolpushers are either two way radios or cellular phones.

7. Well Testing

Drill stem testing is not an anticipated requirement for evaluation of this well. If a drill stem test is required, it will be conducted with a minimum number of personnel in the immediate vicinity. The test will be conducted during daylight hours only.

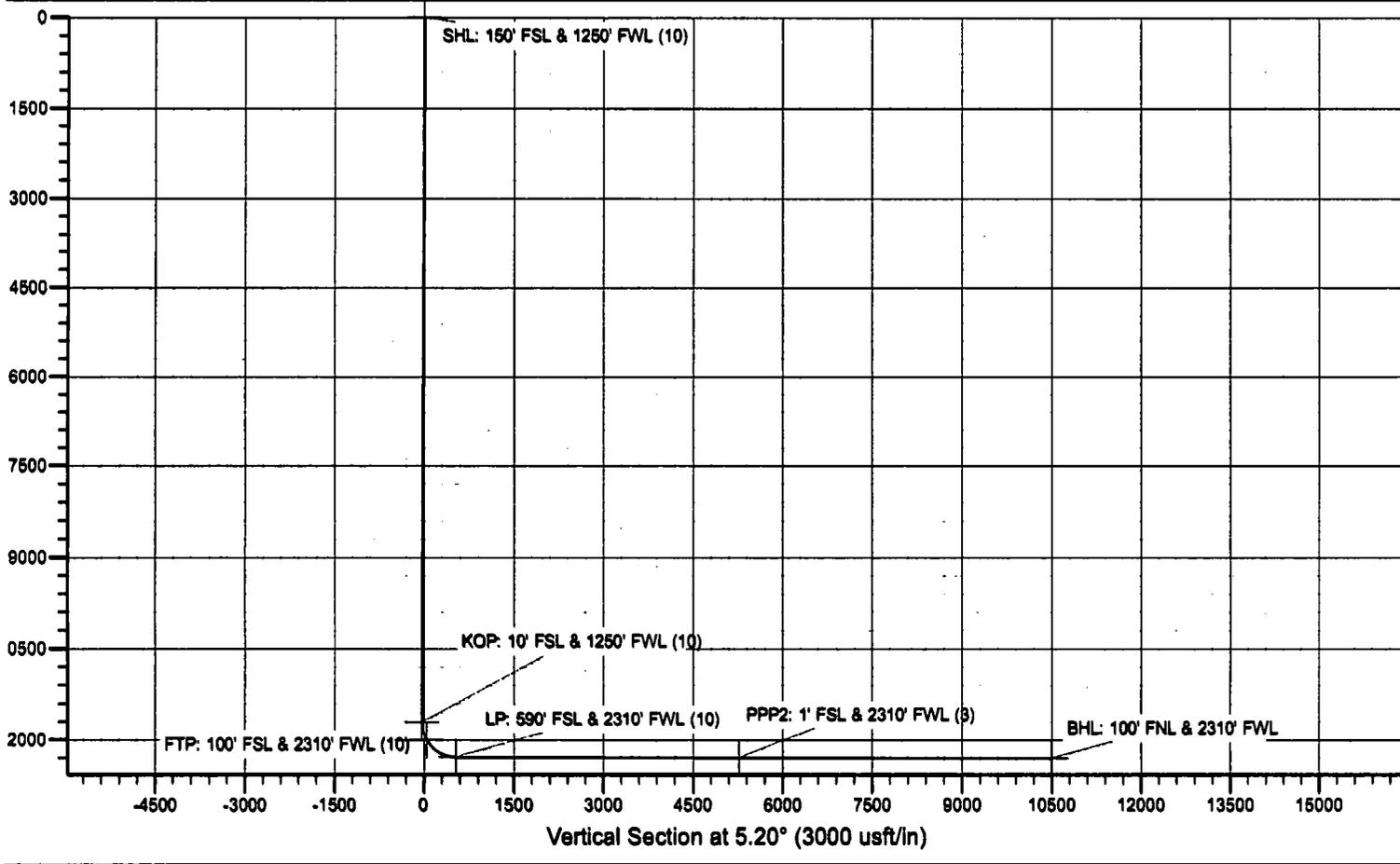
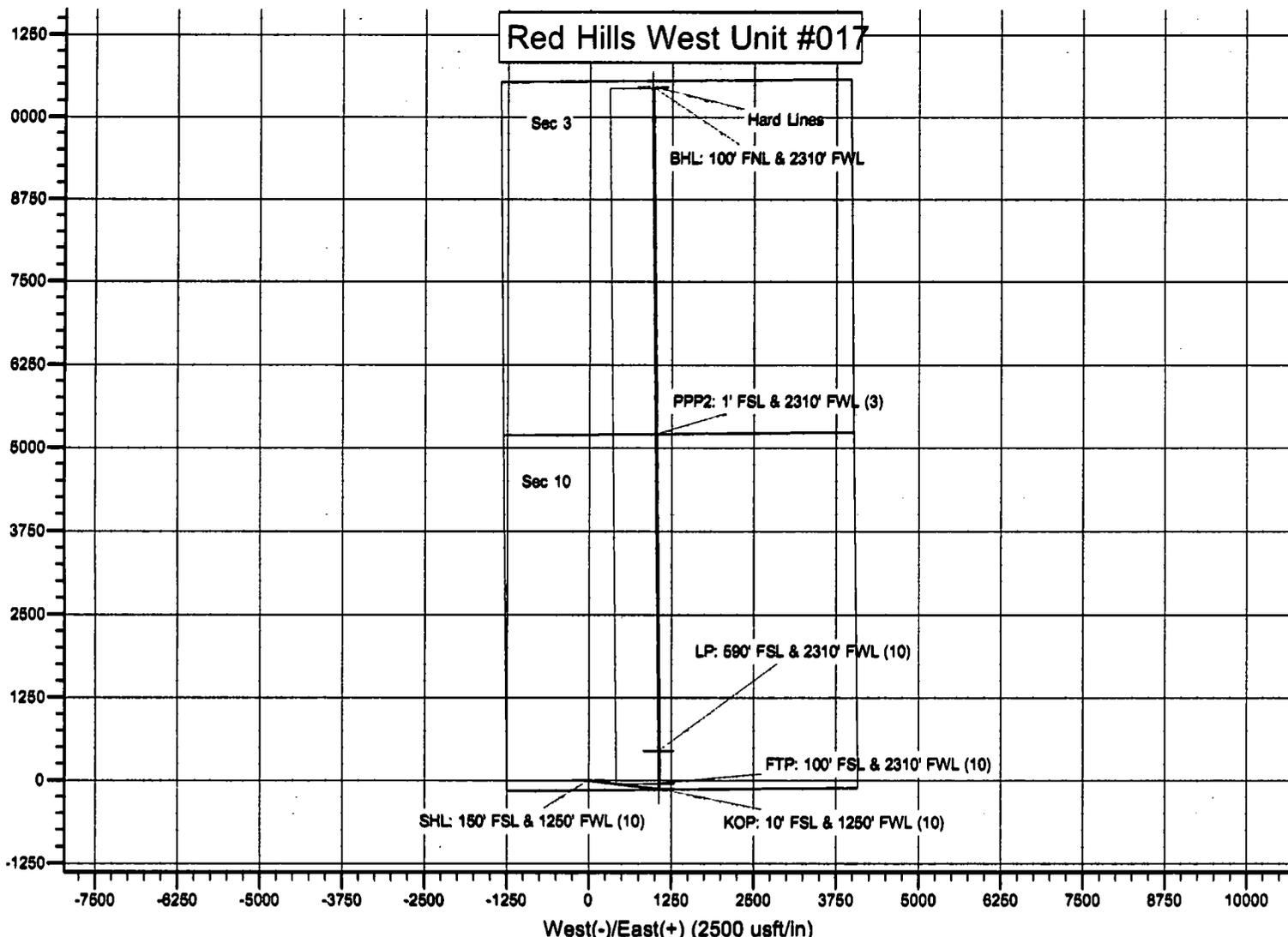
8. Emergency Phone Numbers

| | |
|---|----------------------------|
| Eddy County Sheriff's Office | 911 or 575-887-7551 |
| Ambulance Service | 911 or 575-885-2111 |
| Carlsbad Fire Dept | 911 or 575-885-2111 |
| Loco Hills Volunteer Fire Dept. | 911 or 575-677-3266 |
| Closest Medical Facility - Columbia Medical Center of Carlsbad | 575-492-5000 |

| | | |
|------------------------------|------------------------------|---------------------|
| Mewbourne Oil Company | Hobbs District Office | 575-393-5905 |
| | Fax | 575-397-6252 |
| | 2nd Fax | 575-393-7259 |

| | | |
|--------------------------------|-----------------------|---------------------|
| District Manager | Robin Terrell | 575-390-4816 |
| Drilling Superintendent | Frosty Lathan | 575-390-4103 |
| | Bradley Bishop | 575-390-6838 |
| Drilling Foreman | Wesley Noseff | 575-441-0729 |

Red Hills West Unit #017



Mewbourne Oil Company

Lea County, New Mexico NAD 83

Red Hills West Unit #017

Sec 10, T26S, R32E

SHL: 150' FSL & 1250' FWL, Sec 10

BHL: 100' FNL & 2310' FWL, Sec 3

Plan: Design #1

Standard Planning Report

18 September, 2019

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|--|
| Database: | Hobbs | Local Co-ordinate Reference: | Site Red Hills West Unit #017 |
| Company: | Mowbome Oil Company | TVD Reference: | WELL @ 3265.0usft (Original Well Elev) |
| Project: | Lea County, New Mexico NAD 83 | MD Reference: | WELL @ 3265.0usft (Original Well Elev) |
| Site: | Red Hills West Unit #017 | North Reference: | Grid |
| Well: | Sec 10, T26S, R32E | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | BHL: 100' FNL & 2310' FWL, Sec 3 | | |
| Design: | Design #1 | | |

| | | | |
|--------------------|-------------------------------|----------------------|----------------|
| Project | Lea County, New Mexico NAD 83 | | |
| Map System: | US State Plane 1983 | System Datum: | Mean Sea Level |
| Geo Datum: | North American Datum 1983 | | |
| Map Zone: | New Mexico Eastern Zone | | |

| | | | | | |
|------------------------------|--------------------------|---------------------|-----------------|--------------------------|--------------|
| Site | Red Hills West Unit #017 | | | | |
| Site Position: | | Northing: | 382,816.90 usft | Latitude: | 32.0506940 |
| From: | Map | Easting: | 747,685.10 usft | Longitude: | -103.6673102 |
| Position Uncertainty: | 0.0 usft | Slot Radius: | 13-3/16 " | Grid Convergence: | 0.35 " |

| | | | | | | |
|-----------------------------|--------------------|----------|----------------------------|-----------------|----------------------|--------------|
| Well | Sec 10, T26S, R32E | | | | | |
| Well Position | +N/-S | 0.0 usft | Northing: | 382,816.90 usft | Latitude: | 32.0506940 |
| | +E/-W | 0.0 usft | Easting: | 747,685.10 usft | Longitude: | -103.6673102 |
| Position Uncertainty | | 0.0 usft | Wellhead Elevation: | 3,246.0 usft | Ground Level: | 3,219.0 usft |

| | | | | | |
|------------------|----------------------------------|--------------------|--------------------|------------------|-----------------------|
| Wellbore | BHL: 100' FNL & 2310' FWL, Sec 3 | | | | |
| Magnetics | Model Name | Sample Date | Declination | Dip Angle | Field Strength |
| | | | (°) | (°) | (nT) |
| | IGRF2010 | 6/12/2019 | 8.63 | 59.81 | 47,706 |

| | | | | |
|--------------------------|-------------------------|--------------|----------------------|------------------|
| 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 | 5.20 |

| 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 | |
| 850.0 | 0.00 | 0.00 | 850.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1,238.8 | 5.83 | 97.03 | 1,238.2 | -2.4 | 19.6 | 1.50 | 1.50 | 0.00 | 97.03 | |
| 11,378.0 | 5.83 | 97.03 | 11,324.8 | -128.5 | 1,042.3 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 11,766.8 | 0.00 | 0.00 | 11,713.0 | -130.9 | 1,061.9 | 1.50 | -1.50 | 0.00 | 180.00 | KOP: 10' FSL & 2310' |
| 12,665.8 | 89.89 | 359.40 | 12,286.0 | 440.9 | 1,055.9 | 10.00 | 10.00 | 0.00 | -0.60 | |
| 22,677.4 | 89.89 | 359.40 | 12,306.0 | 10,452.0 | 950.8 | 0.00 | 0.00 | 0.00 | 0.00 | BHL: 100' FNL & 2310' |

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|--|
| Database: | Hobbs | Local Co-ordinate Reference: | Site Red Hills West Unit #017 |
| Company: | Mewbourne Oil Company | TVD Reference: | WELL @ 3265.0usft (Original Well Elev) |
| Project: | Lea County, New Mexico NAD 83 | MD Reference: | WELL @ 3265.0usft (Original Well Elev) |
| Site: | Red Hills West Unit #017 | North Reference: | Grid |
| Well: | Sec 10, T28S, R32E | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | BHL: 100' FNL & 2310' FWL, Sec 3 | | |
| 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 | |
| SHL: 150' FSL & 1250' FWL (10) | | | | | | | | | | |
| 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 | |
| 850.0 | 0.00 | 0.00 | 850.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | |
| 900.0 | 0.75 | 97.03 | 900.0 | 0.0 | 0.3 | 0.0 | 1.50 | 1.50 | 0.00 | |
| 1,000.0 | 2.25 | 97.03 | 1,000.0 | -0.4 | 2.9 | -0.1 | 1.50 | 1.50 | 0.00 | |
| 1,100.0 | 3.75 | 97.03 | 1,099.8 | -1.0 | 8.1 | -0.3 | 1.50 | 1.50 | 0.00 | |
| 1,200.0 | 5.25 | 97.03 | 1,199.5 | -2.0 | 15.9 | -0.5 | 1.50 | 1.50 | 0.00 | |
| 1,238.8 | 5.83 | 97.03 | 1,238.2 | -2.4 | 19.6 | -0.6 | 1.50 | 1.50 | 0.00 | |
| 1,300.0 | 5.83 | 97.03 | 1,299.0 | -3.2 | 25.8 | -0.8 | 0.00 | 0.00 | 0.00 | |
| 1,400.0 | 5.83 | 97.03 | 1,398.5 | -4.4 | 35.9 | -1.2 | 0.00 | 0.00 | 0.00 | |
| 1,500.0 | 5.83 | 97.03 | 1,498.0 | -5.7 | 46.0 | -1.5 | 0.00 | 0.00 | 0.00 | |
| 1,600.0 | 5.83 | 97.03 | 1,597.5 | -6.9 | 56.1 | -1.8 | 0.00 | 0.00 | 0.00 | |
| 1,700.0 | 5.83 | 97.03 | 1,696.9 | -8.2 | 66.1 | -2.1 | 0.00 | 0.00 | 0.00 | |
| 1,800.0 | 5.83 | 97.03 | 1,796.4 | -9.4 | 76.2 | -2.5 | 0.00 | 0.00 | 0.00 | |
| 1,900.0 | 5.83 | 97.03 | 1,895.9 | -10.6 | 86.3 | -2.8 | 0.00 | 0.00 | 0.00 | |
| 2,000.0 | 5.83 | 97.03 | 1,995.4 | -11.9 | 96.4 | -3.1 | 0.00 | 0.00 | 0.00 | |
| 2,100.0 | 5.83 | 97.03 | 2,094.9 | -13.1 | 106.5 | -3.4 | 0.00 | 0.00 | 0.00 | |
| 2,200.0 | 5.83 | 97.03 | 2,194.4 | -14.4 | 116.6 | -3.7 | 0.00 | 0.00 | 0.00 | |
| 2,300.0 | 5.83 | 97.03 | 2,293.8 | -15.6 | 126.7 | -4.1 | 0.00 | 0.00 | 0.00 | |
| 2,400.0 | 5.83 | 97.03 | 2,393.3 | -16.9 | 136.7 | -4.4 | 0.00 | 0.00 | 0.00 | |
| 2,500.0 | 5.83 | 97.03 | 2,492.8 | -18.1 | 146.8 | -4.7 | 0.00 | 0.00 | 0.00 | |
| 2,600.0 | 5.83 | 97.03 | 2,592.3 | -19.3 | 156.9 | -5.0 | 0.00 | 0.00 | 0.00 | |
| 2,700.0 | 5.83 | 97.03 | 2,691.8 | -20.6 | 167.0 | -5.4 | 0.00 | 0.00 | 0.00 | |
| 2,800.0 | 5.83 | 97.03 | 2,791.2 | -21.8 | 177.1 | -5.7 | 0.00 | 0.00 | 0.00 | |
| 2,900.0 | 5.83 | 97.03 | 2,890.7 | -23.1 | 187.2 | -6.0 | 0.00 | 0.00 | 0.00 | |
| 3,000.0 | 5.83 | 97.03 | 2,990.2 | -24.3 | 197.3 | -6.3 | 0.00 | 0.00 | 0.00 | |
| 3,100.0 | 5.83 | 97.03 | 3,089.7 | -25.6 | 207.3 | -6.7 | 0.00 | 0.00 | 0.00 | |
| 3,200.0 | 5.83 | 97.03 | 3,189.2 | -26.8 | 217.4 | -7.0 | 0.00 | 0.00 | 0.00 | |
| 3,300.0 | 5.83 | 97.03 | 3,288.7 | -28.0 | 227.5 | -7.3 | 0.00 | 0.00 | 0.00 | |
| 3,400.0 | 5.83 | 97.03 | 3,388.1 | -29.3 | 237.6 | -7.6 | 0.00 | 0.00 | 0.00 | |
| 3,500.0 | 5.83 | 97.03 | 3,487.6 | -30.5 | 247.7 | -8.0 | 0.00 | 0.00 | 0.00 | |
| 3,600.0 | 5.83 | 97.03 | 3,587.1 | -31.8 | 257.8 | -8.3 | 0.00 | 0.00 | 0.00 | |
| 3,700.0 | 5.83 | 97.03 | 3,686.6 | -33.0 | 267.9 | -8.6 | 0.00 | 0.00 | 0.00 | |
| 3,800.0 | 5.83 | 97.03 | 3,786.1 | -34.3 | 277.9 | -8.9 | 0.00 | 0.00 | 0.00 | |
| 3,900.0 | 5.83 | 97.03 | 3,885.6 | -35.5 | 288.0 | -9.3 | 0.00 | 0.00 | 0.00 | |
| 4,000.0 | 5.83 | 97.03 | 3,985.0 | -36.7 | 298.1 | -9.6 | 0.00 | 0.00 | 0.00 | |
| 4,100.0 | 5.83 | 97.03 | 4,084.5 | -38.0 | 308.2 | -9.9 | 0.00 | 0.00 | 0.00 | |
| 4,200.0 | 5.83 | 97.03 | 4,184.0 | -39.2 | 318.3 | -10.2 | 0.00 | 0.00 | 0.00 | |
| 4,300.0 | 5.83 | 97.03 | 4,283.5 | -40.5 | 328.4 | -10.6 | 0.00 | 0.00 | 0.00 | |
| 4,400.0 | 5.83 | 97.03 | 4,383.0 | -41.7 | 338.5 | -10.9 | 0.00 | 0.00 | 0.00 | |
| 4,500.0 | 5.83 | 97.03 | 4,482.4 | -43.0 | 348.6 | -11.2 | 0.00 | 0.00 | 0.00 | |
| 4,600.0 | 5.83 | 97.03 | 4,581.9 | -44.2 | 358.6 | -11.5 | 0.00 | 0.00 | 0.00 | |
| 4,700.0 | 5.83 | 97.03 | 4,681.4 | -45.5 | 368.7 | -11.9 | 0.00 | 0.00 | 0.00 | |
| 4,800.0 | 5.83 | 97.03 | 4,780.9 | -46.7 | 378.8 | -12.2 | 0.00 | 0.00 | 0.00 | |
| 4,900.0 | 5.83 | 97.03 | 4,880.4 | -47.9 | 388.9 | -12.5 | 0.00 | 0.00 | 0.00 | |
| 5,000.0 | 5.83 | 97.03 | 4,979.9 | -49.2 | 399.0 | -12.8 | 0.00 | 0.00 | 0.00 | |

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|--|
| Database: | Hobbs | Local Co-ordinate Reference: | Site Red Hills West Unit #017 |
| Company: | Mewbourne Oil Company | TVD Reference: | WELL @ 3265.0usft (Original Well Elev) |
| Project: | Lea County, New Mexico NAD 83 | MD Reference: | WELL @ 3265.0usft (Original Well Elev) |
| Site: | Red Hills West Unit #017 | North Reference: | Grid |
| Well: | Sec 10, T26S, R32E | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | BHL: 100' FNL & 2310' FWL, Sec 3 | | |
| 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) | |
| 5,100.0 | 5.83 | 97.03 | 5,078.3 | -50.4 | 408.1 | -13.2 | 0.00 | 0.00 | 0.00 | |
| 5,200.0 | 5.83 | 97.03 | 5,178.8 | -51.7 | 419.2 | -13.5 | 0.00 | 0.00 | 0.00 | |
| 5,300.0 | 5.83 | 97.03 | 5,278.3 | -52.9 | 429.2 | -13.8 | 0.00 | 0.00 | 0.00 | |
| 5,400.0 | 5.83 | 97.03 | 5,377.8 | -54.2 | 439.3 | -14.1 | 0.00 | 0.00 | 0.00 | |
| 5,500.0 | 5.83 | 97.03 | 5,477.3 | -55.4 | 449.4 | -14.5 | 0.00 | 0.00 | 0.00 | |
| 5,600.0 | 5.83 | 97.03 | 5,576.8 | -56.6 | 459.5 | -14.8 | 0.00 | 0.00 | 0.00 | |
| 5,700.0 | 5.83 | 97.03 | 5,676.2 | -57.9 | 469.6 | -15.1 | 0.00 | 0.00 | 0.00 | |
| 5,800.0 | 5.83 | 97.03 | 5,775.7 | -59.1 | 479.7 | -15.4 | 0.00 | 0.00 | 0.00 | |
| 5,900.0 | 5.83 | 97.03 | 5,875.2 | -60.4 | 489.8 | -15.8 | 0.00 | 0.00 | 0.00 | |
| 6,000.0 | 5.83 | 97.03 | 5,974.7 | -61.6 | 499.8 | -16.1 | 0.00 | 0.00 | 0.00 | |
| 6,100.0 | 5.83 | 97.03 | 6,074.2 | -62.9 | 509.9 | -16.4 | 0.00 | 0.00 | 0.00 | |
| 6,200.0 | 5.83 | 97.03 | 6,173.6 | -64.1 | 520.0 | -16.7 | 0.00 | 0.00 | 0.00 | |
| 6,300.0 | 5.83 | 97.03 | 6,273.1 | -65.3 | 530.1 | -17.1 | 0.00 | 0.00 | 0.00 | |
| 6,400.0 | 5.83 | 97.03 | 6,372.6 | -66.6 | 540.2 | -17.4 | 0.00 | 0.00 | 0.00 | |
| 6,500.0 | 5.83 | 97.03 | 6,472.1 | -67.8 | 550.3 | -17.7 | 0.00 | 0.00 | 0.00 | |
| 6,600.0 | 5.83 | 97.03 | 6,571.6 | -69.1 | 560.4 | -18.0 | 0.00 | 0.00 | 0.00 | |
| 6,700.0 | 5.83 | 97.03 | 6,671.1 | -70.3 | 570.4 | -18.4 | 0.00 | 0.00 | 0.00 | |
| 6,800.0 | 5.83 | 97.03 | 6,770.5 | -71.6 | 580.5 | -18.7 | 0.00 | 0.00 | 0.00 | |
| 6,900.0 | 5.83 | 97.03 | 6,870.0 | -72.8 | 590.6 | -19.0 | 0.00 | 0.00 | 0.00 | |
| 7,000.0 | 5.83 | 97.03 | 6,969.5 | -74.0 | 600.7 | -19.3 | 0.00 | 0.00 | 0.00 | |
| 7,100.0 | 5.83 | 97.03 | 7,069.0 | -75.3 | 610.8 | -19.6 | 0.00 | 0.00 | 0.00 | |
| 7,200.0 | 5.83 | 97.03 | 7,168.5 | -76.5 | 620.9 | -20.0 | 0.00 | 0.00 | 0.00 | |
| 7,300.0 | 5.83 | 97.03 | 7,267.9 | -77.8 | 631.0 | -20.3 | 0.00 | 0.00 | 0.00 | |
| 7,400.0 | 5.83 | 97.03 | 7,367.4 | -79.0 | 641.0 | -20.6 | 0.00 | 0.00 | 0.00 | |
| 7,500.0 | 5.83 | 97.03 | 7,466.9 | -80.3 | 651.1 | -20.9 | 0.00 | 0.00 | 0.00 | |
| 7,600.0 | 5.83 | 97.03 | 7,566.4 | -81.5 | 661.2 | -21.3 | 0.00 | 0.00 | 0.00 | |
| 7,700.0 | 5.83 | 97.03 | 7,665.9 | -82.8 | 671.3 | -21.6 | 0.00 | 0.00 | 0.00 | |
| 7,800.0 | 5.83 | 97.03 | 7,765.4 | -84.0 | 681.4 | -21.9 | 0.00 | 0.00 | 0.00 | |
| 7,900.0 | 5.83 | 97.03 | 7,864.8 | -85.2 | 691.5 | -22.2 | 0.00 | 0.00 | 0.00 | |
| 8,000.0 | 5.83 | 97.03 | 7,964.3 | -86.5 | 701.6 | -22.6 | 0.00 | 0.00 | 0.00 | |
| 8,100.0 | 5.83 | 97.03 | 8,063.8 | -87.7 | 711.7 | -22.9 | 0.00 | 0.00 | 0.00 | |
| 8,200.0 | 5.83 | 97.03 | 8,163.3 | -89.0 | 721.7 | -23.2 | 0.00 | 0.00 | 0.00 | |
| 8,300.0 | 5.83 | 97.03 | 8,262.8 | -90.2 | 731.8 | -23.5 | 0.00 | 0.00 | 0.00 | |
| 8,400.0 | 5.83 | 97.03 | 8,362.3 | -91.5 | 741.9 | -23.9 | 0.00 | 0.00 | 0.00 | |
| 8,500.0 | 5.83 | 97.03 | 8,461.7 | -92.7 | 752.0 | -24.2 | 0.00 | 0.00 | 0.00 | |
| 8,600.0 | 5.83 | 97.03 | 8,561.2 | -93.9 | 762.1 | -24.5 | 0.00 | 0.00 | 0.00 | |
| 8,700.0 | 5.83 | 97.03 | 8,660.7 | -95.2 | 772.2 | -24.8 | 0.00 | 0.00 | 0.00 | |
| 8,800.0 | 5.83 | 97.03 | 8,760.2 | -96.4 | 782.3 | -25.2 | 0.00 | 0.00 | 0.00 | |
| 8,900.0 | 5.83 | 97.03 | 8,859.7 | -97.7 | 792.3 | -25.5 | 0.00 | 0.00 | 0.00 | |
| 9,000.0 | 5.83 | 97.03 | 8,959.1 | -98.9 | 802.4 | -25.8 | 0.00 | 0.00 | 0.00 | |
| 9,100.0 | 5.83 | 97.03 | 9,058.6 | -100.2 | 812.5 | -26.1 | 0.00 | 0.00 | 0.00 | |
| 9,200.0 | 5.83 | 97.03 | 9,158.1 | -101.4 | 822.6 | -26.5 | 0.00 | 0.00 | 0.00 | |
| 9,300.0 | 5.83 | 97.03 | 9,257.6 | -102.6 | 832.7 | -26.8 | 0.00 | 0.00 | 0.00 | |
| 9,400.0 | 5.83 | 97.03 | 9,357.1 | -103.9 | 842.8 | -27.1 | 0.00 | 0.00 | 0.00 | |
| 9,500.0 | 5.83 | 97.03 | 9,456.6 | -105.1 | 852.9 | -27.4 | 0.00 | 0.00 | 0.00 | |
| 9,600.0 | 5.83 | 97.03 | 9,556.0 | -106.4 | 862.9 | -27.8 | 0.00 | 0.00 | 0.00 | |
| 9,700.0 | 5.83 | 97.03 | 9,655.5 | -107.6 | 873.0 | -28.1 | 0.00 | 0.00 | 0.00 | |
| 9,800.0 | 5.83 | 97.03 | 9,755.0 | -108.9 | 883.1 | -28.4 | 0.00 | 0.00 | 0.00 | |
| 9,900.0 | 5.83 | 97.03 | 9,854.5 | -110.1 | 893.2 | -28.7 | 0.00 | 0.00 | 0.00 | |
| 10,000.0 | 5.83 | 97.03 | 9,954.0 | -111.3 | 903.3 | -29.1 | 0.00 | 0.00 | 0.00 | |
| 10,100.0 | 5.83 | 97.03 | 10,053.5 | -112.6 | 913.4 | -29.4 | 0.00 | 0.00 | 0.00 | |
| 10,200.0 | 5.83 | 97.03 | 10,152.9 | -113.8 | 923.5 | -29.7 | 0.00 | 0.00 | 0.00 | |
| 10,300.0 | 5.83 | 97.03 | 10,252.4 | -115.1 | 933.5 | -30.0 | 0.00 | 0.00 | 0.00 | |
| 10,400.0 | 5.83 | 97.03 | 10,351.9 | -116.3 | 943.6 | -30.4 | 0.00 | 0.00 | 0.00 | |

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|--|
| Database: | Hobbs | Local Co-ordinate Reference: | Site Red Hills West Unit #017 |
| Company: | Mewbourne Oil Company | TVD Reference: | WELL @ 3265.0usft (Original Well Elev) |
| Project: | Lea County, New Mexico NAD 83 | MD Reference: | WELL @ 3265.0usft (Original Well Elev) |
| Site: | Red Hills West Unit #017 | North Reference: | Grid |
| Well: | Sec 10, T26S, R32E | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | BHL: 100' FNL & 2310' FWL, Sec 3 | | |
| 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) | |
| 10,500.0 | 5.83 | 97.03 | 10,451.4 | -117.6 | 953.7 | -30.7 | 0.00 | 0.00 | 0.00 | |
| 10,600.0 | 5.83 | 97.03 | 10,550.9 | -118.8 | 963.8 | -31.0 | 0.00 | 0.00 | 0.00 | |
| 10,700.0 | 5.83 | 97.03 | 10,650.3 | -120.1 | 973.9 | -31.3 | 0.00 | 0.00 | 0.00 | |
| 10,800.0 | 5.83 | 97.03 | 10,749.8 | -121.3 | 984.0 | -31.7 | 0.00 | 0.00 | 0.00 | |
| 10,900.0 | 5.83 | 97.03 | 10,849.3 | -122.5 | 994.1 | -32.0 | 0.00 | 0.00 | 0.00 | |
| 11,000.0 | 5.83 | 97.03 | 10,948.8 | -123.8 | 1,004.1 | -32.3 | 0.00 | 0.00 | 0.00 | |
| 11,100.0 | 5.83 | 97.03 | 11,048.3 | -125.0 | 1,014.2 | -32.6 | 0.00 | 0.00 | 0.00 | |
| 11,200.0 | 5.83 | 97.03 | 11,147.8 | -126.3 | 1,024.3 | -33.0 | 0.00 | 0.00 | 0.00 | |
| 11,300.0 | 5.83 | 97.03 | 11,247.2 | -127.5 | 1,034.4 | -33.3 | 0.00 | 0.00 | 0.00 | |
| 11,378.0 | 5.83 | 97.03 | 11,324.8 | -128.5 | 1,042.3 | -33.5 | 0.00 | 0.00 | 0.00 | |
| 11,400.0 | 5.50 | 97.03 | 11,346.7 | -128.7 | 1,044.4 | -33.6 | 1.50 | -1.50 | 0.00 | |
| 11,500.0 | 4.00 | 97.03 | 11,446.4 | -129.8 | 1,052.7 | -33.9 | 1.50 | -1.50 | 0.00 | |
| 11,600.0 | 2.50 | 97.03 | 11,546.2 | -130.5 | 1,058.3 | -34.0 | 1.50 | -1.50 | 0.00 | |
| 11,700.0 | 1.00 | 97.03 | 11,646.2 | -130.8 | 1,061.3 | -34.1 | 1.50 | -1.50 | 0.00 | |
| 11,766.8 | 0.00 | 0.00 | 11,713.0 | -130.9 | 1,061.9 | -34.2 | 1.50 | -1.50 | 0.00 | |
| KOP: 10' FSL & 2310' FWL (10) | | | | | | | | | | |
| 11,800.0 | 3.32 | 359.40 | 11,746.1 | -129.9 | 1,061.9 | -33.2 | 10.00 | 10.00 | 0.00 | |
| 11,850.0 | 8.32 | 359.40 | 11,795.9 | -124.9 | 1,061.8 | -28.2 | 10.00 | 10.00 | 0.00 | |
| 11,900.0 | 13.32 | 359.40 | 11,845.0 | -115.5 | 1,061.7 | -18.8 | 10.00 | 10.00 | 0.00 | |
| 11,950.0 | 18.32 | 359.40 | 11,893.1 | -101.9 | 1,061.6 | -5.3 | 10.00 | 10.00 | 0.00 | |
| 12,000.0 | 23.31 | 359.40 | 11,939.8 | -84.1 | 1,061.4 | 12.4 | 10.00 | 10.00 | 0.00 | |
| 12,050.0 | 28.31 | 359.40 | 11,984.8 | -62.3 | 1,061.2 | 34.0 | 10.00 | 10.00 | 0.00 | |
| 12,075.0 | 30.82 | 359.40 | 12,006.5 | -50.0 | 1,061.1 | 46.3 | 10.00 | 10.00 | 0.00 | |
| FTP: 100' FSL & 2310' FWL (10) | | | | | | | | | | |
| 12,100.0 | 33.31 | 359.40 | 12,027.7 | -36.7 | 1,060.9 | 59.5 | 10.00 | 10.00 | 0.00 | |
| 12,150.0 | 38.31 | 359.40 | 12,068.2 | -7.5 | 1,060.6 | 88.6 | 10.00 | 10.00 | 0.00 | |
| 12,200.0 | 43.31 | 359.40 | 12,106.1 | 25.2 | 1,060.3 | 121.1 | 10.00 | 10.00 | 0.00 | |
| 12,250.0 | 48.31 | 359.40 | 12,140.9 | 61.0 | 1,059.9 | 156.8 | 10.00 | 10.00 | 0.00 | |
| 12,300.0 | 53.31 | 359.40 | 12,172.5 | 99.7 | 1,059.5 | 195.3 | 10.00 | 10.00 | 0.00 | |
| 12,350.0 | 58.31 | 359.40 | 12,200.6 | 141.1 | 1,059.0 | 236.5 | 10.00 | 10.00 | 0.00 | |
| 12,400.0 | 63.31 | 359.40 | 12,225.0 | 184.7 | 1,058.6 | 279.9 | 10.00 | 10.00 | 0.00 | |
| 12,450.0 | 68.31 | 359.40 | 12,245.4 | 230.3 | 1,058.1 | 325.2 | 10.00 | 10.00 | 0.00 | |
| 12,500.0 | 73.31 | 359.40 | 12,261.9 | 277.5 | 1,057.6 | 372.2 | 10.00 | 10.00 | 0.00 | |
| 12,550.0 | 78.31 | 359.40 | 12,274.1 | 326.0 | 1,057.1 | 420.4 | 10.00 | 10.00 | 0.00 | |
| 12,600.0 | 83.31 | 359.40 | 12,282.1 | 375.3 | 1,056.6 | 469.5 | 10.00 | 10.00 | 0.00 | |
| 12,650.0 | 88.31 | 359.40 | 12,285.8 | 425.2 | 1,056.1 | 519.1 | 10.00 | 10.00 | 0.00 | |
| 12,664.8 | 89.79 | 359.40 | 12,286.0 | 440.0 | 1,055.9 | 533.8 | 10.00 | 10.00 | 0.00 | |
| LP: 690' FSL & 2310' FWL (10) | | | | | | | | | | |
| 12,685.8 | 89.89 | 359.40 | 12,286.0 | 440.9 | 1,055.9 | 534.8 | 10.00 | 10.00 | 0.00 | |
| 12,700.0 | 89.89 | 359.40 | 12,286.1 | 475.2 | 1,055.5 | 568.8 | 0.00 | 0.00 | 0.00 | |
| 12,800.0 | 89.89 | 359.40 | 12,286.3 | 575.2 | 1,054.5 | 668.3 | 0.00 | 0.00 | 0.00 | |
| 12,900.0 | 89.89 | 359.40 | 12,286.5 | 675.2 | 1,053.4 | 767.8 | 0.00 | 0.00 | 0.00 | |
| 13,000.0 | 89.89 | 359.40 | 12,286.7 | 775.1 | 1,052.4 | 867.3 | 0.00 | 0.00 | 0.00 | |
| 13,100.0 | 89.89 | 359.40 | 12,286.9 | 875.1 | 1,051.3 | 966.8 | 0.00 | 0.00 | 0.00 | |
| 13,200.0 | 89.89 | 359.40 | 12,287.1 | 975.1 | 1,050.3 | 1,066.3 | 0.00 | 0.00 | 0.00 | |
| 13,300.0 | 89.89 | 359.40 | 12,287.3 | 1,075.1 | 1,049.2 | 1,165.8 | 0.00 | 0.00 | 0.00 | |
| 13,400.0 | 89.89 | 359.40 | 12,287.5 | 1,175.1 | 1,048.2 | 1,265.3 | 0.00 | 0.00 | 0.00 | |
| 13,500.0 | 89.89 | 359.40 | 12,287.7 | 1,275.1 | 1,047.1 | 1,364.7 | 0.00 | 0.00 | 0.00 | |
| 13,600.0 | 89.89 | 359.40 | 12,287.9 | 1,375.1 | 1,046.1 | 1,464.2 | 0.00 | 0.00 | 0.00 | |
| 13,700.0 | 89.89 | 359.40 | 12,288.1 | 1,475.1 | 1,045.0 | 1,563.7 | 0.00 | 0.00 | 0.00 | |
| 13,800.0 | 89.89 | 359.40 | 12,288.3 | 1,575.1 | 1,044.0 | 1,663.2 | 0.00 | 0.00 | 0.00 | |
| 13,900.0 | 89.89 | 359.40 | 12,288.5 | 1,675.1 | 1,042.9 | 1,762.7 | 0.00 | 0.00 | 0.00 | |
| 14,000.0 | 89.89 | 359.40 | 12,288.7 | 1,775.1 | 1,041.9 | 1,862.2 | 0.00 | 0.00 | 0.00 | |

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|--|
| Database: | Hobbs | Local Co-ordinate Reference: | Site Red Hills West Unit #017 |
| Company: | Mewbourne Oil Company | TVD Reference: | WELL @ 3285.0usft (Original Well Elev) |
| Project: | Lea County, New Mexico NAD 83 | MD Reference: | WELL @ 3285.0usft (Original Well Elev) |
| Site: | Red Hills West Unit #017 | North Reference: | Grid |
| Well: | Sec 10, T28S, R32E | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | BHL: 100' FNL & 2310' FWL, Sec 3 | | |
| 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) | |
| 14,100.0 | 89.89 | 359.40 | 12,288.9 | 1,875.1 | 1,040.8 | 1,961.7 | 0.00 | 0.00 | 0.00 | |
| 14,200.0 | 89.89 | 359.40 | 12,289.1 | 1,975.1 | 1,039.8 | 2,061.2 | 0.00 | 0.00 | 0.00 | |
| 14,300.0 | 89.89 | 359.40 | 12,289.3 | 2,075.1 | 1,038.7 | 2,160.6 | 0.00 | 0.00 | 0.00 | |
| 14,400.0 | 89.89 | 359.40 | 12,289.5 | 2,175.1 | 1,037.7 | 2,260.1 | 0.00 | 0.00 | 0.00 | |
| 14,500.0 | 89.89 | 359.40 | 12,289.7 | 2,275.1 | 1,036.6 | 2,359.6 | 0.00 | 0.00 | 0.00 | |
| 14,600.0 | 89.89 | 359.40 | 12,289.9 | 2,375.1 | 1,035.6 | 2,459.1 | 0.00 | 0.00 | 0.00 | |
| 14,700.0 | 89.89 | 359.40 | 12,290.1 | 2,475.1 | 1,034.5 | 2,558.6 | 0.00 | 0.00 | 0.00 | |
| 14,800.0 | 89.89 | 359.40 | 12,290.3 | 2,575.0 | 1,033.5 | 2,658.1 | 0.00 | 0.00 | 0.00 | |
| 14,900.0 | 89.89 | 359.40 | 12,290.5 | 2,675.0 | 1,032.4 | 2,757.6 | 0.00 | 0.00 | 0.00 | |
| 15,000.0 | 89.89 | 359.40 | 12,290.7 | 2,775.0 | 1,031.4 | 2,857.1 | 0.00 | 0.00 | 0.00 | |
| 15,100.0 | 89.89 | 359.40 | 12,290.9 | 2,875.0 | 1,030.3 | 2,956.5 | 0.00 | 0.00 | 0.00 | |
| 15,200.0 | 89.89 | 359.40 | 12,291.1 | 2,975.0 | 1,029.3 | 3,056.0 | 0.00 | 0.00 | 0.00 | |
| 15,300.0 | 89.89 | 359.40 | 12,291.3 | 3,075.0 | 1,028.2 | 3,155.5 | 0.00 | 0.00 | 0.00 | |
| 15,400.0 | 89.89 | 359.40 | 12,291.5 | 3,175.0 | 1,027.2 | 3,255.0 | 0.00 | 0.00 | 0.00 | |
| 15,500.0 | 89.89 | 359.40 | 12,291.7 | 3,275.0 | 1,026.1 | 3,354.5 | 0.00 | 0.00 | 0.00 | |
| 15,600.0 | 89.89 | 359.40 | 12,291.9 | 3,375.0 | 1,025.1 | 3,454.0 | 0.00 | 0.00 | 0.00 | |
| 15,700.0 | 89.89 | 359.40 | 12,292.1 | 3,475.0 | 1,024.0 | 3,553.5 | 0.00 | 0.00 | 0.00 | |
| 15,800.0 | 89.89 | 359.40 | 12,292.3 | 3,575.0 | 1,023.0 | 3,653.0 | 0.00 | 0.00 | 0.00 | |
| 15,900.0 | 89.89 | 359.40 | 12,292.5 | 3,675.0 | 1,021.9 | 3,752.5 | 0.00 | 0.00 | 0.00 | |
| 16,000.0 | 89.89 | 359.40 | 12,292.7 | 3,775.0 | 1,020.9 | 3,851.9 | 0.00 | 0.00 | 0.00 | |
| 16,100.0 | 89.89 | 359.40 | 12,292.9 | 3,875.0 | 1,019.8 | 3,951.4 | 0.00 | 0.00 | 0.00 | |
| 16,200.0 | 89.89 | 359.40 | 12,293.1 | 3,975.0 | 1,018.8 | 4,050.9 | 0.00 | 0.00 | 0.00 | |
| 16,300.0 | 89.89 | 359.40 | 12,293.3 | 4,075.0 | 1,017.7 | 4,150.4 | 0.00 | 0.00 | 0.00 | |
| 16,400.0 | 89.89 | 359.40 | 12,293.5 | 4,175.0 | 1,016.7 | 4,249.9 | 0.00 | 0.00 | 0.00 | |
| 16,500.0 | 89.89 | 359.40 | 12,293.7 | 4,274.9 | 1,015.6 | 4,349.4 | 0.00 | 0.00 | 0.00 | |
| 16,600.0 | 89.89 | 359.40 | 12,293.9 | 4,374.9 | 1,014.6 | 4,448.9 | 0.00 | 0.00 | 0.00 | |
| 16,700.0 | 89.89 | 359.40 | 12,294.1 | 4,474.9 | 1,013.5 | 4,548.4 | 0.00 | 0.00 | 0.00 | |
| 16,800.0 | 89.89 | 359.40 | 12,294.3 | 4,574.9 | 1,012.5 | 4,647.8 | 0.00 | 0.00 | 0.00 | |
| 16,900.0 | 89.89 | 359.40 | 12,294.5 | 4,674.9 | 1,011.4 | 4,747.3 | 0.00 | 0.00 | 0.00 | |
| 17,000.0 | 89.89 | 359.40 | 12,294.7 | 4,774.9 | 1,010.4 | 4,846.8 | 0.00 | 0.00 | 0.00 | |
| 17,100.0 | 89.89 | 359.40 | 12,294.9 | 4,874.9 | 1,009.3 | 4,946.3 | 0.00 | 0.00 | 0.00 | |
| 17,200.0 | 89.89 | 359.40 | 12,295.1 | 4,974.9 | 1,008.3 | 5,045.8 | 0.00 | 0.00 | 0.00 | |
| 17,300.0 | 89.89 | 359.40 | 12,295.3 | 5,074.9 | 1,007.2 | 5,145.3 | 0.00 | 0.00 | 0.00 | |
| 17,400.0 | 89.89 | 359.40 | 12,295.5 | 5,174.9 | 1,006.2 | 5,244.8 | 0.00 | 0.00 | 0.00 | |
| 17,423.1 | 89.89 | 359.40 | 12,295.5 | 5,198.0 | 1,006.0 | 5,267.8 | 0.00 | 0.00 | 0.00 | |
| PPP2: 1' FSL & 2310' FWL (3) | | | | | | | | | | |
| 17,500.0 | 89.89 | 359.40 | 12,295.7 | 5,274.9 | 1,005.1 | 5,344.3 | 0.00 | 0.00 | 0.00 | |
| 17,600.0 | 89.89 | 359.40 | 12,295.9 | 5,374.9 | 1,004.1 | 5,443.7 | 0.00 | 0.00 | 0.00 | |
| 17,700.0 | 89.89 | 359.40 | 12,296.1 | 5,474.9 | 1,003.1 | 5,543.2 | 0.00 | 0.00 | 0.00 | |
| 17,800.0 | 89.89 | 359.40 | 12,296.3 | 5,574.9 | 1,002.0 | 5,642.7 | 0.00 | 0.00 | 0.00 | |
| 17,900.0 | 89.89 | 359.40 | 12,296.5 | 5,674.9 | 1,001.0 | 5,742.2 | 0.00 | 0.00 | 0.00 | |
| 18,000.0 | 89.89 | 359.40 | 12,296.7 | 5,774.9 | 999.9 | 5,841.7 | 0.00 | 0.00 | 0.00 | |
| 18,100.0 | 89.89 | 359.40 | 12,296.9 | 5,874.9 | 998.9 | 5,941.2 | 0.00 | 0.00 | 0.00 | |
| 18,200.0 | 89.89 | 359.40 | 12,297.1 | 5,974.9 | 997.8 | 6,040.7 | 0.00 | 0.00 | 0.00 | |
| 18,300.0 | 89.89 | 359.40 | 12,297.3 | 6,074.8 | 996.8 | 6,140.2 | 0.00 | 0.00 | 0.00 | |
| 18,400.0 | 89.89 | 359.40 | 12,297.5 | 6,174.8 | 995.7 | 6,239.7 | 0.00 | 0.00 | 0.00 | |
| 18,500.0 | 89.89 | 359.40 | 12,297.7 | 6,274.8 | 994.7 | 6,339.1 | 0.00 | 0.00 | 0.00 | |
| 18,600.0 | 89.89 | 359.40 | 12,297.9 | 6,374.8 | 993.6 | 6,438.6 | 0.00 | 0.00 | 0.00 | |
| 18,700.0 | 89.89 | 359.40 | 12,298.1 | 6,474.8 | 992.6 | 6,538.1 | 0.00 | 0.00 | 0.00 | |
| 18,800.0 | 89.89 | 359.40 | 12,298.3 | 6,574.8 | 991.5 | 6,637.6 | 0.00 | 0.00 | 0.00 | |
| 18,900.0 | 89.89 | 359.40 | 12,298.5 | 6,674.8 | 990.5 | 6,737.1 | 0.00 | 0.00 | 0.00 | |
| 19,000.0 | 89.89 | 359.40 | 12,298.7 | 6,774.8 | 989.4 | 6,836.6 | 0.00 | 0.00 | 0.00 | |
| 19,100.0 | 89.89 | 359.40 | 12,298.9 | 6,874.8 | 988.4 | 6,936.1 | 0.00 | 0.00 | 0.00 | |
| 19,200.0 | 89.89 | 359.40 | 12,299.1 | 6,974.8 | 987.3 | 7,035.6 | 0.00 | 0.00 | 0.00 | |

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|--|
| Database: | Hobbs | Local Co-ordinate Reference: | Site Red Hills West Unit #017 |
| Company: | Mewbourne Oil Company | TVD Reference: | WELL @ 3265.0usft (Original Well Elev) |
| Project: | Lea County, New Mexico NAD 83 | MD Reference: | WELL @ 3265.0usft (Original Well Elev) |
| Site: | Red Hills West Unit #017 | North Reference: | Grid |
| Well: | Sec 10, T28S, R32E | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | BHL: 100' FNL & 2310' FWL, Sec 3 | | |
| 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) | Bulld Rate (°/100usft) | Turn Rate (°/100usft) | |
| 19,300.0 | 89.89 | 359.40 | 12,299.3 | 7,074.8 | 986.3 | 7,135.0 | 0.00 | 0.00 | 0.00 | |
| 19,400.0 | 89.89 | 359.40 | 12,299.5 | 7,174.8 | 985.2 | 7,234.5 | 0.00 | 0.00 | 0.00 | |
| 19,500.0 | 89.89 | 359.40 | 12,299.7 | 7,274.8 | 984.2 | 7,334.0 | 0.00 | 0.00 | 0.00 | |
| 19,600.0 | 89.89 | 359.40 | 12,299.9 | 7,374.8 | 983.1 | 7,433.5 | 0.00 | 0.00 | 0.00 | |
| 19,700.0 | 89.89 | 359.40 | 12,300.1 | 7,474.8 | 982.1 | 7,533.0 | 0.00 | 0.00 | 0.00 | |
| 19,800.0 | 89.89 | 359.40 | 12,300.3 | 7,574.8 | 981.0 | 7,632.5 | 0.00 | 0.00 | 0.00 | |
| 19,900.0 | 89.89 | 359.40 | 12,300.5 | 7,674.8 | 980.0 | 7,732.0 | 0.00 | 0.00 | 0.00 | |
| 20,000.0 | 89.89 | 359.40 | 12,300.7 | 7,774.7 | 978.9 | 7,831.5 | 0.00 | 0.00 | 0.00 | |
| 20,100.0 | 89.89 | 359.40 | 12,300.9 | 7,874.7 | 977.9 | 7,930.9 | 0.00 | 0.00 | 0.00 | |
| 20,200.0 | 89.89 | 359.40 | 12,301.1 | 7,974.7 | 976.8 | 8,030.4 | 0.00 | 0.00 | 0.00 | |
| 20,300.0 | 89.89 | 359.40 | 12,301.3 | 8,074.7 | 975.8 | 8,129.9 | 0.00 | 0.00 | 0.00 | |
| 20,400.0 | 89.89 | 359.40 | 12,301.5 | 8,174.7 | 974.7 | 8,229.4 | 0.00 | 0.00 | 0.00 | |
| 20,500.0 | 89.89 | 359.40 | 12,301.7 | 8,274.7 | 973.7 | 8,328.9 | 0.00 | 0.00 | 0.00 | |
| 20,600.0 | 89.89 | 359.40 | 12,301.8 | 8,374.7 | 972.6 | 8,428.4 | 0.00 | 0.00 | 0.00 | |
| 20,700.0 | 89.89 | 359.40 | 12,302.0 | 8,474.7 | 971.6 | 8,527.9 | 0.00 | 0.00 | 0.00 | |
| 20,800.0 | 89.89 | 359.40 | 12,302.2 | 8,574.7 | 970.5 | 8,627.4 | 0.00 | 0.00 | 0.00 | |
| 20,900.0 | 89.89 | 359.40 | 12,302.4 | 8,674.7 | 969.5 | 8,726.9 | 0.00 | 0.00 | 0.00 | |
| 21,000.0 | 89.89 | 359.40 | 12,302.6 | 8,774.7 | 968.4 | 8,826.3 | 0.00 | 0.00 | 0.00 | |
| 21,100.0 | 89.89 | 359.40 | 12,302.8 | 8,874.7 | 967.4 | 8,925.8 | 0.00 | 0.00 | 0.00 | |
| 21,200.0 | 89.89 | 359.40 | 12,303.0 | 8,974.7 | 966.3 | 9,025.3 | 0.00 | 0.00 | 0.00 | |
| 21,300.0 | 89.89 | 359.40 | 12,303.2 | 9,074.7 | 965.3 | 9,124.8 | 0.00 | 0.00 | 0.00 | |
| 21,400.0 | 89.89 | 359.40 | 12,303.4 | 9,174.7 | 964.2 | 9,224.3 | 0.00 | 0.00 | 0.00 | |
| 21,500.0 | 89.89 | 359.40 | 12,303.6 | 9,274.7 | 963.2 | 9,323.8 | 0.00 | 0.00 | 0.00 | |
| 21,600.0 | 89.89 | 359.40 | 12,303.8 | 9,374.7 | 962.1 | 9,423.3 | 0.00 | 0.00 | 0.00 | |
| 21,700.0 | 89.89 | 359.40 | 12,304.0 | 9,474.7 | 961.1 | 9,522.8 | 0.00 | 0.00 | 0.00 | |
| 21,800.0 | 89.89 | 359.40 | 12,304.2 | 9,574.8 | 960.0 | 9,622.2 | 0.00 | 0.00 | 0.00 | |
| 21,900.0 | 89.89 | 359.40 | 12,304.4 | 9,674.8 | 959.0 | 9,721.7 | 0.00 | 0.00 | 0.00 | |
| 22,000.0 | 89.89 | 359.40 | 12,304.6 | 9,774.8 | 957.9 | 9,821.2 | 0.00 | 0.00 | 0.00 | |
| 22,100.0 | 89.89 | 359.40 | 12,304.8 | 9,874.8 | 956.9 | 9,920.7 | 0.00 | 0.00 | 0.00 | |
| 22,200.0 | 89.89 | 359.40 | 12,305.0 | 9,974.8 | 955.8 | 10,020.2 | 0.00 | 0.00 | 0.00 | |
| 22,300.0 | 89.89 | 359.40 | 12,305.2 | 10,074.8 | 954.8 | 10,119.7 | 0.00 | 0.00 | 0.00 | |
| 22,400.0 | 89.89 | 359.40 | 12,305.4 | 10,174.8 | 953.7 | 10,219.2 | 0.00 | 0.00 | 0.00 | |
| 22,500.0 | 89.89 | 359.40 | 12,305.6 | 10,274.8 | 952.7 | 10,318.7 | 0.00 | 0.00 | 0.00 | |
| 22,600.0 | 89.89 | 359.40 | 12,305.8 | 10,374.8 | 951.6 | 10,418.1 | 0.00 | 0.00 | 0.00 | |
| 22,677.4 | 89.89 | 359.40 | 12,306.0 | 10,452.0 | 950.8 | 10,495.2 | 0.00 | 0.00 | 0.00 | |

BHL: 100' FNL & 2310' FWL

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|--|
| Database: | Hobbs | Local Co-ordinate Reference: | Site Red Hills West Unit #017 |
| Company: | Mewbourne Oil Company | TVD Reference: | WELL @ 3265.0usft (Original Well Elev) |
| Project: | Lea County, New Mexico NAD 83 | MD Reference: | WELL @ 3265.0usft (Original Well Elev) |
| Site: | Red Hills West Unit #017 | North Reference: | Grid |
| Well: | Sec 10, T26S, R32E | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | BHL: 100' FNL & 2310' FWL, Sec 3 | | |
| Design: | Design #1 | | |

| 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 | | | | | | | | | | |
| SHL: 150' FSL & 1250' F - plan hits target center - Point | 0.00 | 0.00 | 0.0 | 0.0 | 0.0 | 382,816.90 | 747,685.10 | 32.0506940 | -103.6673102 | |
| KOP: 10' FSL & 2310' FV - plan hits target center - Point | 0.00 | 0.00 | 11,713.0 | -130.9 | 1,061.9 | 382,686.00 | 748,747.00 | 32.0503161 | -103.6638855 | |
| FTP: 100' FSL & 2310' F - plan hits target center - Point | 0.00 | 0.00 | 12,006.5 | -50.0 | 1,061.1 | 382,766.90 | 748,746.15 | 32.0505385 | -103.6638866 | |
| LP: 590' FSL & 2310' FV - plan hits target center - Point | 0.00 | 0.00 | 12,286.0 | 440.0 | 1,055.9 | 383,256.90 | 748,741.00 | 32.0518855 | -103.6638934 | |
| PPP2: 1' FSL & 2310' FV - plan hits target center - Point | 0.00 | 0.00 | 12,295.5 | 5,198.0 | 1,006.0 | 388,014.90 | 748,691.05 | 32.0649651 | -103.6639594 | |
| BHL: 100' FNL & 2310' F - plan hits target center - Point | 0.00 | 0.00 | 12,306.0 | 10,452.0 | 950.8 | 393,268.90 | 748,635.90 | 32.0794081 | -103.6640323 | |

Mewbourne Oil Company, Red Hills West Unit #017H

Sec 10/3, T26S, R32E

SL: 150' FSL & 1250' FWL, Sec 10

BHL: 100' FNL & 2310' FWL, Sec 3

1. Geologic Formations

| | | | |
|---------------|--------|-------------------------------|------|
| TVD of target | 12306' | Pilot hole depth | NA |
| MD at TD: | 22677' | Deepest expected fresh water: | 250' |

Basin

| Formation | Depth (TVD) from KB | Water/Mineral Bearing/ Target Zone? | Hazards* |
|----------------------------------|--------------------------------|--|-----------------|
| Quaternary Fill | Surface | | |
| Rustler | 750 | | |
| Top Salt | 1120 | | |
| Base Salt | 4290 | | |
| Yates | | Oil/Gas | |
| Seven Rivers | | Oil/Gas | |
| Queen | | Oil/Gas | |
| Grayburg | | | |
| Lamar | 4530 | Oil/Gas | |
| Bell Canyon | 4580 | Oil/Gas | |
| Cherry Canyon | 5580 | Oil/Gas | |
| Manzanita Marker | 5707 | | |
| Brushy Canyon | 8410 | Oil/Gas | |
| Bone Spring | 8607 | Oil/Gas | |
| 1 st Bone Spring Sand | 9530 | Oil/Gas | |
| 2 nd Bone Spring Sand | 10260 | Oil/Gas | |
| 3 rd Bone Spring Sand | 11370 | Oil/Gas | |
| Abo | | | |
| Wolfcamp | 11777 | Target Zone | |
| Devonian | | | |
| Fusselman | | | |
| Ellenburger | | | |
| Granite Wash | | | |

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

Mewbourne Oil Company, Red Hills West Unit #017H

Sec 10/3, T26S, R32E

SL: 150' FSL & 1250' FWL, Sec 10

BHL: 100' FNL & 2310' FWL, Sec 3

2. Casing Program

| Hole Size | Casing Interval | | Csg. Size | Weight (lbs) | Grade | Conn. | SF Collapse | SF Burst | SF Jt Tension | SF Body Tension |
|---------------------------|-----------------|--------|-----------|--------------|--------------------|--------------------|-------------|----------|---------------|-----------------|
| | From | To | | | | | | | | |
| 17.5" | 0' | 825' | 13.375" | 48 | H40 | STC | 1.99 | 4.48 | 8.13 | 13.66 |
| 12.25" | 0' | 3453' | 9.625" | 36 | J55 | LTC | 1.13 | 1.96 | 2.76 | 4.54 |
| 12.25" | 3453' | 4393' | 9.625" | 40 | J55 | LTC | 1.13 | 1.73 | 12.97 | 16.75 |
| 12.25" | 4393' | 4455' | 9.625" | 40 | N80 | LTC | 1.33 | 2.48 | 297.96 | 370.32 |
| 8.75" | 0' | 12500' | 7" | 26 | HCP110 | LTC | 1.22 | 1.62 | 2.02 | 2.55 |
| 6.125" | 11768' | 22677' | 4.5" | 13.5 | P110 | LTC | 1.67 | 1.94 | 2.29 | 2.86 |
| BLM Minimum Safety Factor | | | 1.125 | 1 | 1.6 Dry 1.8 Wet | 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 |
| Is casing API approved? 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 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? | |

Mewbourne Oil Company, Red Hills West Unit #017H

Sec 10/3, T26S, R32E

SL: 150' FSL & 1250' FWL, Sec 10

BHL: 100' FNL & 2310' FWL, Sec 3

| | |
|--|---|
| Is well located in critical Cave/Karst? | N |
| If yes, are there three strings cemented to surface? | |

3. Cementing Program

| Casing | # Sks | Wt. lb/gal | Yld ft ³ /sack | H ₂ O gal/sk | 500# Comp. Strength (hours) | Slurry Description |
|--------|-------|------------|---------------------------|-------------------------|-----------------------------|--|
| Surf. | 420 | 12.5 | 2.12 | 11 | 10 | Lead: Class C + Salt + Gel + Extender + LCM |
| | 200 | 14.8 | 1.34 | 6.3 | 8 | Tail: Class C + Retarder |
| Inter. | 730 | 12.5 | 2.12 | 11 | 10 | Lead: Class C + Salt + Gel + Extender + LCM |
| | 200 | 14.8 | 1.34 | 6.3 | 8 | Tail: Class C + Retarder |
| Prod. | 515 | 12.5 | 2.12 | 11 | 9 | Lead: Class C + Gel + Retarder + Defoamer + Extender |
| | 400 | 15.6 | 1.18 | 5.2 | 10 | Tail: Class H + Retarder + Fluid Loss + Defoamer |
| Liner | 440 | 11.2 | 2.97 | 17 | 16 | Class C + Salt + Gel + Fluid Loss + Retarder + Dispersant + Defoamer + Anti-Settling Agent |

A copy of cement test will be available on location at time of cement job providing pump times, compressive strengths, etc.

| Casing String | TOC | % Excess |
|---------------|--------|----------|
| Surface | 0' | 100% |
| Intermediate | 0' | 25% |
| Production | 4255' | 25% |
| Liner | 11768' | 25% |

Mewbourne Oil Company, Red Hills West Unit #017H

Sec 10/3, T26S, R32E

SL: 150' FSL & 1250' FWL, Sec 10

BHL: 100' FNL & 2310' FWL, Sec 3

4. Pressure Control Equipment

| |
|----------------|
| Variance: None |
|----------------|

| BOP installed and tested before drilling which hole? | Size? | System Rated WP | Type | ✓ | Tested to: |
|--|---------|-----------------|------------|---|------------|
| 12 1/4" | 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. |
|---|--|

Mewbourne Oil Company, Red Hills West Unit #017H

Sec 10/3, T26S, R32E

SL: 150' FSL & 1250' FWL, Sec 10

BHL: 100' FNL & 2310' FWL, Sec 3

| | | |
|---|---|---------------------------------------|
| 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? |
| Y | <p>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.</p> <ul style="list-style-type: none"> • Provide description here: See attached schematic. | |

5. Mud Program

| Depth | | Type | Weight (ppg) | Viscosity | Water Loss |
|--------|--------|-----------------|--------------|-----------|------------|
| From | To | | | | |
| 0' | 825' | FW Gel | 8.6-8.8 | 28-34 | N/C |
| 825' | 4455' | Saturated Brine | 10.0 | 28-34 | N/C |
| 4455' | 12253' | Cut Brine | 8.6-9.5 | 28-34 | N/C |
| 12253' | 12306 | OBM | 10.0-13.0 | 30-40 | <10cc |

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? | Pason/PVT/Visual Monitoring |
|---|-----------------------------|

6. Logging and Testing Procedures

| | |
|-------------------------------------|---|
| Logging, Coring and Testing. | |
| X | Will run GR/CNL from KOP (11768') to surface (horizontal well – vertical portion of hole). 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 Ray |
| | Density |
| | 11768' (KOP) to TD |

Mewbourne Oil Company, Red Hills West Unit #017H

Sec 10/3, T26S, R32E

SL: 150' FSL & 1250' FWL, Sec 10

BHL: 100' FNL & 2310' FWL, Sec 3

| | | |
|--|---------|--|
| | CBL | |
| | Mud log | |
| | PEX | |

7. Drilling Conditions

| Condition | Specify what type and where? |
|----------------------------|-------------------------------------|
| BH Pressure at deepest TVD | 8318 psi |
| Abnormal Temperature | No |

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

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 |
| X | 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

Mewbourne Oil Company, Red Hills West Unit #017H

Sec 10/3, T26S, R32E

SL: 150' FSL & 1250' FWL, Sec 10

BHL: 100' FNL & 2310' FWL, Sec 3



APD ID: 10400042748

Submission Date: 06/20/2019

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

Well Type: CONVENTIONAL GAS WELL

Well Work Type: Drill

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:

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:

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

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 disturbance (acres):

PWD surface owner:

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:

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?

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

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:

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):

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Bond Info Data Report

02/27/2020

APD ID: 10400042748

Submission Date: 06/20/2019

Operator Name: MEWBOURNE OIL COMPANY

Well Name: RED HILLS WEST UNIT

Well Number: 17H

Well Type: CONVENTIONAL GAS WELL

Well Work Type: Drill



[Show Final Text](#)

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: