

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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HOBBS
AUG 09 2010
HOBBSOCD

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-077004
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Mewbourne Oil Company 14744		7. If Unit or CA Agreement, Name and No.
3a. Address PO Box 5270 Hobbs, NM 88241		8. Lease Name and Well No. <38275> Spyglass 17 Fed Com #1H
3b. Phone No. (include area code) 575-393-5905		9. API Well No. 30-025-3870
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 2135' FNL & 330' FWL Unit E At proposed prod. zone 2135' FNL & 330' FEL, Unit H		10. Field and Pool, or Exploratory Tonto Bone Springs 59475
14. Distance in miles and direction from nearest town or post office* 19 miles SE of Maljamar, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec 17 - T19S-R33E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 330'	16. No. of Acres in lease 160	12. County or Parish Lea
17. Spacing Unit dedicated to this well 160	13. State NM	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2970'	19. Proposed Depth 9888-TVD 14238' - MD	20. BLM/BIA Bond No. on file NM1693, Nationwide
21. Elevations (Show whether DF, KDB, RT, GL, etc) 3640' GL	22. Approximate date work will start* ASAP	23. Estimated duration 50

24. Attachments

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

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>Jackie Lathan</i>	Name (Printed/Typed) Jackie Lathan	Date 05/30/10
Title Hobbs Regulatory		
Approved by (Signature) <i>/s/ Don Peterson</i>	Name (Printed/Typed) <i>/s/ Don Peterson</i>	Date AUG 06 2010
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon
Conditions of approval, if any, are attached

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

*(Instructions on reverse)

Roswell Controlled Water Basin

KZ Witness Surface &
Intermediate Casing
AUG 12 2010
PETROLEUM ENGINEER

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Approval Subject to General Requirements
& Special Stipulations Attached

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 15, 2009

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-39870	Pool Code 59475	Pool Name Tonto Bone Spring
Property Code 38275	Property Name SPYGLASS FEDERAL COM "17"	Well Number 1H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3640'

Surface Location

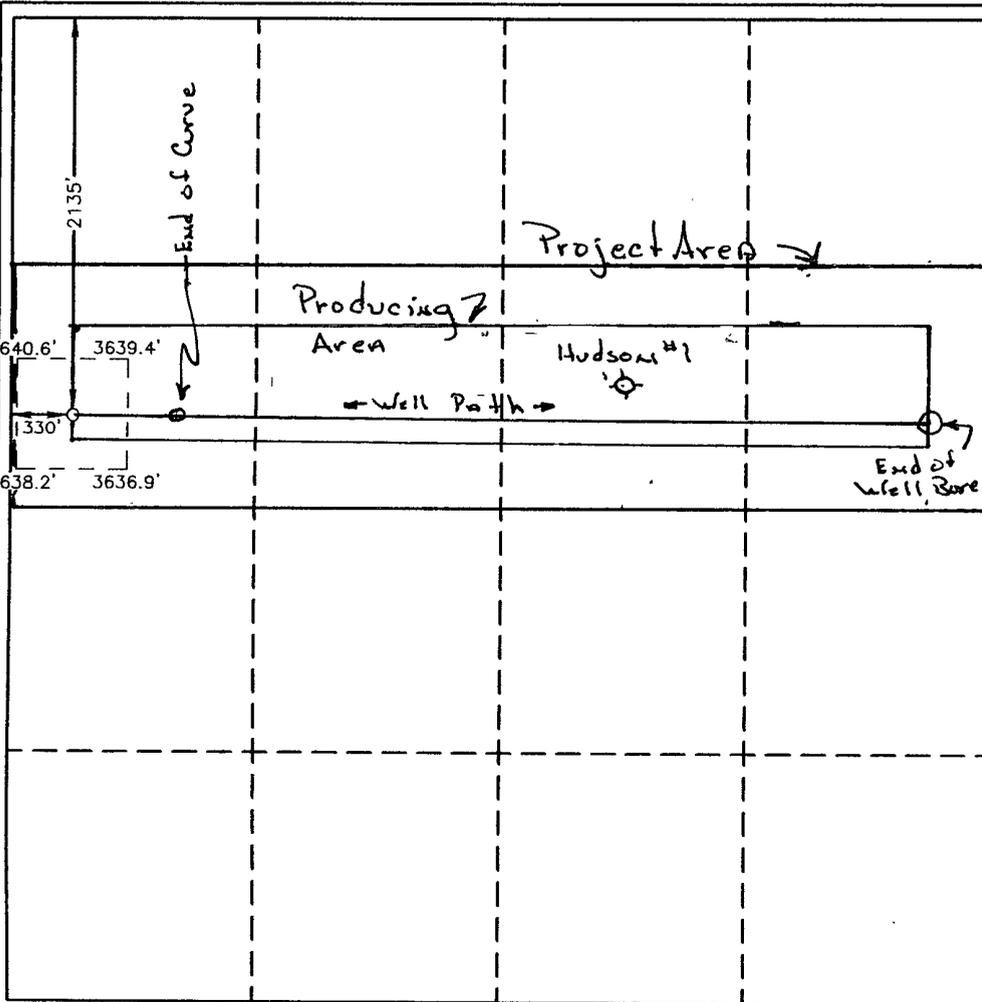
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	17	19 S	33 E		2135	NORTH	330	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	17	19 S	33 E		2135	North	330	East	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Jackie Lathan 5/17/10
Signature Date

Jackie Lathan
Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

APR 19 2010
Date Surveyed

Signature & Seal
Professional Surveyor

Certificate No. Gary Jones 7977

BASIN SURVEYS

Drilling Program
Mewbourne Oil Company
 Spyglass 17 Fed Com #1H
 2135' FNL & 330' FWL
 Sec 17-T19S-R33E
 Lea County, New Mexico

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1. The estimated top of geological markers are as follows:

Rustler	1400'
*Yates	3250'
*Queen	3425'
*Delaware	5950'
*Bone Springs	7720'

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

Water	Fresh water will be protected by setting surface casing at 1400' and cemented to surface.
Hydrocarbons	Oil and Gas are anticipated in the above (*) formations. These zones will be protected by casing and cementing as necessary.

3. Pressure control equipment:

A 2000# working pressure annular BOP will be installed on the 13 3/8" surface casing. A 3000# WP Double Ram BOP and 3000# WP Annular will be installed after running 9 5/8" & the 7" casing. Pressure tests will be conducted prior to drilling out under all casing strings. BOP controls will be installed prior to drilling under deep surface casing and will remain in use until completion of drilling operations. BOP's will be inspected and operated as recommended in Onshore Order #2. A Kelly cock and a sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position when the Kelly is not in use.

See
COA

~~MOC would like to waive the low pressure test on the 13 3/8" BOPE stack and test with rig pump to 70% of burst rate. Will test the 9 5/8" & 7" BOPE to 3000# and Annular to 2500# with a third party testing company before drilling below both shoes, but will test again, if needed, in 30 days from the 1st test as per BLM Onshore Oil and Gas Order #2.~~

***4. Proposed casing and cementing program:**

A. Casing Program:

<u>Hole Size</u>	<u>Casing</u>	<u>Wt/Ft.</u>	<u>Grade</u>	<u>Depth</u>	<u>Jt Type</u>
17 1/2"	13 3/8" (new)	48.0#	H40	0-1200'	ST&C
	13 3/8" (new)	54.5#	J55	1200'-1400'	ST&C
12 1/4"	9 5/8" (new)	36#	J55	0'-3250'	LT&C
8 3/4"	7" (new)	26#	P110	0-9200'	LT&C
	7" (new)	26#	P110	9200'-10180'	BT/C
6 1/8"	4 1/2" liner (new)	11.6#	P110	10000'-14238'	LT/C

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

*Subject to availability of casing.

See
COA

B. Cementing Program:

- i. Surface Casing: 900 sacks Class C light cement containing ½#/sk cellophane flakes, 5#/sk gilsonite. Yield at 1.98 cuft/sk. 400 sks Class C cement. Yield at 1.34 cuft/sk. Cmt circulated to surface.
- ii. Intermediate Casing: 500 sacks Class C light cement containing 6% gel, 5# sk gilsonite. Yield at 1.98 cuft/sk 400 sacks Class C cement. Yield at 1.34 cuft/sk Cmt circulated to surface.
- iii. Deep Intermediate Casing: 500 sacks 50:50 poz mix cement w/additives. Yield at 2.54 cuft/sk. 400 sacks Class H cement. Yield at 1.28 cuft/sk. Cmt circulated to surface.
- iv. Production Casing: Plans are to use a Packer-Plus system with 4 ½" casing. Will run Packer type liner @ 10000'.

See COA

See COA

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

5. Mud Program:

<u>Interval</u>	<u>Type System</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0'-1400'	FW spud mud	8.6-9.0	32-34	NA
1400'-3250'	Brine water	10.0-10.2	28-30	NA
3250'-10180'	Cut Brine water	8.6-9.0	28-30	NA
10180'-TD'	FW w/Polymer	8.5-8.8	30-35	15

6. Evaluation Program: See COA

Samples: 10' samples from intermediate casing to TD
Logging: GR tie-in & Gyro in the vertical & GR in horizontal section.
Coring: N/A
Drill Stem Tests: N/A

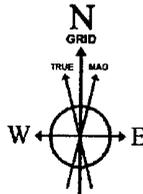
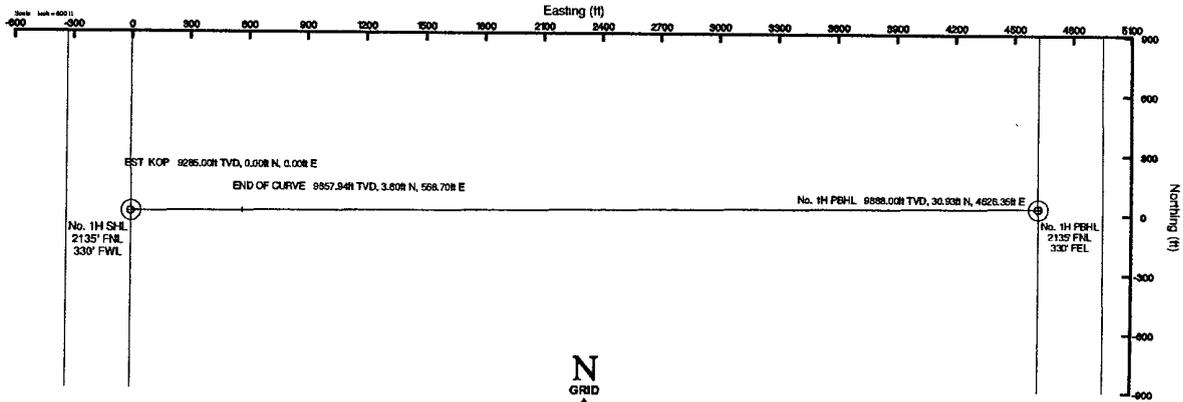
7. Downhole Conditions

Zones of abnormal pressure: None anticipated
Zones of lost circulation: Anticipated in surface hole
Maximum bottom hole temperature: 150 degree F
Maximum bottom hole pressure: 8.3 lbs/gal gradient or less

8. Anticipated Starting Date:

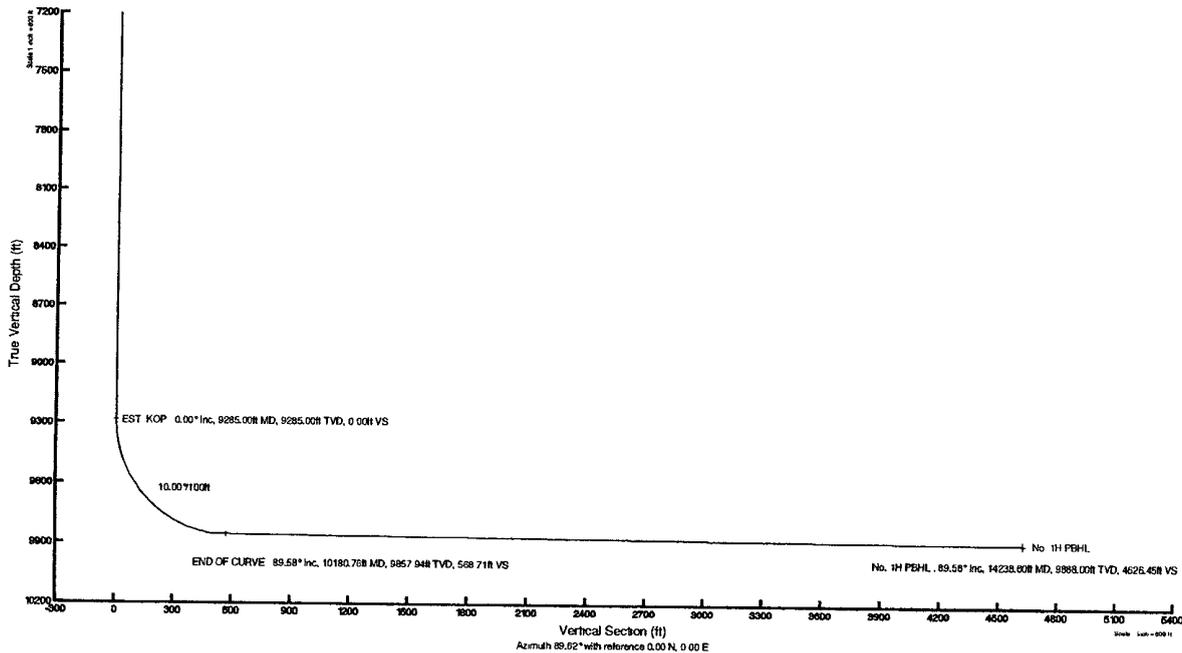
Mewbourne Oil Company intends to drill this well as soon as possible after receiving approval with approximately 50 days involved in drilling operations and an additional 10 days involved in completion operations on the project.

Well Profile Data								
Design Comment	MD (ft)	Inc (°)	Az (°)	TVD (ft)	Local N (ft)	Local E (ft)	DLS (1/100ft)	VS (ft)
Tie On	0.00	0.000	89.617	0.00	0.00	0.00	0.00	0.00
EST KOP	9285.00	0.000	89.617	9285.00	0.00	0.00	0.00	0.00
END OF CURVE	10180.76	89.576	89.617	9857.94	3.80	568.70	10.00	568.71
No. 1H PBHL	14238.60	89.576	89.617	9888.00	30.93	4626.35	0.00	4626.45



BGGM (1945 0 to 2011.0) Dip: 60 62° Field: 49040 1 nT
 Magnetic North is 7.84 degrees East of True North (at 5/17/2010)
 Grid North is 0.35 degrees East of True North
 To correct azimuth from True to Grid subtract 0.35 degrees
 To correct azimuth from Magnetic to Grid add 7.50 degrees
 For example: if the Magnetic North Azimuth = 90 degs, then the Grid North Azimuth = 90 + 7.50 = 97.50

Plot reference wellpath is Plan #1	
True vertical depths are referenced to Rig 45 on No. 1H SHL (KB)	Grid System: NAD27 / TM New Mexico State Planes, Eastern Zone (3001), US feet
Measured depths are referenced to Rig 45 on No. 1H SHL (KB)	North Reference: Grid north
Rig 45 on No. 1H SHL (KB) to Mean Sea Level: 3658 feet	Scale: True distance
Mean Sea Level to Mud line (Facility Spyglass Fed Com 17 No 1H) -3640 feet	Depths are in feet
Coordinates are in feet referenced to Slot	Created by: Victor Hernandez on 5/17/2010



Planned Wellpath Report



REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No. 1H SHL
Area	Lea County, NM	Well	No. 1H
Field	(Spyglass) Sec 17, T19S, R33E	Wellbore	No. 1H PWB
Facility	Spyglass Fed Com 17 No. 1H		

REPORT SETUP INFORMATION

Projection System	NAD27 / TM New Mexico State Planes, Eastern Zone (3001), US feet	Software System	WellArchitect® 2.0
North Reference	Grid	User	Victor Hernandez
Scale	0.999954	Report Generated	5/17/2010 at 10:41:36 AM
Convergence at slot	0.35° East	Database/Source file	WA_Midland/No. 1H_PWB.xml

WELLPATH LOCATION

	Local coordinates		Grid coordinates		Geographic coordinates	
	North[ft]	East[ft]	Easting[USft]	Northing[USft]	Latitude	Longitude
Slot Location	0.00	0.00	697292.68	604981.53	32°39'41.608"N	103°41'32.116"W
Facility Reference Pt			697292.68	604981.53	32°39'41.608"N	103°41'32.116"W
Field Reference Pt			697292.68	604981.53	32°39'41.608"N	103°41'32.116"W

WELLPATH DATUM

Calculation method	Minimum curvature	Rig 45 on No. 1H SHL (KB) to GL	18.00ft
Horizontal Reference Pt	Slot	Rig 45 on No. 1H SHL (KB) to Mean Sea Level	3658.00ft
Vertical Reference Pt	Rig 45 on No. 1H SHL (KB)	GL to Mud Line (Facility)	0.00ft
MD Reference Pt	Rig 45 on No. 1H SHL (KB)	Section Origin	N 0.00, E 0.00 ft
Field Vertical Reference	Mean Sea Level	Section Azimuth	89.62°

Planned Wellpath Report



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Area	Lea County, NM	Well	No. 1H
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Facility	Spyglass Fed Com 17 No. 1H		

WELLPATH DATA (53 stations) † = interpolated/extrapolated station

MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [srv ft]	Grid North [srv ft]	Latitude	Longitude	DLS [°/100ft]	Comments
0.00	0.000	89.617	0.00	0.00	0.00	0.00	697292.68	604981.53	32°39'41.608"N	103°41'32.116"W	0.00	Tie On
9285.00	0.000	89.617	9285.00	0.00	0.00	0.00	697292.68	604981.53	32°39'41.608"N	103°41'32.116"W	0.00	EST. KOP
9385.00†	10.000	89.617	9384.49	8.70	0.06	8.70	697301.38	604981.59	32°39'41.608"N	103°41'32.014"W	10.00	
9485.00†	20.000	89.617	9480.96	34.55	0.23	34.55	697327.23	604981.76	32°39'41.608"N	103°41'31.712"W	10.00	
9585.00†	30.000	89.617	9571.48	76.76	0.51	76.76	697369.44	604982.04	32°39'41.608"N	103°41'31.218"W	10.00	
9685.00†	40.000	89.617	9653.29	134.05	0.90	134.04	697426.72	604982.43	32°39'41.609"N	103°41'30.548"W	10.00	
9785.00†	50.000	89.617	9723.91	204.67	1.37	204.66	697497.33	604982.90	32°39'41.609"N	103°41'29.722"W	10.00	
9885.00†	60.000	89.617	9781.20	286.48	1.92	286.47	697579.14	604983.45	32°39'41.609"N	103°41'28.765"W	10.00	
9985.00†	70.000	89.617	9823.40	376.99	2.52	376.99	697669.65	604984.05	32°39'41.610"N	103°41'27.707"W	10.00	
10085.00†	80.000	89.617	9849.25	473.46	3.17	473.45	697766.11	604984.70	32°39'41.611"N	103°41'26.578"W	10.00	
10180.76	89.576	89.617	9857.94	568.71	3.80	568.70	697861.35	604985.33	32°39'41.611"N	103°41'25.464"W	10.00	END OF CURVE
10185.00†	89.576	89.617	9857.97	572.96	3.83	572.94	697865.60	604985.36	32°39'41.611"N	103°41'25.415"W	0.00	
10285.00†	89.576	89.617	9858.71	672.95	4.50	672.94	697965.59	604986.03	32°39'41.612"N	103°41'24.245"W	0.00	
10385.00†	89.576	89.617	9859.45	772.95	5.17	772.93	698065.58	604986.70	32°39'41.613"N	103°41'23.075"W	0.00	
10485.00†	89.576	89.617	9860.20	872.95	5.84	872.93	698165.57	604987.37	32°39'41.613"N	103°41'21.906"W	0.00	
10585.00†	89.576	89.617	9860.94	972.95	6.51	972.92	698265.56	604988.03	32°39'41.614"N	103°41'20.736"W	0.00	
10685.00†	89.576	89.617	9861.68	1072.94	7.17	1072.92	698365.55	604988.70	32°39'41.614"N	103°41'19.566"W	0.00	
10785.00†	89.576	89.617	9862.42	1172.94	7.84	1172.92	698465.54	604989.37	32°39'41.615"N	103°41'18.397"W	0.00	
10885.00†	89.576	89.617	9863.16	1272.94	8.51	1272.91	698565.53	604990.04	32°39'41.616"N	103°41'17.227"W	0.00	
10985.00†	89.576	89.617	9863.90	1372.94	9.18	1372.91	698665.52	604990.71	32°39'41.616"N	103°41'16.057"W	0.00	
11085.00†	89.576	89.617	9864.64	1472.93	9.85	1472.90	698765.51	604991.38	32°39'41.617"N	103°41'14.888"W	0.00	
11185.00†	89.576	89.617	9865.38	1572.93	10.52	1572.90	698865.50	604992.05	32°39'41.617"N	103°41'13.718"W	0.00	
11285.00†	89.576	89.617	9866.12	1672.93	11.19	1672.89	698965.49	604992.71	32°39'41.618"N	103°41'12.548"W	0.00	
11385.00†	89.576	89.617	9866.86	1772.92	11.85	1772.89	699065.48	604993.38	32°39'41.619"N	103°41'11.379"W	0.00	
11485.00†	89.576	89.617	9867.60	1872.92	12.52	1872.88	699165.47	604994.05	32°39'41.619"N	103°41'10.209"W	0.00	
11585.00†	89.576	89.617	9868.34	1972.92	13.19	1972.88	699265.46	604994.72	32°39'41.620"N	103°41'09.039"W	0.00	
11685.00†	89.576	89.617	9869.08	2072.92	13.86	2072.87	699365.45	604995.39	32°39'41.620"N	103°41'07.870"W	0.00	
11785.00†	89.576	89.617	9869.83	2172.91	14.53	2172.87	699465.44	604996.06	32°39'41.621"N	103°41'06.700"W	0.00	
11885.00†	89.576	89.617	9870.57	2272.91	15.20	2272.86	699565.43	604996.73	32°39'41.621"N	103°41'05.531"W	0.00	
11985.00†	89.576	89.617	9871.31	2372.91	15.87	2372.86	699665.42	604997.39	32°39'41.622"N	103°41'04.361"W	0.00	

Planned Wellpath Report



REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No. 1H SHL
Area	Lea County, NM	Well	No. 1H
Field	(Spyglass) Sec 17, T19S, R33E	Wellbore	No. 1H PWB
Facility	Spyglass Fed Com 17 No. 1H		

WELLPATH DATA (53 stations) † = interpolated/extrapolated station

MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [srv ft]	Grid North [srv ft]	Latitude	Longitude	DLS [°/100ft]	Comments
12085.00†	89.576	89.617	9872.05	2472.91	16.53	2472.85	699765.41	604998.06	32°39'41.623"N	103°41'03.191"W	0.00	
12185.00†	89.576	89.617	9872.79	2572.90	17.20	2572.85	699865.40	604998.73	32°39'41.623"N	103°41'02.022"W	0.00	
12285.00†	89.576	89.617	9873.53	2672.90	17.87	2672.84	699965.39	604999.40	32°39'41.624"N	103°41'00.852"W	0.00	
12385.00†	89.576	89.617	9874.27	2772.90	18.54	2772.84	700065.38	605000.07	32°39'41.624"N	103°40'59.682"W	0.00	
12485.00†	89.576	89.617	9875.01	2872.89	19.21	2872.83	700165.37	605000.74	32°39'41.625"N	103°40'58.513"W	0.00	
12585.00†	89.576	89.617	9875.75	2972.89	19.88	2972.83	700265.36	605001.41	32°39'41.625"N	103°40'57.343"W	0.00	
12685.00†	89.576	89.617	9876.49	3072.89	20.55	3072.82	700365.35	605002.07	32°39'41.626"N	103°40'56.173"W	0.00	
12785.00†	89.576	89.617	9877.23	3172.89	21.21	3172.82	700465.34	605002.74	32°39'41.626"N	103°40'55.004"W	0.00	
12885.00†	89.576	89.617	9877.97	3272.88	21.88	3272.81	700565.33	605003.41	32°39'41.627"N	103°40'53.834"W	0.00	
12985.00†	89.576	89.617	9878.71	3372.88	22.55	3372.81	700665.32	605004.08	32°39'41.628"N	103°40'52.664"W	0.00	
13085.00†	89.576	89.617	9879.45	3472.88	23.22	3472.80	700765.31	605004.75	32°39'41.628"N	103°40'51.495"W	0.00	
13185.00†	89.576	89.617	9880.20	3572.88	23.89	3572.80	700865.30	605005.42	32°39'41.629"N	103°40'50.325"W	0.00	
13285.00†	89.576	89.617	9880.94	3672.87	24.56	3672.79	700965.29	605006.09	32°39'41.629"N	103°40'49.156"W	0.00	
13385.00†	89.576	89.617	9881.68	3772.87	25.23	3772.79	701065.28	605006.75	32°39'41.630"N	103°40'47.986"W	0.00	
13485.00†	89.576	89.617	9882.42	3872.87	25.89	3872.78	701165.27	605007.42	32°39'41.630"N	103°40'46.816"W	0.00	
13585.00†	89.576	89.617	9883.16	3972.86	26.56	3972.78	701265.26	605008.09	32°39'41.631"N	103°40'45.647"W	0.00	
13685.00†	89.576	89.617	9883.90	4072.86	27.23	4072.77	701365.25	605008.76	32°39'41.631"N	103°40'44.477"W	0.00	
13785.00†	89.576	89.617	9884.64	4172.86	27.90	4172.77	701465.24	605009.43	32°39'41.632"N	103°40'43.307"W	0.00	
13885.00†	89.576	89.617	9885.38	4272.86	28.57	4272.76	701565.23	605010.10	32°39'41.632"N	103°40'42.138"W	0.00	
13985.00†	89.576	89.617	9886.12	4372.85	29.24	4372.76	701665.22	605010.77	32°39'41.633"N	103°40'40.968"W	0.00	
14085.00†	89.576	89.617	9886.86	4472.85	29.91	4472.75	701765.21	605011.43	32°39'41.633"N	103°40'39.798"W	0.00	
14185.00†	89.576	89.617	9887.60	4572.85	30.57	4572.75	701865.20	605012.10	32°39'41.634"N	103°40'38.629"W	0.00	
14238.60	89.576	89.617	9888.00†	4626.45	30.93	4626.35	701918.80	605012.46	32°39'41.634"N	103°40'38.002"W	0.00	No. 1H PBHL

Planned Wellpath Report

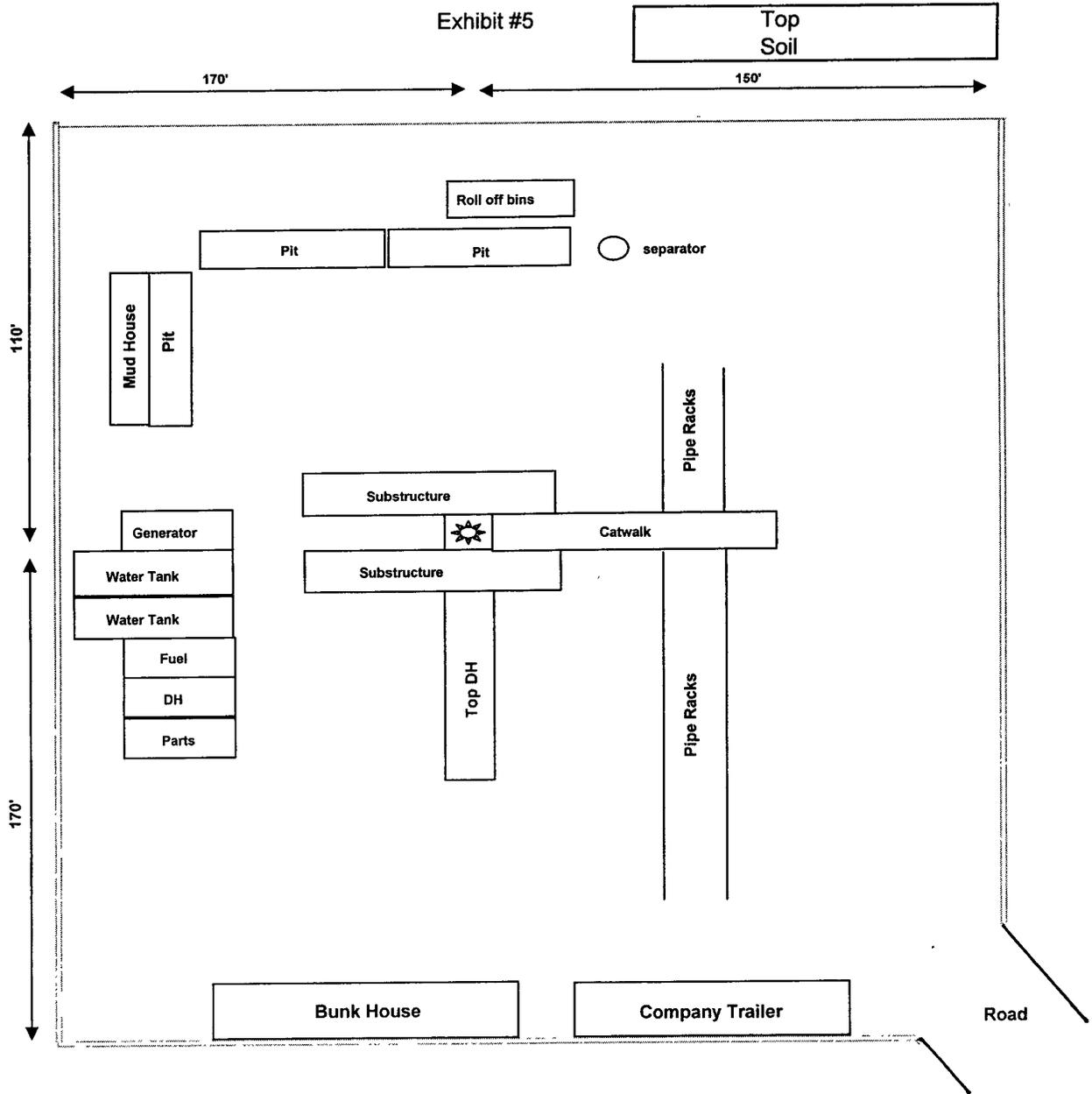


REFERENCE WELLPATH IDENTIFICATION			
Operator	Mewbourne Oil Company	Slot	No. 1H SHL
Area	Lea County, NM	Well	No. 1H
Field	(Spyglass) Sec 17, T19S, R33E	Wellbore	No. 1H PWB
Facility	Spyglass Fed Com 17 No. 1H		

TARGETS									
Name	MD [ft]	TVD [ft]	North [ft]	East [ft]	Grid East [srv ft]	Grid North [srv ft]	Latitude	Longitude	Shape
1) No. 1H PBHL	14238.60	9888.00	30.93	4626.35	701918.80	605012.46	32°39'41.634"N	103°40'38.002"W	point

SURVEY PROGRAM Ref Wellbore: No. 1H PWB Ref Wellpath: Plan #1				
Start MD [ft]	End MD [ft]	Positional Uncertainty Model	Log Name/Comment	Wellbore
18.00	14238.60	NaviTrak (Standard)		No. 1H PWB

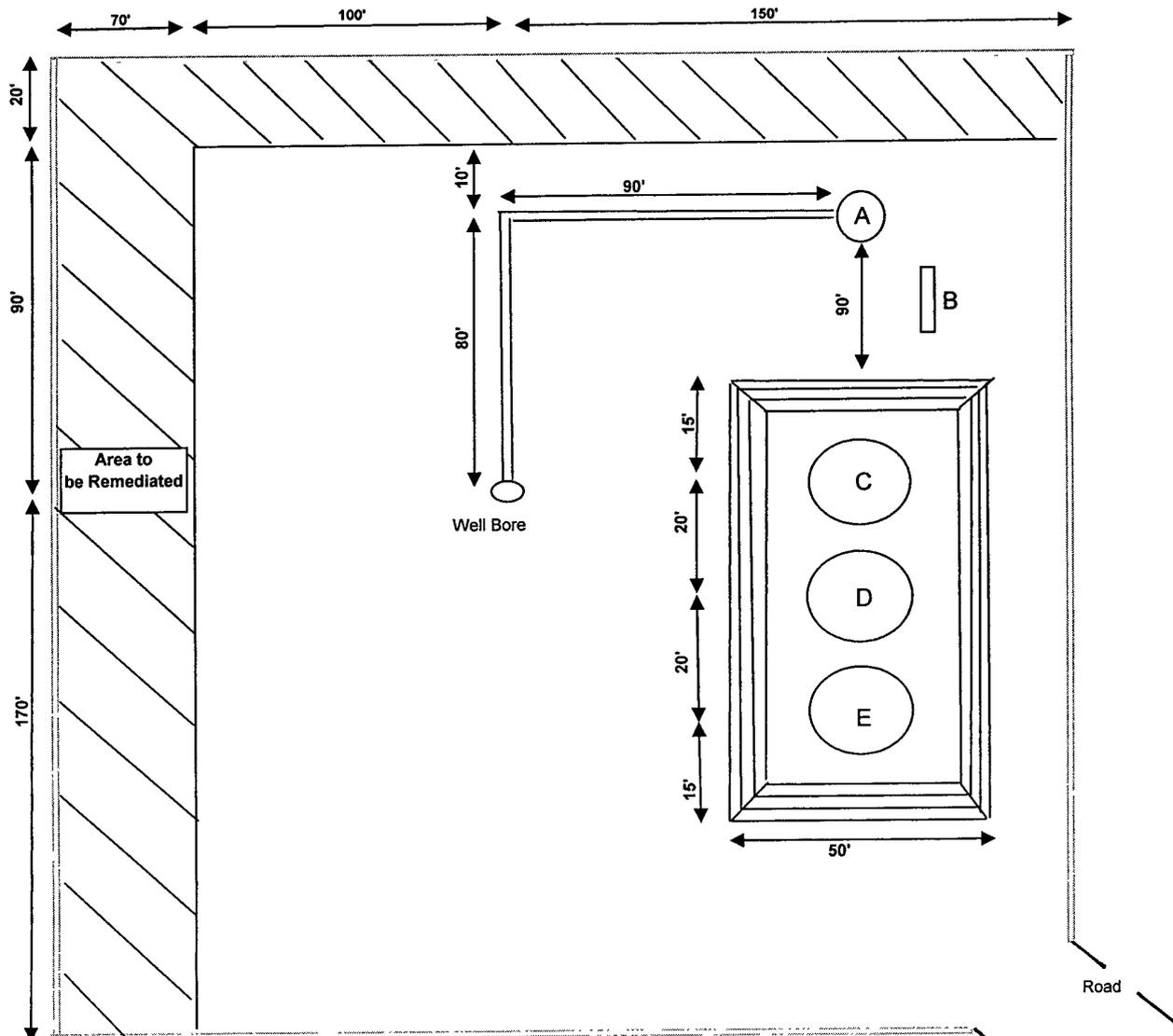
Exhibit #5



Spyglass 17 Fed Com #1H
Planned Drilling Location
with Closed Loop Design

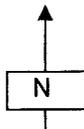


Exhibit # 6



No gas purchaser as of filing
 Water haul off will be to an approved disposal
 Still searching for available electricity as of filing

Spyglass 17 FedCom #1H	
Planned Completion Location After Remediation	
Mark	Description
A	Stack Pack
B	3" Meter Run
D	500 bbl fiberglass water Tank
C	500 bbl steel Oil Tank
E	500 bbl steel Oil Tank



Notes Regarding Blowout Preventer

Mewbourne Oil Company

Spyglass 17 Federal Com #1H

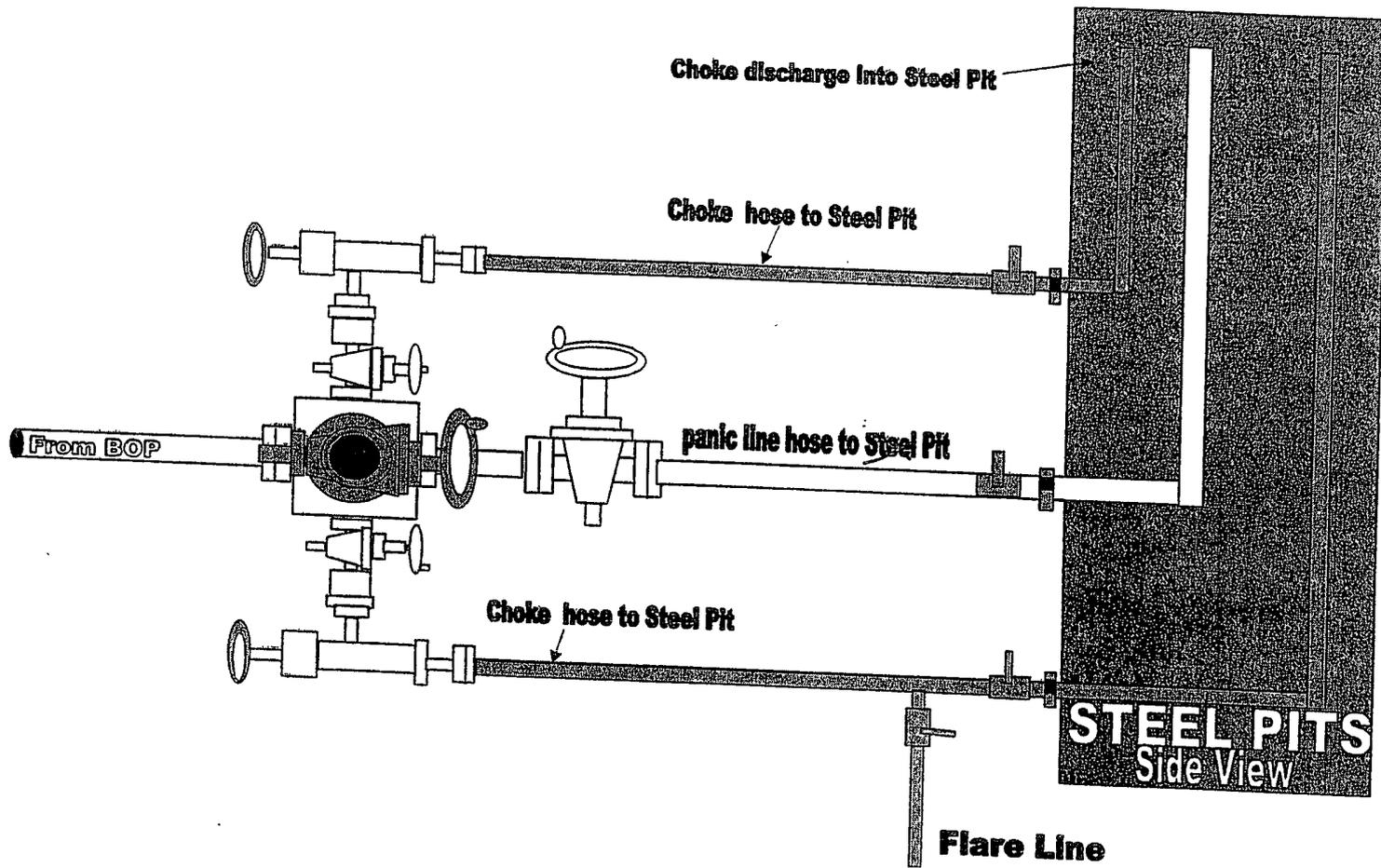
2135' FNL & 330' FWL

Sec 17-T19S-R33E

Lea County, New Mexico

- I. Drilling nipple (bell nipple) to be constructed so that it can be removed without the use of a welder through the opening of the rotary table, with minimum internal diameter equal to blowout preventer bore.
- II. Blowout preventer and all fittings must be in good condition with a minimum 2000 psi working pressure on 13 $\frac{3}{8}$ " casing and 5000 psi working pressure on 9 $\frac{5}{8}$ " casing.
- III. Safety valve must be available on the rig floor at all times with proper connections to install in the drill string. Valve must be full bore with minimum 5000 psi working pressure.
- IV. Equipment through which bit must pass shall be at least as large as internal diameter of the casing.
- V. A kelly cock shall be installed on the kelly at all times.

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



2000#/3000# BOP manifold system

For Exhibit 2 + 2A

Mewbourne Oil Company
 BOP Scematic for
 12 1/4" Hole

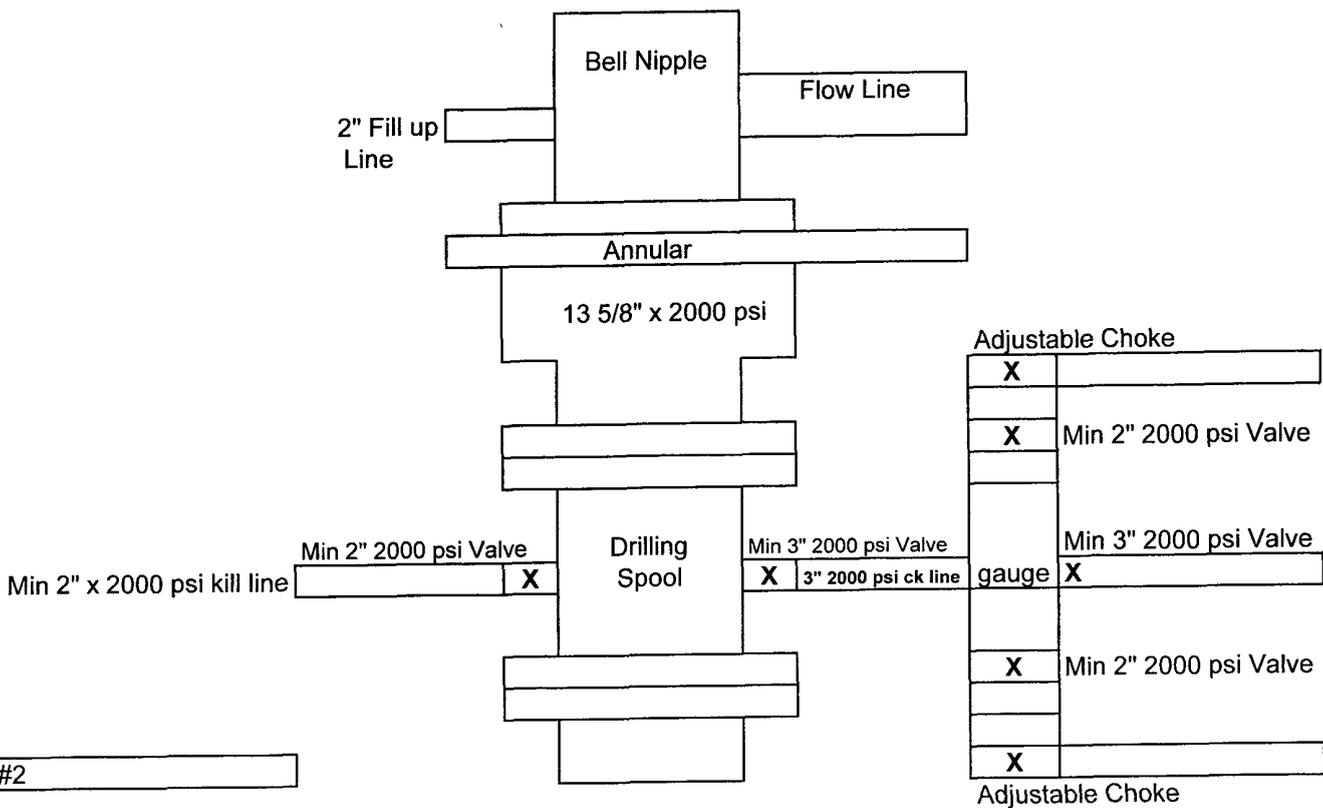


Exhibit #2

Spyglass 17 Federal Com #1H
 2135' FNL & 330' FWL
 Sec 17-T19S-R33E
 Lea, County
 New Mexico

Mewbourne Oil Company
 BOP Schematic for
 8 3/4" or 7 7/8" Hole

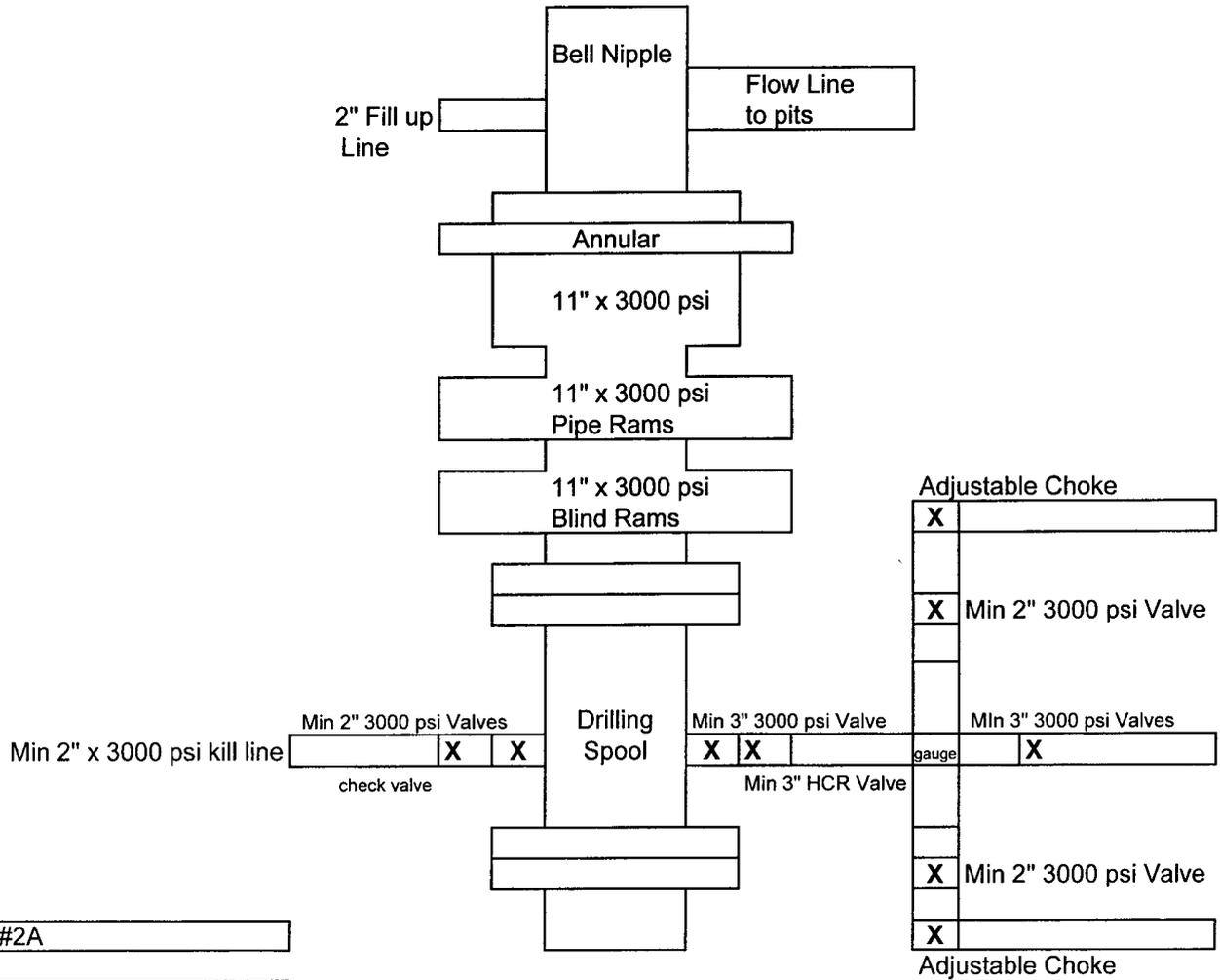


Exhibit #2A

Spyglass 17 Federal Com #1H
 2135' FNL & 330' FWL
 Sec 17-T19S-R33E
 Lea County
 New Mexico

Mewbourne Oil Company
 BOP Schematic for
 6 1/8" Hole

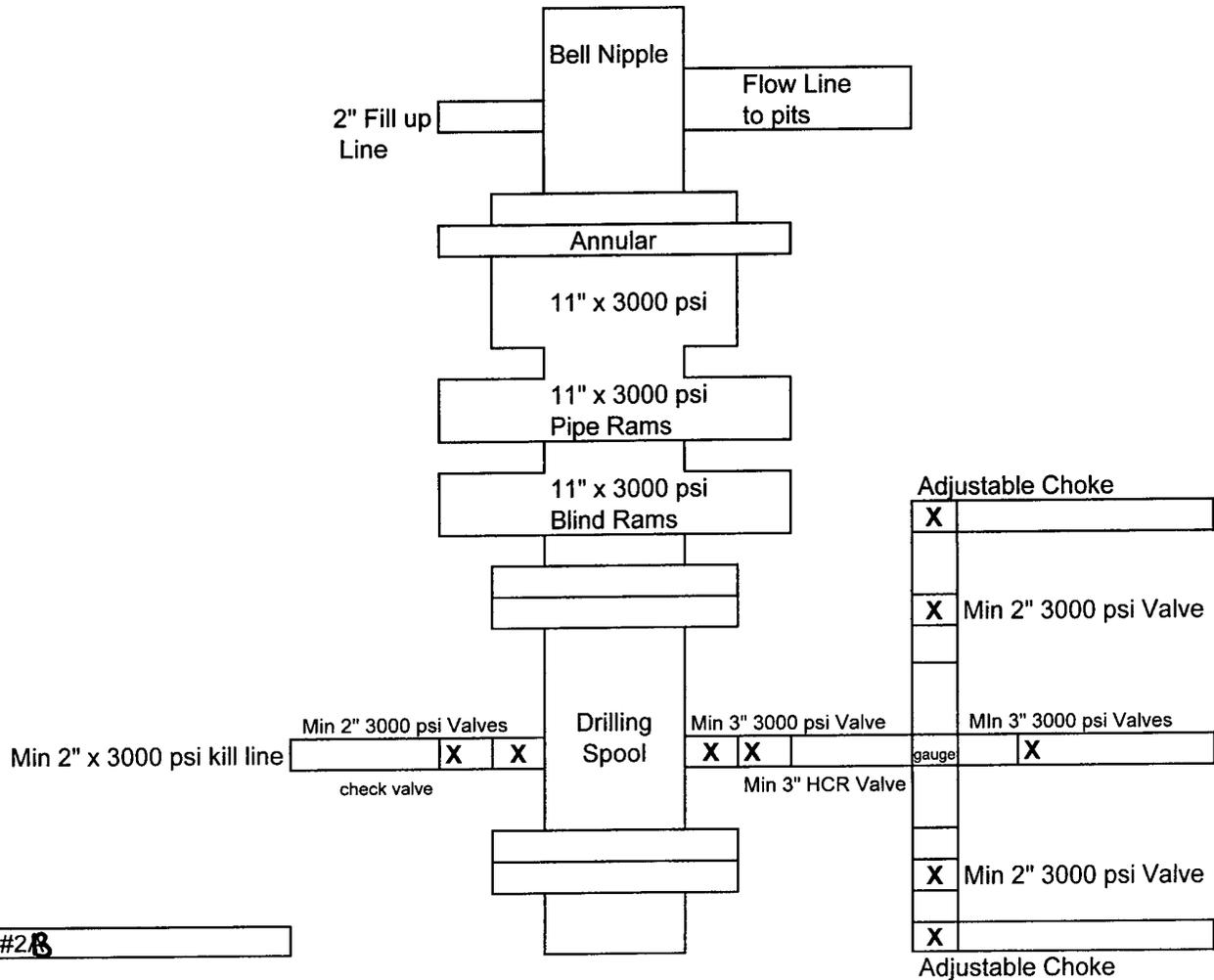


Exhibit #2B

Spyglass 17 Federal Com #1H
 2135' FNL & 330' FWL
 Sec 17-T19S-R33E
 Lea, County
 New Mexico

Exhibit #4
Status of Wells in Immediate Vicinity

Mewbourne Oil Company
Spyglass 17 Federal Com #1H
2135' FNL & 330' FWL
Sec 17-T19S-R33E
Lea County, New Mexico

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Section 17-T19S-R33E

Operator: Yates Energy Corp
Well Name: Hudson Fed #1
Unit letter: Unit G
Status: Flowing
Field: Gem Morrow Gas

Section 17-19S-R33E

Operator: Chesapeake Operating Inc
Well Name: Excalibur 17 Fed #1
Unit letter: P
Status: Flowing
Field: Gem Morrow

Section 19-T19S-R33E

Operator: Mewbourne Oil Company
Well Name: Norte 19 Fed Com #1
Unit Letter H
Status: Flowing
Field: Atoka Gas