

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

ATS-10-613
FORM APPROVED
OMB No 1004-0136
Expires January 31, 2004

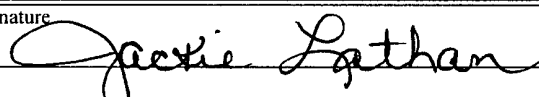
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER		5. Lease Serial No. NM-105559 (SL) NM-105561 (BH)
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☐ 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	3b. Phone No. (include area code) 575-393-5905	8. Lease Name and Well No. <38318> Red Hills West 3 Fed Com #1H
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1650' FSL & 380' FWL Unit L At proposed prod. zone 1650' FSL & 380' FWL Unit L Sec 10, T26S, R32E		9. API Well No. 30-025-39903
14. Distance in miles and direction from nearest town or post office* 25 miles SE of Malaga NM		10. Field and Pool, or Exploratory Wildcat Bone Springs <96403>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 380'	16. No. of Acres in lease 320	11. Sec., T., R., M., or Blk. and Survey or Area Sec 3 - T26S - R32E (SL)
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1320	19. Proposed Depth 14448' MD 9350' TVD	12. County or Parish Lea
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3271' GL	22. Approximate date work will start* ASAP	13. State NM
17. Spacing Unit dedicated to this well 160		
20. BLM/BIA Bond No. on file NM1693, Nationwide		
23. Estimated duration 40		

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 	Name (Printed/Typed) Jackie Lathan	Date 07/21/10
Title Hobbs Regulatory		
Approved by (Signature) /s/ Don Peterson	Name (Printed/Typed)	Date SEP 14 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)

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KZ 9/21/10

CARLSBAD CONTROLLED WATER BASIN

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SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

DISTRICT I

1025 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

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39903	Pool Code 96403	Pool Name Wildcat Bone Springs
Property Code 38318	Property Name RED HILLS WEST "3" FEDERAL COM	Well Number 1H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3271'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	3	26 S	32 E		1650	SOUTH	380	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
L	10	26 S	32 E		1650	SOUTH	380	WEST	LEA

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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

SURFACE LOCATION

Lat - N 32°04'09.80"
Long - W 103°40'11.10"
NMSPC- N 389600.230
E 705554.181
(NAD-77)

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 7/21/10
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.

Gary L. Jones
Date Surveyed Signature & Seal of Professional Surveyor

GARY L. JONES
Professional Surveyor
No. 2986

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

OPERATOR: Please do not report production under this temporary pool code until you have checked with the OCD District I Geologist Paul Kautz, and he confirms where your perfs are producing from and gives you the correct pool code.

United States Department of the Interior
Bureau of Land Management
Carlsbad Field Office
620 E Greene Street
Carlsbad, New Mexico 88201-1287

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Statement Accepting Responsibility for Operations

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

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

Lease Number: Lease Number NM-105559 (SL)
NM-105561 (BH)

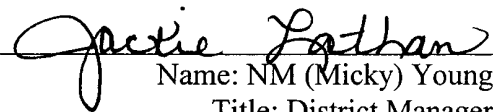
Legal Description of Land: Section 3, T-26S, R-32E Lea County, New Mexico.
Location @ 1650' FSL & 380' FWL.

Formation (if applicable): Bone Spring

Bond Coverage: \$150,000

BLM Bond File: NM1693, Nationwide

Authorized Signature:


Name: NM (Micky) Young
Title: District Manager
Date: July 21, 2010

Drilling Program
Mewbourne Oil Company
 Red Hills West 3 Federal Com #1H
 1650' FSL & 380' FWL (SHL)
 Sec 3-T26S-R32E
 Lea County, New Mexico

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

Base of Salt 4300'
 Lamar 4500'
 *Delaware 4525'
 *Bone Spring 8550'

*Rooter & Top of Salt
 should be listed,
 Onshore Order 1, III, D, 3, e*

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

Water Fresh water will be protected by setting surface casing at 600' and cementing to surface.
 Hydrocarbons Oil and gas are anticipated in the above (*) formations. These zones will be protected by casing as necessary.

3. Pressure control equipment:

Incomplete description - no statement about BOP when 13 3/8" casing.
 A 3000# WP Double Ram BOP and 3000# WP Annular will be installed after running 9" casing. Pressure tests will be conducted prior to drilling out under all casing strings. BOP controls will be installed prior to drilling under 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. Will test the 9 5/8" BOPE to 3000# and the Annular to 1500# with a third party testing company before drilling below each shoe, but will test again, if needed, in 30 days from the 1st test as per BLM Onshore Oil and Gas Order #2.

See COA

4. MOC proposes to drill a vertical wellbore to 8777' & kick off to horizontal @ 9350' TVD. The well will be drilled to 14448 MD (9350' TVD). See attached directional plan.

5. Proposed casing and cementing program:

A. Casing Program:

Hole Size	Casing	Wt/Ft.	Grade	Depth	Jt Type
17 1/2"	13 3/8" (new)	48#	H40	0'-600'	ST&C
12 1/4"	9 5/8" (new)	36#	K55	0'-3300'	ST&C
12 1/4"	9 5/8" (new)	40#	K55	3300'-4300'	ST&C
12 1/4"	9 5/8" (new)	40#	N80	4300'-4400'	LT&C
8 3/4"	5 1/2" (new)	17#	P110	0'-14448' MD	LT&C

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

*Subject to availability of casing.

See COA

See COA
*Replaced on (per operator)
 9/8/2010
 PBF*

B. Cementing Program:

See COA

- i. Surface Casing: 250 sacks Lite "C" cement w/additives. Yield at 2.05 cuft/sk. 200 sks class "C" w/1% CaCl₂. Yield at 1.34 cuft/sk. Cmt circulated to surface.
- ii. Intermediate Casing: 750 sacks Lite "C" cement w/additives. Yield at 2.05 cuft/sk. 400 sks class "C" w/1% CaCl₂. Yield at 1.34 cuft/sk. Cmt circulated to surface.
- iii. Production Casing: 700 sacks Lite "H" cement w/additives. Yield at 2.45 cuft/sk. 1500 sks class "H" w/additives. Yield at 1.29 cuft/sk. Cmt calculated to tieback to intermediate csg.

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

6. Mud Program:

See COA

<u>Interval</u>	<u>Type System</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0'-800'	FW spud mud	8.6-9.0	32-34	NA
800'-4400'	Brine water	10.0-10.2	28-30	NA
4400'- TD	FW w/Polymer	8.5-8.7	32-35	15

7. Evaluation Program:

Samples: 10' samples from surface casing to TD
Logging: *See COA* Tie-in GR & Gyro from KOP (8777') to surface. GR from 8777' to TD.

8. Downhole Conditions

Zones of abnormal pressure:	None anticipated
Zones of lost circulation:	Anticipated in surface and intermediate holes
Maximum bottom hole temperature:	120 degree F
Maximum bottom hole pressure:	8.3 lbs/gal gradient or less

9. Anticipated Starting Date:

Mewbourne Oil Company intends to drill this well as soon as possible after receiving approval with approximately 45 days involved in drilling operations and an additional 10 days involved in completion operations on the project.



Mewbourne Oil Company

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Mewbourne Oil Company

Location: Lea County, NM
Field: (Red) Sec 3, T26S, R32E
Facility: Red Hills West 3 Fed Com No. 1H

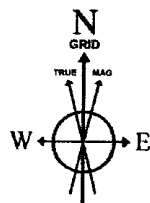
Slot: No. 1H SHL
Well: No. 1H
Wellbore: No. 1H PWB

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Well Profile Data

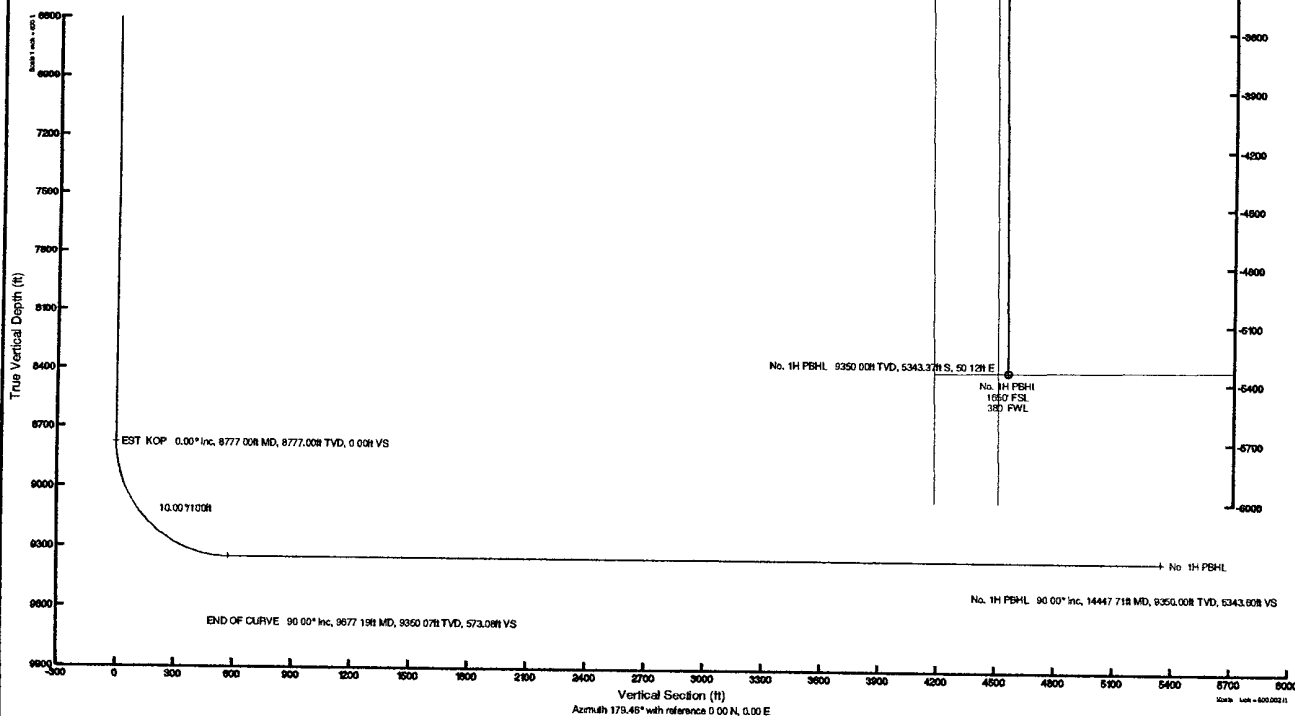
Design Comment	MD (ft)	Inc (°)	Az (°)	TVD (ft)	Local N (ft)	Local E (ft)	DLS (°/100ft)	VS (ft)
Tie On	0.00	0.000	179.463	0.00	0.00	0.00	0.00	0.00
EST. KOP	8777.00	0.000	179.463	8777.00	0.00	0.00	0.00	0.00
END OF CURVE	9677.19	90.001	179.463	9350.07	-573.06	5.38	10.00	573.08
No. 1H PBHL	14447.71	90.001	179.463	9350.00	-5343.37	50.12	0.00	5343.60



BGGM (1945.0 to 2011.0) Dip: 60.06° Field: 48676.8 nT
Magnetic North is 7.77 degrees East of True North (at 6/16/2010)
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 7.42 degrees

For example: if the Magnetic North Azimuth = 90 degs, then the Grid North Azimuth = 90 + 7.42 = 97.42

Plot reference wellpath is Ploton 2	
True vertical depths are referenced to Rig on No. 1H SHL (KB)	Grid System: NAD 83 / TM New Mexico State Plane, Eastern Zone (3001) US feet
Measured depths are referenced to Rig on No. 1H SHL (KB)	North Reference: Grid north
Rig on No. 1H SHL (KB) to Mean Sea Level: 3280 feet	Scale: True distance
Mean Sea Level to Mud line (Facility: Red Hills West 3 Fed Com No. 1H) -3271 feet	Depths are in feet
Coordinates are in feet (referenced to Sld)	Created by: Victor Hernandez on 8/17/2010



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SEP 18 2010

Prelim 2

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REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No. 1H SHL
Area	Lea County, NM	Well	No. 1H
Field	(Red) Sec 3, T26S, R32E	Wellbore	No. 1H PWB
Facility	Red Hills West 3 Fed Com 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	0.999957	Report Generated	6/17/2010 at 10:50:59 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	705554.18	389600.23	32°04'09.801"N	103°40'11.101"W
Facility Reference Pt			705554.18	389600.23	32°04'09.801"N	103°40'11.101"W
Field Reference Pt			705554.18	389600.23	32°04'09.801"N	103°40'11.101"W

WELLPATH DATUM

Calculation method	Minimum curvature	Rig on No. 1H SHL (KB) to GL	18.00ft
Horizontal Reference Pt	Slot	Rig on No. 1H SHL (KB) to Mean Sea Level	3289.00ft
Vertical Reference Pt	Rig on No. 1H SHL (KB)	GL to Mud Line (Facility)	0.00ft
MD Reference Pt	Rig on No. 1H SHL (KB)	Section Origin	N 0.00, E 0.00 ft
Field Vertical Reference	Mean Sea Level	Section Azimuth	179.46°

Planned Wellpath Report

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REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No. 1H SHL
Area	Lea County, NM	Well	No. 1H
Field	(Red) Sec 3, T26S, R32E	Wellbore	No. 1H PWB
Facility	Red Hills West 3 Fed Com No. 1H		

WELLPATH DATA (60 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	179.463	0.00	0.00	0.00	0.00	705554.18	389600.23	32°04'09.801"N	103°40'11.101"W	0.00	Tie On
8777.00	0.000	179.463	8777.00	0.00	0.00	0.00	705554.18	389600.23	32°04'09.801"N	103°40'11.101"W	0.00	EST. KOP
8877.00†	9.998	179.463	8876.49	8.70	-8.70	0.08	705554.26	389591.53	32°04'09.714"N	103°40'11.101"W	10.00	
8977.00†	19.996	179.463	8972.96	34.55	-34.55	0.32	705554.50	389565.69	32°04'09.459"N	103°40'11.100"W	10.00	
9077.00†	29.994	179.463	9063.48	76.75	-76.74	0.72	705554.90	389523.49	32°04'09.041"N	103°40'11.098"W	10.00	
9177.00†	39.992	179.463	9145.30	134.02	-134.02	1.26	705555.44	389466.22	32°04'08.474"N	103°40'11.096"W	10.00	
9277.00†	49.990	179.463	9215.93	204.63	-204.62	1.92	705556.10	389395.62	32°04'07.776"N	103°40'11.093"W	10.00	
9377.00†	59.988	179.463	9273.24	286.43	-286.42	2.69	705556.87	389313.82	32°04'06.966"N	103°40'11.090"W	10.00	
9477.00†	69.986	179.463	9315.46	376.94	-376.92	3.54	705557.72	389223.32	32°04'06.070"N	103°40'11.087"W	10.00	
9577.00†	79.984	179.463	9341.34	473.40	-473.38	4.44	705558.62	389126.87	32°04'05.116"N	103°40'11.083"W	10.00	
9677.00†	89.982	179.463	9350.07	572.89	-572.87	5.37	705559.55	389027.39	32°04'04.131"N	103°40'11.079"W	10.00	
9677.19	90.001	179.463	9350.07	573.08	-573.06	5.38	705559.56	389027.20	32°04'04.130"N	103°40'11.079"W	10.00	END OF CURVE
9777.00†	90.001	179.463	9350.07	672.89	-672.86	6.31	705560.49	388927.40	32°04'03.142"N	103°40'11.076"W	0.00	
9877.00†	90.001	179.463	9350.07	772.89	-772.86	7.25	705561.43	388827.41	32°04'02.152"N	103°40'11.072"W	0.00	
9977.00†	90.001	179.463	9350.07	872.89	-872.85	8.19	705562.37	388727.41	32°04'01.163"N	103°40'11.068"W	0.00	
10077.00†	90.001	179.463	9350.07	972.89	-972.85	9.13	705563.31	388627.42	32°04'00.173"N	103°40'11.064"W	0.00	
10177.00†	90.001	179.463	9350.06	1072.89	-1072.85	10.06	705564.24	388527.43	32°03'59.184"N	103°40'11.061"W	0.00	
10277.00†	90.001	179.463	9350.06	1172.89	-1172.84	11.00	705565.18	388427.44	32°03'58.194"N	103°40'11.057"W	0.00	
10377.00†	90.001	179.463	9350.06	1272.89	-1272.84	11.94	705566.12	388327.45	32°03'57.204"N	103°40'11.053"W	0.00	
10477.00†	90.001	179.463	9350.06	1372.89	-1372.83	12.88	705567.06	388227.46	32°03'56.215"N	103°40'11.049"W	0.00	
10577.00†	90.001	179.463	9350.06	1472.89	-1472.83	13.82	705567.99	388127.47	32°03'55.225"N	103°40'11.046"W	0.00	
10677.00†	90.001	179.463	9350.06	1572.89	-1572.82	14.75	705568.93	388027.48	32°03'54.236"N	103°40'11.042"W	0.00	
10777.00†	90.001	179.463	9350.06	1672.89	-1672.82	15.69	705569.87	387927.49	32°03'53.246"N	103°40'11.038"W	0.00	
10877.00†	90.001	179.463	9350.05	1772.89	-1772.81	16.63	705570.81	387827.49	32°03'52.257"N	103°40'11.034"W	0.00	
10977.00†	90.001	179.463	9350.05	1872.89	-1872.81	17.57	705571.75	387727.50	32°03'51.267"N	103°40'11.031"W	0.00	
11077.00†	90.001	179.463	9350.05	1972.89	-1972.81	18.51	705572.68	387627.51	32°03'50.277"N	103°40'11.027"W	0.00	
11177.00†	90.001	179.463	9350.05	2072.89	-2072.80	19.44	705573.62	387527.52	32°03'49.288"N	103°40'11.023"W	0.00	
11277.00†	90.001	179.463	9350.05	2172.89	-2172.80	20.38	705574.56	387427.53	32°03'48.298"N	103°40'11.019"W	0.00	
11377.00†	90.001	179.463	9350.05	2272.89	-2272.79	21.32	705575.50	387327.54	32°03'47.309"N	103°40'11.016"W	0.00	
11477.00†	90.001	179.463	9350.05	2372.89	-2372.79	22.26	705576.44	387227.55	32°03'46.319"N	103°40'11.012"W	0.00	

Planned Wellpath Report

Prelim_2

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REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No. 1H SHL
Area	Lea County, NM	Well	No. 1H
Field	(Red) Sec 3, T26S, R32E	Wellbore	No. 1H PWB
Facility	Red Hills West 3 Fed Com No. 1H		

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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
11577.00†	90.001	179.463	9350.04	2472.89	-2472.78	23.20	705577.37	387127.56	32°03'45.330"N	103°40'11.008"W	0.00	
11677.00†	90.001	179.463	9350.04	2572.89	-2572.78	24.13	705578.31	387027.57	32°03'44.340"N	103°40'11.004"W	0.00	
11777.00†	90.001	179.463	9350.04	2672.89	-2672.77	25.07	705579.25	386927.57	32°03'43.351"N	103°40'11.001"W	0.00	
11877.00†	90.001	179.463	9350.04	2772.89	-2772.77	26.01	705580.19	386827.58	32°03'42.361"N	103°40'10.997"W	0.00	
11977.00†	90.001	179.463	9350.04	2872.89	-2872.77	26.95	705581.13	386727.59	32°03'41.371"N	103°40'10.993"W	0.00	
12077.00†	90.001	179.463	9350.04	2972.89	-2972.76	27.89	705582.06	386627.60	32°03'40.382"N	103°40'10.989"W	0.00	
12177.00†	90.001	179.463	9350.03	3072.89	-3072.76	28.82	705583.00	386527.61	32°03'39.392"N	103°40'10.986"W	0.00	
12277.00†	90.001	179.463	9350.03	3172.89	-3172.75	29.76	705583.94	386427.62	32°03'38.403"N	103°40'10.982"W	0.00	
12377.00†	90.001	179.463	9350.03	3272.89	-3272.75	30.70	705584.88	386327.63	32°03'37.413"N	103°40'10.978"W	0.00	
12477.00†	90.001	179.463	9350.03	3372.89	-3372.74	31.64	705585.82	386227.64	32°03'36.424"N	103°40'10.974"W	0.00	
12577.00†	90.001	179.463	9350.03	3472.89	-3472.74	32.58	705586.75	386127.64	32°03'35.434"N	103°40'10.971"W	0.00	
12677.00†	90.001	179.463	9350.03	3572.89	-3572.74	33.51	705587.69	386027.65	32°03'34.444"N	103°40'10.967"W	0.00	
12777.00†	90.001	179.463	9350.03	3672.89	-3672.73	34.45	705588.63	385927.66	32°03'33.455"N	103°40'10.963"W	0.00	
12877.00†	90.001	179.463	9350.02	3772.89	-3772.73	35.39	705589.57	385827.67	32°03'32.465"N	103°40'10.959"W	0.00	
12977.00†	90.001	179.463	9350.02	3872.89	-3872.72	36.33	705590.51	385727.68	32°03'31.476"N	103°40'10.956"W	0.00	
13077.00†	90.001	179.463	9350.02	3972.89	-3972.72	37.27	705591.44	385627.69	32°03'30.486"N	103°40'10.952"W	0.00	
13177.00†	90.001	179.463	9350.02	4072.89	-4072.71	38.20	705592.38	385527.70	32°03'29.497"N	103°40'10.948"W	0.00	
13277.00†	90.001	179.463	9350.02	4172.89	-4172.71	39.14	705593.32	385427.71	32°03'28.507"N	103°40'10.944"W	0.00	
13377.00†	90.001	179.463	9350.02	4272.89	-4272.70	40.08	705594.26	385327.72	32°03'27.517"N	103°40'10.940"W	0.00	
13477.00†	90.001	179.463	9350.01	4372.89	-4372.70	41.02	705595.20	385227.72	32°03'26.528"N	103°40'10.937"W	0.00	
13577.00†	90.001	179.463	9350.01	4472.89	-4472.70	41.96	705596.13	385127.73	32°03'25.538"N	103°40'10.933"W	0.00	
13677.00†	90.001	179.463	9350.01	4572.89	-4572.69	42.89	705597.07	385027.74	32°03'24.549"N	103°40'10.929"W	0.00	
13777.00†	90.001	179.463	9350.01	4672.89	-4672.69	43.83	705598.01	384927.75	32°03'23.559"N	103°40'10.925"W	0.00	
13877.00†	90.001	179.463	9350.01	4772.89	-4772.68	44.77	705598.95	384827.76	32°03'22.570"N	103°40'10.922"W	0.00	
13977.00†	90.001	179.463	9350.01	4872.89	-4872.68	45.71	705599.88	384727.77	32°03'21.580"N	103°40'10.918"W	0.00	
14077.00†	90.001	179.463	9350.01	4972.89	-4972.67	46.65	705600.82	384627.78	32°03'20.590"N	103°40'10.914"W	0.00	
14177.00†	90.001	179.463	9350.00	5072.89	-5072.67	47.58	705601.76	384527.79	32°03'19.601"N	103°40'10.910"W	0.00	
14277.00†	90.001	179.463	9350.00	5172.89	-5172.66	48.52	705602.70	384427.80	32°03'18.611"N	103°40'10.907"W	0.00	
14377.00†	90.001	179.463	9350.00	5272.89	-5272.66	49.46	705603.64	384327.80	32°03'17.622"N	103°40'10.903"W	0.00	
14447.71	90.001	179.463	9350.00 ¹	5343.60	-5343.37	50.12	705604.30	384257.10	32°03'16.922"N	103°40'10.900"W	0.00	No. 1H PBHL

Planned Wellpath Report

Prelim_2

Page 4 of 4



REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No. 1H SHL
Area	Lea County, NM	Well	No. 1H
Field	(Red) Sec 3, T26S, R32E	Wellbore	No. 1H PWB
Facility	Red Hills West 3 Fed Com No. 1H		

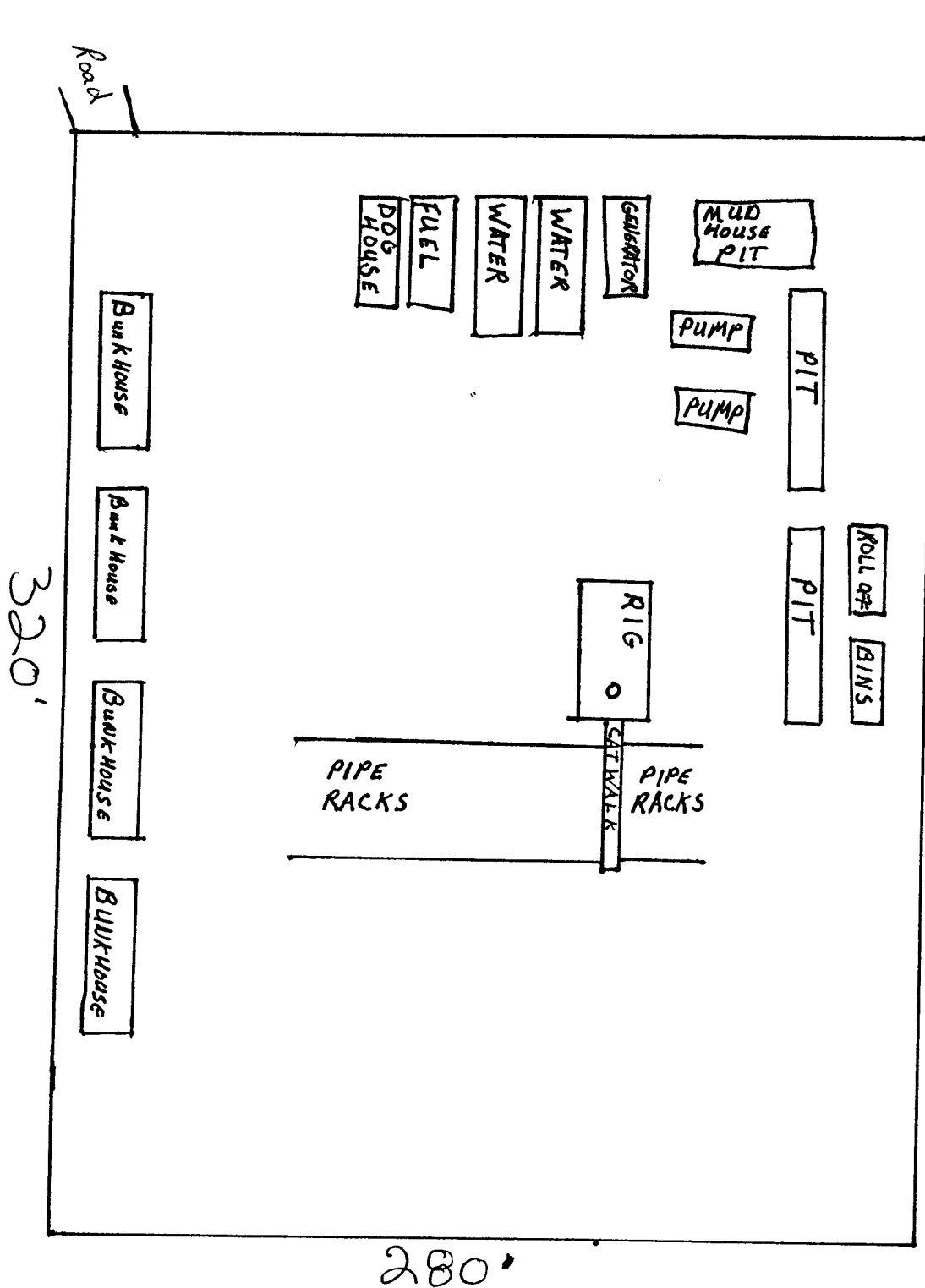
TARGETS

Name	MD [ft]	TVD [ft]	North [ft]	East [ft]	Grid East [srv ft]	Grid North [srv ft]	Latitude	Longitude	Shape
1) No. 1H PBHL	14447.71	9350.00	-5343.37	50.12	705604.30	384257.10	32°03'16.922"N	103°40'10.900"W	point

SURVEY PROGRAM Ref Wellbore: No. 1H PWB Ref Wellpath: Prelim_2

Start MD [ft]	End MD [ft]	Positional Uncertainty Model	Log Name/Comment	Wellbore
18.00	14447.71	NaviTrak (Standard)		No. 1H PWB

Mewbourne Oil Company
Red Hills West "3" Federal Com # 1H
1650' FSL & 380' FWL
Sec 3, T26S, R32E
Lea Co., NM



1"
50'

Exhibit #5

Notes Regarding Blowout Preventer

Mewbourne Oil Company

Red Hills West 3 Federal Com #1H

1650' FSL & 380' FWL (SHL)

Sec 3-T26S-R32E

Lea County, New Mexico

- I. Drilling nipple (bell nipple) to be constructed so that it can be removed without the use of a welder through the opening of the rotary table, with minimum internal diameter equal to blowout preventer bore.
- II. Blowout preventer and all fittings must be in good condition with a minimum 2000 psi working pressure on ~~9 5/8"~~ casing and 3000 psi working pressure on 7" ^{5/8"} _{13 3/8"}
- III. Safety valve must be available on the rig floor at all times with proper connections to install in the drill string. Valve must be full bore with minimum 3000 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 an accumulator of at least 40 gallon capacity, two independent sources of pressure on closing unit, and meet all other API specifications.

Mewbourne Oil Company

BOP Scematic for

12 1/4" Hole

17 1/2"

Exhibit 2

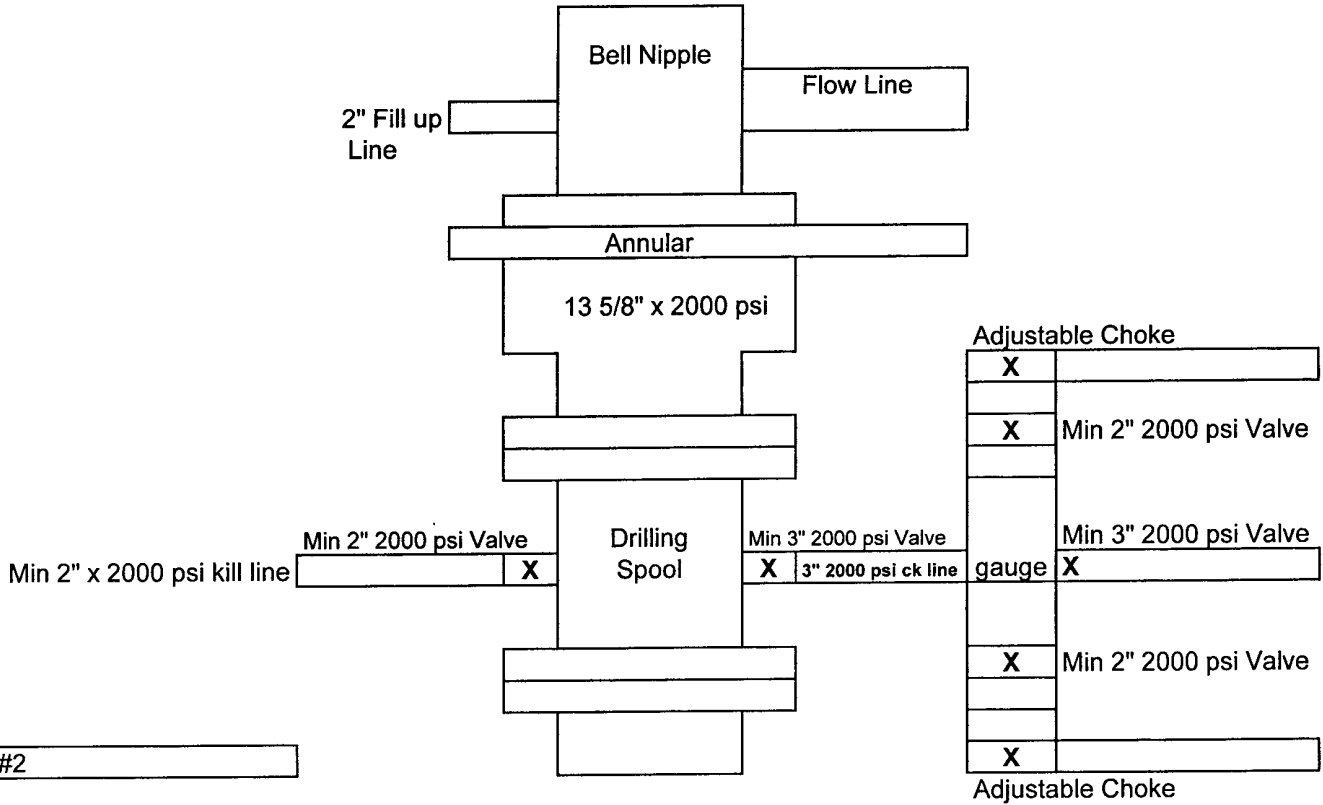


Exhibit #2

Red Hills West 3 Fed Com #1H
1650' FSL & 380' FWL
Sec 3-T26S-R32E
Lea, County
New Mexico

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

4
12 1/4" Hole

Exhibit 2A

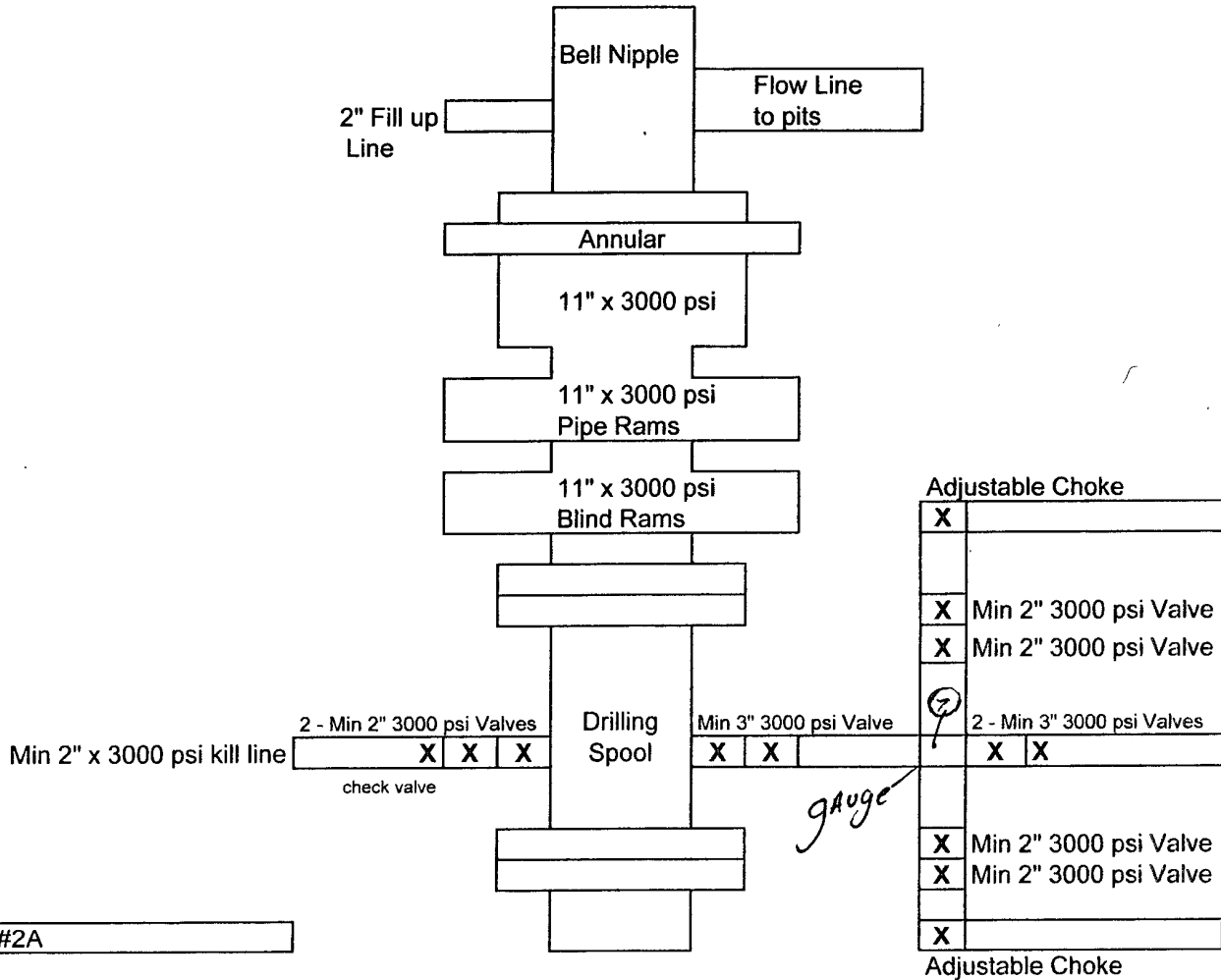
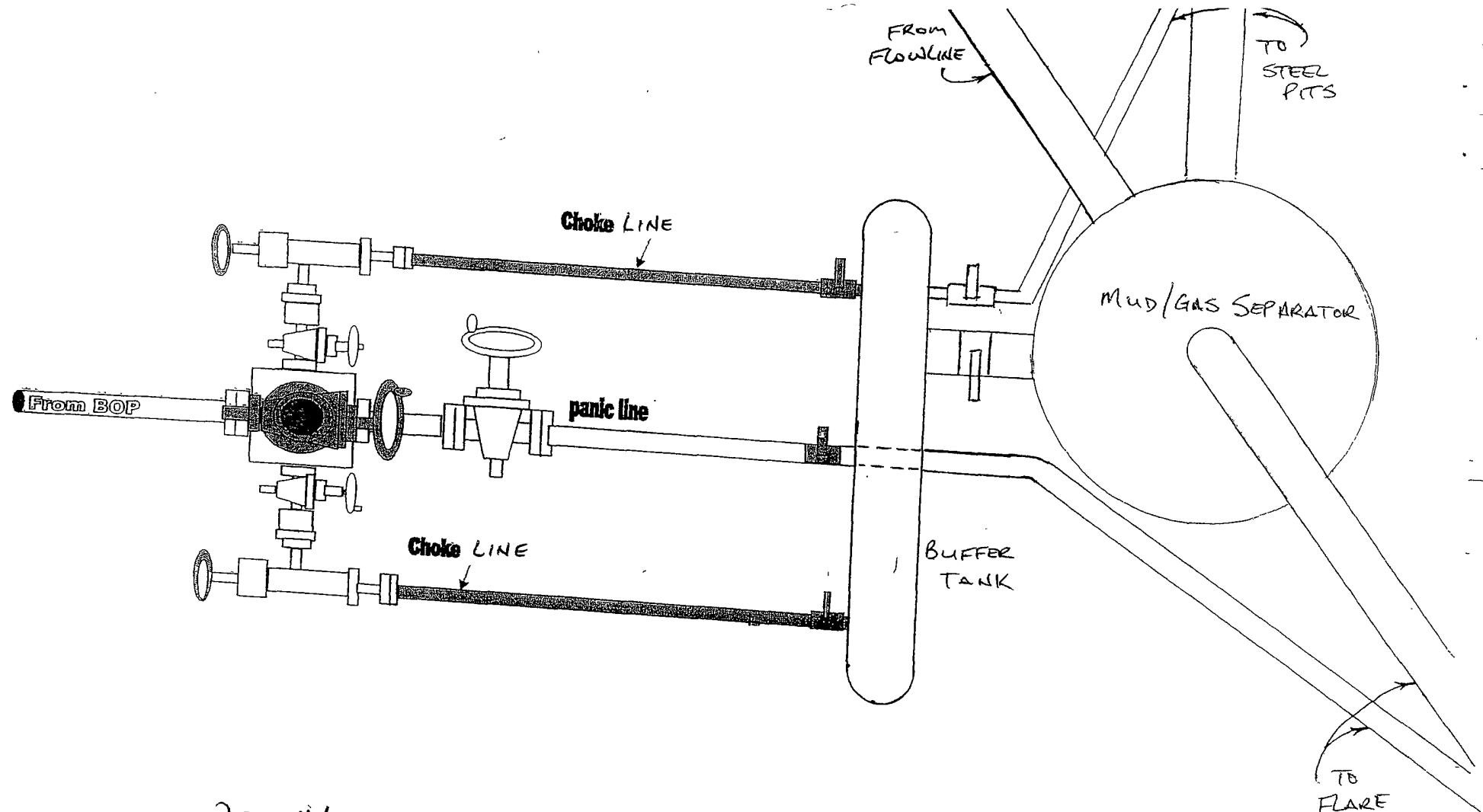


Exhibit #2A

Red Hills West 3 Fed Com #1H
1650' FSL & 380' FWL
Sec 3-T26S-R32E
Lea County,
New Mexico



2000#/3000# BOP manifold system
FOR POTENTIAL H₂S ENVIRONMENT

Mewbourne Oil Company
Red Hills West "3" Federal Com #1H
1650' FSL & 380' FWL
Sec 3, T26S, R32E
Lea Co., NM

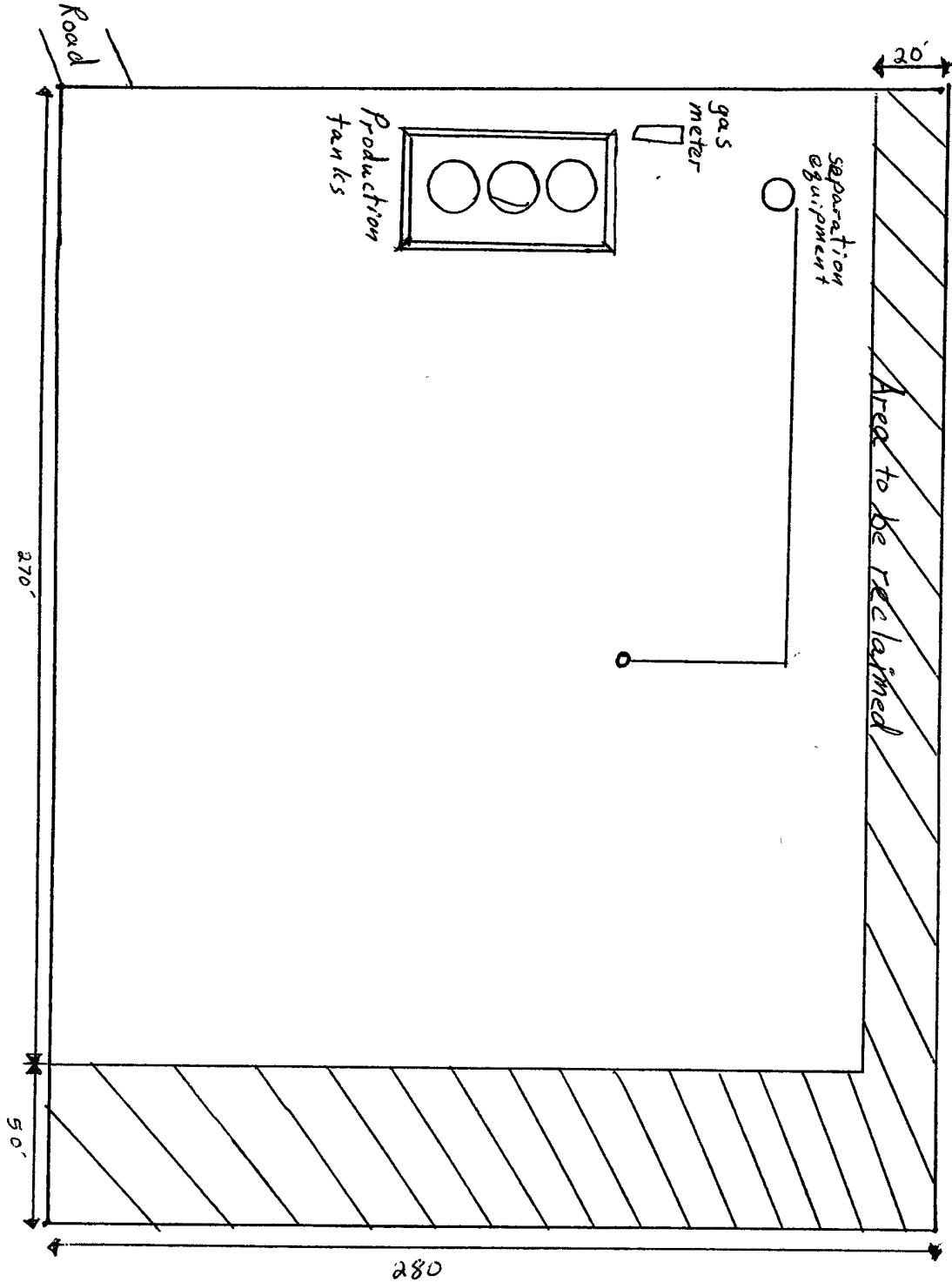
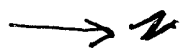


Exhibit #6