

SECRETARY'S POTASH

OCD Hobbs
HOBBS OCD

ATS-11-393

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAY 17 2011

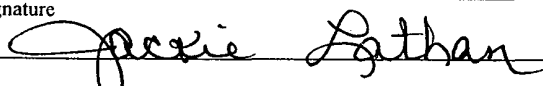
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER		5. Lease Serial No. NM-01135 (SL) NMNM-77053-(BHL)
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		8. Lease Name and Well No. Ocelot 34 Fed Com #1H (38638)
3b. Phone No. (include area code) 575-393-5905		9. API Well No. 38-025-40142
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface (SL) 475' FNL & 1932' FEL Unit B At proposed prod. zone (BHL) 330' FSL & 1980' FEL Unit C		10. Field and Pool, or Exploratory South Luck Bone Spring (41460)
11. Sec., T., R., M., or Blk. and Survey or Area Sec 34, T19S, R32E		12. County or Parish Lea
13. State NM		14. Distance in miles and direction from nearest town or post office* 16 Miles S of Maljamar
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 475	16. No. of Acres in lease 80	17. Spacing Unit dedicated to this well 159.39
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 173	19. Proposed Depth 13807 MD 9720 TVD	20. BLM/BIA Bond No. on file NM1693, Nationwide
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3568' GL	22. Approximate date work will start* ASAP	23. Estimated duration 45

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.
2. A Drilling Plan.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
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 02/7/11
Title Hobbs Regulatory		
Approved by (Signature) 	Name (Printed/Typed) J. Herrell	Date MAY - 5 2011
Title STATE DIRECTOR	Office NM STATE 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)

K2 05/25/11

Capitan Controlled Water Basin

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Approval Subject to General Requirements
& Special Stipulations Attached

MAY 26 2011

Drilling Program
Mewbourne Oil Company
 Ocelot "34" Federal Com #1H
 475' FNL & 1932' FEL (SHL)
 Sec 34-T19S-R32E
 Lea County, New Mexico

HOBBS OCD

MAY 17 2011

RECEIVED

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

Rustler	1000'
Top of Salt	1200'
Base of Salt	2350'
Yates	2850'
Capitan	3100'
Delaware	4900'
*Bone Springs	7550'
Wolfcamp	WILL NOT PENETRATE

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

Water	Fresh water will be protected by setting surface casing at 1025' 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:

A 2000# WP annular BOP will be installed after running 13 3/8" casing. A 3000# WP double ram BOP and 3000# WP annular will be installed after running 9 5/8" and 7" casing strings. 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. BOPs 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" and 7" BOPE to 3000# and 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.

4. Drilling Program:

MOC proposes to drill a vertical wellbore to 9101' & kick off to horizontal @ 9676' TVD. The well will be drilled to 13875' MD (9721' 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'-1025' 1110'	ST&C
12 1/4"	9 5/8" (new)	36#	K55	0'-3000' 4550'	ST&C
8 3/4"	7" (new)	26#	P110	0-9100' MD	LT&C
8 3/4"	7" (new)	26#	P110	9100'-10000' MD	BT&C
6 1/8"	4 1/2" (new)	11.63 ⁶⁰	P110	9800'-13875' MD 13867	LT&C

See
COA

Minimum casing design factors: Collapse 1.125, Burst 1.0, Tensile strength 1.8.
See CoA *Subject to availability of casing.

B. Cementing Program:

- i. Surface Casing: 300 sacks Lite "C" (35:65:4) cement w/salt and LCM additives. Yield at 2.05 cuft/sk. 200 sks class "C" w/1% CaCl₂. Yield at 1.34 cuft/sk. Cmt circulated to surface w/24% excess.
- ii. Intermediate Casing: 300 sacks Lite "C" (35:65:4) cement w/salt, fluid loss, and LCM additives. Yield at 2.05 cuft/sk. 400 sks class "C" w/1% CaCl₂. Yield at 1.34 cuft/sk. Cmt circulated to surface w/24% excess.
- iii. Production Casing: 325 sacks Lite "H" (35:65:4) cement w/salt, fluid loss, and LCM additives. Yield at 2.45 cuft/sk. 400 sks class "H" w/fluid loss additives. Yield at 1.29 cuft/sk. Cmt calculated to tieback to intermediate csg @ 2800' *See CoA* w/21% excess.

See CoA

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

6. Mud Program:

Interval	Type System	Weight	Viscosity	Fluid Loss
0'-1025' <i>1110'</i>	FW spud mud	8.6-9.0	32-34	NA
1025'-3000' <i>4550'</i>	Brine water	10.0	28-30	NA
3000'-9100'	FW	8.5-8.7	28-30	NA
9100'-TD	FW w/Polymer	8.5-8.7	32-35	15

7. Evaluation Program:

See CoA

Samples: 10' samples from surface casing to TD
 Logging: GR surface to 9721' TVD & Gyro from 100' above KOP (9000') to surface.

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.

Planned Wellpath Report

Prelim_1
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INTEQ

REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No.1H SHL
Area	Lea County, NM	Well	No.1H
Field	(Ocelot) Sec 34, 19S, T32E	Wellbore	No.1H PWB
Facility	Ocelot 34 Federal 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	Gomeoscr
Scale	0.999946	Report Generated	1/25/2011 at 5:47:30 PM
Convergence at slot	0.31° 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	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W
Facility Reference Pt			679225.70	590736.30	32°37'21.678"N	103°45'04.363"W
Field Reference Pt			679180.59	590311.29	32°37'17.475"N	103°45'04.918"W

WELLPATH DATUM

Calculation method	Minimum curvature	Rig on No.1H SHL (RT) to Facility Vertical Datum	18.00ft
Horizontal Reference Pt	Slot	Rig on No.1H SHL (RT) to Mean Sea Level	3586.00ft
Vertical Reference Pt	Rig on No.1H SHL (RT)	Facility Vertical Datum to Mud Line (Facility)	0.00ft
MD Reference Pt	Rig on No.1H SHL (RT)	Section Origin	N 0.00, E 0.00 ft
Field Vertical Reference	Mean Sea Level	Section Azimuth	180.28°

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WELLPATH DATA (142 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	180.270	0.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	Tie On
100.00†	0.000	180.270	100.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
200.00†	0.000	180.270	200.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
300.00†	0.000	180.270	300.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
400.00†	0.000	180.270	400.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
500.00†	0.000	180.270	500.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
600.00†	0.000	180.270	600.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
700.00†	0.000	180.270	700.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
800.00†	0.000	180.270	800.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
900.00†	0.000	180.270	900.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
1000.00†	0.000	180.270	1000.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
1100.00†	0.000	180.270	1100.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
1200.00†	0.000	180.270	1200.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
1300.00†	0.000	180.270	1300.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
1400.00†	0.000	180.270	1400.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
1500.00†	0.000	180.270	1500.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
1600.00†	0.000	180.270	1600.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
1700.00†	0.000	180.270	1700.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
1800.00†	0.000	180.270	1800.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
1900.00†	0.000	180.270	1900.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
2000.00†	0.000	180.270	2000.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
2100.00†	0.000	180.270	2100.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
2200.00†	0.000	180.270	2200.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
2300.00†	0.000	180.270	2300.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
2400.00†	0.000	180.270	2400.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
2500.00†	0.000	180.270	2500.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
2600.00†	0.000	180.270	2600.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
2700.00†	0.000	180.270	2700.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
2800.00†	0.000	180.270	2800.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
2900.00†	0.000	180.270	2900.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
3000.00†	0.000	180.270	3000.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
3100.00†	0.000	180.270	3100.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
3200.00†	0.000	180.270	3200.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
3300.00†	0.000	180.270	3300.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
3400.00†	0.000	180.270	3400.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
3500.00†	0.000	180.270	3500.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
3600.00†	0.000	180.270	3600.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
3700.00†	0.000	180.270	3700.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
3800.00†	0.000	180.270	3800.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
3900.00†	0.000	180.270	3900.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
4000.00†	0.000	180.270	4000.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
4100.00†	0.000	180.270	4100.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
4200.00†	0.000	180.270	4200.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
4300.00†	0.000	180.270	4300.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
4400.00†	0.000	180.270	4400.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	

Planned Wellpath Report

Mewbourne Oil Company

Prelim_1

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**BAKER
HUGHES**

INTEQ

REFERENCE WELLPATH IDENTIFICATION

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WELLPATH DATA (142 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
4500.00†	0.000	180.270	4500.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
4600.00†	0.000	180.270	4600.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
4700.00†	0.000	180.270	4700.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
4800.00†	0.000	180.270	4800.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
4900.00†	0.000	180.270	4900.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
5000.00†	0.000	180.270	5000.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
5100.00†	0.000	180.270	5100.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
5200.00†	0.000	180.270	5200.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
5300.00†	0.000	180.270	5300.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
5400.00†	0.000	180.270	5400.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
5500.00†	0.000	180.270	5500.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
5600.00†	0.000	180.270	5600.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
5700.00†	0.000	180.270	5700.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
5800.00†	0.000	180.270	5800.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
5900.00†	0.000	180.270	5900.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
6000.00†	0.000	180.270	6000.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
6100.00†	0.000	180.270	6100.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
6200.00†	0.000	180.270	6200.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
6300.00†	0.000	180.270	6300.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
6400.00†	0.000	180.270	6400.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
6500.00†	0.000	180.270	6500.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
6600.00†	0.000	180.270	6600.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
6700.00†	0.000	180.270	6700.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
6800.00†	0.000	180.270	6800.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
6900.00†	0.000	180.270	6900.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
7000.00†	0.000	180.270	7000.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
7100.00†	0.000	180.270	7100.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
7200.00†	0.000	180.270	7200.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
7300.00†	0.000	180.270	7300.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
7400.00†	0.000	180.270	7400.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
7500.00†	0.000	180.270	7500.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
7600.00†	0.000	180.270	7600.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
7700.00†	0.000	180.270	7700.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
7800.00†	0.000	180.270	7800.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
7900.00†	0.000	180.270	7900.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
8000.00†	0.000	180.270	8000.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
8100.00†	0.000	180.270	8100.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
8200.00†	0.000	180.270	8200.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
8300.00†	0.000	180.270	8300.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
8400.00†	0.000	180.270	8400.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
8500.00†	0.000	180.270	8500.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
8600.00†	0.000	180.270	8600.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
8700.00†	0.000	180.270	8700.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
8800.00†	0.000	180.270	8800.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
8900.00†	0.000	180.270	8900.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	

Planned Wellpath Report

Mewbourne Oil Company

Prelim_1
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**BAKER
HUGHES**

INTEQ

REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No.1H SHL
Area	Lea County, NM	Well	No.1H
Field	(Ocelot) Sec 34, 19S, T32E	Wellbore	No.1H PWB
Facility	Ocelot 34 Federal Com No.1H		

WELLPATH DATA (142 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
9000.00†	0.000	180.270	9000.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	
9100.00	0.000	180.270	9100.00	0.00	0.00	0.00	679225.70	590736.30	32°37'21.678"N	103°45'04.363"W	0.00	Est KOP
9200.00†	9.946	180.270	9199.50	8.66	-8.66	-0.04	679225.66	590727.64	32°37'21.593"N	103°45'04.364"W	9.95	
9300.00†	19.893	180.270	9296.01	34.37	-34.37	-0.16	679225.54	590701.93	32°37'21.338"N	103°45'04.367"W	9.95	
9400.00†	29.839	180.270	9386.62	76.37	-76.37	-0.36	679225.34	590659.94	32°37'20.923"N	103°45'04.372"W	9.95	
9500.00†	39.786	180.270	9468.62	133.39	-133.39	-0.63	679225.07	590602.92	32°37'20.359"N	103°45'04.379"W	9.95	
9600.00†	49.732	180.270	9539.54	203.71	-203.71	-0.96	679224.74	590532.60	32°37'19.663"N	103°45'04.387"W	9.95	
9700.00†	59.679	180.270	9597.24	285.23	-285.22	-1.34	679224.36	590451.09	32°37'18.856"N	103°45'04.397"W	9.95	
9800.00†	69.625	180.270	9640.00	375.49	-375.48	-1.77	679223.93	590360.84	32°37'17.963"N	103°45'04.408"W	9.95	
9900.00†	79.572	180.270	9666.53	471.77	-471.77	-2.22	679223.48	590264.56	32°37'17.010"N	103°45'04.419"W	9.95	
9997.81	89.300	180.270	9676.00	569.01	-569.00	-2.68	679223.02	590167.33	32°37'16.048"N	103°45'04.431"W	9.95	End of Curve
9999.71	89.337	180.279	9676.02	570.91	-570.90	-2.69	679223.01	590165.43	32°37'16.030"N	103°45'04.431"W	2.00	Target Line
10000.00†	89.337	180.279	9676.03	571.20	-571.19	-2.69	679223.01	590165.14	32°37'16.027"N	103°45'04.431"W	0.00	
10100.00†	89.337	180.279	9677.18	671.19	-671.18	-3.18	679222.52	590065.16	32°37'15.037"N	103°45'04.443"W	0.00	
10200.00†	89.337	180.279	9678.34	771.18	-771.17	-3.66	679222.04	589965.17	32°37'14.048"N	103°45'04.455"W	0.00	
10300.00†	89.337	180.279	9679.50	871.18	-871.17	-4.15	679221.55	589865.18	32°37'13.059"N	103°45'04.467"W	0.00	
10400.00†	89.337	180.279	9680.65	971.17	-971.16	-4.64	679221.06	589765.20	32°37'12.069"N	103°45'04.479"W	0.00	
10500.00†	89.337	180.279	9681.81	1071.16	-1071.15	-5.12	679220.58	589665.21	32°37'11.080"N	103°45'04.491"W	0.00	
10600.00†	89.337	180.279	9682.97	1171.16	-1171.14	-5.61	679220.09	589565.22	32°37'10.091"N	103°45'04.503"W	0.00	
10700.00†	89.337	180.279	9684.13	1271.15	-1271.14	-6.10	679219.60	589465.24	32°37'09.101"N	103°45'04.516"W	0.00	
10800.00†	89.337	180.279	9685.28	1371.14	-1371.13	-6.58	679219.12	589365.25	32°37'08.112"N	103°45'04.528"W	0.00	
10900.00†	89.337	180.279	9686.44	1471.14	-1471.12	-7.07	679218.63	589265.26	32°37'07.122"N	103°45'04.540"W	0.00	
11000.00†	89.337	180.279	9687.60	1571.13	-1571.11	-7.56	679218.14	589165.28	32°37'06.133"N	103°45'04.552"W	0.00	
11100.00†	89.337	180.279	9688.75	1671.12	-1671.10	-8.04	679217.66	589065.29	32°37'05.144"N	103°45'04.564"W	0.00	
11200.00†	89.337	180.279	9689.91	1771.12	-1771.10	-8.53	679217.17	588965.30	32°37'04.154"N	103°45'04.576"W	0.00	
11300.00†	89.337	180.279	9691.07	1871.11	-1871.09	-9.02	679216.68	588865.32	32°37'03.165"N	103°45'04.588"W	0.00	
11400.00†	89.337	180.279	9692.23	1971.10	-1971.08	-9.50	679216.20	588765.33	32°37'02.176"N	103°45'04.600"W	0.00	
11500.00†	89.337	180.279	9693.38	2071.10	-2071.07	-9.99	679215.71	588665.34	32°37'01.186"N	103°45'04.612"W	0.00	
11600.00†	89.337	180.279	9694.54	2171.09	-2171.06	-10.48	679215.22	588565.36	32°37'00.197"N	103°45'04.624"W	0.00	
11700.00†	89.337	180.279	9695.70	2271.08	-2271.06	-10.96	679214.74	588465.37	32°36'59.208"N	103°45'04.636"W	0.00	
11800.00†	89.337	180.279	9696.85	2371.08	-2371.05	-11.45	679214.25	588365.38	32°36'58.218"N	103°45'04.649"W	0.00	
11900.00†	89.337	180.279	9698.01	2471.07	-2471.04	-11.94	679213.77	588265.40	32°36'57.229"N	103°45'04.661"W	0.00	
12000.00†	89.337	180.279	9699.17	2571.06	-2571.03	-12.42	679213.28	588165.41	32°36'56.239"N	103°45'04.673"W	0.00	
12100.00†	89.337	180.279	9700.32	2671.06	-2671.03	-12.91	679212.79	588065.42	32°36'55.250"N	103°45'04.685"W	0.00	
12200.00†	89.337	180.279	9701.48	2771.05	-2771.02	-13.39	679212.31	587965.44	32°36'54.261"N	103°45'04.697"W	0.00	
12300.00†	89.337	180.279	9702.64	2871.04	-2871.01	-13.88	679211.82	587865.45	32°36'53.271"N	103°45'04.709"W	0.00	
12400.00†	89.337	180.279	9703.80	2971.04	-2971.00	-14.37	679211.33	587765.47	32°36'52.282"N	103°45'04.721"W	0.00	
12500.00†	89.337	180.279	9704.95	3071.03	-3070.99	-14.85	679210.85	587665.48	32°36'51.293"N	103°45'04.733"W	0.00	
12600.00†	89.337	180.279	9706.11	3171.02	-3170.99	-15.34	679210.36	587565.49	32°36'50.303"N	103°45'04.745"W	0.00	
12700.00†	89.337	180.279	9707.27	3271.02	-3270.98	-15.83	679209.87	587465.51	32°36'49.314"N	103°45'04.757"W	0.00	
12800.00†	89.337	180.279	9708.42	3371.01	-3370.97	-16.31	679209.39	587365.52	32°36'48.324"N	103°45'04.769"W	0.00	
12900.00†	89.337	180.279	9709.58	3471.00	-3470.96	-16.80	679208.90	587265.53	32°36'47.335"N	103°45'04.782"W	0.00	
13000.00†	89.337	180.279	9710.74	3571.00	-3570.95	-17.29	679208.41	587165.55	32°36'46.346"N	103°45'04.794"W	0.00	
13100.00†	89.337	180.279	9711.90	3670.99	-3670.95	-17.77	679207.93	587065.56	32°36'45.356"N	103°45'04.806"W	0.00	
13200.00†	89.337	180.279	9713.05	3770.98	-3770.94	-18.26	679207.44	586965.57	32°36'44.367"N	103°45'04.818"W	0.00	

Planned Wellpath Report

MOC Mewbourne Oil Company

Prelim_1
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INTEQ

REFERENCE WELLPATH IDENTIFICATION

Operator	Mewbourne Oil Company	Slot	No.1H SHL
Area	Lea County, NM	Well	No.1H
Field	(Ocelot) Sec 34, 19S, T32E	Wellbore	No.1H PWB
Facility	Ocelot 34 Federal Com No.1H		

WELLPATH DATA (142 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
13300.00†	89.337	180.279	9714.21	3870.98	-3870.93	-18.75	679206.95	586865.59	32°36'43.378"N	103°45'04.830"W	0.00	
13400.00†	89.337	180.279	9715.37	3970.97	-3970.92	-19.23	679206.47	586765.60	32°36'42.388"N	103°45'04.842"W	0.00	
13500.00†	89.337	180.279	9716.52	4070.96	-4070.91	-19.72	679205.98	586665.61	32°36'41.399"N	103°45'04.854"W	0.00	
13600.00†	89.337	180.279	9717.68	4170.96	-4170.91	-20.21	679205.50	586565.63	32°36'40.410"N	103°45'04.866"W	0.00	
13700.00†	89.337	180.279	9718.84	4270.95	-4270.90	-20.69	679205.01	586465.64	32°36'39.420"N	103°45'04.878"W	0.00	
13800.00†	89.337	180.279	9719.99	4370.94	-4370.89	-21.18	679204.52	586365.65	32°36'38.431"N	103°45'04.890"W	0.00	
13886.87	89.337	180.279	9721.00	4457.80	-4457.75	-21.60	679204.10	586278.80	32°36'37.571"N	103°45'04.901"W	0.00	34 Fed No.1H PBHL

TARGETS

Name	MD [ft]	TVD [ft]	North [ft]	East [ft]	Grid East [srv ft]	Grid North [srv ft]	Latitude	Longitude	Shape
1) 34 Fed No.1H PBHL	13886.87	9721.00	-4457.75	-21.60	679204.10	586278.80	32°36'37.571"N	103°45'04.901"W	point

SURVEY PROGRAM Ref Wellbore: No.1H PWB Ref Wellpath: Prelim_1

Start MD [ft]	End MD [ft]	Positional Uncertainty Model	Log Name/Comment	Wellbore
18.00	13886.87	NaviTrak (Standard)		No.1H PWB

HOBBS OCD

Notes Regarding Blowout Preventer

Mewbourne Oil Company

Ocelot "34" Fed Com #1H
475' FNL & 1932' FEL (SL)

Sec 34-T19S-R32E
Lea County, New Mexico

MAY 17 2011

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- 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 3000 psi working pressure on 9 $\frac{5}{8}$ " and 7" casing.
- III. Safety valve must be available on the rig floor at all times with proper connections to install in the drill string. Valve must be full bore with minimum 3000 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.

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

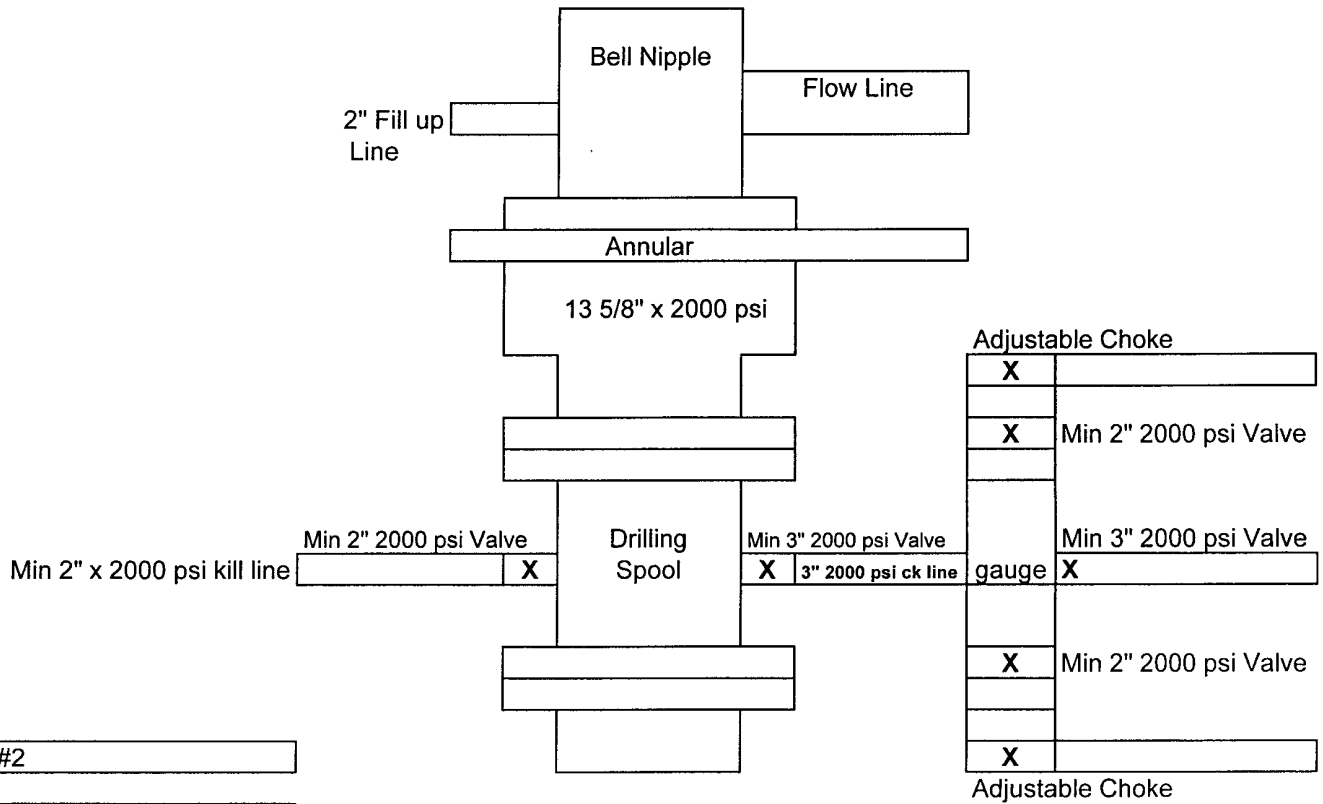


Exhibit #2

Ocelot 34 Fed Com #1H
475' FNL & 1932' FEL
Sec 34-T19S-R32E
Lea, County
New Mexico

Mewbourne Oil Company
BOP Schematic for
6 1/8" and 8 3/4" Holes

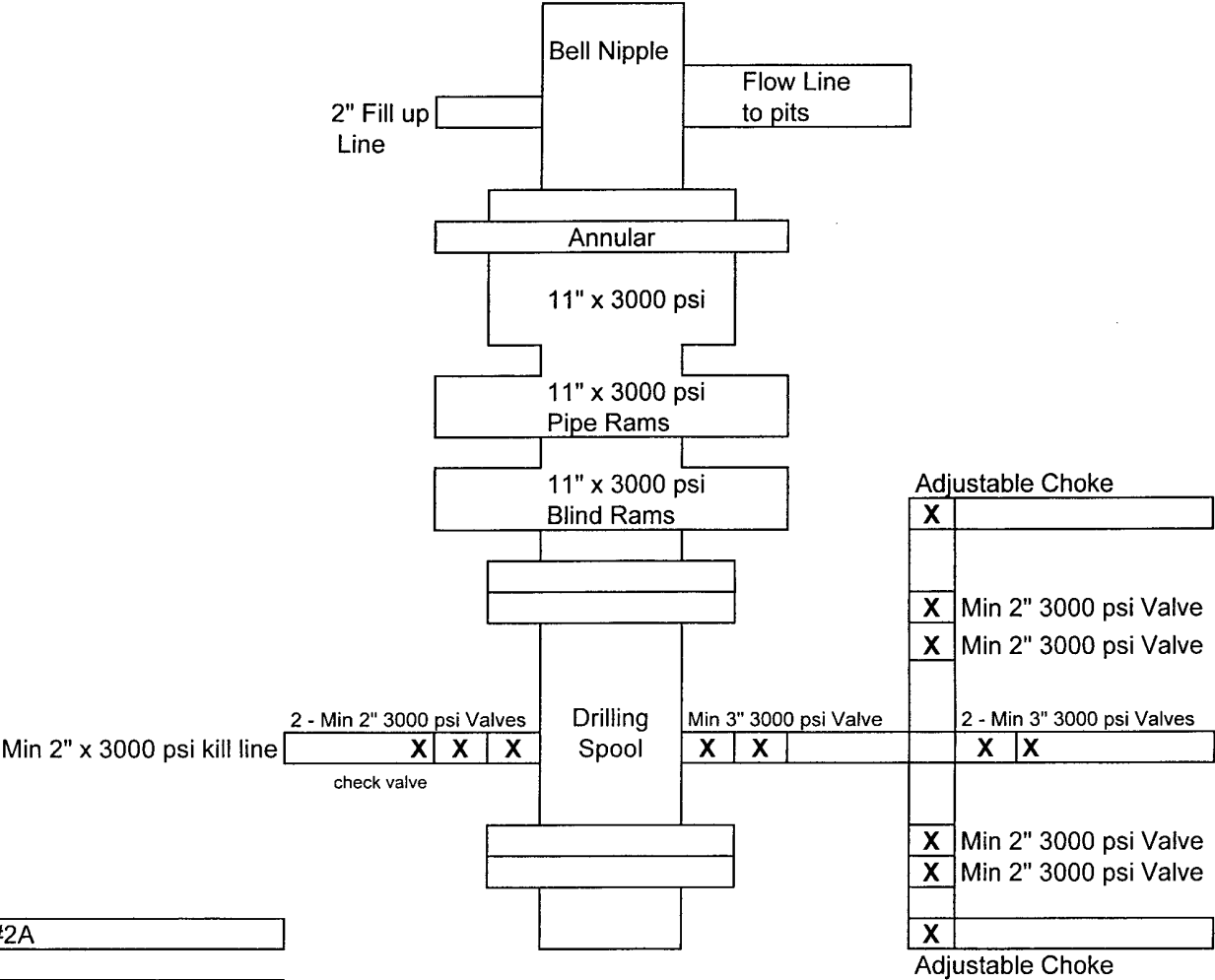
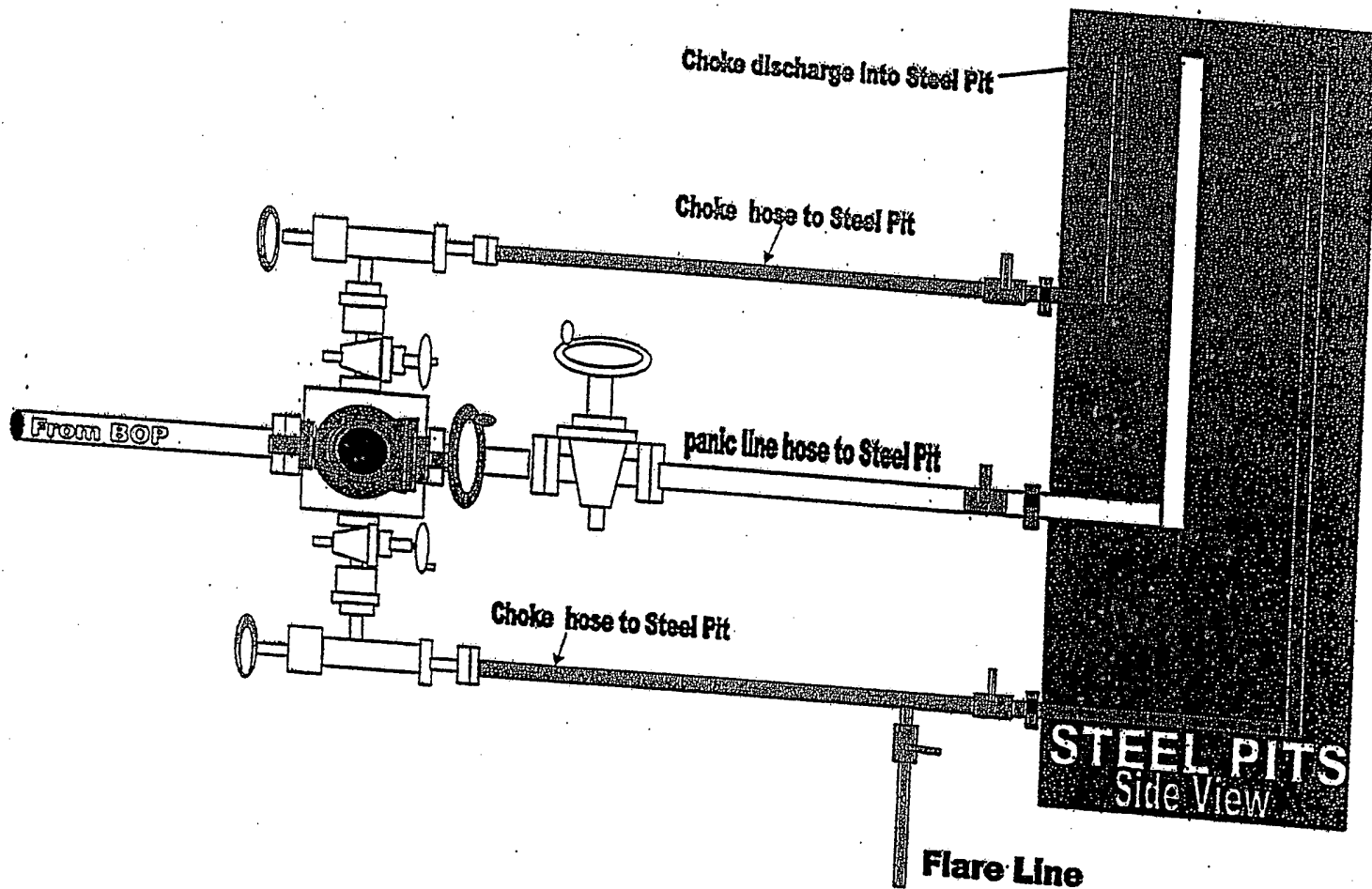


Exhibit #2A

Ocelot 34 Fed Com #1H
475' FNL & 1932' FEL
Sec 34-T19S-R32E
Lea County,
New Mexico



2000#/3000# BOP manifold system

For Exhibit 2 + 2A