

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(915) 682-3715
FAX (915) 685-4170

March 7, 2002

Certified Mail - Return Receipt Requested #9592

New Mexico Oil Conservation Commission
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: Mr. Stephen C. Ross

Re: Case No. 12698
Order No. R-11636-B
Esperanza "15" State Com. #1 Well
E/2 of Section 15, T21S, R27E
Eddy County, New Mexico

Dear Mr. Ross:

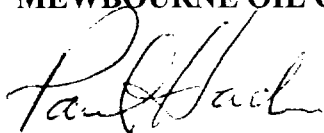
Pursuant to Ordering Paragraph 9 on Page 6 of the referenced Order, enclosed for your file is an itemized schedule of actual well costs incurred in connection with the drilling and completion of the captioned well. On Page 1 of the schedule in the third column, these are the actual well costs incurred in drilling the subject well to casing point which totaled \$662,434.27. On Page 2 in the third column, these are the actual well costs incurred in the completion phase of the captioned well which totaled \$522,784.23. The total well cost to date comes to a grand total of \$1,185,218.50.

Regarding the above, I've also enclosed a copy of the letters sent to the Poolees. Also I've enclosed a copy of our revised AFE dated October 12, 2001 and a copy of the completion report for your file as to the subject well.

Should the OCD need anything further regarding the above, please advise.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

revised:
SCR

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(915) 682-3715
FAX (915) 685-4170

March 7, 2002

Certified Mail - Return Receipt Requested #9622

Jalapeno Corporation and
Cibola Energy Corporation
P.O. Box 1608
Albuquerque, New Mexico 87103
Attn: Mr. Harvey E. Yates, Jr.

Re: Case No. 12698
Order No. R-11636-B
Esperanza "15" State Com. #1 Well
E/2 of Section 15, T21S, R27E
Eddy County, New Mexico

Dear Mr. Yates:

Pursuant to Ordering Paragraph 9 on Page 6 of the referenced Order, enclosed for your file is an itemized schedule of actual well costs incurred in connection with the drilling and completion of the captioned well. On Page 1 of the schedule in the third column, these are the actual well costs incurred in drilling the subject well to casing point which totaled \$662,434.27. On Page 2 in the third column, these are the actual well costs incurred in the completion phase of the captioned well which totaled \$522,784.23. The total well cost to date comes to a grand total of \$1,185,218.50.

Regarding the above, I've also enclosed a copy of our revised AFE dated October 12, 2001 and a copy of the completion report for your file as to the subject well. You'll note that the total actual well cost is \$164,181.50 under the AFE.

Should you need anything further regarding the above, please advise.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

—
(915) 682-3715
FAX (915) 685-4170

March 7, 2002

Certified Mail - Return Receipt Requested #9615

Harvey E. Yates Company
P.O. Box 1933
Roswell, New Mexico 88202-1933
Attn: Melissa Hamilton

Re: Case No. 12698
Order No. R-11636-B
Esperanza "15" State Com. #1 Well
E/2 of Section 15, T21S, R27E
Eddy County, New Mexico

Dear Melissa:

Pursuant to Ordering Paragraph 9 on Page 6 of the referenced Order, enclosed for your file is an itemized schedule of actual well costs incurred in connection with the drilling and completion of the captioned well. On Page 1 of the schedule in the third column, these are the actual well costs incurred in drilling the subject well to casing point which totaled \$662,434.27. On Page 2 in the third column, these are the actual well costs incurred in the completion phase of the captioned well which totaled \$522,784.23. The total well cost to date comes to a grand total of \$1,185,218.50.

Regarding the above, I've also enclosed a copy of our revised AFE dated October 12, 2001 and a copy of the completion report for your file as to the subject well. You'll note that the total actual well cost is \$164,181.50 under the AFE.

Should you need anything further regarding the above, please advise.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(915) 682-3715
FAX (915) 685-4170

March 7, 2002

Certified Mail - Return Receipt Requested #9608

Yates Energy Corporation
P.O. Box 2323
Roswell, New Mexico 88202-2323
Attn: Shari Hamilton

Re: Case No. 12698
Order No. R-11636-B
Esperanza "15" State Com. #1 Well
E/2 of Section 15, T21S, R27E
Eddy County, New Mexico

Dear Shari:

Pursuant to Ordering Paragraph 9 on Page 6 of the referenced Order, enclosed for your file is an itemized schedule of actual well costs incurred in connection with the drilling and completion of the captioned well. On Page 1 of the schedule in the third column, these are the actual well costs incurred in drilling the subject well to casing point which totaled \$662,434.27. On Page 2 in the third column, these are the actual well costs incurred in the completion phase of the captioned well which totaled \$522,784.23. The total well cost to date comes to a grand total of \$1,185,218.50.

Regarding the above, I've also enclosed a copy of our revised AFE dated October 12, 2001 and a copy of the completion report for your file as to the subject well. You'll note that the total actual well cost is \$164,181.50 under the AFE.

Should you need anything further regarding the above, please advise.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

AFE# 152107
PROPERTY 52107-000 ESPERANZA 15 STATE COM 1
AFE TYPE 10 NEW DRILLING AFE
BUDGET TYPE TOTAL

NO. OF SUPPLEMENTS 000

BEGINNING DATE 1/01/2001
ENDING DATE 6/30/2002
TOTAL DEPTH (ACTUAL)
PLUG BACK DEPTH

SPUD DATE
TOTAL DEPTH DATE
RIG RELEASE DATE

ACCOUNT DESCRIPTION

INTANGIBLE DRILLING COST
180 300 PERMITS & SURVEYS
180 301 LOC, ROADS, SITE PREP, DAMAGES
180 303 DAY WORK DRILLING
180 304 FUEL, WATER & OTHER
180 306 MUD & CHEMICALS
180 307 CEMENTING
180 308 LOGGING AND WIRELINE SERVICES
180 309 CASING-TUBING SERVICES & TOOLS
180 310 MUD LOGGING
180 320 TRANSPORTATION
180 321 WELDING & CONSTRUCTION LABOR
180 322 CONTRACT SUPERVISION, DRAFTING
180 324 ENGINEERING
180 330 EQUIPMENT RENTAL
180 334 LEGAL
180 335 WELL INSURANCE
180 350 INTANGIBLE SUPPLIES
180 360 RIGHT-OF-WAYS, EASEMENTS, LEASES
180 375 COMPANY SUPERVISION
180 380 OVERHEAD-FIXED RATE
180 398 WELL ABANDONMENT
180 399 CONTINGENCIES
180 995 PREPAID/ACCRUED WELL COST
TOTAL INTANGIBLE DRILLING COST

TANGIBLE DRILLING COST

181 797 CASING
181 860 DRILLING HEAD
181 995 PREPAID/ACCRUED WELL COST
TOTAL TANGIBLE DRILLING COST

TOTALS FOR AFE

SEC 015 TWN 21S RNG 27E

STATE NM NEW MEXICO
COUNTY 015 EDDY
OPERATOR 5609 MEWBOURNE OIL COMPANY

COMPLETED
BUDGET

DRY BUDGET

DRILLING TYPE 0
CONTRACTOR
FIELD

TOTAL BUDGET

GRS INCEPTION
TO DATE COSTS

UNDER OR
<OVER> AFE

1,800
40,000
333,000
60,000
40,000
35,000
35,000
4,700
18,000
24,300
2,500
4,800
11,000
12,000
2,700
40,000
21,000
8,400
12,000
70,600
776,800

5,592.76
35,649.59
267,778.83
25,584.76
23,460.28
26,519.45
53,355.34
5,849.07
21,551.74
2,092.83
940.33
240.95
31,539.04
28,155.97
4,038.66
36,683.66
875.00
44,301.31
7,523.72
621,733.29

3,792.76-
4,350.41
65,221.17
34,415.24
16,539.72
8,480.55
18,355.34-
1,149.07-
18,000.00
2,748.26
407.17
3,859.67
240.95-
20,539.04-
16,155.97-
1,338.66-
3,316.34
875.00-
23,301.31-
876.28
12,000.00
70,600.00
155,066.71 *

↑
AFE COSTS

↑
ACTUAL
COSTS

COSTS TO CASING POINT

TOTAL WELL COST = \$1,185,218.50

AFE# 252107
PROPERTY 52107-000 ESPERANZA 15 STATE COM 1
AFE TYPE 20 NEW COMPLETION AFE
BUDGET TYPE TOTAL NO. OF SUPPLEMENTS 000

BEGINNING DATE 1/01/2001 TOTAL DEPTH (ACTUAL)
ENDING DATE 6/30/2002 PLUG BACK DEPTH

SPUD DATE
TOTAL DEPTH DATE DRILLING TYPE 0
RIG RELEASE DATE CONTRACTOR
FIELD

ACCOUNT DESCRIPTION DRY BUDGET

COMPLETED
BUDGET

GROSS
TOTAL BUDGET

GRS INCEPTION
TO DATE COSTS

UNDER OR
<COVER> AFE

INTANGIBLE DRILLING COST
180 300 PERMITS & SURVEYS
180 301 LOC, ROADS, SITE PREP, DAMAGES
180 303 DAY WORK DRILLING
180 304 FUEL, WATER & OTHER
180 305 COMPLETION/WORKOVER RIG
180 306 MUD & CHEMICALS
180 307 CEMENTING
180 308 LOGGING AND WIRELINE SERVICES
180 309 CASING-TUBING SERVICES & TOOLS
180 311 TESTING
180 312 TREATING
180 320 TRANSPORTATION
180 321 WELDING & CONSTRUCTION LABOR
180 330 EQUIPMENT RENTAL
180 334 LEGAL
180 350 INTANGIBLE SUPPLIES
180 375 COMPANY SUPERVISION
180 380 OVERHEAD-FIXED RATE
180 398 WELL ABANDONMENT
180 399 CONTINGENCIES
TOTAL INTANGIBLE DRILLING COST

TANGIBLE DRILLING COST

181 797 CASING
181 798 TUBING
181 865 TUBING HEAD
181 870 UPPER SECTION OF WELLHEAD
181 880 PACKER, PUMP, SUBSURFACE EQUIP
181 890 TANKS-STEEL
181 891 TANKS-OTHER
181 894 SEPARATION EQUIPMENT-FIRED
181 898 METERING EQUIPMENT
181 900 LINE PIPE-GAS GATHERING
181 901 LINE PIPE-PRODUCTION
181 906 MISC FITTINGS & ACCESSORIES
181 910 PRODUCTION EQUIP INSTALLATION
181 920 PL CONSTRUCTION
TOTAL TANGIBLE DRILLING COST

TOTALS FOR AFE

524,600

524,600

522,784.23

1,815.77 **

↑

AFE COSTS

↑

ACTUAL COSTS

Completion Costs

SEC 015 TWN 21S RNG 27E

STATE NM NEW MEXICO
COUNTY 015 EDDY
OPERATOR 5609 MEWBOURNE OIL COMPANY

1,200.00
4,500.00
2,125.55-
5,000.00
5,090.09-
880.33-
19,828.48
11,568.99-
2,193.05-
2,341.00
20,673.18-
2,378.59
10,293.23-
8,000.00
1,653.30
1,200.00
3,505.00
1,665.80-
12,000.00-
11,800.00
5,083.85- *

3,802.37
6,079.86-
2,707.80-
1,082.23
769.39-
5,752.50
75.60-
4,865.11
1,939.13-
1,500.00
1,385.82
7,115.42
7,032.05-
6,899.62 *

100,000
42,000
4,200
12,000
9,000
9,000
4,200
12,000
7,800
15,000
1,500
10,000
20,000
30,000
276,700

100,000
42,000
4,200
12,000
9,000
9,000
4,200
12,000
7,800
15,000
1,500
10,000
20,000
30,000
276,700

TOTALS FOR AFE

524,600

524,600

522,784.23

1,815.77 **

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Prospect: Esperanza Well Name & No. Esperanza "15" State Com. # 1
 Field: Burton Flats / Morrow Location: 2232' FSL & 1980' FEL
 Section: 15 Block: _____ Township: 21S Range: 27E
 County: Eddy State: NM Proposed Depth: 11,800'

DESCRIPTION		Cost To Casing Point AFE NO.	Completion Cost AFE NO.
INTANGIBLE COST 180			
300	Permits and Surveys	\$1,800	\$1,200
301	Location, Roads and Damages	\$40,000	\$4,500
302	Footage or Turnkey Drilling		
303	Day Work (37 days @ \$9,000/day + 2 days after logs)	\$333,000	\$18,000
304	Fuel, Water and Other (Fuel=30K, Wtr=30K)	\$80,000	\$5,000
305	Completion / Workover Rig		\$20,000
306	Mud and Chemicals	\$40,000	
307	Cementing	\$35,000	\$45,000
308	Logging and Wireline	\$35,000	\$9,600
309	Casing-Tubing Services	\$4,700	\$6,300
310	Mud Logging	\$18,000	
311	Testing		\$2,500
312	Treating		\$105,000
313	Coring		
314	Fishing Services		
320	Transportation (includes 22.5K Rig Move)	\$24,300	\$3,600
321	Welding and Construction Labor	\$2,500	\$1,200
322	Contract Supervision	\$4,800	
330	Equipment Rental	\$11,000	\$8,000
334	Well / Lease Legal / Tax	\$12,000	\$2,400
335	Well / Lease Insurance	\$2,700	
350	Intangible Supplies Bits=(1-17 1/2", 2-12 1/4", 6-7 7/8")	\$40,000	\$1,200
360	Pipeline ROW and Easements		
367	Pipeline Interconnect		
375	Company Supervision	\$21,000	\$11,000
380	Overhead Fixed Rate	\$8,400	\$3,600
398	Well Abandonment	\$12,000	(\$12,000)
399	Contingencies	\$70,600	\$11,800
Total Intangibles		\$776,800	\$247,900
TANGIBLE COST 181			
797	Conductor Casing		
797	Surface Casing 450' 13 3/8" 48# H-40 STC	\$8,500	
797	Intermediate Casing 3000' 8 5/8" 32# K-55 STC	\$36,500	
797	Production Casing 11800' 5 1/2" 17# S95/N80 LTC		\$100,000
797	Production Casing		
798	Tubing 11800' 2 7/8 6.5# P-105 EUE 8rd		\$42,000
860	Drilling Head	\$3,000	
865	Tubing Head		\$4,200
870	Upper Section		\$12,000
875	Sucker Rods		
880	Packer, Pump & Other Subsurface		\$9,000
883	Gas Lift Valve & System		
884	Plunger Lift System		
885	Pumping Unit & Prime Mover + Electricity		
886	Pumps		
890	Tanks - Steel		\$9,000
891	Tanks - Other		\$4,200
894	Separation Equipment - Fired		\$12,000
895	Separation Equipment - Non-Fired		
896	Gas Treating Equipment		
898	Metering Equipment		\$7,800
900	Line Pipe - Gas Gathering and Transportation		\$15,000
901	Line Pipe - Production		\$1,500
905	Valves		
906	Miscellaneous Fittings & Accessories		\$10,000
910	Production Equipment Installation		\$20,000
920	Pipeline Construction		\$30,000
Total Tangibles		\$48,000	\$276,700
SUBTOTAL		\$824,800	\$524,600
TOTAL WELL COST		\$1,349,400	

Date prepared: 04/23/01
 Prepared by: T. Burke
 Company Approval: *M. Whitaker*
 Date Approved: 10/12/01 (REVISED)
 Joint Owner Approval:
 Joint Owner Interest:
 Joint Owner Amount:

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-105
Revised 1-1-89

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.
30-015-31877

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
OG 2426-1

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:

OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐

b. Type of Completion:

NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR ☐ OTHER ☐

2. Name of Operator

Mewbourne Oil Company

3. Address of Operator

PO Box 5270, Hobbs, New Mexico

4. Well Location

Unit Letter J : 2232 Feet From The South Line and 1980 Feet From The East Line

Section 15 Township 21S Range 27E NMPM Eddy County

10. Date Spudded

11/18/01

11. Date T.D. Reached

12/15/01

12. Date Compl. (Ready to Prod.)

01/10/02

13. Elevations (DF & RKB, RT, GR, etc.)

3284' GL

14. Elev. Casinghead

3284'

15. Total Depth

11835'

16. Plug Back T.D.

11551'

17. If Multiple Compl. How Many Zones?

18. Intervals Drilled By

Rotary Tools

☒

Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name

11414-493' Morrow

20. Was Directional Survey Made

No

21. Type Electric and Other Logs Run

DDL w/ Micro, DN w/ GR & CBL

22. Was Well Cored

No

23. **CASING RECORD** (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	424'	17 1/2"	400 sks	Circ
8 5/8"	32#	2615'	12 1/4"	1000 sks	Circ
5 1/2"	17#	11835'	7 7/8"	650 sks	TOC @ 7710'

24. **LINER RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. **TUBING RECORD**

SIZE	DEPTH SET	PACKER SET
2 7/8	11303'	11293'

26. Perforation record (interval, size, and number)

11608-668'. 4 spf. 114-.21" diameter

11414-34'. 2 spf. 40-.21" diameter.

11486-93'. 4 spf. 29-.21" diameter

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED

11608-668' CIBP @ 11581 w/ 30' cement

11414-493' Frac w/ 50k gals 70Q Binary w/

57400# 20/40 Inter-Prop

28. **PRODUCTION**

Date First Production 01/09/02 Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing Well Status (Prod. or Shut-in) Producing

Date of Test 01/10/02 Hours Tested 24 Choke Size 18 Prod'n For Test Period 0 Oil - BbL. 610 Gas - MCF 3 Water - BbL. 3 Gas - Oil Ratio

Flow Tubing Press. 1080 Casing Pressure 0 Calculated 24-Hour Rate 0 Oil - BbL. 610 Gas - MCF 3 Water - BbL. 3 Oil Gravity - API - (Corr.)

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

Test Witnessed By

J. Capps

30. List Attachments

Deviation Survey, C-104, E-Logs, Sundry & C-122

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature

Printed Name

N.M. Young

Title

District Manager

Date

02/25/02

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn 10253.0	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka 10738.0	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand 2854.0	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs 5338.0	T. Entrada _____	T. _____
T. Abo _____	T. Morrow 11246.0	T. Wingate _____	T. _____
T. Wolfcamp 8860.0	T. Barnett 11715.0	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn. "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from to
No. 2, from to
No. 3, from to
No. 4, from to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from to feet

No. 2, from to feet

No. 3, from to feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology

From	To	Thickness in Feet	Lithology

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-015-31877
Indicate Type of Lease STATE ☒ FEE ☐
State Oil & Gas Lease No. OG 2426-1
Lease Name or Unit Agreement Name Esperanza 15 State Com
Well No. 1
Pool name or Wildcat Burton Flats Morrow

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
Type of Well: OIL WELL ☐ GAS WELL ☒ OTHER	CONFIDENTIAL
Name of Operator Mewbourne Oil Company	
Address of Operator PO Box 5270, Hobbs, New Mexico	
Well Location Unit Letter <u>J</u> : <u>2232</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>East</u> Line Section <u>15</u> Township <u>21S</u> Range <u>27E</u> NMPM <u>Eddy</u> County	
Elevation (Show whether DF, RKB, RT, GR, etc.) 3284' GL.	

11

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ANBANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Test lower Morrow & plug back to upper Morrow ☒

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

12/30/01...Perforated Morrow @ 11654-668'. 4 spf. Total of 57'-21" EHD perfs. Swab test.

01/04/02...Perforated Morrow @ 11608-622'. 4 spf. Total of 57'-21" EHD perfs. Swab test.

01/08/02...Set CIBP @ 11581'. Dump 30' cement on plug. New PBTD @ 11551'.

01/09/02...Perforate Morrow @ 11414-434'. 2 spf. 40'-21" EHD perfs & 11486-493'. 4 spf. 29'-21" EHD perfs. Swab test well.

01/14/02...Frac perfs w/ 50,000 gals 70Q Binary w/ 57,400# 20/40 Inter-prop.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE N.M. Young TITLE District Manager DATE 02-25-02

TYPE OR PRINT NAME N.M. Young TELEPHONE NO. 505-393-5905

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Submit in duplicate to
appropriate district office.
See Rule 401 & Rule 1122

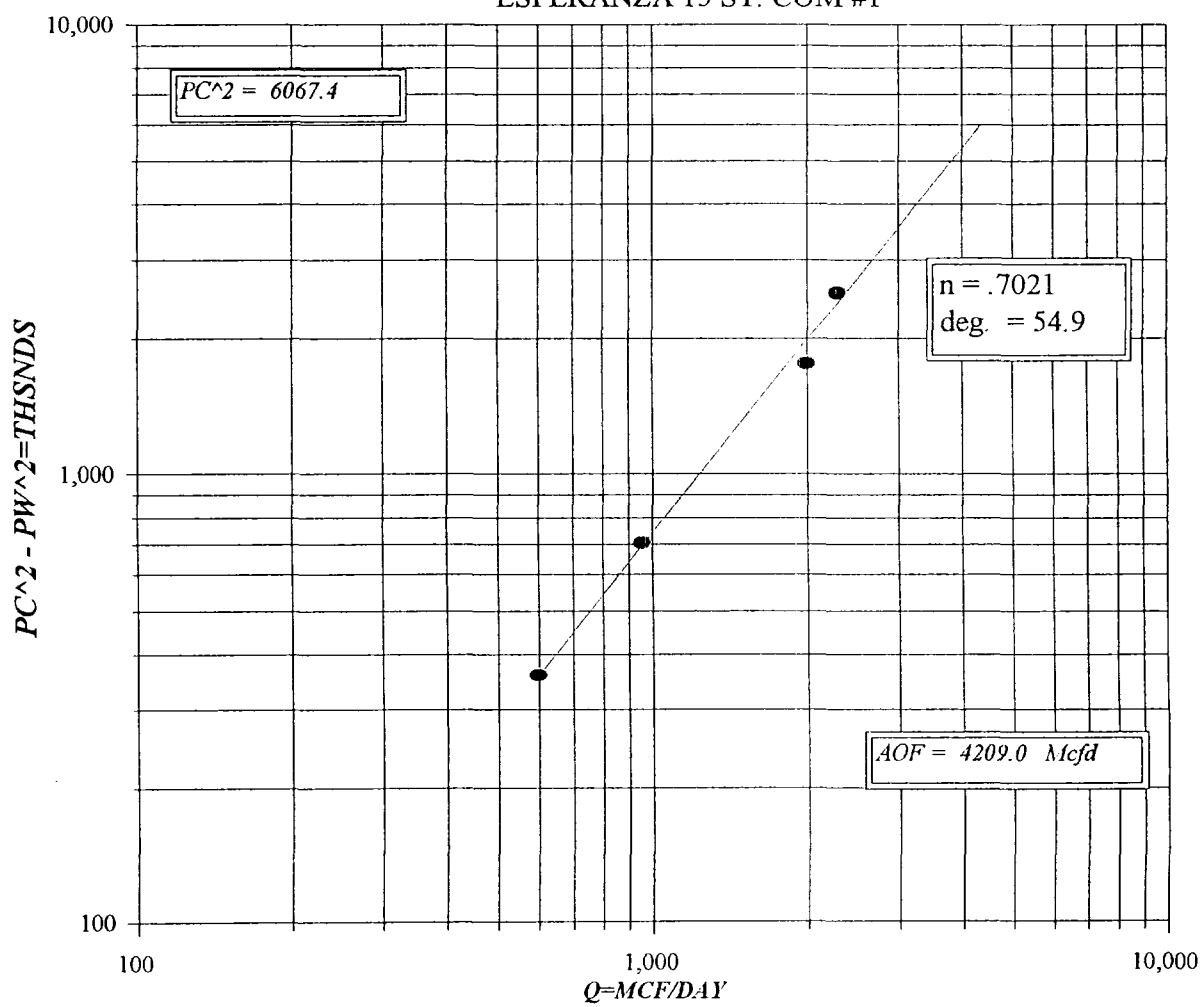
State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-122
Revised October, 1999

MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Operator MEWBOURNE OIL CO.					Lease or Unit Name ESPERANZA "15" ST. COM.					
Type Test ☒ Initial ☐ Annual ☐ Special							Test Date 1/3/02		Well No. 1	
Completion Date		Total Depth 11835		Plug Back TD 11551		Elevation		Unit Ltr - Sec - TWP - Rge 15 21S 27E		
Csg. Size 5 1/2	Wt. 17	d 4.892	Set At 11835		Perforations: From: 11414 To: 11493			County EDDY		
Tbg. Size 2 7/8	Wt. 6.5	d 2.441	Set At 11267		Perforations: From: To:			Pool		
Type Well-Single-Bradenhead-G.G. or G.O. Multiple SINGLE					Packer Set At 11267			Formation MORROW		
Producing Thru Tubing		Reservoir Temp. °F 186.8		Mean Annual Temp. °F 60		Baro. Press. - P _a 13.2			Connection SALES	
L 11285	II 11285	Gg 0.594	%CO ₂ 0.8904	%N ₂ 0.2625	%H ₂ S N/A	Prover N/A	Meter Run 4.026	Taps FLG		
FLOW DATA					TUBING DATA			CASING DATA		
No.	Prover Line Size	Orifice Size	Press p.s.i.g.	Diff. h _w	Temp. °F	Press p.s.i.g.	Temp. °F	Press p.s.i.g.	Temp. °F	Duration of Flow
SI						2450		PKR	N/A	
1	4.026 X 1.500		360	5	55	2375				1 HR
2	4.026 X 1.500		380	12	55	2300				1 HR
3	4.026 X 1.500		400	50	55	2050				1 HR
4	4.026 X 1.500		420	62	55	1850				1 HR
5										
RATE OF FLOW CALCULATIONS										
No.	COEFFICIENT (24 Hour)		$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor Ft.	Gravity Factor F _g	Super Compress Factor F _{pv}	Rate of Flow Q, Mcfd		
1								601		
2								958		
3	TOTAL		FLOW	METER				2005		
4								2288		
5										
No.	P _r	Temp. °R	T _r	Z	Gas Liquid Hydrocarbon Ratio 113.8 Mcf/bbl.					
1					A.P. I. Gravity of Liquid Hydrocarbons 52 Deg.					
2					Specific Gravity Separator Gas 0.594 XXXXXXXX					
3	TOTAL	FLOW	METER		Specific Gravity Flowing Fluid XXXXXX G MIX = .621					
4					Critical Pressure 675 P.S.I.A. 674 P.S.I.A.					
5					Critical Temperature 350 R. 358 R					
P _c 2463.2 P _{c2} 6067.4										
No.	P _t ²	P _w	P _w ²	P _c ² - P _w ²	(1) $\frac{P_c^2}{P_c^2 - P_w^2} = \frac{2.391}{\quad}$ (2) $\left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = \frac{1.84}{\quad}$					
1		2389	5707.5	359.8	AOF = Q $\left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = \frac{4209}{\quad}$					
2		2315.4	5361.1	706.1						
3		2073.9	4301.2	1766.1						
4		1878.7	3529.5	2537.9						
5										
Absolute Open Flow 4209 Mcfd @ 15.025					Angle of Slope (°): 54.9		Slope n: 0.7021			
Remarks: * WELL MADE 2 BBLs OF 52 API GRAVITY CONDENSATE DURING TEST.										
Approved By Division:			Conducted By: MEWBOURNE OIL.			Calculated By: MERV BUECKER			Checked By: BM	

MEWBOURNE OIL CO.
ESPERANZA 15 ST. COM #1



CONFIDENTIAL

Wildcat Measurement Service
P.O. Box 1836

Artesia, New Mexico 88211-1836

TollFree 1888-421-9453

Office 1505-746-3481

"Quality and Service is our First Concern"

PDS 06/25/00

Run No. 220118-01

Date Run 01/11/2002

Date Sampled 01/18/2002

Analysis for: NEWBOURNE OIL COMPANY

GPANGL 661

Well Name: ESPERANZA "15" STATE COM #2

Field: EAST CARLSBAD

Sta. Number:

Producer: NEWBOURNE OIL COMPANY

County: EDDY

State: NM

Purpose: SPOT

Sampled By: DON NORMAN

Sampling Temp: 68 DEG F

Atmos Temp: 50 DEG F

Volume/day:

Formation:

Pressure on Cylinder: 366 PSIG

Line Pressure: 379.2 PSIA

GAS COMPONENT ANALYSIS

Pressure Base: 14.7300

		Mol %	GPM
Carbon Dioxide	CO2	0.8904	
Nitrogen	N2	0.2625	
Methane	C1	94.9255	
Ethane	C2	2.8440	0.7602
Propane	C3	0.5985	0.1640
Iso-Butane	IC4	0.0801	0.0262
Nor-Butane	NC4	0.0955	0.0301
Iso-Pentane	IC5	0.0413	0.0151
Nor-Pentane	NC5	0.0242	0.0088
Hexanes Plus	C6+	0.2380	0.1038
TOTAL		100.0000	1.1090

Real BTU Dry: 1047.10
Real BTU Wet: 1028.89
Real Calc. Specific Gravity: 0.5944
Field Specific Gravity: 0.0000

Standard Pressure: 14.6960
BTU Dry: 1044.69
BTU Wet: 1026.51

Z Factor: 0.9978
N Value: 1.3025
Avg Mol Weight: 17.1845
Avg CuPt/Gal: 58.1782
26 Lb Product: 0.2096
Methane+ GPM: 17.1985
Ethane+ GPM: 1.1090
Propane+ GPM: 0.3488
Butane+ GPM: 0.1840
Pentane+ GPM: 0.1277

REMARKS:

H2S ON LOCATION: NONE DETECTED

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Approved by: DON NORMAN

Fri Jan 18 08:37:25 2002

=====

NEW MEXICO G.O.R./G. MIX

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NO. OF BBLs PRODUCED = 2.0
API GRAVITY @ 60 DEG. = 52.0

.....
SPECIFIC GRAVITY OF GAS = 0.5940

XX

TOTAL GAS PRODUCED = 228

G.O.R. = 113.797

G.MIX = 0.621

CONFIDENTIAL

OPERATOR: MEWBOURNE OIL CO.
WELL/LEASE: ESPERANZA 15 ST. COM. 1
COUNTY: EDDY

047-0007

STATE OF NEW MEXICO
DEVIATION REPORT

252	3/4	10,122	1 3/4
424	3/4	10,437	2 1/4
911	3/4	10,688	2
1,387	3/4	10,911	2
1,859	1/2	10,942	1 3/4
2,269	3/4	11,295	1 3/4
2,599	3/4	11,590	2
3,069	1 1/2	11,835	3
3,539	1		
4,076	3/4		
4,576	1 3/4		
4,934	1 3/4		
5,192	2 3/4		
5,478	1 3/4		
5,573	1 3/4		
5,825	1 1/4		
6,035	1		
6,350	2 1/4		
6,588	2		
6,714	2		
6,934	1 1/2		
7,239	3/4		
7,526	1/4		
8,026	1 1/4		
8,263	1		
8,538	1 1/2		
8,759	1 1/2		
9,233	2 3/4		
9,362	2 1/2		
9,519	2 1/2		
9,647	1 1/2		
9,900	2 1/4		

CONFIDENTIAL

By: Steve Moore

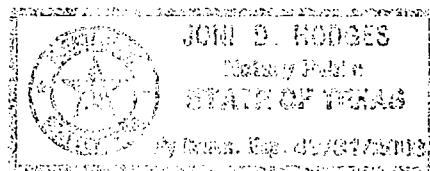
STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on this 31st day of December, 2001, by Steve Moore on behalf of Patterson-UTi Drilling Company LP, LLLP.

Joni D. Hodges
Notary Public for Midland County, Texas

My Commission Expires: 3/31/2003



District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-104
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Mewbourne Oil Company PO Box 5270 Hobbs, New Mexico 88241		² OGRID Number 14744
		³ Reason for Filing Code New Well
⁴ API Number 30 - 0 15-31877	⁵ Pool Name Burton Flats Morrow	⁶ Pool Code
⁷ Property Code 28493	⁸ Property Name Esperanza 15 State Com	⁹ Well Number 1

II. ¹⁰ Surface Location

UI or lot no. J	Section 15	Township 21S	Range 27E	Lot Idn	Feet from the 2232	North/South Line S	Feet from the 1980	East/West line E	County Eddy
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¹¹ Bottom Hole Location

UI or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
¹² Lse Code	¹³ Producing Method Code Flowing	¹⁴ Gas Connection Date 01/10/02	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
0151618	El Paso Field Service Carlsbad, New Mexico		G	Sec. 15 T-21S R-27E
304019	Phillips Petroleum 4001 Pennbrook Odessa, Tx., 79762		O	Sec. 15 T-21S R-27E

IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description
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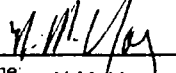
V. Well Completion Data

²⁵ Spud Date 11/18/01	²⁶ Ready Date 01/10/02	²⁷ TD 11835'	²⁸ PBDT 11551'	²⁹ Perforations 11414-434'	³⁰ DHC, DC, MC
³¹ Hole Size 17 1/2"	³² Casing & Tubing Size 13 3/8"	³³ Depth Set 424'	³⁴ Sacks Cement 400 sks		
12 1/4"	8 5/8"	2615'	1000 sks		
7 7/8"	5 1/2"	11835'	650 sks		
	2 7/8"	11303'			

VI. Well Test Data

³⁵ Date New Oil 01/09/02	³⁶ Gas Delivery Date 01/10/02	³⁷ Test Date 01/10/02	³⁸ Test Length 24	³⁹ Tbg. Pressure 1080	⁴⁰ Csg. Pressure 0
⁴¹ Choke Size 18/64	⁴² Oil 0	⁴³ Water 3	⁴⁴ Gas 610	⁴⁵ AOF	⁴⁶ Test Method Meter

⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: 
Printed name: N.M. Young
Title: District Manager

Date: 02/25/02 Phone: 505-393-5905

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

⁴⁸ If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature

Printed Name

Title

Date