

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

HOBBS OCD

MAR 21 2016

RECEIVED

ATS-15-55  
FORM APPROVED  
OMB No. 1004-0137  
Expires July 31, 2010

5. Lease Serial No.  
NMNM 1181599

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.  
Crazy Wolf 1 B2MD Fed Com #1H

9. API Well No.

10. Field and Pool, or Exploratory  
Tonto West Bone Spring (59477)

11. Sec., T. R. M. or Blk. and Survey or Area  
Sec. 1, T19S, R32E

12. County or Parish  
Lea

13. State  
NM

1a. Type of work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator Mewbourne Oil Company

3a. Address PO Box 5270  
Hobbs, NM 88241

3b. Phone No. (include area code)  
575-393-5905

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*

At surface 185' FSL & 660' FWL Sec. 1, T19S, R32E

At proposed prod. zone 330' FNL & 660' FWL Sec. 1, T19S, R32E

14. Distance in miles and direction from nearest town or post office\*  
18 miles south of Maljamar, NM

15. Distance from proposed\* 185'  
location to nearest  
property or lease line, ft.  
(Also to nearest drig. unit line, if any)

16. No. of acres in lease  
200

17. Spacing Unit dedicated to this well  
160

18. Distance from proposed location\* 70'- Cimarex Querecho 1  
to nearest well, drilling, completed,  
applied for, on this lease, ft. Fed Com #1H

19. Proposed Depth  
14,252.6'-MD  
9,590.0'-TVD

20. BLM/BIA Bond No. on file  
NM-1693 nationwide, NMB-000919

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
3670'

22. Approximate date work will start\*  
11/01/2014

23. Estimated duration  
60 Days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must 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 must 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  
BLM.

25. Signature

*Bradley Bishop*

Name (Printed/Typed)

BRADLEY BISHOP

Date

9-24-14

Title

Approved by (Signature)

Steve Caffey

Name (Printed/Typed)

Date

MAR 17 2016

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.

(Continued on page 2)

\*(Instructions on page 2)

Capitan Controlled Water Basin

KZ  
07/22/16

Approval Subject to General Requirements  
& Special Stipulations Attached

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

MAR 22 2016

Mewbourne Oil Company, Crazy Wolf 1 B2MD Fed 1H  
 Sec 1, T19S, R32E  
 SL: 185' FSL & 660' FWL  
 BHL: 330' FNL & 660' FWL

**1. Geologic Formations**

TVD of target	9690	Pilot hole depth	NA
MD at TD:	14253	Deepest expected fresh water:	320

**Back Reef**

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Surface Formation			
Rustler	1420	Water	
Top of Salt	1545	Salt	
Tansill			
Yates	3230	Oil/Gas	
Seven Rivers	3620		
Queen	4085	Oil/Gas	
San Andres	5520		
Delaware(Lamar)	5755	Oil/Gas	
Bone Spring	7445	Oil/Gas	
2 <sup>nd</sup> Bone Spring	9305	Target Zone	
Wolfcamp		Will Not Penetrate	
Cisco			
Canyon			
Strawn			
Atoka			
Morrow			
Barnett Shale			
Woodford Shale			
Devonian			
Fusselman			
Ellenburger			
Granite Wash			

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



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2. Casing Program

*See COA*

Hole Size	Casing Interval		Csg. Size	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
	From	To							
17.5"	0	1200	13.375"	48	H40	STC	1.19	2.77	4.54
17.5"	1200	<del>1445</del> 1475'	13.375"	54.5	J55	STC	1.5	4.38	38.49
12.25"	0	<del>3280</del> 3560'	9.625"	36	J55	LTC	1.18	2.06	3.84
8.75"	0	9213	7"	26	HCP110	LTC	1.63	2.08	2.67
8.75"	9213	9974	7"	26	HCP110	BUTT	1.55	1.98	41.95
6.125"	9774	14253	4.5"	13.5	P110	LTC	2.12	2.46	5.57
BLM Minimum Safety Factor							1.125	1	1.6 Dry 1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Must have table for contingency casing

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

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**3. Cementing Program**

Casing	# Sks	Wt. lb/ gal	Yld ft <sup>3</sup> / sack	H <sub>2</sub> O gal/ sk	500# Comp. Strength (hours)	Slurry Description
Surf.	820	12.5	2.12	11	10	Lead: Class C + 4.0% Bentonite + 0.6% CD-32 + 5% Sodium Chloride + 0.25lb/sk Cello-Flake
	200	14.8	1.34	6.3	5	Tail: Class C + 0.005pps Static Free + 1% CaCl <sub>2</sub> + 0.25 pps CelloFlake + 0.005 gps FP-6L
Inter. <i>See COA</i>	480	12.5	2.12	11	10	Lead: Class C + 4.0% Bentonite + 0.6% CD-32 + 5% Sodium Chloride + 0.25lb/sk Cello-Flake
	200	14.8	1.34	6.3	5	Tail: Class C + 0.005pps Static Free + 1% CaCl <sub>2</sub> + 0.25 pps CelloFlake + 0.005 gps FP-6L
Prod.	390	12.5	2.12	11	9	Lead: 60:40:0 Class C + 15.00 lb/sk BA-90 + 4.00% MPS-5 + 3.00% SMS + 5.00% A-10 + 1.00% BA-10A + 0.80% ASA-301 + 2.90% R-21 + 8.00 lb/sk LCM-1 + 0.005 lb/sk Static Free
	400	15.6	1.18	5.2	10	Tail: Class H + 0.65% FL-52 + 0.10% R-3 + 0.005 lb/sk Static Free
Liner	None					Packer/Port completion system will be used

DV tool depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. Lab reports with the 500 psi compressive strength time for the cement will be onsite for review. *NO DV TOOL proposed*

Casing String	TOC	% Excess
Surface	0'	100%
Intermediate	0'	25%
Production	<del>3080'</del> <i>3300'</i>	25%
Liner	9774'	Tie back 200' inside 7" csg

*(200' tie back minimum)*



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**4. Pressure Control Equipment**

	No Variance Requested
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BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
12-1/4"	13-5/8"	2M	Annular	X	1250#
			Blind Ram		
			Pipe Ram		
			Double Ram		
			Other*		
8-3/4"	11"	3M	Annular	X	1500#
			Blind Ram	X	3000#
			Pipe Ram	X	
			Double Ram		
			Other*		
6.125"	11"	3M	Annular	X	1500#
			Blind Ram	X	3000#
			Pipe Ram	X	
			Double Ram		
			Other*		

\*Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

X	Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.
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N	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.	
	Y /N	Are anchors required by manufacturer?
N	A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. <ul style="list-style-type: none"> <li>• Provide description here</li> </ul> See attached schematic.	

*See COA*

**5. Mud Program**

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From	To				
0	1445 <i>1475</i>	FW Gel	8.6-8.8	28-34	N/C
<del>1445</del>	<del>3280</del> <i>3500'</i>	Saturated Brine	10.0-10.2	29-34	N/C
<del>3280</del>	9213	FW	8.5-9.3	28-34	N/C
9213	14253	FW w/polymer	8.5-9.3	28-34	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

What will be used to monitor the loss or gain of fluid?	Visual Monitoring
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**6. Logging and Testing Procedures**

Logging, Coring and Testing.	
X	Will run GR/CNL from KOP to surface. Stated logs run will be in the Completion Report and submitted to the BLM.
	No Logs are planned based on well control or offset log information.
	Drill stem test? If yes, explain
	Coring? If yes, explain

Additional logs planned	Interval
X GR	KOP(9213) to TD
Density	Int. shoe to KOP
CBL	Production casing
Mud log	Intermediate shoe to TD
PEX	

**7. Drilling Conditions**

Condition	Specify what type and where?
BH Pressure at deepest TVD	4182 psi
Abnormal Temperature	No

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

Hydrogen Sulfide (H<sub>2</sub>S) monitors will be installed prior to drilling out the surface shoe. If H<sub>2</sub>S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

✓	H <sub>2</sub> S is present
	H <sub>2</sub> S Plan attached

See  
COA

**8. Other facets of operation**

Is this a walking operation? If yes, describe.  
 Will be pre-setting casing? If yes, describe.

Attachments

✓ Directional Plan  
 \_\_\_ Other, describe