

Submit a Copy To Appropriate District
Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

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|--|
| WELL API NO. 30-015-53512 |
| 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name Fuller 14/11 Fed Com |
| 8. Well Number 571H |
| 9. OGRID Number 14744 |
| 10. Pool name or Wildcat Corral Canyon; Bone Spring |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2948' GL |

| | |
|--|--|
| 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.) | |
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> | |
| 2. Name of Operator Mewbourne Oil Company | |
| 3. Address of Operator P.O. Box 5720 Hobbs, NM 88241 | |
| 4. Well Location Unit Letter <u>E</u> : <u>2500</u> feet from the <u>North</u> line and <u>910</u> feet from the <u>West</u> line Section <u>14</u> Township <u>26S</u> Range <u>29E</u> NMPM County <u>Eddy</u> | |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2948' GL | |

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

| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|--|--|--|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input checked="" type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input type="checkbox"/> | | | |
| CLOSED-LOOP SYSTEM <input type="checkbox"/> | | | |
| OTHER: <input type="checkbox"/> | | OTHER: <input type="checkbox"/> | |

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Mewbourne Oil Company requests to make the following changes to the Fuller 14/11 Fed Com #571H:

- 1) Move the surface casing set depth from 450' to 1300'
- 2) Move the intermediate casing set depth from 3025' to 4120'
- 3) Move the production stage tool from 3500' to 4500'

See the attached updated casing and cement program.

Spud Date:

6/17/2023

Rig Release Date:

7/7/2023

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

SIGNATURE Benjamin Davis TITLE Petroleum Engineer DATE 6/15/2023

Type or print name Benjamin Davis E-mail address: bdavis@mewbourne.com PHONE: 580-574-3250

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

Mewbourne Oil Company, Fuller 14/11 Fed Com#571H**Sec 14, T26S, R29E****SHL: 2500' FNL & 910' FWL (Sec 14)****BHL: 100' FNL & 330' FWL (Sec 11)****Casing Program**

| Hole Size | From | To | Csg. Size | Weight | Grade | Conn. | SF | SF Burst | SF Jt | SF Body Tension |
|---------------------------|-------|--------|-----------|--------|-------|-------|----------|----------|--------------------|--------------------|
| | | | | (lbs) | | | Collapse | | Tension | |
| 17.500 | 0' | 1300' | 13.375 | 48.0 | H40 | STC | 1.29 | 2.91 | 5.16 | 8.67 |
| 12.250 | 0' | 3453' | 9.625 | 36.0 | J55 | LTC | 1.13 | 1.96 | 3.00 | 3.74 |
| 12.250 | 3453' | 4120' | 9.625 | 40.0 | J55 | LTC | 1.20 | 1.84 | 19.49 | 23.61 |
| 8.750 | 0' | 8778' | 7.000 | 26.0 | P110 | LTC | 1.41 | 2.26 | 3.04 | 3.64 |
| 6.125 | 8578' | 17128' | 4.500 | 13.5 | P110 | LTC | 2.18 | 2.53 | 2.93 | 3.66 |
| BLM Minimum Safety Factor | | | | | | | 1.125 | 1.0 | 1.6 Dry 1.8 Wet | 1.6 Dry 1.8 Wet |

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 IILB.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 |
| Is casing API approved? 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 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. | | | | N |
| Is well located in SOPA but not in R-111-P? | | | | N |
| If yes, are the first 2 strings cemented to surface and 3 rd 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 nd string set 100' to 600' below the base of salt? | | | | |
| Is an open annulus used to satisfy R-111-Q? If yes, see cement design. | | | | |
| Is an engineered weak point used to satisfy R-111-Q? | | | | |
| If yes, at what depth is the weak point planned? | | | | |
| 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? | | | | |
| Formation | Est. Top | | Formation | Est. Top |
| Rustler | 120' | | Delaware (Lamar) | 3020' |
| Salt Top | 410' | | Bell Canyon | |
| Salt Base | 1270' | | Cherry Canyon | |
| Yates | 2845' | | Manzanita Marker | 4120' |
| Seven Rivers | | | Basal Brushy Canyon | |
| Queen | | | Bone Spring | 6800' |
| Capitan | | | 1st Bone Spring Sand | 7735' |
| Grayburg | | | 2nd Bone Spring Sand | 8360' |
| San Andres | | | 3rd Bone Spring Sand | |
| Glorieta | | | Abo | |
| Yeso | | | Wolfcamp | |

Mewbourne Oil Company, Fuller 14/11 Fed Com#571H**Sec 14, T26S, R29E****SHL: 2500' FNL & 910' FWL (Sec 14)****BHL: 100' FNL & 330' FWL (Sec 11)****Cementing Program**

| Csg | Top MD | Bottom MD | # Sks | Yield (ft3/sk) | Density (ppg) | Vol (ft3) | % Excess | Slurry Description |
|--------------------------------------|--------|-----------|-------|----------------|---------------|-----------|----------|---|
| Surface (Lead) | 0' | 1108' | 730 | 2.12 | 12.5 | 1550 | 100 | Class C, Salt, Gel, Extender, LCM |
| Surface (Tail) | 1108' | 1300' | 200 | 1.34 | 14.8 | 268 | 100 | Class C, Retarder |
| Intermediate (Lead) | 0' | 3433' | 630 | 2.12 | 12.5 | 1340 | 25 | Class C, Salt, Gel, Extender, LCM |
| Intermediate (Tail) | 3433' | 4120' | 200 | 1.34 | 14.8 | 268 | 25 | Class C, Retarder |
| Production (Lead Stage 1) | 3920' | 4181' | 50 | 2.12 | 12.5 | 110 | 40 | Class C, Salt, Gel, Extender, LCM, Defoamer |
| Production (Tail Stage 1) | 4181' | 4500' | 100 | 1.34 | 14.8 | 134 | 40 | Class C, Retarder |
| Production 7" DV Tool @ 4500' | | | | | | | | |
| Production (Lead Stage 2) | 4500' | 6588' | 210 | 2.12 | 12.5 | 450 | 40 | Class C, Salt, Gel, Extender, LCM, Defoamer |
| Production (Tail Stage 2) | 6588' | 8778' | 400 | 1.18 | 15.6 | 472 | 40 | Class H, Retarder, Fluid Loss, Defoamer |
| Liner | 8824' | 17182' | 550 | 1.85 | 13.5 | 1020 | 25 | Class H, Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti-settling Agent |

Deepened DV tool to 4500'

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

| | |
|------------------------------|-----------------------------------|
| OPERATOR'S NAME: | Mewbourne Oil Company |
| LEASE NO.: | NMNM011038 |
| WELL NAME & NO.: | FULLER 14-11 FED COM 571H |
| SURFACE HOLE FOOTAGE: | 2500'/N & 910'/W |
| BOTTOM HOLE FOOTAGE: | 100'/N & 330'/W |
| LOCATION: | Section 14, T.26 S., R.29 E., NMP |
| COUNTY: | Eddy County, New Mexico |

COA

| | | | |
|----------------------|---|--|-------------------------------------|
| H2S | <input type="radio"/> Yes | <input checked="" type="radio"/> No | |
| Potash | <input checked="" type="radio"/> None | <input type="radio"/> Secretary | <input type="radio"/> R-111-P |
| Cave/Karst Potential | <input type="radio"/> Low | <input checked="" type="radio"/> Medium | <input type="radio"/> High |
| Cave/Karst Potential | <input type="radio"/> Critical | | |
| Variance | <input type="radio"/> None | <input checked="" type="radio"/> Flex Hose | <input type="radio"/> Other |
| Wellhead | <input type="radio"/> Conventional | <input checked="" type="radio"/> Multibowl | <input type="radio"/> Both |
| Other | <input type="checkbox"/> 4 String Area | <input type="checkbox"/> Capitan Reef | <input type="checkbox"/> WIPP |
| Other | <input type="checkbox"/> Fluid Filled | <input type="checkbox"/> Cement Squeeze | <input type="checkbox"/> Pilot Hole |
| Special Requirements | <input type="checkbox"/> Water Disposal | <input checked="" type="checkbox"/> COM | <input type="checkbox"/> Unit |

All Previous COAs Still Apply.

A. CASING

Casing Design:

1. The **13-3/8** inch surface casing shall be set at approximately **1,300** feet (a minimum of **70 feet (Eddy County)** into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.

- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing which shall be set at approximately **4,120** feet is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above.
Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
Excess cement calculates to 17%, additional cement might be required.
 - ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
3. The minimum required fill of cement behind the **7** inch production casing is:

Option 1 (Single Stage):

- Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.
4. The minimum required fill of cement behind the **4-1/2** inch production liner is:
 - Cement should tie-back **100 feet** into the previous casing. Operator shall provide method of verification.

B. PRESSURE CONTROL

1. **Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'**
2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M) psi**.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

C. SPECIAL REQUIREMENT (S)**Communitization Agreement**

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

OTA06152023

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Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 228940

CONDITIONS

| | |
|---|--|
| Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241 | OGRID: 14744 |
| | Action Number: 228940 |
| | Action Type: [C-103] NOI Change of Plans (C-103A) |

CONDITIONS

| Created By | Condition | Condition Date |
|-------------|--|----------------|
| ward.rikala | Surface casing shall be sat no deeper than the top of the uppermost salt. All other COA's still apply. | 10/23/2023 |