

Well Name: PENNY 34/36 FED COM	Well Location: T22S / R26E / SEC 34 / NWSE / 32.348601 / -104.279482	County or Parish/State: EDDY / NM
Well Number: 716H	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM96203	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001554346	Well Status: Drilling Well	Operator: MEWBOURNE OIL COMPANY

Notice of Intent

Sundry ID: 2766277

Type of Submission: Notice of Intent	Type of Action: APD Change
Date Sundry Submitted: 12/15/2023	Time Sundry Submitted: 07:58
Date proposed operation will begin: 12/20/2023	

Procedure Description: Mewbourne Oil Company requests permission to: Change the name of the GAMBINO FEDERAL COM 2H (API # 30-015-54346) to the PENNY 34/36 FED COM 716H Perform offline cementing and BOPE break testing as detailed in the attached documents See attached C102 and variance documents

NOI Attachments

Procedure Description

- Penny_34_36_Fed_Com_716H_MOC_Offline_Cementing_Variance_20231215075736.pdf
- Penny_34_36_Fed_Com_716H_20231215075736.pdf
- Penny_34_36_Fed_Com_716H_MOC_Break_Testing_Variance_20231215075735.pdf

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Conditions of Approval

Additional

PENNY_3436_FED_COM_Sundry__2766277_COA_20231221082029.pdf

Operator

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: BENNETT HALL	Signed on: DEC 15, 2023 07:57 AM
Name: MEWBOURNE OIL COMPANY	
Title: ENGINEER	
Street Address: 4801 BUSINESS PARK BLVD	
City: HOBBS	State: NM
Phone: (806) 202-4349	
Email address: BHALL@MEWBOURNE.COM	

Field

Representative Name:		
Street Address:		
City:	State:	Zip:
Phone:		
Email address:		

BLM Point of Contact

BLM POC Name: CHRISTOPHER WALLS	BLM POC Title: Petroleum Engineer
BLM POC Phone: 5752342234	BLM POC Email Address: cwalls@blm.gov
Disposition: Approved	Disposition Date: 12/21/2023
Signature: Chris Walls	

Form 3160-5
(June 2019)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.	
6. If Indian, Allottee or Tribe Name	
7. If Unit of CA/Agreement, Name and/or No.	
8. Well Name and No.	
9. API Well No.	
10. Field and Pool or Exploratory Area	11. Country or Parish, State

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be perfonned or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)	Title
Signature	Date

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice 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.	Office	

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 page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Location of Well

0. SHL: NWSE / 2690 FSL / 2249 FEL / TWSP: 22S / RANGE: 26E / SECTION: 34 / LAT: 32.348601 / LONG: -104.279482 (TVD: 0 feet, MD: 0 feet)

PPP: NWSE / 1877 FSL / 2524 FEL / TWSP: 22S / RANGE: 26E / SECTION: 34 / LAT: 32.3463749 / LONG: -104.280372 (TVD: 8850 feet, MD: 9065 feet)

BHL: NESW / 1870 FSL / 2395 FWL / TWSP: 22S / RANGE: 26E / SECTION: 36 / LAT: 32.346258 / LONG: -104.247228 (TVD: 8900 feet, MD: 19304 feet)

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	MEWBOURNE OIL COMPANY
WELL NAME & NO.:	PENNY 34/36 FED COM 716H
SURFACE HOLE FOOTAGE:	2690'/S & 2249'/E
BOTTOM HOLE FOOTAGE:	1870'/S & 2395'/W
SURFACE LOCATION:	Section 34, T.22 S., R.26 E. NMP.
COUNTY:	Eddy County, New Mexico

COA

H ₂ S	<input checked="" type="radio"/> Yes	<input 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	<input type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP
Other	<input checked="" type="checkbox"/> Offline Cementing	<input type="checkbox"/> Pilot Hole	<input checked="" type="checkbox"/> Break testing
Special Requirements	<input type="checkbox"/> Water Disposal	<input checked="" type="checkbox"/> COM	<input type="checkbox"/> Unit

SEE ORIGINAL COA FOR ALL OTHER REQUIREMENTS.

The previous name of this well was GAMBINO FEDERAL COM 2H.

BOPE Break Testing Variance (Note: For a minimum 5M BOPE or less (Utilizing a 10M BOPE system))

- BOPE Break Testing is ONLY permitted for 5M BOPE or less. (**Annular preventer must be tested to a minimum of 70% of BOPE working pressure and shall be higher than the MASP**)
- BOPE Break Testing is NOT permitted to drilling the production hole section.
- Variance only pertains to the intermediate hole-sections and no deeper than the Bone Springs formation.
- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle.
- Any well control event while drilling require notification to the BLM Petroleum Engineer (**575-706-2779**) prior to the commencement of any BOPE Break Testing operations.
- A full BOPE test is required prior to drilling the first deep intermediate hole section. If any subsequent hole interval is deeper than the first, a full BOPE test will be required. (200' TVD tolerance between intermediate shoes is allowable).

- The BLM is to be contacted (**575-361-2822 Eddy County**) 4 hours prior to BOPE tests.
- As a minimum, a full BOPE test shall be performed at 21-day intervals.
- In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per Onshore Oil and Gas Order No. 2.
- If in the event break testing is not utilized, then a full BOPE test would be conducted.

Offline Cementing

Offline cementing variance is approved for surface and intermediate casings only. Contact the BLM prior to the commencement of any offline cementing procedure.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

☒ Eddy County

EMAIL or call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
BLM_NM_CFO_DrillingNotifications@BLM.GOV
(575) 361-2822

☒ Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 689-5981

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per **title 43 CFR 3172**
 - as soon as 2nd Rig is rigged up on well.

2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. 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. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the

formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in the **title 43 CFR 3172** and **API STD 53 Sec. 5.3**.
2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - 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. Whenever any seal subject to test pressure is broken, all the tests in the **title 43 CFR 3172.6(b)(9)** must be followed.
 - e. 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.

5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
- a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead cement), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)
 - c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to **43 CFR 3172** with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
 - d. The test shall be run on a 5000-psi chart for a 2-3M BOP/BOP, on a 10000-psi chart for a 5M BOP/BOPE and on a 15000-psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one-hour chart. A circular chart shall have a maximum 2-hour clock. If a twelve hour or twenty-four-hour chart is used, tester shall make a notation that it is run with a two-hour clock.
 - e. The results of the test shall be reported to the appropriate BLM office.
 - f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - g. The BOP/BOPE test shall include a low-pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
 - h. BOP/BOPE must be tested by an independent service company within 500 feet

of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per **43 CFR 3172**.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

SA 12/21/2023



Mewbourne Oil Co.

Surface & Intermediate Offline Cementing Variance

Mewbourne Oil Company requests a variance to perform offline cementing for surface and intermediate casing strings with the following conditions:

- Offline cementing will not be performed on production casing.
- Offline cementing will not be performed on a hole section with MASP > 5000 psi.
- Offline cementing will not be performed concurrently with offset drilling.

Surface Casing Order of Operations:

1. Run 13 3/8" surface casing as per normal operations (TPGS and float collar).
2. Perform negative pressure test to confirm integrity of float equipment while running casing.
3. Confirm well is static.
4. Make up 13 5/8" wellhead or wellhead landing ring assembly and land on 20" conductor.
5. Fill pipe, circulate casing capacity and confirm float(s) are still holding.
6. Confirm well is static.
7. Back out landing joint and pull to rig floor. Lay down landing joint.
8. Walk rig to next well on pad with cement crew standing by to rig up.
9. Make up offline cement tool with forklift per wellhead manufacturer (Fig. 1 & 2).
10. Make up cement head on top of offline cement tool with forklift.
11. Commence cement operations.
12. If cement circulates, confirm well is static and proceed to step 16.
13. If cement does not circulate, notify the appropriate BLM office, wait a minimum of six hours, and run a temperature survey to determine the top of cement.
14. Use 1" pipe for remedial cement job until the surface casing is cemented to surface.
15. Confirm well is static.
16. Once cement job is complete, the cement head and offline cementing tool are removed. The wellhead technician returns to cellar to install wellhead/valves.
17. Install wellhead capping flange.

Barriers

Before Walk:

- Float(s) in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus

**After Walk:**

- Float(s) in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Offline cementing tool tested to 5000 psi and cement head
- Capping flange after cementing

20" Surface Casing Order of Operations (4 string area):

1. Run 20" surface casing as per normal operations (TPGS and float collar).
2. Perform negative pressure test to confirm integrity of float equipment while running casing.
3. Fill pipe, circulate casing capacity and confirm float(s) are still holding.
4. Confirm well is static.
5. Back out landing joint and pull to rig floor. Lay down landing joint.
6. Make up cement head.
7. Walk rig to next well on pad with cement crew standing by to rig up.
8. Commence cement operations.
9. If cement circulates, confirm well is static and proceed to step 13.
10. If cement does not circulate, notify the appropriate BLM office, wait a minimum of six hours, and run a temperature survey to determine the top of cement.
11. Use 1" pipe for remedial cement job until the surface casing is cemented to surface.
12. Confirm well is static.
13. Once cement job is complete, remove cement head and install cap.

Barriers**Before Walk:**

- Float(s) in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Cement Head

After Walk:

- Float(s) in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Cement head
- Capping flange after cementing



Intermediate Casing Order of Operations:

1. Run casing as per normal operations (float shoe and float collar).
2. Perform negative pressure test to confirm integrity of float equipment while running casing.
3. Confirm well is static (if running SBM).
4. Land casing.
5. Fill pipe, circulate casing capacity and confirm floats are still holding.
6. Confirm well is static.
7. Back out landing joint and pull to rig floor. Lay down landing joint. Install packoff & test.
8. Nipple down BOP.
9. Walk rig to next well on pad with cement crew standing by to rig up.
10. Make up offline cement tool using forklift per wellhead manufacturer (Fig. 3 - 8).
11. Make up cement head on top of offline cement tool.
12. Commence cement operations.
13. If cement circulates, confirm well is static and proceed to step 16.
14. If cement does not circulate (when required), notify the appropriate BLM office, wait a minimum of six hours, and run a temperature survey to determine the top of cement.
15. Pump remedial cement job if required.
16. Confirm well is static.
17. Remove cement head and offline cementing tool.
18. Install wellhead capping flange and test.

Barriers

Before Nipple Down:

- Floats in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Solid body mandrel and/or packoff

After Nipple Down:

- Floats in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Solid body mandrel and/or packoff
- Offline cementing tool tested to 5000 psi and cement head
- Capping flange after cementing

**Risks:**

- Pressure build up in annulus before cementing
 - Contact BLM if a well control event occurs.
 - Rig up 3rd party pump or rig pumps to pump down casing and kill well.
 - Returns will be taken through the wellhead valves to a choke manifold (Fig 9 & 10).
 - Well could also be killed through the wellhead valves down the annulus.

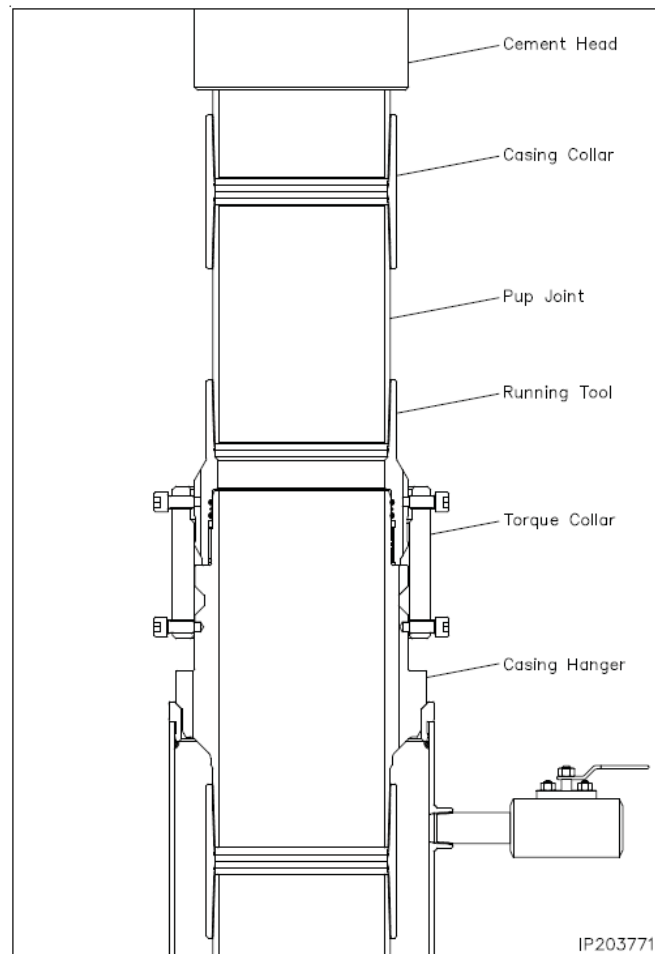


Figure 1. Cactus 13 3/8" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 13 3/8" pup joint and casing.

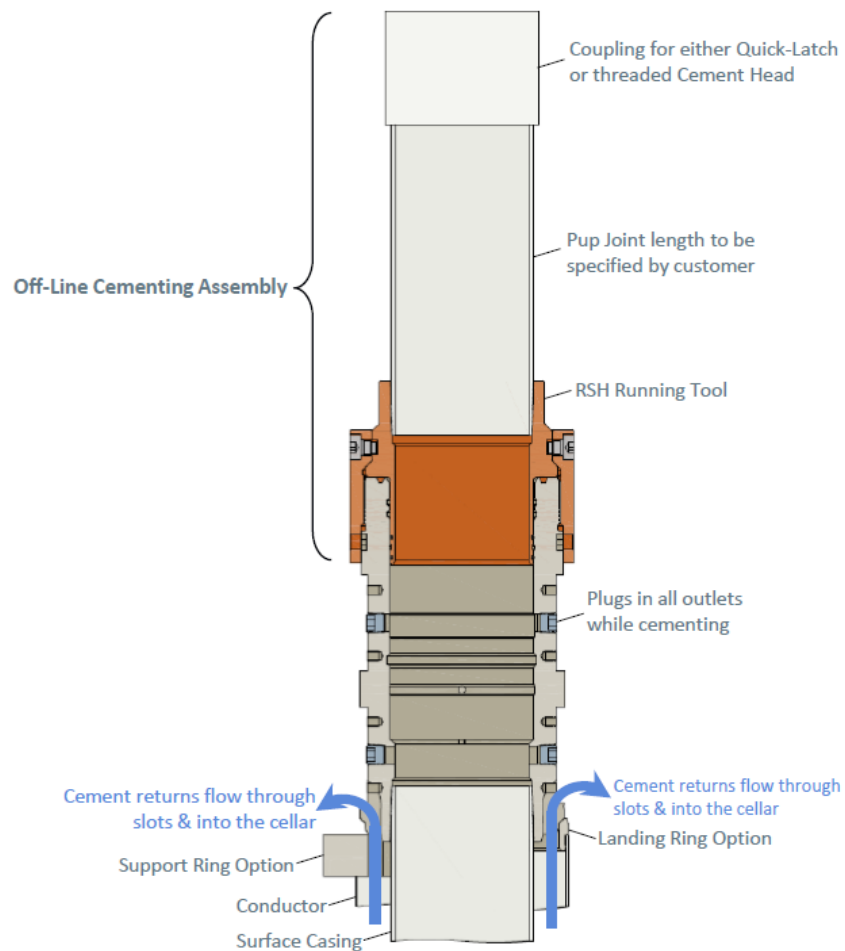


Figure 2. Vault 13 3/8" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 13 3/8" pup joint and casing.

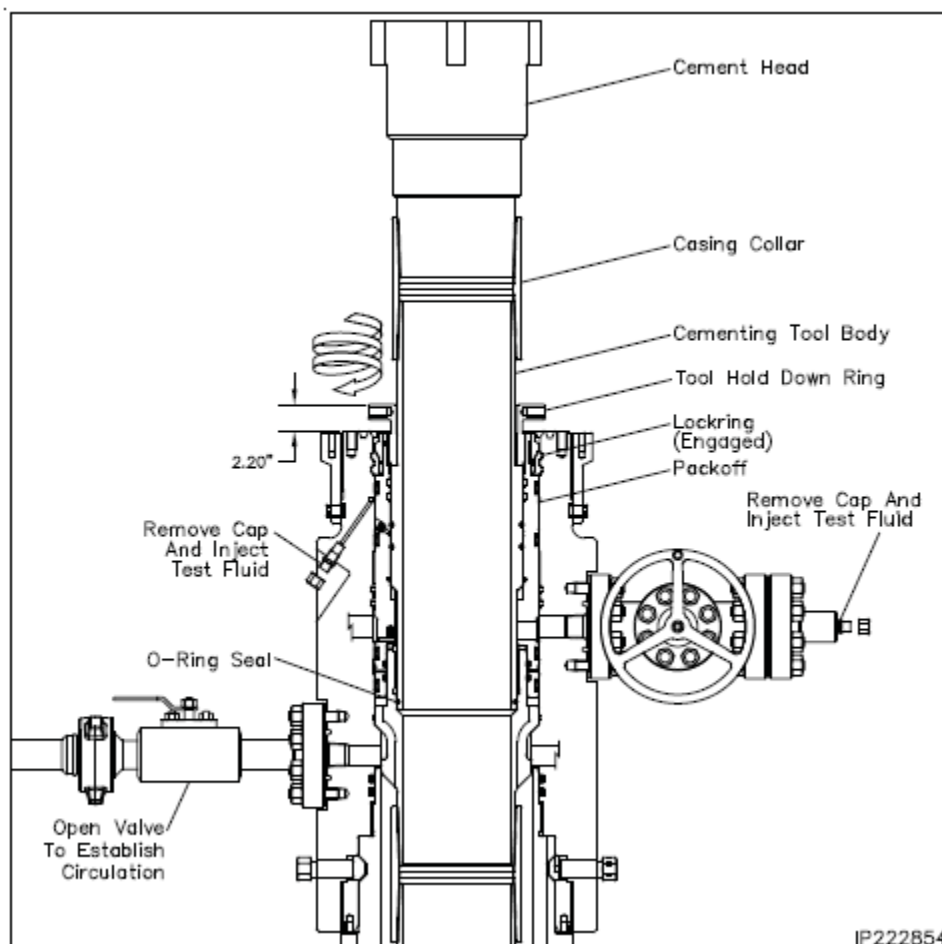


Figure 3. Cactus 9 5/8" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 9 5/8" pup joint and casing.

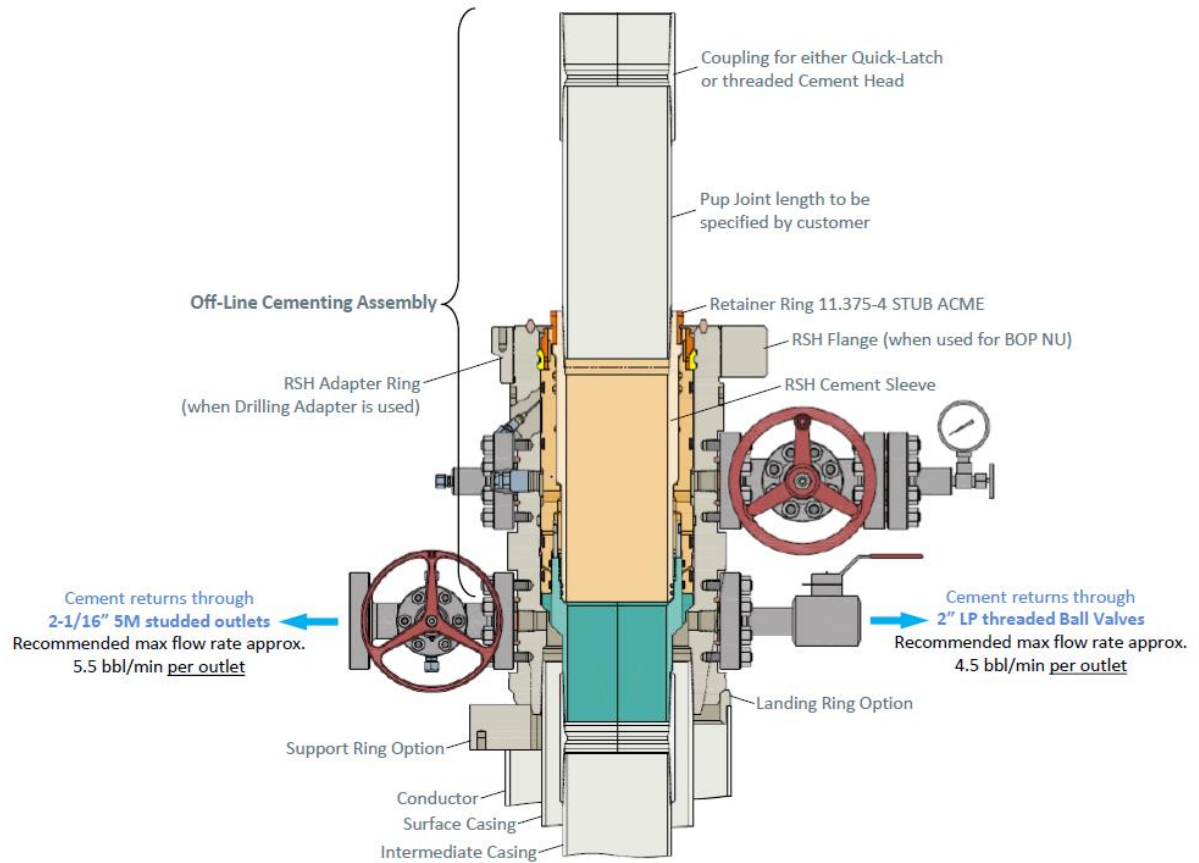


Figure 4. Vault 9 5/8" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 9 5/8" pup joint and casing.

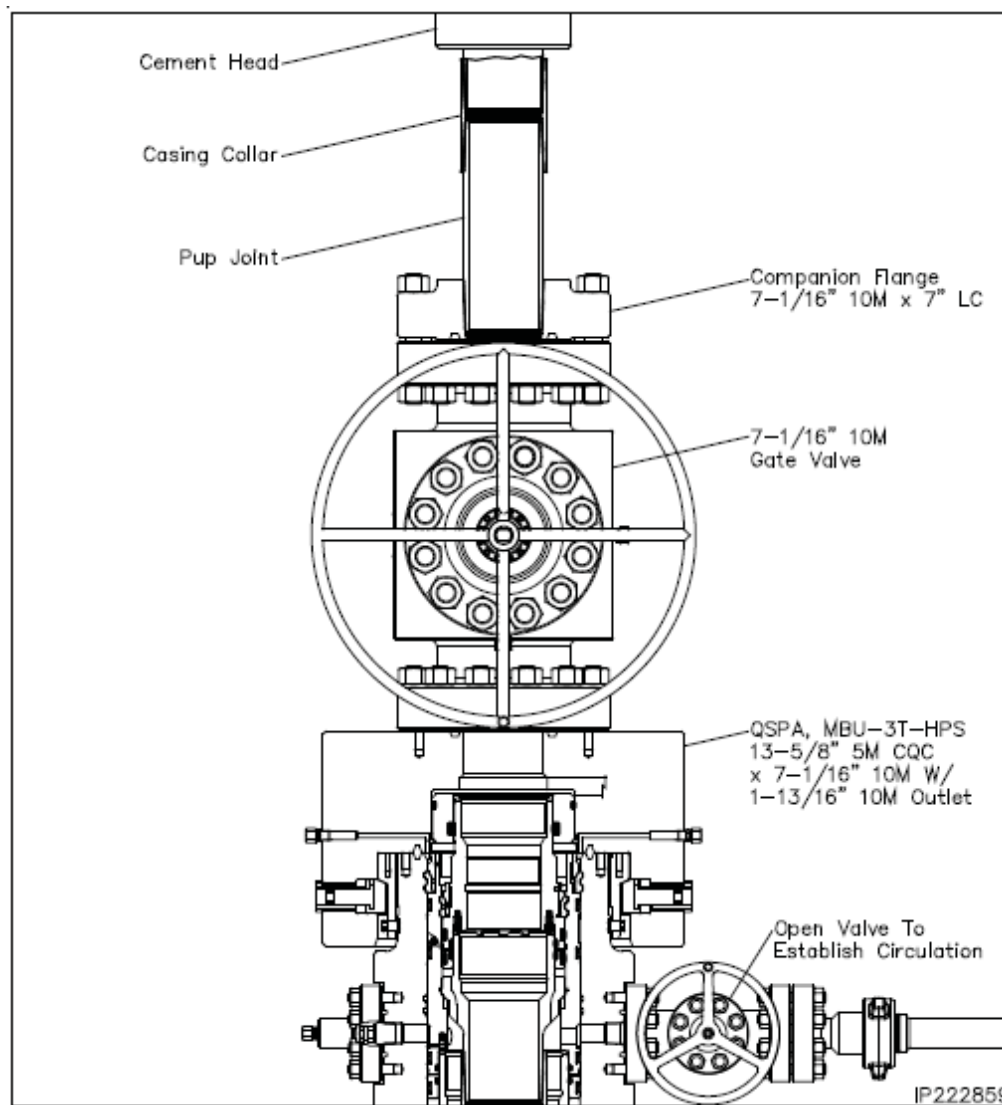


Figure 5. Cactus 7" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 7" pup joint and casing.

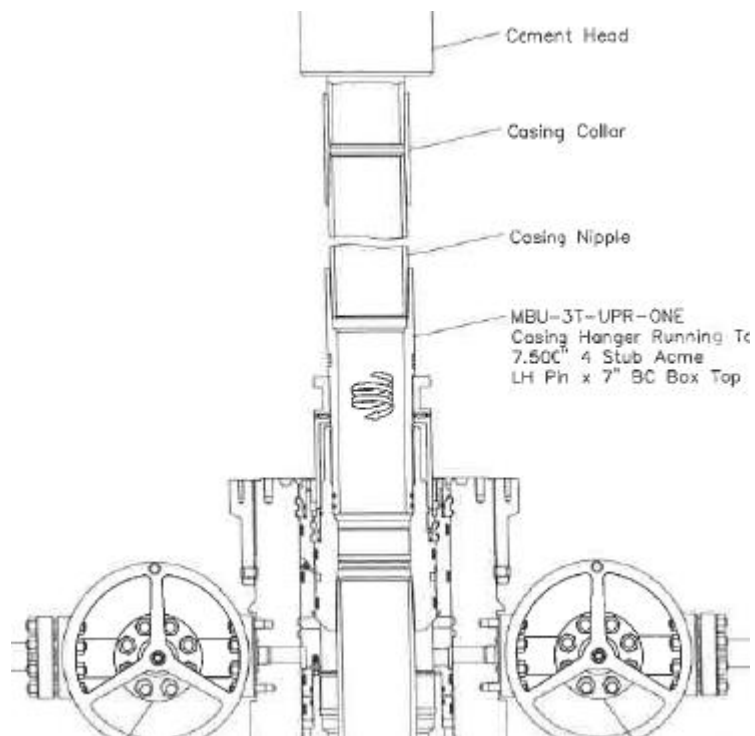


Figure 6. Cactus 7" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 7" pup joint and casing.

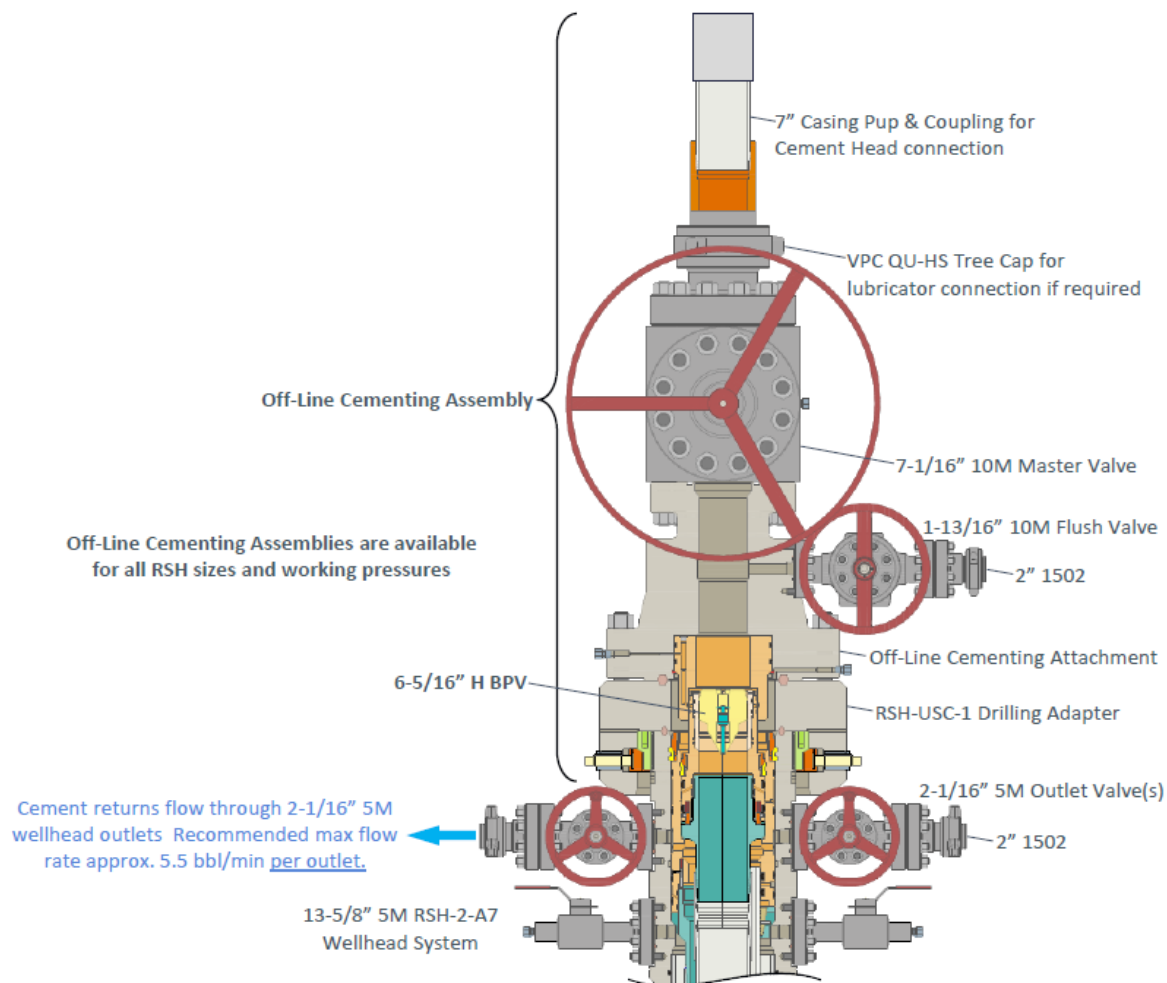


Figure 7. Vault 7" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 7" pup joint and casing.

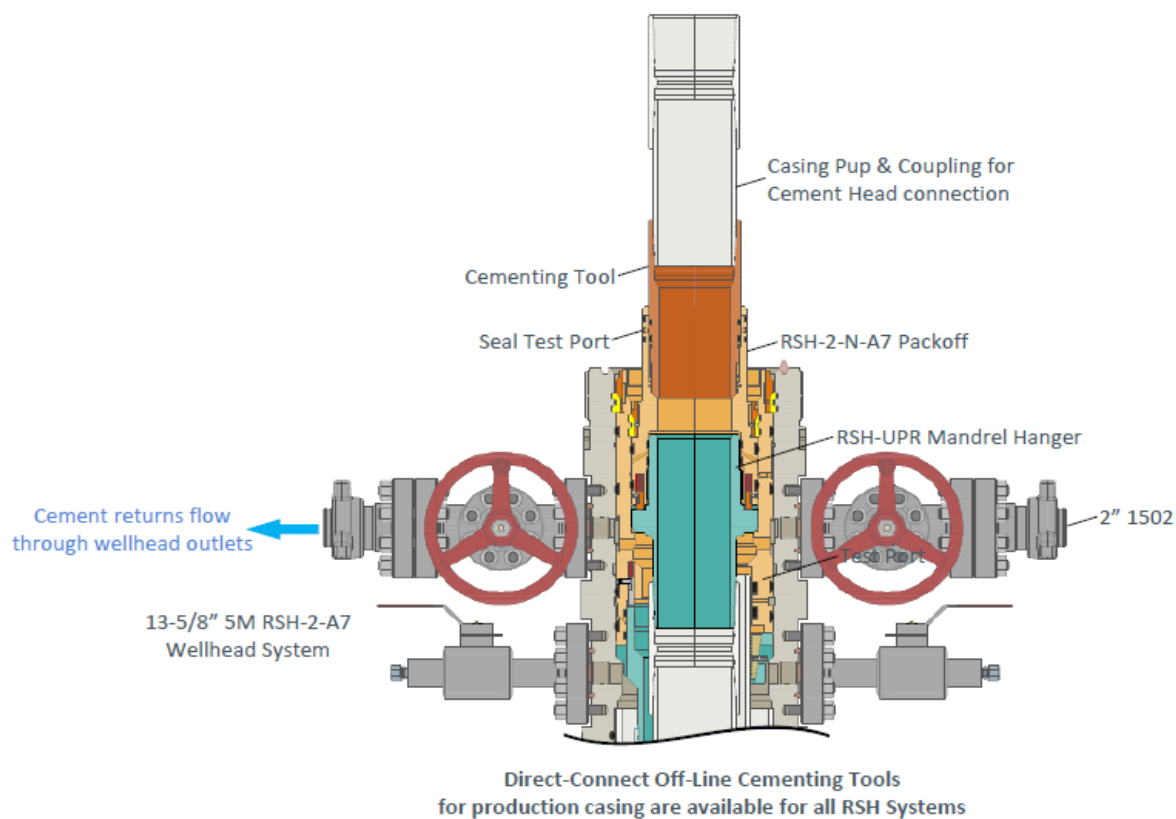


Figure 8. Vault 7" 5M offline cementing tool. Pressure rating limited by the lesser of 5M tool rating or the 7" pup joint and casing.

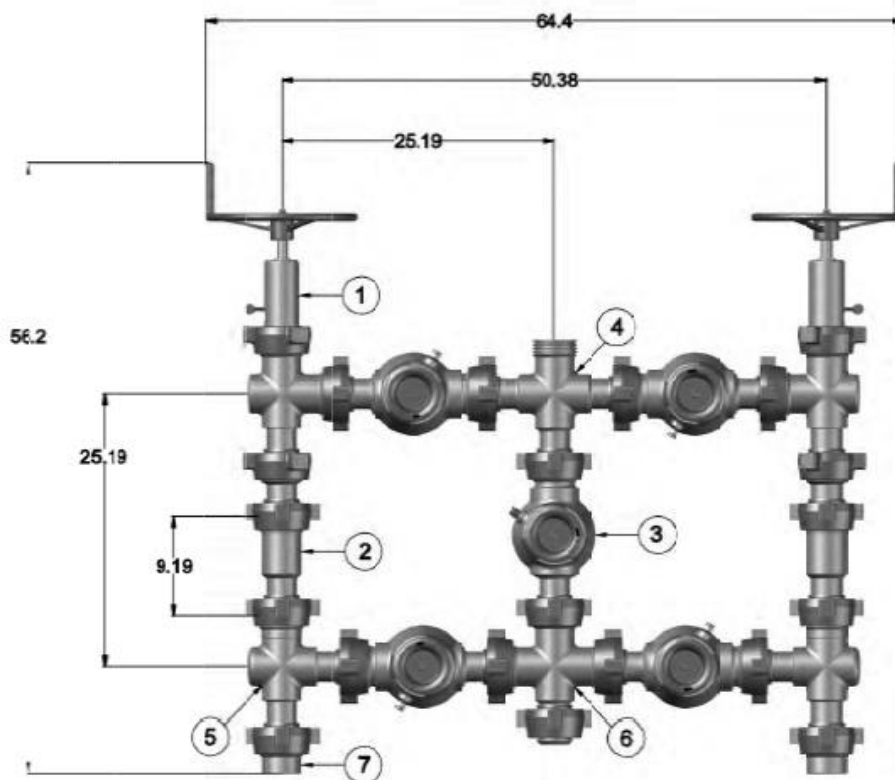


Figure 9. Five valve 15k choke manifold.

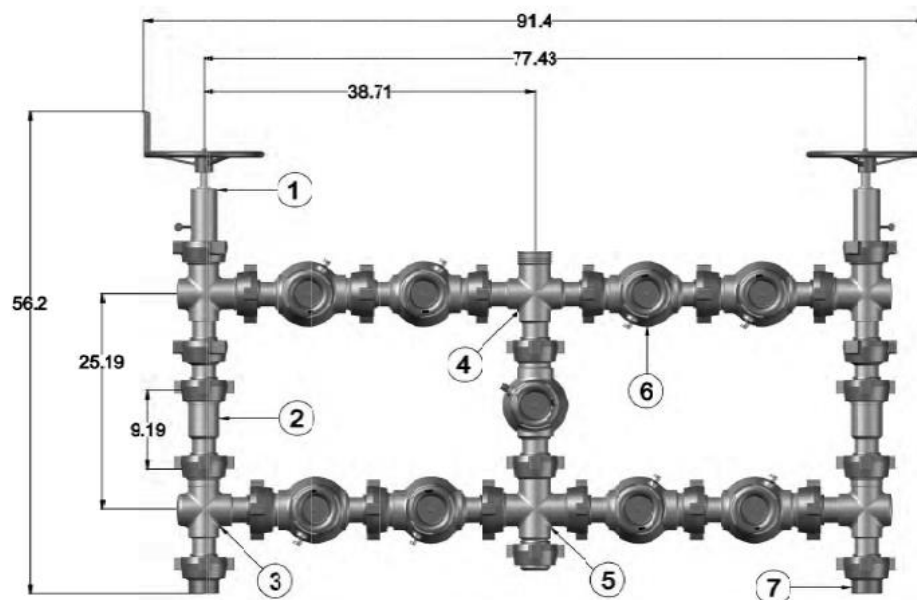


Figure 10. Nine valve 15k choke manifold.

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District IV
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-54346	² Pool Code 98220	³ Pool Name PURPLE SAGE; WOLFCAMP (GAS)
⁴ Property Code	⁵ Property Name PENNY 34/36 FED COM	⁶ Well Number 716H
⁷ OGRID No. 14744	⁸ Operator Name MEWBORNE OIL COMPANY	⁹ Elevation 3269.0'

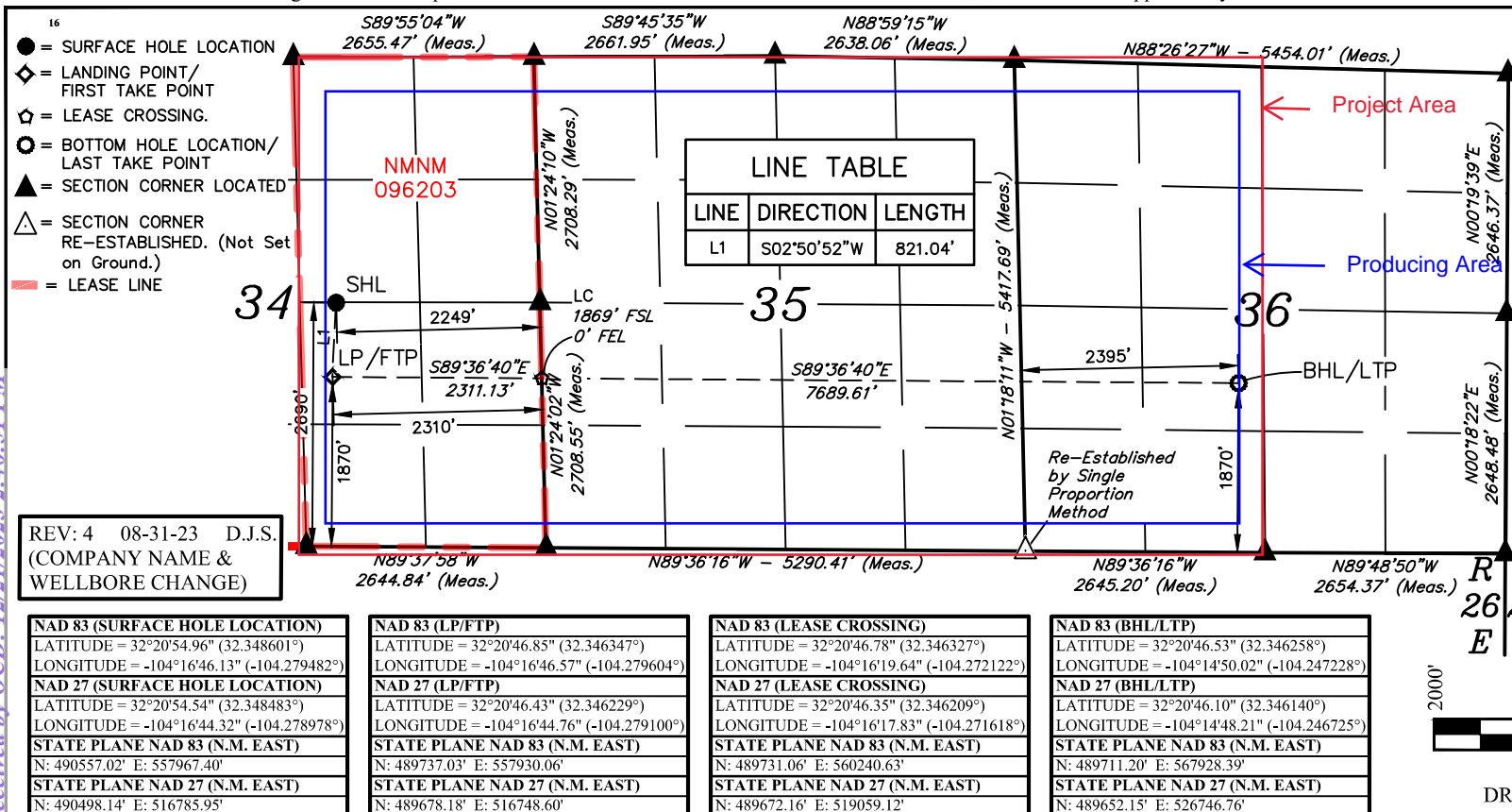
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	34	22S	26E		2690	SOUTH	2249	EAST	EDDY

¹¹ 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
K	36	22S	26E		1870	SOUTH	2395	WEST	EDDY
¹² Dedicated Acres 1280	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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.



**17 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.

Bennett Hall 12/7/2023
Signature Date

Bennett Hall

Printed Name

bhall@mewbourne.com
E-mail Address

**18 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.

May 23, 2022

Date of Survey
Signature and Seal of Professional Surveyor:



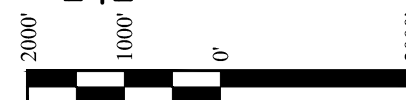
Certificate Number:

NOTE:

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83).

T22S
R
26
E

T23S
R
27
E



SCALE
DRAWN BY: S.T.O. 10-12-21



Mewbourne Oil Co.

BOP Break Testing Variance

Mewbourne Oil Company requests a variance from the minimum standards for well control equipment testing of 43 CFR 3172 to allow a testing schedule of the blow out preventer (BOP) and blow out prevention equipment (BOPE) along with batch drilling & offline cementing operations. Modern rig upgrades which facilitate pad drilling allow the BOP stack to be moved between wells on a multi-well pad without breaking any BOP stack components apart. Widespread use of these technologies has led to break testing BOPE being endorsed as safe and reliable. American Petroleum Institute (API) best practices are frequently used by regulators to develop their regulations. API Standard 53, *Well Control Equipment Systems for Drilling Wells* (5th Ed., Dec. 2018) Section 5.3.7.1 states "A pressure test of the pressure containing component shall be performed following the disconnection or repair, limited to the affected component."

Procedures

1. Full BOPE test at first installation on the pad.
 - Full BOPE test at least every 21 days.
 - Function test BOP elements per 43 CFR 3172.
 - Contact the BLM if a well control event occurs.
2. After the well section is secured and the well is confirmed to be static, the BOP will be disconnected from the wellhead and walked with the rig to another well on the pad. Two breaks on the BOPE will be made (Fig. 1).
 - Connection between the flex line and the HCR valve
 - Connection between the wellhead and the BOP quick connect (Fig. 5 & 6).
3. A capping flange will be installed after cementing per wellhead vendor procedure & casing pressure will be monitored via wellhead valve.
4. The BOP will be removed and carried by a hydraulic carrier (Fig. 3 & 4).
5. The rig will then walk to the next well.
6. Confirm that the well is static and remove the capping flange.
7. The connection between the flex line and HCR valve and the connection between the wellhead and the BOP quick connect will be reconnected.
8. Install a test plug into the wellhead.
9. A test will then be conducted against the upper pipe rams and choke, testing both breaks (Fig. 1 & 2).
10. The test will be held at 250 psi low and to the high value submitted in the APD, not to exceed 5000 psi.
11. The annular, blind rams and lower pipe rams will then be function tested.
12. If a pad consists of three or more wells, steps 4 through 11 will be repeated.



13. A break test will only be conducted if the intermediate section can be drilled and cased within 21 days of the last full BOPE test.

Barriers

Before Nipple Down:

- Floats in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Solid body mandrel and/or packoff

After Nipple Down:

- Floats in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Solid body mandrel and/or packoff
- Offline cementing tool and/or cement head
- Capping flange after cementing

Summary

A variance is requested to only test broken pressure seals on the BOPE when moving between wells on a multi-well pad if the following conditions are met:

- A full BOPE test is conducted on the first well on the pad. API Standard 53 requires testing annular BOP to 70% of RWP or 100% of MASP, whichever is greater.
- If the first well on the pad is not the well with the deepest intermediate section, a full BOPE test will also be performed when moving to a deeper well.
- The hole section being drilled has a MASP under 5000 psi.
- If a well control event occurs, Mewbourne will contact BLM for permission to continue break testing.
- If significant (>50%) losses occur, full BOPE testing will be required going forward.
- Full BOPE test will be required prior to drilling the production hole.

While walking the rig, the BOP stack will be secured via hydraulic winch or hydraulic carrier. A full BOPE test will be performed at least every 21 days.

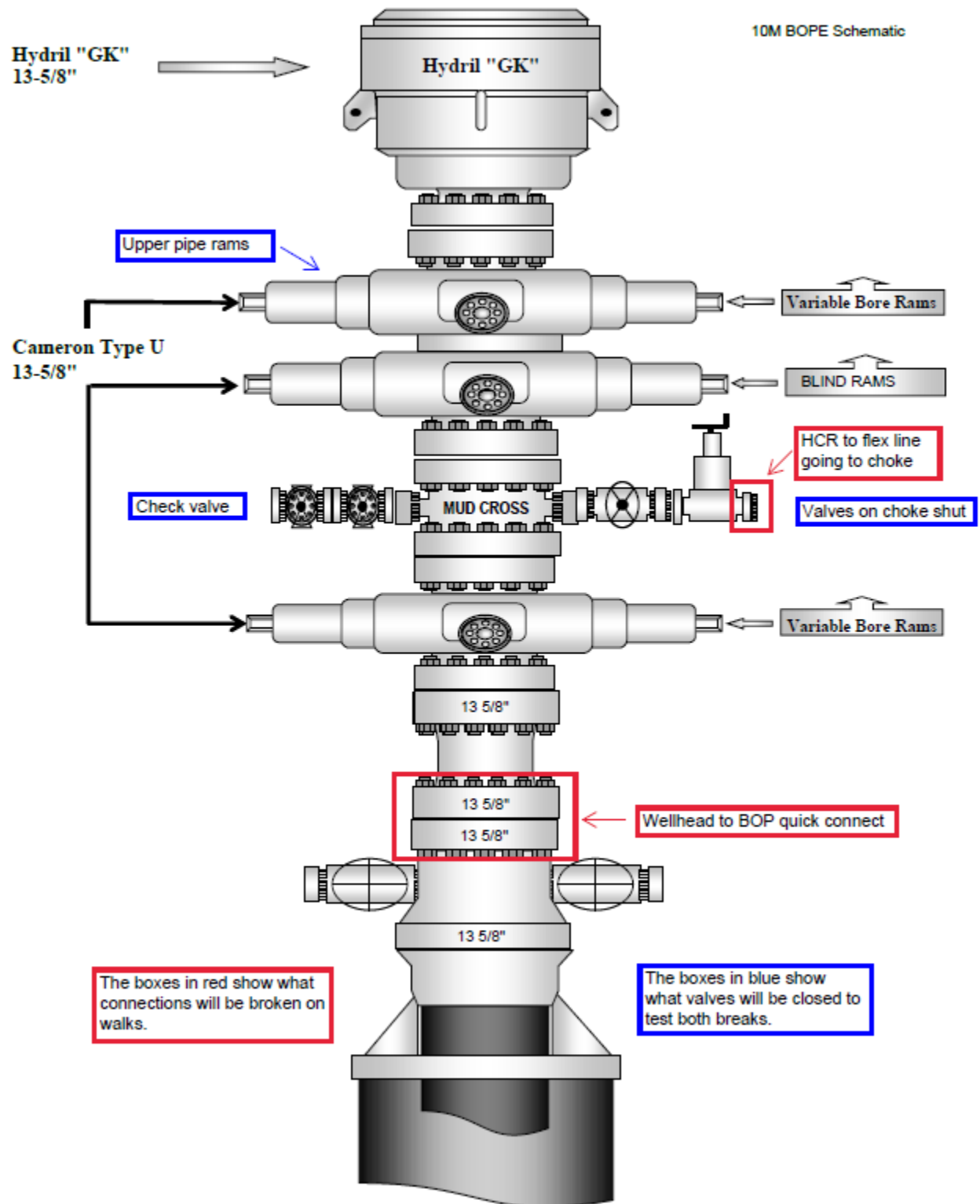


Figure 1. BOP diagram



5M BOPE & Closed Loop Equipment Schematic

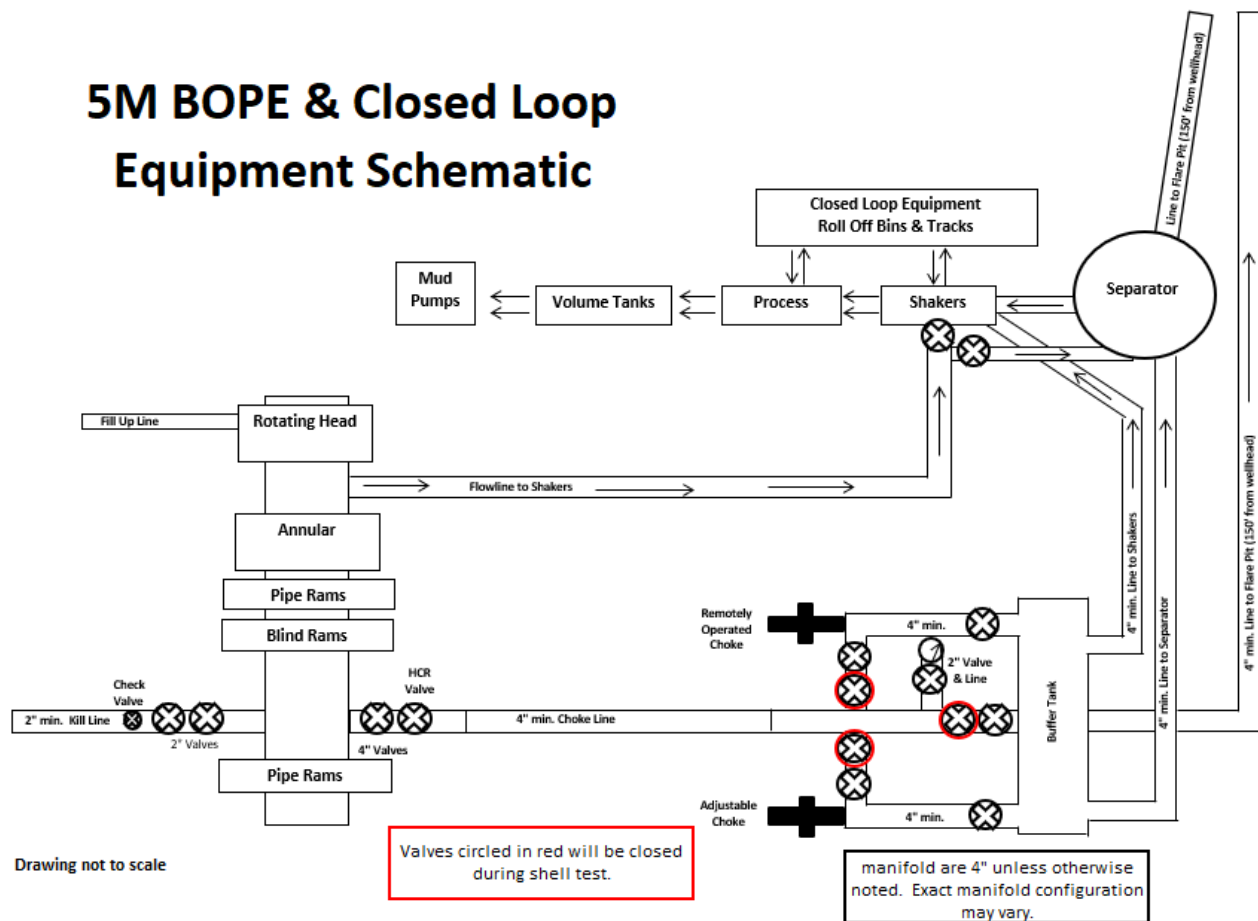


Figure 2. BOPE diagram



Figure 3. BOP handling system



Figure 4. BOP handling system

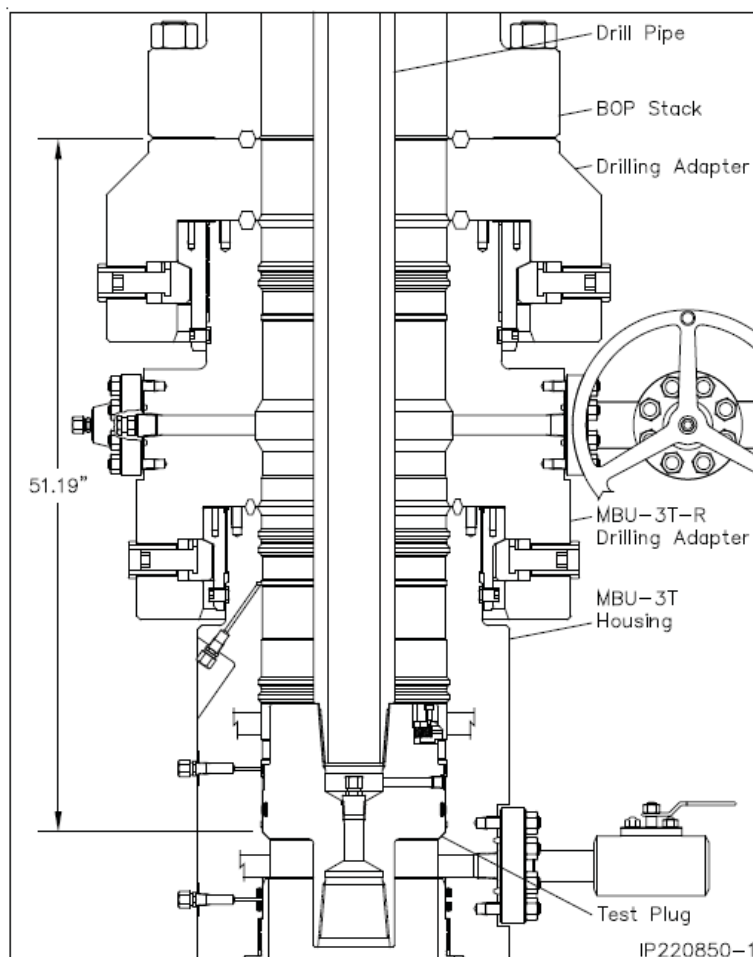


Figure 5. Cactus 5M wellhead with BOP quick connect

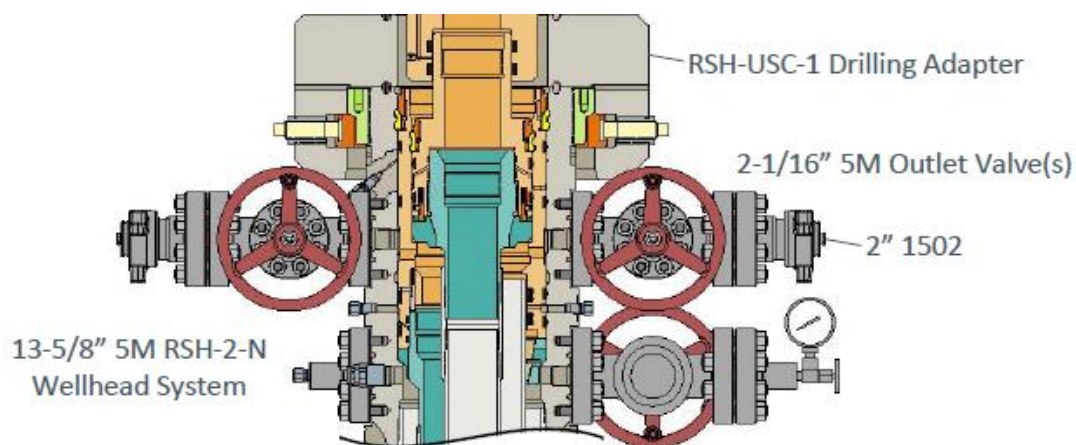


Figure 6. Vault 5M wellhead with BOP quick connect

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

CONDITIONS

Action 297127

CONDITIONS

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 297127
	Action Type: [C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By	Condition	Condition Date
ward.rikala	All original COA's still apply. Additionally, if cement is not circulated to surface during cementing operations, then a CBL is required.	5/17/2024