Form 3160-4 (April 2001)

UNITED STATES OCD Artesia
DEPARTMENT OF THE INTERIORCT 2 3 2013
ETION OR RECOMPLETION

FORM APPROVED OMB NO. 1004-0137 Expires: March 31, 2007

7. Acid. Fracture, Treatment, Cement Squeeze, etc. Depth Interval Amount and Type of Material								3					1		Expires, in	., ., ., ., ., ., ., ., ., ., ., ., ., .		
Type of Worl	WELL COMPLETION OR RECOMPLETION NEC									F886 APP TESIA				5. Lease Serial No.				
b. Type of Completion: Name of Operator	la. Typc																(131)	
Name of Operators Name of Operators									· Di	ug Back	Di	ff. Resv	r,					
Movebourne Oil Company Secretary Sec				Other	·						_		. -	7. Unit	or CA Agree	entent Name and	No.	
Address P Do Sox 570	2. Name	of Operate	or											R. Leas	e Name and	Well No.		
Hobbs, NM 88241 S75-393-5905 330-015-41394 Location of Well (Report location circulty and in accivature with Federal requirements)* 10. Field and Fool, or Exploratory									T =				1	Dorad	lo 34 DA		<u>H</u>	
Location of Well (Repurt Lacentine cicarly and its accordance with Federal requirements)* At surface 405' FNL & 321' FWL At long pred. microal reported below \$52' FNL & 295' FWL At long ldepth 977' FNL & 331' FEL At long ldepth 977' FNL & 331' FNL At long ldepth 977' FNL & 331' FNL At long ldepth 977' FNL & 331' FNL At long ldepth 977' FNL													tej S	i ·				
A surface 405' FNL & 321' FWL	4 Locat					nd is ac	cordance with	Federal r	·		<u> </u>		10					
1.										,				Leo; E	Bone Sprin	ng South 37	920	
At 160al depth 977* FNL & 331* FEL	AT SU	riace 403	FINE	J & 321".	rwL	4				•				I. Sec.	T., R., M., o	n Block and		
At 10nd depth 977 FNL & 331 FEL Eddy	At to	p prod. inte	rval rej	ported belo	w 352'	FNL 8	& 295' FWL										R30E	
4. Dies Spudded O7725/13 15. Date T.D. Reached O7725/13 16. Date Completed O8723/13 17. Elevations (DF, RKB, RT, GL)* O7702/13 17. Elevations (DF,	At to	al depth	977' F	NI & 33	N' FEL													
O7/20/13							hed)		16. Date C	omplete	d 08/23	/13			ations (DF, F			
TVD 8463' TVD 8461' TVD NA							1			-						. , - ,		
1. Type Electric & Other Mechanical Logs Run (Submit copy of each) 22 Was well cored? X No Yes (Submit report) Yes (Su	8. Total	Depth: N	MD]	2930'		19. P	lug Back T.D.	: MD 12	782'		20. De	pth Bri	dge Plug Se	i: M	D NA			
CCL / GR & CN	•	T	VD 8	3463'				TVD	8461'	• •				T۱	/D NA			
CCL / GR & CN	21. Type	Electric &	Other	r Mechanic	al Logs	Run (Su	hinit copy of	cach)							Yes (Sub	mit analysis)		
A Tubing Record Report all strings set in well Size Size/Grade Wt. (#/ft.) Top (MD) Bottom (MD) Stage Cementer Depth Type of Cement Type of Cement (BBL) Surface NA	CCL /	GR & CN									Wa	as DST	run? X]No [
Hole Size Size/Grade Wt. (#/ft.) Top (MD) Bottom (MD) Depth Type of Cement No. of Ste. & Sturr Vol. (BBL) Cement Top* Amount Pulled Type of Cement Type of				ord (Da	ort all -	trings -	et in walti				Di	rectiona	I Survey?	∐ _{No}	XJYes (S	Submit copy)		
		1					T	Stage	Cementer	No. o	of Sks. &	Sh	urry Vol.		- T	Amount Pulls	·d	
12 1/4"		<u> </u>			1	(MD)	<u> </u>) De	pth	Туре	of Cemen	ı	(BBL)					
Say					 -							`		<u>. </u>				
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A Tubing Record Size			-1.0		† - -		12710			200	<u> </u>	<u> </u>	301	Suit	acc	NA.		
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27/8" 8021' 26. Perforation Record 26. Perforation Record 27/82' No. Holes Perf. Status 27/82' No. Holes Perf. Status 28/80 - 12782' MD 0.42 312 Open 27/82' MD 27/82' MD 27/82' MD 27/82' MD 27/82' MD 27/82' MD Frac w/22,000 gals acid, 1,148,496 gals of Slickwater, 459,630 gals 20# Linear Gel & 904,423 gals 20# X-line 28/80' - 12782' MD Frac w/22,000 gals acid, 1,148,496 gals of Slickwater, 459,630 gals 20# Linear Gel & 904,423 gals 20# X-line 28/80' - 12782' MD gel carrying 2,490,400# 20/40 white sand & 258,080# 20/40 Resin coated sand.			0 . (1)		D	4.00		15.	0 . (1.40)		<u> </u>	5.1		-1				
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*(See instructions and spaces for additional data on page 2) *(See instructions and spaces for additional data on page 2) *(See instructions and spaces for additional data on page 2)	Size	Flwg.		Rate	181							Well Status		L	1/em	-	7	
ADI SPAD FIELD OFFICE	1/5.		L			!	<u> </u>						<u></u>	REXII	OF LAND) MANAGEN	MENT	
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United States Department of the Interior



BUREAU OF LAND MANAGEMENT FOR OCCUPANT Pecos District

Carlsbad Field Office
620 E. Greene 2014 AUG - 1 P 3: 0'
Carlsbad, New Mexico 88220-6292

www.blm.gov/nm

IN REPLY REFER TO: NM133012 3105.2 (P0220)

Reference: Dorado 34 DA Fed Com 1H T. 18 S., R. 30 E., Section 34, N2N2 Eddy County, NM

July 25, 2014

Mewbourne Oil Company P.O. Box 7698 Tyler, TX 75711

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM133012 involving 80.00 acres of Federal land in lease NMLC028978(b), 40 acres of Federal land in lease NMLC058650, and 40 acres of Federal land in lease NMNM56541 for a 160 acre well spacing unit, whose leases are held by actual production.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the N2N2 of sec. 34, T. 18 S., R. 30 E., NMPM, and is effective July 1, 2013. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

Steve Caffey Assistant Field Manager,

Lands and Minerals

Steph J Coff

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver (357B-1, Antoinette Contreraz, Stacey Kaiser) NM Taxation & Revenue Dept. (Revenue Processing Div.) NMOCD NM (9200) NM (P0220-CFO, File Room)

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the N2N2 of sec. 34, T. 18 S., R. 30 E., NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:

Authorized Officer Stephen Caffey Asst. Field Mgr.

Effective: July 1, 2013

Contract No.: Com. Agr. NM133012

United States Department of the Interior



BUREAU OF LAND MANAGEMENT



Carlsbad Field Office 620 E. Greene Carlsbad, New Mexico 88220-6292 www.nm.blm.gov

In Reply Refer to NM133012 3107 (P0220)

Memorandum

To:

State Director (9210)

.

From: Land Law Examiner (P0220)

Subject:

First Production, Communitization Agreement NM133012

Date of Completion:

08/23/13

Date of First Production:

08/23/13

Field:

Bone Spring

Operator, Well Name & No, API Number:

Mewbourne Oil; Dorado 34 DA Fed Com 1H;

3001541394

Surface Location:

N2N2 sec.34, T. 18 S., R. 30 E.

Total Depth:

12,930' MD; 8,463 TVD

Surface Elevation:

3,457' GL

Producing Formation:

Bone Spring (8,590' – 12,782')

Well Capable of Production in Paying Quantities:

Yes

Initial Daily Production:

Oil 239 BBL; Gas 227 MCF; Water 1,439 BBL

Current Status:

Producing Oil Well

Remarks: CA NM133012, effective 07/01/2013, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath the N2N2 of sec. 34, T. 18 S., R. 30 E., NMPM, and comprises 80 acres of Federal land in lease NMLC028978(b), 40 acres of Federal land in lease NMLC058650, and 40 acres of Federal land in lease NMNM56541 for a 160 acre spacing unit, whose leases are held by actual production.

If you have any questions regarding this memorandum, please call Arthur Morrison at ajmorrison@blm.gov.

/S/ Arthur J. Morrison July 23, 2014

cc:
ONRR
First Production File
LLNM (P0220, File Room)