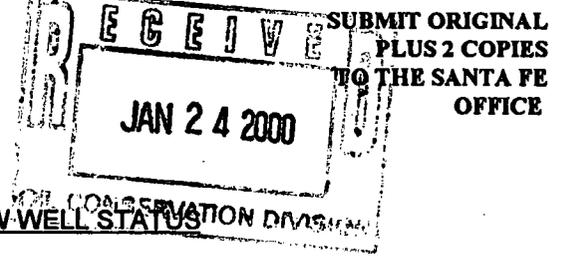


District I - (505) 393-6161
 1625 N. French Dr
 Hobbs, NM 88240
 District II - (505) 748-1283
 811 S. First
 Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Road
 Aztec, NM 87410
 District IV - (505) 827-7131
 2040 S. Pacheco
 Santa Fe, NM 87505

New Mexico
 Energy Minerals and Natural Resources Department
 Oil Conservation Division
 2040 South Pacheco Street
 Santa Fe, New Mexico 87505
 (505) 827-7131

1570 Form C-142
 Date 06/99



APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address MEWBOURNE OIL COMPANY P.O. Box 5270 HOBBS NM 88241						OGRID Number 14744		
Contact Party MR. JERRY ELGIN (DISTRICT MANAGER)						Phone 505-393-5905		
Property Name PALMILLO 18 STATE 1					Well Number 1	API Number 30-0 15-30767		
UL 1	Section 18	Township 19S	Range 29E	Feet From The 1548	North/South Line South	Feet From The 660	East/West Line East	County EDDY

II. Date/Time Information

Spud Date 10-30-99	Spud Time 8:00 pm	Date Completed 12-17-99	Pool TURKEY TRACK MORROW
-----------------------	----------------------	----------------------------	-----------------------------

- III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.
- IV. Attach a list of all working interest owners with their percentage interests.
- V. AFFIDAVIT:

State of NEW MEXICO)
) ss.
 County of LEA)

Frosty Lathan, being first duly sworn, upon oath states:

1. I am the Operator, or authorized representative of the Operator, of the above-referenced well.
2. To the best of my knowledge, this application is complete and correct.

Signature F.C. Lathan Title Drlg Foreman Date 1/21/2000

SUBSCRIBED AND SWORN TO before me this 21st day of January, 2000.

Patsy A. Chase
 Notary Public

My Commission expires: 3-12-2002

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>Mark Hahly</u>	Title <u>P.E. Spec.</u>	Date <u>2-15-00</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 2/15/00

NOTICE: The operator must notify all working interest owners of this New Well certification.

PVZ/2010831409

Mewbourne Oil Company
P.O. Box 5270
701 S. Cecil
Hobbs, NM 88241

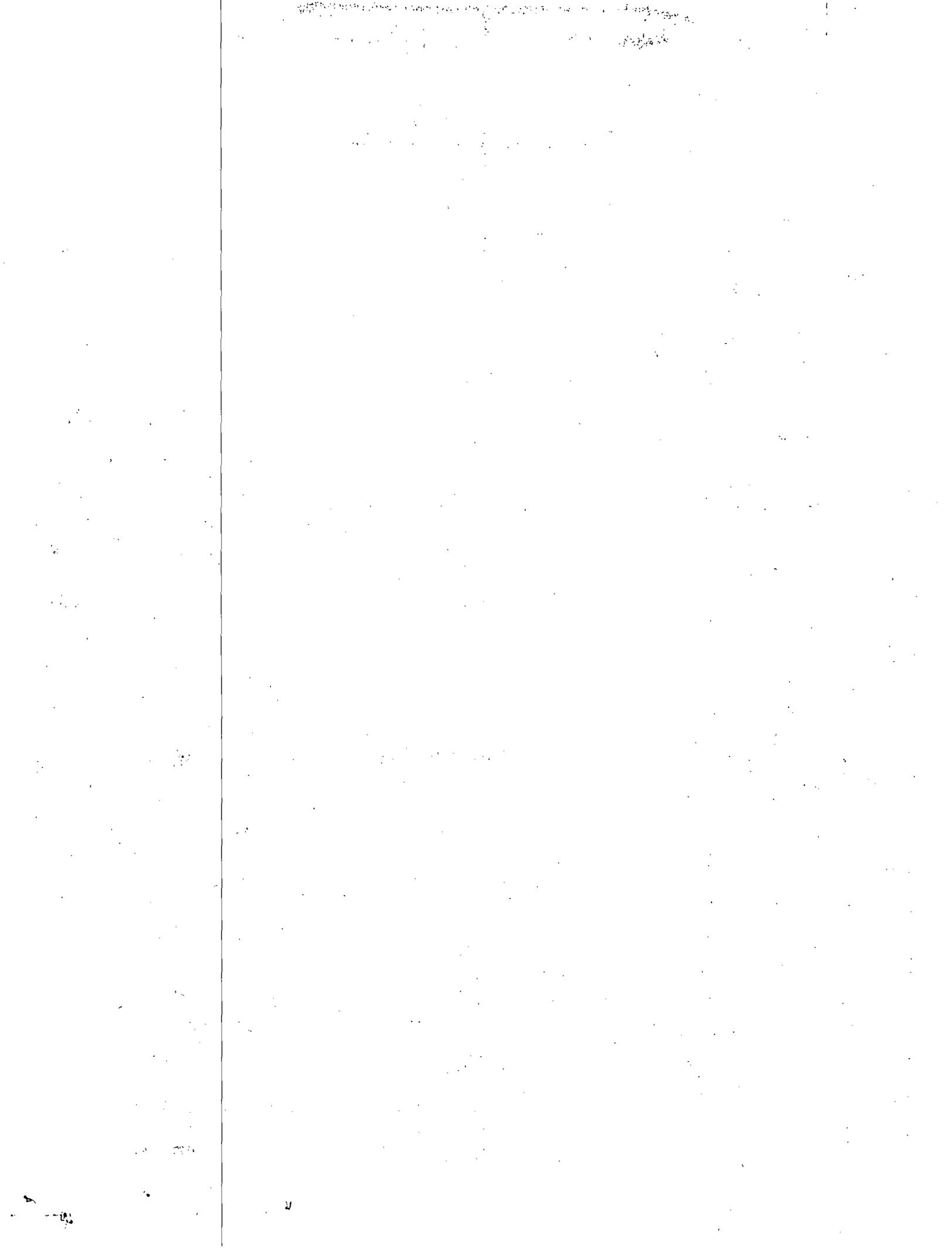
Attention: Mr. Mark Ashley

The following is a list of all working interest owners and percentage interests.

Mewbourne Oil Company	50%
Marbob	50%

If you have any questions, please contact us at 505-393-5905.

Thank you



DP

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

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

FAXED
DEC 01 1999
BY PC

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

WELL API NO. 30-015-30767
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
State Oil & Gas Lease No.

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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	Lease Name or Unit Agreement Name Palmillo "18" State
Name of Operator Mewbourne Oil Company	Well No. 1
Address of Operator P. O. Box 5270, Hobbs, NM 88241	Pool name or Wildcat Turkey Track, Morrow
Well Location Unit Letter <u>I</u> <u>1548</u> Feet From The <u>South</u> Line and <u>660</u> Feet From The <u>East</u> Line Section <u>18</u> Township <u>19S</u> Range <u>29E</u> NMPM <u>Eddy</u> County	Elevation (Show whether DF, RKB, RT, GR, etc.) 3359' GR

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

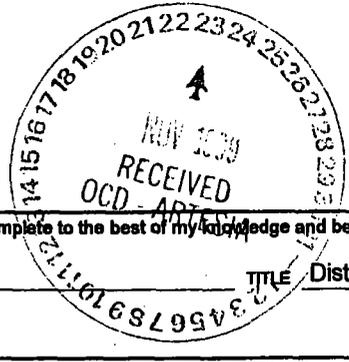
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ANBANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

10/30/99: Spudded 17-1/2" hole

10/31/99: Drilled 17-1/2" hole to 360'. Ran 8 joints 13-3/8" 48# H40 casing to 360'. Cemented with 200 sacks 35:65 Pozmix C cement with 2% calcium chloride and 200 sacks Class H cement with 2% calcium chloride. Circulated 74 sacks cement to pit. Waited for cement to cure 18 hours prior to drilling out.

11/5/99: Drilled 12-1/4" hole to 2840'. Ran 64 joints 8-5/8" 32# J55 casing to 2840'. Cemented with 1000 sacks 35:65 Pozmix C cement with 5 lbs/sack salt and 5 lbs/sack gilsonite followed by 200 sacks Class C cement with 2% calcium chloride. Circulated 70 sacks cement to pit. Waited for cement to cure 18 hours prior to drilling out.



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

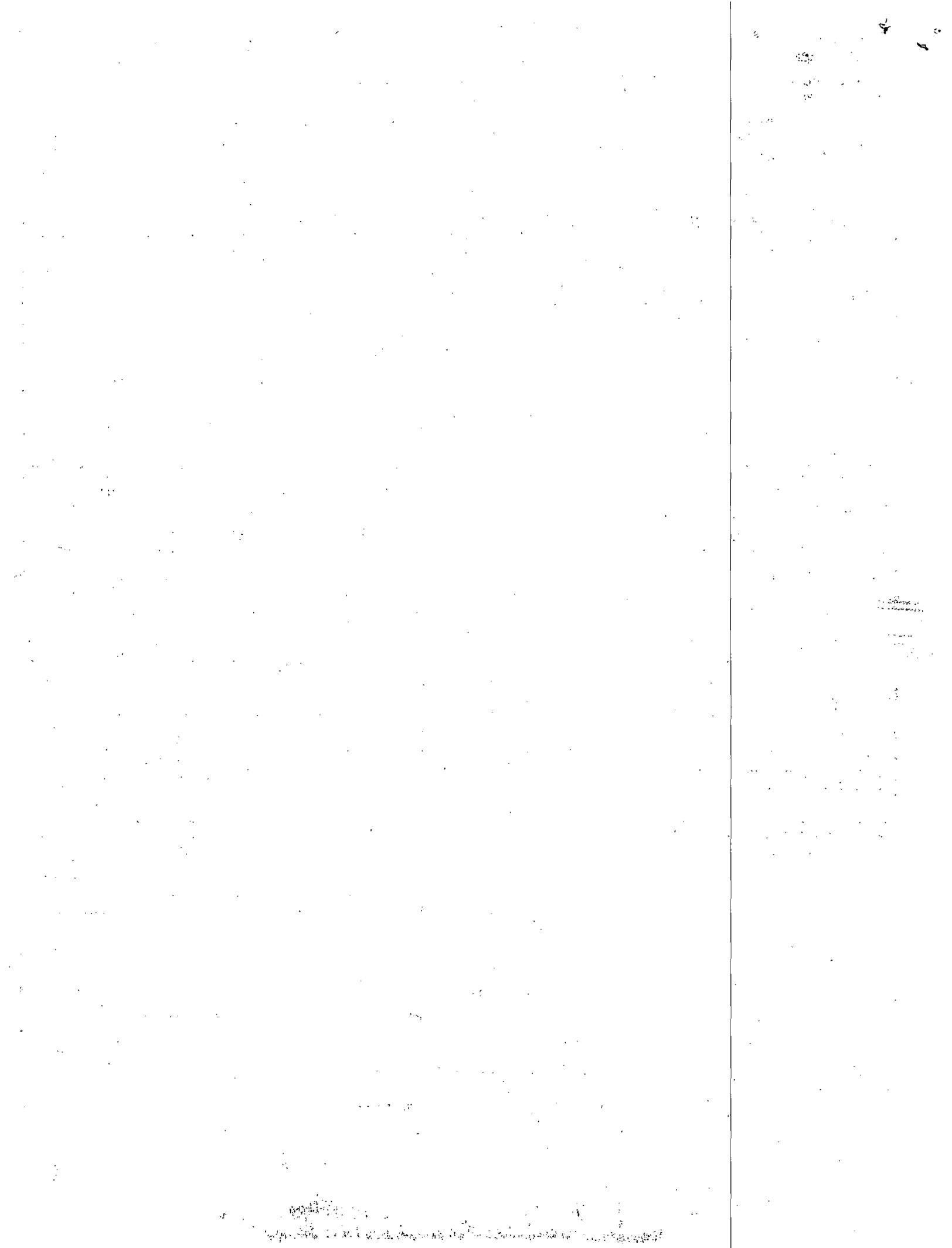
SIGNATURE Jerry Elgin TITLE District Manager DATE 11-08-99

TYPE OR PRINT NAME Jerry Elgin TELEPHONE NO. 505-393-5905

(This space for State Use)

APPROVED BY Jim W. [Signature] TITLE District Supervisor DATE 11-23-99

CONDITIONS OF APPROVAL, IF ANY:



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

DEC 29 1999

BY _____

WELL API NO. 38015-30767
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____	7. Lease Name or Unit Agreement Name Palmillo 18 State
b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RESVR <input type="checkbox"/> OTHER _____	8. Well No. 1
2. Name of Operator Mewbourne Oil Company	9. Pool name or Wildcat Turkey Track Morrow
3. Address of Operator PO Box 5270, New Mexico 88241	

4. Well Location
 Unit Letter I 1548 Feet From The South Line and 660 Feet From The East Line
 Section 18 Township 19S Range 29E NMPM Eddy County

10. Date Spudded 10/30/99	11. Date T.D. Reached 12/02/99	12. Date Compl. (Ready to Prod.) 12/17/99	13. Elevations (DF & RKB, RT, GR, etc.) 3359 GR	14. Elev. Casinghead 3359
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15. Total Depth 11430	16. Plug Back T.D. 11165	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By	Rotary Tools <input checked="" type="checkbox"/>	Cable Tools
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19. Producing Interval(s), of this completion - Top, Bottom, Name
 11006-11012, Morrow

20. Was Directional Survey Made
 No

21. Type Electric and Other Logs Run
 DLL, Dens-Neut, 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	360	17 1/2	200 C-poz & 200 H	Circl to Surface
8 5/8	32	2840	12 1/4	1000 C-poz & 200 C	Circl to Surface
5 1/2	17	11430	7 7/8	975 H-poz & 675 H	TOC @ 1400'

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2 7/8	10970	10974

26. Perforation record (interval, size, and number)
 11006-11012; .44"; 24 holes.

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
11006-12	Natural

28. PRODUCTION

Date First Production 12/17/99	Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing	Well Status (Prod. or Shut-in) Producing					
Date of Test 12/20/99	Hours Tested 24	Choke Size 16/64	Prod'n For Test Period	Oil - BbL. 17	Gas - MCF 1141	Water - BbL. 0	Gas - Oil Ratio 67118
Flow Tubing Press. 850	Casing Pressure Pkr	Calculated 24-Hour Rate	Oil - BbL. 17	Gas - MCF 1141	Water - BbL. 0	Oil Gravity - API - (Corr.) 62	

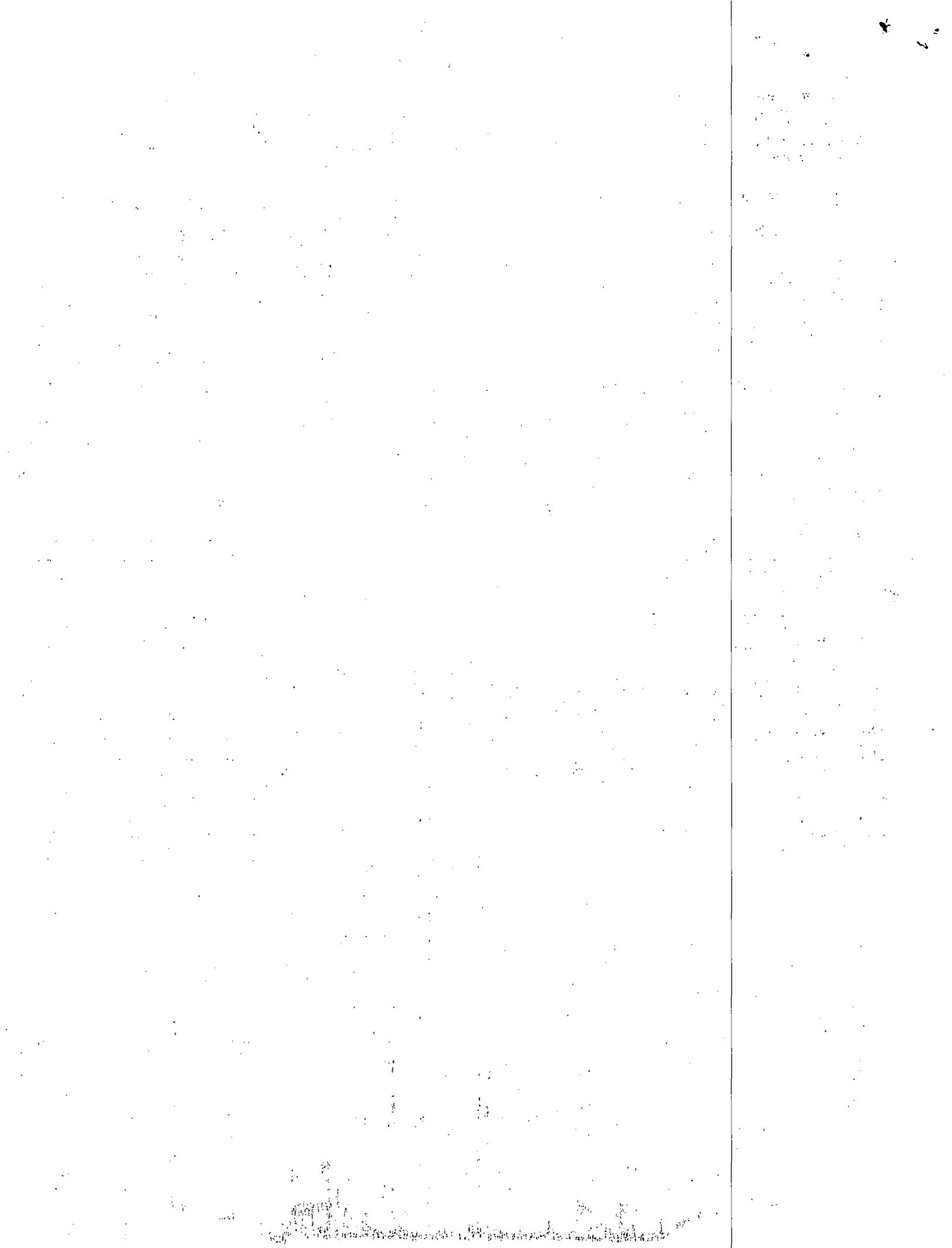
29. Disposition of Gas (Sold, used for fuel, vented, etc.)
 Sold

Test Witnessed By
 D. Parsons

30. List Attachments
 Deviation survey, E logs, & Casing logs.

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 [Signature] Printed Name N.M. Young Title Consultant Date 12/20/99



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 _____ 9936.0	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____ 10164.0	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka _____ 10520.0	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____ 1030.0	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____ 1950.0	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. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	_____
T. Tubb _____	T. Delaware Sand _____ 3277.0	T. Todilto _____	_____
T. Drinkard _____	T. Bone Springs _____ 4240.0	T. Entrada _____	_____
T. Abo _____	T. Morrow _____ 10928.0	T. Wingate _____	_____
T. Wolfcamp _____ 8957.0	T. _____	T. Chinle _____	_____
T. Penn _____	T. _____	T. Permian _____	_____
T. Cisco (Bough C) _____ 9612.0	T. _____	T. Penn. "A" _____	_____

OIL OR GAS SANDS OR ZONES

No. 1, from 11006 to 11012
 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
0.0	800.0	800.0	Rd Bd Rx				
800.0	1050.0	250.0	Anhy & silt				
1050.0	1800.0	750.0	Dolo & Sd				
1800.0	2000.0	200.0	Sd & Dolo				
2000.0	3100.0	1100.0	Dolo & Sd				
3100.0	4250.0	1150.0	Sd & Dolo				
4250.0	6800.0	2550.0	Lm				
6800.0	8950.0	2150.0	Sd & Dolo				
8950.0	9950.0	1000.0	Lm, Sh & Sd				
9950.0	10900.0	950.0	Lm & Sh				
10900.0	11300.0	400.0	Sd & Sh				
11300.0	11430.0	130.0	Sh				

