Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
May 27, 2004

WELL API NO.
30-015-33469

5. Indicate Type of Lease
STATE [X] FEE [ ]

6. 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.)

7. Lease Name or Unit Agreement Name
Pierce Crossing 36 State

1. Type of Well: Oil Well [ ] Gas Well [X] Other

8. Well Number
1

RECEIVED
DEC 2 2004
OCD-ARTESIA

2. Name of Operator
Mewbourne Oil Company

9. OGRID Number
14744

3. Address of Operator
PO Box 5270 Hobbs, NM 88240

10. Pool name or Wildcat
Owen Mesa Atoka 82370

4. Well Location
Unit Letter D : 830 feet from the N line and 845 feet from the W line
Section 36 Township 24S Range 29E NMPM Eddy County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3088' GL

Pit or Below-grade Tank Application [ ] or Closure [ ]

Pit type _____ **Depth to Groundwater** _____ **Distance from nearest fresh water well** _____ **Distance from nearest surface water** _____

Pit Liner Thickness: _____ **mil** **Below-Grade Tank: Volume** _____ **bbls;** **Construction Material** _____

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK [ ]	PLUG AND ABANDON [ ]	REMEDIAL WORK [ ]	ALTERING CASING [X]
TEMPORARILY ABANDON [ ]	CHANGE PLANS [ ]	COMMENCE DRILLING OPNS. [ ]	P AND A [ ]
PULL OR ALTER CASING [ ]	MULTIPLE COMPL [ ]	CASING/CEMENT JOB [ ]	
OTHER: [ ]		OTHER: [ ]	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Mewbourne Oil Company was drilling to Atoka formation to 13000'. While drilling thru Wolfcamp, lost all returns. TD'ed 8 ¾" hole at 10938'. Decided to run 7" 26# HCP110 LT&C casing to 10938'. Cemented 1st stage with 400 sks Poz Class "H" with additives. Mixed @ 12.5 #/g w/ 1.94 cf/sk yd. Tailed with 400 sks Class "H" with additives. Mixed @ 15.1 #/g w/ 1.28 cf/sk yd. Open DV tool. Circulate 6 hrs. Cemented 2nd stage with 50 sks 35:65:6 Poz Class "H" with additives. Mixed @ 12.5 #/g w/ 1.94 cf/sk yd. Tailed with 325 sks Class "H" with additives. Mixed @ 15.1 #/g w/ 1.28 cf/sk yd. At 5:00 pm, closed DV Tool and tested casing to 2000# for 30 minutes. Good circulation throughout cement job. WOC 24 hrs. At 1:30 pm, tested BOPE to 5000# and annular to 2500# as required. Chart and schematic attached. Will drill out with 6 ⅛" bit.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines [ ], a general permit [ ] or an (attached) alternative OCD-approved plan [ ].**

SIGNATURE Kristi Green TITLE Hobbs Regulatory DATE 11/23/04

Type or print name Kristi Green E-mail address: Telephone No. 505-393-5905

For State Use Only

APPROVED BY: TIM W. GUM DISTRICT II SUPERVISOR TITLE DATE DEC 03 2004

Conditions of Approval (if any):

MELBOURNE OIL Company Pierce Crossing 26 STATE #1
11-22-04 PATTERSON #41 Billy Bellar TESTER

ASC Rev. 06/02

Accumulator Function Test - OO&GO#2

To Check - **USABLE FLUID IN THE NITROGEN BOTTLES** (III.A.2.c.i.or ii or iii)

- Make sure all rams and annular are open and if applicable HCR is closed.
- Ensure accumulator is pumped up to working pressure! **(Shut off all pumps)**

1. Open HCR Valve. (If applicable)
2. Close annular.
3. Close **all** pipe rams.
4. Open one set of the pipe rams to simulate closing the blind ram.
5. For 3 ram stacks, open the annular to achieve the 50±% safety factor.(5M and greater systems).
6. **Record remaining pressure** 1850 **psi. Test Fails if pressure is lower that required.**
   - a. {**950** psi for a 1500 psi system } b. { **1200** psi for a 2000 & 3000 psi system }
7. If annular is closed, open it at this time and close HCR.

To Check - **PRECHARGE ON BOTTLES OR SPHERICAL** (III.A.2.d.)

- Start with manifold pressure at, or above, maximum acceptable pre-charge pressure:
  a. {800 psi for a 1500 psi system } **b.**{1100 psi for 2000 and 3000 psi system}

1. Open bleed line to the tank, slowly. **(gauge needle will drop at the lowest bottle pressure)**
2. Close bleed line. Barely bump electric pump and see what pressure the needle jumps up to.
3. **Record pressure drop** 1100 **psi. Test fails if pressure drops below minimum.**

- **Minimum: a.**{**700** psi for a 1500 psi system } **b.**{**900** psi for a 2000 & 3000 psi system}

To check - **THE CAPACITY OF THE ACCUMULATOR PUMPS** (III.A.2.f.)

- Isolate the accumulator bottles or spherical from the pumps & manifold.
- Open the bleed off valve to the tank, {manifold psi should go to O psi} close bleed valve.

1. Open the HCR valve, {if applicable}
2. Close annular.
3. With **pumps** only, time how long it takes to regain the required manifold pressure.
4. **Record elapsed time** 11 secs **. Test fails if it takes over 2 minutes.**
   - a. {**950** psi for a 1500 psi system} **b.** {**1200** psi for a 2000 & 3000 psi system}

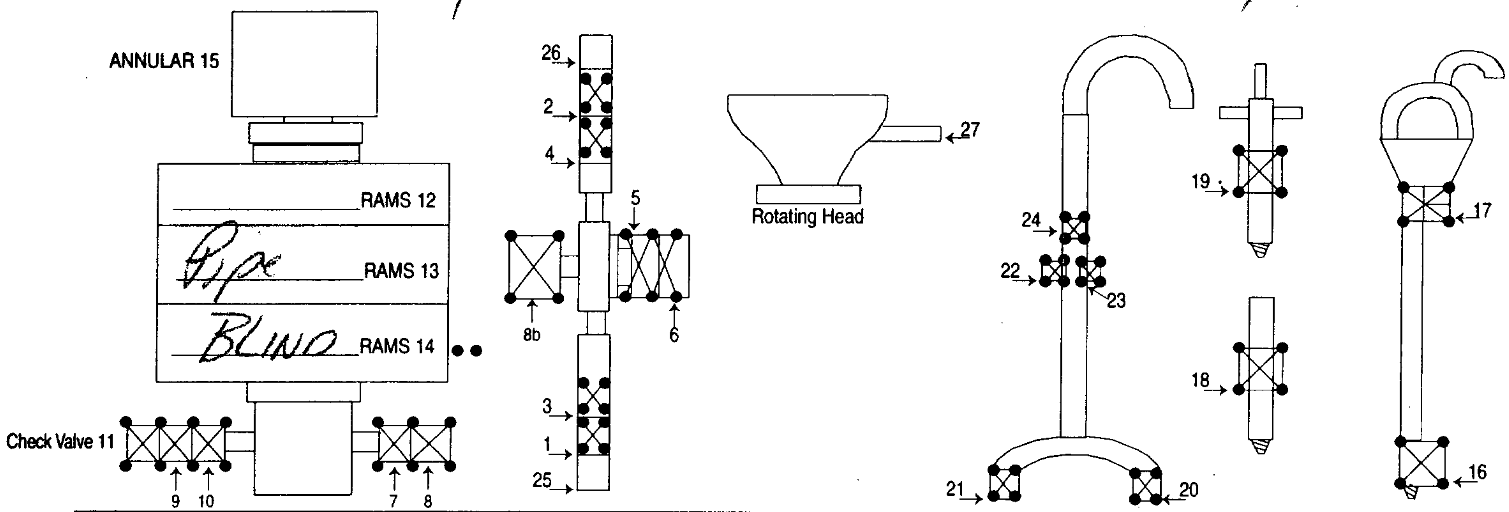
Accumulator working pressure rating	Minimum acceptable operating pressure	Desired precharge pressure	Maximum acceptable precharge pressure	Minimum acceptable precharge pressure
1,500 psi	1,500 psi	750 psi	800 psi	700 psi
2,000 psi	2,000 psi	1,000 psi	1,100 psi	900 psi
3,000 psi	3,000 psi	1,000 psi	1,100 psi	900 psi

MAN WELDING SERVICES, INC.

P.O. Box 1541 • Lovington, N.M. 88260
BUS: 505 396-4540 • *FAX:* 505 396-0044

INVOICE
No. B 3074

Company: Newbourne Oil Company Date: 11-22-03 Start Time: 6:00 ☐ am ☑ pm
Lease: Pierce Crossing 36 State # 1 County: Eddy State: NM
Company Man:
Wellhead Vender: Tester: Billy Bell Sr
Drlg. Contractor: Patterson UTI Rig #: 41
Tool Pusher:
Plug Type: Straight Box 7" Plug Size: 7" Drill Pipe Size: 3½ IF
Casing Valve Opened: Yes Check Valve Open: Yes



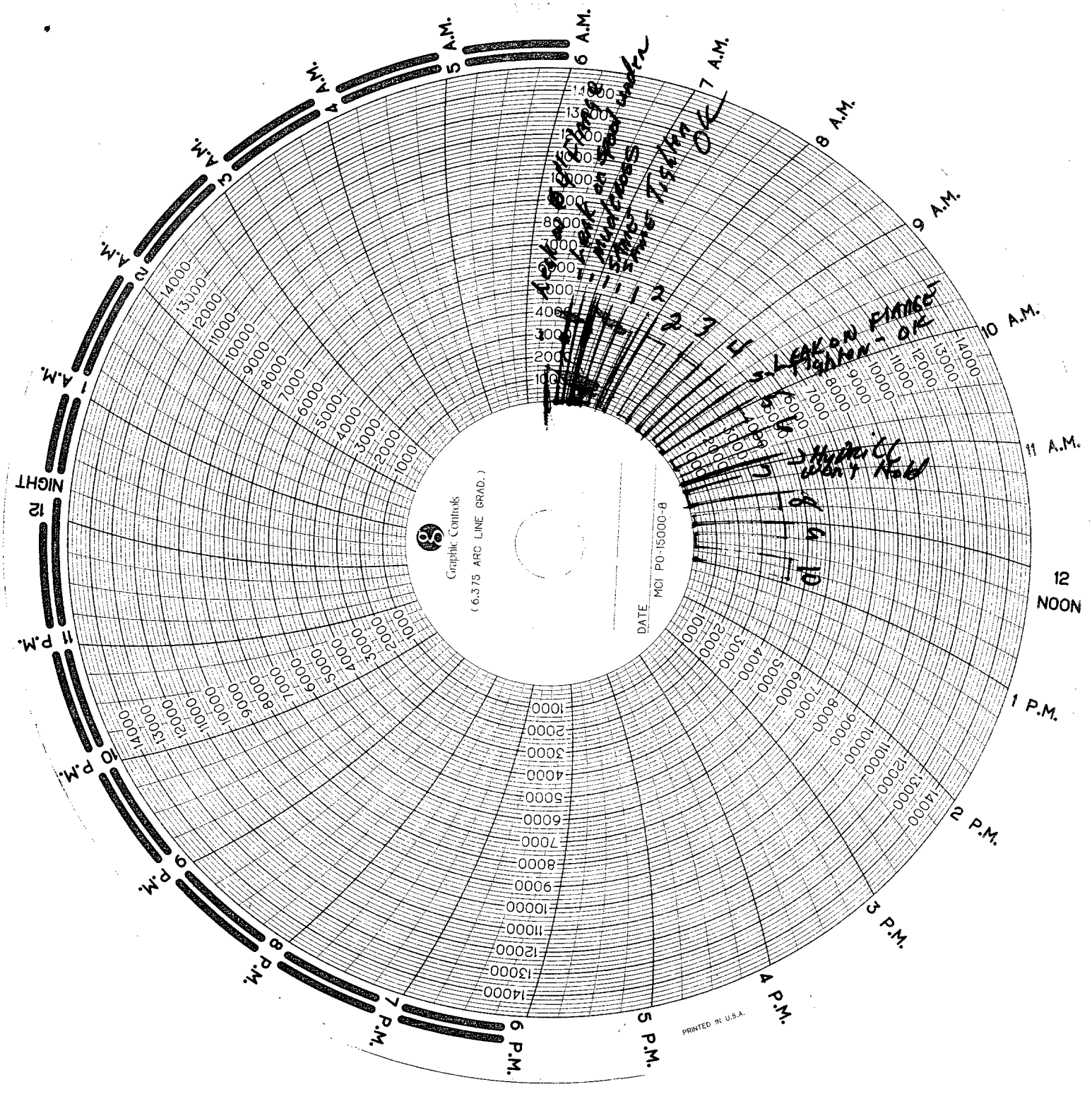
TEST #	ITEMS TESTED	TEST LENGTH	LOW PSI	HIGH PSI	REMARKS
1	11, 25, 26, 6, 14	15 mins		5000	Leak on flange between [illegible] OK
2	14, 9, 1, 2, 5	15		5000	
3	14, 10, 3, 4, 5	15		5000	
4	13, 10, 8b, 5a, 5	15		5000	
5	13, 10, 8	15		5000	Leak on [illegible] OK
6	13, 10, 7	15		5000	
7	15, 10, 7	15		2500	[illegible]
8	16	15		5000	
9	19	15		5000	
10	18	15		5000	

[signature]

8 HR@ 160.00
2 HR@ 85.00

Mileage ________ @ ________

SUB TOTAL 1070.00
TAX 57.51
TOTAL 1127.51


Graphic Controls
(6.375 ARC LINE GRAD.)
DATE
MCI PO-15000-8
PRINTED IN U.S.A.
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