

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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 & Natural Resources

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-104
Revised August 1, 2011

APR 13 2015

Submit one copy to appropriate District Office

RECEIVED

☐ AMENDED REPORT

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

| | | |
|---|--|--|
| ¹ Operator name and Address Mewbourne Oil Company PO Box 5270 Hobbs, NM 88241 | | ² OGRID Number 14744 |
| | | ³ Reason for Filing Code/ Effective Date New Well / 03/26/15 |
| ⁴ API Number 30 - 015 - 42898 | ⁵ Pool Name Loco Hills; Bone Spring East | ⁶ Pool Code 39513 |
| ⁷ Property Code 314098 | ⁸ Property Name Leo 15 B2DH Fed Com | ⁹ Well Number 1H |

II. ¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|---------------|-----------------|--------------|---------|----------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot no. D | Section 15 | Township 18S | Range 30E | Lot Idn | Feet from the 430 | North/South Line North | Feet from the 370 | East/West line West | County Eddy |
|--------------------|---------------|-----------------|--------------|---------|----------------------|---------------------------|----------------------|------------------------|----------------|

¹¹ Bottom Hole Location

| | | | | | | | | | |
|-----------------------------|---|--|-----------------------------------|------------------------------------|-------------------------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot no. H | Section 15 | Township 18S | Range 30E | Lot Idn | Feet from the 2573 | North/South line North | Feet from the 333 | East/West line East | County Eddy |
| ¹² Lse Code F | ¹³ Producing Method Code Flowing | ¹⁴ Gas Connection Date 03/26/15 | ¹⁵ C-129 Permit Number | ¹⁶ C-129 Effective Date | ¹⁷ C-129 Expiration Date | | | | |

III. Oil and Gas Transporters

| | | |
|------------------------------------|---|---------------------|
| ¹⁸ Transporter OGRID | ¹⁹ Transporter Name and Address | ²⁰ O/G/W |
| 35246 | Shell Trading US Co. PO Box 4604 Houston, TX 77210-4604 | O |
| 221115 | Frontier Field Services 200 E Skelly Drive Suite 700 Tulsa, OK 74135 | G |
| | | |
| | | |
| | | |
| | | |

IV. Well Completion Data We are asking for an exemption from tubing at this time.

| | | | | | |
|-------------------------------------|--------------------------------------|----------------------------|------------------------------|---|-----------------------|
| ²¹ Spud Date 01/23/15 | ²² Ready Date 03/26/15 | ²³ TD 13200' | ²⁴ PBTB 13193' | ²⁵ Perforations 10235' - 13185' | ²⁶ DHC, MC |
| ²⁷ Hole Size | ²⁸ Casing & Tubing Size | ²⁹ Depth Set | ³⁰ Sacks Cement | | |
| 17 1/2" | 13 3/8" | 415' | 450 | | |
| 12 1/4" | 9 5/8" | 1525' | 730 | | |
| 8 3/4" | 7" | 8533' | 1050 | | |
| 6 1/8" | 4 1/2" | 7671 - 13200 | 550 | | |

V. Well Test Data

| | | | | | |
|--|---|-------------------------------------|-------------------------------------|-----------------------------------|---|
| ³¹ Date New Oil 03/26/15 | ³² Gas Delivery Date 03/26/15 | ³³ Test Date 03/27/15 | ³⁴ Test Length 17 hrs | ³⁵ Tbg. Pressure NA | ³⁶ Csg. Pressure 480 |
| ³⁷ Choke Size NA | ³⁸ Oil 325 | ³⁹ Water 1860 | ⁴⁰ Gas 148 | | ⁴¹ Test Method Production |

⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: Jackie Lathan
Printed name: Jackie Lathan
Title: Regulatory
E-mail Address: jlathan@mewbourne.com
Date: 04/08/15
Phone: 575-393-5905

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Pending BLM approvals will subsequently be reviewed and scanned

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.
NMNM27278

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

LEO 15 B2DH FED COM 1H

2. Name of Operator

MEWBOURNE OIL COMPANY

Contact: JACKIE LATHAN

E-Mail: jlathan@mewbourne.com

9. API Well No.

30-015-42898

3a. Address

PO BOX 5270
HOBBS, NM 88241

3b. Phone No. (include area code)

Ph: 575-393-5905

10. Field and Pool, or Exploratory
BONE SPRING

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 15 T18S R30E Mer NMP NWNW 430FNL 370FWL

11. County or Parish, and State

EDDY COUNTY, NM

12. CHECK 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 checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <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 checked="" 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 recompleat 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 performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

03/23/15 Frac 2nd Bone Spring from 10235' MD (8285' TVD) to 13185' MD (8356' TVD) Frac in 10 stages w/20,000 gals 15% HCL acid, 4,055,821 gals slickwater, carrying 2,922,820# 100 mesh sand & 1,374,480# 40/70 White sand & 202,280# 40/70 Oil Plus sand. Flowback well for cleanup.

03/26/15 Put well on production.

We are asking for an exemption from tubing at this time.

Bond on file: NM1693 nationwide & NMB000919

Bond on file: 22015694 nationwide & 022041703 Statewide

NM OIL CONSERVATION

ARTESIA DISTRICT

APR 13 2015**RECEIVED**

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #297557 verified by the BLM Well Information System
For MEWBOURNE OIL COMPANY, sent to the Carlsbad**

Name (Printed/Typed) JACKIE LATHAN

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 04/08/2015

THIS SPACE FOR FEDERAL OR STATE OFFICIAL USE

Approved By

Title

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

**Pending BLM approvals will
subsequently be reviewed
and scanned**

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

NM OIL CONSERVATION

ARTESIA DISTRICT

Form 3160-4
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APR 13 2015

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT RECEIVED

| | | | | | |
|--|--|--|--|--|--|
| 1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____ | | | 5. Lease Serial No. NMNM27278 | | |
| 2. Name of Operator MEWBOURNE OIL COMPANY Contact: JACKIE LATHAN E-Mail: jlathan@mewbourne.com | | | 6. If Indian, Allottee or Tribe Name 7. Unit or CA Agreement Name and No. | | |
| 3. Address PO BOX 5270 HOBBS, NM 88241 | | | 8. Lease Name and Well No. LEO 15 B2DH FED COM 1H | | |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface NWNW 430FNL 370FWL At top prod interval reported below SENW 1334FNL 2264FWL At total depth SENE 2573FNL 333FEL | | | 9. API Well No. 30-015-42898 | | |
| 14. Date Spudded 01/23/2015 | | | 15. Date T.D. Reached 02/21/2015 | | |
| 16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 03/26/2015 | | | 10. Field and Pool, or Exploratory BONE SPRING 11. Sec., T., R., M., or Block and Survey or Area Sec 15 T18S R30E Mer NMP 12. County or Parish EDDY 13. State NM | | |
| 18. Total Depth: MD 13200 TVD 8356 | | | 19. Plug Back T.D.: MD 13193 TVD 8356 | | |
| 20. Depth Bridge Plug Set: MD TVD | | | 17. Elevations (DF, KB, RT, GL)* 3516 GL | | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) DID NOT LOG | | | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit analysis) | | |

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 17.500 | 13.375 H40 | 48.0 | 0 | 415 | 0 | 450 | 107 | 0 | 0 |
| 12.250 | 9.625 J55 | 36.0 | 0 | 1525 | 0 | 730 | 238 | 0 | 0 |
| 8.750 | 7.000 P110 | 26.0 | 0 | 8533 | 0 | 1050 | 353 | 0 | 0 |
| 6.125 | 4.500 P110 | 13.5 | 7671 | 13200 | 0 | 550 | 125 | 0 | 0 |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| | | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|----------------|------|--------|---------------------|-------|-----------|--------------|
| A) BONE SPRING | 4289 | 13200 | 10235 TO 13185 | 0.420 | 342 | OPEN |
| B) | | | | | | |
| C) | | | | | | |
| D) | | | | | | |

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

| Depth Interval | Amount and Type of Material |
|----------------|---|
| 10235 TO 13185 | 20,000 GALS 15% ACID, 4,055,821 GALS SLICKWATER, CARRYING 2,922,820# 100 MESH SAND & 1,374,480# |
| | |
| | |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 03/26/2015 | 03/27/2015 | 17 | → | 325.0 | 148.0 | 1860.0 | 40.0 | 0.78 | FLows FROM WELL |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| 35/64 | 0 | 480.0 | → | 459 | 209 | 2626 | 455 | POW | |

28a. Production - Interval B

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|
| | | | → | | | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio |
| | | | → | | | | |

Pending BLM approvals will subsequently be reviewed and scanned *[Signature]*

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #297567 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

28b. Production - Interval C

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |

28c. Production - Interval D

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |

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

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|-------------|------|--------|------------------------------|--|--|
| | | | | | Meas. Depth |
| BONE SPRING | 4289 | 13200 | OIL, WATER & GAS | RUSTLER T SALT B SALT YATES QUEEN SAN ANDRES DELAWARE BONE SPRING | 321 555 1343 1507 2583 3425 3674 4289 |

32. Additional remarks (include plugging procedure):

Did not log. Received approval from Robert Salaz w/BLM.

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #297567 Verified by the BLM Well Information System.
For MEWBOURNE OIL COMPANY, sent to the Carlsbad

Name(please print) JACKIE LATHAN

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 04/08/2015

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.

** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL **