

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

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

WELL API NO.
30-015-34231

5. Indicate Type of Lease
STATE ☒ FEE ☐

State Oil & Gas Lease No
V6406

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER _____

b. Type of Completion:
NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF.
WELL OVER BACK RESVR. ☐ OTHER

2. Name of Operator
Mewbourne Oil Company 14744

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

7. Lease Name or Unit Agreement Name

South Loving 2 State

RECEIVED

8. Well No.

#1

MAR 14 2006

OCU-ARTESIA

9. Pool name or Wildcat

Black River Morrow 72170

4. Well Location

Unit Letter _____ F: _____ 1980 _____ Feet From The _____ North _____ Line and _____ 1980 _____ Feet From The _____ West _____ Line

Section 2 Township 24S Range 27E NMPM Eddy County

10. Date Spud 12/17/05	Date T.D Reached 01/24/06	12. Date Compl. (Ready to Prod.) 02/11/06	13. Elevations (DF& RKB, RT, GR, etc.) 3146' GL	14. Elev. Casinghead 3146' GL
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15. Total Depth 12770'	16. Plug Back T.D. 12729'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By	Rotary Tools X	Cable Tools
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19. Producing Interval(s), of this completion - Top, Bottom, Name
11993' - 12206' Morrow

20. Was Directional Survey Made
No

21. Type Electric and Other Logs Run
GR / CBL / CNL / DLL

21. 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#	525'	17 1/2"	550	Surface
9 5/8"	40#	4338'	12 1/4"	1600	Surface
5 1/2"	17#	12770'	8 3/4"	2050	TOC @ 3550'

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	11903'	11861'

26. Perforation record (interval, size, and number)
12340' - 12350' (10', 19 holes, 2 SPF, 0.24" EHD and 120° Phasing)
11993' - 12206' (48', 59 holes, 2 SPF, 0.24" EHD and 120° Phasing)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
12340' - 12350'	Frac with 1000 gals 7 1/2% NeFe acid and 29,500 gals 70Q Binary Foam with 20,000# 18/40 Ultrarop. Flow test. Set temporary isolation plug at 12320'.
11993' - 12206'	Frac with 2000 gals 7 1/2% NeFe acid and 51,000 gals 40# 70Q Binary Foam with 50,000# 18/40 Interprop.

28. PRODUCTION

Date First Production 02/11/06	Production Method (Flowing, gas lift, pumping - Size and type pump Flowing) Flowing	Well Status (Prod. or Shut-in) Producing
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Date of Test 02/22/06	Hours Tested 24	Choke Size 48/64	Prod'n For Test Period	Oil - Bbl 0	Gas - MCF 423	Water - Bbl. 5	Gas - Oil Ratio 423000
Flow TP 83	Casing Pressure NA	Calculated 24- Hour Rate	Oil - Bbl. 0	Gas - MCF 423	Water - Bbl. 5	Oil Gravity - API - (Corr.) NA	

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

Test Witnessed By
Robin Terrell

30. List Attachments
C104, Logs, Site Security, Deviation Survey and water disposal

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Printed Name: Kristi Green

Signature

Kristi Green

Title Hobbs Regulatory

Date 03/07/06

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 special 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	
C. Reef	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt 1540	T. Strawn 11142	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt 2076	T. Atoka 11380	T. Pictured Cliffs	T. Penn. "D"
Delaware 2343	T. Miss	T. Cliff House	T. Leadville
San Andres	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Limestone 2318	T. Montoya	T. Mancos	T. McCracken
T. Ruster	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Yates	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Chester	T. Todilto	T.
T. Drinkard	T. Bone Springs 5752	T. Entrada	T.
T. Abo	T. Morrow 11919	T. Wingate	T.
T. Wolfcamp 9184	T. Barnett 12624	T. Chinle	T.
T. Penn	T. TD 12770	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS
OR ZONES

No. 1, from.....to.....

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

OPERATOR Mewbourne Oil Company
WELL/LEASE South Loving 2 State 1
COUNTY Eddy, NM

045-0031

STATE OF NEW MEXICO
DEVIATION REPORT

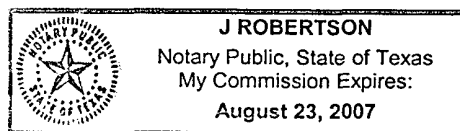
260	1	10,728	1 1/4
763	1 1/2	10,980	1
920	1 1/4	11,485	3/4
1,109	1 1/2	11,766	1/2
1,298	1	12,266	2
1,548	3/4	12,770	2
1,805	1 1/4		
2,059	2		
2,154	1 3/4		
2,313	3/4		
2,463	1		
2,713	1 1/4		
2,883	1		
3,136	3/4		
3,390	1 1/2		
3,549	1/4		
3,897	3/4		
4,156	3/4		
4,338	3/4		
4,599	1/2		
5,105	1/4		
5,607	1/4		
6,105	1/4		
6,609	3/4		
7,110	1 1/4		
7,610	1		
7,862	1 3/4		
8,113	1 3/4		
8,374	1 3/4		
8,747	1 3/4		
8,990	2 1/4		
9,207	1		
9,457	3/4		
9,970	3/4		
10,475	2 1/4		

BY: 

STATE OF TEXAS
COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on February 6, 2006, by Steve Moore on behalf of Patterson - UTI Drilling Company, LP, LLLP.


Notary Public for Midland County, Texas
My Commission Expires: 8/23/07



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

Form C-103
May 27, 2004

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

WELL API NO. 30-015-34231
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-6406
7. Lease Name or Unit Agreement Name South Loving 2 State
8. Well Number 1
9. OGRID Number 14744
10. Pool name or Wildcat Black River Morrow 72170

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.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Mewbourne Oil Company	
3. Address of Operator PO Box 5270 Hobbs, NM 88240	
4. Well Location Unit Letter <u>F</u> : <u>1980</u> feet from the <u>N</u> line and <u>1980</u> feet from the <u>W</u> line Section <u>2</u> Township <u>24S</u> Range <u>27E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3146' GL	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: Water Disposal ☒

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.

Water is produced from the Morrow formation at approx 3 BPD. The water is stored on lease in a water tank. The water is trucked from the lease by Mesquite Water Disposal to the Big Eddy Federal 100 WDW (permit #SWD461) located in Unit L, Sec 8-T21S-R28E. Attached is the latest water analysis.

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 02/21/06

Type or print name Kristi Green E-mail address: _____ Telephone No. 505-393-5905
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____



Water Analysis

Date: 08-Feb-06

2708 West County Road, Hobbs NM 88240

Phone (505) 392-5556 Fax (505) 392-7307

Analyzed For

Company	Well Name	County	State
Mewbourne	South Loving 2 ST #1	Lea	New Mexico

Sample Source	UNKNOWN	Sample #	2/7/06
Formation	Morrow	Depth	UNKNOWN
Specific Gravity	1.008	SG @ 60 °F	1.004
pH	6.70	Sulfides	Absent
Temperature (°F)	42	Reducing Agents	Not Tested

Cations

Sodium (Calc)	in Mg/L	338	in PPM	336
Calcium	in Mg/L	400	in PPM	398
Magnesium	in Mg/L	288	in PPM	287
Soluble Iron (FE2)	in Mg/L	200.0	in PPM	199

Anions

Chlorides	in Mg/L	1,760	in PPM	1,752
Sulfates	in Mg/L	430	in PPM	478
Bicarbonates	in Mg/L	366	in PPM	364
Total Hardness (as CaCO3)	in Mg/L	2,400	in PPM	2,389
Total Dissolved Solids (Calc)	in Mg/L	3,832	in PPM	3,815
Equivalent NaCl Concentration	in Mg/L	3,378	in PPM	3,363

Scaling Tendencies

*Calcium Carbonate Index	146,400
Below 500,000 Remote / 500,000 - 1,000,000 Possible / Above 1,000,000 Probable	

*Calcium Sulfate (Gyp) Index	192,000
Below 500,000 Remote / 500,000 - 10,000,000 Possible / Above 10,000,000 Probable	

*This Calculation is only an approximation and is only valid before treatment of a well or several weeks after treatment.

Remarks

rw @60F: 4.0

Report # 2102