

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

MAR 18 2009

Form C-103
May 27, 2004

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.)		WELL API NO. 30-015-36277
1. Type of Well: Oil Well Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Mewbourne Oil Company		6. State Oil & Gas Lease No. VB-1053
3. Address of Operator PO Box 5270 Hobbs, NM 88240		7. Lease Name or Unit Agreement Name Penlon Ranch 24 State
4. Well Location Unit Letter <u> E </u> : <u>1650</u> feet from the <u> N </u> line and <u> 660 </u> feet from the <u> W </u> line Section <u> 24 </u> Township <u> 20S </u> Range <u> 27E </u> NMPM Eddy County		8. Well Number 2
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3365' GL		9. OGRID Number 14744
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: ☐ Chloride levels

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.

Below are chloride levels from samples obtained from the flowline as per the requirements while drilling in the Caption Reef. If you have any questions, please call Frosty Lathan at 393-5905 (office).

40' @ 600 MG/L	500' @ 1900 MG/L	1000' @ 700 MG/L	1500' @ 1100 MG/L	2000' @ 1200 MG/L
100' @ 2000 MG/L	600' @ 800 MG/L	1100' @ 1000 MG/L	1600' @ 1100 MG/L	2100' @ 1300 MG/L
200' @ 2000 MG/L	700' @ 900 MG/L	1200' @ 800 MG/L	1700' @ 1300 MG/L	2200' @ 1200 MG/L
300' @ 1700 MG/L	800' @ 900 MG/L	1300' @ 800 MG/L	1800' @ 1200 MG/L	2300' @ 1300 MG/L
400' @ 1800 MG/L	900' @ 1000 MG/L	1400' @ 800 MG/L	1900' @ 1200 MG/L	2400' @ 1200 MG/L

Started losing fluid @ 1570'. Mixed LCM pills & continue drilling.

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Jackie Lathan TITLE Hobbs Regulatory DATE 03/16/09

Type or print name Jackie Lathan

E-mail address: jlathan@mewbourne.com

Telephone No. 575-393-5905

For State Use Only

APPROVED BY: [Signature] TITLE Alister DATE MAR 19 2009

Conditions of Approval (if any):