

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO 1004-0137
Expires: March 31, 2007

5 Lease Serial No. NMNM01165

6 If Indian, Allottee or Tribe Name

7 Unit or CA Agreement Name and No.

8 Lease Name and Well No.
Henry 8 PM Federal #1H

9 API Well No.
30-015-41955

10 Field and Pool or Exploratory
Winchester; Bone Spring 65010

11 Sec., T., R., M., on Block and
Survey or Area Sec 8, T20S, R29E

12 County or Parish
Eddy

13 State
NM

14. Date Spudded
04/01/14

15. Date T.D. Reached
04/24/14

16. Date Completed
05/14/14
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
3274' GL

18. Total Depth: MD 12350'
TVD 7730'

19. Plug Back T.D.: MD 12250'
TVD 7731'

20. Depth Bridge Plug Set: MD NA
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CCL, GR, & CNL

22. Was well cored? No Yes (Submit analysis)
Was DST run? No Yes (Submit report)
Directional Survey? No Yes (Submit copy)

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 Sks. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|-------------|-------------|----------|-------------|----------------------|------------------------------|-------------------|-------------|---------------|
| 26" | 20" J55 | 133# | 0 | 318' | | 835 | 255 | Surface | 12 |
| 17 1/2" | 13 3/8" J&H | 54.5 & 48# | 0 | 1414' | | 1635 | 551 | Surface | 25 |
| 12 1/4" | 9 5/8" J55 | 36# | 0 | 3114' | | 950 | 324 | Surface | 120 |
| 8 3/4" | 7" P110 | 26# | 0 | 8199' | | 1050 | 350 | Surface | 100 |
| 6 1/8" | 4 1/2" P110 | 13.5# | 7899' | 12266' | Liner | NA | NA | NA | NA |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|--------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2 7/8" | 7771' | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|-----------------|------|--------|---------------------|------|-----------|--------------|
| A) Bone Springs | 5770 | 12350' | 8273' - 12250' MD | | | Open |
| B) | | | 7817' - 7731' TVD | | | |
| C) | | | | | | |
| D) | | | | | | |

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

| Depth Interval | Amount and Type of Material |
|----------------|---|
| 8273' - 12250' | Frac w/340,101 gals SW, 285,672 gals 20# Linear gel, 842,529 20# XL gel carrying 89,324# 100 Mesh, 1,672,657# 20/40 sand & 333,708# S13 Excel sand. |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Cor. API | Gas Gravity | Production Method |
|---------------------|-----------------|--------------|-----------------|---------|---------|-----------|----------------------|-------------|-------------------|
| 05/14/14 | 05/16/14 | 24 | → | 238 | 249 | 1973 | 42.7 | 0.7715 | ESP |
| Choke Size | Thg. Press Flwg | Csg. Press. | 24 Hr Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |
| NA | SI | 150 | → | 238 | 249 | 1973 | 1046 | Open | |

28a. Production - Interval B

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

(See instructions and spaces for additional data on page 2)

ENTERED
Little, Jones, Roberson
Russell, Turley, S. Jones

28b. Production - Interval C

| | | | | | | | | | |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|---------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Cwt 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 Cwt 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.)

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 |
| | | | | Top of Salt | 534' |
| | | | | Base of Salt | 953' |
| | | | | Yates | 1111' |
| | | | | Capitan | 1347' |
| | | | | Delaware | 3540' |
| | | | | Bone Spring | 5770' |

32. Additional remarks (include plugging procedure):

33. Indicate which times have been attached by placing a check in the appropriate boxes:

- Electrical/Mechanical Logs (1 full set req'd.)
 Geologic Report
 DST Report
 Directional Survey
 Sundry Notice for plugging and cement verification
 Core Analysis
 Other: Comp sundry, Dev Rpt, C:104, Gyro, Final C102, pkr port

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

Name (please print) Jackie Lathan

Title Hobbs Regulatory

Signature



Date 05/19/14

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.

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

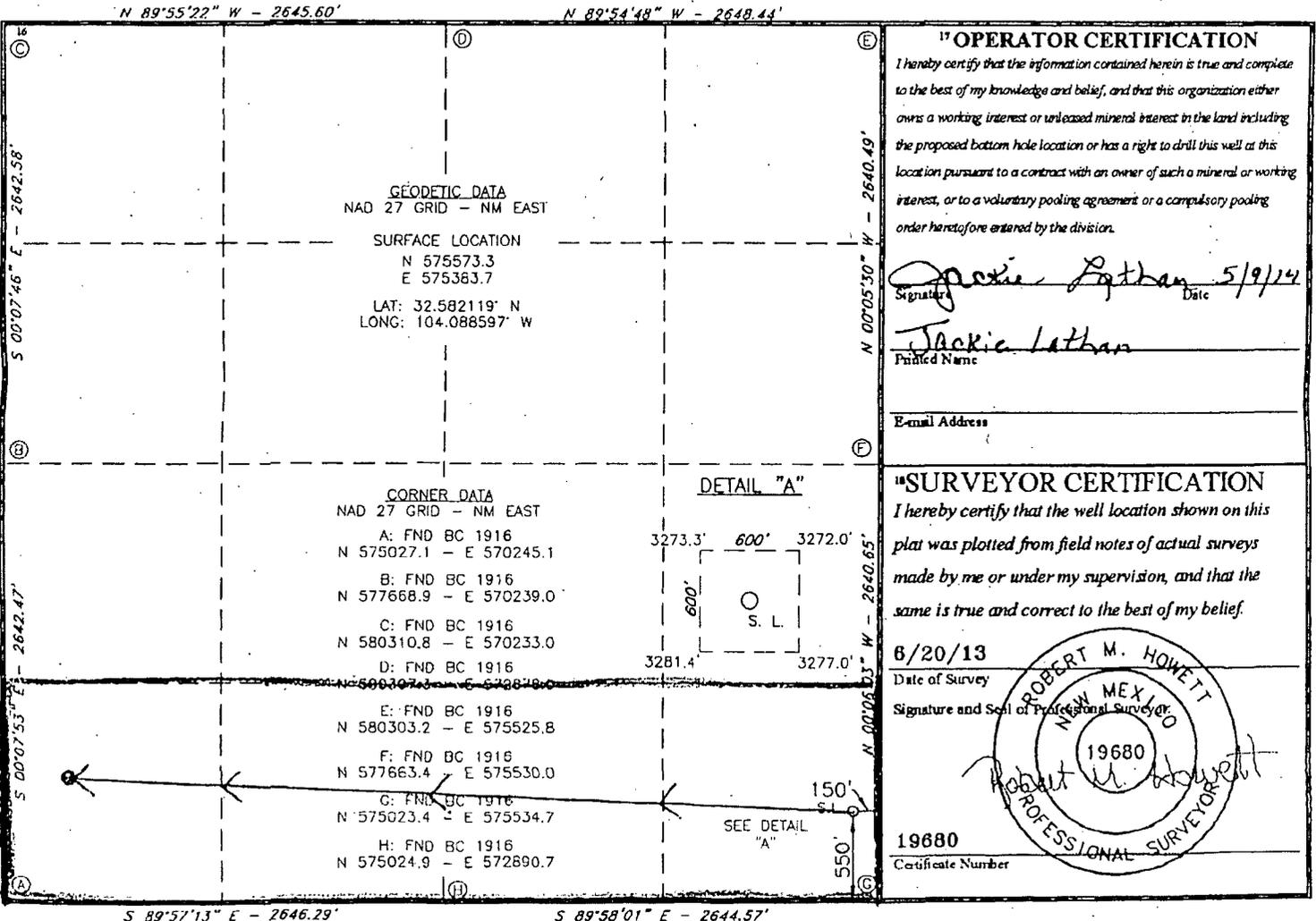
| | | | | | |
|---|--|--|--|---|---------------------------------|
| ¹ API Number 30-015-41955 | | ² Pool Code 65010 | | ³ Pool Name Winchester; Bone Spring | |
| ⁴ Property Code 40326 | | ⁵ Property Name HENRY 8 PM FEDERAL COM | | | ⁶ Well Number 1H |
| ⁷ OGRID No. 14744 | | ⁸ Operator Name MEWBOURNE OIL COMPANY | | | ⁹ Elevation 3273' |

| ¹⁰ Surface Location | | | | | | | | | |
|--------------------------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| P | 8 | 20-S | 29-E | | 550 | SOUTH | 150 | EAST | EDDY |

| ¹¹ Bottom Hole Location If Different From Surface | | | | | | | | | |
|--|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| M | 8 | 20S | 29E | | 653' | South | 336' | West | Eddy |

| | | | |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 160 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District

Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

www.blm.gov/nm



RECEIVED OGD

2014 AUG -4 P 3:05

IN REPLY REFER TO:

NM133021

3105.2 (P0220)

Reference:

Henry 8 PM Fed Com 1H

T. 20 S., R. 29 E.,

Section 8, S2S2

Eddy County, NM

July 29, 2014

Mewbourne Oil Company

P.O. Box 7698

Tyler, TX 75711

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM133021 involving 120.00 acres of Federal land in lease NM01165, and 40 acres of Federal land in lease NM17221 for a 160 acre well spacing unit, whose leases are held by actual production.

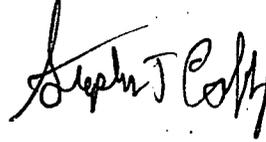
The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the S2S2 of sec. 8, T.20 S., R. 29 E., NMPM, and is effective May 1, 2014. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Caffey". The signature is written in a cursive style with a large initial "S".

Steve Caffey
Assistant Field Manager,
Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

Determination - Approval - Certification

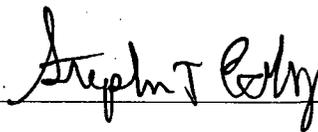
Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.

- B. Approve the attached Communitization Agreement covering the S2S2 of sec. 8, T. 20 S., R. 29 E., NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.

- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:



Authorized Officer
Stephen Caffey
Asst. Field Mgr.

Effective: May 1, 2014.

Contract No.: Com. Agr. NM133021



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.nm.blm.gov



In Reply Refer to
NM133021
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM133021

Date of Completion: 05/14/14
Date of First Production: 05/14/14
Field: Bone Spring
Operator, Well Name & No, API Number: Mewbourne Oil; Henry 8 PM; 3001541955
Surface Location: S2S2 sec.8, T. 20 S., R. 29 E.
Total Depth: 12,350' MD; 7,730 TVD
Surface Elevation: 3,274' GL
Producing Formation: Bone Spring (7,731 – 12,250')
Well Capable of Production in Paying Quantities: Yes
Initial Daily Production: Oil 238 BBL; Gas 249 MCF; Water 1,973 BBL
Current Status: Producing Oil Well

Remarks: CA NM133021, effective 05/01/2014, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath the S2S2 of sec. 8, T. 20 S, R. 29 E., NMPM, and comprises 120 acres of Federal land in lease NM01165, and 40 acres of Federal land in lease NM17221 for a 160 acre well spacing unit, whose leases are held by actual production.

If you have any questions regarding this memorandum, please call Arthur Morrison at ajmorrison@blm.gov.

/S/ Arthur J. Morrison
July 28, 2014

cc:
ONRR
First Production File
LLNM (P0220, File Room)