

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

**EMNRD-OCD ARTESIA
RECEIVED: 4/05/2020**

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No. NMNM36975
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. KANSAS 21/28 W0KN FED COM 4H
9. API Well No. 30-015-46621-00-X1
10. Field and Pool or Exploratory Area WILDCAT-WOLFCAMP
11. County or Parish, State EDDY COUNTY, NM

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator MEWBOURNE OIL COMPANY Contact: JACKIE LATHAN E-Mail: jlathan@mewbourne.com	
3a. Address P O BOX 5270 HOBBS, NM 88241	3b. Phone No. (include area code) Ph: 575-393-5905 Fx: 575-393-5905
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 21 T24S R28E NESW 2430FSL 2100FWL 32.202614 N Lat, 104.094414 W Lon	

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input 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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Mewbourne Oil Company requests approval to make the following change to the approved APD:

- 1) Change intermediate casing setting depth to 3540'. Casing will be 9 5/8" 40# J-55.
- 2) Cement will be circulated to surface.

See attachments for C-102, drilling program & directional plan
Please contact Andy Taylor with any questions.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #505363 verified by the BLM Well Information System For MEWBOURNE OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 03/04/2020 (20PP1421SE)	
Name (Printed/Typed) ANDY TAYLOR	Title ENGINEER
Signature (Electronic Submission)	Date 03/03/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>OLABODE AJIBOLA</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>03/16/2020</u>
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 <u>Carlsbad</u>

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Revisions to Operator-Submitted EC Data for Sundry Notice #505363

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	CSG NOI	CSG NOI
Lease:	NMNM36975	NMNM36975
Agreement:		
Operator:	MEWBOURNE OIL COMPANY PO BOX 5270 HOBBS, NM 88241 Ph: 575-393-5905	MEWBOURNE OIL COMPANY P O BOX 5270 HOBBS, NM 88241 Ph: 575.393.5905
Admin Contact:	JACKIE LATHAN AUTHORIZED REPRESENTATIVE E-Mail: jlathan@mewbourne.com Ph: 575-393-5905	JACKIE LATHAN AUTHORIZED REPRESENTATIVE E-Mail: jlathan@mewbourne.com Ph: 575-393-5905 Fx: 575-393-5905
Tech Contact:	ANDY TAYLOR ENGINEER E-Mail: ataylor@mewbourne.com Ph: 575-393-5905	ANDY TAYLOR ENGINEER E-Mail: ataylor@mewbourne.com Ph: 575-441-8396
Location:		
State:	NM	NM
County:	EDDY	EDDY
Field/Pool:	PURPLE SAGE WOLFCAMP GAS	WILDCAT-WOLFCAMP
Well/Facility:	KANSAS 21/28 W0KN FED COM 4H Sec 21 T24S R28E Mer NMP NESW 2430FSL 2100FWL	KANSAS 21/28 W0KN FED COM 4H Sec 21 T24S R28E NESW 2430FSL 2100FWL 32.202614 N Lat, 104.094414 W Lon

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Mewbourne Oil Company
LEASE NO.:	NMNM036975
WELL NAME & NO.:	KANSAS 21/28 W0KN FED COM 4H
SURFACE HOLE FOOTAGE:	2430'/S & 2100'/W
BOTTOM HOLE FOOTAGE:	330'/S & 2310'/W
LOCATION:	Section 21, T.24 S., R.28 E., NMP
COUNTY:	Eddy County, New Mexico

COA

H2S	<input type="radio"/> Yes	<input checked="" type="radio"/> No	
Potash	<input checked="" type="radio"/> None	<input type="radio"/> Secretary	<input type="radio"/> R-111-P
Cave/Karst Potential	<input type="radio"/> Low	<input checked="" type="radio"/> Medium	<input type="radio"/> High
Cave/Karst Potential	<input type="radio"/> Critical		
Variance	<input type="radio"/> None	<input checked="" type="radio"/> Flex Hose	<input type="radio"/> Other
Wellhead	<input type="radio"/> Conventional	<input checked="" type="radio"/> Multibowl	<input type="radio"/> Both
Other	<input type="checkbox"/> 4 String Area	<input type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP
Other	<input type="checkbox"/> Fluid Filled	<input type="checkbox"/> Cement Squeeze	<input type="checkbox"/> Pilot Hole
Special Requirements	<input type="checkbox"/> Water Disposal	<input checked="" type="checkbox"/> COM	<input type="checkbox"/> Unit

All Previous COAs Still Apply.

A. CASING

Casing Design:

1. The 13-3/8 inch surface casing shall be set at approximately **425 feet** (a minimum of **70 feet (Eddy County)**) into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength,

whichever is greater.

- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The 9-5/8 inch intermediate casing shall be set at approximately 3540 feet. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash. Excess cement calculates to -17%, additional cement might be required.**
 - ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
 3. The minimum required fill of cement behind the 7 inch production casing is:

Option 1 (Single Stage):

- Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.
- **Excess cement calculates to 3%, additional cement might be required.**

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- b. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
 - c. Second stage above DV tool:
 - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.
 - **Excess cement calculates to 16% on the 2nd stage, additional cement might be required.**
4. The minimum required fill of cement behind the 4-1/2 inch production liner is:
 - Cement should tie-back **100 feet** into the previous casing. Operator shall provide method of verification.

B. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

C. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

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