

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

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. State (SL) LC-066087-A (BHL)
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 _____		6. If Indian, Allottee or Tribe Name
2. Name of Operator Mewbourne Oil Company		7. Unit or CA Agreement Name and No.
3. Address PO Box 5270 Hobbs, NM 88241		8. Lease Name and Well No. Zircon 12-7 GF Fed Com #1H
3a. Phone No. (include area code) 575-393-5905		9. AFI Well No. 30-015-42207
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 1775' FNL & 2490' FWL, Sec 12, T19S, R29E Unit F At top prod. interval reported below 8548' (1838' FNL & 2181' FEL) Sec 12, T19S, R29E At total depth 1958' FNL & 2161' FWL, Sec 7, 19S, R30E Unit F @ 12899'		10. Field and Pool, or Exploratory Turkey Track; Bone Spring 60660
14. Date Spudded 04/06/14		11. Sec., T., R., M., on Block and Survey or Area Sec 12, T19S, R29E
15. Date T.D. Reached 04/30/14		12. County or Parish Eddy
16. Date Completed 05/17/14 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.		13. State NM
17. Elevations (DF, RKB, RT, GL)* 3399' GL		

18. Total Depth: MD 12985' TVD 8210'	19. Plug Back T.D.: MD 12899' TVD 8209'	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? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> 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
17 1/2"	13 3/8" H40	48#	0	372'		730	187	Surface	NA
12 1/4"	9 5/8" J55	36#	0	1428'		550	178	Surface	NA
8 3/4"	7" P110	26#	0	8472'		1100	336	Surface	NA
6 1/8"	4 1/2" P110	13.5#	8262'	12916'	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"	8046'	NA						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Bone Spring	4633'	12985'	8548' - 12899' MD	Ports	20	Open
B)			8165' - 8209' TVD			
C)						
D)						

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

Depth Interval	Amount and Type of Material
8548' - 12899'	Frac w/270,190 gals Slickwater & 281,958 gals 20# Linear Gel 836,791 20# X-link gel carrying 100,580# 100 Mesh, 1,690,080# 20/40 sand & 411,090# 20/40 SB Excel.

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
05/14/14	05/25/14	16	→	363	265	857	42	0.7746	ESP
Choke Size	Tbg. Press Flwg. SI	Csg. Press	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
NA	600	360	→	544	398	1286	732	Producing	

28a. Production - Interval B

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	
			→						

For instructions and spaces for additional data on page 2)

ENTERED Little, Jones, Roberts
Russell, Thimbley, S. Jones

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Con. 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 Con. 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
				T. Salt	368'
				B. Salt	1253'
				Yates	1385'
				Seven Rivers	1750'
				Queen	2227'
				Grayburg	2470'
				San Andres	3180'
				Delaware	3700'
				Bone Spring	4633'

32. Additional remarks (include plugging procedure):

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

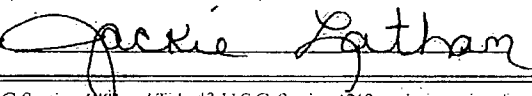
- ☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☒ Directional Survey
☐ Sundry Notice for plugging and cement verification
☐ Core Analysis
☒ Other: Comp sundry, Dev Rpt, C104, Gyro, Final C102, pkr port

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 06/06/14

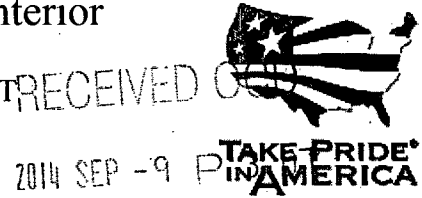
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



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
NM133230
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM133230

Date of Completion: 5/17/14

Date of First Production: 5/14/14

Field: Bone Spring

Operator, Well Name & No, API Number: Mewbourne Oil; Zircon 12-7 GF Fed Com 1H;
3001542207

Surface Location: T. 19 S., R. 29 E., sec. 12: S2NE and T. 19 S., R. 30
E., sec. 7: Lot 2 (SWNW) and SENW

Total Depth: 12,985 MD; 8,210 TVD

Surface Elevation: 3,399' GL

Producing Formation: Bone Spring (12,899 – 8,165)

Well Capable of Production in Paying Quantities: Yes

Initial Daily Production: Oil 215 BBL; Gas 138 MCF; Water 2,634 BBL

Current Status: Producing Oil Well

Remarks: CA NM133230, effective 5/1/2014, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath T. 19 S., R. 29 E., sec. 12: S2NE and T. 19 S., R. 30 E., sec. 7: Lot 2 (SWNW) and SENW, NMPM, and comprises 78.68 acres of Federal land in lease NMLC066087-A, and 80 acres of Fee land for a 158.68 acre spacing unit, whose leases are held by actual production.

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

/S/ Arthur J. Morrison

September 2, 2014

cc:

ONRR

First Production File

LLNM (P0220, File Room)



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



IN REPLY REFER TO:

NM133230

3105.2 (P0220)

Reference:

Zircon 12-7 GF Fed Com 1H

T. 19 S., R. 29 E.,

Section 12:S2NE and T. 19 S., R. 30 E

Sec. 7: Lot 2 (SWNW) and SENW

Eddy County, NM

September 2, 2014

Mewbourne Oil Company

P.O. Box 7698

Tyler, TX 75711

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM133230, involving 78.68 acres of Federal land in lease NMLC066087-A, and 80 acres of Fee land for a 158.68 acre well spacing unit, whose leases are held by actual production.

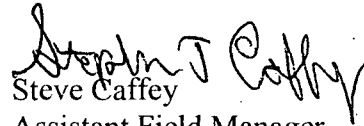
The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath T. 19 S., R. 29 E., sec. 12: S2NE and T. 19 S., R. 30 E., sec. 7: Lot 2 (SWNW) and SENW, NMPM, and is effective 5/1/2014. Approval of this agreement does not warrant or certify that the operator, 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,


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)

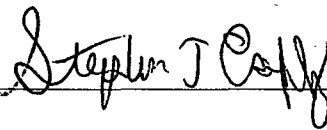
NM (P0220-CFO, File Room)

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 T. 19 S., R. 29 E., sec. 12: S2NE and T. 10 S., R. 30 E., sec. 7: Lot 2 (SWNW) and SENW, 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: 5/1/2014

Contract No.: Com. Agr. NM133230