

HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

218 MONTEZUMA

POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87504-2068

(505) 982-4554

FAX (505) 982-8623

CLARENCE E. HINKLE (1904-1985)
W. E. BONDURANT, JR. (1913-1973)
ROY C. SNODGRASS, JR. (1914-1987)

OF COUNSEL
O. M. CALHOUN*
MACK EASLEY
JOE W. WOOD
RICHARD S. MORRIS

WASHINGTON, D.C.
SPECIAL COUNSEL
ALAN J. STATMAN*

700 UNITED BANK PLAZA
POST OFFICE BOX 10
ROSWELL, NEW MEXICO 88202
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FAX (505) 623-9332

2800 CLAYDESTA CENTER
6 DESTA DRIVE
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ALBUQUERQUE, NEW MEXICO 87103
(505) 768-1500
FAX (505) 768-1529

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DARLA M. SILVA

*NOT LICENSED IN NEW MEXICO

January 18, 1994

VIA HAND DELIVERY

Michael E. Stogner
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87501

Re: Mewbourne Oil Company's Federal "V" Well No. 2; 660' FNL and 2210' FEL (Unit B) of Section 8, Township 20 South, Range 28 East, NMPM, Old Millman Ranch-Bone Spring Associated Pool, Eddy County, New Mexico

Dear Mr. Stogner:

Pursuant to Rule 2 of Order No. R-5353, as amended, Mewbourne Oil Company hereby applies to the Division for administrative approval of an unorthodox gas well location for the above well.

The subject well was completed in the Bone Spring formation as an oil well on June 19, 1991. However, the well now has a gas:oil ratio in excess of 30,000:1, and thus is a gas well under Rule 5 of Order No. R-5353, as amended. The NE¼ of Section 8 is dedicated to the well.

The subject well is not within 150 feet of the center of a quarter-quarter section, as required by Rule 2, and thus is unorthodox. This application is required because notice of the unorthodox location was not given to the Artesia District Office by September 30, 1993, as required by ordering paragraph 4 of Order No. R-5353-M.

58 E WY 81 NUP LG.

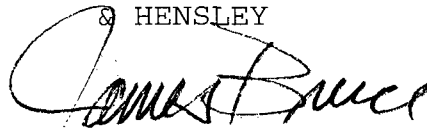
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OIL CONSERVATION DIVISION

Attached hereto is a land plat. The well unit for the subject well is outlined in red. The circles indicate wells completed in the Bone Spring or deeper horizons (Morrow). The triangle indicates a proposed Bone Spring test (by Strata Production Company). The only offset operators/lessees are Strata Production Company and OXY U.S.A. Inc., to the northeast, east, and south. The offset operator to the north, northwest, and west is Mewbourne Oil Company. By copies of this letter, the offset operators or lessees are hereby notified of this application, to which they have 20 days to object.

This application is submitted in triplicate as required by Rule 2.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY

A handwritten signature in dark ink, appearing to read "James Bruce", is written over the typed name.

James Bruce
Attorneys for Mewbourne Oil Company

JB/bc

Enclosures

cc: Artesia District Office

D. Paul Haden

Strata Production Company (Via Certified Mail)
Suite 648, Petroleum Building
Roswell, New Mexico 88201

OXY U.S.A. Inc. (Via Certified Mail)
Post Office Box 50250
Midland, Texas 79710

[illegible]

MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(915) 682-3715
FAX (915) 685-4170

OIL CONSERVATION DIVISION
RECEIVED

94 JAN 7 AM 7 27

January 4, 1994

New Mexico Oil Conservation Division
P. O. Drawer DD
Artesia, New Mexico 88210

Attn: Mae Morgan

Re: MOC's Federal "V" #2 Well
NE/4 Sec. 8, T20S, R28E
Eddy County, New Mexico

Ladies and Gentlemen:

Regarding the captioned well, enclosed for your file is a complimentary copy of Mewbourne's Sundry Notice and Form C-102 which has been filed with the BLM in Carlsbad. Also enclosed is a copy of OCD Order No. R-5353-M which promulgated Special Pool Rules for the Old Millman Ranch-Bone Spring Associated Pool which effects the captioned well.

Pursuant to Ordering paragraph (4) of the referenced Order, you are hereby notified that the above well is located 2210' FEL & 660' FNL of the captioned Section 8 which location is unorthodox for 160 acre spacing. By copy of this letter, I am requesting that the Division's office in Santa Fe, New Mexico approve said unorthodox location pursuant to the terms of Division Order No. R-5353-M.

Should you require anything further regarding the above, please call.

Sincerely,

Mewbourne Oil Company


D. Paul Haden, CPL
Landman

cc: New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504
Attn: Mr. Michael E. Stogner

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Mewbourne Oil Company

3. Address and Telephone No.

P.O. Box 5270 Hobbs, New Mexico 88241 (505) 393-5905

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2210' FEL & 660' FNL
Sec. 8-T20S-R28E

5. Lease Designation and Serial No.

NM-83584

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Federal "V" #2

9. API Well No.

30-015-26702

10. Field and Pool, or Exploratory Area

Old Millman Ranch -

11. County or Parish, State

Bone Spring

Eddy Co., N.M.

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

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Acreeage Dedication
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

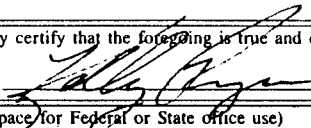
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Due to reclassification of the Federal "V" #2 from an oil well to a gas well, 160 acres is now dedicated to the well. (See Form C-102) Order No. R-5353-M.

14. I hereby certify that the foregoing is true and correct

Signed



Title District Supt.

Date 12/10/93

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

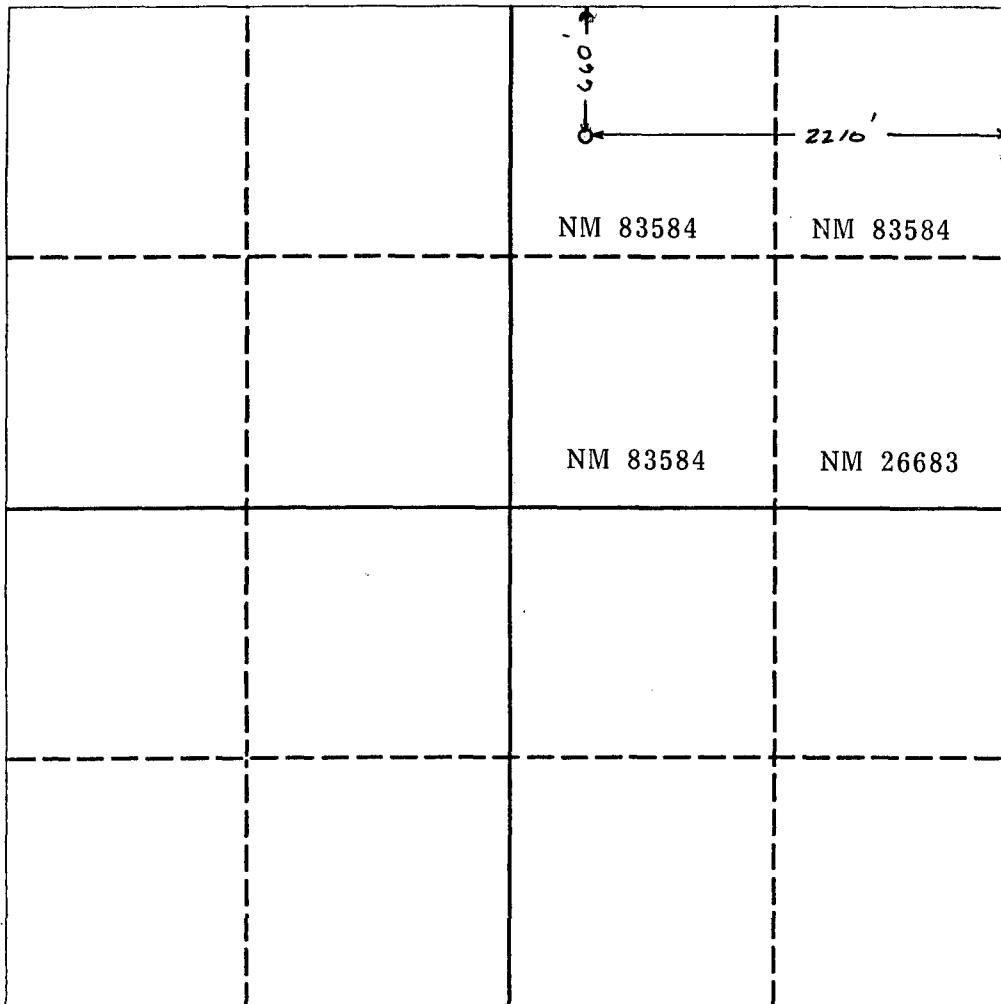
All Distances must be from the outer boundaries of the section

Operator Mewbourne Oil Company			Lease Federal "Y"		Well No. 2
Unit Letter B	Section 8	Township 20S	Range 28E	County NMPM Eddy	

Actual Footage Location of Well:

2210 feet from the East line and		660 feet from the North line	
Ground level Elev. 3293'	Producing Formation Bone Spring	Pool Old Millman Ranch	Dedicated Acreage: 160 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☒ Yes ☐ No If answer is "yes" type of consolidation Communitization
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Kelly Ryan

Position

District Supt.

Company

Mewbourne Oil Co.

Date

December 10, 1993

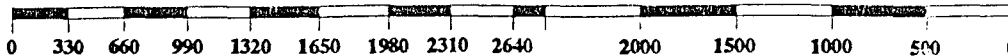
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Signature & Seal of
Professional Surveyor

Certificate No.



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(505) 768-1500
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*NOT LICENSED IN NEW MEXICO

January 7, 1994

HAND DELIVERED

**Michael E. Stogner
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87502**

**Re: Mewbourne Oil Company's Request for Administrative
Approval of an Unorthodox Well Location (Fed. V Well No.
2, Unit B of Section 8 - 20 South - 28 East)**

Dear Mr. Stogner:

Enclosed is a copy of a Waiver of the above unorthodox
location executed by OXY U.S.A. Inc.

Very truly yours,

**HINKLE, COX, EATON,
COFFIELD & HENSLEY**

James Bruce
James Bruce

**JB:jr
Enclosures**

OT 2 W 12 N 24 16.
RECEIVED
OIL CONSERVATION DIVISION

January 19, 1994

Mr. William LeMay
New Mexico Oil Conservation Division
Energy, Minerals and Natural Resources Department
P. O. Box 2088
Santa Fe, New Mexico 87504

Re: Mewbourne Oil Company
Fed. "V" Well No. 2
Unit B of Section 8, 20 South,
28 East, Eddy County, New Mexico

Dear Mr. LeMay:

The undersigned hereby waives objection to the unorthodox location for the above well.

Very truly yours,

OXY U.S.A., Inc.

By: 

Date signed: 1/19/94

OT 2 WU 6Z NR0 66

RECEIVED

OIL CONSERVATION DIVISION



OXY USA INC.

Box 50250, Midland, TX 79710

January 20, 1994

JAN 21 1994

Mewbourne Oil Company
500 W. Texas, Suite 1020
Midland, TX 79701

Attention: Mr. D. Paul Haden, Landman

Re: Mewbourne Operated Federal "V"
#2 Well, NE/4 Sec. 8-20S-28E,
Eddy County, NM

Gentlemen:

Pursuant to your letter of January 18, 1993, enclosed please find your original Waiver Letter, which has been duly executed by OXY USA Inc.

If anything further is needed in this regard, please advise.

Yours truly,

OXY USA Inc.

A handwritten signature in dark ink, appearing to read "M. Gooding", is written over the typed name.

Michael D. Gooding

MDG/df

Enclosure



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

January 11, 1994

Mewbourne Oil Company
500 West Texas - Suite 1020
Midland, TX 79701

Attention: D. Paul Haden

RE: Federal "V" Well No. 2; 660' FNL - 2210' FEL (Unit B) of Section 8, Township 20 South, Range 28 East, NMPM, Oil Millman Ranch-Bone Spring Associated Pool, Eddy County, New Mexico.

Dear Mr. Haden:

A copy of your letter for Michael Stogner addressed to Mae Morgan of the Artesia District Office of the Division dated January 4, 1994 was received by this office on Friday, January 7, 1994. Subsequent to its review it has been determined that a proper application pursuant to Rule 2 of the General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico/Temporary Special Rules and Regulations for the Oil Millman Ranch-Bone Spring Associated Pool, as promulgated by Division Order No. R-5353, as amended by Order No. R-5353-M, will be required

The subject well, when drilled in mid-1991, appears to have originally been a Bone Spring oil well dedicated to a standard 40-acre oil spacing and proration unit comprising the NW/4 NE/4 (Unit B) of Section 8. At that time the location was standard for an oil well in this pool. On August 31, 1993, when said Order R-5353-M was issued, a thirty-day time period began in which operators of wells considered to be unorthodox for the "new" pool rules were to notify the Artesia District Office. This thirty-day period lapsed on September 30, 1993. Further, this well is a reclassified gas well with 160-acre dedication making the location more unorthodox than an oil well.

Until such time as this well location is approved by Division order, the Authorization to Transport Oil and Natural Gas (Division Form C-104) for this well is hereby suspended.

HINKLE, COX, EATON, COFFIELD & HENSLEY

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*NOT LICENSED IN NEW MEXICO

January 26, 1994

HAND DELIVERED

Michael E. Stogner
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87502

Re: **Mewbourne Oil Company's Request for Administrative
Approval of an Unorthodox Well Location (Fed. V Well No.
2, Unit B of Section 8 - 20 South - 28 East)**

Dear Mr. Stogner:

Enclosed is a copy of a waiver of the above unorthodox location executed by Strata Production Company. I previously sent you a waiver from OXY U.S.A. Inc. Since both offset operators have waived objection, we respectfully request the unorthodox location be approved, and that the suspension of Authorization to Transport, instituted by the Division's letter of January 11, 1994, be lifted as soon as possible so that the well may be placed on production.

Also enclosed is a copy of the certified return receipt regarding notice mailed to OXY U.S.A. Inc.

Very truly yours,


James Bruce

JB:jr
Enclosures

OIL CONSERVATION DIVISION
RECEIVED
JAN 26 1994
AM 2 56

January 25, 1994

Mr. William LeMay
New Mexico Oil Conservation Division
Energy, Minerals and Natural Resources Department
P. O. Box 2088
Santa Fe, New Mexico 87504

Re: Mewbourne Oil Company
Fed. "V" Well No. 2
Unit B of Section 8, 20 South,
28 East, Eddy County, New Mexico

Dear Mr. LeMay:

The undersigned hereby waives objection to the unorthodox location
for the above well.

Very truly yours,

Strata Production Company

By: Mark B. Murphy Mark B. Murphy, President

Date signed: January 24, 1994

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

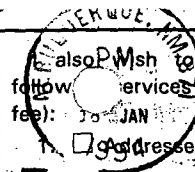
3. Article Addressed to:

OXY U.S.A Inc
Post Office Box 50250
Midland, TX 79710

5. Signature (Addressee)

6. Signature (Agent)

K. W. [Signature]



also PMSH receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
 - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

4a. Article Number

P176 012 561

4b. Service Type

- ☐ Registered ☐ Insured
- ☒ Certified ☐ COD
- ☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery

JAN 1991

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991

★U.S. GPO: 1992-323-402

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

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January 31, 1994

VIA HAND DELIVERY

Michael E. Stogner
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87501

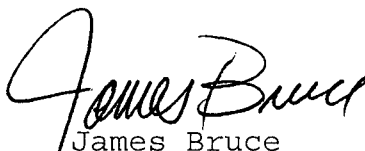
Re: Mewbourne Oil Company's Request for Administrative
Approval of an Unorthodox Well Location (Fed. V Well No.
2, Unit B of Section 8 - 20 South - 28 East)

Dear Mr. Stogner:

Enclosed is a copy of the certified return receipt regarding
notice mailed to Strata Production Company. All offsets have now
been notified and have waived objection.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY


James Bruce

JB/bc

Enclosure

OS 8 WB 12 JAN 1994
RECEIVED
OIL CONSERVATION DIVISION

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3 and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address

2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Strata Production Company
Post Office Box 1030
Roswell, NM 88202-1030

4a. Article Number

P176012562

4b. Service Type

☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery

1/25/94

5. Signature (Addressee)

6. Signature (Agent)

C. Anderson

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1992-323-402

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service

RECEIVED
OIL CONSERVATION DIVISION
JAN 31 8 50 AM '94

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING;

NOMENCLATURE
CASE NO. 10556 (Reopened)
Order No. R-5353-M

IN THE MATTER OF CASE 10556 BEING
REOPENED PURSUANT TO THE PROVISIONS
OF DIVISION ORDER NO. R-9759, WHICH
ORDER PROMULGATED SPECIAL POOL RULES
FOR THE OLD MILLMAN RANCH-BONE SPRING
POOL IN EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on July 15, 1993, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 31st day of August, 1993, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) By Order No. R-9545 issued in Case No. 10343 on July 1, 1991, the Division created and defined the Old Millman Ranch-Bone Spring Pool. The discovery well for the pool was the Strata Production Company Aguila Federal Well No. 1 located in Unit L of Section 4, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico.

NOMENCLATURE
CASE NO. 10556 (Reopened)
Order No. R-5353-M
Page -2-

(3) By Order No. R-9759 issued in Case No. 10556 on November 4, 1992, the Division, upon application of Chi Energy Inc., promulgated Temporary Special Rules and Regulations for the Old Millman Ranch-Bone Spring Pool, Eddy County, New Mexico, including a limiting gas-oil ratio of 20,000 cubic feet of gas per barrel of oil.

(4) Pursuant to the provisions of Order No. R-9759, this case was reopened in order to allow the operators in the subject pool the opportunity to appear and present evidence and testimony as to the nature of the reservoir with regards to the proper classification of the pool as either oil or gas.

(5) Chi Energy Inc., one of three operators in the pool, appeared at the hearing and presented evidence and testimony in this case. Mewbourne Oil Company, another operator in the pool, appeared through counsel at the hearing but did not present evidence or testimony either in support or opposition of Chi Energy Inc.

(6) At this time Chi Energy Inc. requests that the Old Millman Ranch-Bone Spring Pool be reclassified as an associated pool to be governed by the General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico, as contained within Division Order No. R-5353, as amended.

(7) The applicant further seeks the promulgation of additional Special Rules and Regulations for the Old Millman Ranch-Bone Spring Pool including 80-acre oil spacing, 160-acre gas spacing and a limiting gas-oil ratio of 5,000 cubic feet of gas per barrel of oil.

(8) The Old Millman Ranch-Bone Spring Pool currently comprises the W/2 of Section 3, S/2 of Section 4, SE/4 of Section 5, and the NE/4 of Section 9, all in Township 20 South, Range 28 East, NMPM.

(9) Applicant's geologic evidence indicates that the reservoir is an elongated sand body draped over a southeast trending nose, is of limited extent and is positioned near the updip limit of the First Bone Spring Sand along the northwest edge of the Delaware Basin. The trap of the reservoir is formed by a stratigraphic pinchout of effective porosity within the First Bone Spring Sand.

(10) Division records indicate that there are currently five wells producing within the pool. Production information indicates that four of the wells in the pool meet the qualification for a gas well as contained within Order No. R-5353 (gas-liquid ratio in excess of 30,000 cubic feet of gas per barrel of liquid hydrocarbon).

(11) The gas wells within the pool are located up-structure from the only oil well in the pool.

NOMENCLATURE
CASE NO. 10556 (Reopened)
Order No. R-5353-M
Page -3-

(12) PVT analysis conducted on the applicant's Winchester Federal Well No. 1 indicates that the subject reservoir is likely a gas-condensate reservoir.

(13) The evidence indicates that while this is a complex reservoir with limited pressure data, there is a reasonable engineering probability that the gas wells may be connected to the oil well; and in which case a gas cap may be forming or has formed up-structure of the oil production in the reservoir.

(14) The reservoir data currently available indicates that the Old Millman Ranch-Bone Spring Pool should be temporarily classified as an associated oil and gas pool until such time as further geologic and engineering evidence is available.

(15) Additional drilling will likely take place within the subject pool within the next eighteen months.

(16) Preliminary engineering data indicates that oil wells and gas wells within the Old Millman Ranch-Bone Spring Associated Pool should be spaced on 80 and 160 acres, respectively.

(17) Production tests indicate that the continuation of the current gas-oil ratio limitation of 20,000 cubic feet of gas per barrel of oil may have an adverse affect on the reservoir and should be reduced to 5,000 cubic feet of gas per barrel of oil, thereby maximizing ultimate recovery of oil and gas from the reservoir.

(18) Production tests further indicate that producing the gas wells in the pool at an allowable rate of 2.2 MMCFG per day should not reduce ultimate condensate recovery from the reservoir.

(19) No offset operator and/or interest owner appeared at the hearing to present evidence and testimony or to oppose the proposal by Chi Energy Inc.

(20) The reclassification of the Old Millman Ranch-Bone Spring Pool as an associated pool and the promulgation of special rules and regulations for said pool as described above for a temporary period of eighteen months will allow the operators in the subject pool the opportunity to produce their just and equitable share of the oil and gas within the pool, will provide for the orderly development of the pool, will prevent the drilling of unnecessary wells, and will otherwise prevent waste and protect correlative rights.

(21) This case should be reopened at an examiner hearing in February, 1995, at which time the operators in the Old Millman Ranch-Bone Spring Associated Pool should be prepared to appear and present evidence and testimony as to the nature of the reservoir with regards to the adoption of permanent rules.

IT IS THEREFORE ORDERED THAT:

(1) Division Order No. R-9759, dated November 4, 1992 shall be superseded by this order.

(2) The Old Millman Ranch-Bone Spring Pool, located in portions of Sections 3, 4, 5 and 9, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, is hereby reclassified as an associated oil and gas pool and redesignated the Old Millman Ranch-Bone Spring Associated Pool.

(3) The Old Millman Ranch-Bone Spring Associated Pool shall be governed by the General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico, as promulgated by Division Order No. R-5353, as amended, insofar as said General Rules and Regulations are not inconsistent with the Special Rules and Regulations for the subject pool as hereinafter set forth, in which event the Special Rules and Regulations shall apply.

**TEMPORARY SPECIAL RULES AND REGULATIONS
FOR THE
OLD MILLMAN RANCH-BONE SPRING ASSOCIATED POOL**

RULE 2. A standard oil proration unit shall consist of 80 acres. A standard gas proration unit shall consist of 160 acres.

RULE 6. The limiting gas-oil ratio shall be 5,000 cubic feet of gas per barrel of oil.

IT IS FURTHER ORDERED THAT:

(4) The location of all wells presently drilling to or completed in the Old Millman Ranch-Bone Spring Associated Pool or in the Bone Spring formation within one mile thereof are hereby approved; the operator of any well having an unorthodox location shall notify the Artesia District Office of the Division in writing of the name and location of the well within 30 days from the date of this order.

(5) Pursuant to Paragraph A of Section 70-2-18, N.M.S.A. 1978 Comp., contained in Laws of 1969, Chapter 271, existing oil wells and gas wells in the Old Millman Ranch-Bone Spring Associated Pool shall have dedicated thereto 80 and 160 acres, respectively, in accordance with the foregoing pool rules; or, pursuant to Paragraph C of said Section 70-2-18, existing wells may have non-standard spacing or proration units established by the Division and dedicated thereto.

NOMENCLATURE
CASE NO. 10556 (Reopened)
Order No. R-5353-M
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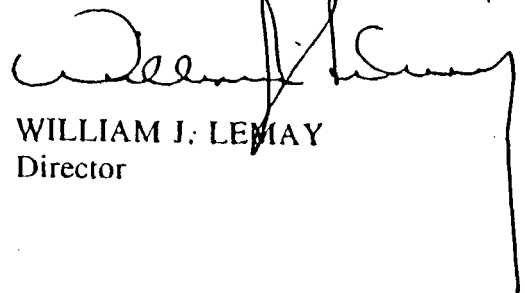
Failure to file new Forms C-102 with the Division dedicating the appropriate acreage to a well or to obtain a non-standard unit approved by the Division within 60 days from the date of this order shall subject the well to cancellation of allowable until a non-standard spacing unit has been approved and, subject to said 60-day limitation, each well presently drilling to or completed in the Old Millman Ranch-Bone Spring Associated Pool or in its corresponding vertical limits, or within one mile thereof, shall receive no more than one-fourth of a standard allowable for said pool.

(6) This case shall be reopened at an examiner hearing in February, 1995, at which time the operators in the subject pool may appear and show cause why the Temporary Special Rules and Regulations for the Old Millman Ranch-Bone Spring Pool promulgated herein should not be rescinded and the pool reclassified.

(7) Jurisdiction of this cause is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

ASSOCIATED OIL AND GAS POOLS
Northwest and Southeast New Mexico

Order No. R-5353, Adopting Special Rules and Regulations for Certain Associated Oil and Gas Pools and General Rules and Regulations for All Associated Oil and Gas Pools in Northwest and Southeast New Mexico, February 1, 1977.

Order No. R-5353 reclassifies as an oil pool, and rescinds Order No. R-4359, August 1, 1972, as amended by Order No. R-4583, August 1, 1973, adopting rules for the Jennings-Delaware Associated Pool, Lea County, New Mexico.

Order No. R-5353 reclassifies as an oil pool, and rescinds Order No. R-3437, June 18, 1968, as amended by Order No. R-3437-A, July 17, 1969, Order No. R-3437-B, January 15, 1971, Order No. R-4367, August 30, 1972, and Order No. R-4583, August 1, 1973, adopting rules for the North Paduca-Delaware Pool, Lea County, New Mexico.

Order No. R-5353 reclassifies as an oil pool the Northwest Todd-San Andres Associated Pool. See separate Order No. R-4441-A, February 1, 1977, adopting special rules for the Northwest Todd-San Andres Pool.

Application of the Oil Conservation Commission on its Own Motion to Consider the Adoption of General Rules and Regulations Governing All Associated Oil and Gas Pools of Southeast and Northwest New Mexico and the Adoption of Special Rules for Certain Associated Pools.

CASE NO. 5813
Order No. R-5353

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on November 23, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of January, 1977, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the Commission has heretofore created and designated six pools in Northwest New Mexico and 15 pools in Southeast New Mexico as "associated" oil and gas pools, being pools in which a gas cap was found to overlies an oil zone.

(3) That in order to prevent waste and to protect correlative rights, the Commission has heretofore promulgated special rules and regulations for said associated oil and gas pools, as follows:

NORTHWEST NEW MEXICO

POOL	COUNTY	ORDER NO.
Angels Peak-Gallup	San Juan	R-1410-C
Devils Fork-Gallup	Rio Arriba	R-5181
Escrito-Gallup	Rio Arriba	R-1793-A
Gallegos-Gallup	San Juan	R-3707
Tapacito-Gallup	Rio Arriba	R-3211
Tocito Dome-Pennsylvanian "D"	San Juan	R-2758

SOUTHEAST NEW MEXICO

POOL	COUNTY	ORDER NO.
Bluitt-San Andres	Roosevelt	R-1670-I
Southeast Chaves Queen Gas Area	Chaves	R-4435
South Dagger Draw-Upper Pennsylvanian	Eddy	R-4637
Double L-Queen	Chaves	R-3981-A
Jennings-Delaware	Lea	R-4359
Mesa-Queen	Lea	R-2935
North Paduca-Delaware	Lea	R-3437
Penasco Draw-San Andres-Yeso	Eddy	R-4365
Peterson-Pennsylvanian	Roosevelt	R-4538
Round Tank-Queen	Chaves	R-1670-J
Sawyer-San Andres	Lea	R-1517
Todd-Lower San Andres	Roosevelt	R-1670-G
		R-3153
Northwest Todd-San Andres	Roosevelt	R-4441
Twin Lakes-San Andres	Chaves	R-4102
Vest Ranch-Queen	Chaves	R-5180

(4) That the aforesaid special rules and regulations for the above-named associated oil and gas pools provide, among other things, for the definition of oil wells and gas wells, the size of oil spacing units and gas spacing units, standard well locations, gas-oil ratio limitations, well testing, and gas well allowables.

(5) That there is a wide variation in the various special pool rules applicable to the aforesaid associated pools, not only in substantive content and purpose, but also in format and general manner of presentation.

(6) That said variations have caused confusion and have resulted in unnecessary administrative burden to both the operators in said pools and the Commission.

(7) That the adoption of general rules applicable to all associated pools, with provision for certain special rules applicable to particular pools only, would tend to eliminate said confusion and would ease the administrative burden of both the operators in said pools and the Commission.

(8) That in order to more nearly equalize the time frame within which oil wells and gas wells in associated pools may produce their current allowable, thereby equalizing withdrawals from their respective portions of the associated reservoir, the general rules for associated pools should provide for a one-month proration period for gas wells, and oil wells should continue to be operated under the provisions of Rule 502 of the Commission General Rules and Regulations.

(9) That in order to provide a reasonable period of time for the production of the current allowable from a gas well in an

(GENERAL RULES AND REGULATIONS - ASSOCIATED OIL AND GAS POOLS - Cont'd.)

associated pool, provision should be made in the general associated pool rules for underproduction from such well to be carried forward into subsequent proration periods, provided however, that such underproduction in excess of three times the current monthly allowable should not be carried forward, but should be cancelled.

(10) That in order to provide a reasonable period of time in which overproduction of current allowable by a gas well in an associated pool may be compensated for by underproduction, provision should be made in the general associated pool rules for such overproduction to be carried forward into subsequent proration periods, provided however, that any well which is overproduced by an amount exceeding three times its current monthly allowable should be shut in until such well is overproduced by an amount less than three times its current monthly allowable.

(11) That the volumetric gas allowable formulas applicable to the Bluit-San Andres Associated Pool and the Todd-Lower San Andres Associated Pool are no longer effective and should not be included in the special pool rules for said pools.

(12) That the inclusion of liquid gravity as a criterion in the classification of oil wells and gas wells in the Angels Peak-Gallup, Devils Fork-Gallup, Bluit-San Andres, Peterson-Pennsylvanian, and Todd-Lower San Andres Pools appears to serve no useful purpose, and should be discontinued.

(13) That the Jennings-Delaware Associated Pool and the North Paduca-Delaware Associated Pool, as heretofore created and defined, no longer fit the associated pool classification, and that said pools should be redefined as oil pools subject to the Commission General Rules and Regulations, and the Special Rules for said pools should be rescinded.

(14) That the Northwest Todd-San Andres Associated Pool as previously created and defined no longer fits the associated pool classification and should be redefined as an oil pool and the special pool rules therefor amended to provide only for 80-acre oil well spacing units and a gas-oil ratio limitation of 5000 to 1.

(15) That the existing special associated pool rules for the remaining 18 associated pools which provide for spacing of oil wells and gas wells, oil well and gas well locations, definition of oil wells and gas wells based on gas-liquid ratios, and special gas-oil ratio limitations, any of which are in conflict with the general rules and regulations for associated pools should be retained, but should be incorporated in one overall order applicable to associated oil and gas pools, and the orders presently applicable to said pools superseded.

(16) That the gas well location requirements for the Double L-Queen Associated Pool should be amended to comply with the general rules and regulations for associated pools.

(17) That all associated pool gas well underproduction should be cancelled as of January 31, 1977.

(18) That the Secretary-Director of the Commission should be authorized to administratively reinstate such cancelled underproduction, up to three times the current monthly allowable, upon a showing by the operator that such underproduction could be made up.

(19) That the rescission, amendment, and supersedure of the Special Pool Rules listed in Finding No. (3) above, and the adoption of General Rules applicable to the associated oil and gas pools in the State of New Mexico in accordance with the above findings will prevent waste and protect correlative rights, is in the public interest, and should be approved.

IT IS THEREFORE ORDERED:

(1) That effective February 1, 1977, general rules and regulations are hereby adopted for the associated oil and gas pools of northwest and Southeast New Mexico as follows:

GENERAL RULES AND REGULATIONS FOR THE ASSOCIATED OIL AND GAS POOLS OF NORTHWEST NEW MEXICO AND SOUTHEAST NEW MEXICO.

(See Special Pool Rules for each pool for rules applicable to that particular pool. Special Pool Rules will be found in the same classification order as in the General Section. If the Special Rule is in conflict with the General Rule, the Special Rule shall be applicable.)

A. WELL LOCATION AND ACREAGE REQUIREMENTS

RULE 1. Any well drilled to the producing formation of an associated pool regulated by this order and within said pool or within one mile outside the boundary of that pool, and not nearer to nor within the boundaries of another designated pool producing from the same formation, shall be spaced, drilled, operated, and prorated in accordance with the regulations in effect in that pool.

RULE 2. (a) See Special Pool Rules for applicable size of oil and gas spacing and proration units. Unless otherwise specified by the Special Pool Rules, 40-acre units shall comprise a governmental quarter-quarter section substantially in the form of a square, being a legal subdivision of the United States Public Land Surveys; 80-acre units shall comprise two contiguous quarter-quarter sections, being the N/2, S/2, E/2, or W/2 of a single governmental quarter section; 160-acre units shall comprise a governmental quarter section; and 320-acre units shall comprise two contiguous quarter sections, being the N/2, S/2, E/2, or W/2 of a single governmental section.

RULE 2. (b) Each well drilled or completed on a spacing and proration unit within an associated pool governed by these rules shall be located as provided below:

OIL WELLS AND GAS WELLS - NORTHWEST NEW MEXICO

Standard Proration Unit	Location Requirements
40 Acres	Not closer than 330 feet to the boundary of the tract
80, 160 and 320 Acres	Not closer than 790 feet to any quarter section line nor closer than 330 feet to any quarter-quarter section line or subdivision inner boundary

OIL WELLS - SOUTHEAST NEW MEXICO

Standard Proration Unit	Location Requirements
40 Acres	Not closer than 330 feet to the boundary of the tract
80 and 160 Acres	Within 150 feet of the center of the quarter-quarter section wherein located

(GENERAL RULES AND REGULATIONS - ASSOCIATED
OIL AND GAS POOLS - Cont'd.)

GAS WELLS - SOUTHEAST NEW MEXICO

Standard Proration Unit	Location Requirements
160 Acres	Within 150 feet of the center of the quarter-quarter section wherein located
320 Acres	Not closer than 660 feet to the nearest side boundary nor closer than 1980 feet to the nearest end boundary of the spacing unit nor closer than 330 feet to any quarter-quarter section or subdivision inner boundary

RULE 2. (c) The Secretary-Director of the Commission shall have authority to grant an exception to the well location requirements of Rule 2(b) above without notice and hearing when the necessity for such unorthodox location is based upon topographical conditions or the recompletion of a well previously drilled to another horizon, provided said well was drilled at an orthodox location for such original horizon, or where the size and shape of an approved non-standard spacing and proration unit render a standard location impossible.

Applications for administrative approval of unorthodox locations shall be filed in triplicate and shall be accompanied by plats showing the ownership of all leases offsetting the proration or spacing unit for which the unorthodox location is sought, and also all wells completed thereon. If the proposed unorthodox location is based upon topography, the plat shall also show and describe the existent topographical conditions.

All operators of proration or spacing units offsetting the unit for which the unorthodox location is sought shall be notified of the application by certified or registered mail, and the application shall state that such notification has been given. The Secretary-Director may approve the unorthodox location upon receipt of waivers from all offset operators or if no offset operator has entered an objection to the unorthodox location within 20 days after the Secretary-Director has received the application.

RULE 3. (a) Each gas well shall be located on a standard unit containing 160 acres or 320 acres, more or less, as provided in the special rules for the pool in which it is situated.

(b) Each oil well shall be located on a standard unit containing 40 acres, 80 acres or 160 acres, more or less, as provided in the special rules for the pool in which it is situated.

RULE 4. (a) The District Supervisor of the appropriate district office of the Commission shall have the authority to approve a non-standard unit as an exception to Rule 3(a) or 3(b) without notice and hearing when the unorthodox size or shape of the unit is necessitated by a variation in the legal subdivision of the U. S. Public Land Surveys and the non-standard unit is not less than 75% nor more than 125% of a standard unit.

The District Supervisor of the appropriate district office of the Commission may approve the non-standard unit by:

(1) Accepting a plat showing the proposed non-standard unit and the acreage to be dedicated to the non-standard unit, and

(2) Assigning an allowable to the non-standard unit.

(b) The Secretary-Director of the Commission may grant an exception to the requirements of Rule 3(a) or Rule 3(b), when the unorthodox size or shape of the unit is necessitated by a variation in the legal subdivision of the U. S. Public Land Surveys and the non-standard unit is less than 75% or more than 125% of a standard unit, or where the following facts exist and the following provisions are complied with:

(1) The non-standard unit consists of quarter-quarter sections or lots that are contiguous by a common bordering side.

(2) The non-standard unit lies wholly within a governmental subdivision or subdivisions which would be a standard unit for the well (half quarter section, quarter section, or half section) but contains less acreage than a standard unit.

(3) The applicant presents written consent in the form of waivers from all offset operators and from all operators owning interests in the half quarter section, quarter section or half section (for 80-acre, 160-acre, and 320-acre standard dedications respectively) in which the non-standard unit is situated and which acreage is not included in said non-standard unit.

(4) In lieu of Paragraph (3) of this rule, the applicant may furnish proof of the fact that all of the foresaid operators were notified by registered or certified mail of his intent to form such non-standard unit. The Secretary-Director may approve the application if no such operator has entered an objection to the formation of such non-standard unit within 30 days after the Secretary-Director has received the application.

B. WELL CLASSIFICATION AND GAS-OIL RATIO LIMITATION

RULE 5. (a) A well shall be classified as a gas well if it has a gas-liquid ratio of 30,000 or more cubic feet of gas per barrel of liquid hydrocarbons. A well shall be classified as an oil well if it has a gas-liquid ratio of less than 30,000 cubic feet of gas per barrel of liquid hydrocarbons.

(b) The simultaneous dedication of any acreage to an oil well and a gas well is prohibited.

RULE 6. That the limiting gas-oil ratio shall be 2000 cubic feet of gas for each barrel of oil produced.

RULE 7. An oil well shall be permitted to produce only that amount of gas determined by multiplying the top unit oil allowable for the pool by the limiting gas-oil ratio for the pool. In the event there is more than one oil well on an oil proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

A gas well shall be permitted to produce that amount of gas obtained by multiplying the top unit oil allowable for the pool by the limiting gas-oil ratio for the pool and by a fraction, the numerator of which is the number of acres dedicated to the particular gas well and the denominator of which is a number equal to the number of acres in a standard oil proration unit in such pool. In the event there is more than one gas well on a gas proration unit, the operator may produce the amount of gas assigned to the unit from the wells on the unit in any proportion.

(GENERAL RULES AND REGULATIONS - ASSOCIATED
OIL AND GAS POOLS - Cont'd.)

C. WELL TESTING

RULE 8. The operator of each newly completed well shall cause a gas-liquid ratio test to be taken on the well upon recovery of all load oil from the well, provided however, that in no event shall the test be commenced later than 30 days from the date of first production unless the well is connected to a gas-gathering facility and is producing under a temporary gas allowable assigned in accordance with Rule 11. Any well which is shut-in shall be exempted from the gas-liquid ratio test requirement so long as it remains shut-in. The initial gas-liquid ratio test shall be taken in the manner prescribed by Rule 9. If the gas-liquid ratio is 30,000 cubic feet of gas per barrel of liquid hydrocarbons, or more, the operator shall not produce the well until beneficial use can be made of the gas.

RULE 9. (a) Semi-annual gas-liquid ratio tests shall be taken on all wells during each year in accordance with a test schedule prepared by the district office of the Commission. The initial gas-liquid ratio test shall suffice as the first semi-annual test. Tests shall be 24-hour tests, being the final 24 hours of a 72-hour period during which the well shall be produced at a constant normal rate of production. Results of such tests shall be filed on Commission Form C-116 on or before the 10th day of the following month. At least 72 hours prior to commencement of any such gas-liquid ratio tests, each operator shall file with the appropriate district office of the Commission a test schedule for its wells specifying the time each of its wells is to be tested. Copies of the test schedule shall also be furnished to all offset operators. The supervisor of the appropriate district office of the Commission may grant an exception to the above test requirements where it is demonstrated that the well(s) produce(s) no liquids.

Special tests shall also be taken at the request of the Secretary-Director and may also be taken at the option of the operator. Such special tests shall be taken in accordance with the procedures outlined hereinabove, including notification to the Commission and offset operators.

(b) The Secretary-Director of the Commission shall have authority to grant pool-wide exceptions to Rule 9(a) above, without notice and hearing upon a showing that production from wells within such pool has stabilized to the point where such tests would be of essentially no value for application of these general rules for associated pools.

RULE 10. An initial shut-in pressure test shall be taken on each gas well and shall be reported to the Commission on Form C-125.

D. ASSIGNMENT OF ALLOWABLE

RULE 11. Any well completed after the effective date of these rules shall receive an allowable only upon receipt by the appropriate Commission district office of Commission Forms C-102, C-104, C-116, and, in the case of a gas well, a transporter's notice of gas connection, properly executed. The District Supervisor of the Commission's district office is hereby authorized to assign a temporary gas allowable to wells connected to a gas transportation facility during the recovery of load oil, which allowable shall not exceed the number of cubic feet of gas obtained by multiplying the daily top unit allowable for the pool by the limiting gas-oil ratio for the pool.

E. GAS PRORATIONING

RULE 12. The associated gas proration period shall be the proration month which shall begin at 7 a.m. on the first day of the month and shall end at 7 a.m. on the first day of the next succeeding month.

RULE 13. (a) Any associated gas well which has an under-produced status at the end of any associated gas proration period, shall carry such underproduction into subsequent periods.

(b) Underproduction in excess of three times the current monthly allowable shall not be carried forward but shall be cancelled. For purposes of this rule, the monthly allowable shall be the full monthly allowable which would be assigned an associated gas well with the same acreage dedication in the same pool.

(c) Overproduction during any month shall be applied to a well's cumulative underproduction, if any, calculated in accordance with Paragraphs (a) and (b) above.

RULE 14. Any associated gas well which has an overproduced status at the end of any associated gas proration period shall carry such overproduction into subsequent periods. If at any time a well is overproduced an amount exceeding three times its current monthly allowable, it shall be shut in during that month and each succeeding month until the well is overproduced less than three times its current monthly allowable.

RULE 15. The allowable assigned to a well during any one month of an associated gas proration period in excess of the production for the same month shall be applied against the overproduction carried into such period in determining the amount of overproduction, if any, which has not been compensated for.

RULE 16. The Commission may allow overproduction to be compensated for at a lesser rate than would be the case if the well were completely shut in upon a showing after notice and hearing that complete shut in of the well would result in material damage to the well or reservoir.

F. REPORTING OF PRODUCTION

RULE 17. The monthly gas production from each gas well shall be metered separately and the gas production therefrom shall be reported to the Commission on Form C-115 so as to reach the Commission on or before the 24th day of the month next succeeding the month in which the gas was produced. The operator shall show on such report what disposition has been made of the produced gas.

RULE 18. Each purchaser or taker of gas shall submit a report to the Commission so as to reach the Commission on or before the 15th day of the month next succeeding the month in which the gas was purchased or taken. Such report shall be filed on Form C-111 with the wells being listed in the same order as they are listed on the appropriate proration schedule.

G. GENERAL PROVISIONS

RULE 19. Failure to comply with any provision of these rules shall result in the immediate cancellation of allowable assigned to the affected well. No further allowable shall be assigned until all rules and regulations have been complied with. The Secretary-Director shall notify the operator of the

(GENERAL RULES AND REGULATIONS - ASSOCIATED OIL AND GAS POOLS - Cont'd.)

well and purchaser in writing of the date of allowable cancellation and the reason therefor.

RULE 20. All transporters or users of gas shall file gas well connection notices with the Commission as soon as possible after the date of connection.

RULE 21. Allowables to wells whose classification has changed from oil to gas or from gas to oil as the result of a gas-liquid ratio test shall commence on the first day of the month following the month in which such test was reported, provided that a plat (Form C-102) showing the acreage dedicated to the well and the location of all wells on the dedicated acreage has been filed.

(2) That the above General Rules and Regulations for the Associated Oil and Gas Pools of Northwest New Mexico and Southeast New Mexico shall be applicable to the following associated pools:

NORTHWEST NEW MEXICO

Angels Peak-Gallup	Gallegos-Gallup
Devils Fork-Gallup	Tapacito-Gallup
Escrito-Gallup	Tocito Dome-Pennsylvanian "D"

SOUTHEAST NEW MEXICO

Bluitt-San Andres	Penasco Draw-San Andres-Yeso
Southeast Chaves Queen Gas Area	Peterson-Pennsylvanian
South Dagger Draw	Round Tank-Queen
Upper Pennsylvanian	Sawyer-San Andres
Double L-Queen	Todd-Lower San Andres
Mesa-Queen	Twin Lakes-San Andres
	Vest Ranch-Queen

(3) That effective February 1, 1977, the following Special Rules and Regulations shall be applicable to the below-named associated pools: (See Special Rules and Regulations applicable to each pool at end of order).

(3) (As Numbered) That effective February 1, 1977, the following orders, as amended, which apply to the aforementioned associated pools (See Special Rules and Regulations carried at end of order for these pools), are hereby superseded:

R-1410-C	R-1670-I	R-1670-J
R-5181	R-4435	R-1517
R-1793-A	R-4637	R-1670-G
R-3707	R-3981-A	R-3153
R-3211	R-2935	R-4102
R-2758	R-4365	R-5180
	R-4538	

(4) That the Jennings-Delaware Pool as heretofore classified, defined, and described is hereby reclassified as an oil pool, and Order No. R-4359 is hereby rescinded, effective February 1, 1977.

(5) That the North Paduca-Delaware Pool as heretofore classified, defined, and described is hereby reclassified as an oil pool, and Order No. R-3437 is hereby rescinded, effective February 1, 1977.

(6) That effective February 1, 1977, the Northwest Todd-San Andres Pool as heretofore classified, defined, and described is hereby reclassified as an oil pool with Order No. R-4441 to be superseded by Order No. R-4441-A, to be issued concomitantly with the instant order, No. R-5353.

(7) That effective January 31, 1977, all underproduction accrued to gas wells in the associated pools affected by this order is hereby cancelled.

(8) That the Secretary-Director of the Commission is hereby authorized to reinstate any well's accrued underproduction cancelled effective January 31, 1977, provided that such reinstated underproduction shall not exceed three times the well's current monthly allowable and provided further that the application for reinstatement of such underproduction shall contain evidence that the affected well is capable of producing such underproduction and that said application is received by the Secretary-Director not later than April 1, 1977.

(9) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

ANGELS PEAK-GALLUP ASSOCIATED POOL
San Juan County, New Mexico

Order No. R-5353, Adopting Special Rules and Regulations, in Addition to the General Rules and Regulations for Associated Oil and Gas Pools in Northwest and Southeast New Mexico, for the Angels Peak-Gallup Associated Pool, San Juan County, New Mexico, February 1, 1977.

(Order No. R-5353 supersedes Order No. R-1410, adopting rules for the Angels Peak-Gallup Pool, San Juan County, New Mexico, May 28, 1959, as amended by Order No. R-1410-A, August 11, 1959, as superseded by Order No. R-1410-C, October 1, 1960, as amended by Order No. R-1410-D, July 17, 1962, Order No. R-4367, August 30, 1972, and Order No. R-4583, August 1, 1973.)

RULE 2. (a) A standard oil proration unit shall be 80 acres. A standard gas proration unit shall be 320 acres.

(General Pool Rules also apply unless in conflict with these Special Pool Rules.)

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

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NOV - 2 1992

O. C. D.

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Mewbourne Oil Company	Well API No. 30-015-26702
Address P. O. Box 7698, Tyler, Texas 75711	
Reason(s) for Filing (Check proper box) <input checked="" type="checkbox"/> Other (Please explain)	
New Well <input type="checkbox"/>	Change in Transporter of: <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Condensate <input type="checkbox"/>
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/>
Return Production to Bone Spring Formation	

If change of operator give name
and address of previous operator

II. DESCRIPTION OF WELL AND LEASE

Lease Name FEDERAL "V"	Well No. 2	Pool Name, Including Formation OLD MILLMAN RANCH-BONE SPRING	Kind of Lease Federal	Lease No. NM-83584
Location				
Unit Letter B : 2210 Feet From The East Line and 660 Feet From The North Line				
Section 8 Township 20S Range 28E , NMPM, Eddy County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Pride Companies	P.O.Box 2436, Abilene, Texas 79604
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
GPM Gas Corporaiton	Bartlesville, Oklahoma
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. Is gas actually connected? When ?
	B 8 20S 28E Yes June, 1991

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.		
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth		
Perforations						Depth Casing Shoe		
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT		

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas- MCF

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation
Division have been complied with and that the information given above
is true and complete to the best of my knowledge and belief.

Gaylon Thompson
Signature
Gaylon Thompson, Engr. Opns. Secretary

Printed Name
10/26/92 (903) 561-2900
Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved **NOV 16 1992**

By *Mark Williams*

Title **SUPERVISOR, DISTRICT II**

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

Form 3160-5
OIL CONSERVATION DIVISION
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'92 DEC 3 AM 8 54

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Mewbourne Oil Company

3. Address and Telephone No.

P. O. Box 7698, Tyler, Texas 75711 (903) 561-2900

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2210' FEL & 660' FNL of Sec. 8, T20S-R28E

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.
NM-83584

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

FEDERAL "V" #2

9. API Well No.

30-015-26702

10. Field and Pool, or Exploratory Area
Old Millman Ranch-
Bone Spring

11. County or Parish, State

Eddy, New Mexico

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

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Return to Bone
Spring formation
- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form 1)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

10/21/92 - Killed well. Washed to RBP. Circ out sand. Pulled tbg & SN. RIH w/Halliburton retrieving head & latched onto BP @ 5790'.

10/22/92 - Pulled out w/tbg & RBP. RIH w/2-7/8" tubing and packer set @ 5925'. Set pkr w/20 pts compression. Press csg to 1000#. Held OK. Well started flowing.

10/23/92 - Turned well to Phillips for first sales on 12/64" choke.

RECEIVED
OCT 29 10 26 AM '92
OIL CONSERVATION DIVISION

ACCEPTED FOR RECORD

1992

14. I hereby certify that the foregoing is true and correct

Signed

Title Engr. Oprns. Secretary

Date 10/26/92

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.

*See Instruction on Reverse Side

Form 1004-5 (June 1990)
ON DIVISION
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92 OCT 19 PM 9 30

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

OCT - 8 1992

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS O. C. D.

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Mewbourne Oil Company

3. Address and Telephone No.

P.O. Box 5270 Hobbs, New Mexico 88241 (505) 393-5905

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2210' FEL & 660' FNL of Sec. 8-T20S-R28E

5. Lease Designation and Serial No.

NM-83584

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Federal "V" #2

9. API Well No.

30-015-26702

10. Field and Pool, or Exploratory Area

Old Millman Ranch
Bone Spring

11. County or Parish, State

Eddy Co., N.M.

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Return Production to the Bone Springs Formation
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Retrieve bridge plug set @ 5790'.

Run packer and tubing.

Turn well on producing from the Bone Spring formation (6038'-6131')

AS

OCT 6 1992

14. I hereby certify that the foregoing is true and correct

Signed

(This space for Federal or State office use)

Title District Supt.

Date September 23, 1992

Approved by

Conditions of approval, if any:

Title

Date

Title 18 U.S.C. Section 1001, makes 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.

*See Instruction on Reverse Side

Submit 5 Copies
Appropriate District Office
DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

JUL 17 1992

O. C. D.
DISTRICT OFFICE

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Mewbourne Oil Company		Well API No. 30-015-26702
Address P. O. Box 7698, Tyler, Texas 75711		
Reason(s) for Filing (Check proper box) <input checked="" type="checkbox"/> Other (Please explain)		
New Well <input type="checkbox"/>	Change in Transporter of:	
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>	Change Pool Name
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>	

If change of operator give name
and address of previous operator

II. DESCRIPTION OF WELL AND LEASE

Lease Name Federal "V"	Well No. 2	Pool Name, Including Formation Wildcat Delaware	Kind of Lease State, Federal or Fee	Lease No. NM-83584
Location				
Unit Letter B	2210	Feet From The East Line and 660	Feet From The North Line	
Section 8	Township 20S	Range 28E	NMPM	Eddy County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) P.O.Box 2436, Abilene, Texas 79604					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) P.O.Box 1188, Houston, Texas 77251					
If well produces oil or liquids, give location of tanks.	Unit B	Sec. 8	Twp. 20S	Rge. 28E	Is gas actually connected? Yes	When? June, 1992

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.		
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth		
Perforations						Depth Casing Shoe		
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT		

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation
Division have been complied with and that the information given above
is true and complete to the best of my knowledge and belief.

Signature
Gaylon Thompson, Engr. Oprns. Sec.

Printed Name

7/14/92

Date

Title

(903) 561-2900

Telephone No.

OIL CONSERVATION DIVISION

Date Approved

By

Title

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AM 10 43 AUG 20 1992
Q. C. D.
C. C. D.

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

AUG 13 10 44 AM '92

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Mewbourne Oil Company

3. Address and Telephone No.

P. O. Box 7698, Tyler, Texas 75711 (903) 561-2900

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2210' FEL & 660' FNL of Sec. 8, T20S-R28E

5. Lease Designation and Serial No.

NM-83584

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Federal "V" #2

9. API Well No.

30-015-26702

10. Field and Pool, or Exploratory Area

Old Millman Ranch
Bone Spring

11. County or Parish, State

Eddy, New Mexico

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

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Change Field Name
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form 1)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The Federal "V" No. 2 well has been recompleted from the Wilcat Delaware Pool to the Old Millman Ranch Bone Spring Pool effective June 1, 1992.

June 4, 1992 - MIRU Ram Well Service. Unseated pump. Laid down 120 3/4" steel rods, 54 7/8" steel rods and pump. Pulled 144 jts 2-7/8" tubing. Rigged up Halliburton. Set 5-1/2" EZSV squeeze retainer @ 4365' to squeeze perfs (4380-4392'). Ran 142 jts tubing. Displaced hole with fresh water.

June 5, 1992 - Stung into retainer. Pressured annulus to 500#. Displaced tubing and established injection rate of 3 BPM @ 750#. Mixed and pumped 150 sacks Class "C" + 4/10% Halad 322 followed by 150 sacks Class "C" Neat. Started displacing cement at 1 BPM at 1400#. Began staging cement in 15 min intervals. Obtained 2600# squeeze. Held Okay. Pumped 293 sacks into formation. Left 6 sacks in casing and reversed out 1 sack. Pulled out of hole with tubing. Shut well in for night.

June 6, 1992 - Ran tubing. Tagged TOC at 4332'. Fell through cement at 4458'. Tested casing to 1900# for 15 mins. Held okay. Tagged PBDT at 5775'. Shut well in.

14. I hereby certify that the foregoing is true and correct

Signed

Title Engr. Operations Secretary

Date August 10, 1992

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Form 1004-0135
RV (June 1990)
RECEIVED

14 AM 9 20

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

AUG - 5 1992

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS O.C.D.

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Mewbourne Oil Company ✓

3. Address and Telephone No.

P. O. Box 7698, Tyler, Texas 75711 (903) 561-2900

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2210' FEL & 660' FNL of Sec. 8, T20S-R28E

5. Lease Designation and Serial No.

NM-83584

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Federal "V" No. 2

9. API Well No.

30-015-26702

10. Field and Pool, or Exploratory Area

Wildcat Delaware

11. County or Parish, State

Eddy, New Mexico

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

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Change Field Name

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The Federal "V" No. 2 has been recompleted from the Old Millman Ranch Bone Spring Pool to a Wildcat Delaware Pool effective May 19, 1992.

NOTE: BLM APPROVAL IS REQUIRED PRIOR TO
NON-ROUTINE WORK ON FEDERAL WELLS.

Approved by Alan S. Carlsbad, P.E.
B.L.N.
AUG 29 1992

CARLSBAD, NEW MEXICO

14. I hereby certify that the foregoing is true and correct

Signed

[Signature]

Title

Engr. Oprns. Secretary

Date

7/14/92

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

Title 18 U.S.C. Section 1001, makes 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.

*See Instruction on Reverse Side

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

RECEIVED

JUN - 5, 1992

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Mewbourne Oil Company	Well API No. 30-015-26702
Address P. O. Box 7698, Tyler, Texas 75711	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input type="checkbox"/>	Change in Transporter of:
Recompletion <input checked="" type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>
If change of operator give name and address of previous operator	

II. DESCRIPTION OF WELL AND LEASE

Lease Name FEDERAL "V"	Well No. 2	Pool Name, including Formation Undesignated Delaware	Kind of Lease State, Federal or Foreign	Lease No. NM-83584
Location Unit Letter B : 2210 Feet From The East Line and 660 Feet From The North Line Section 8 Township 20S Range 28E, NMPM, Eddy County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Pride Companies	Address (Give address to which approved copy of this form is to be sent) P. O. Box 2436, Abilene, TX 79604					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Transwestern Pipeline Company	Address (Give address to which approved copy of this form is to be sent) P. O. Box 1188, Houston, TX 77251					
If well produces oil or liquids, give location of tanks.	Unit B	Sec. 8	Twp. 20S	Rge. 28E	Is gas actually connected? Yes	When? June, 1991

If this production is commingled with that from any other lease or pool, give commingling order number: **No**

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well <input checked="" type="checkbox"/>	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded 5/04/91	Date Compl. Ready to Prod. 5/16/92	Total Depth 6330'	P.B.T.D. 5790'					
Elevations (DF, RKB, RT, GR, etc.) DF 3303', GL 3293'	Name of Producing Formation Delaware	Top Oil/Gas Pay 4380'	Tubing Depth 4405'					
Perforations 4380-4392', 1 SPF, 12', 13 holes							Depth Casing Shoe	
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE 12-1/4"	CASING & TUBING SIZE 8-5/8"		DEPTH SET 400'		SACKS CEMENT 315 sacks - Circ			
7-7/8"	5-1/2"		6331'		1535 sacks - Circ			
5-1/2"	2-7/8"		4405'					

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank 5/19/92	Date of Test 5/30/92	Producing Method (Flow, pump, gas lift, etc.) Pumping	
Length of Test 24 hours	Tubing Pressure ---	Casing Pressure ---	Choke Size ---
Actual Prod. During Test 5.58	Oil - Bbls. 5.58	Water - Bbls. 154	Gas - MCF ---

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature
Gaylon Thompson, Engr. Oprns. Sec.
Printed Name
6/01/92 (903) 561-2900
Date
Telephone No.

OIL CONSERVATION DIVISION

Date Approved **JUN 16 1992**

By **Mike Walker**

Title **SUPERVISOR, DISTRICT II**

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OIL CONSERVATION COMMISSION
Draper, UT 84304
Alameda, NM 88210

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

NM-83584

6. FIELD OR INDIAN, ALLOTTEE OR TRIBE NAME

RECEIVED

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal "V"

9. WELL NO.

2

10. FIELD AND POOL OR WILDCAT

Undesignated Delaware

11. SEC. T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 8, T20S-R28E

12. COUNTY OR PARISH
Eddy

13. STATE
N.M.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ DRY ☐ Other ☐

b. TYPE OF COMPLETION: NEW WELL ☐ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☒ DIFF. RESVR. ☐ Other ☐

2. NAME OF OPERATOR
Mewbourne Oil Company

3. ADDRESS OF OPERATOR
P. O. Box 7698, Tyler, Texas 75711

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 2210' FEL & 660' FNL

At top prod. interval reported below

At total depth Same

14. PERMIT NO. DATE ISSUED
API #30-015-26702

15. DATE STUDED 5/04/91 16. DATE T.D. REACHED 5/17/91 17. DATE COMPL. (Ready to prod.) 5/16/92 18. ELEVATIONS (DF, RKB, RT, OB, ETC.)* KB 3304', DF 3303', GL 3293' 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 6330' 21. PLUG, BACK T.D., MD & TVD 5790' 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY ROTARY TOOLS X CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 3280-4392' - Delaware 25. WAS DIRECTIONAL SURVEY MADE Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN SDL-DSN, FWS, DLL-MSFL 27. WAS WELL CORED No

28.

CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	23#	400'	12-1/4"	315 sxs - Circ	None
5-1/2"	17#	6331'	7-7/8"	1535 sxs - *	None
*Ran temp survey - Good bond to top of cement at 2200'.					

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	4405'	4405'

31. PERFORATION RECORD (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
4380-4392' - 1 SPF, 12', 13 holes.				DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
				4380-4392'	Acidized w/1500 gals 7 1/8 HCL
					Fraced w/9150 gals Viking
					I-25 + 9000# 20/40 Ottawa Sand.

33. PRODUCTION							
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
5/19/92		Pumping				Producing	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
5/30/92	24 hours			5.58	---	154	---
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
---	---		5.58	---	154	---	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

35. LIST OF ATTACHMENTS

Logs previously sent

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED [Signature] TITLE Engr. Opns. Secretary DATE 6/01/92

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes 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.

37. SUMMARY OF POROUS ZONES: (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):

GEOLOGIC MARKERS

[illegible][illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUN 1 1992

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

NM-83584

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Federal "V" #2

9. API Well No.

30-015-26702

10. Field and Pool, or Exploratory Area

Undesignated Delaware

11. County or Parish, State

Eddy, New Mexico

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Mewbourne Oil Company

3. Address and Telephone No.

P. O. Box 7698, Tyler, Texas 75711 (903) 561-2900

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2210' FEL & 660' FNL of Sec. 8, T20S-R28E

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

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☒ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other
- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

5/08/92 - Ran in hole with Halliburton BV bridge plug, RTTs, and 188 joints tubing. Set plug at 5790'. Laid down 1 joint. Loaded hole with 2% KCL water. Set RTTS. Pressured tubing to 1500#. Held okay. Released RTTS. Tested casing to 1500#. Held okay. Displaced hole with 2% KCL water. Spotted 2 sacks of sand on top of plug. Laid down 51 joints tubing. Pulled out of hole with remaining tubing and RTTS. Shut well in and shut down operations for night. Will perforated this AM.

14. I hereby certify that the foregoing is true and correct.

Signed

Title Engr. Oprns. Secretary

Date 6/01/92

(This space for Federal or State official use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001 makes 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.

*See Instruction on Reverse Side

OIL CONSERVATION DIVISION
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JUN 25 1992
PM 9 54

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
JUN - 5 1992
O. C. D.
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

MEWBOURNE OIL COMPANY

3. Address and Telephone No.

P. O. Box 7698, Tyler, Texas 75711 (903) 561-2900

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2210' FEL & 660' FNL of Sec. 8, T20S-R28E

5. Lease Designation and Serial No.

nm-83584

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

FEDERAL 'V' #2

9. API Well No.

30-015-26702

10. Field and Pool, or Exploratory Area

OLD MILLMAN RANCH-
BONE SPRING
EDDY, NEW MEXICO

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

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Perf & treat
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form 1)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

5/11/92 - Perforated Brushy Canyon Delaware Sand 4380-4392', 1 SPF, 12', 13 holes. Tested tubing to 6000#. Set packer w/10 pts tension. Ran swab.

5/11/92 - Halliburton acidized perfs 4380-4392' w/1500 gals 7½% HCL acid + additives, carrying 25 ball sealers. Flushed w/2% KCL water. Job complete @ 11:50 AM. ISDP 900#, 5 min - 870#; 10 mins - 860#; 15 mins - 860#. ATP 1300#. MTP 3500#.

5/13/92.- Western fracture treated perfs 4380-4392' with 9150 gals Viking I-25 + additives, carrying 9000# 20/40 Ottawa Sand. Job complete 6:10 PM. ISDP 1060#, 5 min - 1000#; 10 min - 980#; 15 min - 970#.

5/18/92 - Ran tubing and rods. Started well pumping. ACCEPTED FOR RECORD

JUN 2 1992

14. I hereby certify that the foregoing is true and correct

Signed

Title Engr.Oprns. Secretary

CARLSBAD, NEW MEXICO

Date 5/18/92

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

OIL CONSERVATION DIVISION
RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ DRY ☐ Other ☐
b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ Other ☐

2. NAME OF OPERATOR: Mewbourne Oil Company/
3. ADDRESS OF OPERATOR: P. O. Box 7698, Tyler, Texas 75711

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 2210' FEL & 660' FNL
At top prod. interval reported below
At total depth Same

14. PERMIT NO. DATE ISSUED
API #30-015-26702

5. LEASE DESIGNATION AND SERIAL NO.
NM-83584
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME
Federal "V"
9. WELL NO.
2
10. WELL NAME (If not on lease)
Unders. Bone Springs (Oil)
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec. 8, T20S-R28E

12. COUNTY OR PARISH
Eddy
13. STATE
N.M.

15. DATE SPUDDED 5/04/91 16. DATE T.D. REACHED 5/17/91 17. DATE COMPL. (Ready to prod.) 6/19/91 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* KB 3304', DF 3303', GL 3293' 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 6330' 21. PLUG BACK T.D., MD & TVD 6257' 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY → ROTARY TOOLS X CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 6038-6131' - 1st Bone Springs 25. WAS DIRECTIONAL SURVEY MADE Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN SDL-DSN, FWS, DLL-MSFL 27. WAS WELL CORED No

CASING RECORD (Report all strings set in well)						AMOUNT PULLED
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD		
8-5/8"	23#	400'	12-1/4"	315 sxs - circulated		None
5-1/2"	17#	6331'	7-7/8"	1535 sxs - *		None

*Ran temp survey - Good bond to top of cement @ 2200'. All zones of interest are isolated.

LINER RECORD					TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	5951'	5951'

31. PERFORATION RECORD (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
6038-65', 6061-64', 6068-74', 6077-30', 6084-91', 6094-96', 6100-05', 6109-31', 66' - 1 SPF - 73 holes				DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
				6038-6131'	5000 g. 7 1/2% KCL acid, Frac'd w/ 76,000 g. mini-max IB-30 + 160,000# 20/40 Mesh sand + 40,000# 12/20 sand.

33.* PRODUCTION
DATE FIRST PRODUCTION 6/20/91 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing WELL STATUS (Producing or shut-in) Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
8/16/91	24	16/64"	→	30	1400	88	46,666:1
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
1100	Pkr.	→	30	1400	88	40.2°	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold TEST WITNESSED BY W. H. Cravey

35. LIST OF ATTACHMENTS
Logs

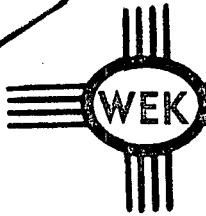
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED Raymond Thompson TITLE Engr. Oprns. Secretary DATE 8/20/91

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (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):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Delaware	3060'	4492'	Sandstone	Yates	624'	
1st Bone	6032'	6188'	Sandstone	Queen	1096'	
Spring Sand				San Andres	1740'	
				Delaware	2993'	
				Bone Springs	4502'	
				1st Bone Springs Sd.	6032'	

38. GEOLOGIC MARKERS



KEN REYNOLDS—PRESIDENT
ARNIE NEWKIRK—VICE-PRESIDENT

DRILLING CO., INC. — OIL WELL DRILLING CONTRACTORS

P. O. Box 1498 ROSWELL, NEW MEXICO 88202-1498
505/623-5070 ROSWELL, NM
505/746-2719 ARTESIA, NM

RECEIVED

AUG 21 1991

May 21, 1991

O. C. D.
ARTESIA, OFFICE

Mewbourne Oil Company
P.O. Box 5270
Hobbs, N.M. 88241

REF: Federal "V" #2

Gentlemen:

The following is a Deviation Survey on the above referenced well located in Eddy County, New Mexico.

400' - 1/2°	3847' - 3/4°
865' - 3/4°	4367' - 3/4°
1320' - 1°	4857' - 1 1/4°
1814' - 1/4°	5286' - 1°
2370' - 1/2°	5451' - 1°
2894' - 1/2°	5961' - 1°
3389' - 3/4°	6330' - 1 1/2° TD

Sincerely,

Arnold Newkirk
Vice-President

STATE OF NEW MEXICO }
COUNTY OF CHAVES)

The foregoing was acknowledged before me this 21st day of May 1991 by
Arnold Newkirk.

MY COMMISSION EXPIRES

October 07, 1992

NOTARY PUBLIC

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

RECEIVED
AUG 21 1991

O. C. D.
DISTRICT OFFICE

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Mewbourne Oil Company	Well API No. 30-015-26702
Address P. O. Box 7698, Tyler, Texas 75711	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input checked="" type="checkbox"/>	Change in Transporter of:
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>

If change of operator give name
and address of previous operator

II. DESCRIPTION OF WELL AND LEASE

Lease Name FEDERAL "V"	Well No. 2	Pool Name, Including Formation Under Bone Springs (Oil)	Kind of Lease State, Federal or Fee	Lease No. NM-83584
Location Unit Letter B : 2210 Feet From The East Line and 660 Feet From The North Line Section 8 Township 20S Range 28E , NMPM, Eddy County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil Pride Companies	or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) P.O.Box 2436, Abilene, Texas 79604				
Name of Authorized Transporter of Casinghead Gas Transwestern Pipeline Company	or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) P.O.Box 1188, Houston, Texas 77251				
If well produces oil or liquids, give location of tanks.	Unit B	Sec. 8	Twp. 20S	Rge. 28E	Is gas actually connected? Yes	When? June, 1991

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well X	Gas Well	New Well X	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded 5/04/91	Date Compl. Ready to Prod. 6/19/91	Total Depth 6330'	P.B.T.D. 6257'					
Elevations (DF, RKB, RT, GR, etc.) DF 3303', GL 3293'	Name of Producing Formation 1st Bone Springs	Top Oil/Gas Pay 6038'	Tubing Depth 5951'					
Perforations 6038-6131' - 66' - 1 SPF - 73 holes			Depth Casing Shoe ---					
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE 12-1/4"	CASING & TUBING SIZE 8-5/8"	DEPTH SET 400'	SACKS CEMENT 315					
7-7/8"	5-1/2"	6331'	1535					
2 7/8		5951'						

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank 6/20/91	Date of Test 8/16/91	Producing Method (Flow, pump, gas lift, etc.) Flowing	
Length of Test 24 Hours	Tubing Pressure 1100#	Casing Pressure Packer	Choke Size 16/64"
Actual Prod. During Test	Oil - Bbls. 30	Water - Bbls. 88	Gas- MCF 1400

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature
Gaylon Thompson, Engr. Opns. Secretary
Printed Name
August 20, 1991 (903) 561-2900
Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved AUG 27 1991

By Mike Williams

Title SUPERVISOR, DISTRICT II

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- All sections of this form must be filled out for allowable on new and recompleted wells.
- Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- Separate Form C-104 must be filed for each pool in multiply completed wells.

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUN 25 1991

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Mewbourne Oil Company

3. Address and Telephone No.
P. O. Box 7698, Tyler, Texas 75711

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2210' FEL & 660' FNL of Sec. 8-T20S-R28E

5. Lease Designation and Serial No.

NM-83584

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

FEDERAL "V" #2

9. API Well No.

30-015-26702

10. Field and Pool, or Exploratory Area

Unders. Bone Springs (Oil)

11. County or Parish, State

Eddy, New Mexico

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

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Perf & treat
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

6/13/91 - Perforated First Bone Springs 6038-6056', 6061-6064', 6068-6074', 6077-6080', 6084-6091', 6094-6096', 6100-6105', 6109-6131', 66', 1 SPF, 73 holes.

6/14/91 - Western broke down 1st Bone Springs Sand with 5000 gals 7½% KCL acid + additives & carrying 110 ball sealers. Flushed w/39 bbls 2% KCL water. Pressured annulus to 1000#. Had slight ball action. ISDP 600#. 5 mins 500#, 10 mins 500#, 15 mins 500#.

6/15/91 - Western fracture treated 1st Bone Springs perms with 76,000 gals mini-Max IB-30 carrying 160,000# 20/40 Mesh Ottawa Sand plus 40,000# 12/20 Ottawa Sand. ISDP 1300#, 5 mins 1150#, 10 mins 1100#, 15 mins 1000#.

14. I hereby certify that the foregoing is true and correct

Signed [Signature] Title Engr. Oprns. Secretary

Date 6/18/91

(This space for Federal or State office use)

Approved by _____ Title _____
Conditions of approval, if any:

ACCEPTED FOR RECORD

JUN 21 1991

Title 18 U.S.C. Section 1001, makes 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.

*See Instruction on Reverse Side

CARLSBAD, NEW MEXICO

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
JUN 20 1991
O. C. D.
ARTESIA OFFICE

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

'91 JUL 1 AM 10 08

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Mewbourne Oil Company

3. Address and Telephone No.

P. O. Box 7698, Tyler, Texas 75711

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2210' FEL & 660' FNL of Sec. 8-T20S-R28E

RECEIVED
MAY 24 1991
DIST. 6 N.M.
Carlsbad, New Mexico
wt.B

5. Lease Designation and Serial No.

NM-83584

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

FEDERAL "V" #2

9. API Well No.

30-015-26702

10. Field and Pool, or Exploratory Area

Undes. Bone Springs (Oil)

11. County or Parish, State

Eddy, New Mexico

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

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Spud & Set Surface & Prod. String

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form 1)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

5/05/91 - Spud at 12:30 PM 5/04/91.

Ran 9 jts 8-5/8" 23# ST&C Casing set at 400'. Halliburton cemented with 315 sacks Class "C" w/2% CaCl + 1/2# flocele. Circulated 40 sxs to pit. PD to 365' at 10:30 PM. WOC 8 1/2 hrs. Press tested 1000#, OK.

5/19/91 - Ran 157 jts 5-1/2" 17# K-55 casing set at 6331', cemented with 1150 sacks Halliburton Lite w/5 pps Gilsonite + 5 pps salt + 1/4 pps flocele, tailed with 385 sxs Class "H" w/5 pps SSA-1 + 10% Halad 22-A + 2/10% CFR-3. Plug down at 10:00 AM 5/19/91. Float held. Lost circ after displacement of lead cement. Cement did not circulate. Will run temperature survey. WOC 18 hrs.

ACCEPTED FOR RECORD
SJS
JUN 17 1991
CARLSBAD, NEW MEXICO

14. I hereby certify that the foregoing is true and correct

Signed

Title Engr. Oprns. Secretary

Date

5/20/91

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

OIL CONSERVATION DIVISION
APPROVED

1a. TYPE OF WORK

DRILL ☒ DEEPEN ☐ PLUG BACK ☐

TYPE OF WELL

OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR

Mewbourne Oil Company

3. ADDRESS OF OPERATOR

P.O. Box 5270 Hobbs, New Mexico 88241

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

2210' FEL & 660' FNL

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

10 miles North of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)

16. NO. OF ACRES IN LEASE

280

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

6300'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3293' GL

22. APPROX. DATE WORK WILL START*

Upon BLM approval

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE

SIZE OF CASING

WEIGHT PER FOOT

SETTING DEPTH

QUANTITY OF CEMENT

12-1/4"

8-5/8"

24#

400'±

300 sx. Class "C" Circulated

7-7/8"

5-1/2"

17#

6300'±

800 sx. Class "H" Tie back

into surface casing.

Mud Program

0' - 400'

Spud mud w/fresh water, gel and lime. LCM as needed.

400' - 5700'

Brine water w/lime and LCM as needed. Wt. 10.0-10.2.

5700' - 6300'

Brine water w/starch, soda ash, caustic soda, salt gel and LCM as needed. Wt. 10.0-10.2.

BOP Program

900 series BOP and hydril and 8-5/8" surface casing.

Gas is not dedicated.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE

District Supt.

DATE

February 28, 1991

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

AREA MANAGER

ADJUTANT GENERAL

DATE

4-1-91

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Azusa, NM 88210

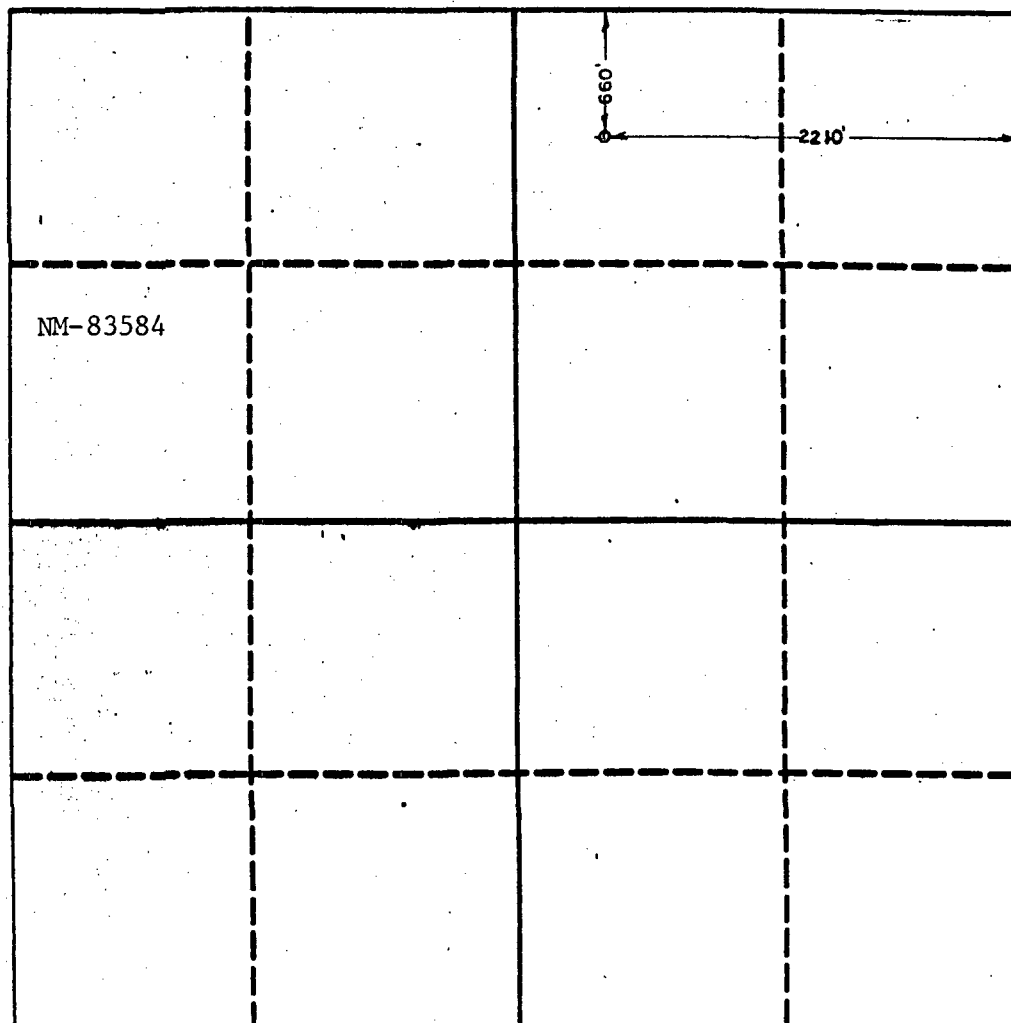
DISTRICT III
1000 Rio Rancho Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator MEWBOURNE OIL COMPANY			Lease FEDERAL "V"		Well No. 2
Unit Letter B	Section 8	Township 20 SOUTH	Range 28 EAST	County NTM EDDY	
Actual Footage Location of Well: 2210 feet from the EAST line and 660 feet from the NORTH line					
Ground level Elev. 3293	Producing Formation Bone Spring	Pool Undesignated Bone Spring (Oil) Pool			Dedicated Acreage: 40 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, forced-pooling, etc.?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and trust descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
W.H. Cravey
Printed Name
W.H. Cravey
Position
District Supt.
Company
Mewbourne Oil Company
Date
February 20, 1991

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
2/14/91
Signature of Surveyor
Herschel L. Jones
Professional Surveyor
HERSCHEL L. JONES
3640
STATE OF NEW MEXICO
SURVEYOR

WRS COMPLETION REPORT

COMPLETIONS SEC 8 TWP 20S RGE 28E
PI# 30-T-0006 07/10/92 30-015-26702-0001 PAGE 1

NMEX EDDY * 660FNL 2210FEL SEC NW NE
STATE COUNTY FOOTAGE SPOT
MEWBOURNE OIL WSX WSD
OPERATOR WELL CLASS INIT FIN

2 FEDERAL "V"
WELL NO. LEASE NAME
3293GR UNNAMED
OPER ELEV FIELD/POOL/AREA
API 30-015-26702-0001

05/16/1992 05/30/1992 WO-UNIT VERT OIL-WO
SPUD DATE COMP. DATE TYPE TOOL HOLE TYPE STATUS
5790 NOT RPTD

PROJ. DEPTH PROJ. FORM CONTRACTOR
DTD 6331 PB 5790 OTD 6331 FM/TD BONE SP1
DRILLERS T.D. LOG T.D. PLUG BACK TD OLD T.D. FORM T.D.

LOCATION DESCRIPTION

12 MI N CARLSBAD, NM

TUBING DATA

TBG 2 7/8 AT 4405

INITIAL POTENTIAL

IPP 6BOPD 154BW 24HRS
DELAWARE PERF W/ 13/IT 4380- 4392
PERF 4380- 4392
ACID 4380- 4392 1500GALS
7 1/2% HCL
SWFR 4380- 4392 9150GALS 9000LBS SAND
GOR TSTM

FIELD /RESERVOIR
GTY-NO DETAILS /DELAWARE

PRODUCTION TEST DATA

BONE SPG PERF 6038- 6131
PERF 6038- 6131
BRPG @ 5790 6038- 6131

DRILLING PROGRESS DETAILS

CONTINUED IC# 300157021892

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**Petroleum Information
Corporation**

PI-WRS-GET
Form No 187

COMPLETIONS SEC 8 TWP 20S RGE 28E
PI# 30-T-0006 07/10/92 30-015-26702-0001 PAGE 2

MEWBOURNE OIL WSX WSD
2 FEDERAL "V"

DRILLING PROGRESS DETAILS

MEWBOURNE OIL
500 W TEXAS STE 1020
MIDLAND, TX 79701
915-682-3715

OWWO: OLD INFO: FORMERLY MEWBOURNE OIL #2
FEDERAL "V". ELEV 3293 GR, 3304 KB. SPUD
5/4/91. 8 5/8 @ 400 W/315 SX, 5 1/2 @ 6331
W/1535 SX. LOG TOPS: DELAWARE 2993, BONE
SPRING 4502, BONE SPRING 1 6032. OTD 6331.
PB 6257. COMP 8/16/91. IPF 30 BO, 1400 MCFG,
88 BWP. PROD ZONE: BONE SPRING 6038-6131.

06/30 LOC/1992/
07/08 6331 TD, PB 5790
COMP 5/30/92, IPP 6 BO, 154 BWP, GOR
TSTM, GTY (NR)
PROD ZONE - DELAWARE 4380-4392
FIRST REPORT & COMPLETION
07/08 DELAWARE DISCOVERY - SHALLOW POOL