

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NM-40256

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
32776

8. Well Name and No.
Esperanza "1" Fed Com #2

9. API Well No.
30-015-32985

10. Field and Pool, or Exploratory Area
Burton Flat Morrow

11. County or Parish, State
Eddy County, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

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

2. Name of Operator
Mewbourne Oil Company 14744

3a. Address
PO Box 5270 Hobbs, NM 88240

3b. Phone No. (include area code)
505-393-5905

4. Location of Well (Footage, Sec., T, R., M., or Survey Description)
1310' FSL & 1920' FWL, Sec 1-T21S-R27E

RECEIVED

MAY 13 2004

EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Spud, Csg Jobs & BOPE Test
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

3. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

04/17/04...TD'ed 12 1/4" hole @ 1259'. Pipe stuck @ 1259'. Could not work free. Backed off @ 1152'. Cement plug w/225 sks 'H' w/additives. Drilled around fish. TD'ed new 12 1/4" hole @ 1154', tagged top of fish @ 1154'. Cemented sidetrack plug w/ 500 sks Class 'H' w/ additives. Mixed @ 18.0 #/g w/ 0.9 yd. Est TOC @ 770'. WOC 24 hrs.

05/02/04 TD'ed 12 1/4" hole @ 2618'. Ran 2618' 8 5/8" 32# J55 LT&C Csg. Cemented w/ 3 sks GW27 Frac gel followed w/1200 sksBJ Lite "C" w/ additives. Mixed @ 12.5 #/g w/ 1.96 yd. Tailed w/ 200 sks Class "C" w/ 2% CaCl2. Mixed @ 14.8 #/g w/ 1.34 yd. Circ 100 sks cement to pit. WOC 18 hrs.

*Test BOPE as required. All equipment passed. Charts and schematic attached. Drill out with 7 7/8" bit.

ACCEPTED FOR RECORD

MAY 11 2004

ALLAN C. SWOBODA
PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

NM Young

Signature

Title Hobbs District Manager

Date 05/06/04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature)

Name
(Printed/Typed)

Title

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Date

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

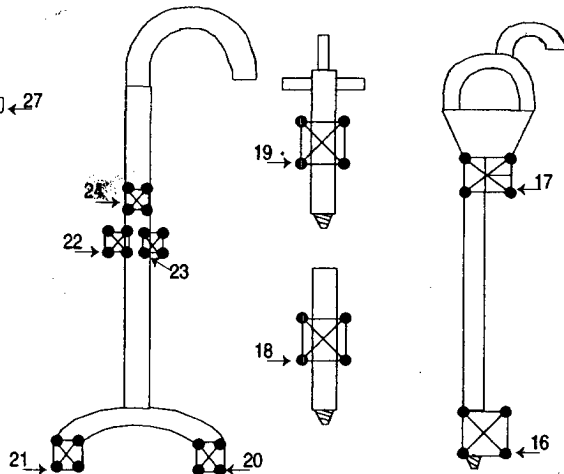
(Continued on next page)

BUS: 505 396-4540 • FAX: 505 396-0044



ME B 2617

Check Valve Open Yes

[illegible]

Mileage @

TOTAL 992.25

Newbourne

5-2-04

Esperanza Fed. Com. #2

Eddy, Co.

Patt. UTI # 47

11" Cameron

ASC Rev. 06/02

Accumulator Function Test - OO&GO#2

To Check - USABLE FLUID IN THE NITROGEN BOTTLES (III.A.2.c.i. or ii or iii)

- Make sure all rams and annular are open and if applicable HCR is closed.
- Ensure accumulator is pumped up to working pressure! (Shut off all pumps)
 1. Open HCR Valve. (If applicable)
 2. Close annular.
 3. Close all pipe rams.
 4. Open one set of the pipe rams to simulate closing the blind ram.
 5. For 3 ram stacks, open the annular to achieve the 50±% safety factor. (5M and greater systems).
 6. Record remaining pressure 1600 psi. Test Fails if pressure is lower than required.
- a. {950 psi for a 1500 psi system } b. { 1200 psi for a 2000 & 3000 psi system }
- 7. If annular is closed, open it at this time and close HCR.

To Check - PRECHARGE ON BOTTLES OR SPHERICAL (III.A.2.d.)

- Start with manifold pressure at, or above, maximum acceptable pre-charge pressure:
 - a. {800 psi for a 1500 psi system } b. {1100 psi for 2000 and 3000 psi system }
- 1. Open bleed line to the tank, slowly. (gauge needle will drop at the lowest bottle pressure)
- 2. Close bleed line. Barely bump electric pump and see what pressure the needle jumps up to.
- 3. Record pressure drop 1050 psi. Test fails if pressure drops below minimum.
- Minimum: a. {700 psi for a 1500 psi system } b. {900 psi for a 2000 & 3000 psi system }

To check - THE CAPACITY OF THE ACCUMULATOR PUMPS (III.A.2.f.)

- Isolate the accumulator bottles or spherical from the pumps & manifold.
- Open the bleed off valve to the tank, {manifold psi should go to 0 psi} close bleed valve.
 1. Open the HCR valve, {if applicable}
 2. Close annular.
 3. With pumps only, time how long it takes to regain the required manifold pressure.
 4. Record elapsed time 1:39 sec. Test fails if it takes over 2 minutes.
- a. {950 psi for a 1500 psi system } b. {1200 psi for a 2000 & 3000 psi system }

Accumulator working pressure rating	Minimum acceptable operating pressure	Desired precharge pressure	Maximum acceptable precharge pressure	Minimum acceptable precharge pressure
1,500 psi	1,500 psi	750 psi	800 psi	700 psi
2,000 psi	2,000 psi	1,000 psi	1,100 psi	900 psi
3,000 psi	3,000 psi	1,000 psi	1,100 psi	900 psi