Form 3160-5 (September 2001)

UNITED STATES DEPARTMENT OF THE INTERIOR . M. Oil Cons. DIV

FORM APPROVED OMB No. 1004-0135

Expires: January 31, 2004 BUREAU OF LAND MANAGEMENT : W. Grand Al SUNDRY NOTICES AND REPORTS ON WELL Do not use this form for proposals to drill or to reference and abandoned well. Use Form 3160-3 (APD) for such proposals. 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side Type of Well Oil Well Gas Well Other 8. Well Name and No. 2. Name of Operator Shugart 18 Federal #1 Mewbourne Oil Company 14744 9. API Well No. 3a. Address 3b. Phone No. (include area code) 30-015-31383 RECEIVED 10. Field and Pool, or Exploratory Area 505-393-5905 PO Box 5270 Hobbs, NM 88240 Shugart Bone Springs North 56405 4. Location of Well (Footage, Sec., T, R., M., or Survey Description) MAR 2 5 2005 11. County or Parish, State 660' FNL & 760' FEL of Sec 18-T18S-R31E Unit letter A **PRINCE** Eddy County, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Water Shut-Off Acidize Deepen Production (Start/Resume) Notice of Intent Well Integrity Alter Casing Fracture Treat Reclamation Casing Repair New Construction Other Add additional Bone Recomplete Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Springs perfs Final Abandonment Notice Convert to Injection Plug Back Water Disposal Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 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.) MOC is currently producing Bone Springs perforations at 7888' to 7918'. MOC plans to perforate additional Bone Springs at 8450' to 8480' and 7980' to 8000'. Test and put well back on line. 14. 1 hereby certify that the foregoing is true and correct Name (PrintedlTyped) Title Kristi Green Hobbs Regulatory Signature 03/18/05 THIS SPACE FOR FEDERAL OR STATE OFFICE USE PRITROLEUM ENGIMEE Name IORIG. SGD.) ALEXIS C. SWOBODA Approved by (Signature) (Printed/Typed) Conditions of approval, if any, are attached. Approval of this notice does not warrant or

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.

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