

Submit 3 Copies To Appropriate District
Office
District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-35325
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB1053
7. Lease Name or Unit Agreement Name Penlon Ranch 24 State
8. Well Number 1
9. OGRID Number 14744
10. Pool name or Wildcat Burton Flat Morrow 73280

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Mewbourne Oil Company	
3. Address of Operator PO Box 5270 Hobbs, NM 88240	
4. Well Location Unit Letter <u>A</u> : <u>990</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>E</u> line Section <u>24</u> Township <u>20S</u> Range <u>27E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3348' GL	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
MULTIPLE COMPL <input type="checkbox"/>	P AND A <input type="checkbox"/>
OTHER: <input type="checkbox"/>	CASING/CEMENT JOB <input checked="" type="checkbox"/>
	OTHER: <input type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

08/29/07...MI & spud 17 1/2" hole. TD hole at 505'. Ran 505' 13 3/8" 48# H40 ST&C csg. Cemented with 300 sks BJ Lite Class C (35:65:6) with additives. Mixed @ 12.5 #/g w/ 1.98 yd. Tail with 200 sks Class C with 2% CaCl2. Mixed @ 14.8 #/g w/ 1.34 yd. Circ 85 sks to pit. WOC 18 hrs. At 10:00 pm on 08/30/07, tested 13 3/8" casing to 1250# for 30 minutes, held OK. Drilled out with 12 1/4" bit.

09/01/07..Lost circulation at 1272'. Continue drilling with no returns to 2700'. Ran 2700' 9 5/8" 40# N80/K55 LT&C Csg. Cemented with 180 sks Thixad H with additives. Mixed @ 14.6 #/g w/ 1.52 yd. Followed with 600 sks BJ Lite Class C (35:65:6) with additives. Mixed @ 12.5 #/g w/ 1.96 yd. Tail w/400 sks Class C with 1% CaCl2. Mixed @ 14.8 #/g w/ 1.34 yd. Did not circ cmt. Ran Temp Survey. TOC at 1368'. TIH with 1" pipe. Tag at 1306' and cement in 12 stages with 570 sks Class C with 4% CaCl2. Mixed @ 14.8 #/g w/ 1.34 yd. Circ 8 sks to pit. WOC 18 hrs. Test BOPE to 5000# & annular to 2500#. At 11:00 am on 09/06/07, tested 9 5/8" casing to 1500# for 30 minutes, held OK. Test csg shoe to 12.5 MWE. Charts and schematic attached. Drilled out with 8 3/4" bit.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Kristi Green TITLE Hobbs Regulatory DATE 09/15/07

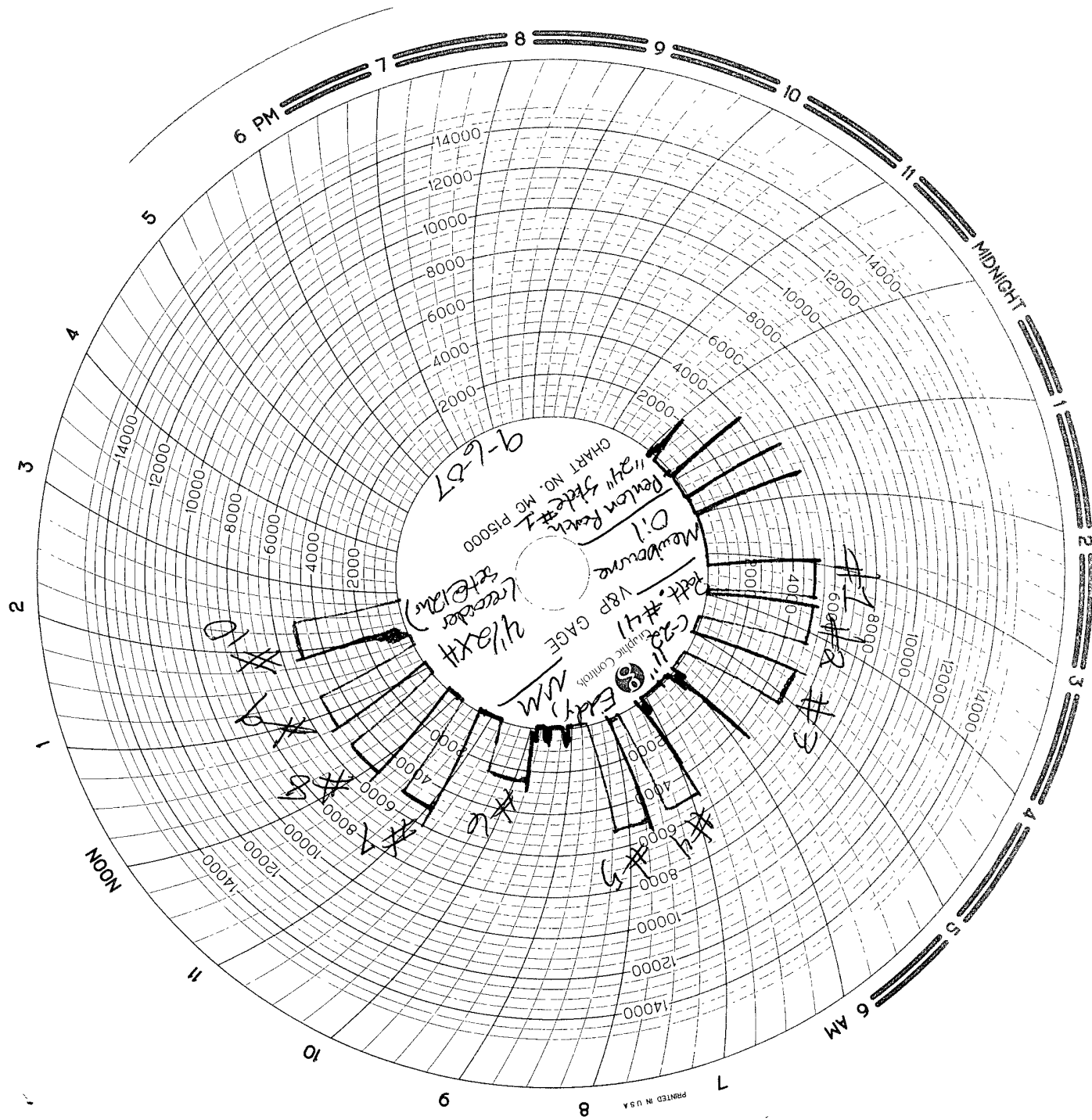
Type or print name Kristi Green E-mail address: _____ Telephone No. 505-393-5905

For State Use Only

FOR RECORDS ONLY

APPROVED BY: _____ TITLE _____ DATE OCT 1 0 2007

Conditions of Approval (if any): _____



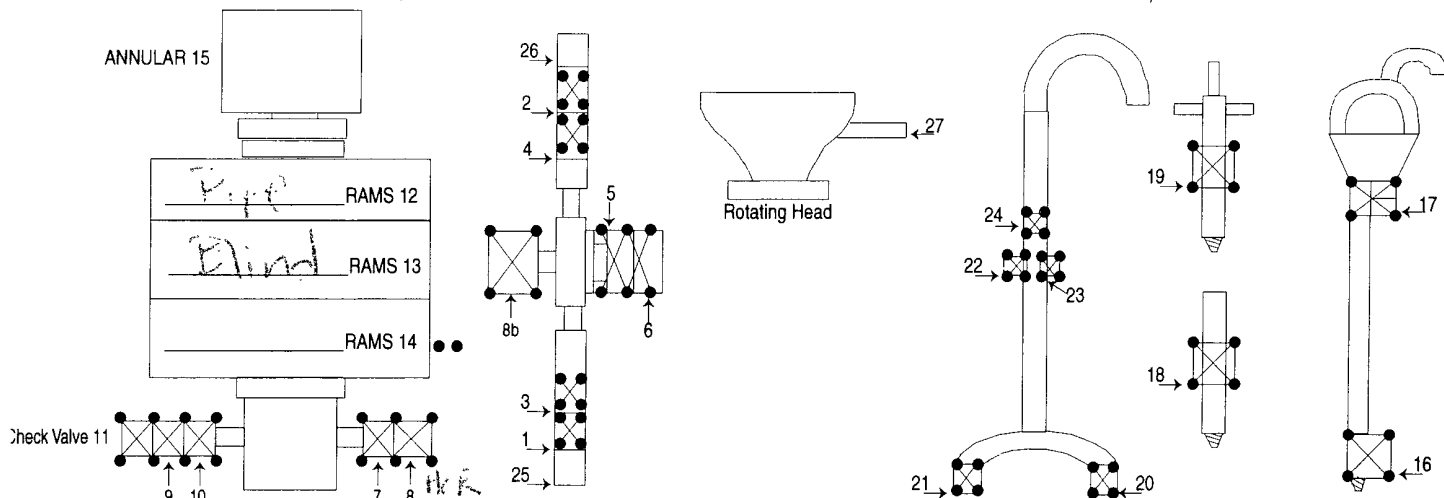
MAN WELDING SERVICES, INC.

P.O. Box 1541 • Lovington, N.M. 88260
 BUS: 505 396-4540 • FAX: 505 396-0044



INVOICE
 B 7464

Company Maulbourne Oil Date 7-5-07 Start Time 7:30 ☐ am ☒ pm
 Lease Boxton Ranch "D" State #1 County Eddy State NM
 Company Man _____
 Wellhead Vendor _____ Tester Josh Miller
 Drig. Contractor Reflexion UTL Rig # 41
 Tool Pusher _____
 Plug Type _____ Plug Size _____ Drill Pipe Size _____
 Casing Valve Opened Yes Check Valve Open Yes



TEST #	ITEMS TESTED	TEST LENGTH	LOW PSI	HIGH PSI	REMARKS
1	25, 26, 6, 9, 13	10min		5000	Had to tighten main
2	1, 2, 5, 10, 13	10min		5000	flanges above and
3	3, 4, 5, 10, 13	10min		5000	below mud-cross.
4	8, 9, 12	10min		5000	OK.
5	7, 11, 12	10min		5000	Had to work annular. OK.
6	7, 11, 15	10min		2500	
7	19	10min		5000	
8	18	10min		5000	
9	16	10min		5000	
10	17	10min		5000	

8 HR @ \$1000
 1 HR @ \$100 = \$100.00
 Mileage 144 @ \$1.00 = \$144.00

SUB TOTAL \$1,244.00
 TAX \$ 67.00
 TOTAL \$1,311.00