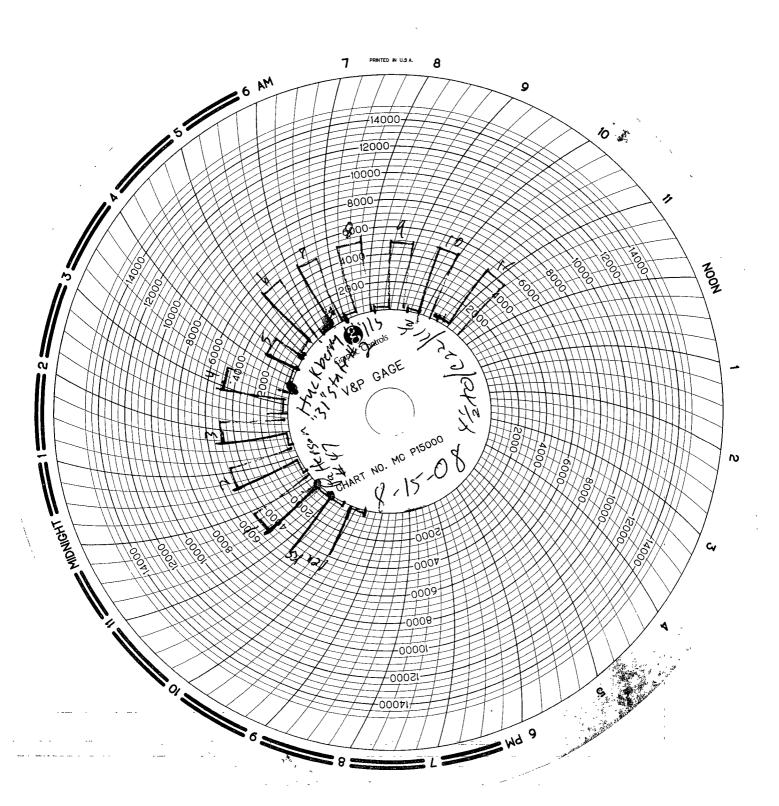
|  | 4                                      | ,                     |                        |                              |
|--|--|-----------------------|------------------------|------------------------------|
| Submit 3 Copies To Appropriate District Office   | State of New Me                        | exico                 |                        | Form C-103                   |
| District I   | Energy, Minerals and Natu              | ıral Resources        | WELL API NO.           | May 27, 2004                 |
| 1625 N. French Dr., Hobbs, NM 88240<br><u>District II</u>  | OIL CONCEDIATION DIVICION              |                       | 30-015-35408           |                              |
| District III   | District III 1220 South St. Francis Dr |                       | 5. Indicate Type       |                              |
| 1000 Rio Brazos Rd., Aztec, NM 87410<br>District IV  | 1000 Rio Brazos Rd., Aztec, NM 87410   |                       | STATE 6. State Oil & G |                              |
| 1220 S. St. Francis Dr., Santa Fe, NM  | 1220 S. St. Francis Dr., Santa Fe, NM  |                       |                        | ias Lease Ivo.               |
| 87505 SUNDRY NOTICE  | S AND REPORTS ON WELLS                 | 3                     | 7. Lease Name          | or Unit Agreement Name       |
| (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  |  | Hackberry Hills       | 31 State               |                              |
| PROPOSALS.)  | ,                                      |                       | 8. Well Number         | •                            |
|  | s Well X Other AUG 28                  | 2008                  | 9. OGRID Num           | 1                            |
| 2. Name of Operator Mewbourne Oil Company  | OCTLAR                                 | TECRA                 | 9. OGRID Num<br>14744  | ber                          |
| 3. Address of Operator   |  | "EOIA                 | 10. Pool name o        |                              |
| PO Box 5270 Hobbs, NM 88240  |  |                       | Avalon; Morrow         | 70920                        |
| 4. Well Location   | 700 6.46 4 6                           | 10                    | 1920 - 5 4 5           | 41 W 15                      |
| Unit Letter N : Section 31   | _780 feet from theS<br>Township 21S    | Range 26E             |                        | n theWline<br>Eddy County    |
|  | 1. Elevation (Show whether DR)         |                       |                        |                              |
| 3  | 386' GL                                |                       |                        |                              |
| Pit or Below-grade Tank Application or Cl  | <del></del>                            |                       | _                      | _                            |
| Pit type Depth to Groundwater  | _ <del></del>                          |                       |                        | face water                   |
| Pit Liner Thickness: mil   | Below-Grade Tank: Volume               |                       | nstruction Material    |                              |
| 12. Check App  | propriate Box to Indicate N            | ature of Notice, I    | Report or Other        | r Data                       |
| NOTICE OF INTE   | NTION TO:                              | SUBS                  | SEQUENT RE             | PORT OF:                     |
| PERFORM REMEDIAL WORK 🗌 P  | LUG AND ABANDON                        | REMEDIAL WORK         |                        | ALTERING CASING              |
| TEMPORARILY ABANDON 🔲 C  | HANGE PLANS                            | COMMENCE DRIL         | .LING OPNS.□           | P AND A                      |
| PULL OR ALTER CASING   M   | IULTIPLE COMPL                         | CASING/CEMENT         | JOB 🛛                  |                              |
| OTHER:   |  | OTHER:                |                        |                              |
| 13. Describe proposed or complete  | d operations. (Clearly state all       |                       | give pertinent da      | tes, including estimated dat |
|  | . SEE RULE 1103. For Multip            |                       |                        |                              |
| or recompletion.   |  |                       |                        |                              |
| 07/31/08MI & spud 26" hole. Lost cir   |  |                       |                        |                              |
| BT&C csg. Cemented with 180 sks Thi (35:65:6) with additives. Mixed @ 12.5   |  |                       |                        |                              |
| circ cmt. Ran Temp Survey. TOC at 32   | 25'. TIH with 1" pipe. Tag at 3:       | 50' and cement in 5 s | tages with 570 sk      | s Class C with 4% CaCl2.     |
| Mixed @ 14.8 #/g w/ 1.34 yd. Circ 17 s   | ks to pit. WOC 18 hrs. Drilled         | out with 12 ¼" bit.   |                        |                              |
| 08/15/08TD'ed 12 1/4" hole @ 2212'. I  | Ran 2214' 9 %" 40# N80\J55 LT          | &C Csg. Cemented      | with 180 sks Clas      | ss "H" with additives.       |
| Mixed @ 14.6 /g w/ 1.52 yd. Followed   | with 400 sks BJ Lite Class "C"         | 35:65:6 w/additives   | Mixed @ 12.5 /g        | w/1.96 yd. Tail with 400     |
| sks Class "C" w/additives. Mixed @ 14 08/16/08, tested casing to 1500# for 30 to   | .8 #/g w/ 1.34 yd. Circ 73 sks to      | opit. Test BOPE to    | 5000# & annular        | to 2500#. At 6:00 pm on      |
| 8 3/4" bit.  | innutes, neid OK. Test esg snow        | C 10 12.5 W W L. CH   | irts and schematic     | attached. Diffied out with   |
| I hereby certify that the information abo  | ve is true and complete to the h       | est of my knowledge   | and belief I forth     |                              |
| grade tank has been/will be constructed or close   |  |                       |                        |                              |
| SIGNATURE Action >   | athan I TITLE H                        | obbs Regulatory       |                        | DATE 08/26/08                |
| Time appoint of the state of th |  |                       |                        | D<br>hone No. 575-393-5905   |
| Type or print name/ Jackie Lathan For State Use Only   | E-mail address: jlat                   | nan@mewbotiine.co     | m Telepl               | none No. 575-393-5905        |
| State OSC OMY  |  |                       | 0000                   | 1                            |
| APPROVED BY:   | TITLE                                  | ALC                   | <u>୍ଷ 2008</u>         | DATE                         |
| Conditions of Approval (if any):   |  | a a m                 |                        |                              |

Gerry Guye, Deputy Field Inspector NMOCD-District II ARTESIA



9132

**Grand Junction, CO** 970-241-4540

Lovington, NM 575-396-4540

| Company Mewbourne oil Company | Date 8- 15-08 Start Time 10:00 ■ am □ pm   |
|-------------------------------|--|
| 1/ 1/ 1/1/1/1/1/2/1/c/1/tha   | County Fdd y State VM  |
| tease That is Dell'           | Journey - Charles - Charle |
| Company Man                   | - Dala 1 1/1/21  |
| Vellhead Vendor               | Tester OKO OR TWILL MEU  |

Rig # 47 Drlg. Contractor

Tool Pusher \_Drill Pipe Size\_ Plug Size\_ 

Casing Valve Opened \_ Check Valve Open\_ ANNULAR 15 FAMS 12 Rotating Head \_RAMS 13 RAMS 14

| TEST# ITEMS TESTED TEST LENGTH LOW PSI HIGH PSI REMARKS  1- 14,11,26,25,6 10/10 250 5000 Minued 12:30/m rightom file  2-14,9,2,1,5 10/10 250 5000 feat by 8.0 hr's 1st yests,  3-14,10,43,5 10/10 250 5000 leak on HCR Vaule leak by  4 Gageyaule mandel 10/10 250 5000 Crew replaced down 3.  6-13,10,8 10/10 250 5000  7 13,10,7 10/10 250 5000 |        |
|---|--------|
| 1- 14,12,25,6 10/10 250 5000 Minued 12:30 pm 1 ig down for 10<br>2-14,9,2,1,5 10/10 250 5000 fend by 8.0 hr's 1st yests,<br>3-14,10,43,5 10/10 250 5000 leak on WCR Vaule reak by<br>4 Gaceyaule manifeld 10/10 250 5000 Piperams failed to tes<br>x5. 13,10,8 10/10 250 2500 Crew replaced down 3,<br>6-13,10,8 10/10 250 5000                   |        |
| 3-14,10,43,5 10/10 250 5000 leakon WCR Vaule leak 1<br>4 Gaceyaule mandell 10/10 250 5000 Pipe (ams failed totes<br>x5. 13,10,8 10/10 250 2500 Crew replaced down 3,<br>6-13,10,8 10/10 250 5000  | Pair   |
| 4 Gaceyavie mandell 10/10 250 5000 Piperams failed to tes<br>x5. 13, 10,8 10/10 250 2500 Crew replaced down 3.<br>6- 13, 10,8 10/10 250 5000  | Grages |
| 45. 13, 10, 8 10/10 250 2500 Crew replaced down 3.  | Ohr    |
| 45. 13, 10, 8 10/10 250 2500 Crew replaced down 3.  | : t .  |
| 6-13,10,8 10/10 250 5000  | 50hr   |
| 7 13,10,7 10110 250 5000  |        |
|   |        |
| 6-16 10/10 250 5000   |        |
| 9-17- 10/10 250 5000  |        |
| 10-18 10110 250 5000  |        |
| 1/- 19 10/16 250 5000   |        |
|   |        |
|   |        |
|   |        |
|   |        |
| Coll 1  | _      |

Mileage 168,0

MAN WELDING SERVICES, INC

Company Man bourne oil Company Date 8-15-08

Lease Hack berry Hills "11" state# 2 County Eddy

Drilling Contractor Patterson LTI Plug & Drill Pipe Size 11/2/4/20.

## **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 /900 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 1600 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 / '00 . 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 FUNCTION TEST DATE:  | 7-15-08        |
| WELL NAME Huck berry Hills "31"3:  | 1.1.4.2        |
| WELL WAVE 174 CA DOTT Y 141/5 31 3.  | tate           |
| Record on IADC Books and YPC Morning Report the followers                              | owing data:    |
| Beginning Charge Pressure on the Accumulator Manifold                                  | 2750 PSI       |
| Time to Close Pipe Rams  | <i>3,0</i> sec |
| Pressure on Accumulator Manifold   | 2650 PSI       |
| Time to Close HCR Valve (if applicable)  | <u>4.0</u> SEC |
| Pressure on Accumulator Manifold   | PSI            |
| Time to Close Pipe Rams (when applicable)  | SEC            |
| Pressure on Accumulator Manifold   | 2650 PSI       |
| Time to Close Annular  |                |
| Pressure on the Accumulator Manifold   | 2 500 PSI      |
| Open Pipe Rams, Blind Rams, HCR Valve, Annular<br>Record Accumulator Manifold Pressure | 2300 PSI       |
| Turn on Air & Electric Pumps Record time to recharge (until pump kicks off)            | /,'/5 Min/Sec  |

Record the same information when testing the Blind Ramsovhile out of the hole on trips.

Record Manifold Pressure