

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
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 14744

3. Address and Telephone No.

PO Box 5270, Hobbs, NM 88241

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

1980'FNL & 1650' FWL. Sec.5 T-20S R-29E

5. Lease Designation and Serial No.

NM-0144698

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Gatuna Canyon 5 Federal #2

9. API Well No.

30-015-32652

10. Field and Pool, or Exploratory Area

Burton Flats East Morrow

11. County or Parish, State

Eddy, NM

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 Spd, Csg & BOP Testing
☐ 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.)*

03/06/03...Spud 26" hole. TD'ed @ 330'. Ran 330' 20" 94# K-55 BT/C csg. Cemented w/ 400 sks 65:35:6 C:Poz w/ additives. Mixed @ 12.5 #/g w/ 1.98 yd. Tailed w/ 200 sks 'C' w/ 2% CaCl2. Mixed @ 14.8 #/g & 1.34 yd. Circl 90 sks to pit. WOC 18 hrs. Test BOP equipment to 250 psi. OK. Drill out w/ 17 1/2" bit.

03/09/03...TD'ed 17 1/2" hole @ 1225'. Ran 1225' 13 3/8" 54.5# J-55 ST/C csg. Cemented w/625 sks 65:35:6 C:Poz w/ additives. Mixed @ 12.5 #/g w/ 2.05 yd. Tailed w/ 200 sks 'C' w/ 2% CaCl2. Mixed @ 14.8 #/g & 1.34 yd. Circl 96 sks to pit. WOC 18 hrs. Test BOP equipment to 1000 psi. OK. Drill out w/ 12 1/4" bit.

03/20/03...TD'ed 12 1/4" hole @ 3073'. Ran 3073' 8 5/8" 32# J-55 ST/C csg. Cemented w/ 300 sks Thic-sad 'H' w/ additives. Mixed @ 14.6 #/g w/ 1.52 yd. Followed w/ 900 sks 65:35:6 C:Poz w/ additives. Mixed @ 12.5 #/g w/ 1.97 yd. Tailed w/ 200 sks 'C' w/ 1% CaCl2. Mixed @ 14.8 #/g & 1.34 yd. Did not Circl. WOC 6 hrs. Ran temperature survey. TOC @ 1750'. 1" w/ 12 plugs using 875 sks 'C' w/ 2-4% CaCl2. Mixed @ 14.8 #/g w/ 1.34 yd. Circl 21 sks to pit. WOC 18 hrs. Test BOP equipment to 2000 psi. OK. Drill out w/ 7 7/8" bit.

03/28/03...6551'. POOH & tested BOP Equipment w/ 3rd party testers as required. All equipment passed. Continue drilling operations. Copy of chart & schematic enclosed.

If any questions, please call.

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

Signed

Title N.M. Young District Manager

(This space for Federal or State office use)

Approved by

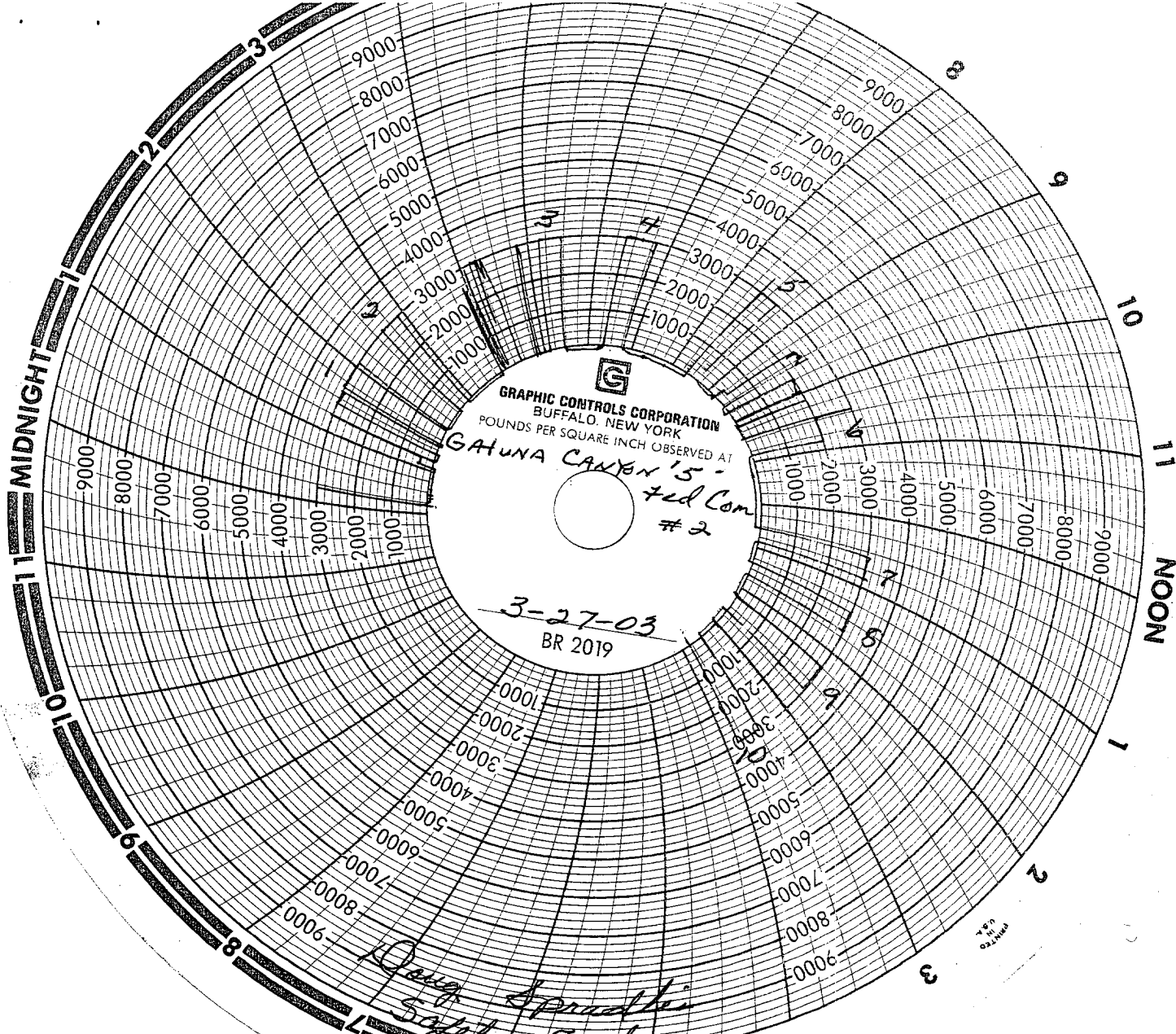
Conditions of approval, if any:

Title

ACCEPTED FOR RECORD

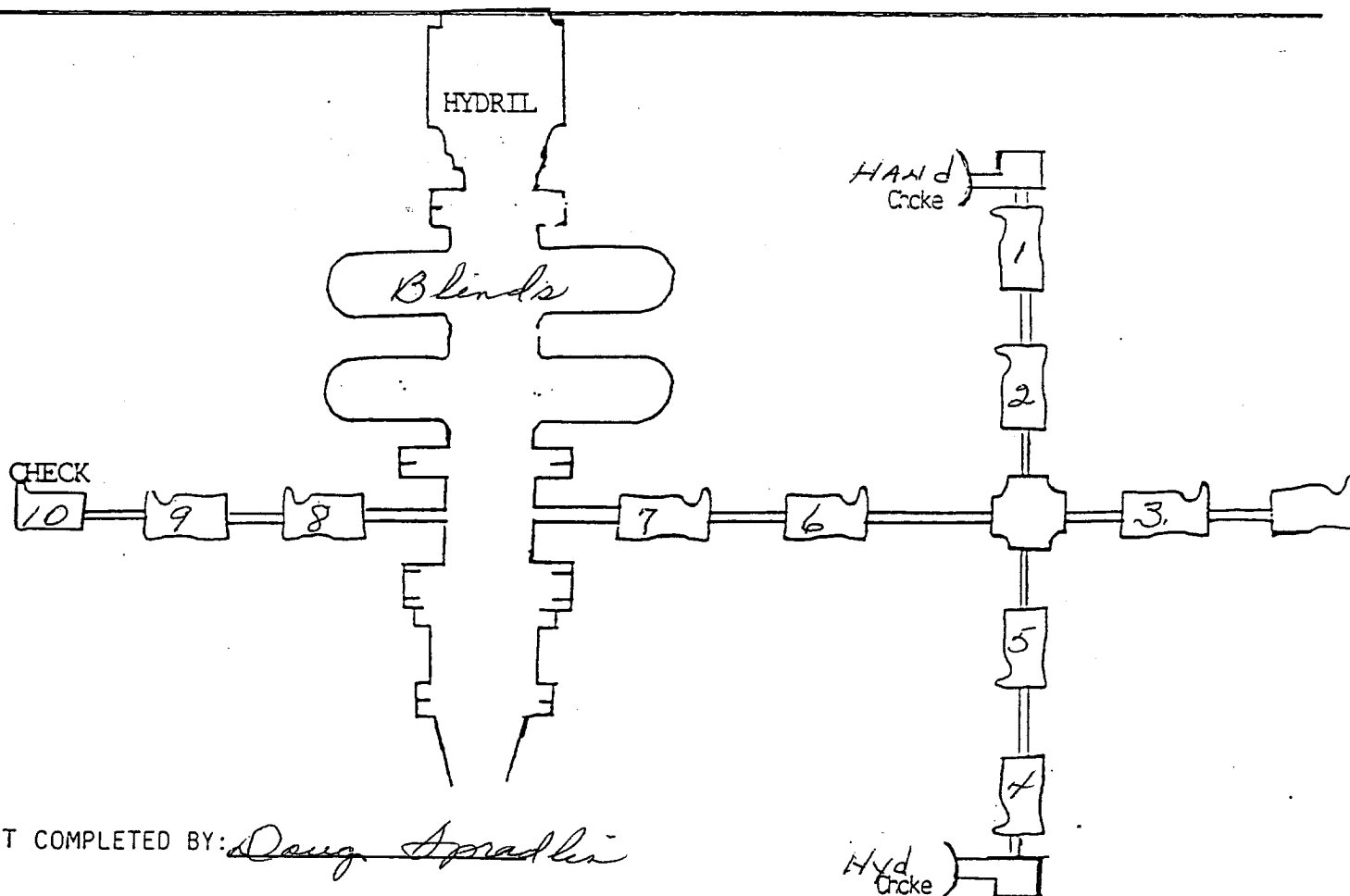
APR 18 2003 04/16/03

LES BABYAK
PETROLEUM ENGINEER



COMPANY Newbourne LEASE/WELL NAME Gutierrez Canyon 5' Fed
 DRLG. CONTR. Patterson 48 DATE 3-27-03 Com #2

1.	Blinds - Valves 2 3 5 + 9	300/3000	OK
2	Blinds - Valves 1 3 4 + 8	3000	OK
3	Blinds - Chokes	3000	OK
4	Pipe Rams - Valve 6 + 8	3000	OK
5.	Pipe Rams - Valves 7 + 10	300/3000	OK
6	Hydril	300/2000	OK
7	Safety Valve	3000	OK
8	Lower Kelly	3000	OK
9	Upper Kelly	3000	OK
10	Dart Valve	3000	OK



TEST COMPLETED BY: Doug Spradlin

HOBBS SAFETY TEST, INC.

Accumulator Function Test

TO CHECK THE USABLE FLUID STORED IN THE NITROGEN BOTTLES ON THE ACCUMULATOR (O.S.O. #2 section III.A.2.c.i. or ii or iii)

1. Make sure all rams and annular are open and if applicable HCR is closed.
2. Ensure accumulator is pumped up to working pressure! (Shut off all pumps)
3. Open HCR Valve. (If applicable)
4. Close annular.
5. Close all pipe rams.
6. Open one set of the pipe rams to simulate closing the blind ram.
7. If you have a 3 ram stack open the annular to achieve the 50±% safety factor for 5M and greater systems).
8. Accumulator pressure should be 200 psi over desired precharge pressure, (Accumulator working pressure {1500 psi = 750 desired psi} {2000 and 3000 psi = 1000 desired psi}).

9. Record the remaining pressure 1600 psi.
If annular is closed, open it at this time and close HCR.

TO CHECK THE CAPACITY OF THE ACCUMULATOR PUMPS (O.S.O. #2 section III.A.2.f.)

Shut the accumulator bottles or spherical, (isolate them 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 manifold pressure to 200 psi over desired precharge pressure! (Accumulator working pressure {1500 psi = 750 desired psi} {2000 and 3000 psi = 1000 desired psi}).
4. Record elapsed time 32 sec. (2 minutes or less)

TO CHECK THE PRECHARGE ON BOTTLES OR SPHERICAL (O.S.O. #2 section III.A.2.d.)

1. Open bottles back up to the manifold (pressure should be above the desired precharge pressure, {1500 psi = 750 desired psi} {2000 and 3000 psi = 1000 desired psi}) may need to use pumps to pressure back up.
2. With power to pumps shut off open bleed line to the tank.
3. Watch and record where the pressure drops, (accumulator psi).

Record the pressure drop 1000 psi.

If pressure drops below MINIMUM precharge, (Accumulator working pressure {1500 psi = 700 min.} {2000 and 3000psi = 900 psi min.}) each bottle shall be independently checked with a gauge.

Doug Spradlin



SAFETY TEST, INC.

P.O. Box 5013
Hobbs, N.M. 88241
Hobbs (505) 397-4414

N2 3474

RENTED TO Mudbore Oil Co P.O. NO. _____

DATE 3-27-03
ORDERED BY Elmore Lease Esther Canyon '5' Fed Com #2

Rental begins when tools leave warehouse and continues until returned thereto. Rental day starts at midnight and part day shall be charged as full day.

SAFETY TEST PORTABLE BLOWOUT PREVENTER PRESSURE TESTING SERVICE:

First sign hours \$ 700.00
1 add'l hour at 60.00 \$ 60.00

Items Tested:

rams to _____ #	Csg. to _____ #	U. Kelly Cock <u>3000</u> #
rams to _____ #	Hydril B O P to <u>2000</u> #	L Kelly Cock <u>3000</u> #
<u>300</u> rams to <u>3000</u> #	Choke Line <u>3000</u> #	Safety Valve <u>3000</u> #
<u>300</u> blinds to <u>3000</u> #	Choke Manifold <u>3000</u> #	Inside Preventer <u>3000</u> #

TRANSPORTATION: To and From Job Site \$ 100.00

TEST SUBS N/A

OTHER N/A

2:30 pm
10:30 pm } 8

M.M. TAX 52.70

We Appreciate Your Business UNIT NO. TOTAL — \$ 912.70

TERMS: NET CASH — NO DISCOUNT. (PRICES SUBJECT TO CHANGE WITHOUT NOTICE): Terms and Conditions Under Which Tools and Other Equipment Are Rented: Lessor exercises precautions to keep its tools and other equipment in good condition, but does not guarantee its condition. All tools and other equipment rented from Lessor is used at Lessee's sole risk. Lessee agrees that Lessor shall not be liable for any damages for personal injuries to any persons or for any damage to Lessor's property or the property of other persons that may be caused by any of such tools or other equipment, or that may be caused by its failure during use, and Lessee hereby agrees to hold harmless and indemnify Lessor against all persons for all personal injuries and / or property damage. Well conditions which prevent satisfactory operation of equipment do not relieve Lessee of his responsibility for rental charges. Lessee assumes all responsibility for equipment while out of possession of the Lessor and promised to return such equipment to the Lessor in as good condition as it was at the effective date of the lease, natural wear and tear from reasonable use thereof excepted. All equipment lost or damaged beyond repair will be paid for by the Lessee. Accrued rental charges cannot be applied against the purchase price or cost of repairs of such damaged or lost equipment. All transportation charges must be borne by the Lessee. Rental begins when equipment leaves Lessor's yard and continues until returned thereto. ALL TOOLS AND EQUIPMENT SHALL REMAIN the sole property of Lessor. This lease is made and shall be effective when the equipment is delivered to the carrier selected by the Lessee.

Invoices are rendered upon completion of work. Charges are net cash payable at office from which invoice is rendered. Interest at the rate of 1 1/2 per cent (1 1/2 %) per month will be charged on invoices not paid within thirty (30) days. All applicable Local, State and Federal taxes to be paid by Customer.

Delivered By: _____ CUSTOMER'S REPRESENTATIVE _____
By Doug Spradlin By MPK