Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CONSERVATION
ARTESIA DISTRICT
OCT 13 2015
OCD Artesia
RECEIVED

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
NMNM27277

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.
LEO 15 B2DN FED COM 1H

2. Name of Operator
MEWBOURNE OIL COMPANY
Contact: JACKIE LATHAN
E-Mail: jlathan@mewbourne.com

9. API Well No.
30-015-43312-00-X1

3a. Address
P O BOX 5270
HOBBS, NM 88241

3b. Phone No. (include area code)
Ph: 575-393-5905

10. Field and Pool, or Exploratory
LOCO HILLS

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 15 T18S R30E NWNW 630FNL 370FWL

11. County or Parish, and State
EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☒ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. 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.)

Mewbourne Oil had to make the following change to the approved casing design:

Inability to get 7" production casing to bottom resulted in it being set @ 7646'. Cement was pumped as follows:
Lead - 700 sks Class C (60:40:0) w/ yield 2.35 cuft/sk @ 12.0 ppg.
Tail - 400 sks Class H w/ yield 1.18 cuft/sk @ 15.6 ppg.
Circulated 71 sks cement to pit. TOC @ 0'.

This change will cause the following alteration to the liner:

4 1/2" 13.5# P110 production liner set @ 7446'-14337' (TD).

DD 10/14/15
Accepted for record
NMOCD

APPROVED
OCT 6 2015
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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

Electronic Submission #318732 verified by the BLM Well Information System
For MEWBOURNE OIL COMPANY, sent to the Carlsbad
Committed to AFMSS for processing by ED FERNANDEZ on 10/06/2015 (15CRW0117SE)

Name *(Printed/Typed)* ANDY TAYLOR — Title ENGINEER

Signature (Electronic Submission) — Date 10/05/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By EDWARD FERNANDEZ — Title PETROLEUM ENGINEER — Date 10/06/2015

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 Carlsbad

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #318732 that would not fit on the form

32. Additional remarks, continued

Cement as follows:
325 sks Class C (60:40:0) w/ yield 2.96 cuft/sk @ 11.2 ppg.
TOC @ 7446'. Volumes calculated with 35% excess.

See attached casing & cementing plan for details.

Mewbourne Oil Co, Leo 15 B2DN Fed Com #1H
Sec 15, T18S, R30E
SL: 630' FNL & 370' FWL
BHL: 330' FSL & 990' FEL

30-015-43312

1. Geologic Formations

TVD of target	8386	Pilot hole depth	NA
MD at TD:	14337	Deepest expected fresh water:	225

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Quaternary Fill	Surface	Water	
Rustler	316	Water	
Top of Salt	554	Salt	
Base Salt/Castile	1344		
Yates	1506	Oil	
Seven Rivers	1917		
Queen	2582		
Grayburg	3070		
San Andres	3423		
Delaware	3654	Oil/Gas	
Bone Spring	4278	Oil/Gas	
1st Bone Spring	7202	Oil/Gas	
2nd Bone Spring	7963	Target Zone	
3rd Bone Spring			
Wolfcamp		Will Not Penetrate	
Canyon			
Strawn			
Atoka			
Morrow			
Barnett Shale			
Woodford Shale			
Devonian			
Fusselman			
Ellenburger			
Granite Wash			

*H2S, water flows, loss of circulation, abnormal pressures, etc.

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2. Casing Program

Hole Size	Casing Interval From	To	Csg Size	Weight (lbs)	Grade	Conn	SF Collapse	SF Burst	SF Tension
17.5"	0	455	13.375"	48	H40	STC	3.13	7.31	14.74
12.25"	0	1558	9.875"	36	J55	LTC	2.49	4.34	8.08
8.75"	0	6638	7"	26	P110	LTC	2.26	2.89	3.49
8.75"	6638	7646	7"	26	P110	BTC	1.79	2.28	31.67
6.125"	7446	14337	4.5"	13.5	P110	LTC	2.45	2.85	3.62
			BLM Minimum Safety Factor				1.125	1	1.6 Dry 1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Must have table for contingency casing

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	Y
If yes, are the first 2 strings cemented to surface and 3rd string cement tied back 500' into previous casing?	Y
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	Y
If yes, are there two strings cemented to surface?	Y
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	N
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

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3. Cementing Program

Casing	# Sks	Wt. lb/ gal	Yld ft3/ sack	H_2O gal/ sk	500# Comp. Strength (hours)	Slurry Description
Surf.	500	14.8	1.34	6.3	8	Class C + 2% CaCl2
Inter.	450	13.5	1.74	11	10	Lead: Class C + 4% gel + 2% CaCl2 + 1/8#/sk Cello Flake + 0.4#/sk Defoamer
	200	14.8	1.34	6.3	8	Tail: Class C + 2% CaCl2
Prod.	700	12.0	2.35	11	9	Lead: 60:40:0 Class C + 5% Salt + 6% Enhancer + 0.5% Extender + 1/8#/sk Cello Flake + 0.3% Fluid Loss + 0.2% Retarder + 3#/sk Kolseal
	400	15.6	1.18	5.2	10	Tail: Class H + 0.2% Retarder + 0.3% Fluid Loss + 0.4#/sk Antifoam
Liner	325	11.2	2.96	18	16	Class C (60:40:0)+10#/sk BA90+0.65% ASA301+5% A10+0.9% SMS+1.2% BA10A+0.6% R21+4% MPA5

DV tool depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

Casing String	TOC	% Excess
Surface	0'	100%
Intermediate	0'	25%
Production	0'	25%
Liner	7446'	35%