

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOCD-ARTESIA
JAN 27 2009FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004**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.

Please Serial No.

NM-56520

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Milagro 28 Federal Com #1

9. API Well No.

30-015-35012

10. Field and Pool, or Exploratory Area

Happy Valley Morrow

11. County or Parish, 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☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☒ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other Downholecommingle adding new
zones

3. 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 recompleat 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 recompleat 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 Company request approval to DHC Happy Valley Morrow, Happy Valley Atoka, & Happy Valley Canyon. Morrow is currently producing from 11278' to 11512' with rates of 230 MCF, 0 BO, 3 BW. The Atoka is to be perforated from 10490' to 10500'. Morrow perfs will be temporarily isolated with a composite BP. Canyon will be perforated from 9832' to 9860' with a composite BP temporarily isolating the Atoka. Commingling of these 3 pools will not reduce the value of remaining reserves. The ownership of all pools is identical. All 3 zones included in NM-56520.

Procedure to downhole commingle: Set plug in tbg and blow well dry with N2. Release pkr & POOH. Set BP @ 11250'. Perforate Atoka @ 10490' to 10500'. Flow test & stimulate as needed. Set plug in tbg & blow well dry with N2. Release pkr & POOH. Set BP @ 10400'. Perforate Canyon @ 9832' to 9860'. Flow test & stimulate as needed. Once production falls below minimum required velocity set plug in tbg & blow hole dry w/N2. RIH & drill out BP @ 10400' and 11250' w/air foam unit. PWOL.

ACCEPTED FOR RECORD

DHC-4117

JAN 27 2009

APPROVED

JAN 25 2009

JAMES A. AMOS
SUPERVISOR-EPS

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Robin Terrell

Signature

Gerry Guye, Deputy Field Inspector

NMOC District II ARTESIA

Date 10/09/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature)

Name
(Printed/Typed)

Title

Office

Date

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.

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.

(Continued on next page)

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Happy Valley Morrow, Atoka, Canyon
Property Code	Property Name	Well Number
	MILAGRO "28" FEDERAL COM.	1
OGRID No.	Operator Name	Elevation
14744	MEWBOURNE OIL COMPANY	3289

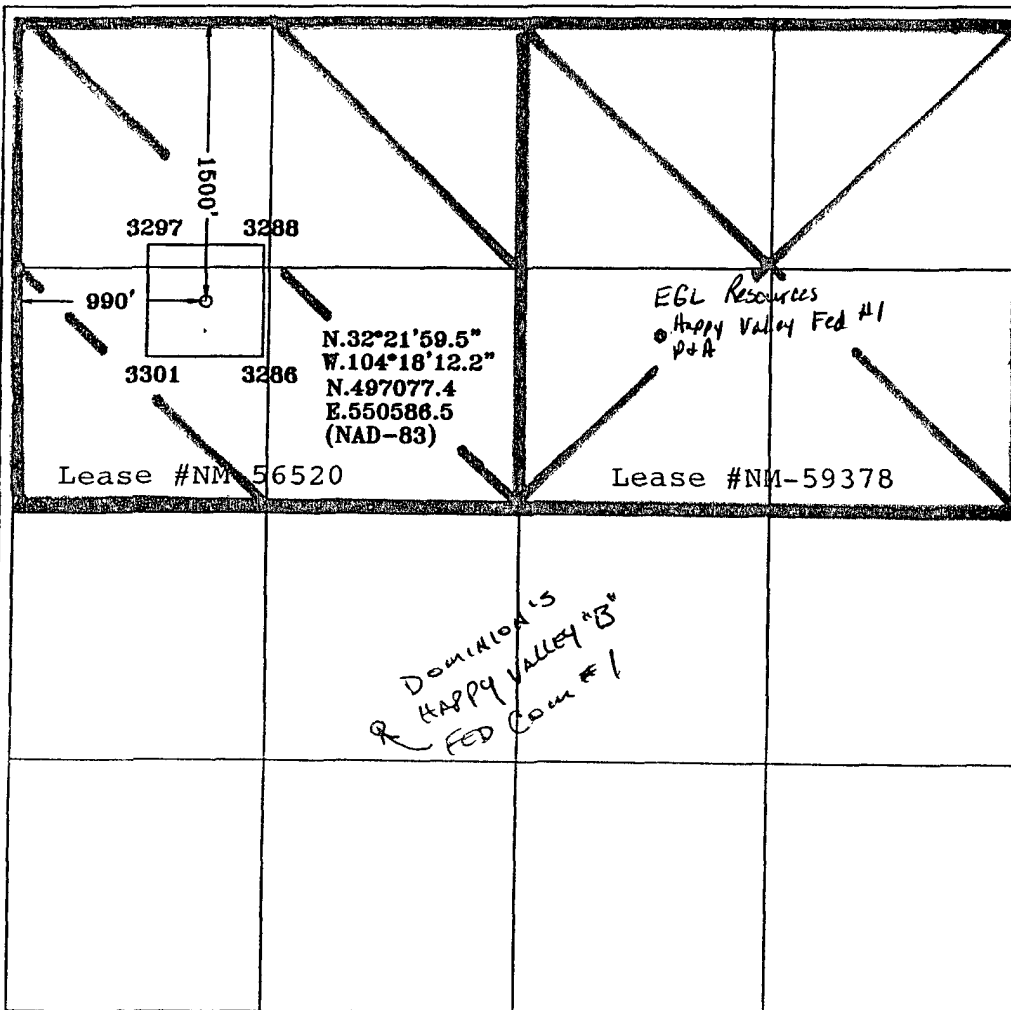
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	28	22S	26E		1500	NORTH	990	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
320									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Kristi Green
Signature

Kristi Green
Printed Name

Hobbs Regulatory
Title

04/26/06
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

4/19/2006
Date Surveyed

Herschell L. Jones
Signature & Seal of Professional Surveyor

Herschell L. Jones
Certificate No. Herschel L. Jones RLS 3640

MILAGRO 1
GENERAL SURVEYING COMPANY

0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'