

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

HOBBS OCD
OCT 0 2 2016
RECEIVED

Carlsbad Field Office
OCD Hobbs

CONDRIY 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.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NWNM24491
2. Name of Operator MEWBOURNE OIL COMPANY		6. If Indian, Allottee, or Tribe Name
3a. Address HOBBS, NM 88241		7. If Unit of CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 575-393-5905		8. Well Name and No. ORYX 14 B3DM FED COM 1H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 14 T23S R34E NWNW 185FNL 660FWL		9. API Well No. 30-025-43424-00-X1
		10. Field and Pool, or Exploratory ANTELOPE RIDGE
		11. County or Parish, and State LEA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 Co. requests approval to make the following changes to the approved APD:

Change 5 1/2" production casing to 7" production casing w/ 4 1/2" liner.

See attachment for casing & cementing details.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #352426 verified by the BLM Well Information System For MEWBOURNE OIL COMPANY, sent to the Hobbs Committed to AFMSS for processing by TEUNGKU KRUENG on 09/26/2016 (16TMK0015SE)	
Name (Printed/Typed) ANDREW TAYLOR	Title ENGINEER
Signature (Electronic Submission)	Date 09/26/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By Teungku Muchlis Krueng	Title PETROLEUM ENGINEER	Date SEP 27 2016
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 KZ

APPROVED
BUREAU OF LAND MANAGEMENT

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 in any Department or Agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Mewbourne Oil Company, Oryx 14 B3DM Fed Com #1H
Sec 14, T23S, R34E
SL: 185' FNL & 660' FWL
BHL: 330' FSL & 660' FWL

1. Geologic Formations

TVD of target	11333'	Pilot hole depth	NA
MD at TD:	15890'	Deepest expected fresh water:	275'

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/Target Zone?	Hazards*
Quaternary Fill	Surface		
Rustler	2058		
Top of Salt	2318	Salt	
Base of Salt	4533		
Yates		Oil	
Lamar	4948		
Cherry Canyon	5943		
Manzanita Marker	6038		
Brushy Canyon	7198		
Bone Spring	8488	Oil/Gas	
1 st Bone Spring Sand	9628		
2 nd Bone Spring Sand	10108		
3 rd Bone Spring Sand	10981	Target Zone	
Abo			
Wolfcamp		Will Not Penetrate	
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		Csg. Size	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
	From	To							
17.5"	0'	1265'	13.375"	48	H40	STC	1.13	2.63	3.03
17.5"	1265'	1932'	13.375"	54.5	J55	STC	1.13	2.72	11.25
17.5"	1932'	2085'	13.375"	61	J55	STC	1.42	2.85	63.60
12.25"	0'	3453'	9.625"	36	J55	LTC	1.13	1.96	2.50
12.25"	3453'	4393'	9.625"	40	J55	LTC	1.13	1.73	9.14
12.25"	4393'	4875'	9.625"	40	N80	LTC	1.22	2.27	38.24
8.75"	0'	11601'	7"	26	P110	LTC	1.38	1.77	2.16
6.125"	10852'	15890'	4.5"	13.5	P110	LTC	1.81	2.11	4.97
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
Is casing API approved? 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 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?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
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 ft ³ /sack	H ₂ O gal/sk	500# Comp. Strength (hours)	Slurry Description
Surf.	1245	14.8	1.34	6.3	8	Lead: Class C + Salt + Gel + Extender + LCM
	200	14.8	1.34	6.3	8	Tail: Class C + Retarder
Inter.	860	12.5	2.12	11	10	Lead: Class C + Salt + Gel + Extender + LCM
	200	14.8	1.34	6.3	8	Tail: Class C + Retarder
Prod	395	12.5	2.12	11	9	Lead: Class C + Gel + Retarder + Defoamer + Extender
	400	15.6	1.18	5.2	10	Tail: Class H + Retarder + Fluid Loss + Defoamer
Liner	210	11.2	2.97	18	16	Class C + Salt + Gel + Fluid Loss + Retarder + Dispersant + Defoamer + Anti-Settling Agent

A copy of cement test will be available on location at time of cement job providing pump times & compressive strengths.

Casing String	TOC	% Excess
Surface	0'	100%
Intermediate	0'	25%
Production	4675'	25%
Liner	10852'	25%

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4. Pressure Control Equipment

Variance: None

BOP installed and tested before drilling which hole?	Size?	System Rated WP	Type	✓	Tested to:
12-1/4"	13-5/8"	3M	Annular	X	1500#
			Blind Ram		
			Pipe Ram		
			Double Ram		
			Other*		
8-3/4"	13-5/8"	5M	Annular	X	2500#
			Blind Ram	X	
			Pipe Ram	X	5000#
			Double Ram		
			Other*		
8 3/4"	13-5/8"	5M	Annular	X	2500#
			Blind Ram	X	
			Pipe Ram	X	5000#
			Double Ram		
			Other*		

*Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

X	<p>Formation integrity test will be performed per Onshore Order #2.</p> <p>On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.</p>
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Y	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.
N	Are anchors required by manufacturer?
N	A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. <ul style="list-style-type: none"> • Provide description here <p>See attached schematic.</p>

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From	To				
0	2085	FW Gel	8.6-8.8	28-34	N/C
2085	4875	Saturated Brine	10.0	28-34	N/C
4875	10852	Cut Brine	8.6-9.5	28-34	N/C
10852	15890	FW w/Polymer	8.6-9.5	30-40	<20cc

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

What will be used to monitor the loss or gain of fluid?	Visual Monitoring
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6. Logging and Testing Procedures

Logging, Coring and Testing.	
X	Will run GR/CNL from KOP (10852') to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.
	No Logs are planned based on well control or offset log information.
	Drill stem test? If yes, explain
	Coring? If yes, explain

Additional logs planned	Interval
X Gamma Ray	10852' (KOP) to TD
Density	
CBL	
Mud log	
PEX	

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7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	5599 psi
Abnormal Temperature	No

Mitigation measure for abnormal conditions. Describe. **Lost circulation material/sweeps/mud scavengers in surface hole.**

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

<input type="checkbox"/>	H2S is present
<input checked="" type="checkbox"/>	H2S Plan attached

8. Other facets of operation

Is this a walking operation? If yes, describe.
 Will be pre-setting casing? If yes, describe.

Attachments

- Directional Plan
- Other, describe

ORYX 14 B3DM FED COM 1H

30-025-43424

Conditions of approval:

1. The minimum required fill of cement behind the 7 inch production casing is:
 - Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification. **Excess calculates 24%, additional cement may be required.**

2. The minimum required fill of cement behind the 4-1/2 inch production liner is:
 - Approved for a minimum of 100' liner overlap. Operator shall provide method of verification.