

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-38003
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-1439-7
7. Lease Name or Unit Agreement Name Osudo 7 State Com
8. Well Number 2
9. OGRID Number 14744
10. Pool name or Wildcat Osudo Morrow 82120

SUNDRY NOTICES AND REPORTS ON WELLS
(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
PROPOSALS.)

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

2. Name of Operator
Mewbourne Oil Company

3. Address of Operator
PO Box 5270 Hobbs, NM 88240

4. Well Location

Unit Letter B : 660 feet from the N line and 1780 feet from the E line
Section 7 Township 21S Range 35E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3694' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK

COMMENCE DRILLING OPNS

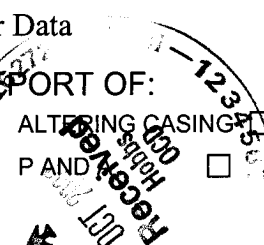
CASING/CEMENT JOB ☒

OTHER: ☐

ALTERING CASINGS ☐

P AND ☐

OTHER: ☐



13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

09/20/06...MI & spud 17 1/2" hole. TD'd hole @ 855'. Ran 855' 13 3/8" 48# H40 ST&C csg. Cemented with 400 sks BJ Lite Class C (35:65:6) with additives. Mixed @ 12.5 #/g w/ 1.98 yd. Tail with 400 sks Class C with 2% CaCl2. Mixed @ 14.8 #/g w/ 1.34 yd. Circ 90 sks to pit. WOC 18 hrs. At 3:30 pm on 09/22/06, tested BOPE and casing to 1250# for 30 minutes, held OK. Drilled out with 12 1/4" bit.

10/07/06...TD'ed 12 1/4" hole @ 5450'. Ran 5450' 9 3/8" 40# N80/K55 LT&C Csg. Cemented 1st stage with 400 sks Class "C" with additives. Mixed @ 12.5 /g w/ 1.96 yd. Tail with 400 sks Class "C" neat. Mixed @ 14.8 #/g w/ 1.32 yd. Inflate packer and open DV tool. Had fair returns. Cemented 2nd stage with 1800 sks BJ Lite Class C (35:65:6) with additives. Mixed @ 12.5 /g w/ 1.96 yd. Tail with 200 sks Class "C" with 1% CaCl2. Mixed @ 14.8 #/g w/ 1.34 yd. Did not circ cmt. Ran 1" pipe & tag at 568'. Cmt w/ 230 sks Class C neat in one stage. Circ 21 sks to pit. WOC 18 hrs. Test all BOPE equipment to 5000#. Test annular to 2500#. Drilled out DV tool. At 1:00 am 10/10/06, test casing to 1500# for 30 mins, held OK. Charts and schematic attached. Drilled out with 8 3/4" bit.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Kristi Green TITLE Hobbs Regulatory DATE 10/17/06

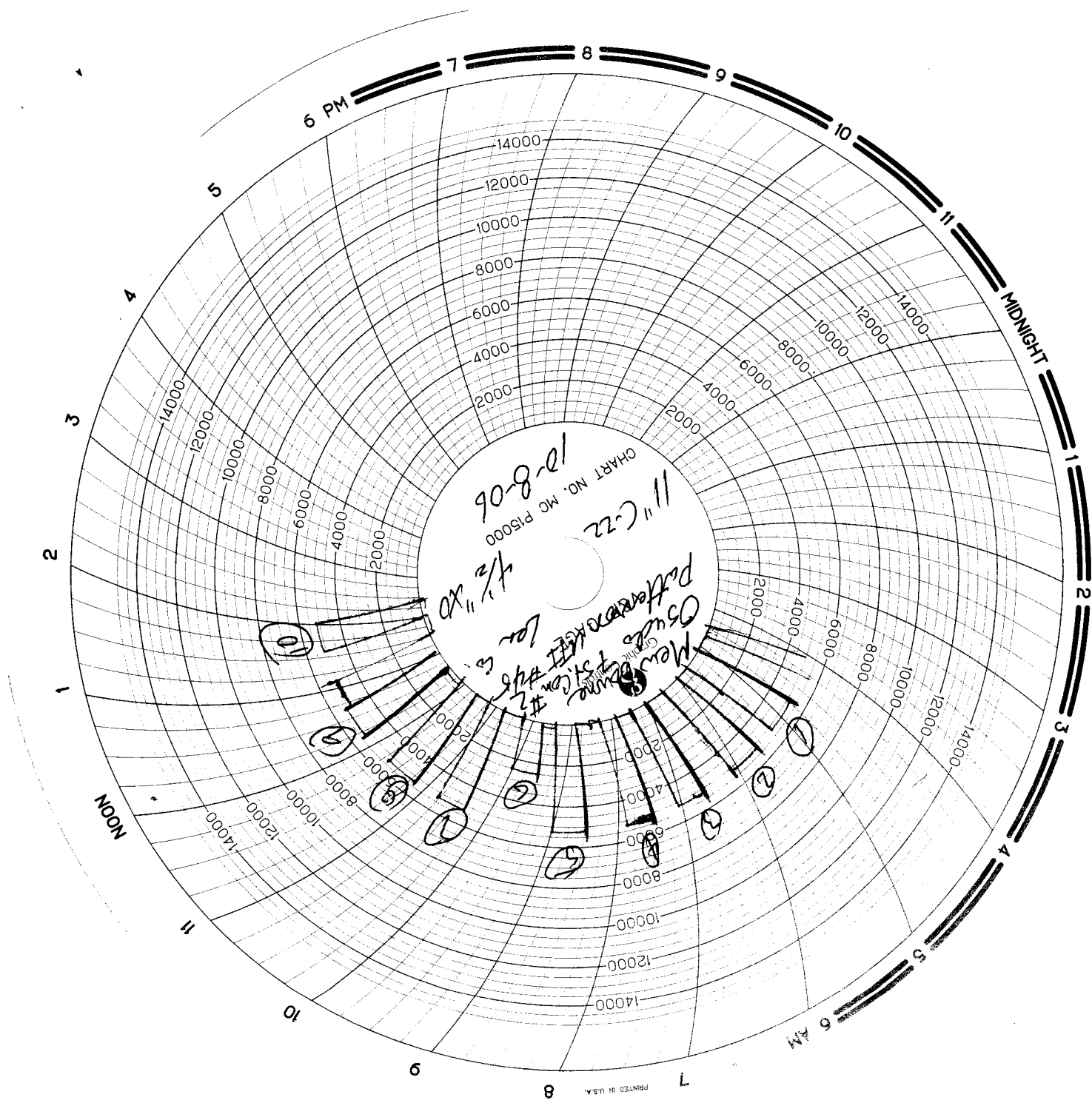
Type or print name Kristi Green

E-mail address:

Telephone No. 505-393-5905

For State Use Only

APPROVED BY: Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE NOV 07 2006



MAN WELDING SERVICES, INC.

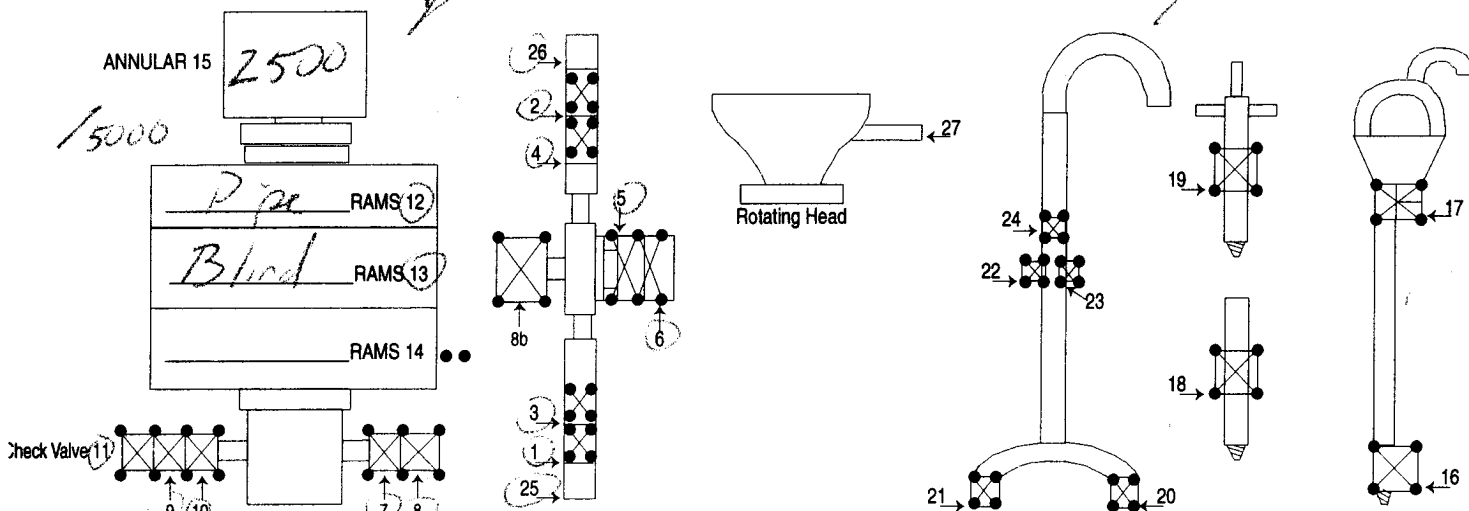
P.O. Box 1541 • Lovington, N.M. 88260
BUS: 505 396-4540 • FAX: 505 396-0044



INVOICE

NO B 5093

Company Mowbawne Date 10-8-06 Start Time 1:00 ☒ am ☐ pm
Lease Osuda 7 State Com #2 County Lea State NM
Company Man Joey Jackson
Wellhead Vendor _____ Tester NEIL GRANATH
Drig. Contractor Patterson, UTI Rig # 45
Tool Pusher Greg Klug / Bobby Brumelow
Plug Type C-22 Plug Size 11" Drill Pipe Size 4 1/2" X 0
Casing Valve Opened Yes Check Valve Open Yes



TEST #	ITEMS TESTED	TEST LENGTH	LOW PSI	HIGH PSI	REMARKS
1	2526 6 11 13	10 min	—	5000	2" Flange between 2"
2	1005 2 6 11 13	10 min	—	5000	Valves on K.O. 1 & 2 leaking
3	3 4 5 9 13	10 min	—	5000	Manual Choke leaked Top
4	8 13 12	10 min	—	5000	2" Flange, cleaned at manual
5	7 10 12	10 min	—	5000	Choke. Tested okay
6	7 10 15	10 min	—	2500	
7	18	10 min	—	5000	
8	11	10 min	—	5000	
9	12	10 min	—	5000	
10	19	10 min	—	5000	

8 HR @ \$1000⁰⁰ = \$1000⁰⁰
3 HR @ \$100⁰⁰ = \$300⁰⁰
Mileage 108 @ \$10⁰⁰ = \$108⁰⁰

SUB TOTAL \$1408⁰⁰
TAX 75⁶⁸
TOTAL \$1483⁶⁸

MAN WELDING SERVICES, INC

Company Mewbourne Date 10-8-06
Lease Osida 7 State Com #2 County Lea Co
Drilling Contractor Pattern #45 Plug & Drill Pipe Size 11" C-22 & 4 1/2" X 10

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 1800 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 250 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 2:38. 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}