

May 27, 2004

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

87505

Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-38908

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

E-5146-03

7. Lease Name or Unit Agreement Name

Paloma 28 State Com

8. Well Number

1

9. OGRID Number

14744

10. Pool name or Wildcat

Wildcat Morrow

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 88241

4. Well Location

Unit Letter M : 660 feet from the S line and 660 feet from the W line
Section 28 Township 20S Range 36E NMPM Lea County

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

3600' 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 ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☒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.

07/29/08 Spud 17 1/2" hole. Ran 520' 13 3/8" 48# H40 ST&C csg. Cemented with 550 sks BJ Lite Class "C" (35:65:6) with additives. Mixed @ 14.8 #/g w/ 1.34 yd. Circ 86 sks to pits. WOC 18 hrs. At 12:15 am on 07/31/08, tested 13 3/8" casing to 1250# for 30 minutes, held OK. Drilled out with 12 1/4" bit.

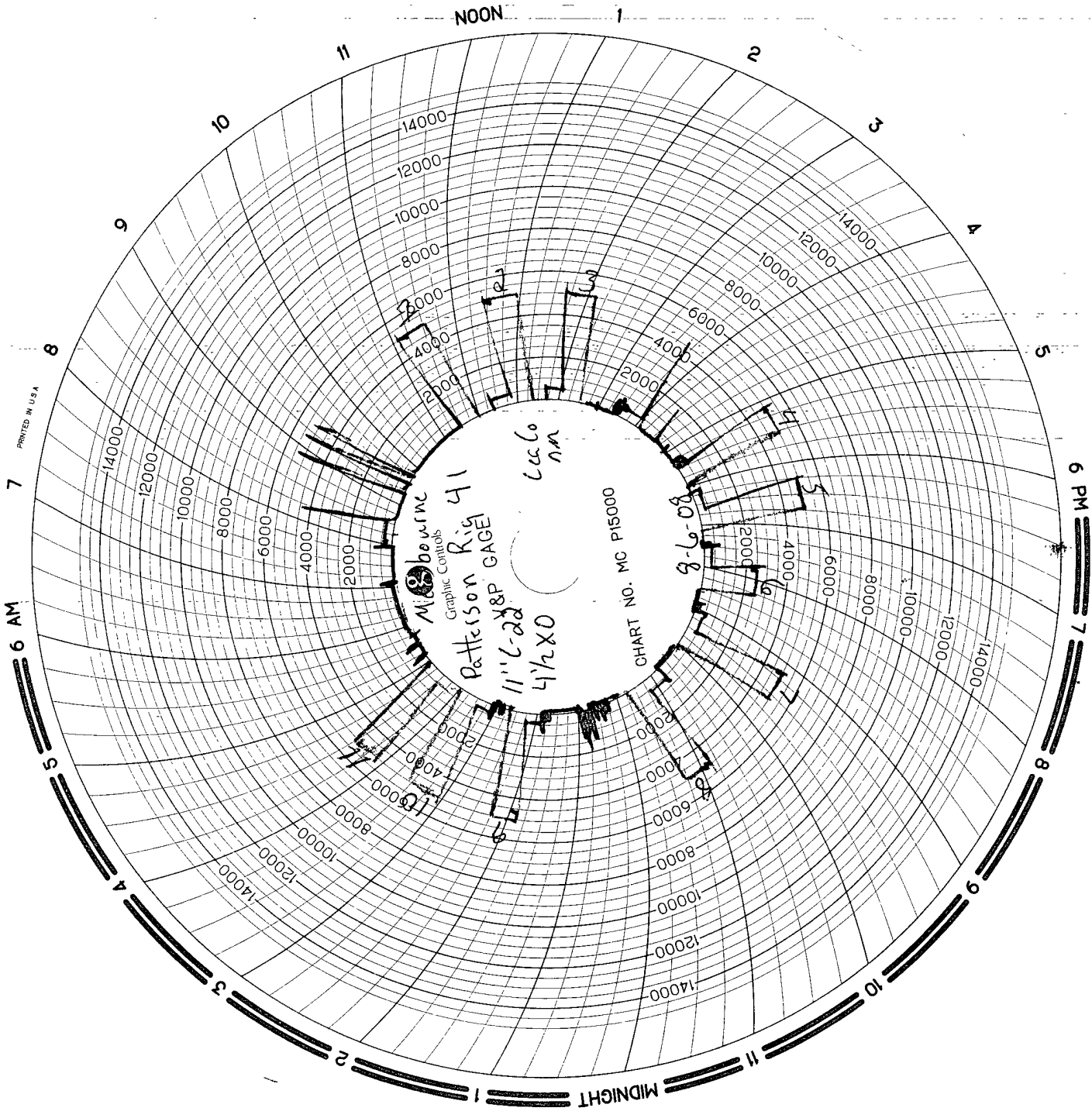
08/05/08 TD'ed 12 1/4" hole @ 3555' Ran 3555' 9 3/8" 40# N80/H/K55 LT&C Csg. Cemented with 800 sks BJ Lite Class "C" (35:65:6) with additives. Mixed @ 12.5 #/g w/ 2.04 yd. Tail with 400 sks Class "C" neat. Mixed @ 14.8 #/g w/ 1.34 yd. Circ 98 sks to pit. WOC 18 hrs. Tested BOPE to 5000# & annular to 2500#. At 11:15 pm on 08/06/08, tested casing to 1500# for 30 minutes, held OK. Tested formation to 12.5 MWE. 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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.SIGNATURE Jackie Lathan TITLE Hobbs Regulatory DATE 08/20/08Type or print name Jackie LathanE-mail address jlathan@mewbourne.comTelephone No. 505-393-5905

For State Use Only

APPROVED BY: Carly M. HillTITLE OC FIELD REPRESENTATIVE II/STAFF MANAGERDATE AUG 22 2008

Conditions of Approval (if any):



McBowne
Graphic Controls

Patterson Rig 41
11" C-28P GAGE

6660
NA
4 1/2 X 0

CHART NO. MC P15000

8-6-9-8



MAN
WELDING SERVICES

WELDING • BOP TESTING
NIPPLE UP SERVICE • BOP LIFTS • TANDEM
MUD AND GAS SEPARATORS
Grand Junction, CO 970-241-4540
Lovington, NM 575-396-4540

INVOICE

B 9034

Company Mowbourne Date 8-6-08 Start Time 3:30 ☒ am ☐ pm
Lease Paloma 28 ST Com #2 County Lea State NM

Company Man _____

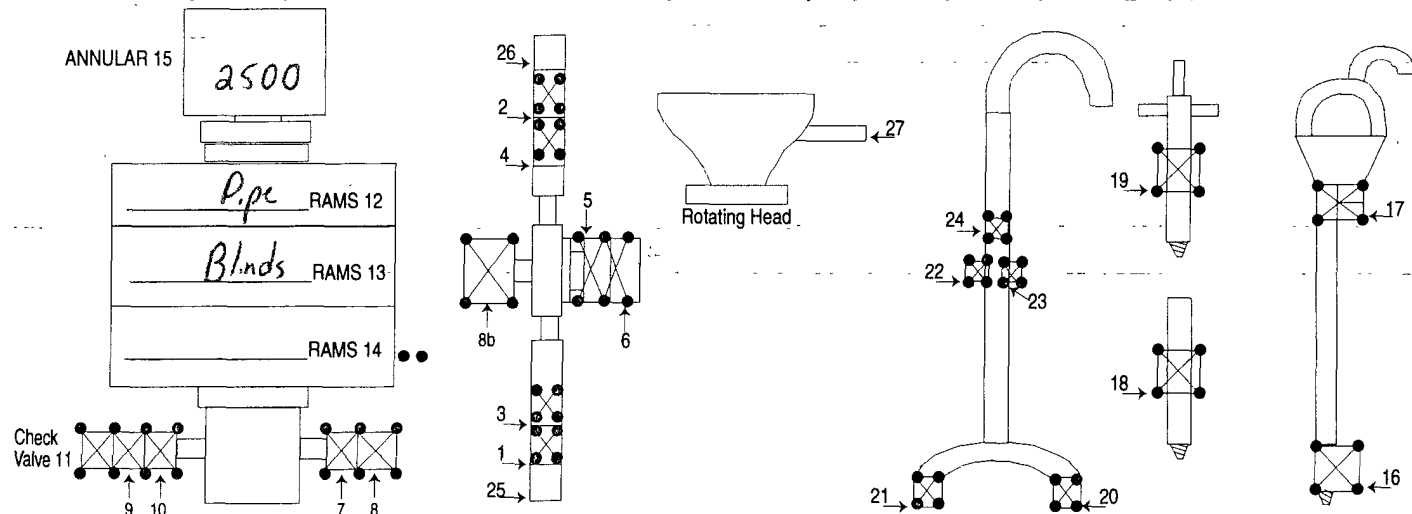
Wellhead Vendor _____ Tester Tyler Bayer

Drlg. Contractor Patterson Rig # 41

Tool Pusher _____

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	25, 26, 6, 10, 13	10/10	250	5000	
2	1, 2, 5, 10, 13	10/10	250	5000	
3	3, 4, 5, 10, 13	10/10	250	5000	
4	8, 12, 10	10/10	250	5000	Had to replace inside kill line valve
5	7, 12, 10	10/10	250	5000	
6	7, 15, 10	10/10	250	2500	
7	19	10/10	250	5000	
8	16	10/10	250	5000	
9	17	10/10	250	5000	
10	7, 12, 9	10/10	250	5000	
11	7, 12, 11	10/10	250	5000	

8 HR @ \$1200
5 HR @ \$100 = 500
Mileage 90 @ 1.50 = \$135

SUB TOTAL \$1835
TAX 98.63
TOTAL \$1933.63

MAN WELDING SERVICES, INC

Company Mewbourne Date 8-6-08

Lease Paloma 28 ST Cam #2 County Lea

Drilling Contractor Patterson Rig 41 Plug & Drill Pipe Size 11" C-22/4 1/2 X 0

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** 1350 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** 1000 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** min 28 sec. **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}