

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

DISTRICT II
1301 W. Grand Avenue, 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 Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
220 South St. Francis Dr.
Santa Fe, New Mexico 87505

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 3D-025-39153	Pool Code 8224D	Pool Name West Osudo Morrow
Property Code 37209	Property Name UPLAND "23" FEDERAL Com	Well Number 1
GRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3692'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	23	20 S	35 E		870	NORTH	1125	WEST	LEA

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 320	Joint or Infill	Consolidation Code	Order No.						

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

<p>NM-27205 NM-16835 NM-27205 Fee Fee Fee Fee</p>	<p>Lat.: N32°33'48.33" Long.: W103°25'56.61" N.: 569860.858 E.: 777570.616 (NAD-27)</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><u>Jackie Lathan</u> 6/13/08 Signature Date</p> <p><u>Jackie Lathan</u> Printed Name</p>
		<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>MAY 15 2008 Date Surveyed</p> <p><u>GARY L. JONES</u> Signature of Professional Surveyor</p> <p>Professional Surveyor</p>
		<p>Certificate No. Gary L. Jones 7977</p>
		<p>BASIN SURVEYS</p>

Drilling Program
Mewbourne Oil Company
Upland 23 Federal Com #1
~~990' FNL & 990' FWL~~
Section 23-T20S-R35E
Lea County, New Mexico

1. The estimated top of geological markers are as follows:

*Yates	3800'	*Wolfcamp	11100'
*Delaware	5900'	*Strawn	12000'
*Bone Springs	8300'	*Atoka	12200'
		*Morrow	12500'

2. Estimated depths of anticipated fresh water, oil, or gas:

Water	Fresh water will be protected by setting surface casing at 2000' and cement to surface.
Oil and Gas Hydrocarbons	Oil and Gas are anticipated in the above (*) formations. These zones will be protected by setting casing and cementing as necessary.

3. Pressure control equipment:

A 2000# working pressure annular BOP will be installed on the 13 5/8" surface casing. A 5000# WP Double Ram BOP and 5000# WP Annular will be installed after running 9 5/8" casing. Pressure tests will be conducted prior to drilling out under all casing strings. Testing of 2000# annular will be with rig pump to 70% of csg burst. BOP controls will be installed prior to drilling under surface casing and will remain in use until completion of drilling operations. BOP's will be inspected and operated daily to insure mechanical integrity and the inspection will be recorded on the daily drilling report.

Kelly cock and a sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position when the kelly is not in use.

4. Proposed casing and cementing program:

A. Casing Program:

<u>Hole Size</u>	<u>Casing</u>	<u>Wt/Ft.</u>	<u>Grade</u>	<u>Depth</u>	<u>Jt Type</u>
17 1/2"	13 3/8" (new)	54.5#	J55	0-2000'	ST&C
12 1/4"	9 5/8" (new)	40#	N80	0-100'	LT&C
	9 5/8" (new)	40#	J55	100-4000'	LT&C
	9 5/8" (new)	40#	HCK55	4000-5600'	LT&C
8 3/4"	5 1/2" (new)	17#	HCP110	0-2300'	LT&C
	5 1/2" (new)	17#	N80	2300-9300'	LT&C
	5 1/2" (new)	17#	HCP110	9300-TD	LT&C

Minimum casing design factors: Collapse 1.125, Burst 1.0, Tensile strength 1.8 (API standard).

B. Cementing Program

- i. Surface Casing: 700 sacks Class C light cement containing 1/2#/sk cellophane flakes, 5% salt, 5#/sack gilsonite, 4% gel. Yield at 2.02 cuft/sk. 400 sks Class C cement containing 2% CaCl. Yield at 1.34 cuft/sk. ~~Cmt circulated to surface~~
- ii. Intermediate Casing: 1100 sacks Class C light cement containing 4% gel, 5 % salt, 5#/sack gilsonite. Yield at 2.02 cuft/sk. 400 sacks Class C cement containing 2% CaCl. Yield at 1.34 cuft/sk. ~~Cmt circulated to surface~~
- iii. Production Casing: 500 sacks Class H cement containing fluid loss additive, friction reducer additive, compressive strength enhancer, and NaCl. Yield at 1.28 cuft/sk. Shallower productive zones may be protected by utilizing a multiple stage cementing tool in the production casing below potentially productive zones and cementing with a light cement slurry. ~~Cmt top to be 500' above Wolfcamp~~

SEE COA →

**Mewbourne Oil Company reserves the right to change cement designs as hole conditions may warrant.*

5. Mud Program:

Interval	Type System	Weight	Viscosity	Fluid Loss
0'-2000'	FW spud mud	8.6-9.4	32-34	NA
2000'-5600'	Brine water	10.0-10.2	28-30	NA
5600'-12200'	Cut Brine	8.4-9.4	28-30	NA
12200'-TD	BW/Starch	9.4-9.8	30-40	8-15

(Note: Any Weight Above 8.6#/gallon would be to hold back Wolfcamp shale, rather than abnormal BHP.)

see COA →

6. Evaluation Program:

Samples:	10' samples from intermediate casing to TD
Logging:	Compensated density and dual laterlog from intermediate casing to TD
Coring:	As needed for evaluation
Drill Stem Tests:	As needed for evaluation

7. Downhole Conditions

Zones of abnormal pressure:	None anticipated
Zones of lost circulation:	Anticipated in surface and intermediate holes
Maximum bottom hole temperature:	180 degree F
Maximum bottom hole pressure:	9.0 lbs/gal gradient or less

8. Anticipated Starting Date:

Mewbourne Oil Company intends to drill this well as soon as possible after receiving approval with approximately 45 days involved in drilling operations and an additional 10 days involved in completion operations on the project.

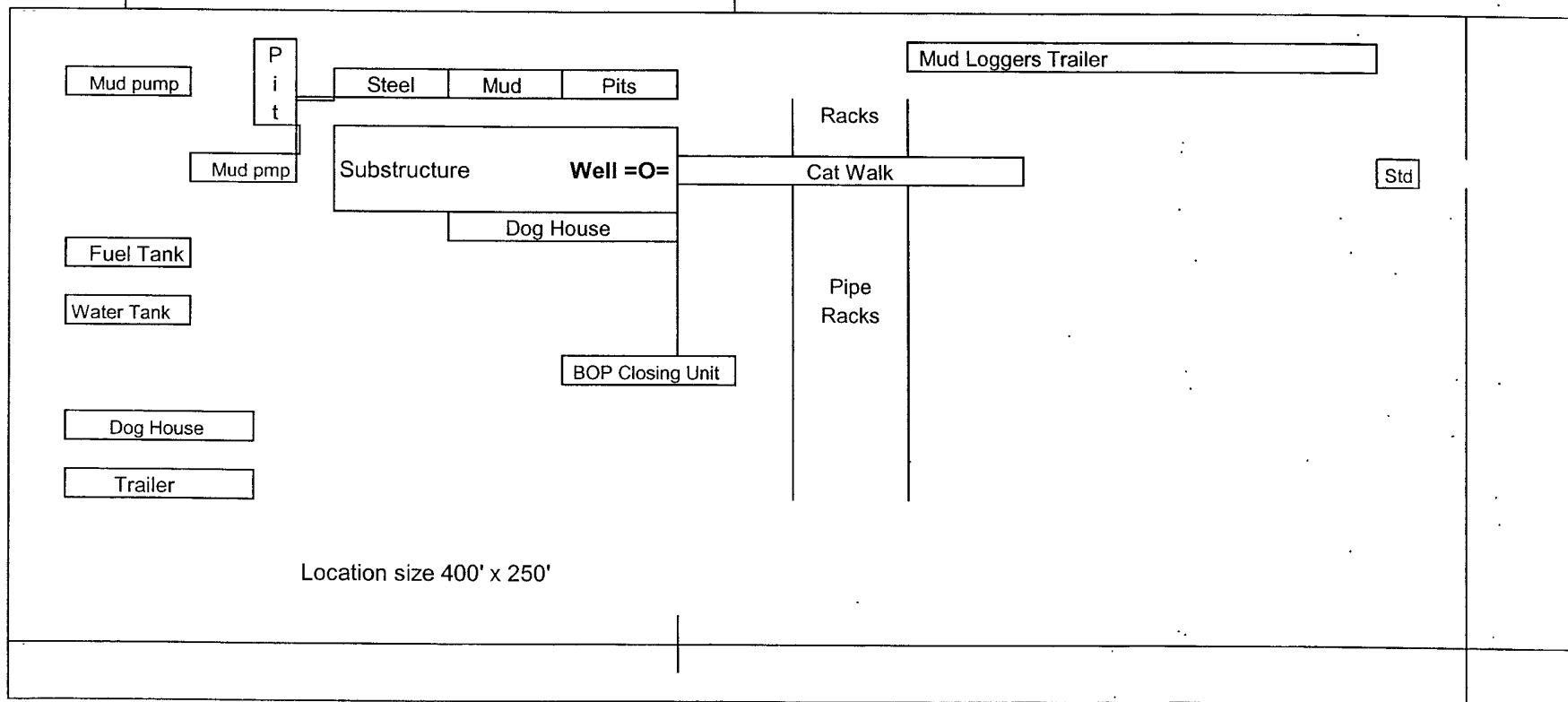
SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Mewbourne Oil Company

Exhibit #5

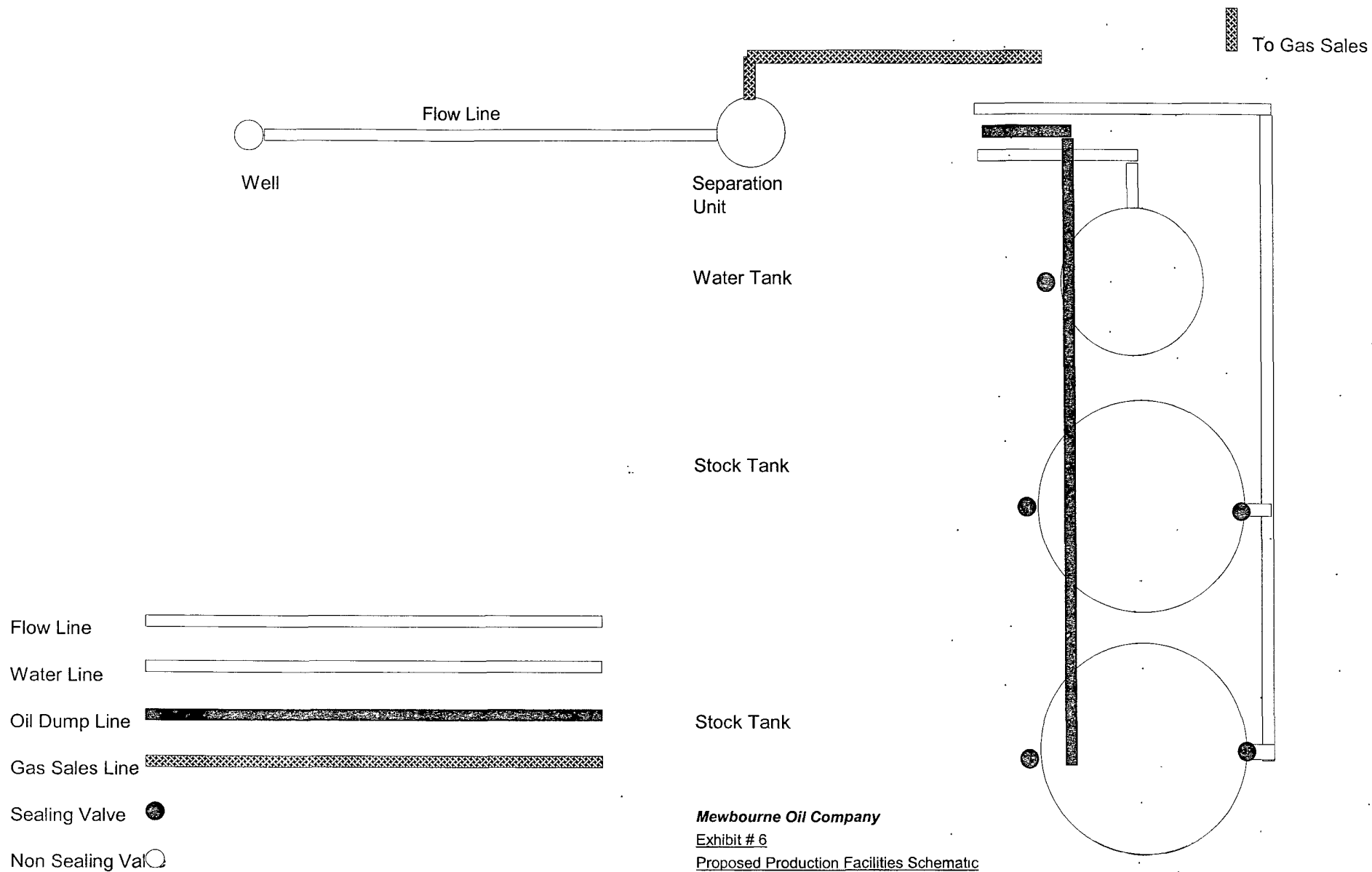
Well Name Upland 23 Federal Com #1
Footages 990' FNL & 990' FWL
STR Sec 23-T20S-R35E
County Lea, County
State New Mexico

NE



Rig Location Schematic

Proposed Production Facilities Schematic



Mewbourne Oil Company

Exhibit # 6

Proposed Production Facilities Schematic

Upland 23 Federal Com #1
990' FNL & 990' FWL
Sec 23-T20S-R35E
Lea, County
New Mexico

Notes Regarding Blowout Preventer

Mewbourne Oil Company

Upland 23 Federal Com #1

990' FNL & 990' FWL

Section 23-T20S-R35E

Lea County, New Mexico

1. Drilling nipple (bell nipple) to be constructed so that it can be removed without the use of a welder through the opening of the rotary table, with minimum internal diameter equal to blowout preventer bore.
2. Blowout preventer and all fittings must be in good condition with a minimum 5000 psi working pressure on 9 $\frac{5}{8}$ " csg.
3. Safety valve must be available on the rig floor at all times with proper connections to install in the drill string. Valve must be full bore with minimum 5000 psi working pressure.
4. Equipment through which bit must pass shall be at least as large as internal diameter of the casing.
5. A kelly cock shall be installed on the kelly at all times.
6. Blowout preventer closing equipment to include and accumulator of at least 40 gallon capacity, two independent sources of pressure on closing unit, and meet all other API specifications.

Mewbourne Oil Company
BOP Schematic for
12 1/4" Hole

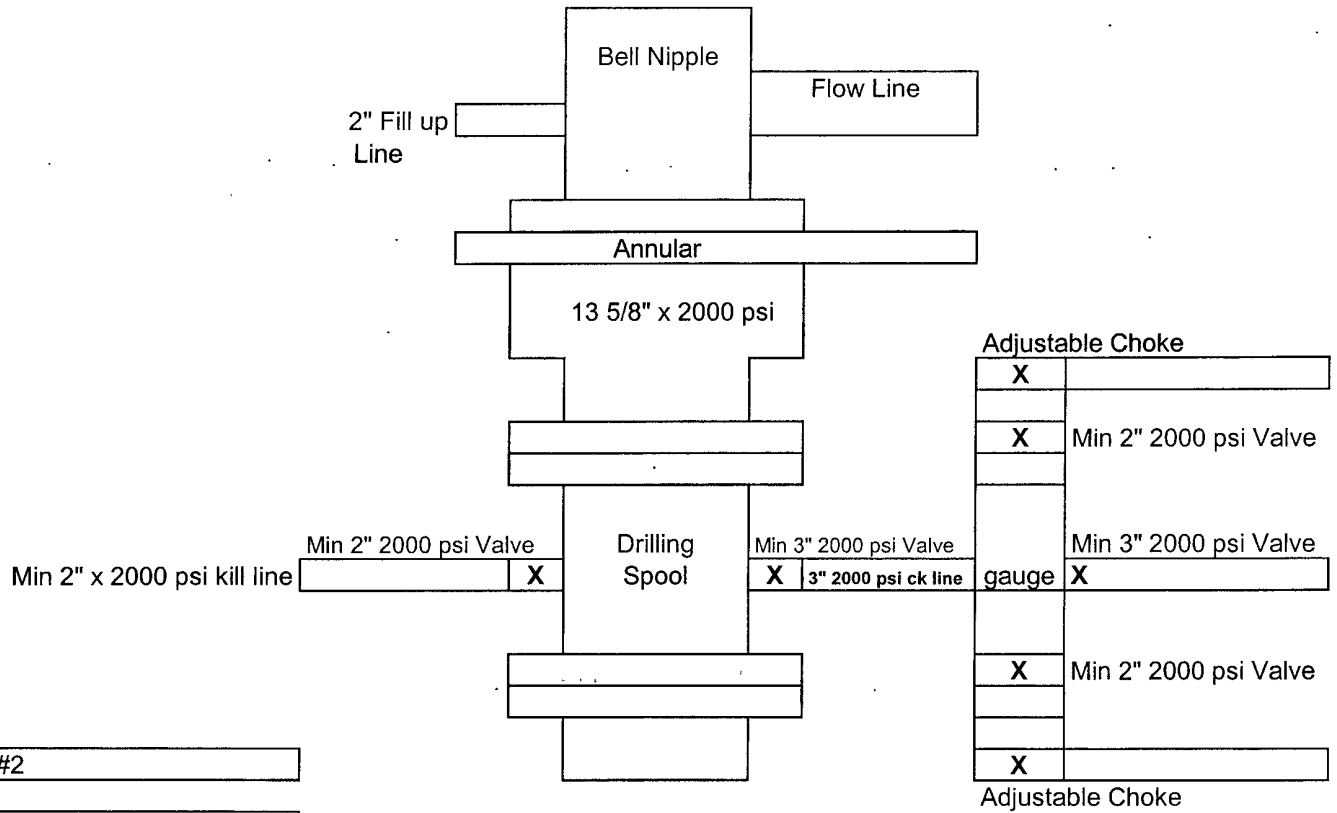


Exhibit #2

Upland 23 Federal Com #1
990' FNL & 990' FWL
Sec 23-T20S-R35E
Lea, County
New Mexico

Mewbourne Oil Company
BOP Scematic for
8 3/4" or 7 7/8" Hole

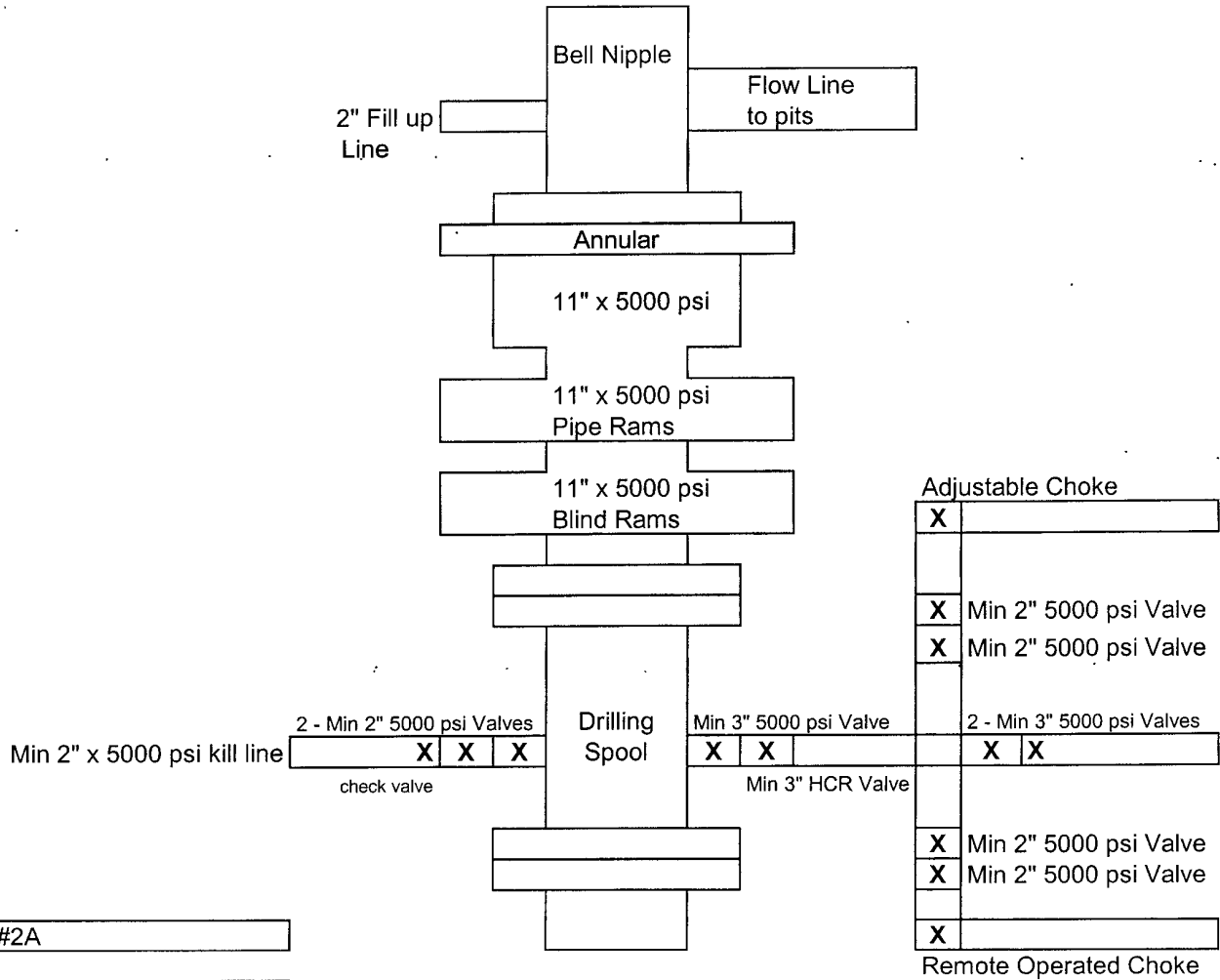


Exhibit #2A

Upland 23 Fed Com #1
990 FNL & 990 FWL
Sec 23-T20S-R35E
Lea, County
New Mexico

SECTION 23, TOWNSHIP 20 SOUTH, RANGE 35 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

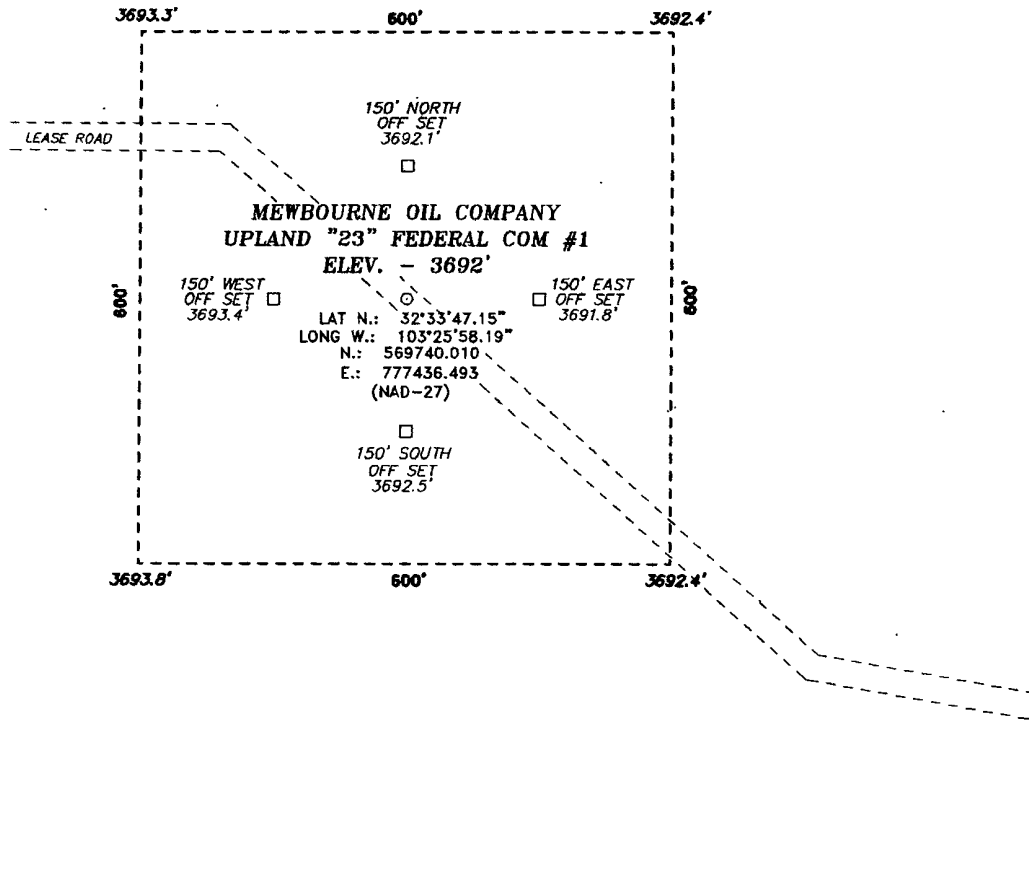
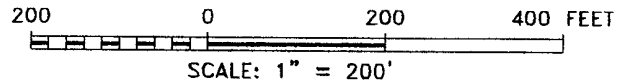


Exhibit 3



DRIVING DIRECTIONS:

FROM THE JUNCTION OF STATE HWY 176 AND PEARSON, GO
NORTH WINDING NE FOR 1.0 MILES TO LEASE ROAD, FOLLOW
LEASE ROAD TO PROPOSED LOCATION.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 19549

Drawn By: J. SMALL

Date: 04-16-2008

Disk: JMS 19549W

Survey Date: 04-15-2008

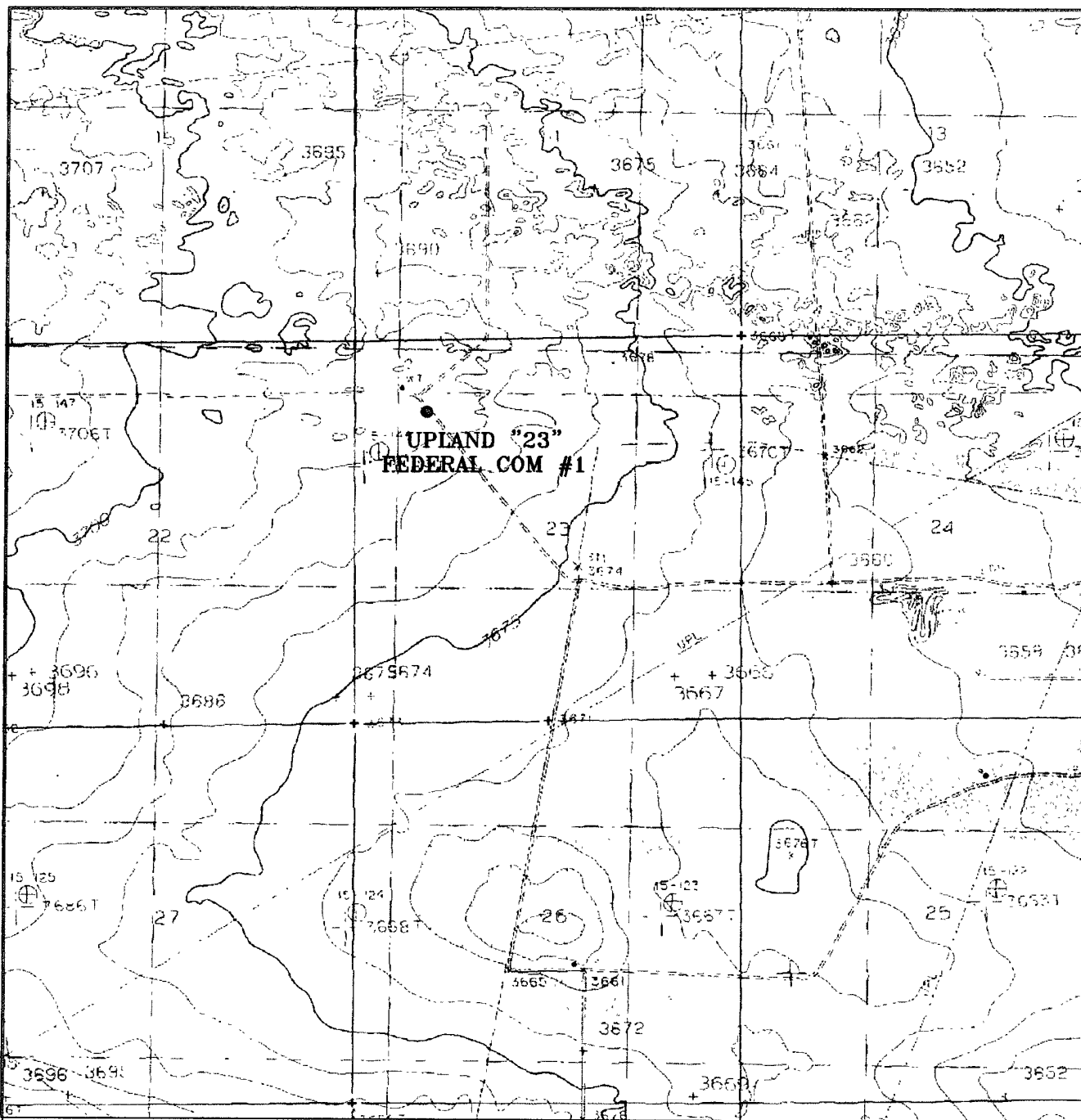
Sheet 1 of 1 Sheets

MEWBOURNE OIL COMPANY

REF: UPLAND "23" FEDERAL COM #1 / WELL PAD TOPO

THE UPLAND "23" FEDERAL COM #1 LOCATED 990'

FROM THE NORTH LINE AND 990' FROM THE WEST LINE OF
SECTION 23, TOWNSHIP 20 SOUTH, RANGE 35 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.



UPLAND "23" FEDERAL COM #1
 Located 990' FNL and 990' FWL
 Section 23, Township 20 South, Range 35 East,
 N.M.P.M., Lea County, New Mexico.

Exhibit 3A

basin
surveys

focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

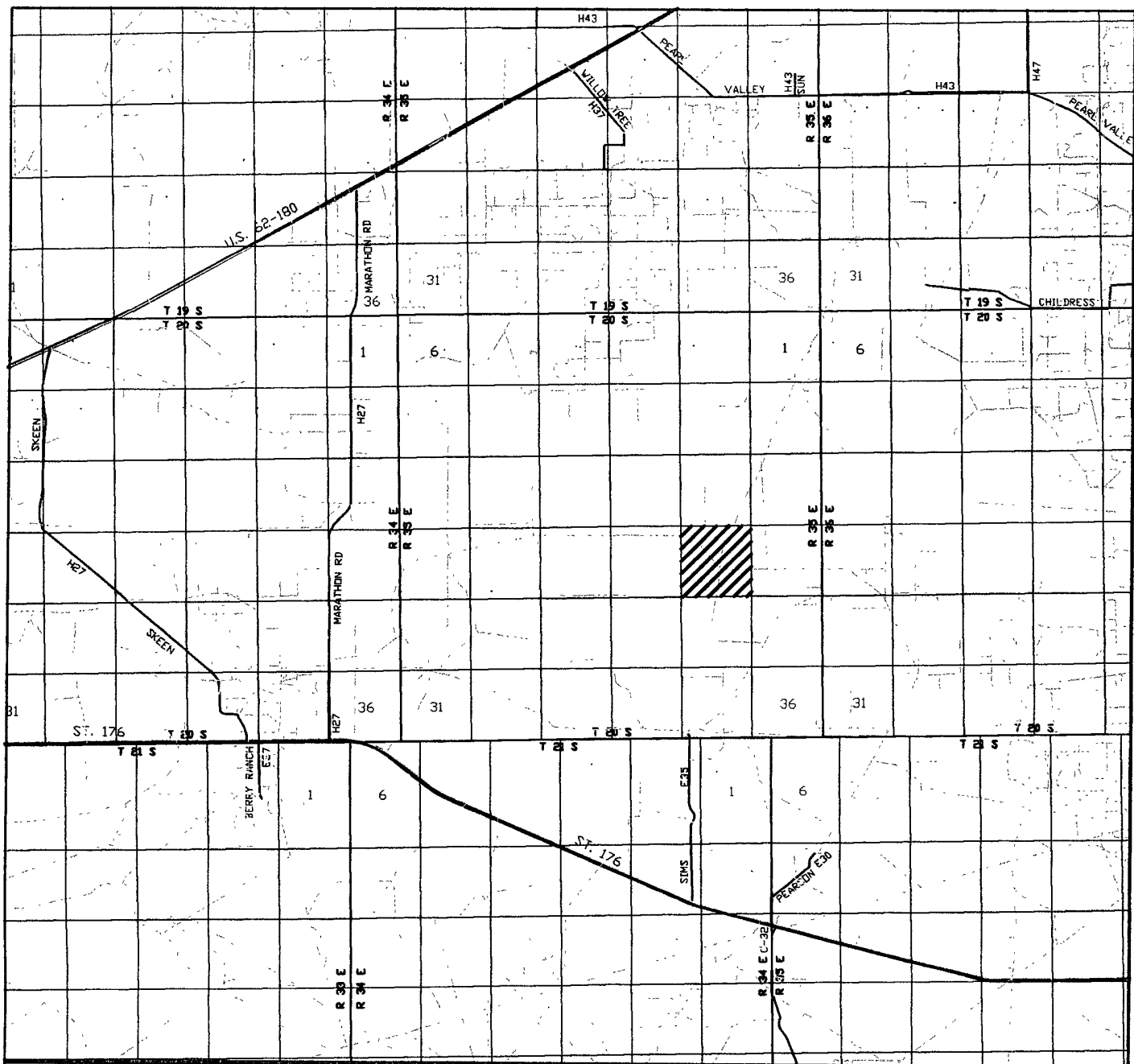
W.O. Number: 19549T JMS

Survey Date 04-15-2008

Scale 1" = 2000'

Date: 04-16-2008

MEWBOURNE
OIL CO.



UPLAND "23" FEDERAL COM #1
 Located 990' FNL and 990' FWL
 Section 23, Township 20 South, Range 35 East,
 N.M.P.M., Lea County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: 19549TR JMS

Survey Date: 04-15-2008

Scale: 1" = 2 MILES

Date: 04-16-2006

MEWBOURNE
 OIL CO.