

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE

N.M. OIL & GAS COMMISSION
P.O. BOX 1980
HOBBS, NEW MEXICO 88240

FORM APPROVED
MB NO. 1004-0136
Expires: February 28, 1995

SIGNATURE AND SERIAL NO.

NMM-94093

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Hanley 24 Federal #1

9. API WELL NO.

30-025-31115

10. FIELD AND POOL, OR WILDCAT
Querecho Plains
Upper Bone Spring

11. SECTION, TOWNSHIP, RANGE, OR B.M.
AND SURVEY OR AREA

24-T18S-R32E

12. COUNTY OR PARISH 13. STATE

Lea

N.M.

1a. TYPE OF WORK

DRILL ☐

DEEPEN ☐

Re-Enter X

b. TYPE OF WELL

OIL WELL ☐

GAS WELL ☐

OTHER

Injection

SINGLE ZONE ☐

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Mewbourne Oil Company

3. ADDRESS AND TELEPHONE NO.

P.O. Box 5270 Hobbs, New Mexico 88241

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At Surface

2310' FSL & 330' FWL

At proposed prod. zone

Injection Bone Spring

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

9 miles Southeast of Maljamar

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

40

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

N/A

19. PROPOSED DEPTH

8650'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3781'

22. APPROX. DATE WORK WILL START*

Upon Approval

23.

Existing Casing

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2	13-3/8 H-40	48#	410'	400 sx. circulated
12-1/4	8-5/8 K-55	24# & 32#	3015'	800 sx. circulated
7-7/8	4-1/2 K-55 & N-80	11.6#	1932 - 8700'	1525 sx. TOC @ 2800'

Mewbourne Oil Company proposes to re-enter to a depth sufficient to inject formation waters into the Bone Spring formation. The well will be placed into the Querecho Plains Bone Spring Sand Unit at the time all applications are approved. Upon extinction of the unit the well will be plugged and abandoned in a manner consistent with federal regulations. Specific programs are outlined in the following attachments.

Re-Entry Program

OPER. OGRID NO. 141744

Multi Point Surface Use and Operating Plan

PROPERTY NO. 13438

Exhibit #1 - Location and Elevation Plat

POOL CODE 52600

Attachment A - Current Schematic

Attachment B - Proposed Schematic

EFF. DATE 12/15/86

Exhibit #2 - Blow Preventor

Exhibit #3 - Existing Access Road

API NO. 30-025-31115

Exhibit #4 - Immediate Radius Map w/Attachment

Statement of Lease Responsibility

H2S Operations Plan

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Robert G. Jones

TITLE

Engineer

DATE

Jan. 22, 1996

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

Application approval 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.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

DATE

*See Instructions On Reverse Side

Mewbourne Oil Company

Re-entry Program

Hanley "24" Federal #1

330' FWL & 2310' FSL

Section 24 - T18S - R32E

Lea County, New Mexico

Lease No: NM 94093

1. The estimated tops of geologic markers are as follows:

Rustler	1190'	Grayburg	4450'
Base of Salt	2580'	Loco Hills	4500'
Yates	2730'	Premier	4740'
Seven Rivers	3140'	San Andres	4810'
Queen	3980'	Delaware	5370'
Penrose	4240'	Bone Springs	6800'

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: None, well has existing casing.
Oil: 8500', existing Bone Springs perforations.

3. **Pressure Control Equipment:** BOPE will be installed on the existing surface casing stub and be rated for 2,000# psi working pressure minimum or greater. Pressure tests will be conducted before drilling out from under all cement casing plugs. Blowout preventor controls will remain in use until drilling operations are completed. Preventor will be inspected and pipe rams operated at least daily to insure good mechanical working order; this inspection will be recorded on the daily drilling report. (See Exhibit #2.)

Auxiliary Equipment: A sub with full opening valve, to fit the tubing and collars, will be available on the rig floor in the open position at all times.

4. **Proposed Re-entry Procedures:**

Attachments A & B show current wellbore conditions and proposed injection conditions, refer to these schematics with the following procedure.

1. Dig out casing stub & install wellhead flange
 2. Move in workover unit & reverse equipment.
 3. Pick up 7 7/8" bit & drill out plugs to top of 4 1/2" casing stub @1932', circulate hole clean.
 4. Pick up casing mill & dress off top of 4 1/2" casing, test 8 5/8" casing to 2000#. If test is good, go to step 5. If test fails procede to step A.
 5. Pick up 3 7/8" bit & drill out remaining plugs & CIBP to a TD of 8700'. Circulate hole clean.
 6. Re-perforate existing perforations & perform remedial acid work.
 7. TIH w/packer and lined 2 3/8" tubing, test casing and annulus.
 8. Put well on injection.
- A. Depending on hole conditions, a decision will be made as weather to squeeze the top of the 4 1/2" casing or tie back the 4 1/2" casing to the surface.
5. **Mud Program:** All plugs will be drilled w/2% KCL water. Sufficient materials to maintain fluid properties, control loss circulation and contain a blow out will be available at the well site during re-entry operations.
6. **Evaluation Program:** Existing electric logs are on file.
7. **Downhole Conditions:**
- | | |
|----------------------------------|--------------------------------|
| Abnormally pressured zones: | None |
| Loss Circulation Zones: | None, existing casing in place |
| Maximum Bottom Hole Temperature: | 120 degrees F. |
| Maximum Bottom Hole Pressure: | 6#/gal. gradient or less. |
8. **Anticipated Starting Date:** Plans are to re-enter this well as soon as possible after receiving approval. It should take approximately 10 days to re-enter the well with completion operations taking an additional 2 days.

Submit to Appropriate
District Office
State Leases - 4 copies
Fee Leases - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Mewbourne Oil Company			Lease Hanley "24" Federal		Well No. 1
Unit Letter L	Section 24	Township 18 SOUTH	Range 32 EAST	County LEA	

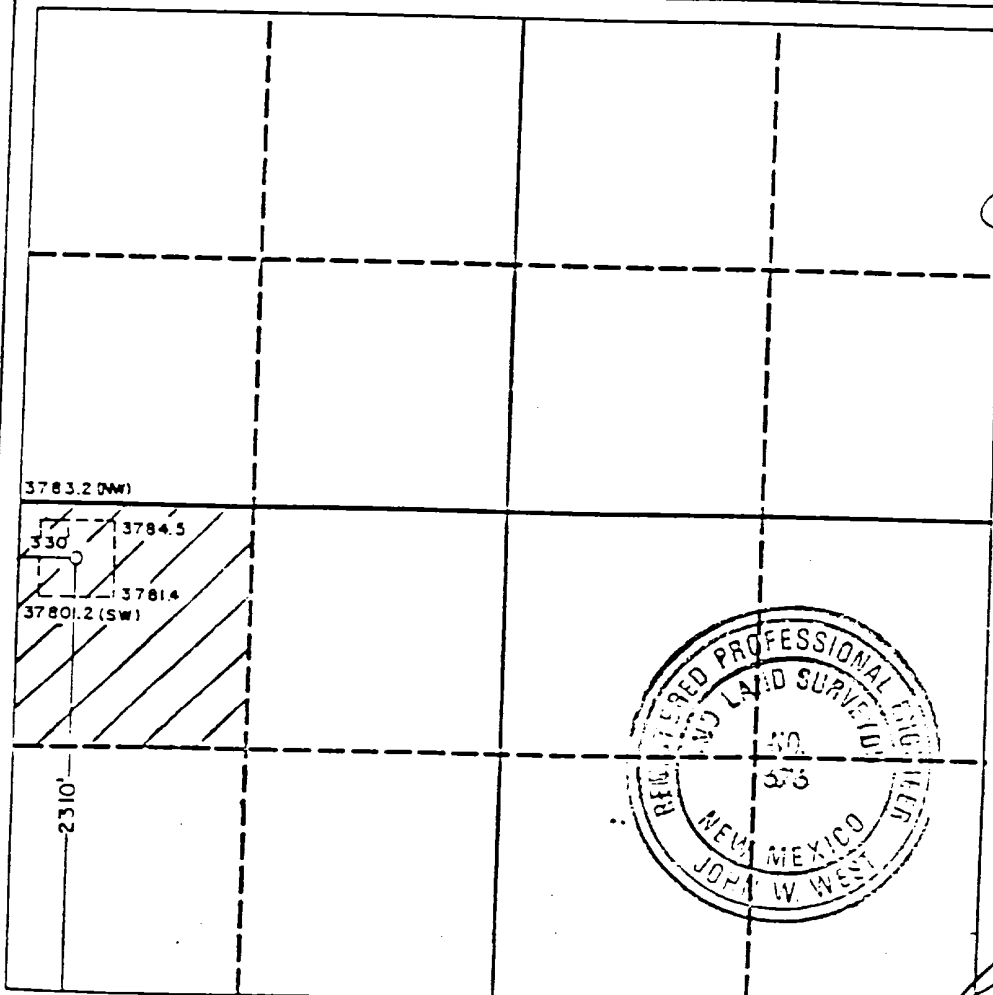
Actual Footage Location of Well:

330 feet from the WEST line and 2310

feet from the SOUTH line

Ground level Elev. 3781.0	Producing Formation Bone Spring	Pool Querecho Plains Upper Bone Spring	Dedicated Acreage 40 Acres
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1. Outline the acreage dedicated to the subject well by colored pencil or hectare marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary).
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature
Robert A. Jones

Printed Name
Robert A. Jones

Position
Engineer

Company
Mewbourne Oil Co.

Date
January 18, 1996

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 knowledge and belief.

Date Surveyed
11-23-90

Signature & Seal of
Professional Surveyor

John W. West
Certificate No. JOHN W. WEST, 675
RONALD J. EIDSON, 3239

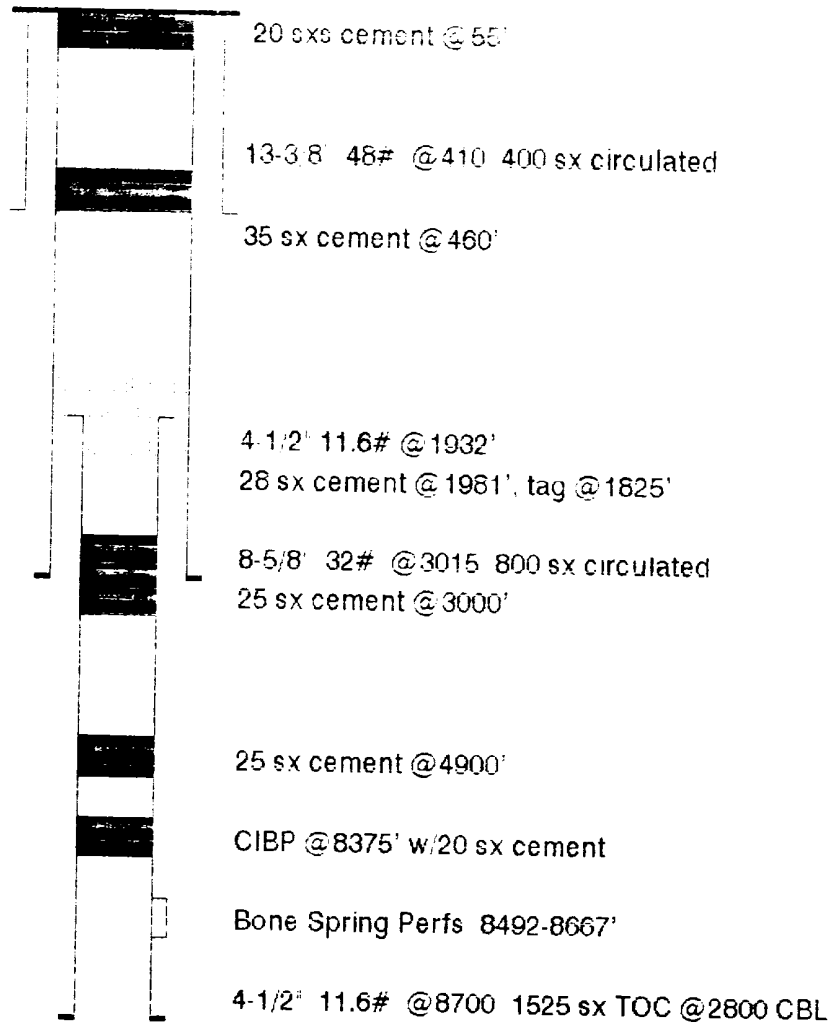
Hanley "24" Federal #1

Sec 24, T18S, R32W, Lea County NM

Unit Letter L, 2310' FSL & 330' FWL

Attachment A

Current Schematic



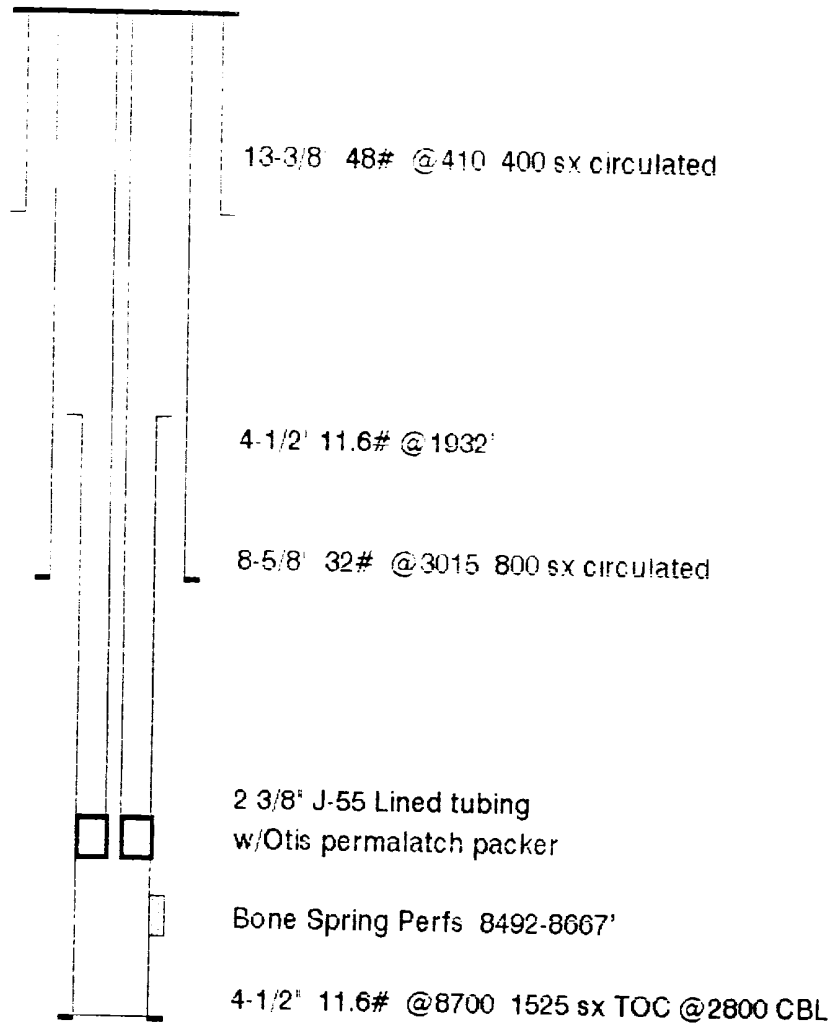
Hanley "24" Federal #1

Sec 24, T18S, R32W, Lea County NM

Unit Letter L, 2310' FSL & 330' FWL

Attachment B

Proposed Schematic



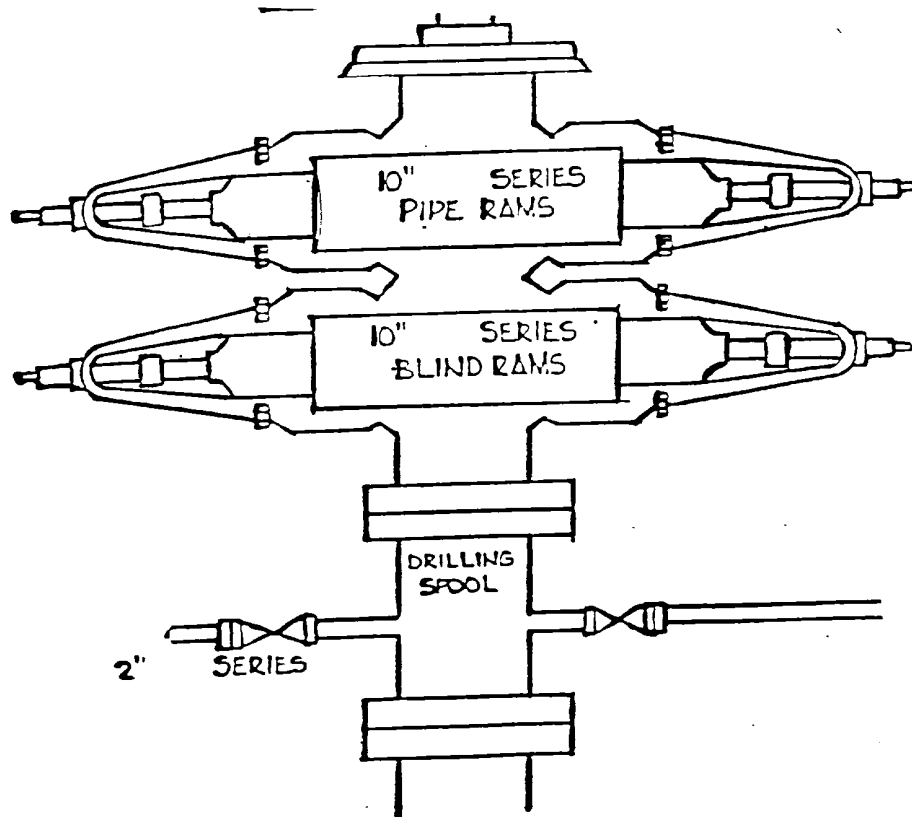


EXHIBIT #2