

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
May 27, 2004

French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division  
1220 South St. Francis Dr. MAY 05 2005  
Santa Fe, NM 87505  
RECEIVED Submit to appropriate District Office  
☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Mewbourne Oil Company Po Box 5270 Hobbs, NM 88240		OGRID Number 14744
Property Code		API Number 30 - 015 - 34098
Property Name Angel Draw 2 State Corn		Well No. 3
Proposed Pool 1 Angel Ranch Morrow		Proposed Pool 2

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	2	20S	27E		1640	N	990	W	Eddy

Proposed 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
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Additional Well Information

Work Type Code N	Well Type Code G	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3397
Multiple No	Proposed Depth 11300	Formation Morrow	Contractor TBA	Spud Date ASAP
Depth to Groundwater 50' or more but less than 100 (100' or more)		Distance from nearest fresh water well Less than 1000 from all other wtr sources (1000' or more)		Distance from nearest surface water (1000' or more )
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 24000 bbls Drilling Method: Production Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	450'	500	Surface
12 1/4"	9 5/8"	40#	3000'	1400	Surface
8 3/4"	5 1/2"	17#	11300'	1100	Cover all oil, water & gas bearing zones Wolfcamp

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

BOP Program: 2k Hydril (see Exhibit #2) from surface casing to intermediate TD. Schaffer LWS or equivalent (Double-Ram Hydraulic) 900 series with Hydril 900 Series (See Exhibit #2A) from intermediate casing to total depth. Rotating head, PVT, flow monitors and mud gas Separator from the Wolfcamp to TD.

Mud Program:

0' to 450' Fresh Water, spud mud, lime for PH and LCM as needed for seepage.  
450' to 3000' Brine Water, lime for PH and LCM as needed for seepage.  
3000' to TD Cut brine. 9.3 #/g. Caustic for PH, Starch for WL control and LCM as needed for seepage

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Kristi Green  
Title: Hobbs Production  
E-mail Address: kgreen@mewbourne.com

Date: 04/27/05

Phone: 505-393-5905

OIL CONSERVATION DIVISION

Approved by:

TIM W. GUM

DISTRICT II SUPERVISOR

Approval Date: MAY 06 2005

Expiration Date: MAY 06 2006

Conditions of Approval Attached ☐

District II  
1301 W. Grand Ave., Artesia, NM  
88210

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

Form C-104A  
Permit 10546

Change of Operator

Previous Operator Information

OGRID: 139731  
Name: SNOW OPERATING CO INC  
Address: 1220 S. St Francis  
Address:  
City, State, Zip: Santa Fe, NM 87505

New Operator Information

Effective Date: 05/01/2006  
OGRID: 14744  
Name: MEWBOURNE OIL CO  
Address: PO Box 5270  
Address:  
City, State, Zip: Hobbs, NM 88241

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Previous Operator

Signature: James W. Littlejohn  
Printed Name: JAMES W. LITTLEJOHN  
Title: P. Sec. Treasurer  
Date: 5/2/05 Phone: 8178313535

New Operator

Signature: Monty L. Whetstone  
Printed Name: Monty L. Whetstone  
Title: Vice-President Operations  
Date: 5/2/05 Phone: (903) 561-2900

**From Operator: SNOW OPERATING CO INC, 139731**  
**Wells Selected for Transfer, Permit 10546**  
**Permit Status: DRAFT**

**OCD District: Artesia**

Property	Well Name	Lease Type	ULSTR	OCD Unit	API	Well Pool Type ID	Pool Name	Last Prod/Inj
17035	STATE 2 COM #001	S	G-2 -203-27B	G	30-015-22948	G 70310	ANGEL RANCH;ATOKA-MORROW (GAS)	02/05

## State of New Mexico

Form C-102

N. French Dr., Hobbs NM 88240

Energy, Minerals &amp; Natural Resources Department

Revised June 10, 2003

District II

1301 W. Grand Avenue, Artesia, NM 88210

## OIL CONSERVATION DIVISION

Submit to Appropriate District Office

District III

1000 Rio Brazos Rd., Aztec, NM 87410

1220 South St. Francis Dr.

State Lease - 4 Copies

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

Santa Fe, NM 87505

Fee Lease - 3 Copies

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name Undes Morrow	
<sup>4</sup> Property Code		<sup>5</sup> Property Name Angel Draw 2 State Com			<sup>6</sup> Well Number 3
<sup>7</sup> OGRID No. 14744		<sup>8</sup> Operator Name Mewbourne Oil Company			<sup>9</sup> Elevation 3397'

<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	2	20 S	27 E		1640	North	990	West	Eddy

<sup>11</sup>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

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

<sup>16</sup> <p>Lease #1-6958 Angel Draw 2 St. Com No. 3 Elev. 3397'</p> <p>Snapping Operating St. 2 Cam #1 Mod took over 6/4/05</p>	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Kristi Green</i> Signature Kristi Green Printed Name Hobbs Regulatory Title and E-mail Address 04/27/05 Date
	<sup>18</sup> 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 belief. 04-06-2005 Date of Survey Signature and Seal of Professional Surveyor  Certificate Number

## **MULTI-POINT SURFACE USE AND OPERATIONS PLAN**

### **MEWBOURNE OIL COMPANY**

Angel Draw 2 St Com #3

1640' FNL & 990' FWL

Section 2-T20S-R27E

Eddy County, New Mexico

This plan is submitted with Form C101, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved, and the procedures to be followed in restoring the surface so that a complete appraisal can be made of the environmental impact associated with the proposed operations.

#### **1. Existing Roads:**

- A. Exhibit #3 is a road map showing the location of the proposed well. Exhibit #3A is a topographic map showing the location of the proposed well and access road. Existing roads are highlighted in red and proposed roads are highlighted in yellow.
- B. **Directions to location from Carlsbad: Go North on Canal Street to Relief route. Continue North on Illinois Camp Rd (CR206) 8 miles. Turn west (left) 1 mile. Turn north (right) 1.4 miles. Go thru MOC Angel Draw 2 #1 location. Go north on new road ½ mile. Turn west ¼ mile. Continue west on new lease road 1200' to new location.**

#### **2. Proposed Access Road:**

- A. 1200' of new road will be needed. The road will enter location on the SE corner.
- B. The access to the location will be limited to 16' in width and will adequately drain runoff and control erosion as presently constructed.

#### **3. Location of Existing and/or Proposed Facilities:**

- A. There are no production facilities on this lease at the present time.
- B. In the event that the well is productive, production facilities will be located on the well pad.
- C. All production vessels left on location will be painted to conform with BLM painting stipulations within 180 days of installation.

#### **4. Location and Type of Water Supply**

The well will be drilled with a combination of fresh water and brine water based mud systems. The water will be obtained from commercial suppliers in the area and/or hauled to the location by transport trucks over existing and proposed roads as indicated in Exhibit #3.

#### **5. Source of Construction Materials**

All material required for construction of the drill pad and access roads will be obtained from private, state, or federal pits. The construction contractor will be solely responsible for securing construction materials required for this operation and paying any royalties that may be required on those materials.

**6. Methods of Handling Waste Disposal:**

- A. Drill cuttings not retained for evaluation purposed will be disposed of in the reserve pit.
- B. Drilling fluids will be allowed to evaporate in the reserve pit prior to closure.
- C. Water produced during operations will be disposed of in the reserve pit.
  
- D. If any liquid hydrocarbons are produced during operations, those liquids will be stored in suitable tanks until sold.
- E. Current regulations regarding the proper disposal of human waste will be followed.
- F. All trash, junk, and other waste materials will be stored in proper containers to prevent dispersal and will be removed to an appropriate facility within one week of cessation of drilling and completion activities.

**7. Ancillary Facilities**

There are no ancillary facilities within the immediate vicinity of the proposed well site.

**8. Well Site Layout**

- A. A diagram of the drill pad is shown in Exhibit #5. Dimensions of the pad, pits, and location of major rig components are shown.
- B. The reserve pit will be lined with a high quality plastic sheeting to prevent migration of fluids as per OCD regulations.
- C. The pad dimension of 400' X 250' have been staked and flagged.

**9. Plans for Restoration of Surface**

- A. Upon cessation of the proposed operations, if the well is abandoned, the location and road will be ripped and re-seeded. The reserve pit area, after allowing to dry will be leveled. The entire location will be restored to the original contour as much as reasonable possible. All trash, garbage, and pit lining will be hauled to appropriate disposal to assure the location is aesthetically pleasing as reasonable possible. All restoration work will be completed within 180 days of cessation of activities.
- B. The disturbed area will be restored by re-seeding during the proper growing season.
- C. Three sides of the reserve pit will be fenced prior to and during drilling operations. The reserve pit will be fenced on the fourth side after the drilling rig is removed to prevent the endangerment of livestock. The fence will remain in place until the pit area has been leveled and restored.
- D. Upon cessation of the proposed operations, if the well is not abandoned, the reserve pit area will be restored as per OCD guidelines. Any additional caliche required for production facilities will be obtained from a source as described in Section 6.
- E. Within 90 days of cessation of drilling and completion operations, all equipment not necessary for production operations will be removed. The location will be cleaned of all trash and junk to assure the well site is left as aesthetically pleasing as reasonably possible

**10. Surface Ownership:**

The surface is owned by: Bureau of Land Management

**11. Other Information**

A. The primary use of the surface at the location is for grazing of livestock.

**12. Other Information**

- A. Topography: Refer to the archaeological report for a detailed description of flora, fauna, soil characteristics, dwellings, and historical or cultural sites.
- B. The primary use of the surface at the location is for grazing of livestock.

**13. Operator's Representative:**

A. Through APD approval and drilling operations:

**N.M. Young, District Manager**  
Mewbourne Oil Company  
PO Box 5270  
Hobbs, NM 88241  
505-393-5905

B. Through completion and production operations:

**N.M. Young, District Manager**  
Mewbourne Oil Company  
PO Box 5270  
Hobbs, NM 88241  
505-393-5905

**14. Certification**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by Mewbourne Oil Company, its contractors and subcontractors, in accordance with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date: 04/27/05

Signature: *Christi Green for NM Young*

NM Young  
Mewbourne Oil Company  
PO Box 5270  
Hobbs, NM 88241  
(505) 393-5905

## **Hydrogen Sulfide Drilling Operations Plan**

### **Mewbourne Oil Company**

Angel Draw 2 St Com #3

1640' FNL & 990' FWL

Section 2-T20S-R27E

Eddy County, New Mexico

#### **1. Hydrogen Sulfide Training**

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will have received training from a qualified instructor in the following areas prior to entering the drilling pad area of the well:

- 1 The hazards and characteristics of hydrogen sulfide gas.
- 2 The proper use of personal protective equipment and life support systems.
- 3 The proper use of hydrogen sulfide detectors, alarms, warning systems, briefing areas, evacuation procedures.
- 4 The proper techniques for first aid and rescue operations.

Additionally, supervisory personnel will be trained in the following areas:

- 1 The effects of hydrogen sulfide on metal components. If high tensile tubular systems are utilized, supervisory personnel will be trained in their special maintenance requirements.
- 2 Corrective action and shut in procedures, blowout prevention, and well control procedures while drilling a well.
- 3 The contents of the Hydrogen Sulfide Drilling Operations Plan.

There will be an initial training session prior to encountering a known hydrogen sulfide source. The initial training session shall include a review of the site specific Hydrogen Sulfide Drilling Operations Plan.

#### **2. Hydrogen Sulfide Safety Equipment and Systems**

All hydrogen sulfide safety equipment and systems will be installed, tested, and operational prior to drilling below the intermediate casing.

1. **Well Control Equipment**
  - A. Flare line with automatic igniter or continuous ignition source.
  - B. Choke manifold with minimum of one adjustable choke.
  - C. Blowout preventers equipped with blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit
  - D. Auxiliary equipment including rotating head and annular type blowout preventer.
2. **Protective Equipment for Essential Personnel**

Thirty minute self contained work unit located at briefing area as indicated on wellsite diagram.



3. Hydrogen Sulfide Protection and Monitoring Equipment

Two portable hydrogen sulfide monitors positioned on location for optimum coverage and detection. The units shall have audible sirens to notify personnel when hydrogen sulfide levels exceed 20 ppm.

4. Visual Warning Systems

A. Wind direction indicators as indicated on the wellsite diagram.

B. Caution signs shall be posted on roads providing access to location. Signs shall be painted a high visibility color with lettering of sufficient size to be readable at reasonable distances from potentially contaminated areas.

3. **Mud Program**

The mud program has been designed to minimize the amount of hydrogen sulfide entrained in the mud system. Proper mud weight, safe drilling practices, and the use of hydrogen sulfide scavengers will minimize hazards while drilling the well.

4. **Metallurgy**

All tubular systems, wellheads, blowout preventers, drilling spools, kill lines, choke manifolds, and valves shall be suitable for service in a hydrogen sulfide environment when chemically treated.

5. **Communications**

State & County Officials phone numbers are posted on rig floor and supervisors trailer.

Communications in company vehicles and toolpushers are either two way radios or cellular phones.

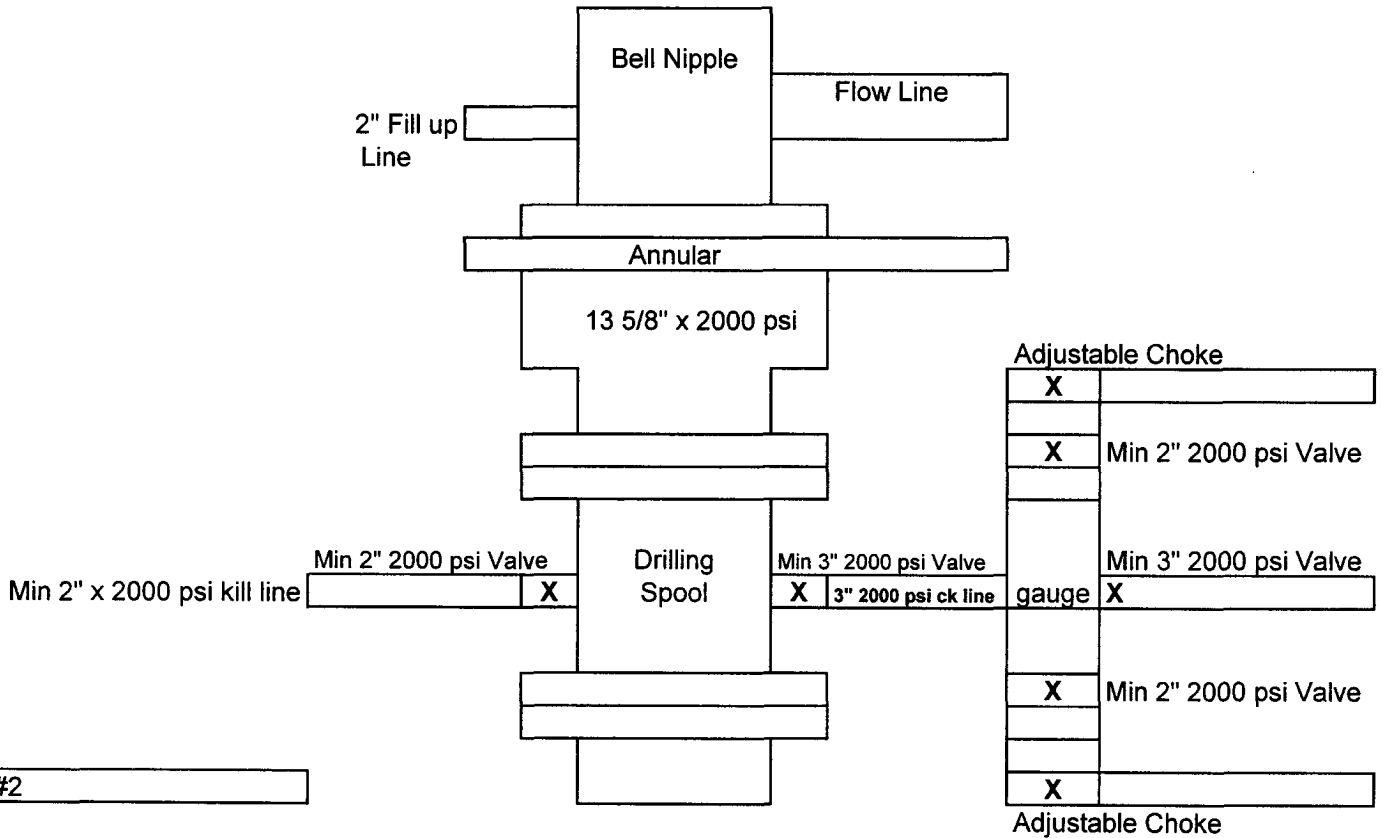
6. **Well Testing**

Drill stem testing is not an anticipated requirement for evaluation of this well. A drill stem test is required, it will be conducted with a minimum number of personnel in the immediate vicinity. The test will be conducted during daylight hours only.

7. **General Requirements**

MOC has researched this area and no high concentrations of H<sub>2</sub>S was found. MOC will have on location and working all H<sub>2</sub>S safety equipment before Delaware formation.

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



Angel Draw 2 State Com #3  
Sec 2-T20S-R27E  
1640' FNL & 990' FWL  
Eddy County, NM

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

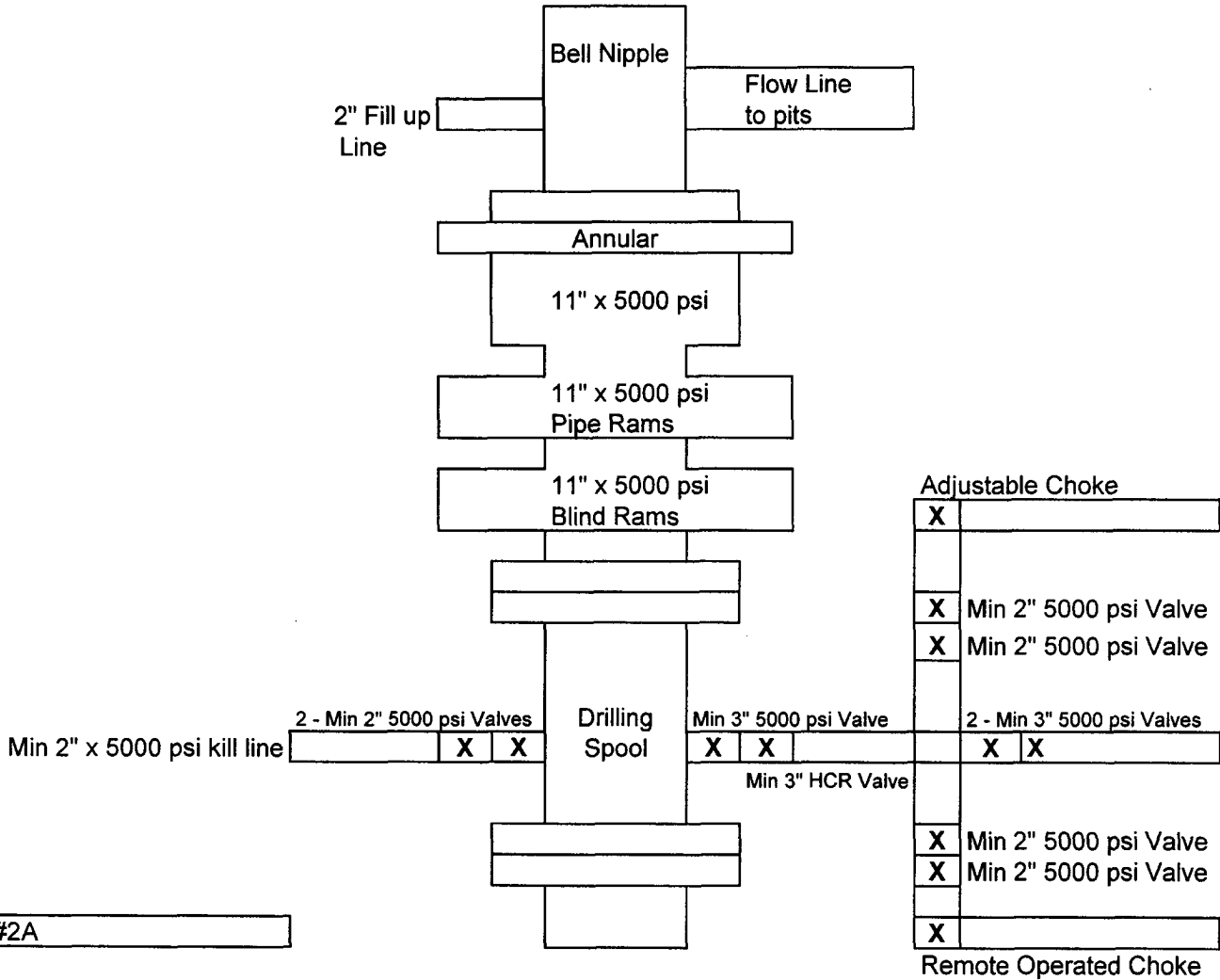
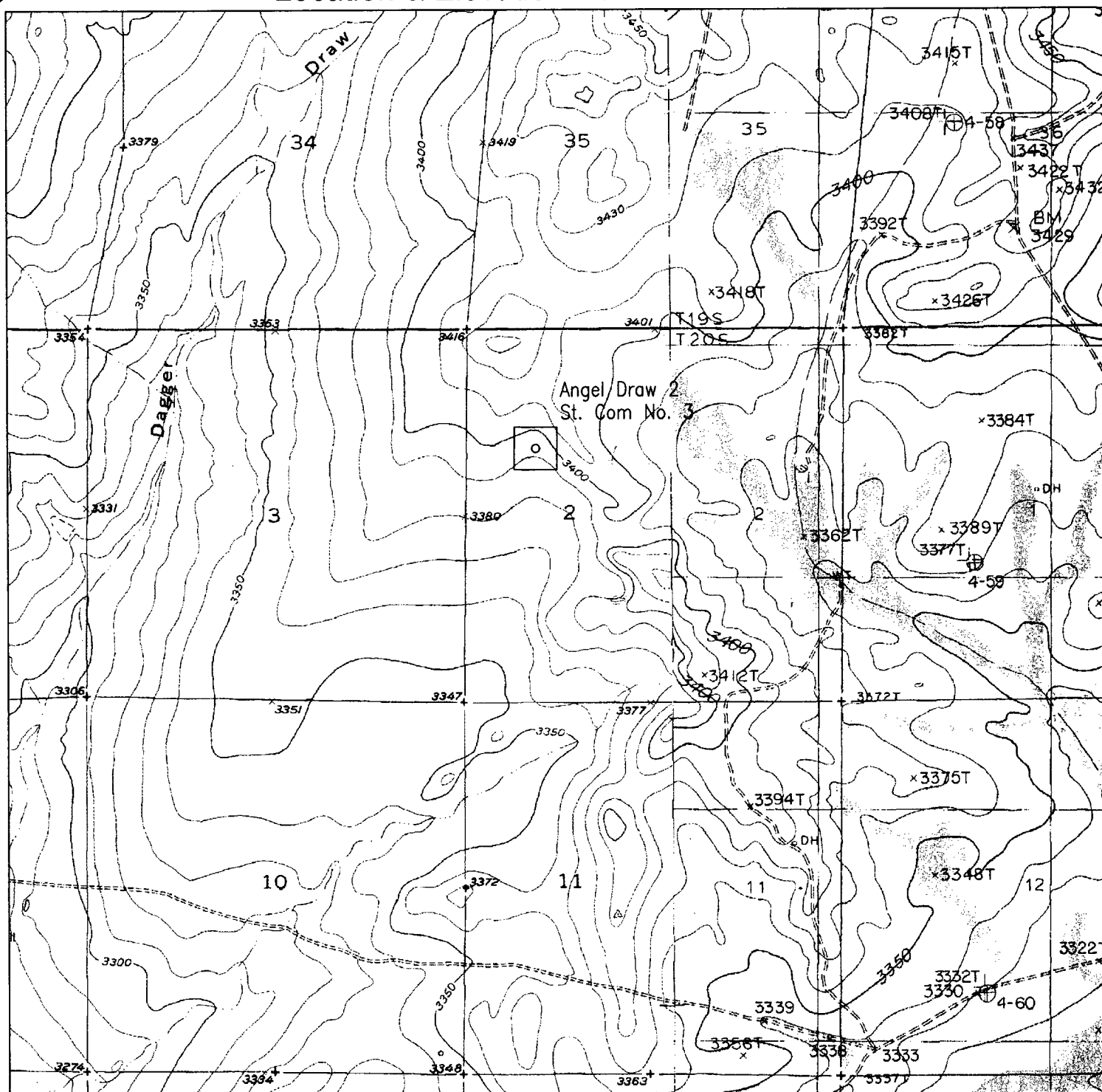


Exhibit #2A

Angel Draw 2 State Com #3  
Sec 2-T20S-R27E  
1640' FNL & 990' FWL  
Eddy County, NM

## Location & Elevation Verification Plat



U.S.G.S. TOPOGRAPHIC MAP  
CONTOUR INTERVAL  
LOCATION COORDINATES  
LOCATION ELEVATION

Lake McMillan South, New Mexico

10 FEET

NAD 27: LAT. 32° 36' 18" LONG. 104° 15' 2

3397 FEET

# Exhibit 3

Mewbourne Oil Company  
Angel Draw 2 St. Com No. 3  
Section 2, T20S, R27E, NMPM  
Eddy County, New Mexico

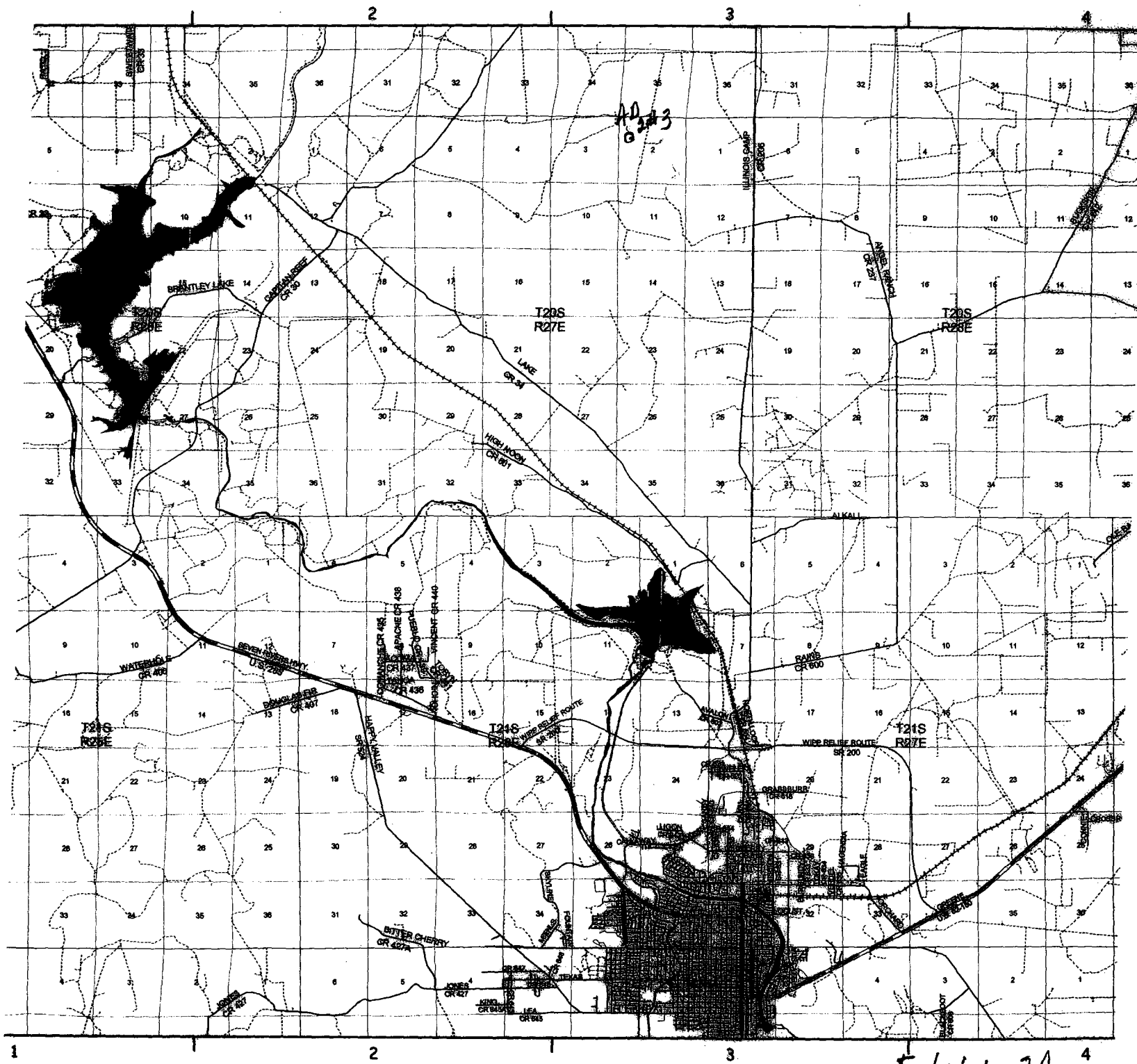
STANFORD SURVEYING COMPANY  
P.O. BOX 8490  
MIDLAND, TEXAS 79708-8490  
432-699-5708

DRAWN BY Mike Stanford

DATE 4-18-2005

SCALE  $\frac{1''}{2000'}$

FILE NAME A-2725T.DWG



Legend

- Township
- Section
- Pecos River

Continued on Page 15

Exhibit 3A

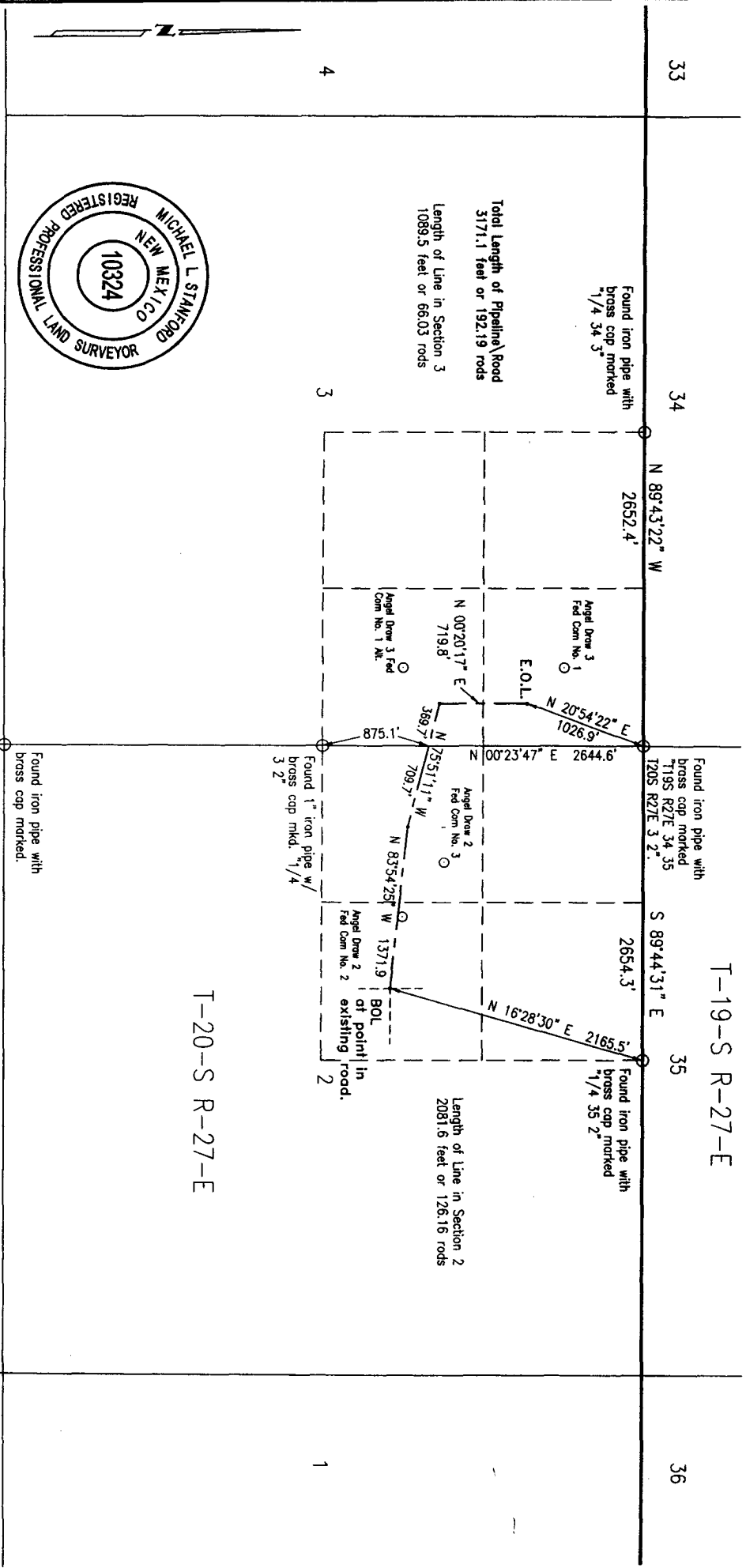


Date Surveyed April 6, 2005

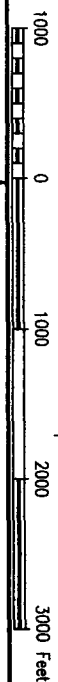
Coordinates and Bearings shown are based upon the New Mexico Coordinate System East Zone NAD 83 as derived from GPS connections to NGS CORS Stations TXEL, TXOD & WSMN. All distances shown are surface values.

I, Michael L. Stamford, New Mexico Professional Surveyor No. 10324, do hereby certify that this Easement Survey Plot and the actual survey on the ground which it is based upon were performed by me or under my direct supervision; that I am responsible for this survey; that this survey meets the Minimum Standards for Surveying in New Mexico; and that it is true and correct to the best of my knowledge and belief. I further certify that this survey is not a land division or subdivision as defined in the New Mexico Subdivision Act.

Surveyor's Name Michael L. Stamford P.S. No. 10324 Date April 23, 2005



T-20-S R-27-E



Mewbourne Oil Company		STANFORD SURVEYING COMPANY	
Centerline of 30' wide pipeline and road easement		P.O. BOX 8490	
Sections 2 & 3, T20S, R27E, NMPM		MIDLAND, TEXAS 79708-8490	
Eddy County, New Mexico		432-699-5708	
DRAWN BY	DATE	SCALE	FILE NAME
Justin Robertson	04-21-2005	1" = 1000'	A-2727

Mewbourne Oil Company

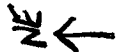
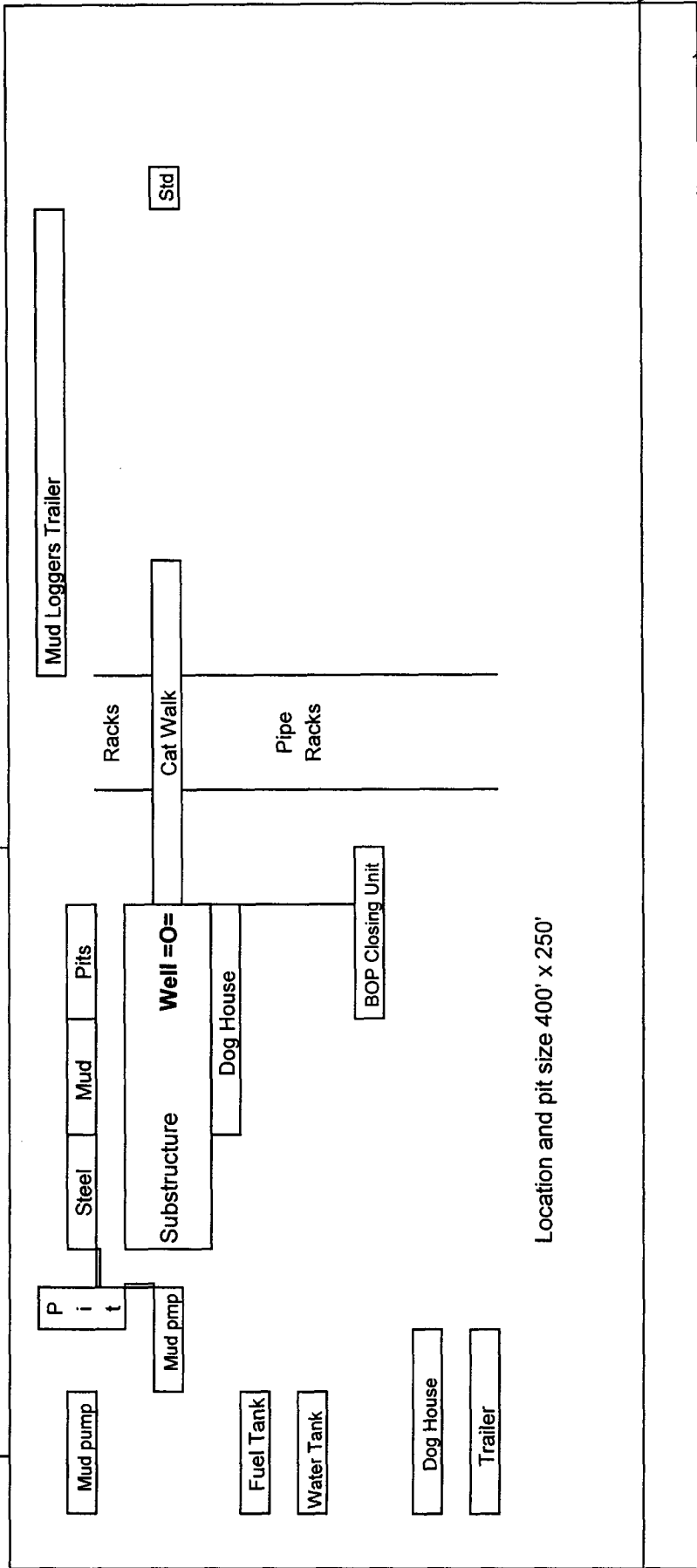
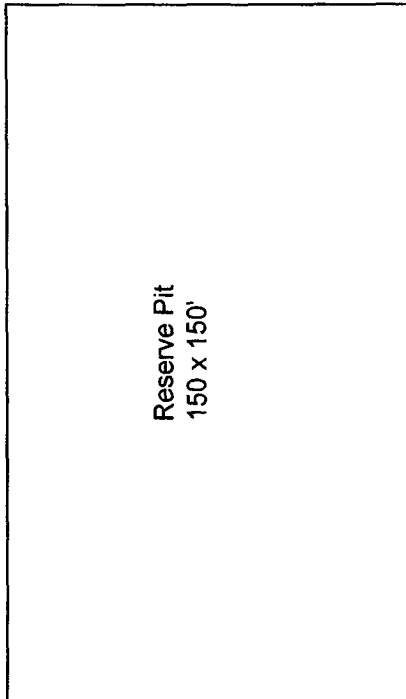


Exhibit # 5

Well Name Angel Draw 2 State Com #3  
Footages Sec 2-T20S-R27E  
STR 1640' FNL & 990' FWL  
County Eddy County  
State New Mexico



New lease Rd

Rig Location Schematic

Gas Sales

