

30-025-42095

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

MEWBOURNE OIL COMPANY

El Mar 21 A3DM Fed Com #1H

175' FNL & 500' FWL (SHL)

Sec 21-T26S-R33E

Lea County, New Mexico

This plan is submitted with Form 3160-3, 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. Existing roads are highlighted in black. Exhibits #3-#3C are maps showing the location of the proposed well and access road. Existing and proposed roads are highlighted in black.
- B. Directions to location: From the intersection of C-1 (Orla Hwy.) & J-2 (Battle Axe), go east following J-2 approx. 8.8 miles to an existing two track road. Turn left onto the tow track road heading west approx. 0.2 miles to road survey. Follow road survey approx. 300 feet to southeast corner of pad. Location is approx. 225 feet northwest.
- C. Existing roads will be maintained in a condition the same as or better than before operations begin.

2. Proposed Access Road:

- A. Approx. 230.48 feet of new road construction will be needed as well as 1,473.21' of road will need to be upgraded as shown in Exhibit 3D.
- B. The maximum width of the driving surface will be 14 feet. The road will be crowned and ditched with a 2% slope from the tip of the crown to the edge of the driving surface. The ditches will be 1 foot deep with 3:1 slopes. The road will be surfaced with 6" of rolled and compacted caliche.
- C. Mewbourne Oil Co. will cooperate with other operators in the maintenance of lease roads.

3. Location of Existing Wells:

There are producing wells within the immediate vicinity of the well site. Exhibit #4 shows existing wells within a one mile radius.

4. 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 on the south side of location.
- C. All production vessels left on location will be painted to conform to BLM painting stipulations within 180 days of installation.

SFD 1 6 2010

5. 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.

6. 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.

7. Methods of Handling Waste Disposal:

- A. Drill cuttings not retained for evaluation purposed will be hauled to an off-site permitted facility.
- B. Water produced during operations will be hauled to an off-site permitted SWD in the area.
- C. If any liquid hydrocarbons are produced during operations, those liquids will be stored in suitable tanks until sold.
- D. Sewage and gray water will be safely contained on-site, and then waste will be disposed at an approved off-site facility.
- E. 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.

8. Ancillary Facilities

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

9. Well Site Layout

- A. A diagram of the drill pad is shown in Exhibit #6. Dimensions of the pad and location of major rig components are shown.
- B. The pad dimension of 280' x 320' has been staked and flagged.

10. Plans for Restoration of Surface

- A. Within 120 days of cessation of drilling and completion operations, all equipment not necessary for production operations will be removed. The location and surrounding area will be cleaned of all trash and junk to assure the well site is left as esthetically pleasing as reasonably possible.
- B. Interim reclamation:
 - i. All areas not needed for production operations will be reclaimed as shown in the interim reclamation layout, exhibit #5.

- ii. In these areas, caliche will be removed, the land will be recontoured to match the surrounding area and the topsoil from the stockpile will be spread over these areas.
- iii. The disturbed area will be restored by seeding during the proper growing season.
- iv. Any additional caliche required for production facilities will be obtained from the reclaimed areas.

C. Final Reclamation:

- i. Upon cessation of the proposed operations, if the well is abandoned, all equipment and trash will be removed and taken to a proper facility.
- ii. The location and road surfacing material will be removed and used to patch area lease roads.
- iii. The entire location will be restored to the original contour as much as reasonable possible.
- iv. The topsoil used for interim reclamation will be spread over the entire location.
- v. The disturbed area will be restored by seeding during the proper growing season.

All restoration work will be completed within 180 days of cessation of activities.

11. Surface Ownership:

The surface is owned by Oliver Kiehne. A surface use agreement is in place and a copy of this surface use plan has been sent to Mr. Kiehne. Archaeology is cleared through BLM MOA program.

12. Other Information:

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

13. Operators Representative:

- A. Through APD approval, drilling, completion and production operations:

N.M. Young, District Manager
Mewbourne Oil Company
PO Box 5270
Hobbs, NM 88241
575-393-5905

MEWBOURNE OIL COMPANY
P. O. BOX 7698
TYLER, TEXAS 75711

Lease El Mar 21 DM Fed Com Well No #1H Location _____
County Lea ST NM Section 21 TwnShp 26S Rng 33E
Section _____ Blk _____ Survey _____
Filename _____ Page 1
API No. _____

DATE	DAILY REPORTS
NOV 07 2013	Met with Trish Badbear (BLM) & Prosperity surveying & staked location @ 150' FNL & 330' FWL, Sec 21, T26S, R33E, Lea Co., NM. This location was unacceptable due to existing buried DCP pipeline. Restaked @ 175' FNL & 500' FWL. This appears to be a drillable location with pits to the north. (Elevation @ 3251'). Topsoil will be stockpiled to the west 30' wide. A new road will be required to access this location from the southeast corner heading east. Battery will be to the south. Reclaim as follows with battery: 30'-N, 50'-E, 70'-W. A berm is required on the west edge of location. Arch is approved through BLM MOA. (BCB/BPS)

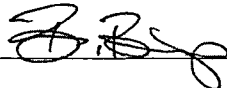
Mewbourne Oil Company

PO Box 5270
Hobbs, NM 88241
(575) 393-5905

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of State and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 31 day of JANUARY, 2014.

Name: NM Young

Signature:  FOR NM YOUNG

Position Title: Hobbs District Manager

Address: PO Box 5270, Hobbs NM 88241

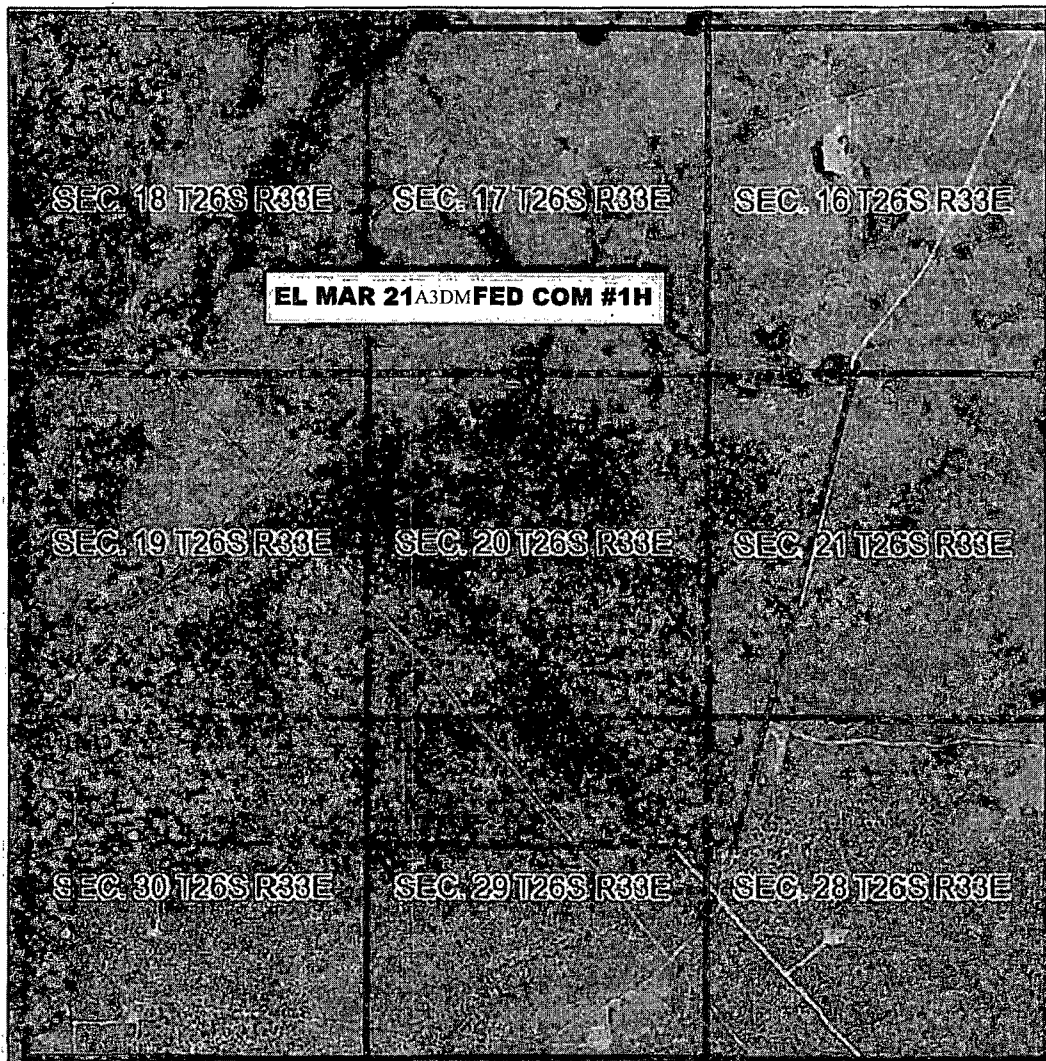
Telephone: 575-393-5905

E-mail: myoung@mewbourne.com

3A

VICINITY MAP

NOT TO SCALE



SECTION 21, TWP. 26 SOUTH, RGE. 33 EAST,
N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR: Mewbourne Oil Company
LEASE: El Mar 21A3DM Fed Com
WELL NO.: 1H

LOCATION: 175' FNL & 500' FWL
ELEVATION: 3275'

Copyright 2013 - All Rights Reserved

NO.	REVISION	DATE
JOB NO.:	LS130471	
DWG. NO.:	130471VM	

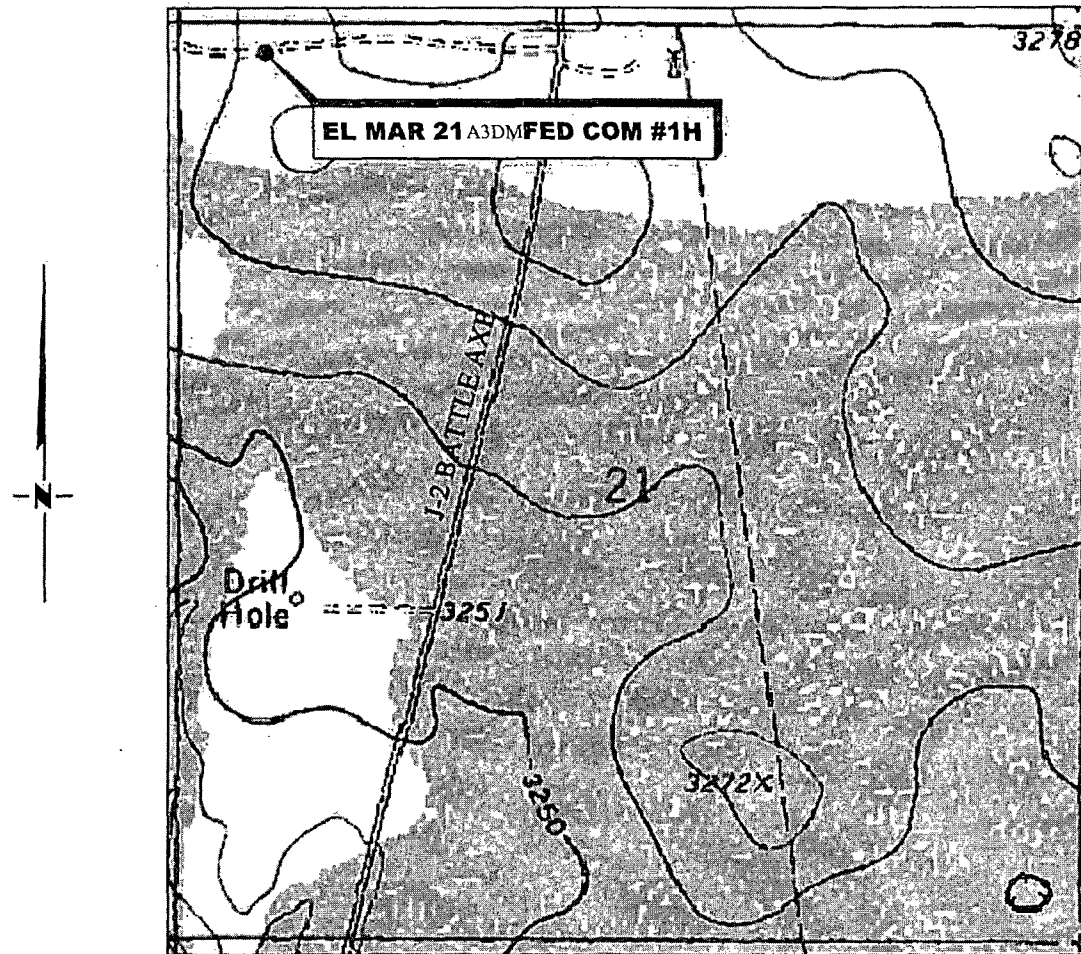
PROSPERITY CONSULTANTS, LLC



308 W. Broadway St., Hobbs, NM 88240 | Firm No. TX 10193838 NM 4655451 | (575) 964-8200

SCALE: N.T.S.
DATE: 11/6/13
SURVEYED BY: BC/BK
DRAWN BY: AF
APPROVED BY: LWB
SHEET : 1 OF 1

LOCATION VERIFICATION MAP



SECTION 21, TWP. 26 SOUTH, RGE. 33 EAST,
N. M. P. M., LEA COUNTY, NEW MEXICO

OPERATOR: Mewbourne Oil Company
LEASE: El Mar 21 A3DM Fed Com
WELL NO.: 1H
ELEVATION: 3275'

LOCATION: 175' FNL & 500' FWL
CONTOUR INTERVAL: 10'
USGS TOPO. SOURCE MAP:
Paduca Breaks East, NM (1973)

Copyright 2013 - All Rights Reserved

NO.	REVISION	DATE
JOB NO.:	LS130471	
DWG. NO.:	130471LVM	

PROSPERITY CONSULTANTS, LLC



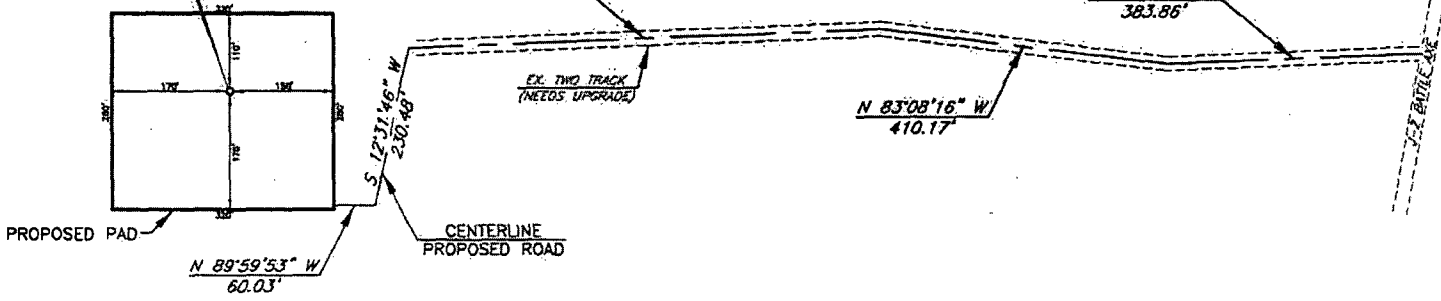
308 W. Broadway St., Hobbs, NM 88240 | Firm No. TX 10193838 NM 4655451 | (575) 964-8200

SCALE: 1"=1000'
DATE: 11/6/13
SURVEYED BY: BC/BK
DRAWN BY: AF
APPROVED BY: LWB
SHEET : 1 OF 1

3E

MEWBOURNE OIL COMPANY
 SURVEY OF ROAD UPGRADE & PROPOSED ROAD FOR THE
 EL MAR 21st FED COM #1H
 (175' FNL & 500' FWL)
 Section 21, T-26-S, R-33-E,
 N. M. P. M., Lea Co., New Mexico

EL MAR 21st FED COM #1H
 ELEVATION: 3275'
 LAT: 32.03566519° N
 LONG: 103.50507172° W



PROSPERITY CONSULTANTS, LLC



SCALE: 1" = 200'
 0 100 200
 BEARINGS ARE
 MAG 27 GRID - NM EAST
 DISTANCES ARE
 GROUND

NO.	REVISION	DATE
JOB NO.: LS130471		
DWG. NO.: 130471PAD		

2251 Double Creek Drive, Suite 602, Round Rock, Texas 78664

© 1972, 1992-2007 (1512) 251-2518

SCALE: 1" = 200'
DATE: 11/6/13
SURVEYED BY: BC/BK
DRAWN BY: AF
APPROVED BY: LWB
SHEET: 2 OF 2

Copyright 2013 - All Rights Reserved

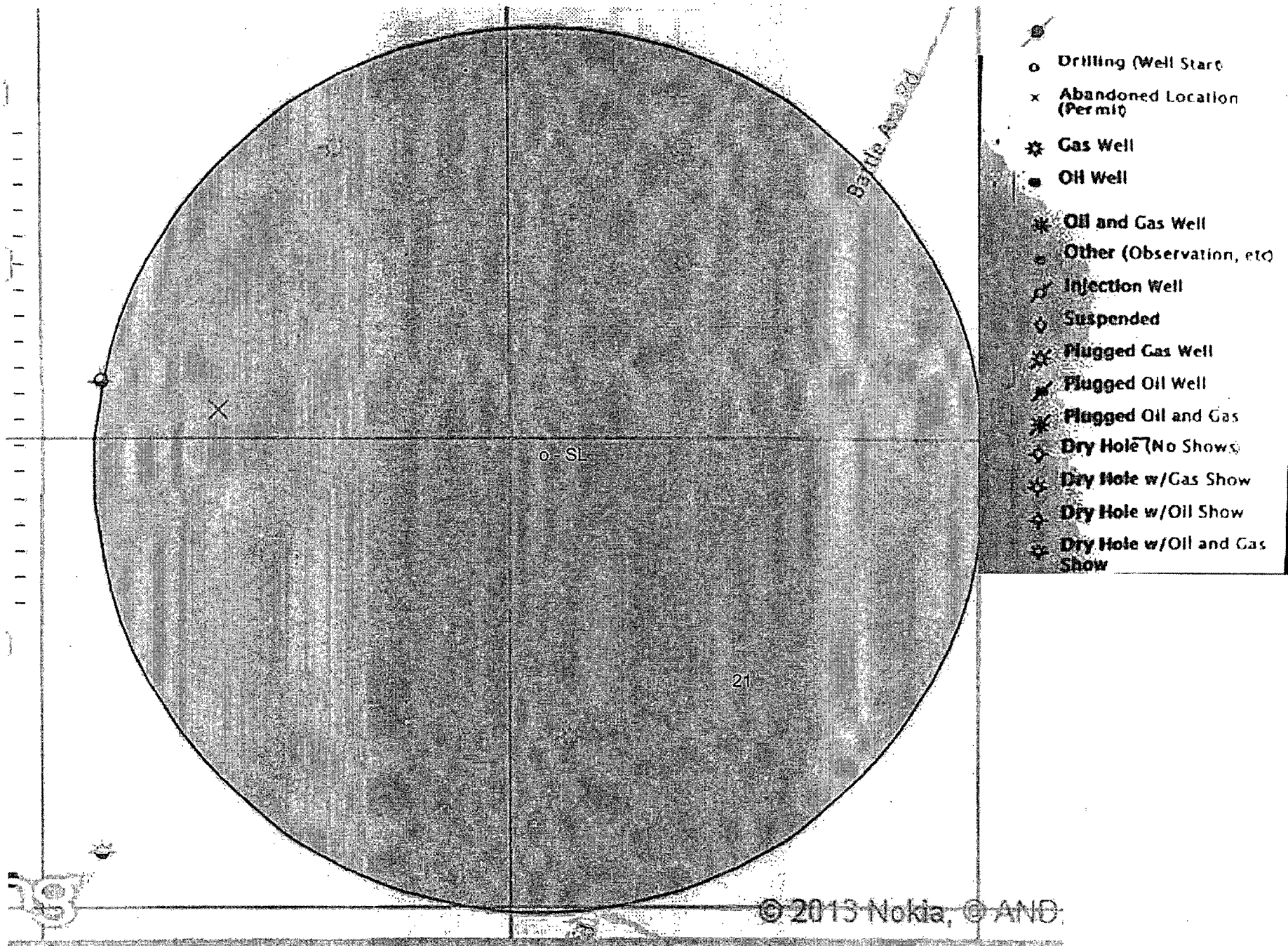
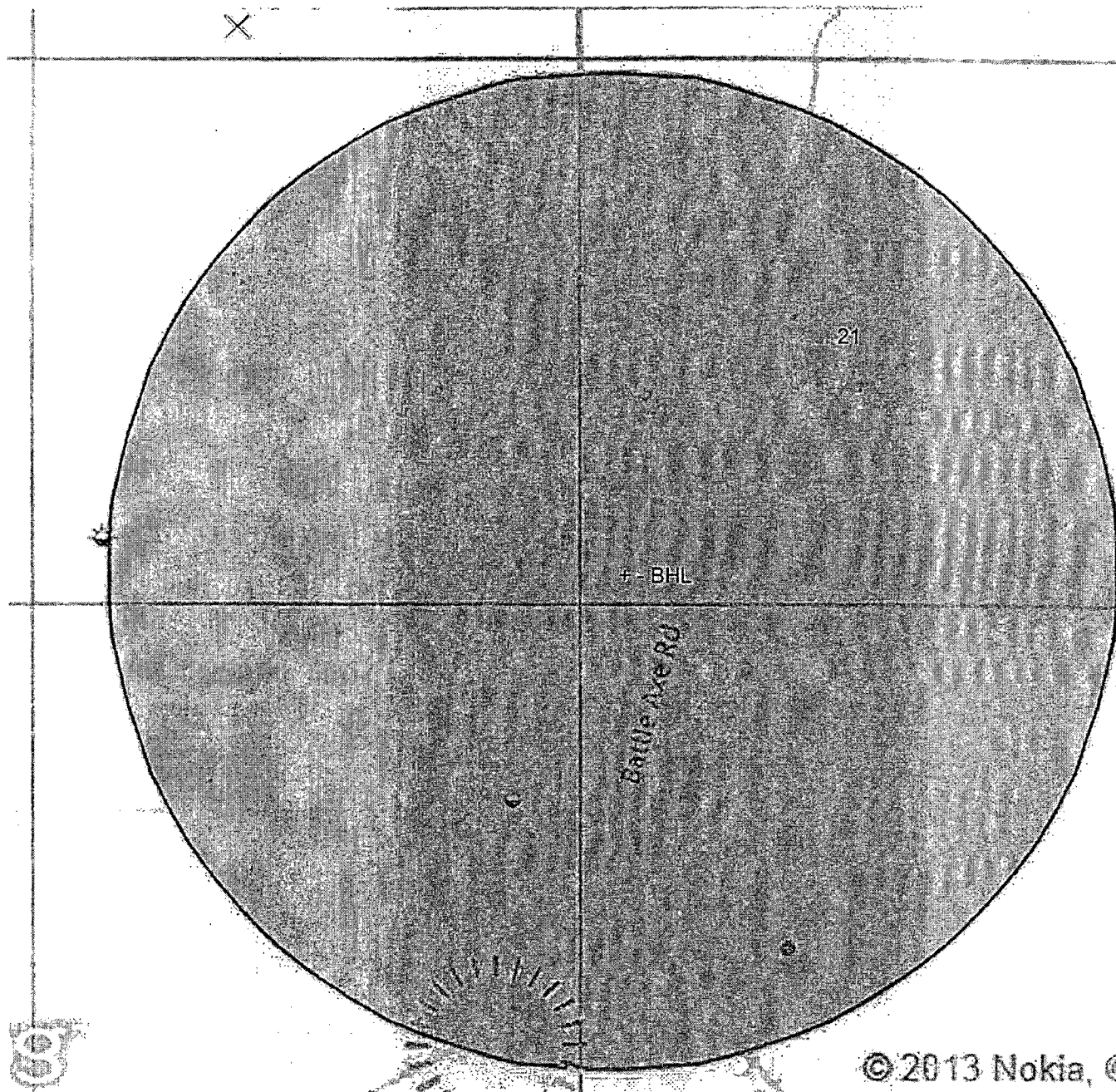


Exhibit "4" SL - El Mar 21 A3DM Fed Com #1H



- Drilling (Well Start)
- × Abandoned Location (Permit)
- ✱ Gas Well
- Oil Well
- ✱ Oil and Gas Well
- ✱ Other (Observation, etc)
- ✱ Injection Well
- ◇ Suspended
- ✱ Plugged Gas Well
- ✱ Plugged Oil Well
- ✱ Plugged Oil and Gas
- ✱ Dry Hole (No Shows)
- ✱ Dry Hole w/Gas Show
- ✱ Dry Hole w/Oil Show
- ✱ Dry Hole w/Oil and Gas Show

© 2013 Nokia, © AN