

District I  
1625 N. 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

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
Revised June 10, 2003

Oil Conservation Division  
1220 South St. Francis Dr. SEP 15 2004  
Santa Fe, NM 87505  
RECEIVED Submit to appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies  
OCD-ARTESIA ☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address Mewbourne Oil Company PO Box 5270 Hobbs, NM 88240		<sup>2</sup> OGRID Number 14744
<sup>3</sup> Property Code		<sup>3</sup> API Number 30 - 15 - 33628
<sup>5</sup> Property Name Beretta 26 State Com		<sup>6</sup> Well No. 1

<sup>7</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
B	26	18S	28E		660	N	1650	E	Eddy

<sup>8</sup> 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

<sup>9</sup> Proposed Pool 1

<sup>10</sup> Proposed Pool 2

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3476'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 11000'	<sup>18</sup> Formation Morrow	<sup>19</sup> Contractor TBA	<sup>20</sup> Spud Date Upon OCD approval

<sup>21</sup> 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#	400' 2cc - 3cc	400	Surface
12 1/4"	9 5/8"	40#	2800' - 3000'	1200	Surface
8 3/4"	5 1/2"	17#	11000'	1600	500' above Wolfcamp

<sup>22</sup> 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 400' Fresh Water, spud mud, lime for PH and LCM as needed for seepage.

400' to 2800' Brine Water, lime for PH and LCM as needed for seepage.

2800' to 9500' Cut Brine Water, lime for PH and LCM as needed for seepage.

9500' to TD Cut Brine Water. 9.3+ #/g, Caustic for PH, Starch for WL control and LCM as needed for seepage

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Kristi Green</i> Printed name: Kristi Green Title: Hobbs Regulatory E-mail Address: kgreen@mewbourne.com Date: 09-14-04 Phone: 505-393-5905	<i>BK</i> OIL CONSERVATION DIVISION Approved by: <i>TIM W. GUM</i> Title: DISTRICT II SUPERVISOR Approval Date: SEP 16 2004 Expiration Date: SEP 16 2005 Conditions of Approval: Attached <input type="checkbox"/> Set surface casing above Salt Section, Please refer to offset wells for more information.
--	--

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

**DISTRICT II**  
811 South First, Artesia, NM 88210

**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, NM 87410

**DISTRICT IV**  
2040 South Pacheco, Santa Fe, NM 87505

**State of New Mexico**  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised March 17, 1999  
Instruction on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

**OIL CONSERVATION DIVISION**  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number		Pool Code	Pool Name Undesigned Morrow
Property Code	Property Name BERETTA "26" STATE COM.		Well Number 1
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY		Elevation 3476

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	26	18S	28E		660	NORTH	1650	EAST	EDDY

**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**

	<b>OPERATOR CERTIFICATION</b>  I hereby certify the 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 09/13/04 Date	
	<b>SURVEYOR CERTIFICATION</b>  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.  8/25/2004 Date Surveyed Signature of Professional Surveyor 	
	Certificate No. Herschel RLS 3640 BERETTA 26 GENERAL SURVEYING COMPANY	

0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'

District I  
1625 N. 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

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-144  
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Mewbourne Oil Company Telephone: 505-393-5905 e-mail address: kgreen@mewbourne.com

Address: PO Box 5270

Facility or well name: Beretta "26" State Com #1 API #:                      U/L or Qtr/Qtr B Sec 26 T18S R28E

County: Eddy Latitude 32-43-28.3N Longitude 104-08-38.0W NAD: 1927 ☐ 1983 ☒

Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

**Pit**

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 12 mil Clay ☐

Volume 24,000 bbl

**Below-grade tank**

Volume:            bbl Type of fluid:                     

Construction material:                     

Double-walled, with leak detection? Yes ☐ If not, explain why not.

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet ☒

(10 points) ☒

100 feet or more

( 0 points)

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes

(20 points)

No ☒

( 0 points) ☒

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet

(20 points)

200 feet or more, but less than 1000 feet

(10 points)

1000 feet or more ☒

( 0 points) ☒

**Ranking Score (Total Points)**

**10 Points**

**If this is a pit closure:** (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☐ offsite ☐ If offsite, name of facility                     . (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface                      ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Date: 08/31/04

Printed Name/Title Kristi Green - Regulatory

Signature *Kristi Green*

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval **SEP 15 2004**

Date:                     

Printed Name/Title *Childs*

Signature *Childs*

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

### **MEWBOURNE OIL COMPANY**

Beretta 26 St Com #1  
660' FNL & 1650' FEL  
Section 26-T18S-R28E  
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. **From Artesia: Go East 14 miles on Hwy 82. Turn South on SR 360 approx 5 ½ miles. Turn West on CR217 go approx 3 ½ miles. Turn north to new location.**

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

- A. No new road needed.

#### **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.

#### **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.

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

**MEWBOURNE OIL COMPANY**

Beretta 26 St Com #1

Page 2

**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.

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

**MEWBOURNE OIL COMPANY**

Beretta 26 St Com #1

Page 3

- 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: Private - Yates Petroleum Corporation

**11. Other Information**

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

## **Hydrogen Sulfide Drilling Operations Plan**

### **Mewbourne Oil Company**

Beretta "26" State Com #1

660' FNL & 1650' FEL

Section 26-T18S-R28E

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.

**Hydrogen Sulfide Drilling Operations Plan**

**Mewbourne Oil Company**

Beretta 26 St Com #1

Page 2

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 Yates Seven Rivers.

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

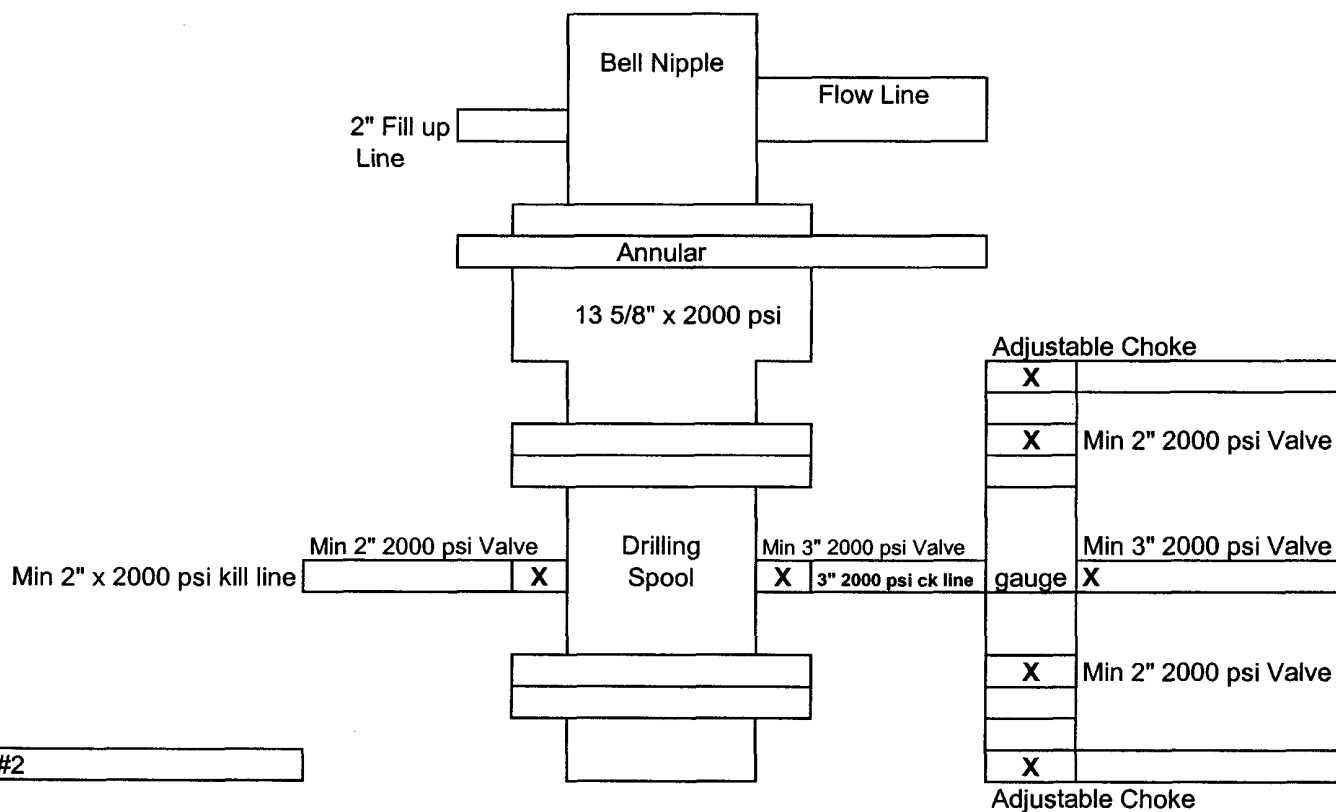


Exhibit #2

**Beretta 26 State Com #1  
Sec 26-T18S-R28E  
660' FNL & 1650' FEL  
Eddy County, NM**

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

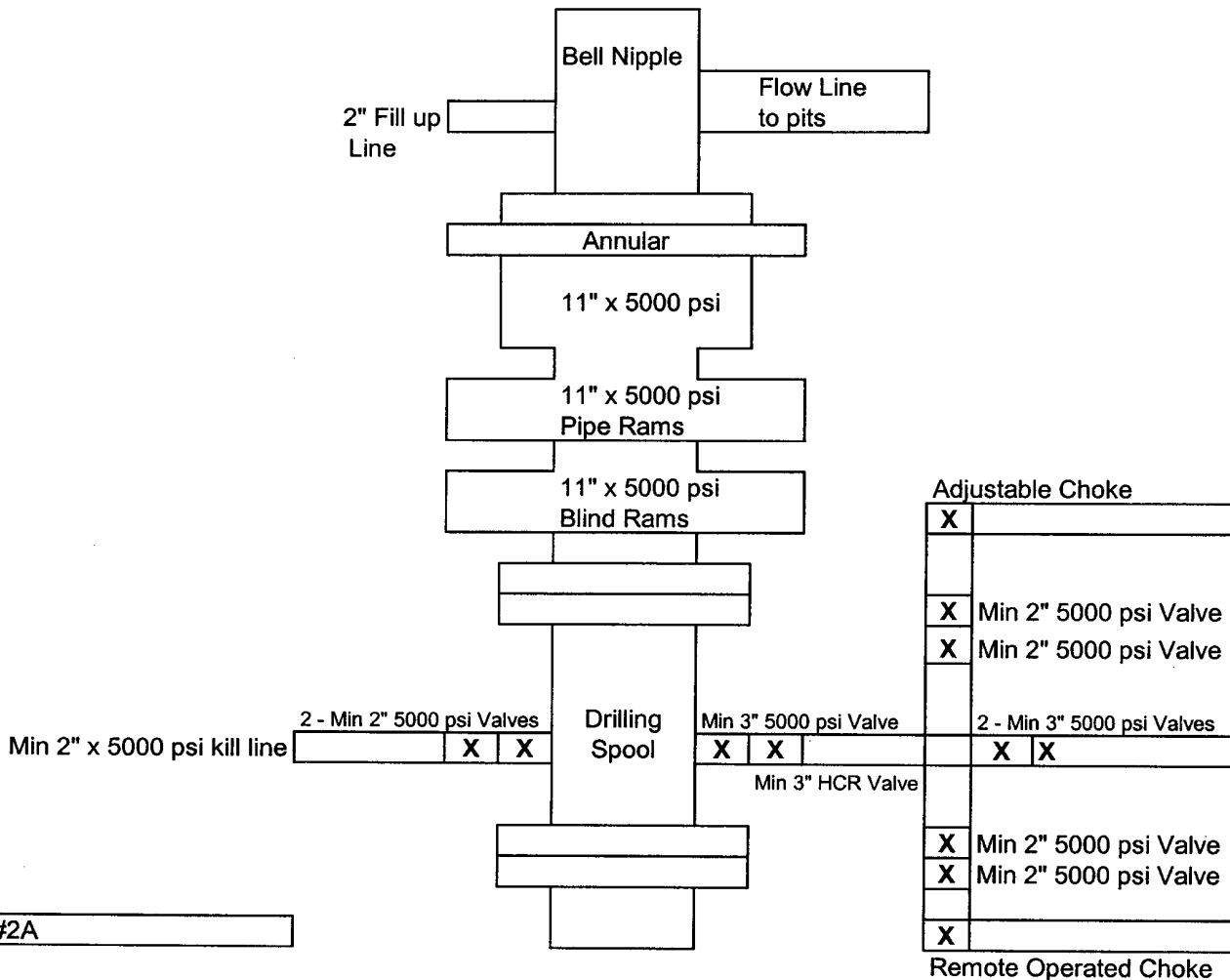
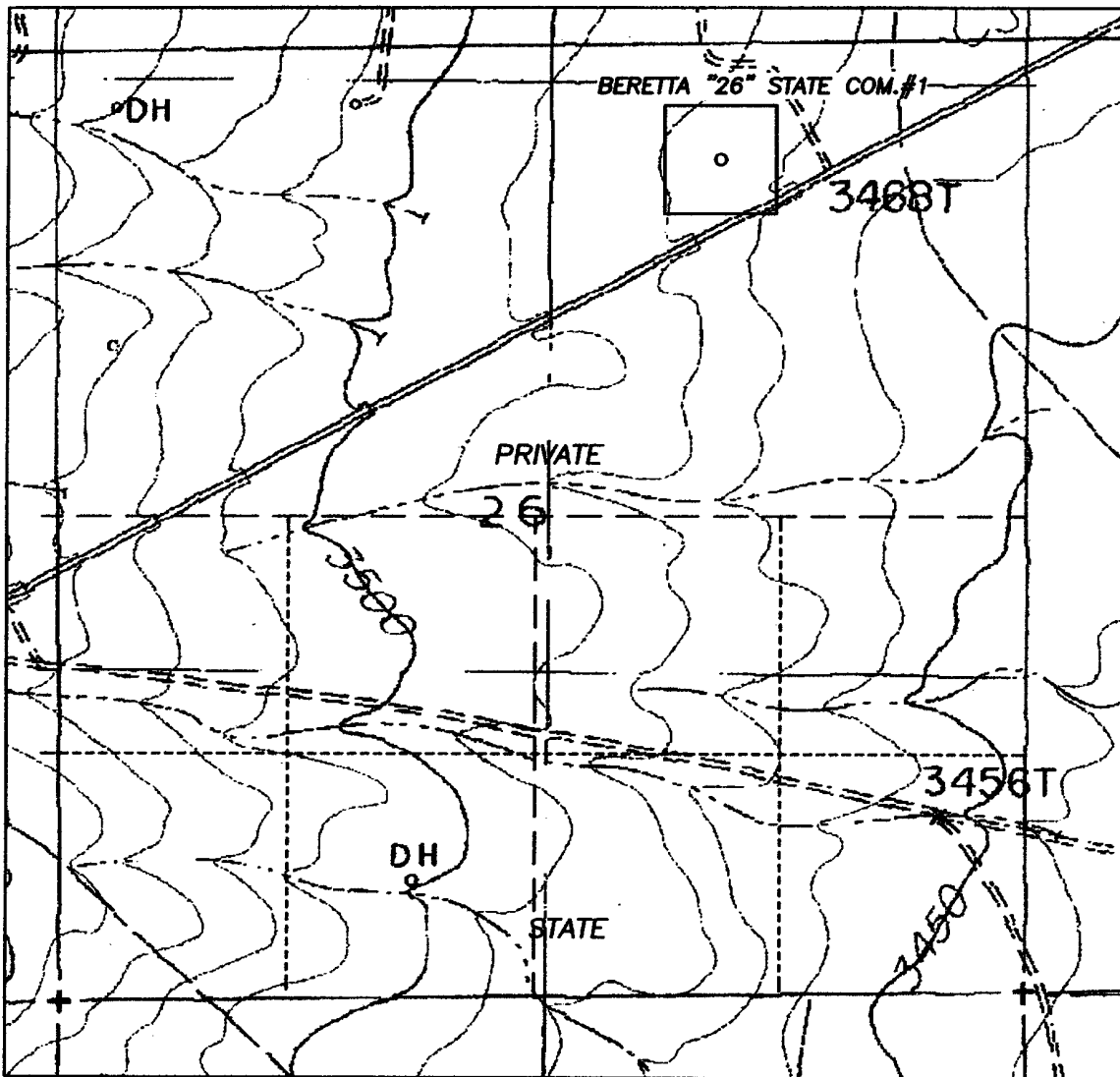


Exhibit #2A

Beretta 26 State Com #1  
Sec 26-T18S-R28E  
660' FNL & 1650' FEL  
Eddy County, NM



SECTION 26, TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM, EDDY COUNTY, NEW MEXICO.



# Exhibit 3A

1000' 0 1000' 2000'  
Scale 1" = 1000'

THE PREPARATION OF THIS PLAT AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT IS BASED WERE DONE UNDER MY DIRECTION AND THE PLAT ACCURATELY DEPICTS THE RESULTS OF SAID SURVEY AND MEET THE REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS IN NEW MEXICO AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

REGISTERED  
3640  
HERSCHEL L. JONES R.L.S. No. 3640

GENERAL SURVEYING COMPANY P.O. BOX 1928  
LOVINGTON, NEW MEXICO 88260

## MEWBOURNE OIL COMPANY

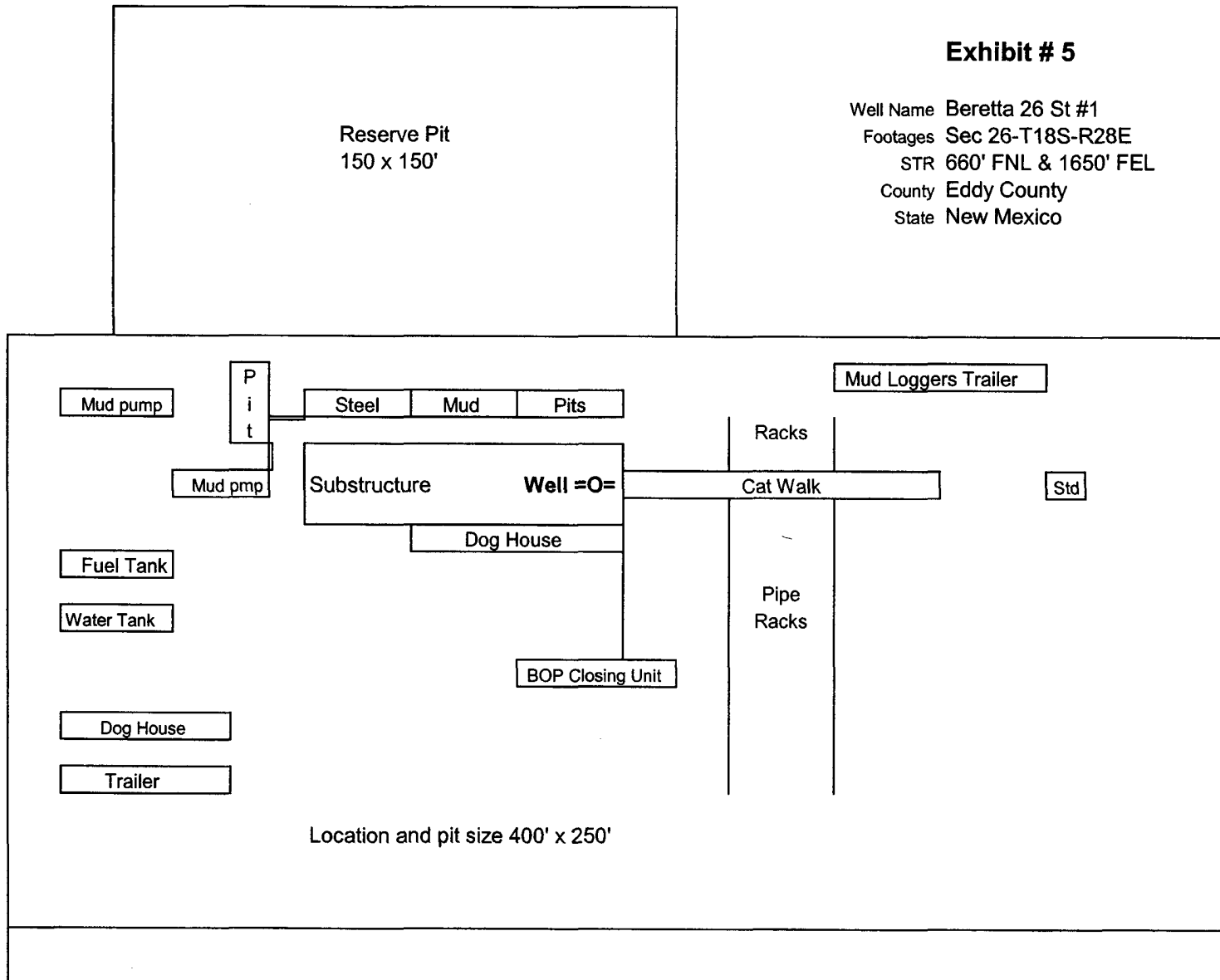
LEASE ROAD TO ACCESS THE MEWBOURNE BERETTA "26" STATE COM. #1 WELL, LOCATED IN SECTION 26, TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM, EDDY COUNTY, NEW MEXICO.

Survey Date: 8/25/2004	Sheet 1 of 1 Sheets
Drawn By: Ed Blevins	W.D. Number
Date: 8/25/04	Scale 1" = 1000' BERETTA

# Mewbourne Oil Company

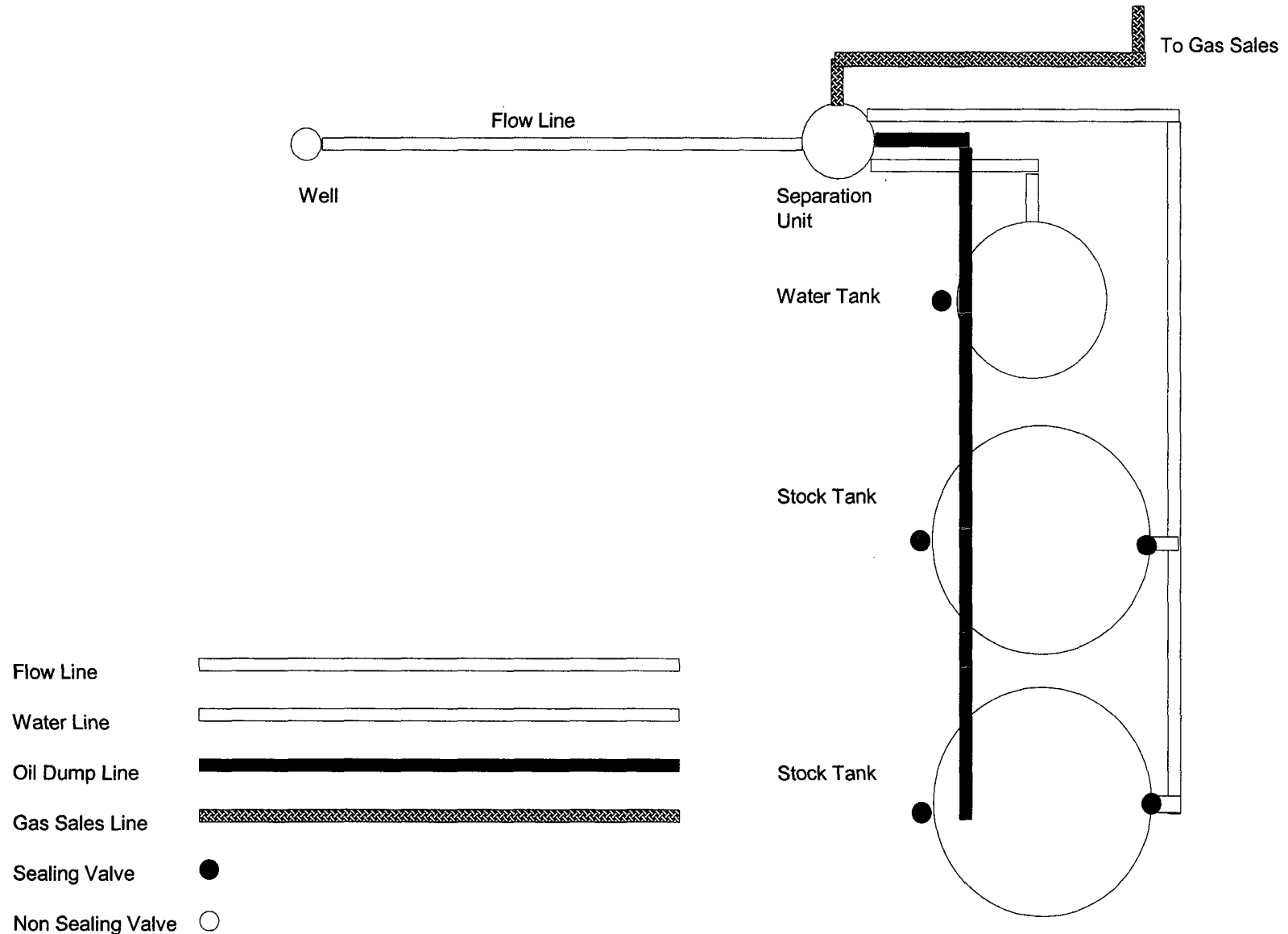
## Exhibit # 5

Well Name Beretta 26 St #1  
Footages Sec 26-T18S-R28E  
STR 660' FNL & 1650' FEL  
County Eddy County  
State New Mexico



Rig Location Schematic

# Proposed Production Facilities Schematic



**Mewbourne Oil Company**

Exhibit # 6

Proposed Production Facilities Schematic

Beretta 26 St Com #1

Sec 26-T18S-R28E

660' FNL & 1650' FEL

Eddy County, NM