

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

Form C-101  
May 27, 2004

NOTIFY OCD OF SPUD & TIME TO  
WITNESS CEMENTING OF  
SURFACE & INTERMEDIATE  
CASING

Resources

on

Submit to appropriate District Office

T. **RECEIVED**

☐ 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		GRID Number 14744 API Number 30 - 015 - 33694
Property Code	Property Name Saladar 32 Fee Com	Well No. #2
Proposed Pool 1 Burton Flat 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
K	32	20S	28E		1650	South	1980	West	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

**Additional Well Information**

Work Type Code N	Well Type Code G	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3208'
Multiple No	Proposed Depth 11800'	Formation Morrow	Contractor TBA	Spud Date ASAP
Depth to Groundwater Less than 50'		Distance from nearest fresh water well 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 checked="" 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#	400'	400	Surface
12 1/4"	9 5/8"	40#	2500'	1200	Surface
8 3/4"	5 1/2"	17 & 20#	11800'	600	6000'

22 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 2500' Fresh Water, lime for PH and LCM as needed for seepage.

2500' to 9000' Fresh Water, lime for PH and LCM as needed for seepage.

9000' to TD Cut brine. 9.3 #/g, Caustic for PH, Starch for WL control and LCM as needed for seepage

**CEMENT TO COVER ALL OIL,  
GAS AND WATER BEARING  
ZONES**

23 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: NM Young

Title: Hobbs District Manager

E-mail Address:

Date: 10/28/04

Phone: 505-393-5905

**OIL CONSERVATION DIVISION**

Approved by:

**TIM W. GUM**

Title:

**DISTRICT II SUPERVISOR**

Approval Date: **OCT 29 2004**

Expiration Date: **OCT 29 2005**

Conditions of Approval Attached ☐

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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 Hobbs, NM 88240

Facility or well name: Saladar "32" Fee Com #2 API #:                      U/L or Qtr/Qtr K Sec 32 T20S R28E

County: Eddy Latitude N32-31-37.9 Longitude W104-12-08.2 NAD: 1927 ☐ 1983 ☒

Surface Owner Federal ☐ State ☐ Private ☒ Indian ☐

Pit	Below-grade tank
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Volume <u>24000</u> bbl	Volume: <u>          </u> bbl Type of fluid: <u>                    </u> Construction material: <u>                    </u> Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. <u>                    </u>
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet <input checked="" type="checkbox"/> (20 points) <input checked="" type="checkbox"/> 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 <input checked="" type="checkbox"/> (0 points) <input checked="" type="checkbox"/>
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 <input checked="" type="checkbox"/> (0 points) <input checked="" type="checkbox"/>
Ranking Score (Total Points) 20 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: 10/19/04

Printed Name/Title Kristi Green / Hobbs 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.

Appr OCT 28 2004  
Date:                       
Printed Name/Title                     

Signature                     

As a condition of approval, if during construction water is encountered or if water seeps in pits after construction the **OCD MUST BE CONTACTED IMMEDIATELY!**

As a condition of approval a detailed closure plan must be filed before closure may commence.

**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

## OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, New Mexico 87504-2088

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

☐ AMENDED REPORT

# WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name Burton Flat Morrow	
Property Code	Property Name SALADAR "32" FEE COM			Well Number 2
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY			Elevation 3208'

### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	32	20 S	28 E		1650	SOUTH	1980	WEST	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>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i>
	<i>Kristi Green</i>
	Signature
	<u>Kristi Green</u>
	Printed Name
	<u>Hobbs Regulatory</u>
	Title
	<u>10/21/2004</u>
	Date
	<b>SURVEYOR CERTIFICATION</b>
	<i>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.</i>
	<u>SEPTEMBER 20, 2004</u>
	Date Surveyed
	<u>GARY L. JONES</u>
	Signature & Seal of Professional Surveyor
	<u>W.O. No. 4654</u>
	Certificate No. <u>Gary L. Jones</u> 7977
	<b>BASIN SURVEYS</b>

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

### **MEWBOURNE OIL COMPANY**

Saladar "32" Fee Com #2

1650' FSL & 1980' FWL

Section 32-T20S-R28E

Eddy 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. 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: North on Canal St to relief route. Continue north on Illinois camp road 3 miles to Alkali road. Turn right & continue north & east 1.1 miles. North (left) thru cattle guard 0.1 miles. East (right) 0.2 miles . North (left) 0.2 miles. East (right) 0.1 miles to existing location. (SE 400' to location.)**

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

- A 400' of new road needed.

#### **3. Location of Existing Wells:**

There are no producing wells within the immediate vicinity of the well site.

#### **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 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.

#### **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.

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

**MEWBOURNE OIL COMPANY**

Saladar 32 Fee Com #2

Page 2

**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 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.

**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 #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' has been staked and flagged.
- D. An archaeological survey has been conducted on the proposed access road and location pad.

**10. 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 per BLM guidelines. 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**

Saladar 32 Fee Com #2

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.

**11. Surface Ownership:**

The surface is owned by:      Alkali Road Trust  
Attn: Mr. Riggs

**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

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

**MEWBOURNE OIL COMPANY**

Saladar 32 Fee Com #2

Page 4

**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: 10/21/04

Signature: \_\_\_\_\_

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

## **Hydrogen Sulfide Drilling Operations Plan**

### **Mewbourne Oil Company**

Saladar "32" Fee Com #2

1650' FSL & 1980' FWL

Section 32-T20S-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.



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 at 4000'.

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

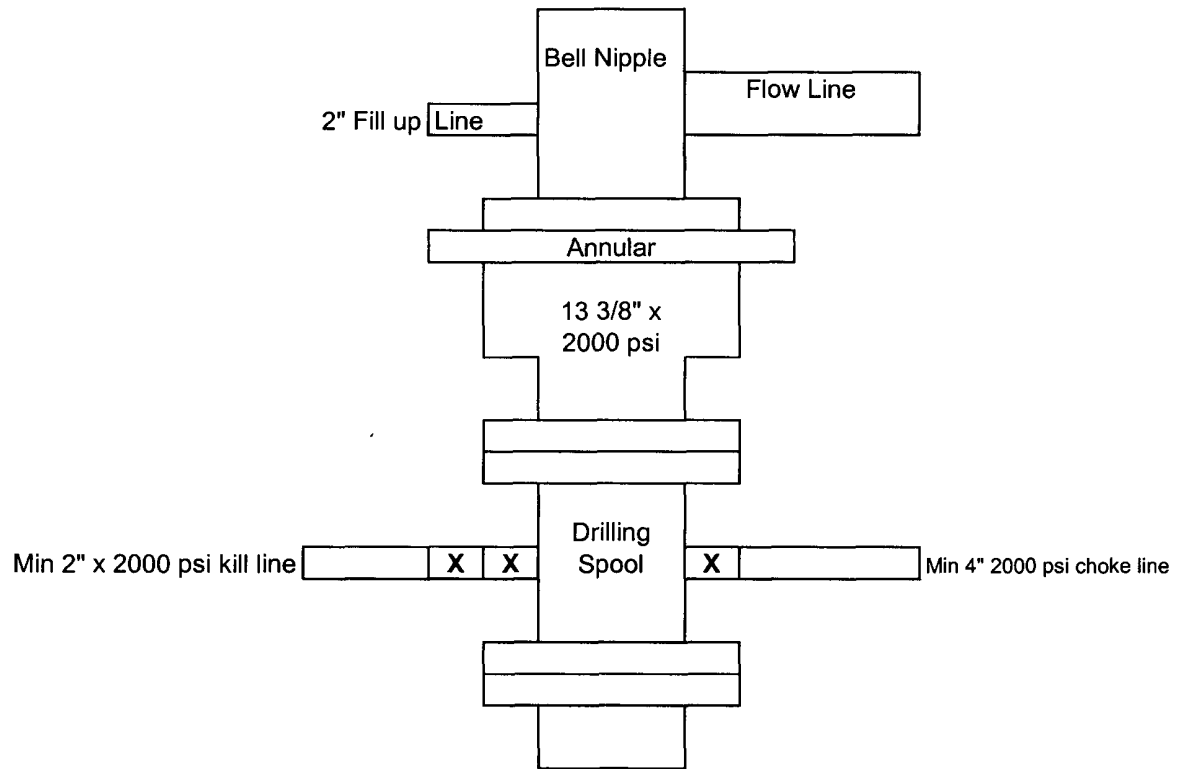


Exhibit #2

Saladar 32 Fee Com #2  
Sec. 32-T20S-R28E  
1650' FSL & 1980' FWL  
Eddy County, NM

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

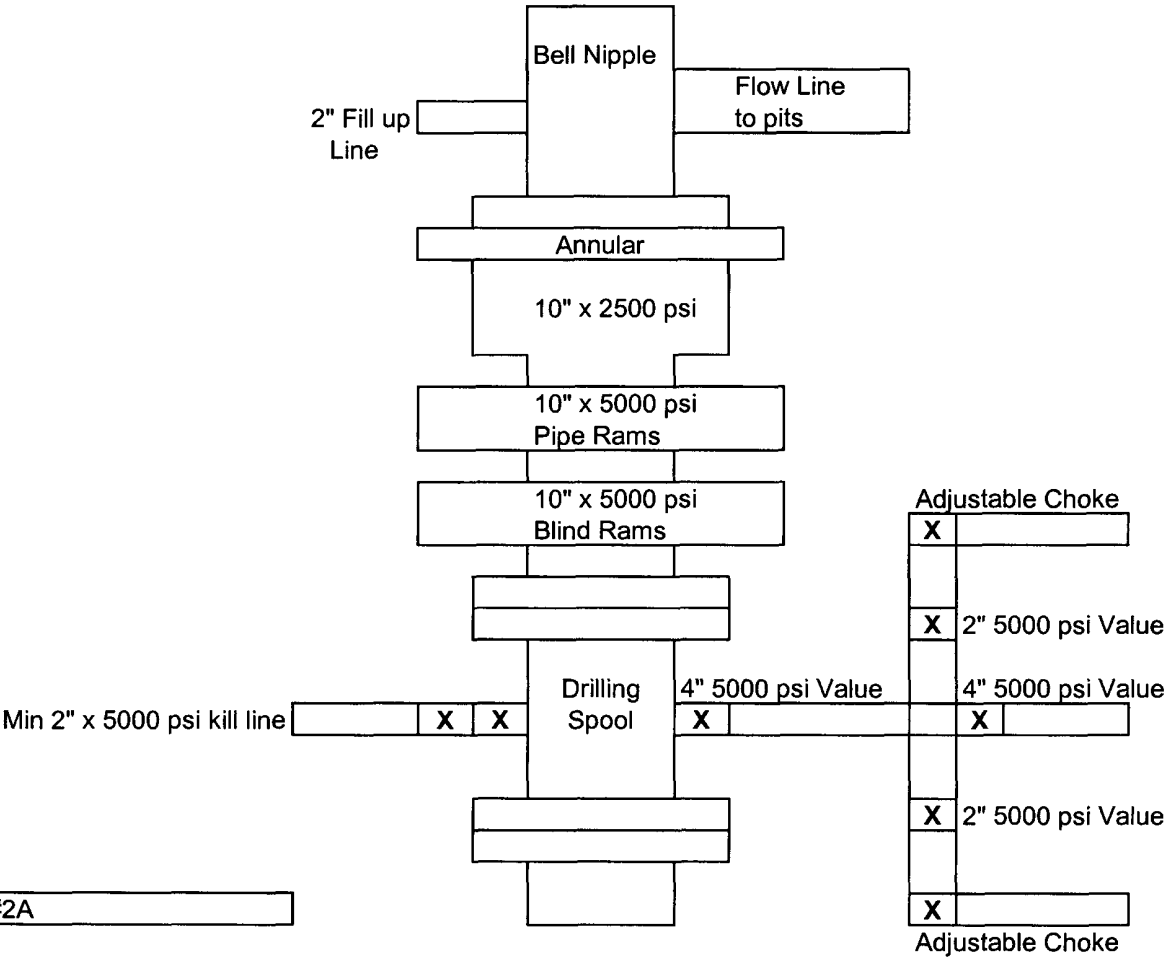


Exhibit #2A

Saladar 32 Fee Com #2  
Sec. 32-T20S-R28E  
1650' FSL & 1980' FWL  
Eddy County, NM



SECTION 32, TOWNSHIP 20 SOUTH, RANGE 28 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.

AVALON  
UNIT #643

150' NORTH  
OFF SET  
3207.9'

MEWBOURNE OIL COMPANY  
SALADAR "32" *Fee* COM #2  
ELEV. - 3208'

150' WEST  
OFF SET  
3206.8'

Lat.-N 32°31'37.9"  
Long-W 104°12'08.2"

150' EAST  
OFF SET  
3207.6'

150' SOUTH  
OFF SET  
3206.3'

Proposed Lease Rd. 397'

Exhibit 3A

100 0 100 200 FEET

SCALE: 1" = 100'

DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF CO. RD. 206 AND ALKALI  
ROAD, TAKE ALKALI ROAD FOR 1.0 MILE; THENCE  
NORTH FOR 0.1 MILE; THENCE EAST FOR 0.2 MILE;  
THENCE NORTH FOR 0.2 MILE; THENCE EAST FOR 0.1  
MILE TO EXXON PAD AND PROPOSED LEASE ROAD.

MEWBOURNE OIL COMPANY

REF: SALADAR "32" *Fee* COM No. 2 / Well Pad Topo

THE SALADAR "32" *Fee* COM No. 2 LOCATED 1650' FROM

THE SOUTH LINE AND 1980' FROM THE WEST LINE OF

SECTION 32, TOWNSHIP 20 SOUTH, RANGE 28 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

W.O. Number: 4654

Drawn By: K. GOAD

Date: 09-21-2004

Disk: KJG CD#7 - 4654A.DWG

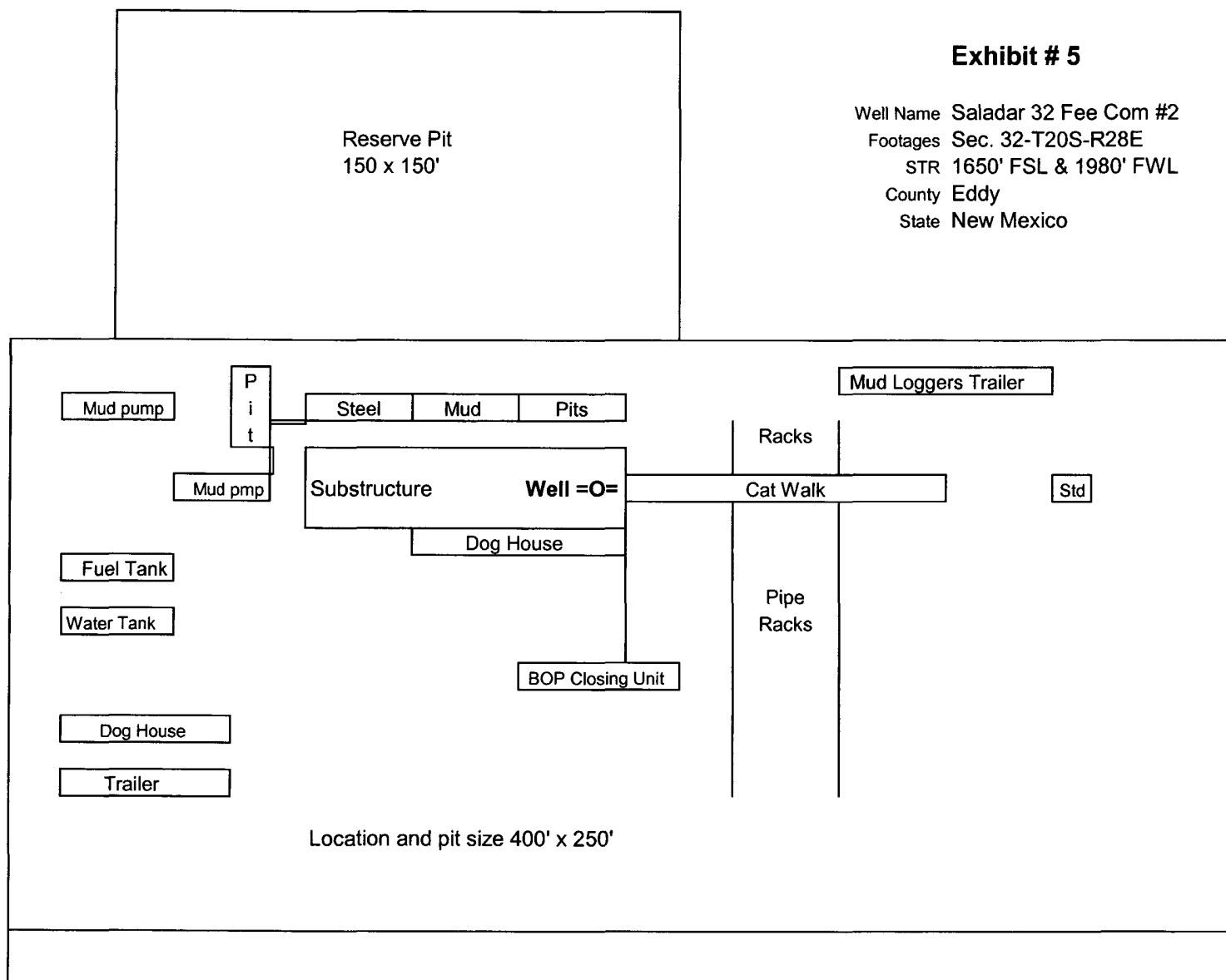
Survey Date: 09-20-2004

Sheet 1 of 1 Sheets

# Mewbourne Oil Company

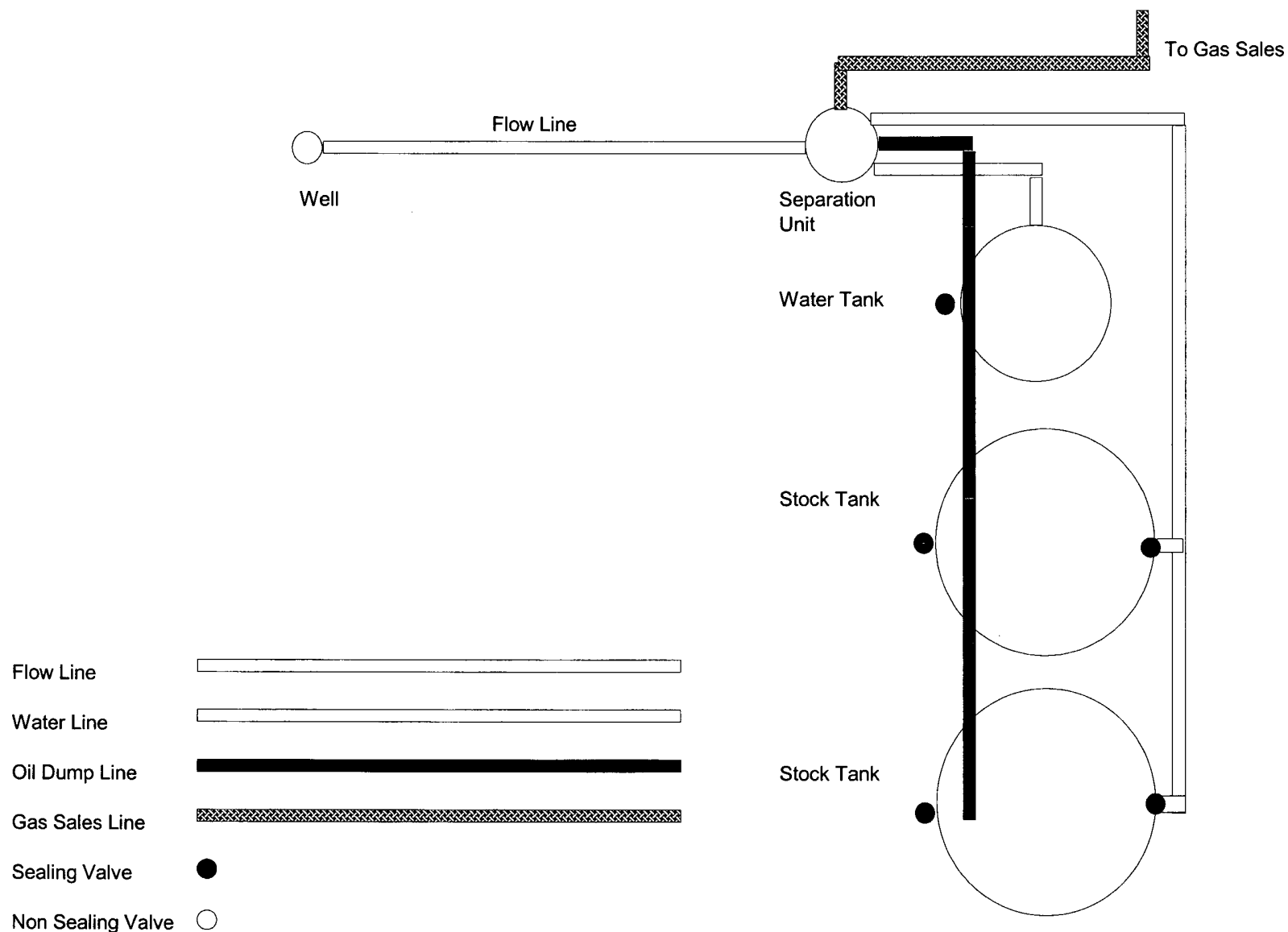
## Exhibit # 5

Well Name Saladar 32 Fee Com #2  
Footages Sec. 32-T20S-R28E  
STR 1650' FSL & 1980' FWL  
County Eddy  
State New Mexico



Rig Location Schematic

## Proposed Production Facilities Schematic



**Mewbourne Oil Company**

**Exhibit # 6**

**Proposed Production Facilities Schematic**

Saladar 32 Fee Com #2

Sec. 32-T20S-R28E

1650' FSL & 1980' FWL

Eddy County, NM