

**MULTI-POINT SURFACE USE AND OPERATIONS PLAN****MEWBOURNE OIL COMPANY**

Avalon Ridge "33" Fed Com #2H

330' FNL &amp; 345' FWL

Sec 33-T20S-R28E

Eddy County, New Mexico

**RECEIVED**

SEP 19 2011

**NMOCD ARTESIA**

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 and proposed roads are highlighted in black. Exhibits #3A-3D are area maps showing the location of the proposed well and access roads.
- B. Directions to location from Carlsbad, NM: Go North on Hwy 285 to Carlsbad Relief Route. Turn East and go 3.25 miles to Illinois Camp Rd. Turn North on Illinois Camp Rd (CR 206) and go 3.25 miles to Alkali Rd. Turn East and go 2.25 miles to Burton Flat Rd. Turn North and go 1 mile. Turn West into location.
- C. Existing roads will be maintained in a condition the same as or better than before operations begin.

**2. Proposed Access Road:**

- A. No new road will be needed. The existing road runs east to west along the north side of the wellpad.

**3. Location of Existing Wells:**

There are producing wells within the immediate vicinity of the well site. Exhibit #4 shows the proposed well and 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 located on the East side of the well pad as shown in Exhibit 6. Electricity and gas pipelines are available on the East edge of the wellpad.
- 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.

**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 a permitted off-site facility.
- B. Water produced during operations will be disposed off-site at an approved facility.
- C. If any liquid hydrocarbons are produced during operations, those liquids will be stored in suitable tanks until sold.
- D. Portable toilets will be on location during drilling operations. 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 #5. 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. Upon cessation of the proposed operations, if the well is abandoned, the location and road surfacing material will be removed and used to patch area lease roads. The entire location will be restored to the original contour as much as reasonable possible using stockpiled top soil. All trash and garbage 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. Any additional caliche required for production facilities will be obtained from the area shown in exhibit #6 as interim reclamation.
- D. 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.

**11. Surface Ownership:**

The surface is owned by Mr. Nielson, PO BOX 685 Carlsbad, NM 88221 (208) 221-1009. A surface agreement has been reached and a copy of this Surface Use Plan has been sent.

**12. Other Information:**

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

**13. Operator's 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

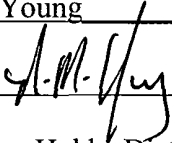
## Mewbourne Oil Company

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 7 day of July, 2011.

Name: NM Young

Signature: 

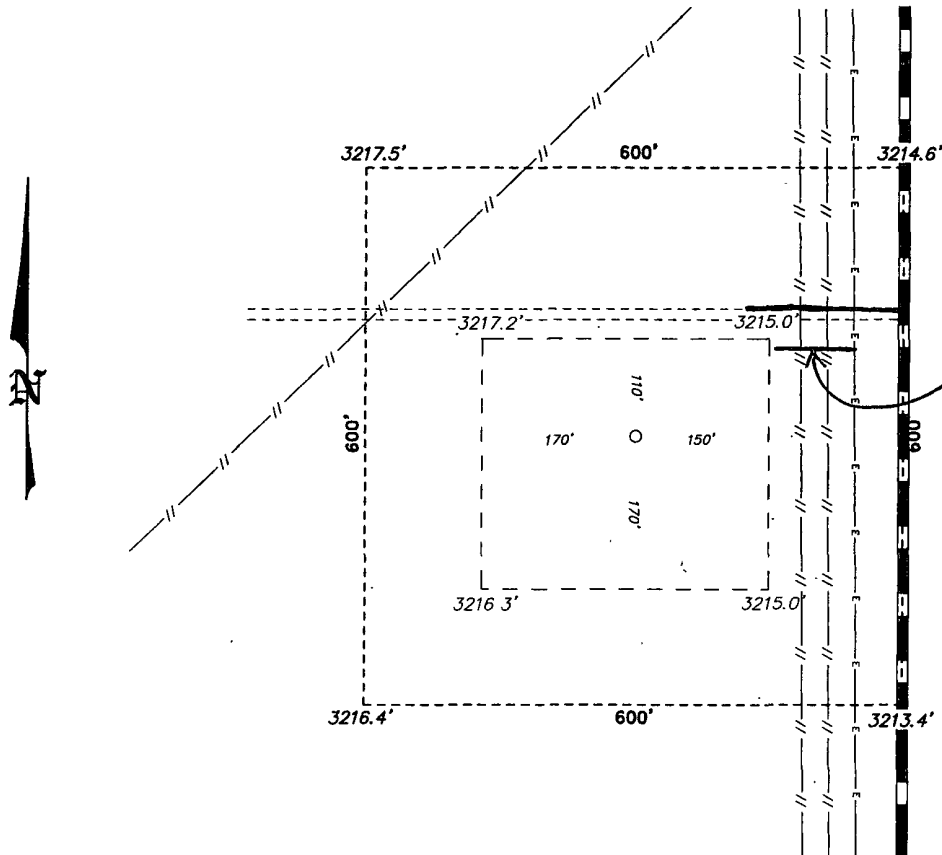
Position Title: Hobbs District Manager

Address: PO Box 5270, Hobbs NM 88241

Telephone: 575-393-5905

E-mail: myoung@mewbourne.com

SECTION 33, TOWNSHIP 20 SOUTH, RANGE 28 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.



MEWBOURNE OIL COMPANY  
AVALON RIDGE "33" FEDERAL COM #2H  
ELEV. - 3216'

Lat - N 32°32'10.30"  
Long - W 104°11'23.91"  
NMSPCE - N 558806.414  
E 544180.107  
(NAD-27)

Exhibit 3

200 0 200 400 FEET  
SCALE: 1" = 200'

Directions to Location.

FROM THE JUNCTION OF ALKALI AND ANGEL RANCH,  
GO NORTH ON ANGEL RANCH FOR 0.9 MILES TO  
PROPOSED LOCATION.

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

W.O. Number: 24732 Drawn By: J. SMALL

Date: 06-07-2011 Disk: JMS 24732

**MEWBOURNE OIL COMPANY**

REF: AVALON RIDGE "33" FEDERAL COM #2H / WELL PAD TOPO

THE AVALON RIDGE "33" FEDERAL COM #2H LOCATED 330'  
FROM THE <sup>North</sup> SOUTH LINE AND 345' FROM THE WEST LINE OF

SECTION 33, TOWNSHIP 20 SOUTH, RANGE 28 EAST,

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

Survey Date: 05-26-2011 Sheet 1 of 1 Sheets

TEN  
7/22/11

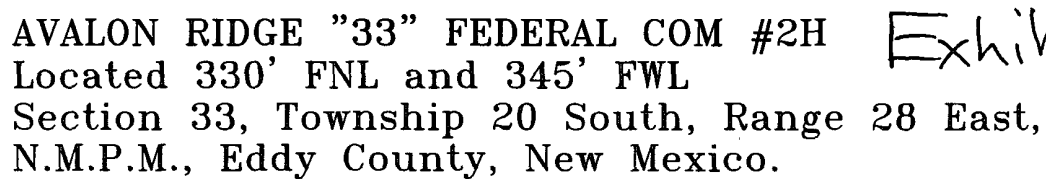
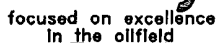


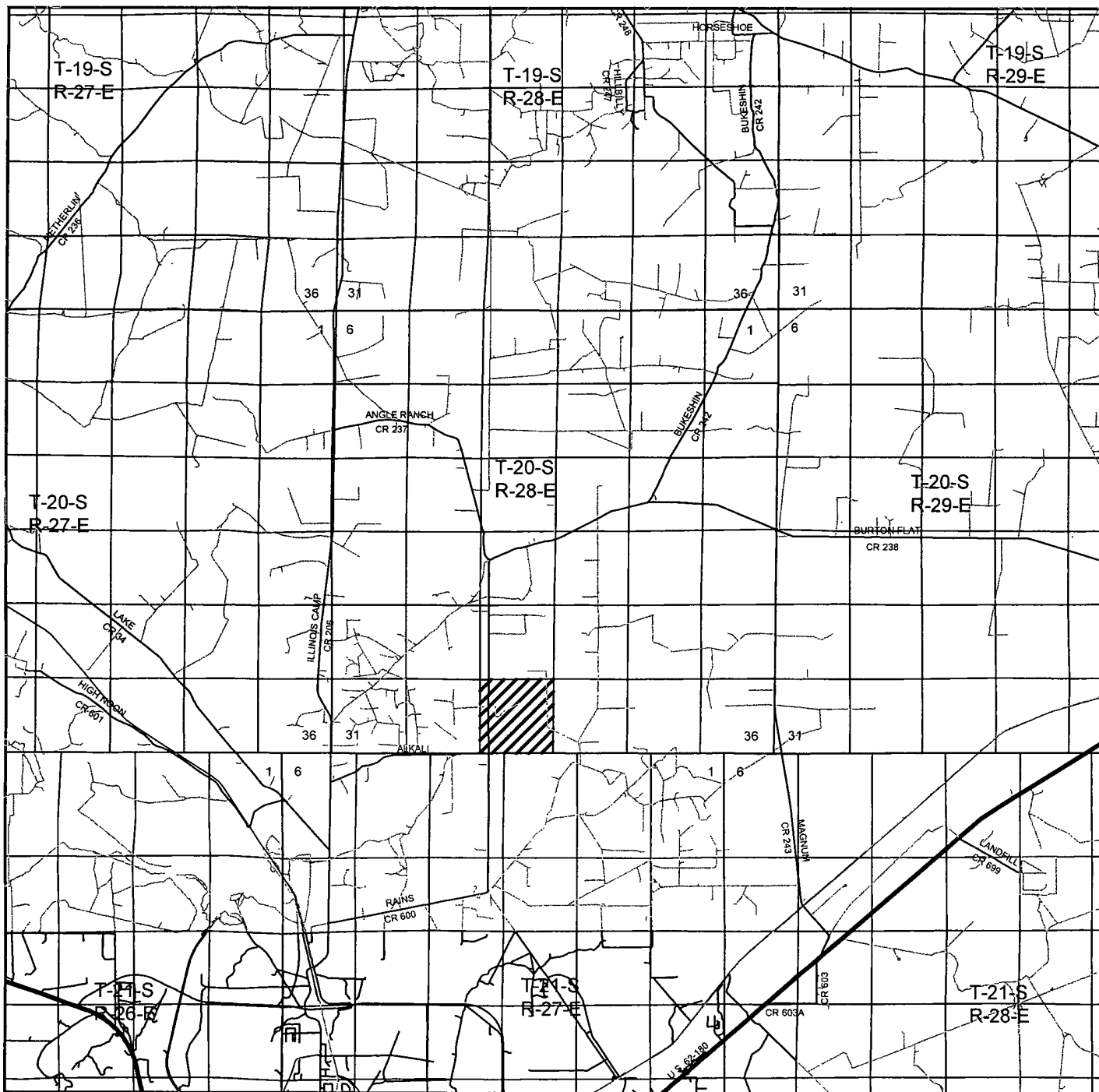
Exhibit 3A



Date: 06-07-2011



MEWBOURNE  
OIL COMPANY



AVALON RIDGE "33" FEDERAL COM #2H  
 Located 330' FNL and 345' FWL  
 Section 33, Township 20 South, Range 28 East,  
 N.M.P.M., Eddy County, New Mexico.

Exhibit 3B

**basin**  
**surveys**  
 focused on excellence  
 in the oilfield

P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (575) 393-7316 - Office  
 (575) 392-2206 - Fax  
 basinsurveys.com

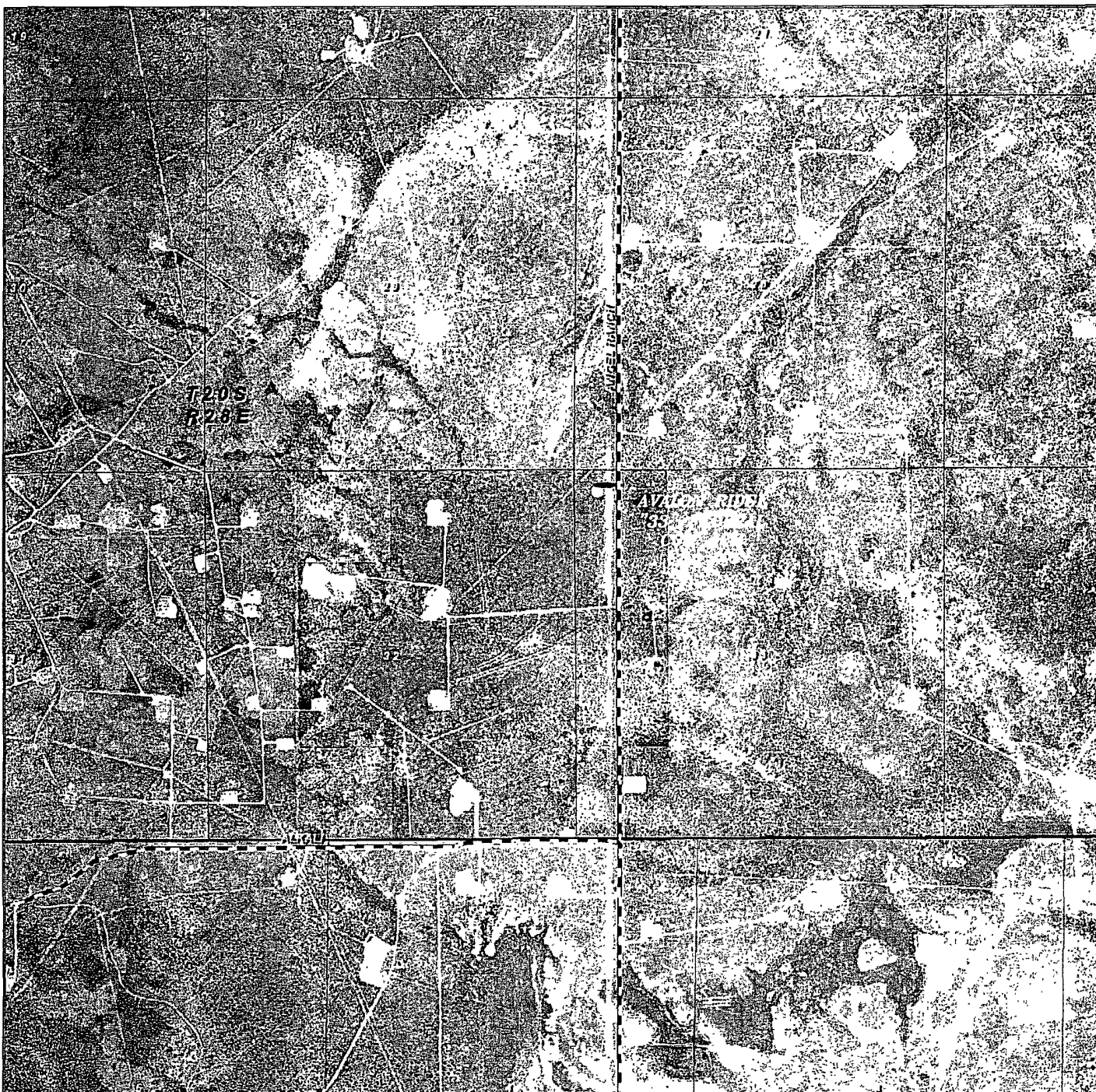
W.O. Number: JMS 24732

Survey Date: 05-26-2011

Scale: 1" = 2 Miles

Date: 06-07-2011

MEWBOURNE  
 OIL COMPANY



AVALON RIDGE "33" FEDERAL COM #2H  
 Located 330' FNL and 345' FWL  
 Section 33, Township 20 South, Range 28 East,  
 N.M.P.M., Eddy County, New Mexico.

Exhibit 3C

**basin**  
**surveys**  
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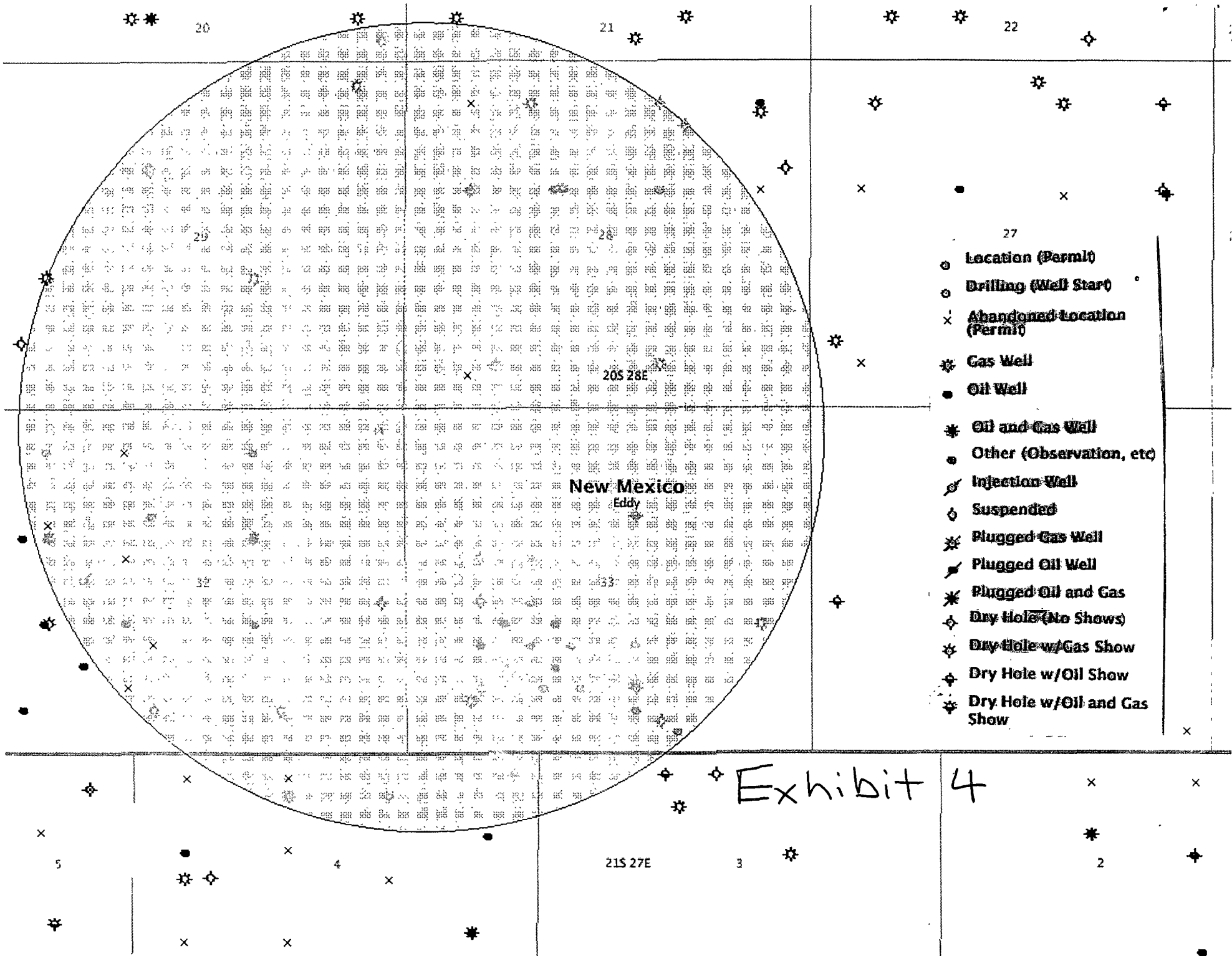
W.O. Number: JMS 24732

Scale: 1" = 2000'

YELLOW TINT - USA LAND  
 BLUE TINT - STATE LAND  
 NATURAL COLOR - FEE LAND

MEWBOURNE  
 OIL COMPANY





- Location (Permit)
- 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

Exhibit 4

Closed Loop Pad Dimensions 280' x 320'

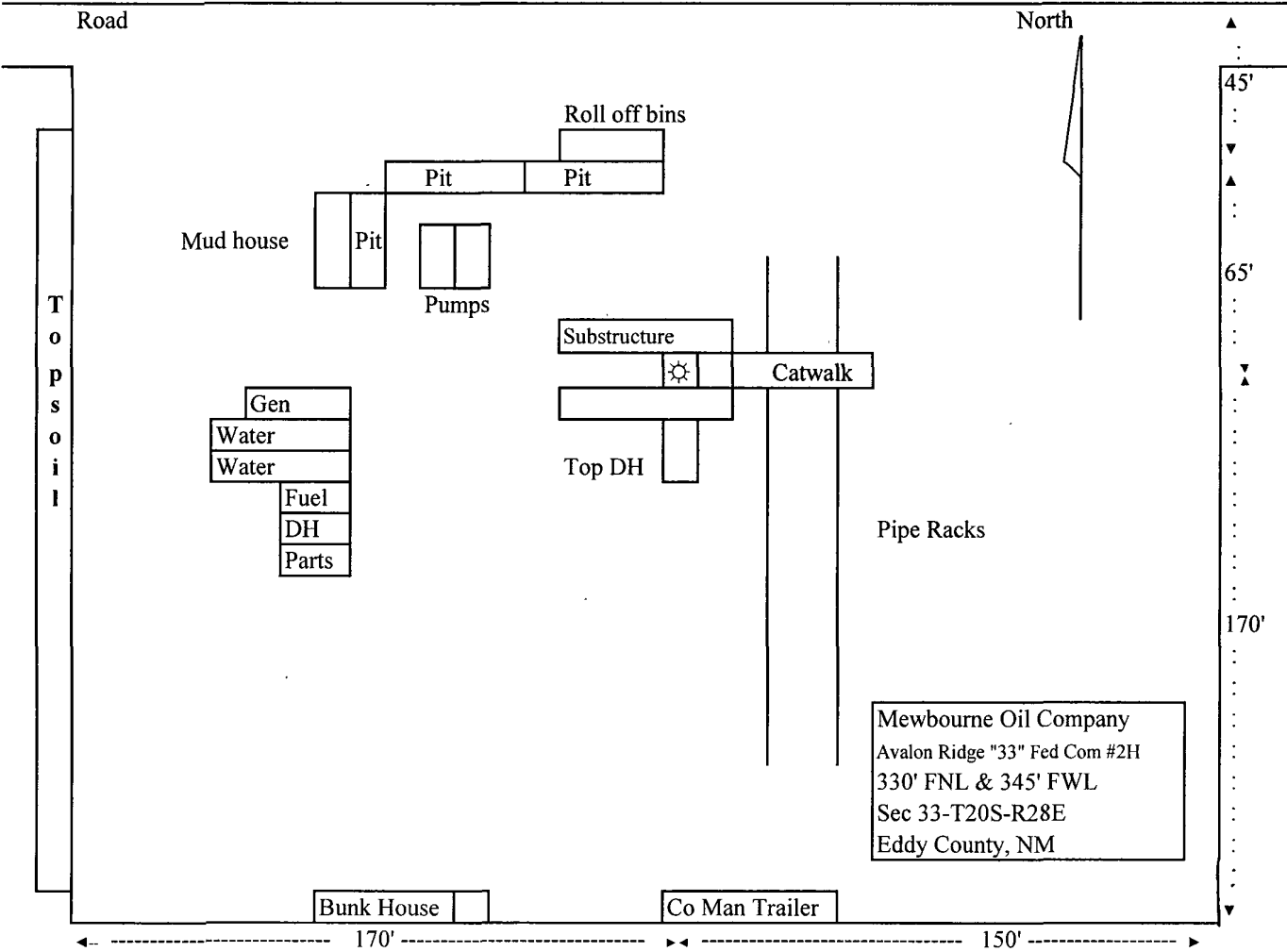


Exhibit 5