

30-015-39545

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

MEWBOURNE OIL COMPANY

Pine Box "17" AP Federal Com #1H

342' FNL & 427' FEL

Sec 4-T20S-R25E

Eddy County, New Mexico

RECEIVED

OCT 20 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 roads are highlighted in black.
- B. Directions to location: From Carlsbad on US 285, north & west 14 ½ miles to White Pine Rd. Turn left (west) 4 miles to Picket Rd. Turn right and continue north and west 1.2 miles. Turn right (north) on lease road ½ mile to location.
- C. Existing roads will be maintained in a condition the same as or better than before operations begin.

2. Proposed Access Road:

- A. Approx 700 feet of new road construction will be needed. Exhibits #3-#3C are maps showing the location of the proposed well and access road.
- 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 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 south side of this location as shown on exhibit 6. Gas and water pipelines (4" surface polypipe 100# max) and electricity will leave the NE corner of the wellpad and cross into section 9 at the section corner and continue NE to Mewbourne Oil Co. property and infrastructure at the First national Bank of Albuquerque wellpad in Sec 9, T20S, R25E as shown on Exhibit 3A.
- C. All production vessels left on location will be painted to conform to 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 water/polymer 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 300' x 230' has been staked and flagged.
- C. An archaeological survey has been conducted on the proposed wellpad.

10. Plans for Restoration of Surface

- A. 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.
- B. Interim reclamation:
 - i. All areas not needed for production operations will be reclaimed.
 - ii. Caliche will be removed, the land will be recontoured, the top soil from stockpile will be spread over these areas.
 - iii. The disturbed area will be restored by re-seeding during the proper growing season.

- iv. Any additional caliche required for production facilities will be obtained from the area shown in exhibit #6 as interim reclamation.

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. The entire location will be restored to the original contour as much as reasonable possible. The top soil used for interim reclamation will be spread over the entire location. All restoration work will be completed within 180 days of cessation of activities.

11. Surface Ownership:

BLM

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, drilling, completion and production operations:

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

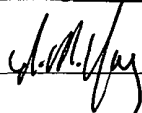
Mewbourne Oil Company

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 20th day of May, 2011.

Name: NM Young

Signature: 

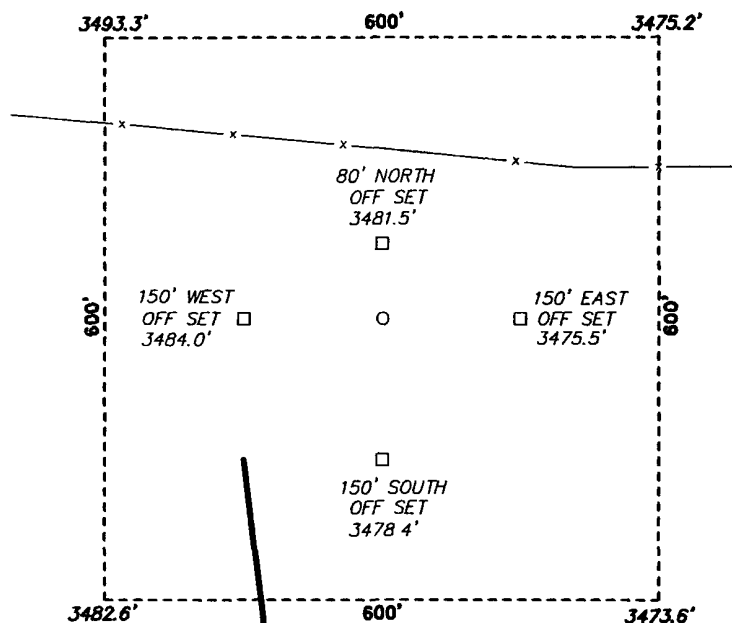
Position Title: Hobbs District Manager

Address: PO Box 5270, Hobbs NM 88241

Telephone: 575-393-5905

E-mail: myoung@mewbourne.com

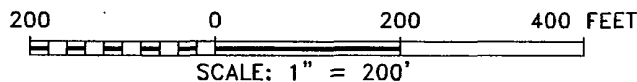
SECTION 17, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



MEWBOURNE OIL COMPANY
PINE BOX "17" AP FEDERAL COM #1H
ELEV. - 3480'

Lat - N 32°34'47.39"
Long - W 104°29'57.20"
NMSPCE- N 574694.245
E 448901.259
(NAD-27)

Exhibit 3



Directions to Location:

FROM THE JUNCTION OF HWY 285 AND WHITE PINE,
GO WEST ON WHITE PINE FOR 3.8 MILES TO PICKET,
ON PICKET GO NORTH WINDING WEST 0.7 MILES
THENCE NORTH ANOTHER 0.4 MILES TO WELL PAD
AND PROPOSED LEASE ROAD.

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

W.O. Number: 23414 Drawn By: J. SMALL

Date: 10-01-2010 Disk: JMS 23414

MEWBOURNE OIL COMPANY

REF: PINE BOX "17" AP FEDERAL COM #1H / WELL PAD TOPO

THE PINE BOX "17" AP FEDERAL COM #1H LOCATED 342'

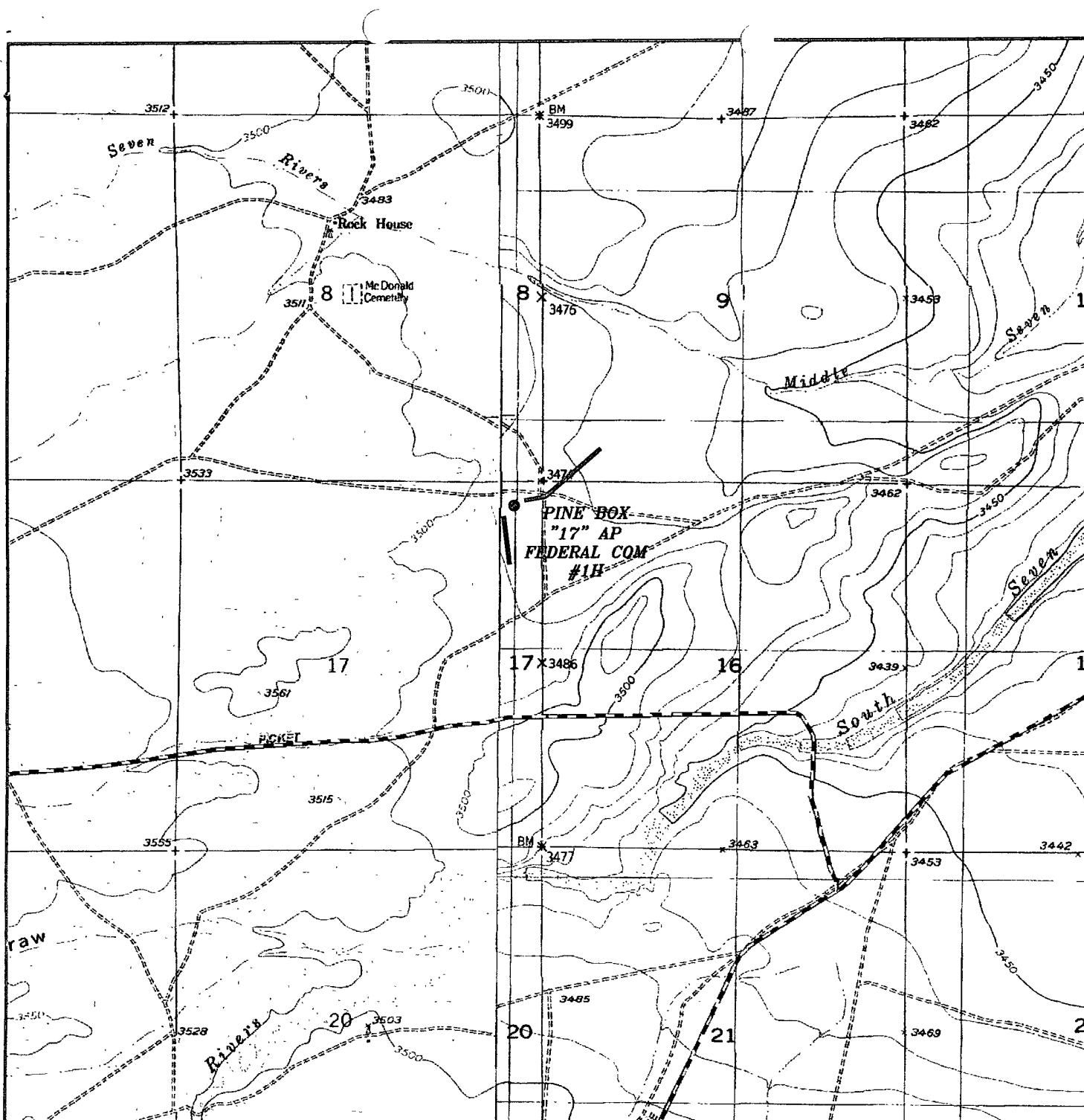
FROM THE NORTH LINE AND 427' FROM THE EAST LINE OF

SECTION 5, TOWNSHIP 20 SOUTH, RANGE 25 EAST,

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

Survey Date: 09-22-2010

Sheet 1 of 1 Sheets



PINE BOX "17" AP FEDERAL COM #1H

Exhibit 3A

Located 342' FNL and 427' FEL

Section 17, Township 20 South, Range 25 East,
N.M.P.M., Eddy County, New Mexico.

**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 23414

Survey Date: 09-22-2010

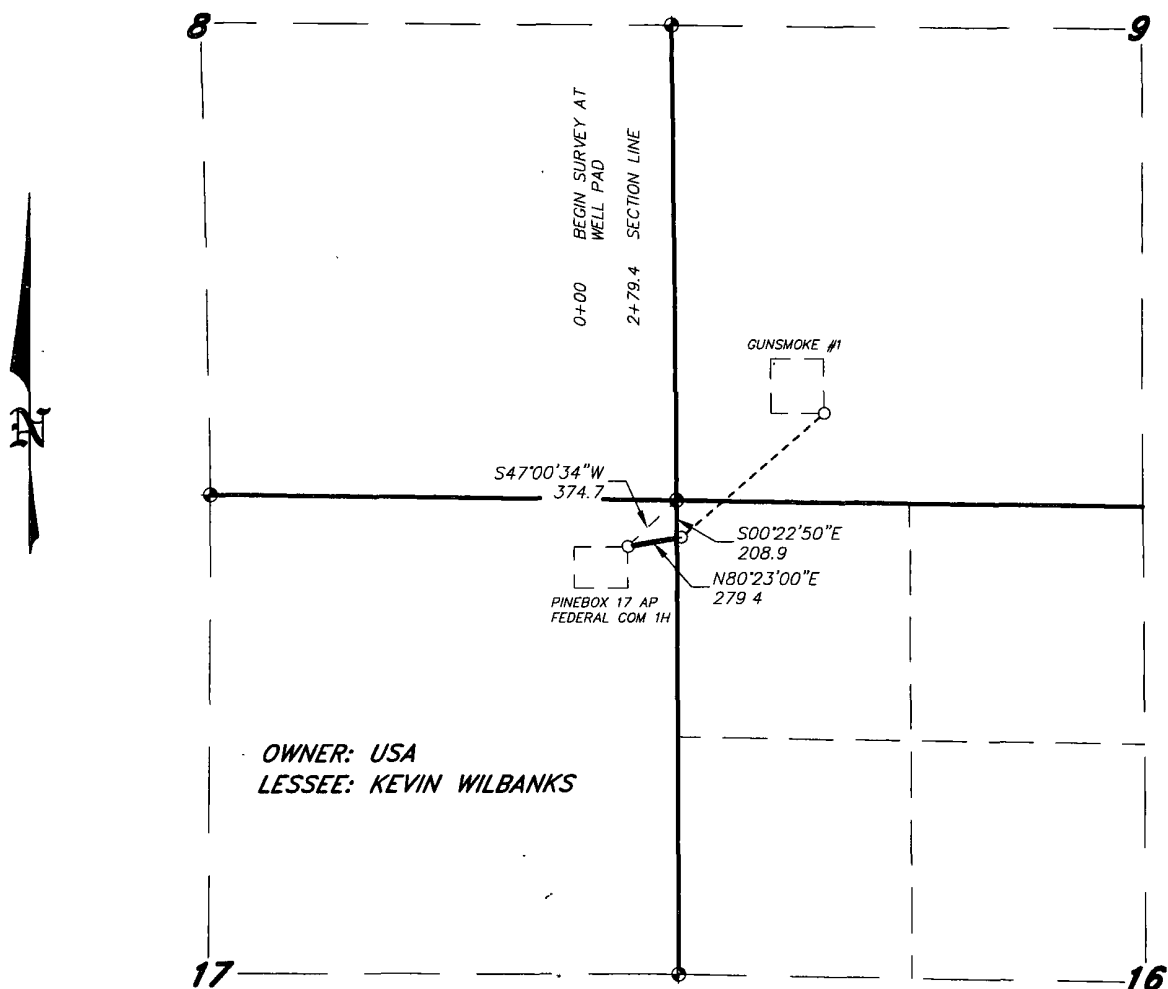
Scale: 1" = 2000'

Date: 10-01-2010



**MEWBOURNE
OIL COMPANY**

SECTION 17, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



OWNER: USA
LESSEE: KEVIN WILBANKS

LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 17, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY

SECTION 17 = 279.4 FEET = 16.93 RODS = 0.05 MILES = 0.19 ACRES

Exhibit 3A

I HEREBY CERTIFY THAT THIS WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



GARY L. JONES, PROFESSIONAL LAND SURVEYOR, TEXAS P.L.S., No. 7977, No. 5074

1000 0 1000 2000 FEET

MEWBOURNE OIL COMPANY

REF: PROPOSED PIPELINE TO THE PINEBOX 17 AP FEDERAL COM 1H

A PIPELINE CROSSING USA LAND IN
SECTION 17, TOWNSHIP 20 SOUTH, RANGE 25 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

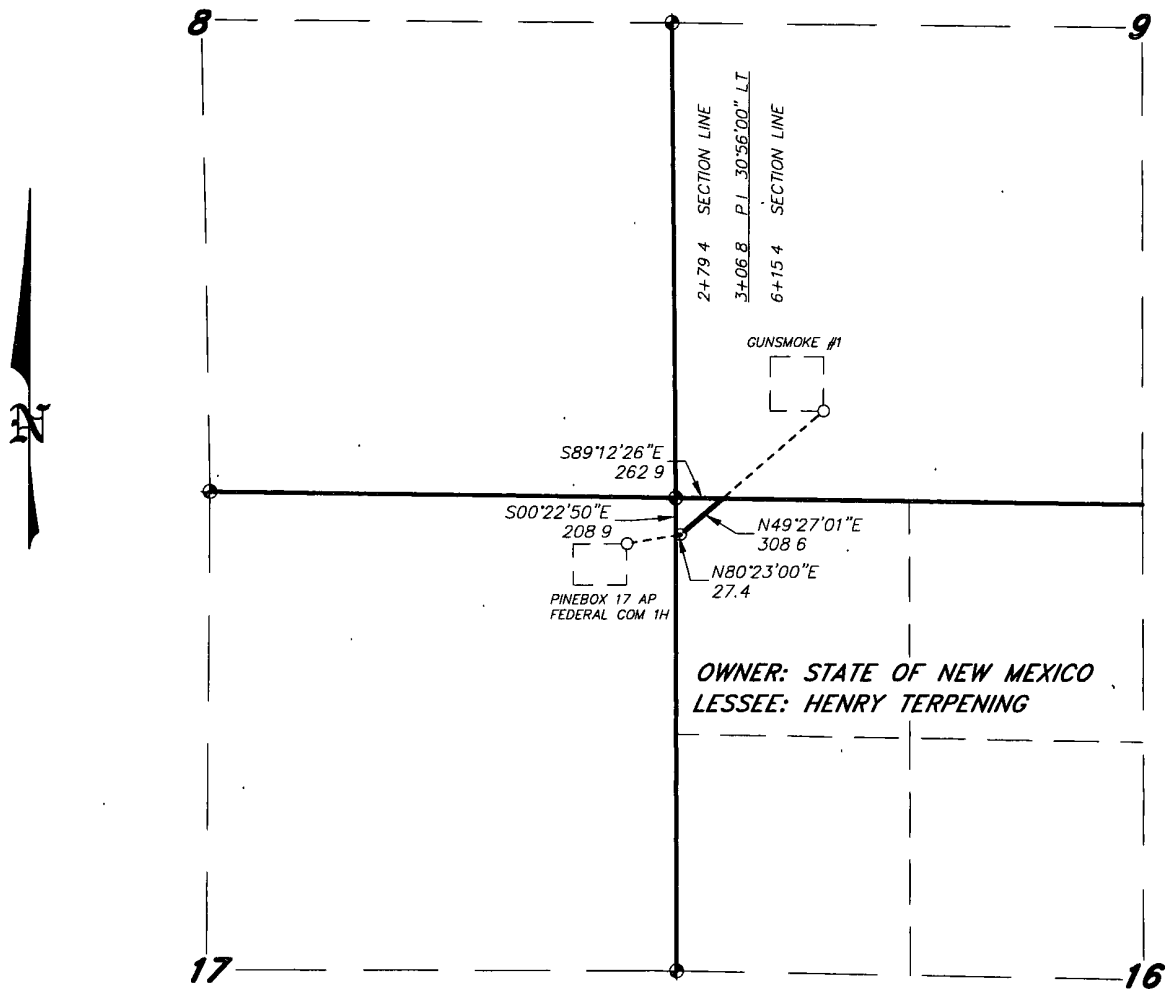
BASIN SURVEYS P.O. BOX 1786—HOBBS, NEW MEXICO

W.O. Number: 23414 Drawn By: J. M. SMALL

Date: 10-01-2010 Disk: JMS 23414

Survey Date: 09-22-2010 Sheet 1 of 3 Sheets

SECTION 16, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



OWNER: STATE OF NEW MEXICO
LESSEE: HENRY TERPENING

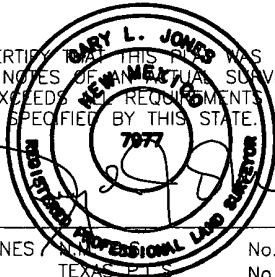
LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 16, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY. BEGINNING AT A POINT ON THE WEST SECTION LINE WHICH LIES S 00°22'50"E., 208.9 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 16; THENCE N 80°23'00"E., 27.4 FEET; THENCE N 49°27'01"E., 308.6 FEET TO A POINT ON THE NORTH SECTION LINE WHICH LIES S 89°12'26"E., 262.9 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 16. SAID STRIP OF LAND BEING 336.0 FEET OR 20.36 RODS IN LENGTH AND CONTAINING 0.23 ACRES, MORE OR LESS, AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NW/4 NW/4 = 20.36 RODS = 0.23 ACRES

Exhibit 3A

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED FROM FIELD NOTES OF A FINAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



GARY L. JONES No. 7977
TEXAS P.T.S. No. 5074

1000 0 1000 2000 FEET

MEWBOURNE OIL COMPANY

REF: PROPOSED PIPELINE TO THE PINEBOX 17 AP FEDERAL COM 1H

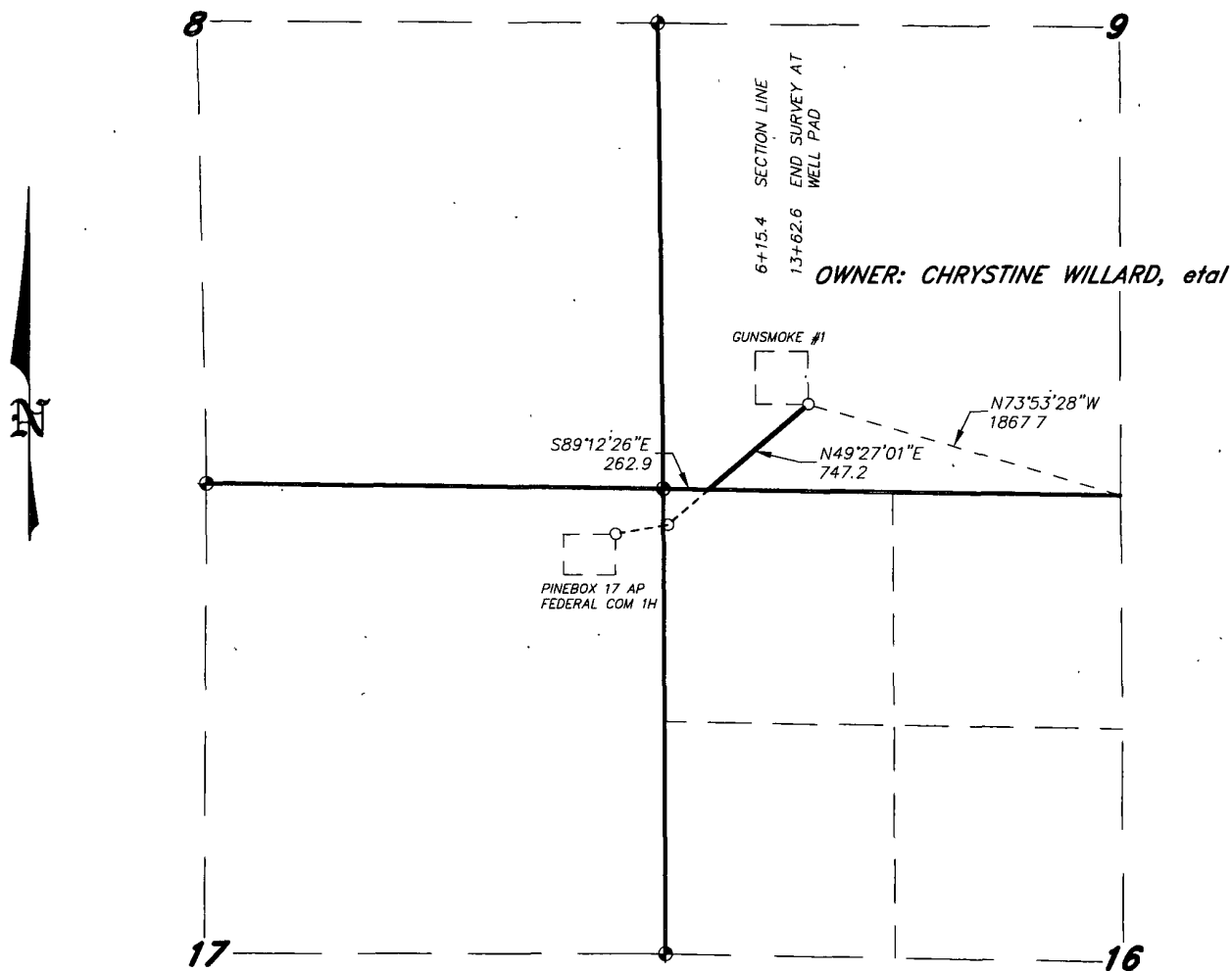
A PIPELINE CROSSING STATE LAND IN
SECTION 16, TOWNSHIP 20 SOUTH, RANGE 25 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

W.O. Number: 23414 Drawn By: J. M. SMALL

Date: 10-01-2010 Disk: JMS 23414 Survey Date: 09-22-2010 Sheet 2 of 3 Sheets

SECTION 9, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

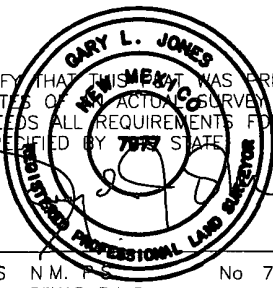


LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 9, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY. BEGINNING AT A POINT ON THE SOUTH SECTION LINE WHICH LIES S.89°12'26\"E., 262.9 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 9; THENCE N.49°27'01\"E., 747.2 FEET TO THE END OF THIS LINE WHICH LIES N 73°53'28\"W, 1867.7 FEET FROM THE SOUTH QUARTER CORNER OF SAID SECTION 9. SAID STRIP OF LAND BEING 747.2 FEET OR 45.28 RODS IN LENGTH.

Exhibit 3A

I HEREBY CERTIFY THAT THIS MAP WAS PREPARED FROM FIELD NOTES OF A FACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THE STATE.



GARY L. JONES N.M. P.S. No. 7977
TEXAS P.L.S. No. 5074

1000 0 1000 2000 FEET

MEWBOURNE OIL COMPANY

REF: PROPOSED PIPELINE TO THE PINEBOX 17 AP FEDERAL COM 1H

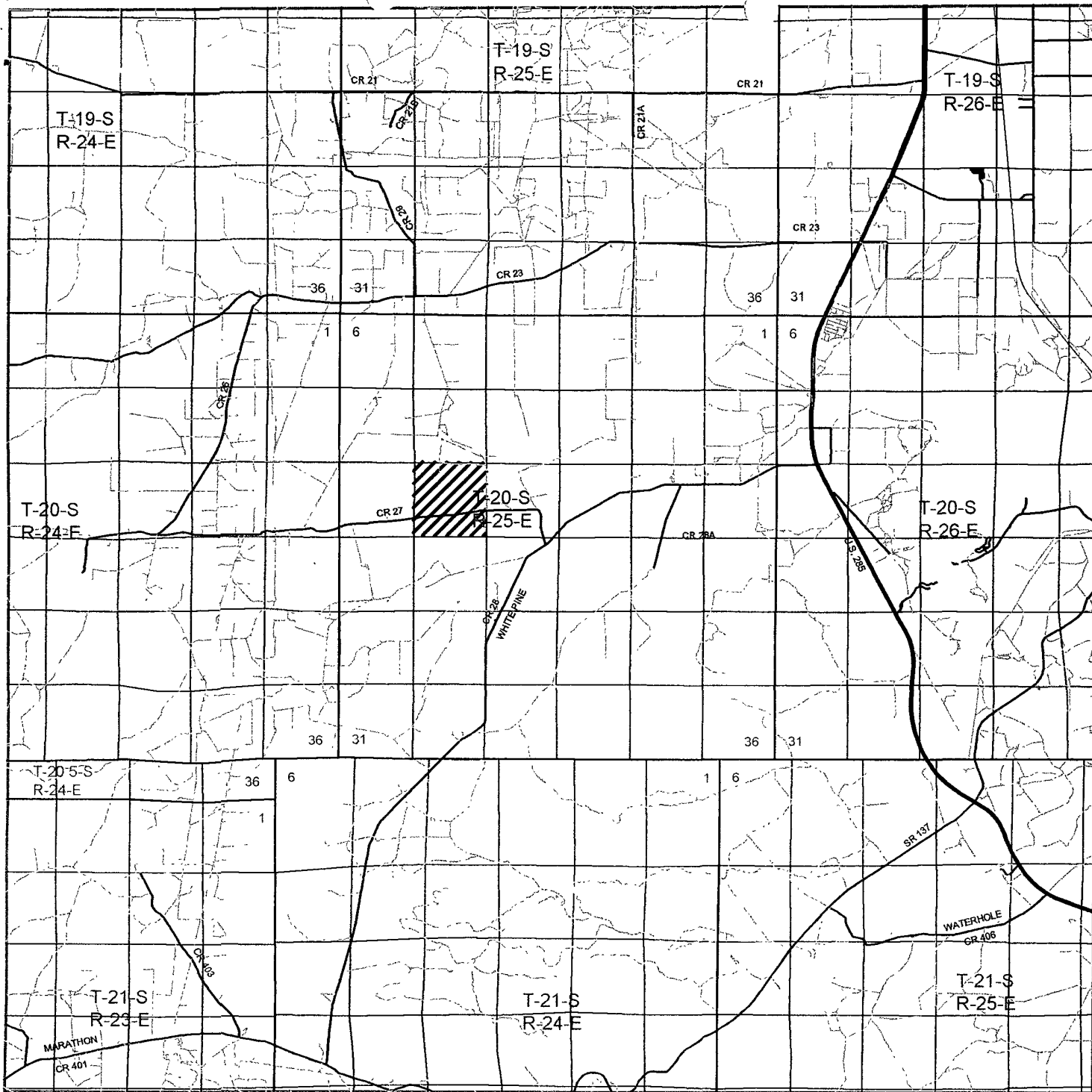
A PIPELINE CROSSING FEE LAND IN
SECTION 9, TOWNSHIP 20 SOUTH, RANGE 25 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

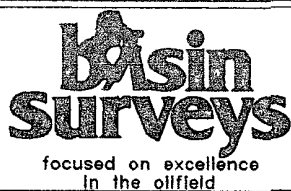
W.O. Number. 23414 Drawn By: J. M. SMALL

Date: 10-01-2010 Disk: JMS 23414

Survey Date: 09-22-2010 Sheet 3 of 3 Sheets



PINE BOX "17" AP FEDERAL COM #1H *Exhibit 3B*
 Located 342' FNL and 427' FEL
 Section 17, Township 20 South, Range 25 East,
 N.M.P.M., Eddy County, New Mexico.



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 23414

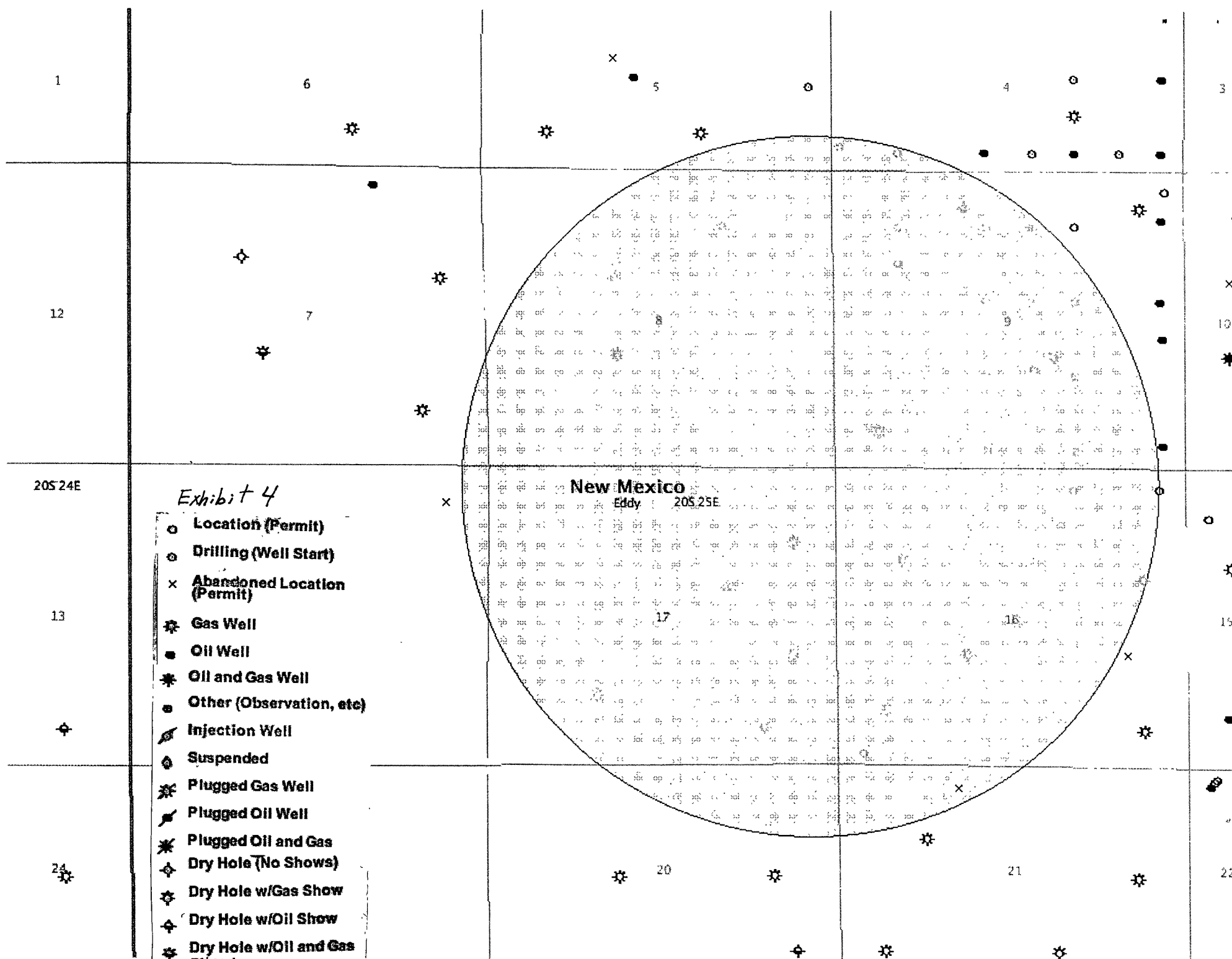
Survey Date: 09-22-2010

Scale: 1" = 2 Miles

Date: 10-01-2010



MEWBOURNE
 OIL COMPANY



Closed Loop Pad Dimensions 280' x 320'

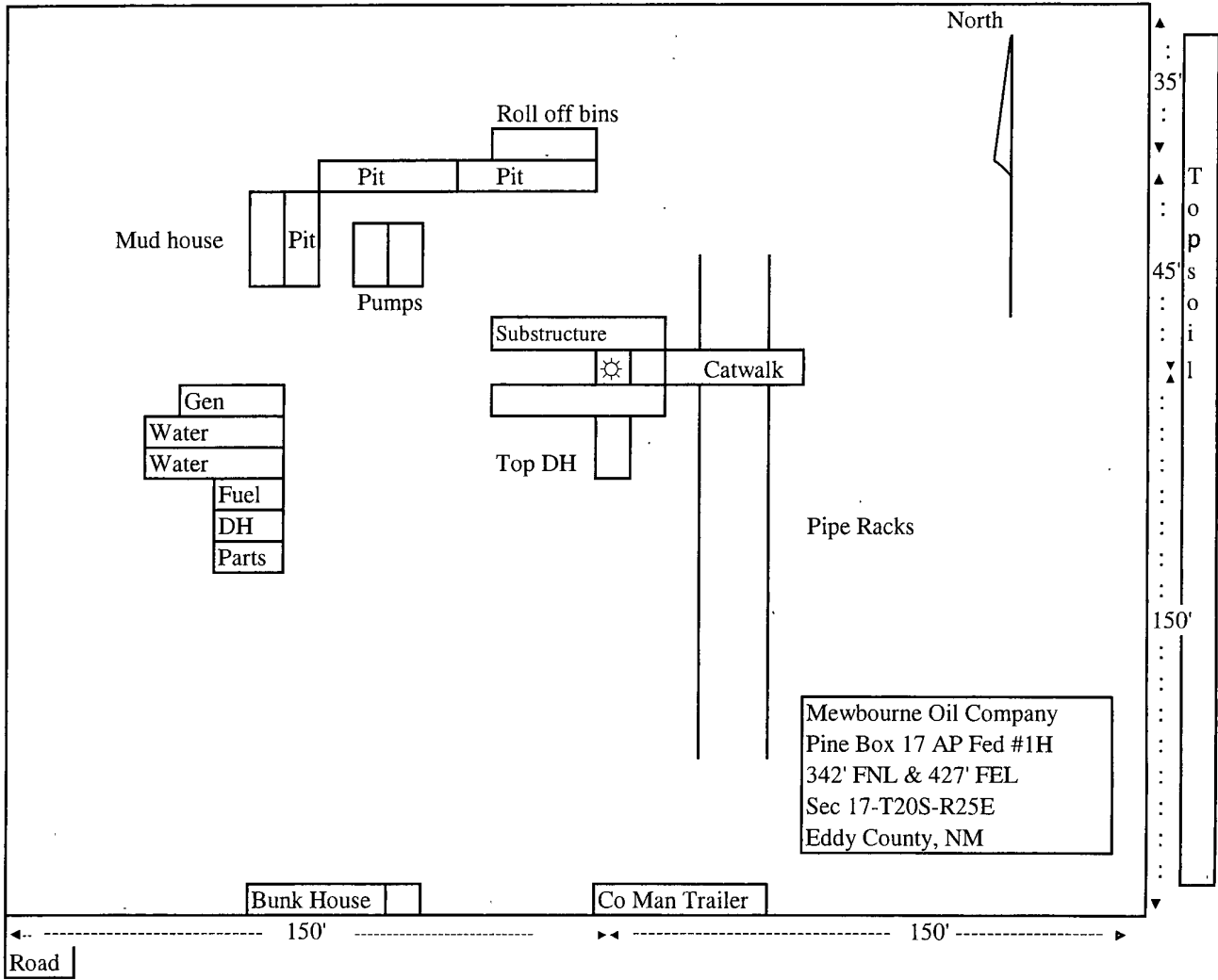


Exhibit 5

Exhibit 6

