

District I  
PO Box 1980, Hobbs, NM 88241-1980

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 & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505  
RECEIVED  
JUL 19 2003  
CD - ARTESIA

Form C-101  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

Operator Name and Address Mewbourne Oil Company P.O. Box 5270 Hobbs, NM 88241 (505)393-5905		GRID Number 14744
		API Number 30 - 015 - 32888
Property Code	Property Name Otis "1"	Well No. 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	1	22S	27E		1980	South	1400	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
Proposed Pool 1 Carlsbad, Morrow, East							Cement to cover all oil, gas and water bearing zones.		

Work Type Code N	Well Type Code G	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 3086
Multiple No	Proposed Depth 12200	Formation Morrow	Contractor TBA	Spud Date 07-20-03

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#	350	350	Circ. to Surface
12-1/4"	9-5/8"	40#	2600	1000	Circ. to Surface
8-3/4"	5-1/2"	17#	12200	1200	500' Above Wolfcamp

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) 1500 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 350' Fresh Water, spud mud, lime for PH, and LCM as needed for seepage.  
350' to 2600' Brine Water, lime for PH, and LCM as needed for seepage.  
2600 to TD 9.3 to 10# Brine, Caustic for PH, Starch for WL Control, and LCM as needed for seepage.

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name: Terry Burke

Title: Drilling Foreman

OIL CONSERVATION DIVISION

Approved By:

Title:

Approval Date:

Expiration Date:

JUL 19 2003

JUL 19 2004

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

DISTRICT II  
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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
Property Code	Property Name OTIS "1"	Well Number 2
OCRID No. 1A7AA	Operator Name MEWBOURNE OIL COMPANY	Elevation 3086

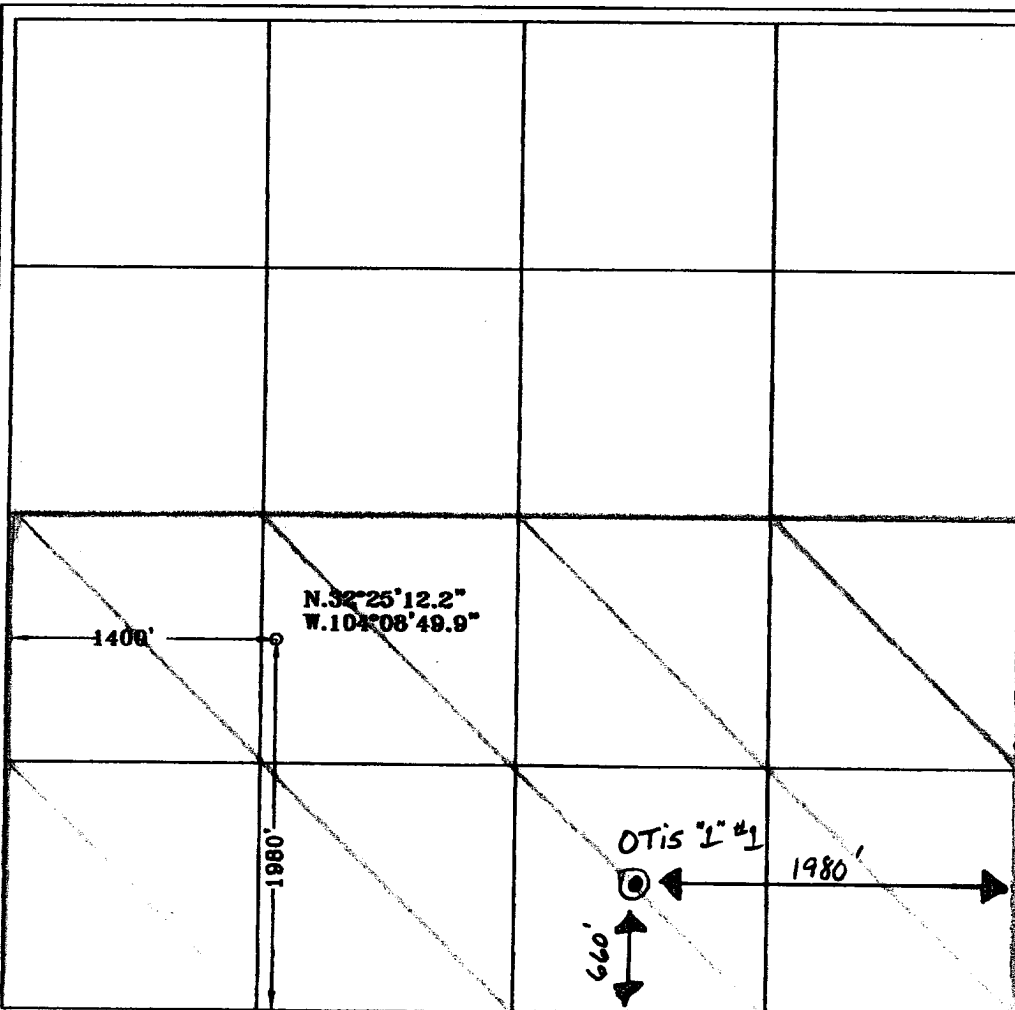
Surface Location

UL or lot No. K	Section 1	Township 22S	Range 27E	Lot Idn	Feet from the 1980	North/South line SOUTH	Feet from the 1400	East/West line WEST	County EDDY
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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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Terry Burke*  
Signature

Terry Burke

Printed Name

Drilling Foreman

Title

July 15, 2003

Date

SURVEYOR CERTIFICATION

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.

Date Surveyed 7/19/2003

Signature of Surveyor  
Professional Surveyor

3640

Certificate No. 3640  
Surveyor's Name: L. Jones  
OTIS "1" - 2

GENERAL SURVEYING COMPANY

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

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

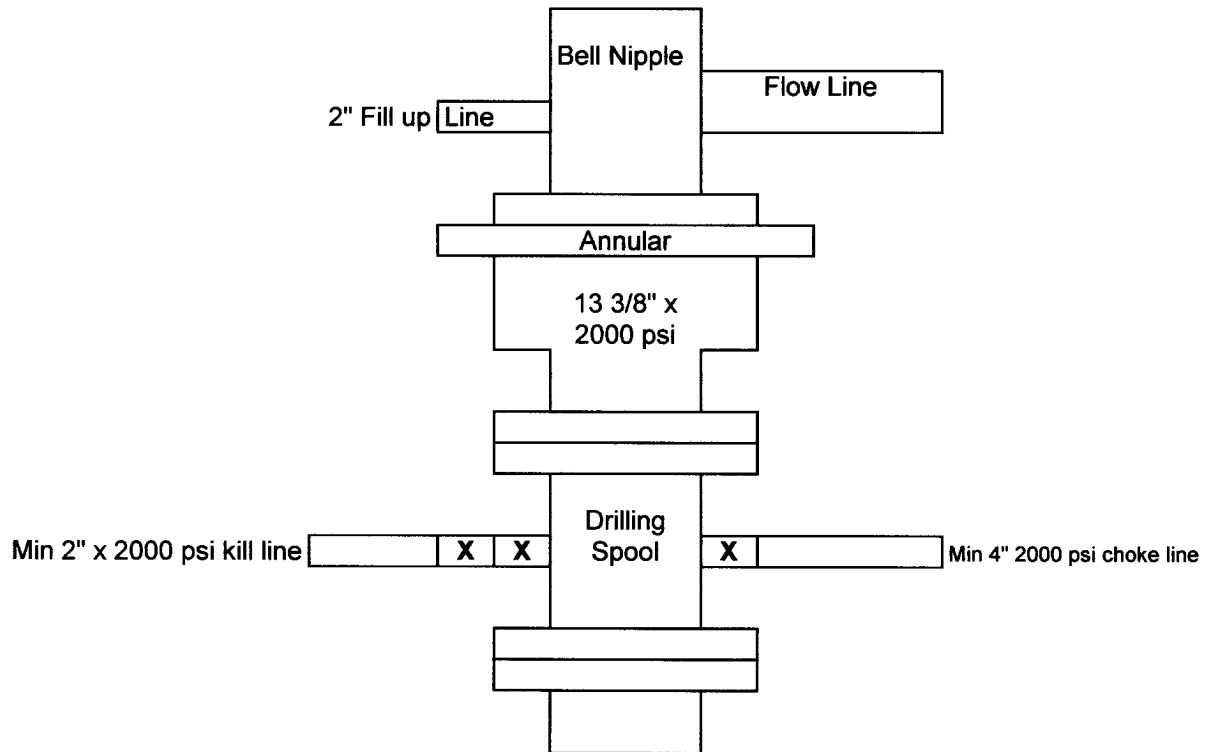


Exhibit #2

Otis "1" #2  
1980' FSL & 1400' FWL  
Sec.1-22S; R27E  
Eddy County, New Mexico

### BOP Scematic for 8 3/4" or 7 7/8" Hole

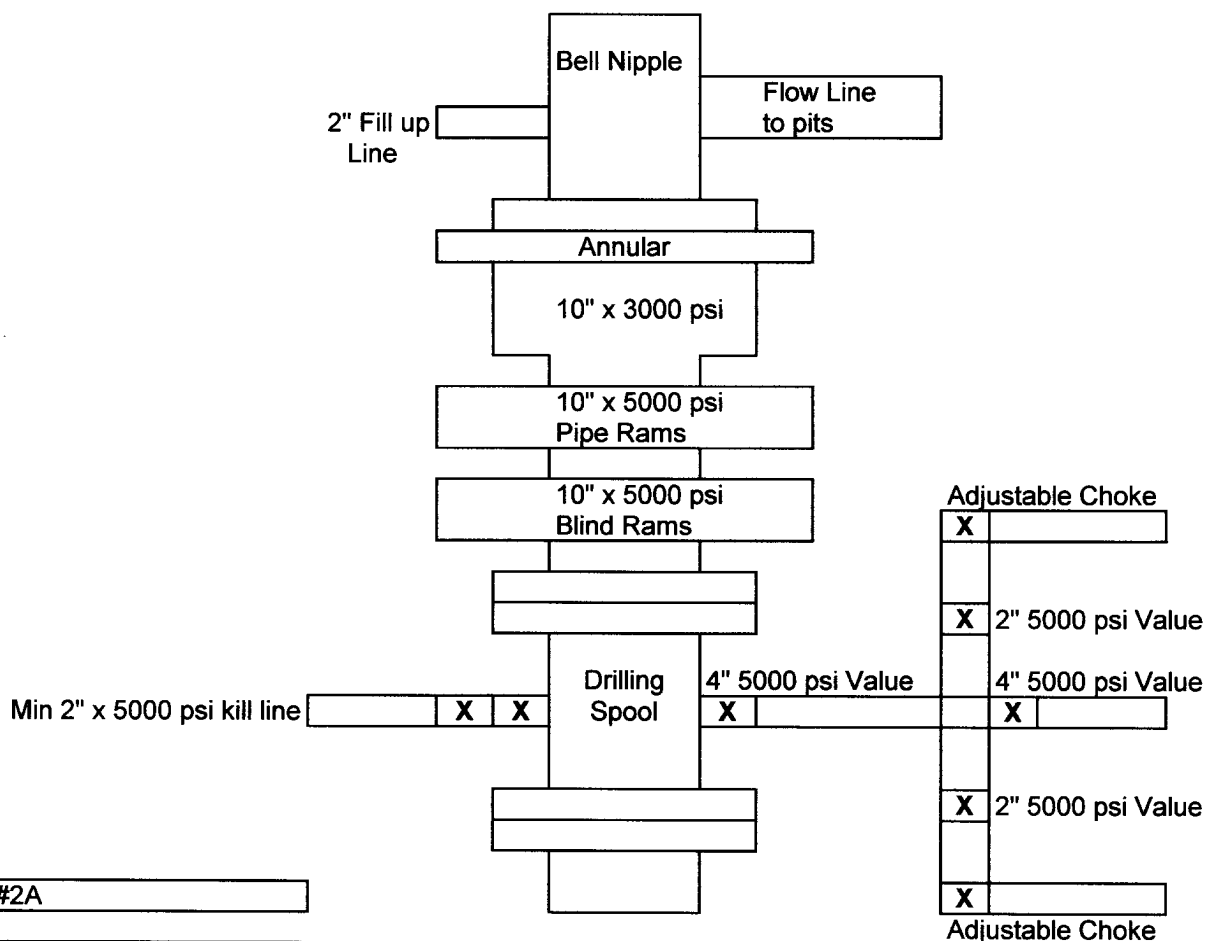


Exhibit #2A

Otis "1" # 2  
 1980' FSL & 1400' FWL  
 Sec.1; T22S; R27E  
 Eddy County, New Mexico

**Notes Regarding Blowout Preventer**

**Mewbourne Oil Company**

Otis "1" # 2

1980' FSL & 1400' FWL

Section 1- T22S-R27E

Eddy County, New Mexico

1. Drilling nipple (bell nipple) to be constructed so that it can be removed without the use of a welder through the opening of the rotary table, with minimum internal diameter equal to blowout preventer bore.
2. Blowout preventer and all fittings must be in good condition with a minimum 2000 psi working pressure.
3. Safety valve must be available on the rig floor at all times with proper connections to install in the drill string. Valve must be full bore with minimum 2000 psi working pressure.
4. Equipment through which bit must pass shall be at least as large as internal diameter of the casing.
5. A kelly cock shall be installed on the kelly at all times.
6. Blowout preventer closing equipment to include and accumulator of at least 40 gallon capacity, two independent sources of pressure on closing unit, and meet all other API specifications.

## **Hydrogen Sulfide Drilling Operations Plan**

### **Mewbourne Oil Company**

Otis "1" # 2

1980' FSL & 1400' FWL

Section 1- T22S-R27E

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 Yates and Delaware formations.