

30-025-40191

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

MEWBOURNE OIL COMPANY

Querecho "22" Federal Com #1H

245' FSL & 815' FEL

Sec 22-T18S-R32E

Lea County, New Mexico

HOBBS OCD

JUL 18 2011

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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 Maljamar, NM: Go south on CR 126 (Maljamar Rd.) 6.3 miles. Turn left (southeast) on lease road and continue on main road SE 3.5 miles. Turn right (south) 1/4 mile, then west 1/4 mile, then south 0.2 miles, then west 0.1 miles, then turn south 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. Approx 200' of new road will be needed.
- 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 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 southwest side of the well pad. Gas and electricity lines will tie into existing infrastructure along north edge of the wellpad. Gas line will be approx 50' of surface 3 1/2" SDR 7 polypipe with 100 psi max working pressure and will lay on existing pipeline disturbance. Electricity will require one span to tie into existing power and will not require any additional surface disturbance.
- 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.
- C. An archaeological survey is in the process of being conducted on the proposed location pad.

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 BLM.

12. Other Information:

A. 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

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Hobbs, NM 88241
(575) 393-5905

HOBBS OCD

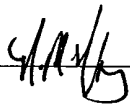
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I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of State and Federal laws applicable 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 29 day of March, 2011.

Name: NM Young

Signature: 

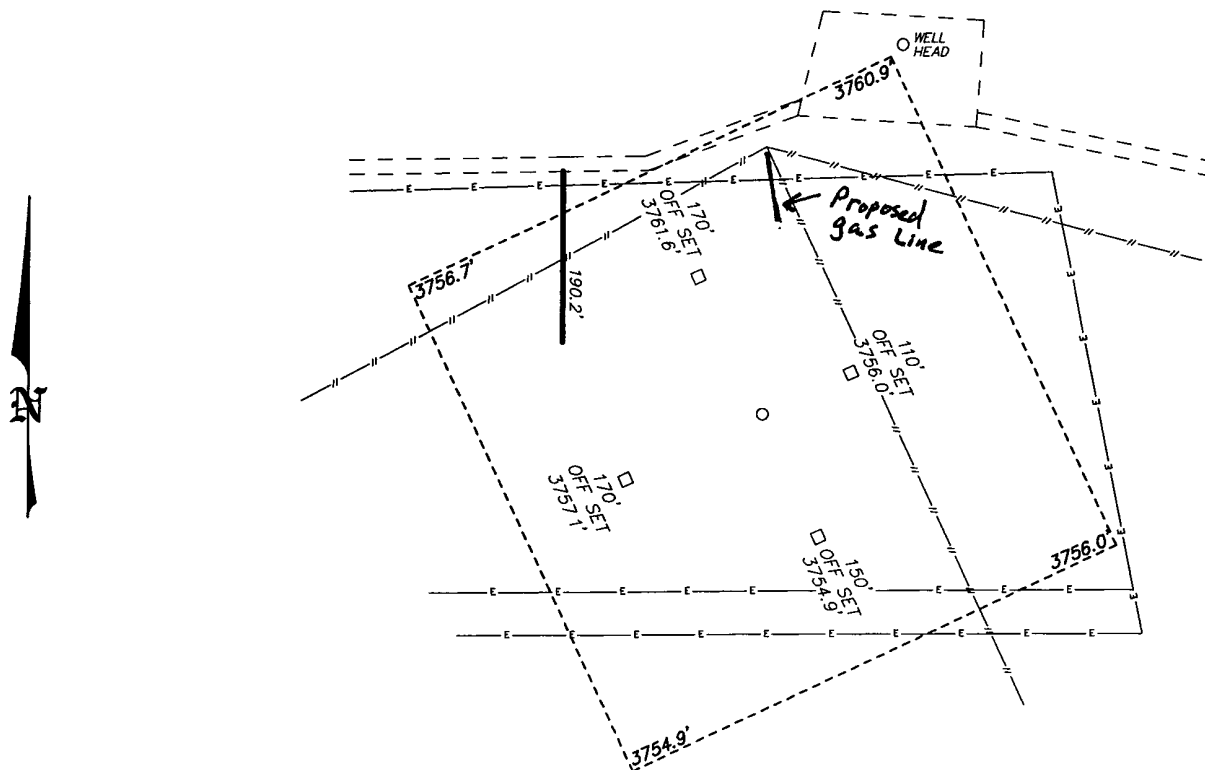
Position Title: Hobbs District Manager

Address: PO Box 5270, Hobbs NM 88241

Telephone: 575-393-5905

E-mail: myoung@mewbourne.com

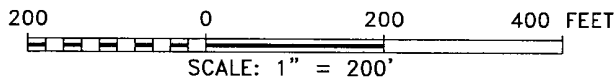
SECTION 22, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



MEWBOURNE OIL COMPANY
QUERECHO PLAINS "22" FEDERAL COM #1H
ELEV. - 3759'

Lat - N 32°43'34.56"
Long - W 103°44'51.73"
NMSPCE- N 628424.132
E 680098.500
(NAD-27)

Exhibit 3



Directions to Location:

FROM THE JUNCTION OF MALJAMAR AND JCT 529,
GO SOUTH ON MALJAMAR FOR 2.0 MILES TO TO
LEASE ROAD, ON LEASE ROAD GO SOUTHEASTERLY
FOR 3.3 MILES TO LEASE ROAD, ON LEASE ROAD GO
WESTERLY 0.8 MILES TO LEASE ROAD, ON LEASE
ROAD GO EAST 0.2 MILES THENCE SOUTH 0.1 MILES
THENCE EAST 0.4 MILES TO PROPOSED LEASE ROAD.

MEWBOURNE OIL COMPANY

REF: QUERECHO "22" FEDERAL COM #1H / WELL PAD TOPO

THE QUERECHO "22" FEDERAL COM #1H LOCATED 245'

FROM THE SOUTH LINE AND 815' FROM THE EAST LINE OF

SECTION 22, TOWNSHIP 18 SOUTH, RANGE 32 EAST,

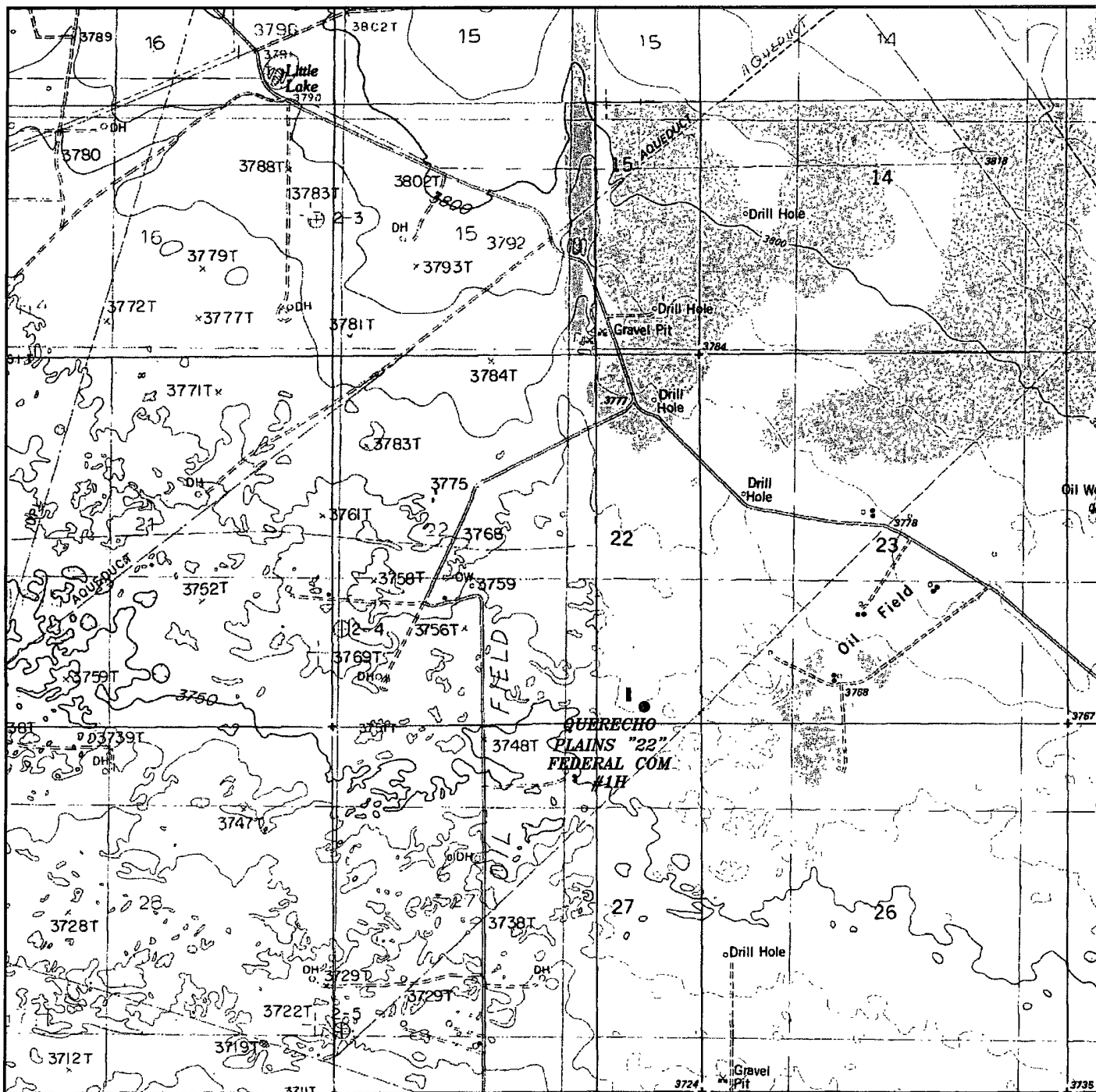
N.M.P.M., LEA COUNTY, NEW MEXICO.

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

W.O. Number: 24125 Drawn By: J. SMALL

Date: 03-08-2011 Disk: JMS 24125

Survey Date: 03-02-2011 Sheet 1 of 1 Sheets



QUERECHO "22" FEDERAL COM #1H *Exhibit 3A*
 Located 245' FSL and 815' FEL
 Section 22, Township 18 South, Range 32 East,
 N.M.P.M., Lea County, New Mexico.

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P.O. Box 1786
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 (575) 392-2206 - Fax
 basinsurveys.com

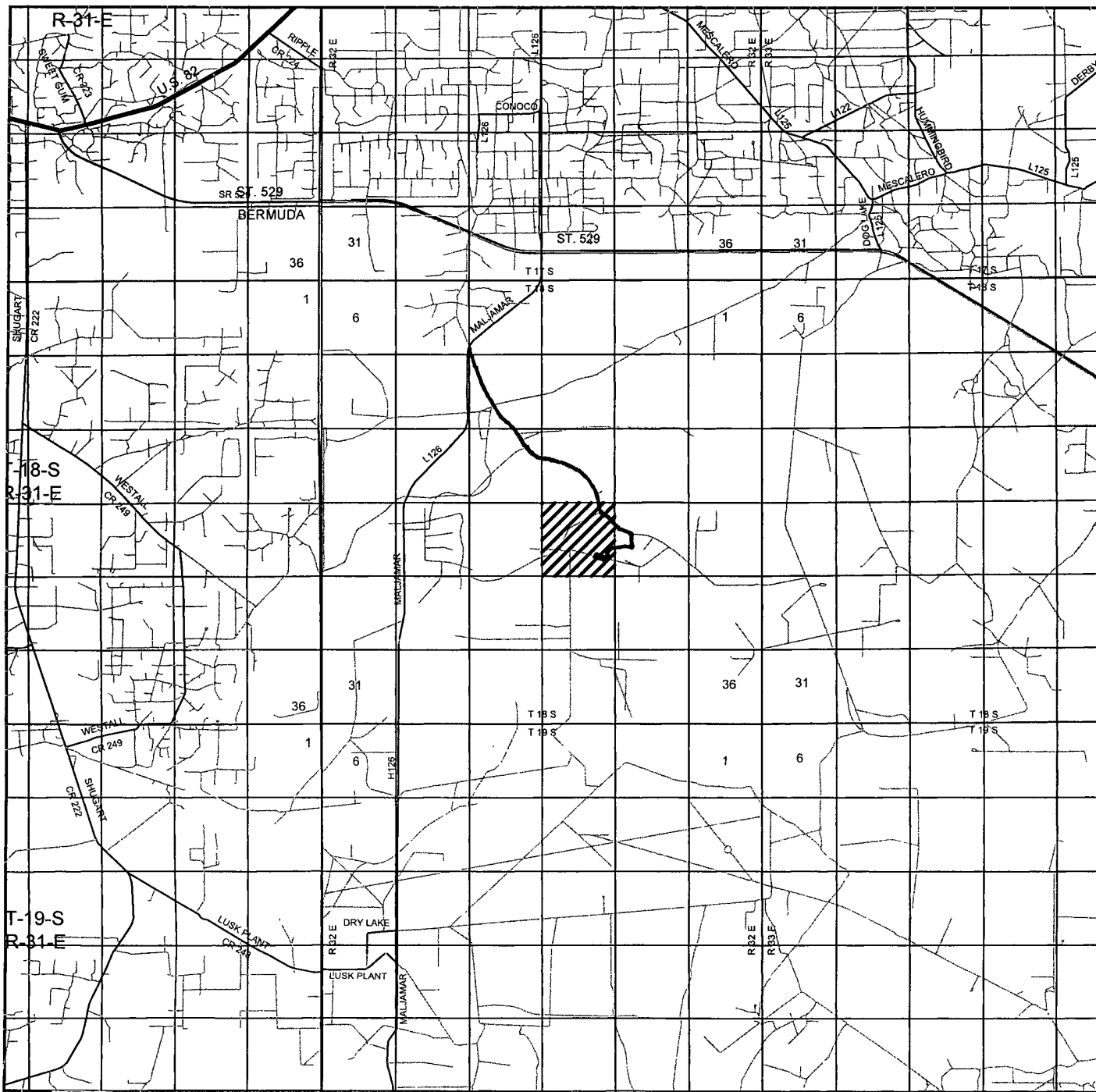
W.O. Number: JMS 24125

Survey Date: 03-02-2011

Scale: 1" = 2000'

Date: 03-08-2011

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QUERECHO "22" FEDERAL COM #1H *Exhibit 3B*
 Located 245' FSL and 815' FEL
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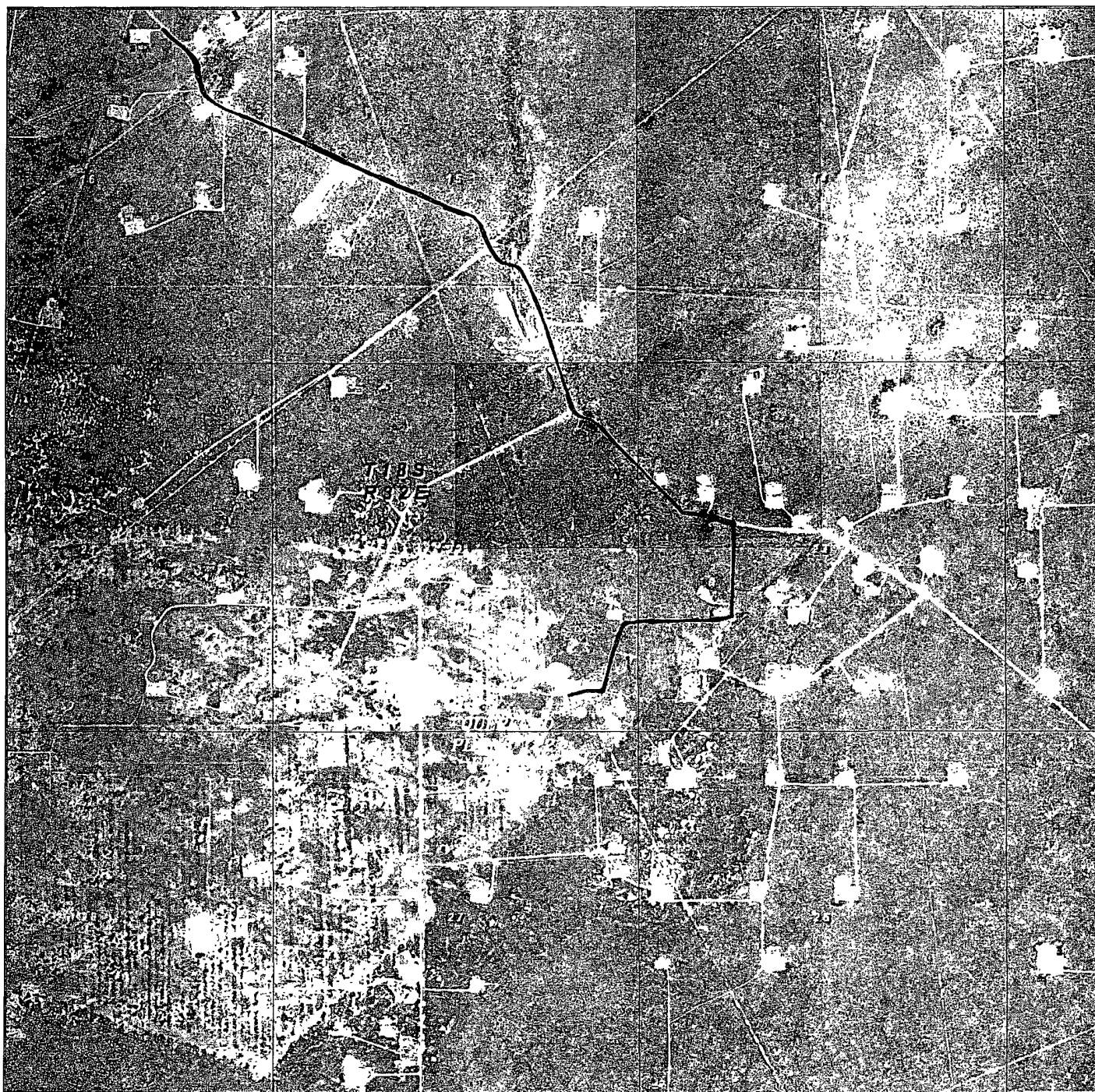
W.O. Number: JMS 24125

Survey Date: 03-02-2011

Scale: 1" = 2 Miles

Date: 03-08-2011

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QUERECHO "22" FEDERAL COM #1H *Exhibit 3C*
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Scale: 1" = 2000'

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

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Exhibit 4

- 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

185 32E
New Mexico
Lea