

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  
Energy Minerals and Natural Resources

Form C-101

May 27, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address Mewbourne Oil Company Po Box 5270 Hobbs, NM 88240		<sup>2</sup> OGRID Number 14744
		<sup>3</sup> API Number 30 - 025 - 37272
<sup>4</sup> Property Code 34846	<sup>5</sup> Property Name San Simon 18 St Corn	<sup>6</sup> Well No. 1
<sup>9</sup> Proposed Pool 1 Osudo Morrow 82120		<sup>10</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	18	21S	35E		660'	N	1838'	W	Lea

<sup>8</sup> 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

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3690'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 12600'	<sup>18</sup> Formation Morrow	<sup>19</sup> Contractor TBA	<sup>20</sup> Spud Date ASAP
Depth to Groundwater 50' or more but less than 100 (yes 10 pts)		Distance from nearest fresh water well Less than 1000 from all other wtr sources (1000' or more -0 pts)		
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 type="checkbox"/> Gas/Air <input type="checkbox"/>		

<sup>21</sup> 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"	54.5#	1450'		Surface
12 1/4"	9 5/8"	40#	5300'	2000	Surface
8 3/4"	5 1/2"	17#	12600'	1000	500' above WC

<sup>22</sup> 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 1450' Fresh Water, spud mud, lime for PH and LCM as needed for seepage.  
1450' to 5300' Brine Water, lime for PH and LCM as needed for seepage.  
5300' to 11300' Cut brine with Fresh Water, lime for PH and LCM as needed for seepage.  
11300' to TD Cut brine. 9.3 #/g. Caustic for PH, Starch for WL control and LCM as needed for seepage

<sup>23</sup> 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 ☐.

## OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Printed name: Kristi Green

Title: Hobbs Production

E-mail Address: kgreen@mewbourne.com

Date: 06/06/05

Phone: 505-393-5905

Conditions of Approval Attached ☐

## DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

## 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 and Natural Resources Department

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30.025.37272</b>	Pool Code <b>82120</b>	Pool Name <b>Osudo; Morrow (Gas)</b>
Property Code <b>34846</b>	Property Name <b>SAN SIMON "18" STATE COM</b>	Well Number <b>1</b>
OGRID No. <b>14744</b>	Operator Name <b>MEWBOURNE OIL COMPANY</b>	Elevation <b>3690'</b>

## Surface Location

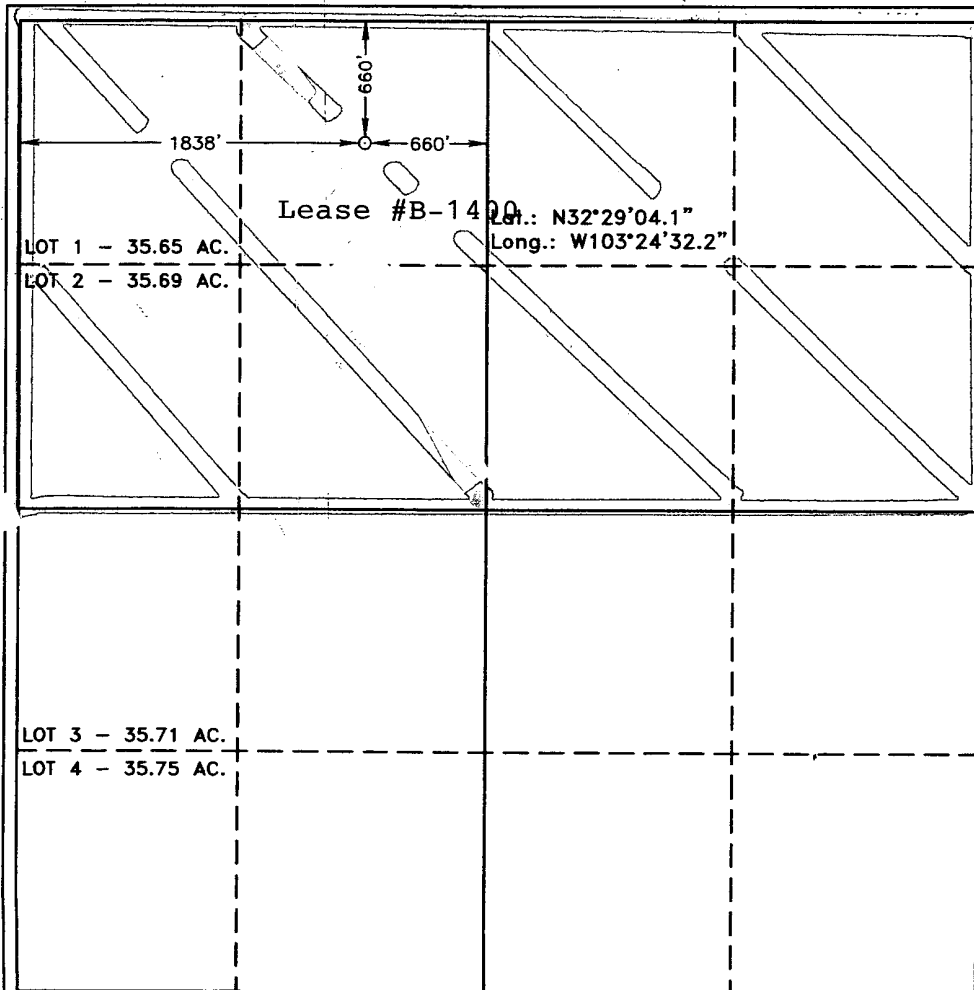
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	18	21 S	35 E		660	NORTH	1838	WEST	LEA

## 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 <b>311.34</b>	Joint or Infill	Consolidation Code	Order No.
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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 the the information  
contained herein is true and complete to the  
best of my knowledge and belief.

*Kristi Green*  
Signature

Kristi Green  
Printed Name

Hobbs Regulatory  
Title

06/01/05  
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.

GARY L. JONES  
MAY 25 2005  
NEW MEXICO  
Date Surveyed  
Signature & Seal of  
Professional Surveyor 7977  
W.O. No. 05410

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

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

### **MEWBOURNE OIL COMPANY**

San Simon "18" State Com #1

660' FNL & 1838' FWL

Sec 18-T21S-R35E

Lea County, New Mexico

This plan is submitted with Form C101, 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 Hobbs, go west on US 62/180 8 miles to NM 8 (Monument Rd). Turn south, continue south approx 15 miles to NM176. Turn right, continue west 8.6 miles. Turn right and continue north**

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

- A Will improve 0.3 miles of existing road. Approx 2200' of new road will be needed. Road will enter location from SE corner.

#### **3. 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.

#### **4. 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.

#### **5. 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.

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

**MEWBOURNE OIL COMPANY**

San Simon 18 St Com #1

Page 2

**6. 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.

**7. Ancillary Facilities**

There are no ancillary facilities within the immediate vicinity of the proposed well site.

**8. 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' have been staked and flagged.

**9. 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. 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.
- 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.

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

**MEWBOURNE OIL COMPANY**

San Simon 18 St Com #1

Page 3

- 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.

**10. Surface Ownership:**

The surface is owned by: State of New Mexico

**11. Other Information**

- A. The primary use of the surface at the location is for grazing of livestock.

**12. Operator's Representative:**

- A. Through APD approval, drilling operations, completion and production operations:

**NM Young, District Manager**  
Mewbourne Oil Company  
PO Box 5270  
Hobbs, NM 88241  
505-393-5905

**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: 06/01/05

Signature: Kristi Green for NM Young

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

## Hydrogen Sulfide Drilling Operations Plan

### **Mewbourne Oil Company**

San Simon "18" St Com #1

660' FNL & 1838' FWL

Section 18-T21S-R35E

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 formation.

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

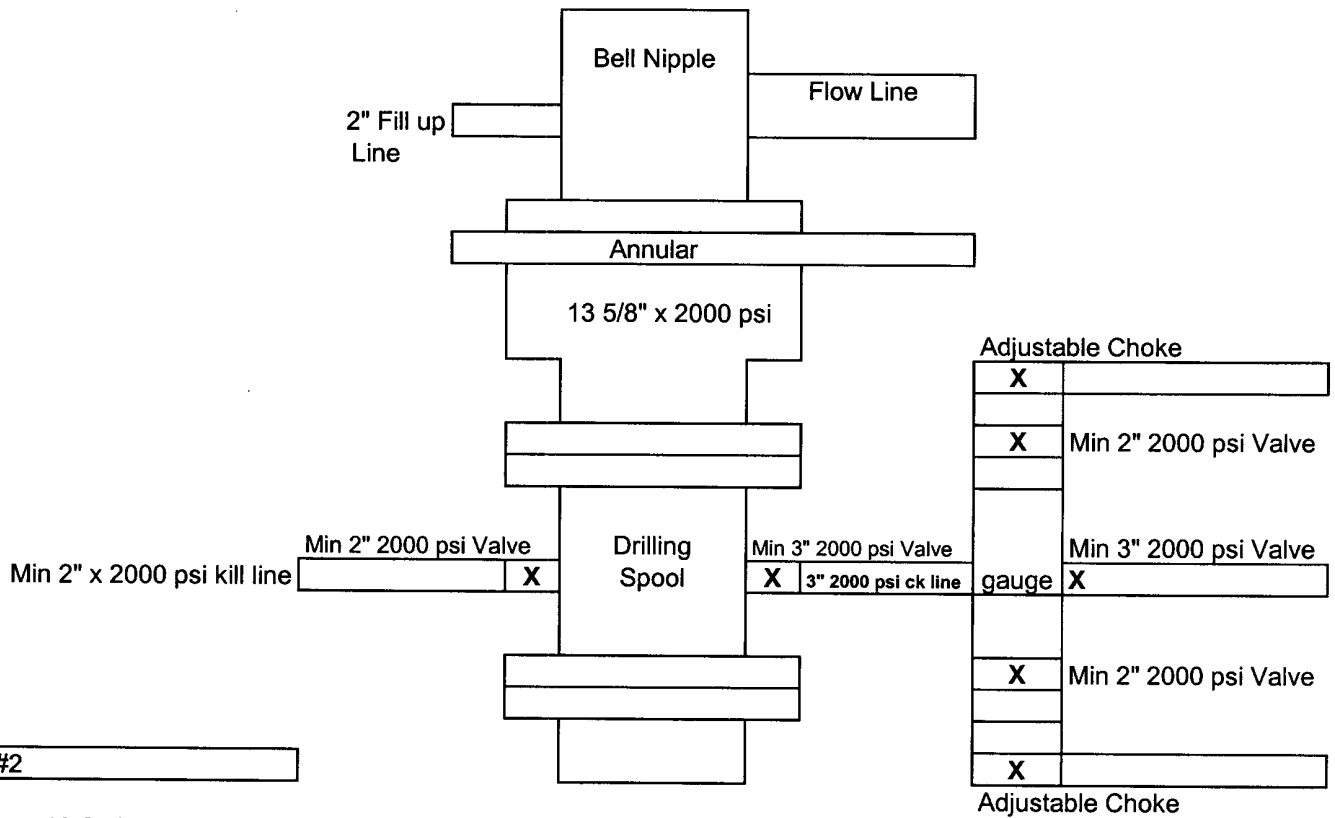


Exhibit #2

San Simon 18 St Com #1  
Sec 18-T21S-R35E  
660' FNL & 1838' FWL  
Lea County, NM



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

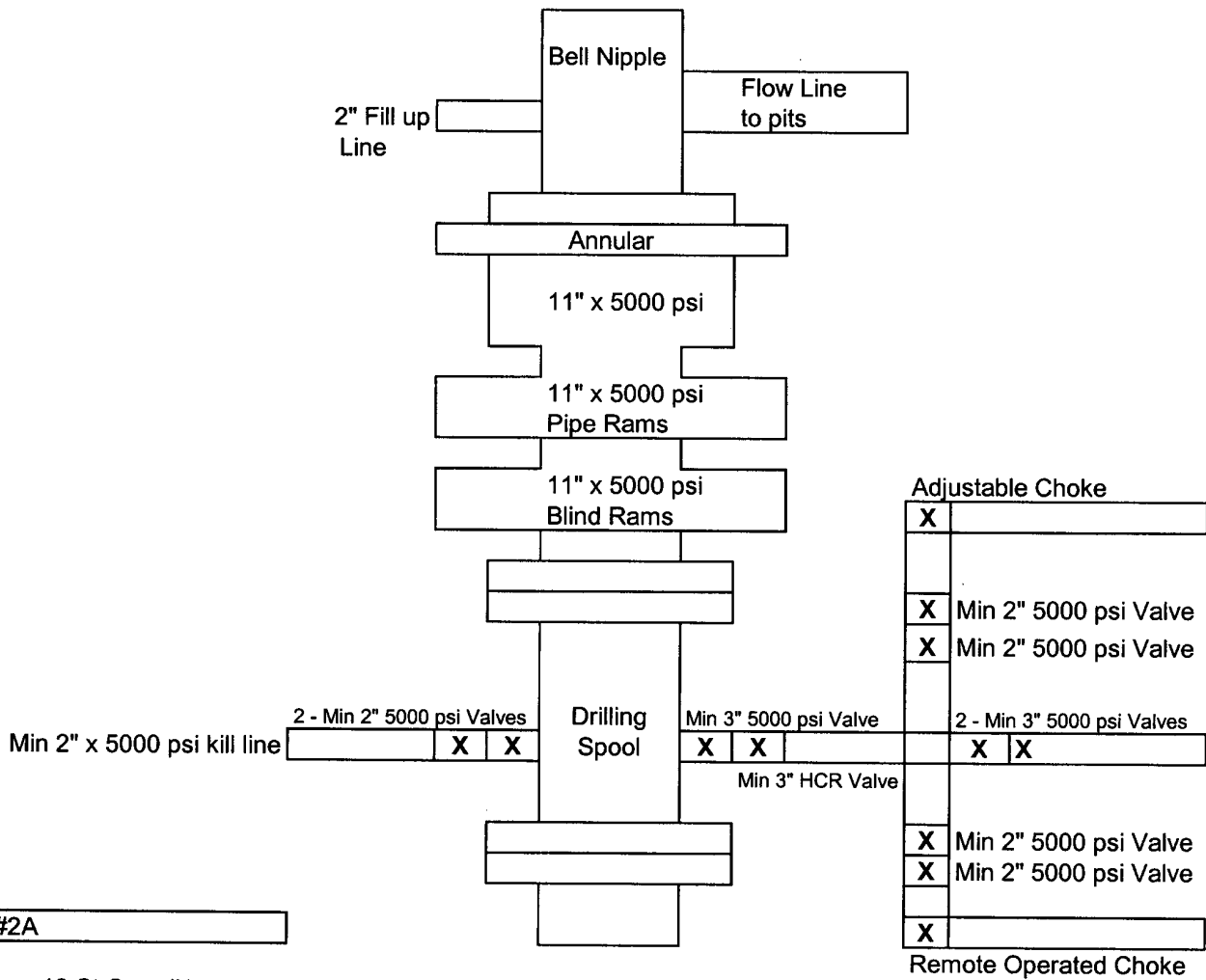
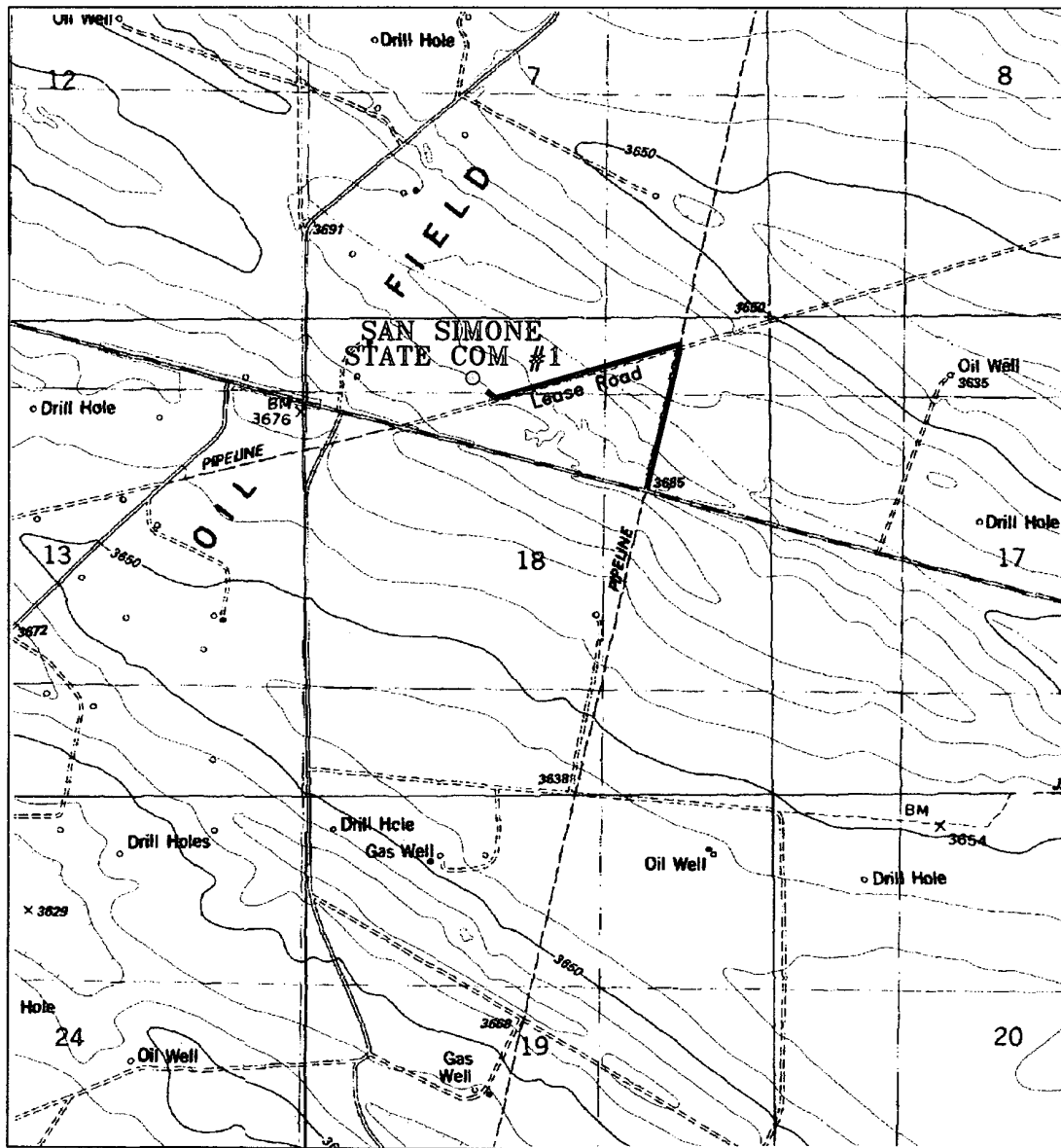


Exhibit #2A

San Simon 18 St Com #1  
Sec 18-T21S-R35E  
660' FNL & 1838' FWL  
Lea County, NM



## Exhibit 3

SAN SIMONE "18" STATE COM #1  
 Located 660' FNL and 1838' FWL  
 Section 18, Township 21 South, Range 35 East,  
 N.M.P.M., Lea County, New Mexico.

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

P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (505) 393-7316 - Office  
 (505) 392-3074 - Fax  
 basinsurveys.com

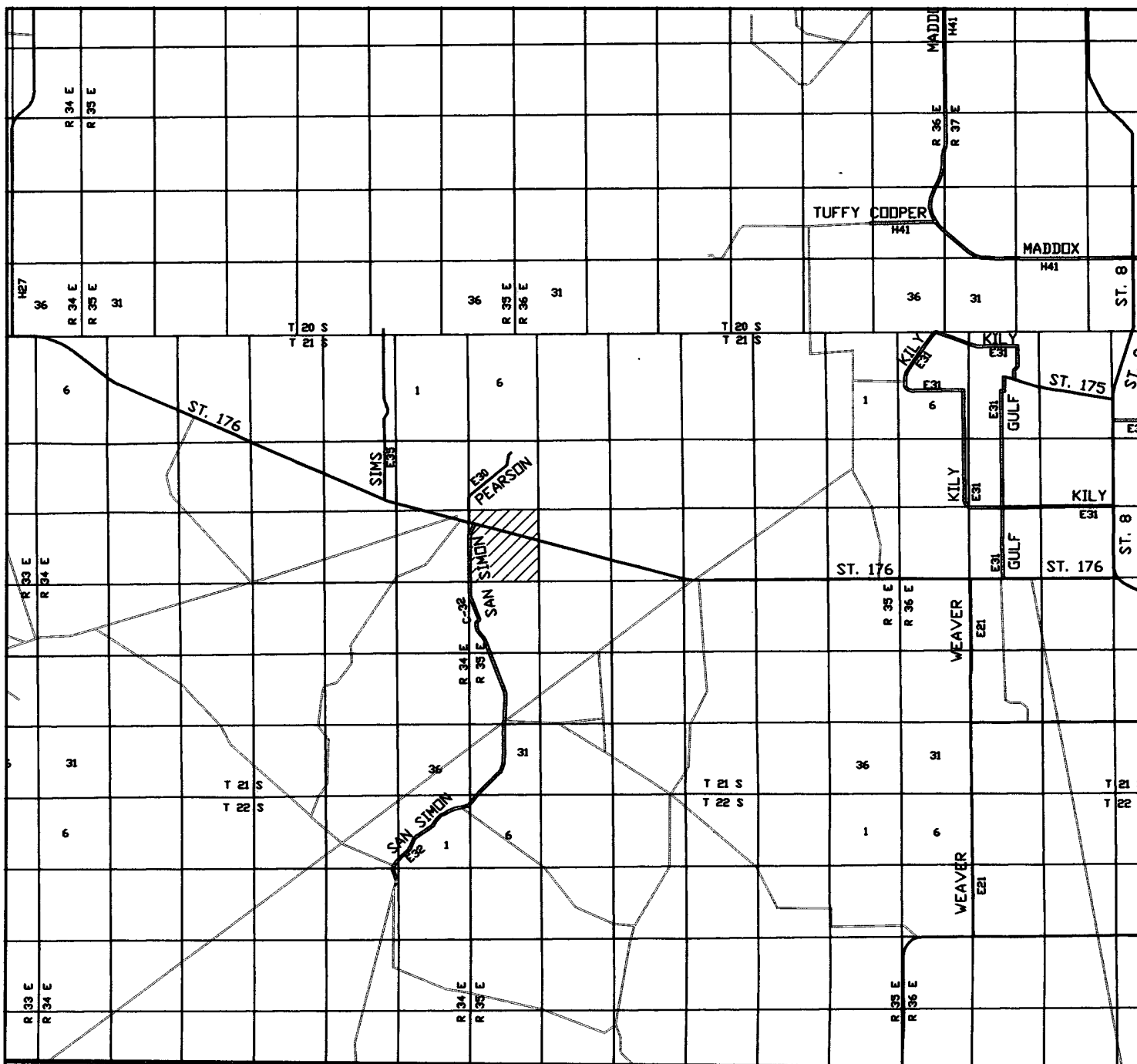
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Survey Date: 05-25-2005

Scale: 1" = 2000'

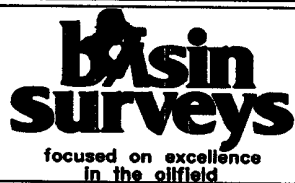
Date: 05-26-2005

**MEWBOURNE**  
**OIL CO.**



SAN SIMONE "18" STATE COM #1  
 Located 660' FNL and 1838' FWL  
 Section 18, Township 21 South, Range 35 East,  
 N.M.P.M., Lea County, New Mexico.

Exhibit 3A



P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (505) 393-7316 - Office  
 (505) 392-3074 - Fax  
 basinsurveys.com

W.O. Number: 5410AA - KJG #7

Survey Date: 05-25-2005

Scale: 1" = 2 MILES

Date: 05-26-2005

MEWBOURNE  
 OIL CO.

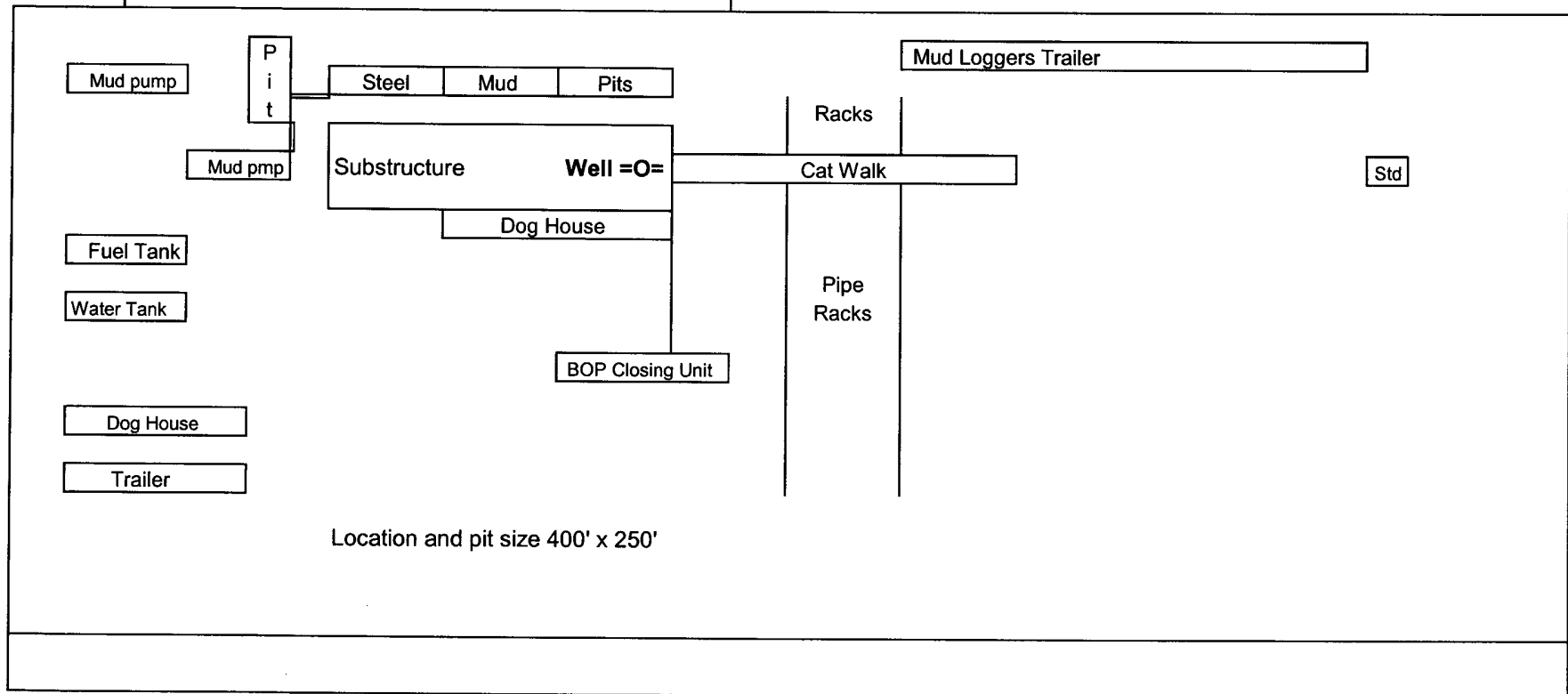
# Mewbourne Oil Company

## Exhibit # 5

Well Name San Simon 18 St Com #1  
Footages Sec 18-T21S-R35E  
STR 660' FNL & 1838' FWL  
County Lea County  
State New Mexico

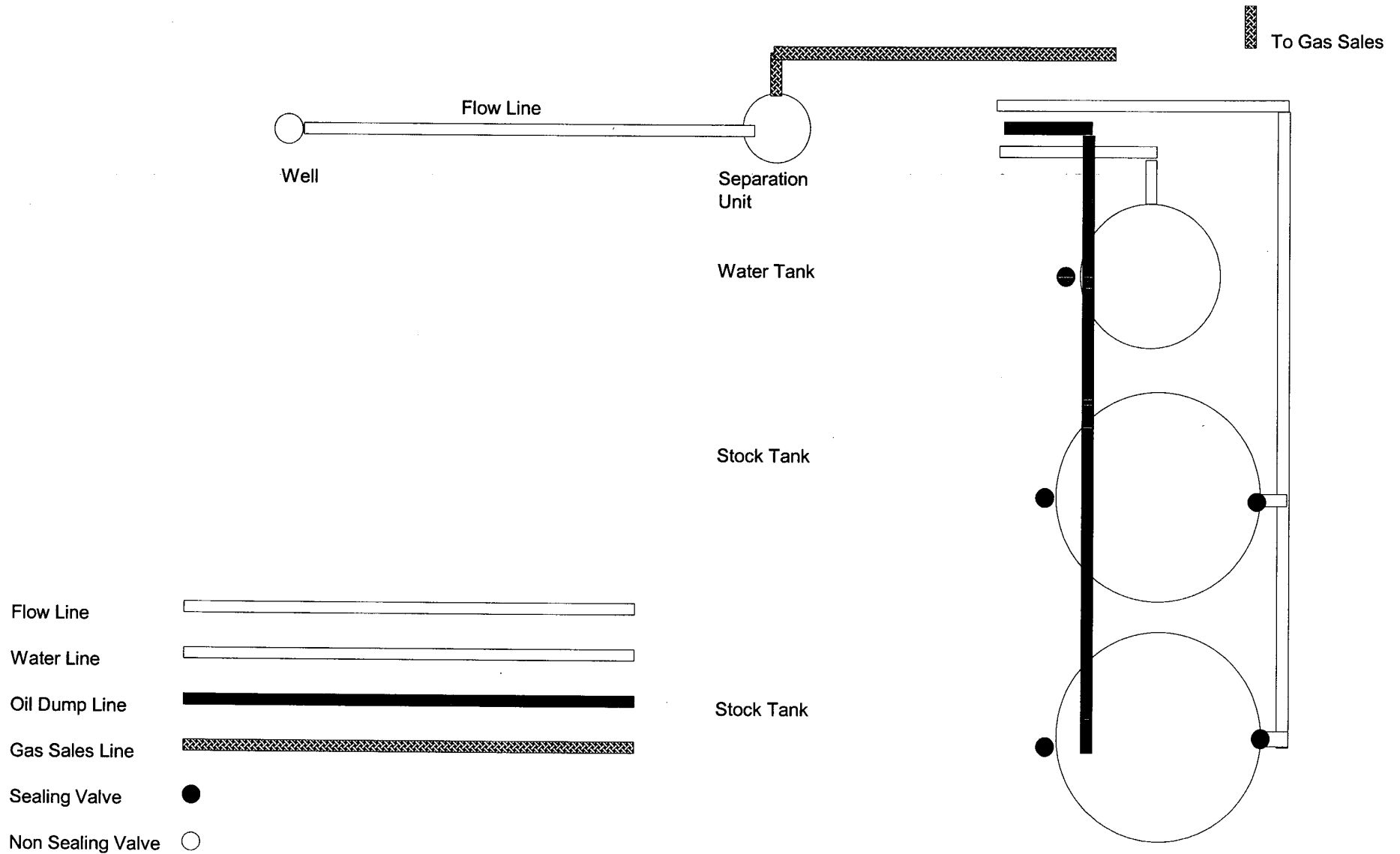


Reserve Pit  
150 x 150'



Rig Location Schematic

# Proposed Production Facilities Schematic



**Mewbourne Oil Company**

Exhibit # 6

Proposed Production Facilities Schematic

San Simon 18 St Com #1

Sec 18-T21S-R35E

660' FNL & 1838' FWL

Lea County, NM