

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTN.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

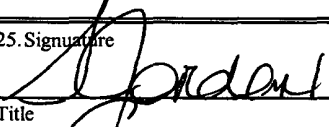
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM97110
1b. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Nearburg Producing Company		7. Unit or CA Agreement Name and No.
3a. Address 3300 N A St., Bldg 2, Suite 120, Midland, TX 79705	3b. Phone No. (include area code) 432/686-8235	8. Lease Name and Well No. US 13 Federal #2
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 840 FSL and 1650 FEL ✓ At proposed prod. zone		9. API Well No. 30-015-33645
14. Distance in miles and direction from nearest town or post office* 13-1/2 miles west of Carlsbad		10. Field and Pool, or Exploratory
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 840	16. No. of Acres in lease 160	11. Sec., T., R., M., or Blk. and Survey or Area Sec 13, 22S, 24E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1140	19. Proposed Depth 8600'	12. County or Parish Eddy
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3922	22. Approximate date work will start* 1/1/05	13. State NM
20. BLM/BIA Bond No. on file NM1307		17. Spacing Unit dedicated to this well 160
23. Estimated duration 30 days		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Sarah Jordan	Date 6-28-04
Title Production Analyst		
Approved by (Signautre) /s/ Joe G. Lara	Name (Printed/Typed) /s/ Joe G. Lara	Date 29 SEP 2004
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

McKinnick Hills; Upper Penn

CARLSBAD CONTROLLED WATER BASIN

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

Form 3160-5
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Nearburg Producing Company

3a. Address

3300 N A St., Bldg 2, Ste 120, Midland, TX 79705

3b. Phone No. (include area code)

432/686-8235 x 203

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SHL: 470 FNL and 1520 FEL, Sec 24, 22S, 24E

~~BHL: 660 FSL and 1650 FEL, Sec 13, 22S, 24E~~

5. Lease Serial No.

NMNM97110

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

US 13 Fed #2

9. API Well No.

10. Field and Pool, or Exploratory Area
McKittrick Hills, Upper Penn
(Gas)

11. County or Parish, State

Eddy NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Deepen☐ Production (Start/Resume)☐ Water Shut-Off☐ Alter Casing☐ Fracture Treat☐ Reclamation☐ Well Integrity☐ Casing Repair☐ New Construction☐ Recomplete☒ Other☐ Change Plans☐ Plug and Abandon☐ Temporarily Abandon

Move location

☐ Convert to Injection☐ Plug Back☐ Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Due to the SHL requested by Barry Hunt and Jim Goodbar, BLM reps. being in an arch site, NPC requests to drill the subject well as a vertical hole and move the subject location from:

SHL: 470 FSL and 1520 FEL, Sec 24, 22S, 24E

BHL: 660 FSL and 1650 FEL, Sec 13, 22S, 24E

to the location below:

SHL: 840 FSL and 1650 FEL, Sec 13, 22S, 24E

See attached C102 (plat).

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Sarah Jordan

Title

Production Analyst

Date 8/27/04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ Joe G. Lara

Title

FIELD MANAGER

Date 29 SEP 2004

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

CARLSBAD FIELD OFFICE

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

State of New Mexico

DISTRICT I

1828 E. FRENCH DR., ROSAS, NM 88240

Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Revised JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT III

1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name U.S. 13 FEDERAL	Well Number 2
OGRID No.	Operator Name NEARBURG PRODUCING COMPANY	Elevation 3922'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	13	22-S	24-E		840'	SOUTH	1650'	EAST	EDDY

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	Joint or Infill	Consolidation Code	Order No.
320			

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

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=504142.8 N X=464522.3 E</p> <p>LAT.=32°23'09.42" N LONG.=104°26'53.75" W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>[Signature]</i> Signature Printed Name Title Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>MARCH 11, 2004</p> <p>Date Surveyed: REV-08/26/04 JR</p> <p>Signature & Seal of Professional Surveyor <i>[Signature]</i> 04.13.0755</p> <p>Certificate No. GARY EIDSON 12841</p>

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

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

Form C-144
March 12, 2004

For drilling and production facilities, submit to
appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe
office.

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒
Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: <u>Nearburg Producing Company</u> Telephone: <u>686-8235</u> e-mail address: <u>s.jordan@nearburg.com</u> Address: <u>3300 N A St., Bldg 2, Ste 120, Midland, TX 79705</u> Facility or well name: <u>US 13 Federal #2</u> API #: _____ U/L or Qtr/Qtr <u>0</u> Sec <u>13</u> T <u>22S</u> R <u>24E</u> County: <u>Eddy</u> Latitude _____ Longitude _____ NAD: 1927 <input checked="" type="checkbox"/> 1983 <input type="checkbox"/> Surface Owner Federal <input type="checkbox"/> State <input checked="" type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>		
Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlimited <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Volume _____ bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points) X	
Wellhead protection area. (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No (0 points) X	
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points) X	
Ranking Score (Total Points)		
0		

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: onsite ☐ offsite ☐ If offsite, name of facility: _____ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 6/25/04

Printed Name/Title: Sarah Jordan, Production Analyst

Signature:

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

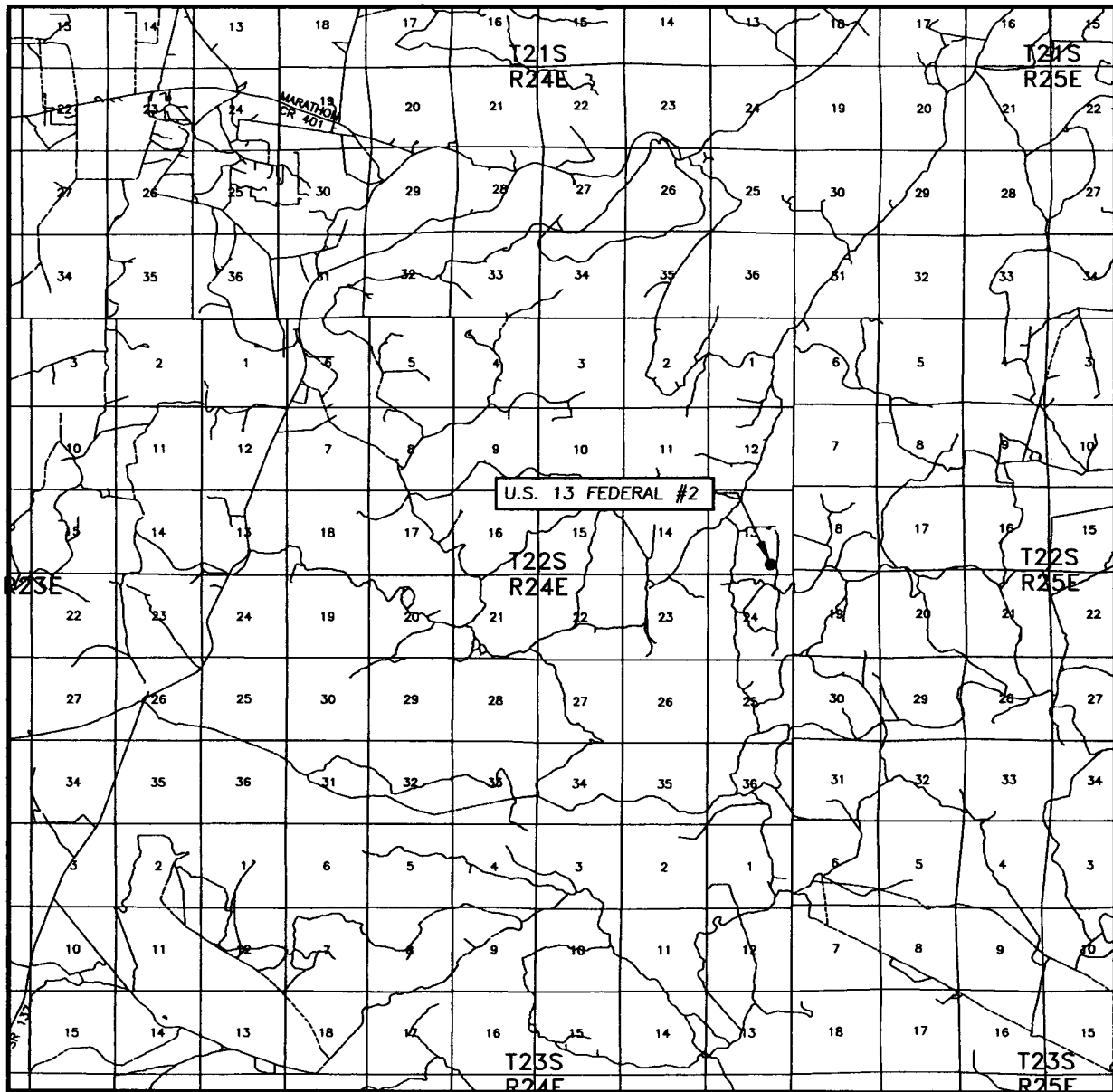
Approval: JUL 07 2004

Date: _____

Printed Name/Title: _____

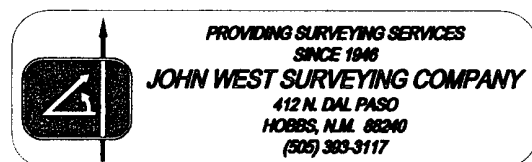
Signature:

VICINITY MAP

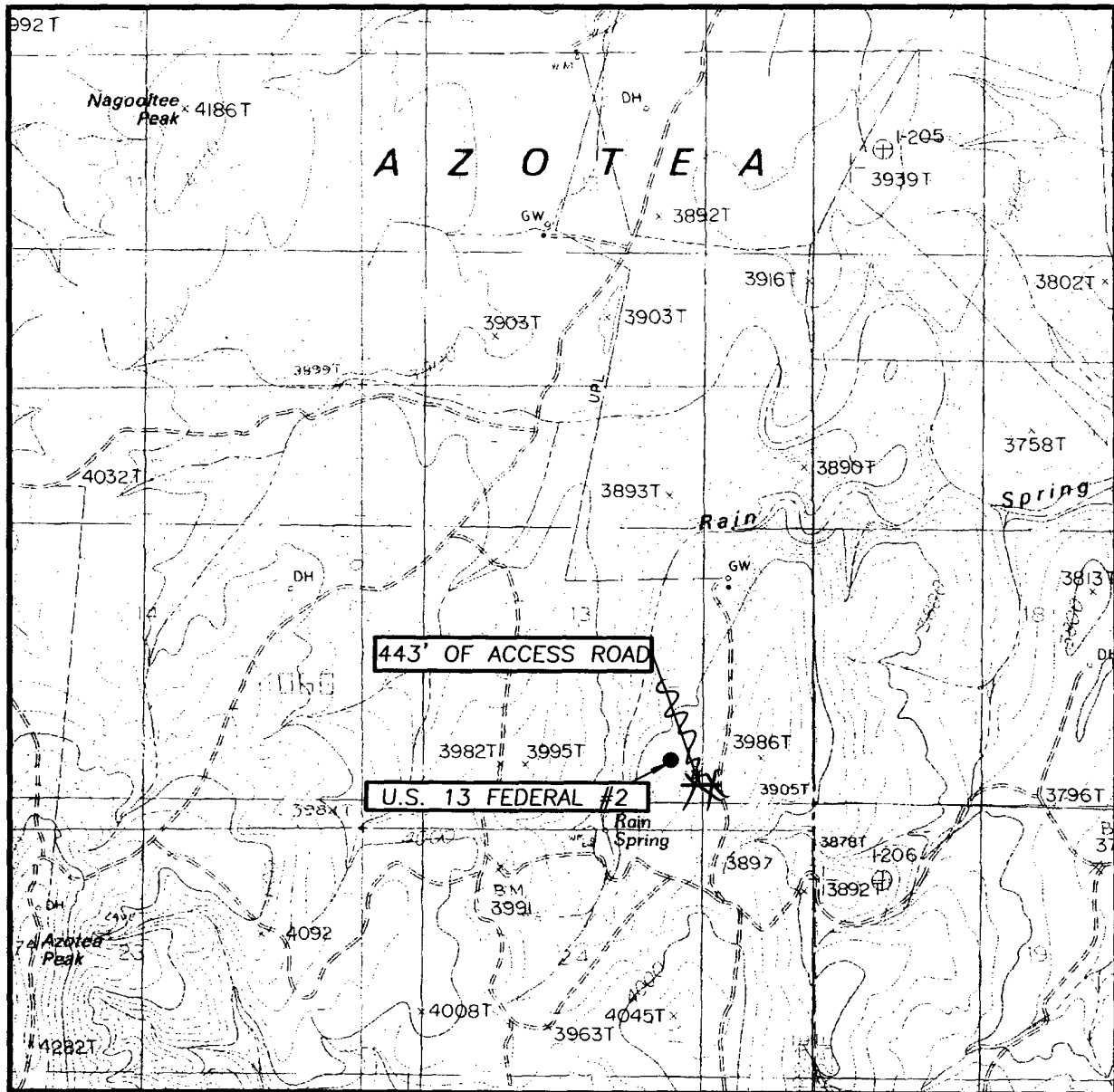


SCALE: 1" = 2 MILES

SEC. 13 TWP. 22-S RGE. 24-E
 SURVEY N.M.P.M.
 COUNTY EDDY
 DESCRIPTION 840' FSL & 1650' FEL
 ELEVATION 3922'
 OPERATOR NEARBURG
 LEASE PRODUCING COMPANY
 U.S. 13 FEDERAL



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 20'

AZOTEA PEAK, N.M.

SEC. 13 TWP. 22-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 840' FSL & 1650' FEL

ELEVATION 3922'

OPERATOR NEARBURG PRODUCING COMPANY

LEASE U.S. 13 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
AZOTEA PEAK, N.M.



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

ATTACHMENT TO FORM 3160-3
US 13 FEDERAL #2
840 FSL AND 1650 FEL, SEC 13, 22S, 24E
EDDY COUNTY, NEW MEXICO

DRILLING PROGRAM

1. GEOLOGIC NAME OF SURFACE FORMATION

Permian Artesia Group

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS

Delaware	1342 TVD
Bone Spring	2912 TVD
Wolfcamp Shale	7467 TVD
Cisco	7887 TVD

3. ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL, OR GAS

Cisco/ Canyon 7887 TD

4. CASING AND CEMENTING PROGRAM

	<u>Casing Size</u>	<u>From</u>	<u>To</u>	<u>Weight</u>	<u>Grade</u>	<u>Joint</u>
WITNESS	9-5/8"	0' - 1,500'	1575'	36#	J55	STC WITNESS
	7"	0' - 8,600'		23 & 26#	K55, N80	LTC & BTC

Equivalent or adequate grades and weights of casing may be substituted at time casing is run, depending on availability.

We plan to drill a 14-3/4" hole to equal 1500'. 9-5/8" casing will be cemented with 700 sxs Class "C" or volume necessary to bring cement back to surface.

8-3/4" hole will be drilled to 8,600' and 7" production casing will be cemented with approximately 1000 sxs of Class "H" cement circulated to surface.

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

The BOP stack will consist of a 3,000 psi working pressure, dual ram type preventer and annular.

A BOP sketch is attached.

6. TYPES AND CHARACTERISTICS OF THE PROPOSED MUD SYSTEM

Spud and drill to 1,500' with fresh water mud for surface string. The production section from 1,600' to 8,600' will be 8.3 ppg Fresh Water system with mud weight sufficient to control formation pressures.

7. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT

None required.

8. LOGGING, TESTING, AND CORING PROGRAM

DLL/CNL/LDT/CAL/GR logging is planned. Drill stem tests, cores and sidewall cores are possible.

9. ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES & POTENTIAL HAZARDS

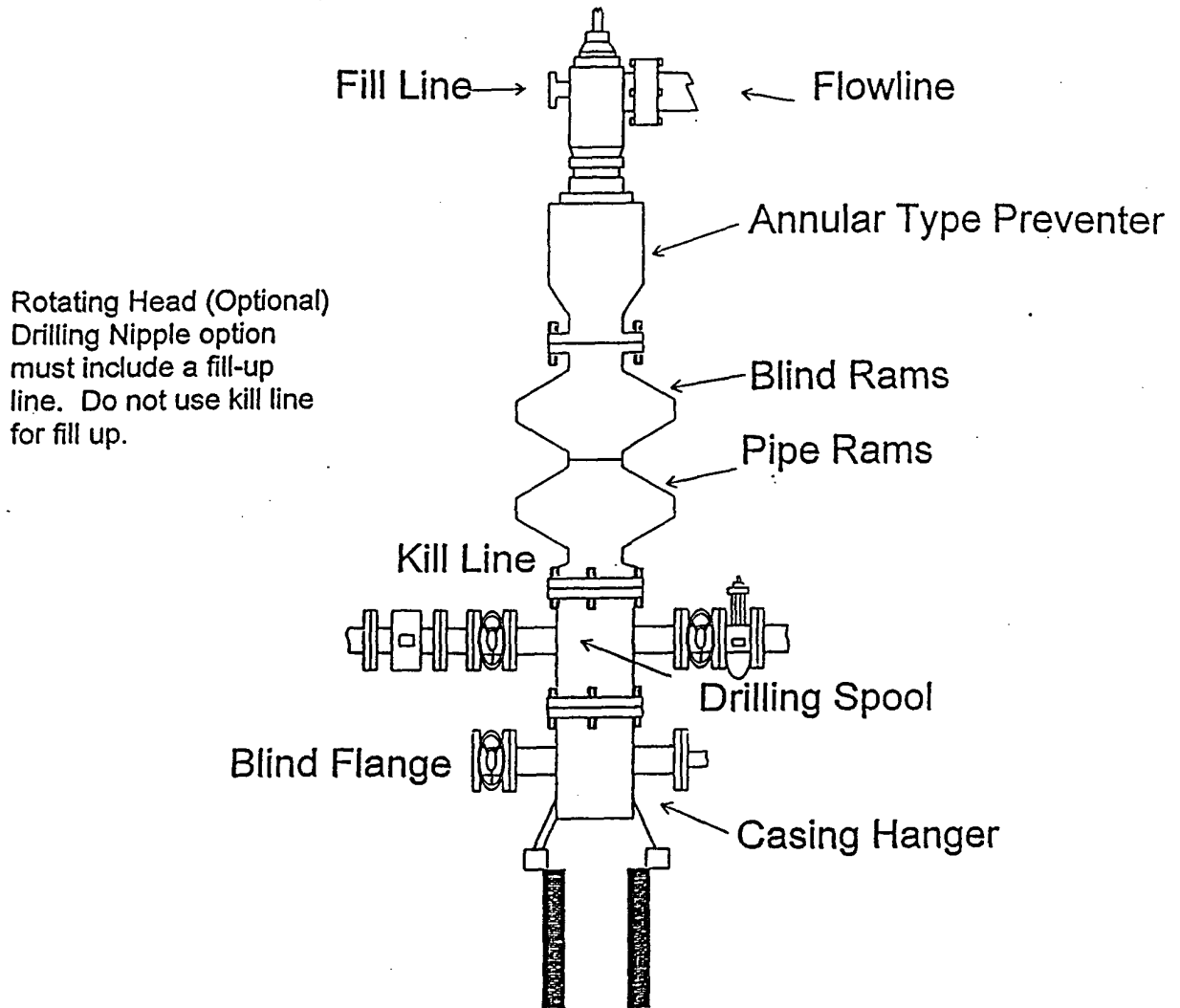
None anticipated.

BHP expected to be 1,100 psi.

10. ANTICIPATED STARTING DATE:

Is planned that operations will commence on January 1, 2005 with drilling and completion operation lasting about 30 days.

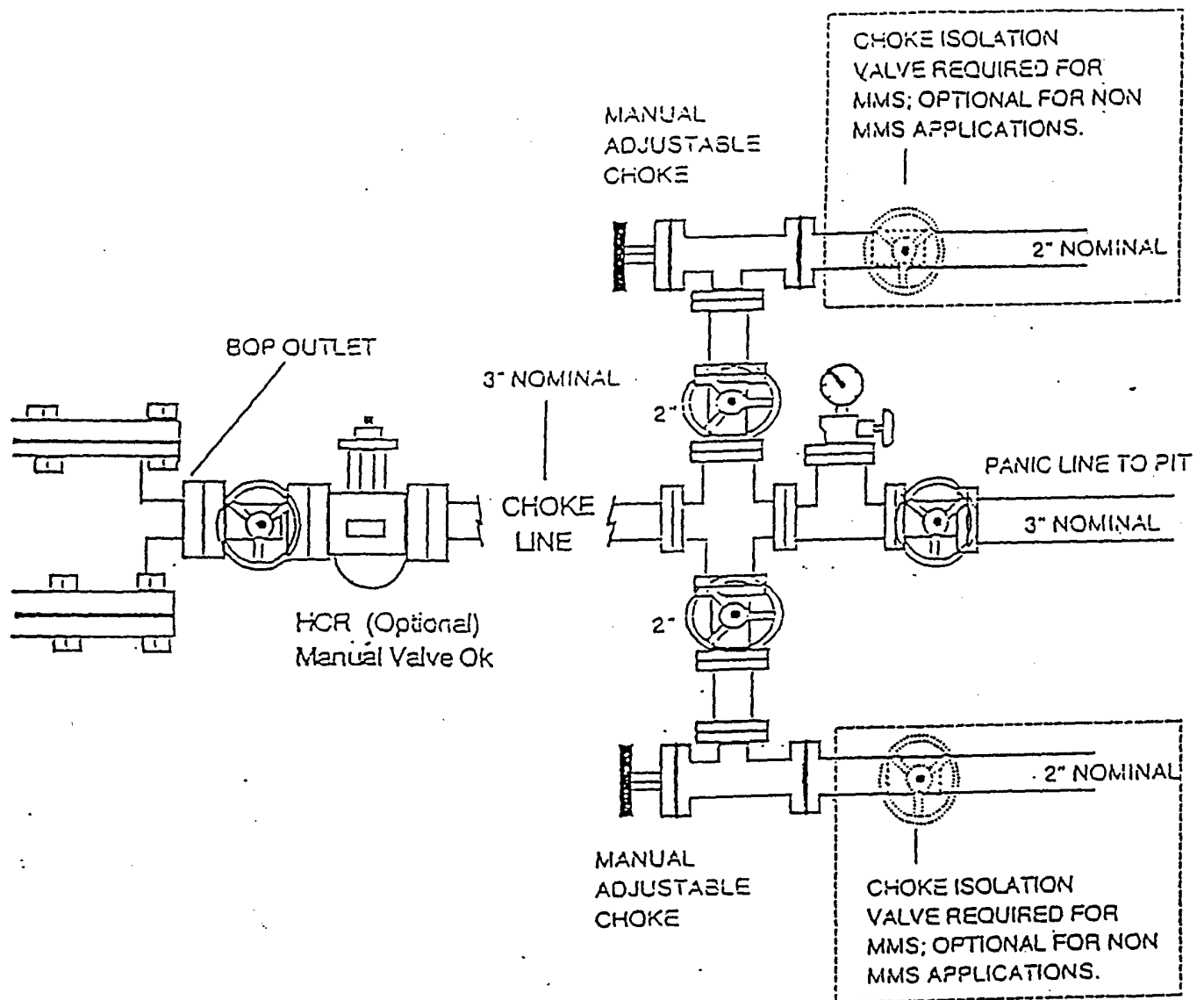
BOPE SCHEMATIC NEARBURG PRODUCING COMPANY



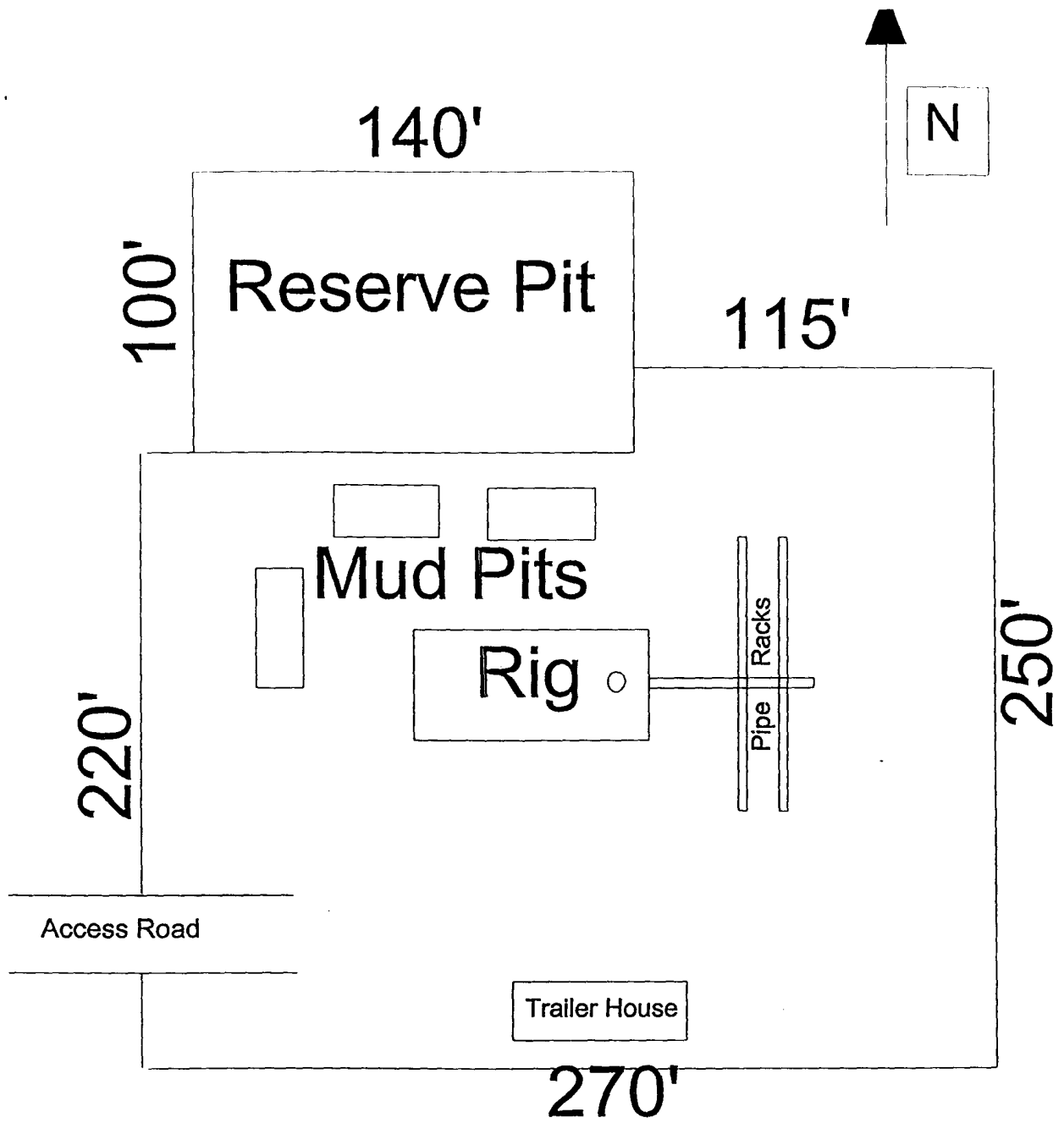
900 Series

U.S. 13 FEDERAL #1-Y
1,977' FNL & 998' FWL
Eddy County, New Mexico

CHUKE MANIFOLD
2M AND 3M SERVICE



U.S. 13 Federal #1-Y
1,977' FNL & 998' FWL
Eddy County, New Mexico



DRILLING RIG LAYOUT
NEARBURG PRODUCING COMPANY

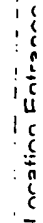
WARNING

YOU ARE ENTERING AN H S AREA
2
AUTHORIZED PERSONNEL ONLY

1. BEARDS OR CONTACT LENSES NOT ALLOWED.
2. HARD HATS REQUIRED.
3. SMOKING IN DESIGNATED AREAS ONLY.
4. BE WIND CONSCIOUS AT ALL TIMES.
5. CHECK WITH NPC SUPT AT MAIN OFFICE.

Nearburg Producing Company
1-432-686-8235

Location Entered



W - Wind Direction Indicators

**B - Safe Briefing areas with caution signs and protective breathing equipment.
Minimum 150' from wellhead.**

Prevailing Wind Directions: Summer - South/Southwest
Winter - North/Northwest

**HYDROGEN SULFIDE DRILLING OPERATIONS PLANS
NEARBURG PRODUCING COMPANY
US 13 FEDERAL #2**

1. HYDROGEN SULFIDE TRAINING

- A. All regularly assigned personnel, contracted or employed by Nearburg Producing Company, will receive training from a qualified instructor in the following areas prior to commencing drilling potential hydrogen sulfide bearing formations in this well:
 - 1. The hazards and characteristics of hydrogen sulfide (H₂S).
 - 2. The proper use and maintenance of personal protective equipment and life support systems.
 - 3. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures and prevailing winds.
 - 4. The proper techniques for first aid and rescue procedures.
- B. In addition, supervisory personnel will be trained in the following areas:
 - 1. The effects of H₂S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
 - 2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
 - 3. The contents and requirements of the H₂S Drilling Operations Plan.
- C. There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Operations Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

HYDROGEN SULFIDE DRILLING OPERATIONS PLANS

PAGE 2

2. H2S SAFETY EQUIPMENT AND SYSTEMS

Note: All H2S safety equipment and systems will be installed, tested and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H2S.

A. Well Control Equipment:

1. Flare line with continuous pilot.
2. Choke manifold with a minimum of one remote choke.
3. Blind rams and pipe rams to accommodate all sizes with properly sized closing unit.
4. Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head and flare gun with flares as needed.

B. Protective Equipment for Essential Personnel:

Mark II Surviveair 30-minute units located in the dog house and at briefing areas, as indicated on well site diagram.

C. H2S Detection and Monitoring Equipment:

1. Two portable H2S monitors positioned and location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 ppm are reached.
2. One portable SO2 monitor positioned near flare line.

D. Visual Warning systems:

1. Wind direction indicators as shown on well site diagram.
2. Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used when appropriate. See example attached.

'HYDROGEN SULFIDE DRILLING OPERATIONS PLANS
PAGE 3

E. Mud Program

1. The Mud Program has been designed to minimize the volume of H₂S circulated to the surface. Proper mud weights, safe drilling practices and the use of H₂S scavengers will minimize hazards when penetrating H₂S bearing zones.
2. A mud-gas separator will be utilized as needed.

F. Metallurgy

All drill strings, casing, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and line and valves shall be suitable for H₂S service.

G. Communication

1. Cellular telephone communications in company vehicles and mud logging trailer.
2. Land line (telephone) communications at area office.

H. Well Testing

Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safely and adequately conduct the test. The drill stem testing in an H₂S environment will be conducted during the daylight hours.



NEW MEXICO ENERGY, MINERALS and
NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

May 10, 2004

JOCD-Artesia
Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

Nearburg Exploration Company, L.L.C.
c/o Holland & Hart LLP
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

RECEIVED
MAY 19 2004
OCD-ARTESIA

Attention: William F. Carr

Administrative Order NSP-1872

Dear Mr. Carr:

Reference is made to the following: (i) your application dated April 16, 2004 (*administrative application reference No. pMES0-412139757*) on behalf of the operator, Nearburg Exploration Company, L.L.C. ("Nearburg"); and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Nearburg's request for the formation of the following described non-standard 160-acre deep gas spacing unit to be applicable to any and all formations and/or pools from the top of the Wolfcamp to the base of the Morrow formation that are:

- (1) developed on 320-acre spacing; and
- (2) governed under the provisions of Division Rule 104.C (2), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, which presently includes but is not necessarily limited to the Undesignated McKittrick Hills-Upper Pennsylvanian Gas Pool (81160), Undesignated McKittrick Hills-Strawn Gas Pool (81200), Undesignated McKittrick Hills-Atoka Gas Pool (81120), and Undesignated McIver Ranch-Morrow Gas Pool (81070):

EDDY COUNTY, NEW MEXICO
TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM
Section 13: SE/4.

This unit is to be dedicated to Nearburg's proposed U. S. Federal "13" Well No. 2, to be drilled at a standard gas well location thereon and pursuant to Division Rule 104.C (2) (a), as revised.

This application has been duly filed under the provisions of Division Rule 104.D (2), as revised.

Nearburg Exploration Company, L.L.C.
May 10, 2004
Page 2

Division Administrative Order NSP-1872

By the authority granted me under the provisions of Division Rule 104.D (2) (b), as revised, the above-described 160-acre non-standard deep gas spacing unit for any and all formations from the top of the Wolfcamp formation to the base of the Morrow formation for Nearburg's proposed U. S. Federal "13" Well No. 2.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal flourish extending to the right.

Michael E. Stogner
Engineer/Hearing Officer

MS/ms

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management, Carlsbad Resource Area - Carlsbad
U. S. Bureau of Land Management, New Mexico State Office - Santa Fe