District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210

State of New Mexico Energy, Minerals & Natural Resources

Submit to appropriate District Office

Submit to appropriate District Office

Form C-101

State Lease - 6 Copies

1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505					il Conserva 1220 S. St. Santa Fe, N	Francis I)r. 00	EP 2,7 2005 D-AFITESM	F6	te Lease - 6 Copies ee Lease - 5 Copies NDED REPORT
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ATTLIC	ATION		perator Name an		LL, KE-LI	VIER, D	elel lelv,		² OGRID Number	
Nearburg Pr	oducina (r						015740	
-	=		.20. Midland	d. TX 79	705			30- 01	015/42 3 API Number 5 - 3 4 3 6	8 -
3300 N A St., Bldg 2, Ste 120, Midland, TX 79705 4Property Code 5Property								1 30- 01	⁶ Wel	ll No.
35	5140_			Re	ed Lake 32					1
				1	⁷ Surface I	Location				
UL or lot no.	Section	Township	1 -	Lot. Idn	i		h/South Line	Feet from the	East/West line	County
Р	32	17S 8	27E	<u></u>	990		South	330	East	Eddy
	1			T	Hole Locati				 	
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from t	the Nort	h/South Line	Feet from the	East/West line	County
		9 Propose	d Pool 1	·	1.00			10 Proposed 1	Pool 2	
	Red Lak	e; Glo	rietta - Ye		1120					
			Dri	lling Pit	Location a	nd Other	Informat	ion		
UL or lot no.	Section	Township	1	Lot. Idn			h/South Line	Feet from the	East/West line	County
p	32	<u>17S</u>	27E	D:	990		South	330	<u> </u> East	Eddy
Depth to ground	water			Distance ir	om nearest fresh wa	ater well		Distance from near	est surface water	
11 Work Type Code 12 Well Type Code N 0				ode	13 Cable/Rotary 14 Le Rotary			ase Type Code 15 Ground Level Elevation 3495		
16 Multiple 17 Proposed De NO 3700 '			pth 18 Formation 19 Glorietta-Yeso			⁹ Contractor United	United 10/15/05			
			²¹ I	Proposed	d Casing an	d Cemen	Progran	n		
Hole Size Casing Size				Casing weight/foot Setting Depth			Sacks of Cement Estimated TOC		stimated TOC	
12/1/4 8-5		8-5/8	32#		12	00	600		Surface	
7-7/8 5-1/2			5-1/2	17#		37	00	500		Surface
.,	,									
		1								
²² Describe the ploy						CK, give the d	ata on the pr	resent productive z	one and proposed i	new productive zone.
Propose to necessary t				lepth to	evaluate t	he Yeso f	ormation	. Perf, test	and stimula	te as
Acreage dec	dication	is 40 a	cres.						OCD OF SPU ESS CEMEN E CASUNC	
22			<u>.</u>			Ah	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~		CABING	
²³ I hereby certify my knowledge an	ıd belief. I fu	ther certif	y that <u>the</u> drillir	and complet 1g pit will b	e to the best of		OIL C	CC		
constructed acco				general per	mit 🔲, or	Approved b	y:	in W.	La	ا د
Signature:		COO	<u> </u>							•
Printed name: S						Title: Alexander State of the S				
Title: P	roduction	n Analys	it			Approval D	ate:	EL 2 0 6A63	Expiration Date:	SEP 3 0 2000
E-mail Address:	sjordan(nearbur	g.com							
Date:	106	_	Phone:	06 00==	000	l .	of Approval	: .		
$7.000 \qquad \qquad 432/68$				86-8235	x 203	Attached				

State of New Mexico

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240

Energy, Minerals and Natural Resources Department

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505 Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III 1900 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV 1220 S. ST. PRANCES I	DR., SANTA PE,	NM 87505	WELL LO	CATION	AND ACREA	GE DEDICATI	ON PLAT	□ AMENDI	ED REPOR
	Number		•	Pool Code	2	. / レ	Pool Name	. /	
				51120			aloriete	· \P50	
Property			RED	Property Name		' Well Num	1ber		
OGRID No.					Operator Nam			Elevation	
0150)42		N	EARBUR		NG COMPANY		3495	
					Surface Loca	ation			
UL or lot No.	Section	Township	Range	Lot idn	Feet from the	North/South line	Feet from the	East/West line	County
Р	32	17-S	27-E		990	SOUTH	330	EAST	EDDY
Bottom Hole Location If Different From Surface									
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Peet from the	East/West line	County
Dedicated Acre	n laint a	or Infill Co	nsolidation	Codo O	der No.				<u> </u>
L/	a Joint C	F IIII II CC	nonaguon	Code	der No.				
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	1			1		J J J	<u> </u>	William.	

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

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

Pit or Below-Grade Tank Registration or Closure

RECEIVE

Form C-144

March 12, 2004

	covered by a "general plan"? Yes \(\sum No\) Delow-grade tank \(\text{X}\) Closure of a pit or below-grade			
Operator: Nearburg Producing Company Telephone: 68 Address: 3300 N A St., Bldg 2, Ste 120, Midland, TX Facility or well name: Red Lake 32 St P #1 API #: 30-015- County: Eddy Latitude Longitude	36-8235 e-mail address: <u>s.jordan@nearbur</u> 79705 34368 _{U/L or Qtr/Qtr_P_Sec_32_T17}	S R 27E		
Pit Type: Drilling Production Disposal Workover Emergency Lined Unlimited Liner type: Synthetic Thickness 12mil Clay Volume — bbl	Relow-grade tank Volume:bbl Type of fluid: Construction material: Double-walled, with leak detection? Yes If not			
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points)		
Wellhead protection area. (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points) (0 points)		
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)		
	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				

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:

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-the constructed or closed according to NMOCD guidelines [X], a general permit [], or an (attacked) alternative OCD-approved plan [].

Printed Name/Title: Sarah Jordan, Production Analyst

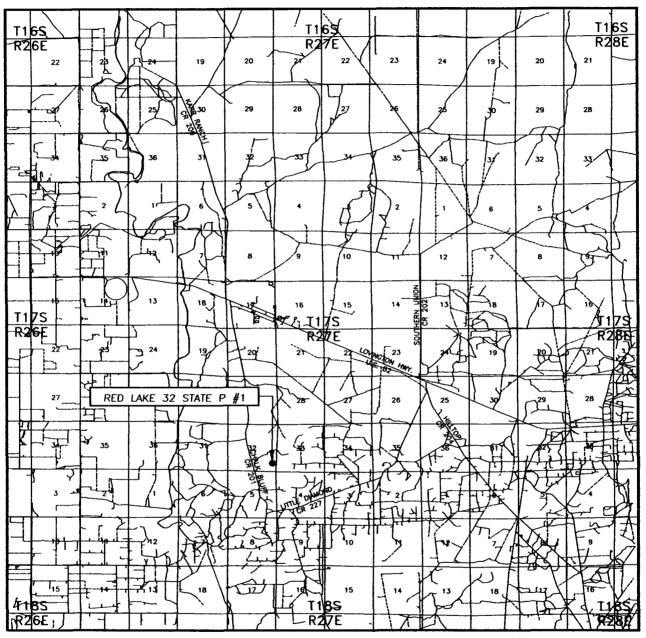
Signature: .

150' NORTH OFFSET 3495.4' 150' WEST RED LAKE 32 STATE P #1 150' EAST OFFSET OFFSET OFFSET 3490.5' ELEV. 3495.4' 3499.5' LAT32*47'10.67" N LONG.=104*17'33.35" W				600'		
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Date: 09/16/05 | Disk: CD#5

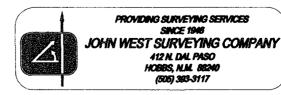
05111389 | Scale:1"=100'

VICINITY MAP



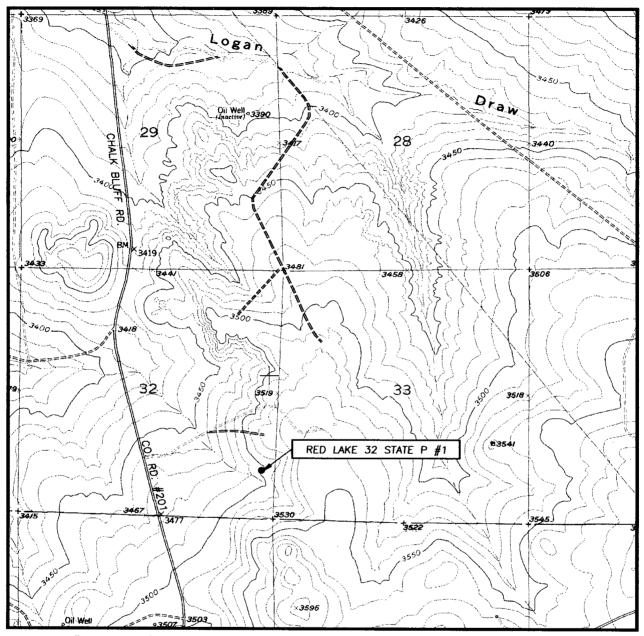
SCALE: 1" = 2 MILES

SEC. <u>32</u> 1	WP. 17-5 RGE. 27-E
SURVEY	N.M.P.M.
COUNTY	EDDY
	990' FSL & 330' FEL
	3495'
	NEARBURG
-	PRODUCING COMPANY
LEASE RE	D LAKE 32 STATE P





LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: SPRING LAKE, N.M. – 10'

SEC. 32 TWP. 17-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 990' FSL & 330' FEL

ELEVATION 3495'

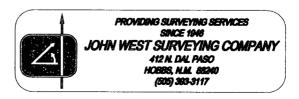
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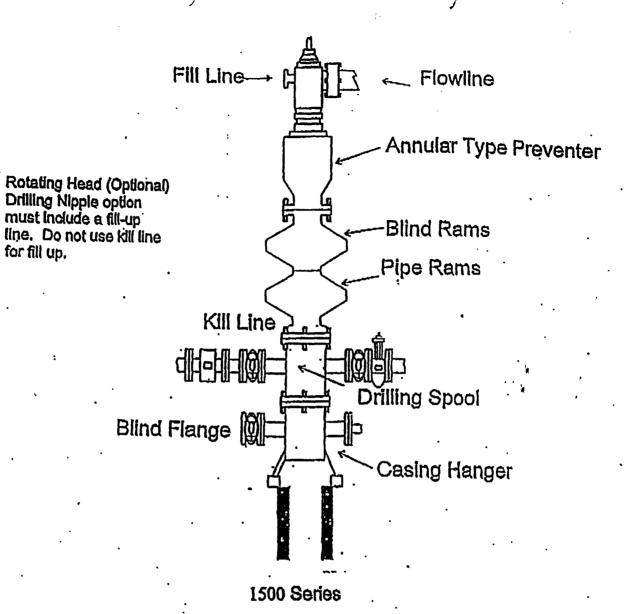
OPERATOR PRODUCING COMPANY

LEASE RED LAKE 32 STATE P

U.S.G.S. TOPOGRAPHIC MAP

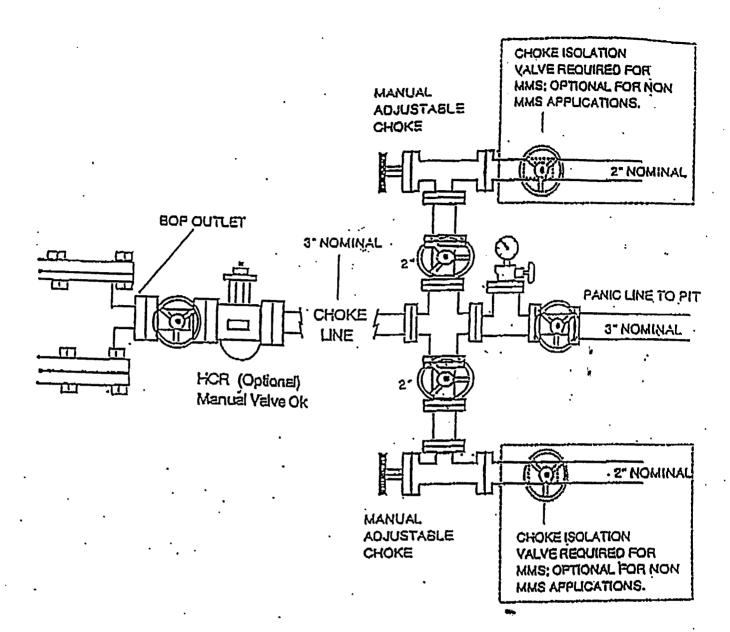
SPRING LAKE, N.M.





for fill up.

CHOKE MANIFOLD 5M SERVICE



Nearburg Producing Company

Exploration and Production 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705 432/686-8235 FAX: 432/686-7806

August 30, 2005 9.7605

NM Oil Conservation Division 1301 W. Grand Ave Artesia, NM 88210

Ref: R

Red Lake 32 State P #1 990 FSL and 330 FEL

Sec 32, 17S, 27E

Eddy County, New Mexico

Sirs:

This is a new drill to the Yeso formation. We do not anticipate encountering H2S and fill no contingency plan is needed. Nearburg will have proper equipment on location in case H2S is encountered.

If you have any questions or need further information, please call me at the letterhead number.

Sincerelly

Sarah Jordan

Production Analyst

/sj