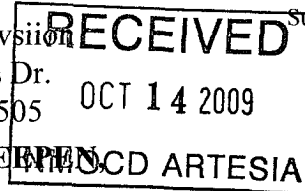


State of New Mexico  
Energy, Minerals & Natural Resources

Form C-101  
June 16, 2008

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

Oil Conservation Division  
1220 S. 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 Nearburg Producing Company 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705		<sup>2</sup> OGRID Number 015742
<sup>4</sup> Property Code		<sup>3</sup> API Number 30- 015-28981
<sup>5</sup> Property Name Osage Boyd 15		<sup>6</sup> Well No 7
<sup>9</sup> Proposed Pool 1 North Seven Rivers; Glorietta/ Yeso ✓		<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
L	15	19S	25E		1980	South	660	West	Eddy

<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 Location

<sup>11</sup> Work Type Code Plugback	<sup>12</sup> Well Type Code 0	<sup>13</sup> Cable/Rotary NA	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3467
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 8170	<sup>18</sup> Formation G/Y	<sup>19</sup> Contractor Lucky	<sup>20</sup> Spud Date 11/1/09

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14-3/4	9-5/8	36	1126	1150	NA
8-3/4	7	23 & 26	8170	1210	NA
All csg is existing					

<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

Propose to plugback the well to evaluate the Yeso Formation. Perf. test and stimulate as necessary to establish production.

See attached procedure, current and post wellbore diagrams.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief

Signature:

Printed name: Sarah Jordan

Title: Prod/ Reg Analyst

E-mail Address: sjordan@nearburg.com

Date: 10.6.09

Phone: 432/818-2950

OIL CONSERVATION DIVISION

Approved by:

Title: Geologist

Approval Date: 10/23/2009

Expiration Date: 10/23/2011

Conditions of Approval Attached ☐

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

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-015-28981	<sup>2</sup> Pool Code 97565	<sup>3</sup> Pool Name North Seven Rivers; G/V
<sup>4</sup> Property Code	<sup>5</sup> Property Name Osage Bay 15	<sup>6</sup> Well Number 7
<sup>7</sup> OGRID No. 15742	<sup>8</sup> Operator Name Nearburg Producing Company	<sup>9</sup> Elevation 3467

<sup>10</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
L	15	19S	25E		1980	S	660	W	Eddy

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres 40		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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.

<sup>16</sup> 	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division Signature: <i>Sarah Bronson</i> Date: 10.6.09 Printed Name: Sarah Bronson	
		<sup>18</sup> 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 of Survey Signature and Seal of Professional Surveyor Certificate Number

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 97565	3 Pool Name North Seven Rivers; Glorieta / Yaso
4 Property Code	5 Property Name OSAGE BOYD 15		6 Well Number 7
7 OGRID No. 15742	8 Operator Name NEARBURG PRODUCING COMPANY		9 Elevation 3467.

10 Surface Location

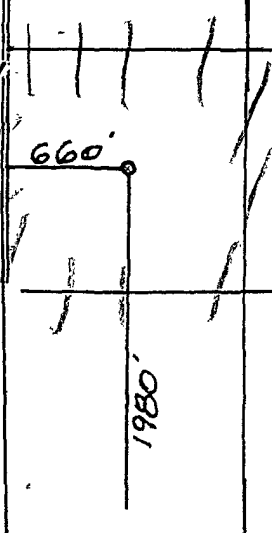
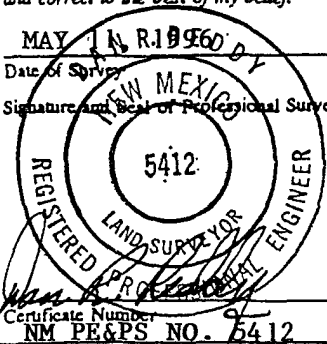
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	15	19-S	25-E		1980	SOUTH	660	WEST	EDDY

11 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

12 Dedicated Acres 40	13 Joint or Infill N	14 Consolidation Code N/A	15 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

16				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature: <i>S. Jordan</i> Printed Name: Sarah Jordan Title: Reg. Analyst Date: 10-6-09
				18 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 of Survey: MAY 14, 1996 Signature and Seal of Professional Surveyer:  Certificate Number: NM PE&PS NO. 5412

**CURRENT EQUIPMENT DESCRIPTION:****RECOMMENDED PROCEDURE:**

The Glorieta/Yeso is a BAD GAS zone (H<sub>2</sub>S at hazardous levels)

1. MIRU Well service unit.
2. ND wellhead, NU BOP
3. RU Wireline, RIH with gauge ring to 5700'. **All wireline work to be done under a 5000# lubricator.**
4. RIH with CIBP and set CIBP @ 5670.
5. Dump bail 35' cmt on top of CIBP.
6. RIH with CIBP @ set CIBP @ 3733.
7. Dump bail 35' cmt on top of CIBP.
8. Run GR-Collar/CBL log from 3000 back to 2000. Make 1000 psi and 0 psi pass with CBL. (Should be cmt'd to surf)
9. RIH with tbg to +/- 3695. Test casing to 4000#
10. Pickle tbg w/500g Xylene and 1500g 15% NeFeHCl pump down tbg and out BS to clean both tbg & 7" casing. POH with tbg.
11. RU wireline to perf the following intervals with premium charges (7" Casing in 8-3/4" hole):
 

2328	2340	2345	2353	2361	2373	2381	2391	2395	2401	2411
2418	2423	2430	2437	2463	2470	2475	2483	2499	2523	2533
- with 1 spf premium charges correlated to Schlumberger "Platform Express Compensated Neutron Litho-Density/ NGT" log dated 6-14-1996.
12. RIH tbg to 2200' with 7" trtg pkr. Set trtg pkr. Hold 500# on BS while breaking down the perforations.
13. RU BJ to Break down perfs with 2000g 15% NeFe HCl using 35 1.3" ball sealers in stages as follows:
  - a) Pump 500g 15% NEFE HCL
  - b) Drop 7 7/8" 1.3 balls
  - c) Pump 250g 15% NEFE HCL
  - d) Drop 7 7/8" 1.3 balls
  - e) Pump 250g 15% NEFE HCL
  - f) Drop 7 7/8" 1.3 balls
  - g) Pump 250g 15% NEFE HCL
  - h) Drop 7 7/8" 1.3 balls
  - i) Pump 250g 15% NEFE HCL
  - j) Drop 7 7/8" 1.3 balls
  - k) Pump 500g 15% NEFE HCL
  - l) Displace to btm perf w/2% KCL

Let acid spend 2 hrs. Flow and swab back acid load. Rlse pkr and RIH to make sure balls are cleared off perfs. POH w/tbg & pkr.

14. ND BOP NU wellhead. RD well service unit.
15. Frac well down casing. Frac design to be determined.
16. Flowback well till it dies then run 2-3/8" tbg and 8 1-3/8" K bars + 3/4" KD rods and ponies to surface.

# CURRENT WELLBORE DIAGRAM

Page 5 of 9

LEASE:	Osage Boyd 15	WELL:	7	FIELD:	Dagger Draw North	API:	30015289810000
LOC:	1,980' FSL & 660' FWL	SEC:	15	BLK:		PARS NO:	
SVY:	T19S, R25E	GL:	3,467'	CTY/ST	Eddy County, NM	SPUD:	5/28/1996
CURRENT STATUS:	Inactive (SI)	KB:	3482	DF:	3481	TD DATE:	6/14/1996
						COMP. DATE:	1/20/1997

FRESH WATER  
DEPTH:

HOLE SIZE: 14 3/4"  
SURF. CSG & SIZE: 9 5/8" 36# J55  
SET @: 1,126'  
SXS CMT: 1,150 sx  
CIRC: Y 158 sx  
TOC AT: surface  
TOC BY:

COMMENTS:

## \*\*\*\*\*GEOLOGY\*\*\*\*\*

TOPS OF ALL ZONES  
PRODUCTIVE OF HYDRO-  
CARBONS:  
San Andres: 759'  
Glorieta: 2342'  
Bone Springs: 3733'  
Wolfcamp: 5670'  
Canyon: 7618'

CURRENT PERFS:

SQUEEZE JOBS:

TBG:  
JTS:  
SN:  
TAC:  
ROD SIZE:

PKR:  
TYPE:

DV Tool @ 5998

OH ID:  
COTD:  
PBTB: 7565  
TD: 8,170'

CIBP @ 7600'  
cap w/35' cmt

7648-53'  
7669-94'  
7720-25'  
7734-38'  
7793-800'  
7804-40'

HOLE SIZE: 8 3/4"  
PROD. CSG & SIZE: 7" 23# & 26# N80 & K55  
SET @: 8,170'  
SXS CMT: 1st Stage: 460 sx, 2nd Stage: 750 sx  
CIRC: Yes - both stages  
TOC AT: surface  
TOC BY:

OPEN HOLE:

LINER:

BY: TS  
9/22/2009

# PROPOSED WELLBORE DIAGRAM

Page 6 of 9

LEASE: <u>Osage Boyd 15</u>	WELL: <u>7</u>	FIELD: <u>Dagger Draw North</u>	API: <u>30015289810000</u>
LOC: <u>1,980' FSL &amp; 660' FWL</u>	SEC: <u>15</u>	BLK: <u>0</u>	Reservoir
SVY: <u>T19S, R25E</u>	GL: <u>3,467'</u>	CTY/ST: <u>Eddy County, NM</u>	SPUD: <u>5/28/1996</u>
CURRENT STATUS: <u>Inactive (SI)</u>	KB: <u>3482</u>	DF: <u>3481</u>	TD DATE: <u>6/14/1996</u>
			COMP. DATE: <u>1/20/1997</u>

FRESH WATER  
DEPTH:

HOLE SIZE: 14 3/4"  
SURF CSG & SIZE: 9 5/8" 36# J55  
SET @: 1,126'  
SXS CMT: 1,150 sx  
CIRC: Y 158 sx  
TOC AT: surface  
TOC BY:

COMMENTS:

## \*\*\*\*\*GEOLOGY\*\*\*\*\*

TOPS OF ALL ZONES  
PRODUCTIVE OF HYDRO-  
CARBONS:  
San Andres: 759'  
Glorieta: 2342'  
Bone Springs: 3733'  
Wolfcamp: 5670'  
Canyon: 7618'

## CURRENT PERFS:

## SQUEEZE JOBS:

TBG:  
JTS:  
SN:  
TAC:  
ROD SIZE:

PKR:  
TYPE:

OH ID:  
COTD:  
PBDT: 3698  
TD: 8,170'

CIBP @ 3733'  
Cap W/35' cmt

CIBP @ 5670'  
cap w/35' cmt

DV Tool @ 5998

CIBP @ 7600'  
cap w/35' cmt

7648-53'  
7669-94'  
7720-25'  
7734-38'  
7793-800'  
7804-40'

HOLE SIZE: 8 3/4"  
PROD. CSG & SIZE: 7" 23# & 26# N80 & K55  
SET @: 8,170'  
SXS CMT: 1st Stage: 460 sx, 2nd Stage: 750 sx  
CIRC: Yes - both stages  
TOC AT: surface  
TOC BY: 0

OPEN HOLE:

LINER:

BY: TS  
9/22/2009