

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-103  
August 1, 2011  
Permit 155228

WELL API NUMBER 30-025-40575
5. Indicate Type of Lease S
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name KEMNITZ 17 STATE
8. Well Number 001
9. OGRID Number 15742
10. Pool name or Wildcat

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: O

2. Name of Operator  
NEARBURG PRODUCING CO

3. Address of Operator  
3300 N. A Street Bldg 2 , Suite 120, Midland, TX 79707

4. Well Location  
Unit Letter J : 2309 feet from the S line and 1700 feet from the E line  
Section 17 Township 16S Range 33E NMPM Lea County

11. Elevation (Show whether DR, KB, BT, GR, etc.)  
4238 GR

Pit or Below-grade Tank Application  or Closure

Pit Type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

**12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data**

<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>		
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTER CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE OF PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
Other:		Other: <b>Drilling/Cement</b>	<input checked="" type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.  
Additives: 6/26/12 13.375"; 7/3/12 8.625"; 8/4/12 5.5"  
13.375" lead: 4% BENONITE 11, 2% CACL, .005 GPS FP-6L, .25 LB/S CELLO-FLAKES  
13.375" tail: 2% CACL, .005 GPS FP-6L  
8.625" lead: 10% GEL 0.5%FL-52A, .005%FP-61, 5% SODIUM CHLORIDE  
8.625" tail: .005% FP-6L, 2% R-3  
5.5" St1 lead: 50/50 "H"/.3% FL-25/.4% FL-52/.005 GPS FP-6L/2% SODIUM CL/2% GEL 11  
5.5" St2 lead: 35/65 "H"/6% GEL/.005 GPS FP-6L .2% FL-52A  
5.5" St2 tail: 50/50 "H"/2% GEL 11/2% SODIUM CL/.3% FL-25/.005 GPS FP6L/.4% FL-52

6/24/2012 Spudded well.

**Casing and Cement Program**

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
06/26/12	Surf	FreshWater	17.5	13.375	54.5	J-55	0	1296	915	1.75			919	0	
06/26/12	Surf	FreshWater	17.5	13.375	54.5	J-55	0	1296	325	1.34			919	0	
07/03/12	Int1	Mud	12.25	8.625	32	J-55	0	4589	1500	2.45			1624	0	
07/03/12	Int1	Mud	12.25	8.625	32	J-55	0	4589	590	1.33			1624	0	
08/04/12	Prod	Mud	7.875	5.5	17		0	11635	1400	1.27			2146	0	
08/04/12	Prod	Mud	7.875	5.5	17		0	11635	1100	1.94			2146	0	
08/04/12	Prod	Mud	7.875	5.5	17		0	11635	350	1.27			2146	0	

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any 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 .

SIGNATURE Electronically Signed TITLE Production Tech DATE 9/21/2012  
Type or print name LeighAnn Hall E-mail address lhall@nearburg.com Telephone No. 432-818-2950

For State Use Only:  
APPROVED BY: Paul Kautz TITLE Geologist DATE 9/24/2012 1:37:37 PM

### Drilling Comments

OGRID: [15742] NEARBURG PRODUCING CO

Permit Number: 155228

Permit Type: Drilling

<b>Created By</b>	<b>Comment</b>	<b>Comment Date</b>
lhall	Filer e-mail: vjohnston1@gmail.com Filer phone: (281) 468-2448	9/21/2012