

**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-101  
August 1, 2011  
Permit 161905

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

1. Operator Name and Address NEARBURG PRODUCING CO 3300 N. A Street, Bldg 2, Midland, TX 79707		2. OGRID Number 15742 3. API Number 30-015-41071
4. Property Code 39705	5. Property Name SHUGART WEST 32 STATE	6. Well No. 003H

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
O	32	18S	31E	O	330	S	1980	E	EDDY

**8. Proposed Bottom Hole Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	32	18S	31E	B	330	N	1980	E	Eddy

**9. Pool Information**

HACKEBERRY, BONE SPRING, NORTH	97056
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**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3569
16. Multiple N	17. Proposed Depth 13209	18. Formation Bone Spring	19. Contractor	20. Spud Date 2/28/2013
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	600	610	0
Int1	12.25	9.625	40	4150	1370	0
Prod	8.5	5.5	17	8000	800	0
Prod	8.5	5.5	17	13209	2000	8000

**Casing/Cement Program: Additional Comments**

Attachment sent separately.
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**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Hydril	5000	5000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature:	<b>OIL CONSERVATION DIVISION</b> Approved By: Randy Dade	
Printed Name: Electronically filed by LeighAnn Hall	Title: District Supervisor	
Title: Production Tech	Approved Date: 2/7/2013	Expiration Date: 2/7/2015
Email Address: lhall@nearburg.com		
Date: 2/7/2013	Phone: 432-818-2950	Conditions of Approval Attached

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

Form C-102  
August 1, 2011  
Permit 161905

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-41071	2. Pool Code 97056	3. Pool Name HACKEBERRY; BONE SPRING, NORTH
4. Property Code 39705	5. Property Name SHUGART WEST 32 STATE	6. Well No. 003H
7. OGRID No. 15742	8. Operator Name NEARBURG PRODUCING CO	9. Elevation 3569

**10. Surface Location**

UL - Lot O	Section 32	Township 18S	Range 31E	Lot Idn B	Feet From 330	N/S Line S	Feet From 1980	E/W Line E	County EDDY
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**11. Bottom Hole Location If Different From Surface**

UL - Lot B	Section 32	Township 18S	Range 31E	Lot Idn B	Feet From 330	N/S Line N	Feet From 1980	E/W Line E	County EDDY
12. Dedicated Acres 160.00		13. Joint or Infill		14. Consolidation Code		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**

<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px; background-color: #cccccc;">■</td><td style="width: 25%; height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px; background-color: #cccccc;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px; background-color: #cccccc;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px; background-color: #cccccc;">●</td><td style="height: 40px;"></td></tr> </table>			■												●		<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></p> <p><i>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(s) 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.</i></p> <p>E-Signed By: LeighAnn Hall Title: Production Tech Date: 2/7/2013</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By: Ronald Eidson Date of Survey: 12/4/2012 Certificate Number: 3239</p>
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## Permit Comments

Operator: NEARBURG PRODUCING CO , 15742

Well: SHUGART WEST 32 STATE #003H

API: 30-015-41071

Created By	Comment	Comment Date
CSHAPARD	Land s/S	2/7/2013

## Permit Conditions of Approval

**Operator:** NEARBURG PRODUCING CO , 15742

**Well:** SHUGART WEST 32 STATE #003H

**API:** 30-015-41071

OCD Reviewer	Condition
CSHAPARD	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string