

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 161971

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 30-015-41072
4. Property Code 39705	5. Property Name SHUGART WEST 32 STATE	6. Well No. 004H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	32	18S	31E	P	330	S	800	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
A	32	18S	31E	A	330	N	800	E	Eddy

9. Pool Information

HACKEBERRY, BONE SPRING, NORTH	97056
--------------------------------	-------

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3576
16. Multiple N	17. Proposed Depth 13216	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	13216	2000	8000
Prod	8.5	5.5	17	8000	800	0

Casing/Cement Program: Additional Comments

Attachment sent separately.

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 ☐ and/or 19.15.14.9 (B) NMAC ☒ , if applicable. Signature:	OIL CONSERVATION DIVISION 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

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 Road, Artesia, NM 87410
Phone: (505) 334-6176 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

UNAMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 97056	Pool Name HACKBERRY; BONE SPRING, NORTH
Property Code	Property Name SHUGART WEST 32 STATE	Well Number 4H
OGRID No. 15742	Operator Name NEARBURG PRODUCING COMPANY	Elevation 3576'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	32	18-S	31-E		330	SOUTH	800	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
A	32	18-S	31-E		330	NORTH	800	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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

GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=617737.8 N X=637883.8 E LAT.=32.697459° N LONG.=103.885115° W BOTTOM HOLE LOCATION Y=622358.4 N X=637857.7 E project area producing area CORNER COORDINATES TABLE <table border="1"> <tr> <td>A</td> <td>-</td> <td>Y=622685.0 N, X=637335.7 E</td> </tr> <tr> <td>B</td> <td>-</td> <td>Y=622693.3 N, X=638655.6 E</td> </tr> <tr> <td>C</td> <td>-</td> <td>Y=617404.6 N, X=637366.0 E</td> </tr> <tr> <td>D</td> <td>-</td> <td>Y=617412.9 N, X=638685.5 E</td> </tr> </table> GRID: AZ.=359°40'30" HORIZ. DIST.=4621.9'	A	-	Y=622685.0 N, X=637335.7 E	B	-	Y=622693.3 N, X=638655.6 E	C	-	Y=617404.6 N, X=637366.0 E	D	-	Y=617412.9 N, X=638685.5 E	OPERATOR CERTIFICATION I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <i>Terrence Gant</i> Date: <i>2/26/2013</i> Printed Name: Terrence Gant E-mail Address: tgant@nearburg.com 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. DECEMBER 4, 2012 Date of Survey: <i>12/10/2012</i> Signature & Seal of Professional Surveyor: <i>Ronald J. Eidson</i> Certificate Number: <i>12641</i> AF: <i>3239</i> JWSC W/O 12-11-2016
A	-	Y=622685.0 N, X=637335.7 E											
B	-	Y=622693.3 N, X=638655.6 E											
C	-	Y=617404.6 N, X=637366.0 E											
D	-	Y=617412.9 N, X=638685.5 E											

Permit Comments

Operator: NEARBURG PRODUCING CO , 15742

Well: SHUGART WEST 32 STATE #004H

API: 30-015-41072

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 #004H

API: 30-015-41072

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