

HOBBS OCD

JUL 12 2017

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMLC066126	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator NEARBURG PRODUCING COMPANY (15742)		7. If Unit or CA Agreement, Name and No.	
3a. Address 3300 North A Street, Suite 120 Midland TX 79		8. Lease Name and Well No. (40102) LEA SOUTH 25 FEDERAL 1	
3b. Phone No. (include area code) (432)686-8235		9. API Well No. 30-025-43895	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NESE / 1650 FSL / 330 FEL / LAT 32.541389 / LONG -103.506242 At proposed prod. zone NESE / 1650 FSL / 330 FEL / LAT 32.541389 / LONG -103.506242		10. Field and Pool, or Exploratory (37580) LEA BONE SPRING / 15044	
11. Sec., T. R. M. or Blk. and Survey or Area SEC 25 / T20S / R34E / NMP		12. County or Parish LEA	
13. State NM		14. Distance in miles and direction from nearest town or post office* 22 miles	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 330 feet		16. No. of acres in lease 800	
17. Spacing Unit dedicated to this well 40		18. Distance from proposed location* to nearest well, drilling, completed, 660 feet applied for, on this lease, ft.	
19. Proposed Depth 11700 feet / 11700 feet		20. BLM/BIA Bond No. on file FED: NMB000153	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3725 feet		22. Approximate date work will start* 09/30/2016	
23. Estimated duration 45 days		24. Attachments	

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature (Electronic Submission)	Name (Printed/Typed) Vicki Johnston / Ph: (830)537-4599	Date 08/29/2016
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Title

Regulatory Consultant

Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) Cody Layton / Ph: (575)234-5959	Date 06/14/2017
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Title

Supervisor Multiple Resources

Office
CARLSBAD

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

*(Instructions on page 2)

APPROVED WITH CONDITIONS

KZ
07/12/17

Nearburg Producing Company

Exploration and Production
3300 North "A" Street
Building 2, Suite 120
Midland, TX 79705-5421
432-686-8235
FAX 432-686-7806

March 1, 2012

DESIGNATION OF AGENT

Bureau of Land Management
ATTN: BETTY HILL
Carlsbad Field Office
620 E. Greene Street
Carlsbad, NM 88220

Re: Agent Authorization

Dear Ms. Hill:

Please be informed that Vicki Johnston is an Agent employed by Gray Surface Specialties. She is authorized to prepare and submit APDs, Sundry Notices, Right-of-Way applications, and other BLM-required forms on behalf of Nearburg Producing Company.

Vicki can be contacted as follows:

- Telephone: (281) 265-6874 or (281) 468-2448
- Email: vjohnston1@gmail.com
- Mailing Address: 1631 Berkoff Drive, Sugar Land, TX 77479

Sincerely,

Nearburg Producing Company


Terrence Gant

Midland Manager RW 

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U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT



Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: Vicki Johnston

Signed on: 08/29/2016

Title: Regulatory Consultant

Street Address: 116 White Oak Trail

City: Boerne

State: TX

Zip: 78006

Phone: (830)537-4599

Email address: Vjohnston1@gmail.com

Field Representative

Representative Name: Tim Green

Street Address: 3300 N A Street, Suite 120

City: Midland

State: TX

Zip: 79705

Phone: (432)818-2940

Email address: tgreen@nearburg.com



APD ID: 10400003520

Submission Date: 08/29/2016

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - General

APD ID: 10400003520

Tie to previous NOS?

Submission Date: 08/29/2016

BLM Office: CARLSBAD

User: Vicki Johnston

Title: Regulatory Consultant

Federal/Indian APD: FED

Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMLC066126

Lease Acres: 800

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? NO

Permitting Agent? YES

APD Operator: NEARBURG PRODUCING COMPANY

Operator letter of designation: Lea South 25 Fed 1_Designation of Agent_08-24-2016.pdf

Keep application confidential? NO

Operator Info

Operator Organization Name: NEARBURG PRODUCING COMPANY

Operator Address: 3300 North A Street, Suite 120

Zip: 79705

Operator PO Box:

Operator City: Midland

State: TX

Operator Phone: (432)686-8235

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO

Master Development Plan name:

Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO

Master Drilling Plan name:

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: 3RD BONE
SPRING

Pool Name:

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Is the proposed well in an area containing other mineral resources? USEABLE WATER

Describe other minerals:

Is the proposed well in a Helium production area? N Use Existing Well Pad? NO New surface disturbance?

Type of Well Pad: SINGLE WELL

Multiple Well Pad Name:

Number:

Well Class: VERTICAL

Number of Legs: 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town: 22 Miles

Distance to nearest well: 660 FT

Distance to lease line: 330 FT

Reservoir well spacing assigned acres Measurement: 40 Acres

Well plat: Lea South 25 Fed 1_C102_08-29-2016.pdf

Well work start Date: 09/30/2016

Duration: 45 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
SHL Leg #1	165 0	FSL	330	FEL	20S	34E	25	Aliquot NESE	32.54138 9	- 103.5062 42	LEA	NEW MEXI CO	NEW MEXI CO	F	NMLC0 66126	372 5	0	0
BHL Leg #1	165 0	FSL	330	FEL	20S	34E	25	Aliquot NESE	32.54138 9	- 103.5062 42	LEA	NEW MEXI CO	NEW MEXI CO	F	NMLC0 66126	372 5	117 00	117 00

APD ID: 10400003520

Submission Date: 08/29/2016

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
17691	UNKNOWN	3725	0	0		NONE	No
17746	RUSTLER	1925	1800	1800	SALT, ANHYDRITE	NONE	No
17718	TOP SALT	1725	2000	2000	SALT	NONE	No
17722	BASE OF SALT	225	3500	3500	SALT	NONE	No
17694	YATES	25	3700	3700	SANDSTONE	NONE	No
15319	SEVEN RIVERS	-375	4100	4100	DOLOMITE	NONE	No
17740	CAPITAN REEF	-475	4200	4200	DOLOMITE	NONE	No
15315	DELAWARE	-2025	5750	5750	SHALE, SANDSTONE	NONE	No
17688	BONE SPRING	-4875	8600	8600	LIMESTONE	NONE	No
15338	BONE SPRING 1ST	-6025	9750	9750	SANDSTONE	OIL	No
17737	BONE SPRING 2ND	-6775	10500	10500	SANDSTONE	OIL	No
17738	BONE SPRING 3RD	-7175	10900	10900	LIMESTONE, SHALE, DOLOMITE	OIL	Yes
17738	BONE SPRING 3RD	-7625	11350	11350	SANDSTONE	NONE	No
17709	WOLFCAMP	-7825	11550	11550		NONE	No

Section 2 - Blowout Prevention

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Pressure Rating (PSI): 5M

Rating Depth: 11700

Equipment: Rotating head, remote kill line, mud-gas separator

Requesting Variance? NO

Variance request:

Testing Procedure: BOP will be tested by an independent service company to 250 psi low and 5000 high, per Onshore Order 2 requirements. Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole.

Choke Diagram Attachment:

Lea South 25 Fed 1_Choke Manifold_08-24-2016.pdf

BOP Diagram Attachment:

Lea South 25 Fed 1_BOP_08-24-2016.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	1910	0	1910	3725	1815	1910	J-55	54.5	STC	1.25	1.25	DRY	1.3	DRY	1.3
2	INTERMEDIATE	12.25	9.625	NEW	API	N	0	5725	0	5725	3725	-2000	5725	P-110	43.5	LTC	1.25	1.25	DRY	1.3	DRY	1.3
3	PRODUCTION	8.75	5.5	NEW	API	N	0	11700	0	11700	3725	-7975	11700	P-110	17	LTC	1.25	1.25	DRY	1.3	DRY	1.3

Casing Attachments

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Casing Attachments

Casing ID: 1 **String Type:** SURFACE

Inspection Document:

Spec Document:

Taperd String Spec:

Casing Design Assumptions and Worksheet(s):

Lea South 25 Fed 1_Casing Assumptions Worksheet_08-24-2016.pdf

Casing ID: 2 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Taperd String Spec:

Casing Design Assumptions and Worksheet(s):

Lea South 25 Fed 1_Casing Assumptions Worksheet_08-25-2016.pdf

Casing ID: 3 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Taperd String Spec:

Casing Design Assumptions and Worksheet(s):

Lea South 25 Fed 1_Casing Assumptions Worksheet_08-25-2016.pdf

Section 4 - Cement

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1910	1125	1.75	13.5	1969	100	Class C	w/4% gel, 2% CACL, Defoamer 0.25#/sx,
SURFACE	Tail		0	1910	300	1.34	14.8	402	100	Class C:POZ:Gel	C-45 w/2% CACL
INTERMEDIATE	Lead		0	5725	330	2.1	12.8	693	50	Class C 85:15:6:POZ:GEL	w/.46#/sx salt, 0.50% C-45, STE Defoamer,
INTERMEDIATE	Tail		0	5725	200	1.33	14.8	266	50	Class C:POZ:GEL	w/C-45
INTERMEDIATE	Lead	4125	0	5725	1230	2.1	12.8	2583		Class C 85:15:6:POZ:GEL	w/Bentonite, Salt, C-45, STE, Defoamer, Kol-
INTERMEDIATE	Tail		0	5725	100	1.33	14.8	133	50	Class C:POZ:Gel	none
PRODUCTION	Lead		0	1170 0	585	1.24	11	1895		40:60:10 Class C:POZ:GEL	w/Bentonite, Salt, STE, Defoamer FLA-CSA-
PRODUCTION	Tail		0	1170 0	400	1.25	14.2	500	50	50:50:0 Class H:POZ:GEL	w/Salt, CSA-1000 & C-47B

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring will be used to monitor the loss or gain of fluid.

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	1910	SPUD MUD	8.4	8.4							
0	5725	SALT SATURATED	9.5	9.8							10.0 Brine to top of the Reef. Cut-Brine to TD
0	11700	SALT SATURATED	9	9.5							

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

RU Mud Loggers prior to DO 9-5/8". OH Logs Schlumberger PEX-HRLS & BHC Sonic from TD to Intermediate Casing; Spec-GR from TD to +/- 10500'. GR-N to surface

List of open and cased hole logs run in the well:

CALIPER,CBL,CNL,DS,GR,MUDLOG,OTH,SONIC

Other log type(s):

High Resolution Laterolog Array; Spectral GR; Litho-Density

Coring operation description for the well:

No cores.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5100

Anticipated Surface Pressure: 2526

Anticipated Bottom Hole Temperature(F): 160

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geohazards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Lea South 25 Federal 1_H2S Plan_01-30-2017.pdf

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Lea South 25 Fed 1_Wellbore Profile_08-24-2016.pdf

Other proposed operations facets description:

Drilling Plan Report attached.

Other proposed operations facets attachment:

Lea South 25 Fed 1_Drilling Plan Report_08-29-2016.pdf

Other Variance attachment:



APD ID: 10400003520

Submission Date:

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

ID: Surface formation

Name: UNKNOWN

Lithology(ies):

Elevation: 3725

True Vertical Depth: 0

Measured Depth: 0

Mineral Resource(s):

NONE

Is this a producing formation? N

ID: Formation 1

Name: RUSTLER

Lithology(ies):

SALT

ANHYDRITE

Elevation: 1925

True Vertical Depth: 1800

Measured Depth: 1800

Mineral Resource(s):

NONE

Is this a producing formation? N

ID: Formation 2

Name: TOP SALT

Lithology(ies):

SALT

Elevation: 1725

True Vertical Depth: 2000

Measured Depth: 2000

Mineral Resource(s):

NONE

Is this a producing formation? N

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

ID: Formation 3

Name: BASE OF SALT

Lithology(ies):

SALT

Elevation: 225

True Vertical Depth: 3500

Measured Depth: 3500

Mineral Resource(s):

NONE

Is this a producing formation? N

ID: Formation 4

Name: YATES

Lithology(ies):

SANDSTONE

Elevation: 25

True Vertical Depth: 3700

Measured Depth: 3700

Mineral Resource(s):

NONE

Is this a producing formation? N

ID: Formation 5

Name: SEVEN RIVERS

Lithology(ies):

DOLOMITE

Elevation: -375

True Vertical Depth: 4100

Measured Depth: 4100

Mineral Resource(s):

NONE

Is this a producing formation? N

ID: Formation 6

Name: CAPITAN REEF

Lithology(ies):

DOLOMITE

Elevation: -475

True Vertical Depth: 4200

Measured Depth: 4200

Mineral Resource(s):

NONE

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Is this a producing formation? N

ID: Formation 7

Name: DELAWARE

Lithology(ies):

SHALE

SANDSTONE

Elevation: -2025

True Vertical Depth: 5750

Measured Depth: 5750

Mineral Resource(s):

NONE

Is this a producing formation? N

ID: Formation 8

Name: BONE SPRING

Lithology(ies):

LIMESTONE

Elevation: -4875

True Vertical Depth: 8600

Measured Depth: 8600

Mineral Resource(s):

NONE

Is this a producing formation? N

ID: Formation 9

Name: BONE SPRING 1ST

Lithology(ies):

SANDSTONE

Elevation: -6025

True Vertical Depth: 9750

Measured Depth: 9750

Mineral Resource(s):

OIL

Is this a producing formation? N

ID: Formation 10

Name: BONE SPRING 2ND

Lithology(ies):

SANDSTONE

Elevation: -6775

True Vertical Depth: 10500

Measured Depth: 10500

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Mineral Resource(s):

OIL

Is this a producing formation? N

ID: Formation 11

Name: BONE SPRING 3RD

Lithology(ies):

LIMESTONE

SHALE

DOLOMITE

Elevation: -7175

True Vertical Depth: 10900

Measured Depth: 10900

Mineral Resource(s):

OIL

Is this a producing formation? Y

ID: Formation 12

Name: BONE SPRING 3RD

Lithology(ies):

SANDSTONE

Elevation: -7625

True Vertical Depth: 11350

Measured Depth: 11350

Mineral Resource(s):

NONE

Is this a producing formation? N

ID: Formation 13

Name: WOLFCAMP

Lithology(ies):

Elevation: -7825

True Vertical Depth: 11550

Measured Depth: 11550

Mineral Resource(s):

NONE

Is this a producing formation? N

Section 2 - Blowout Prevention

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Pressure Rating (PSI): 5M

Rating Depth: 11700

Equipment: Rotating head, remote kill line, mud-gas separator

Requesting Variance? NO

Variance request:

Testing Procedure: BOP will be tested by an independent service company to 250 psi low and 5000 high, per Onshore Order 2 requirements. Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole.

Choke Diagram Attachment:

Lea South 25 Fed 1_Choke Manifold_08-24-2016.pdf

BOP Diagram Attachment:

Lea South 25 Fed 1_BOP_08-24-2016.pdf

Section 3 - Casing

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

String Type: INTERMEDIATE

Other String Type:

Hole Size: 12.25

Top setting depth MD: 0

Top setting depth TVD: 0

Top setting depth MSL: 3725

Bottom setting depth MD: 5725

Bottom setting depth TVD: 5725

Bottom setting depth MSL: -2000

Calculated casing length MD: 5725

Casing Size: 9.625

Other Size

Grade: P-110

Other Grade:

Weight: 43.5

Joint Type: LTC

Other Joint Type:

Condition: NEW

Inspection Document:

Standard: API

Spec Document:

Tapered String?: N

Tapered String Spec:

Safety Factors

Collapse Design Safety Factor: 1.25

Burst Design Safety Factor: 1.25

Joint Tensile Design Safety Factor type: DRY

Joint Tensile Design Safety Factor: 1.3

Body Tensile Design Safety Factor type: DRY

Body Tensile Design Safety Factor: 1.3

Casing Design Assumptions and Worksheet(s):

Lea South 25 Fed 1_Casing Assumptions Worksheet_08-25-2016.pdf

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

String Type: SURFACE

Other String Type:

Hole Size: 17.5

Top setting depth MD: 0

Top setting depth TVD: 0

Top setting depth MSL: 3725

Bottom setting depth MD: 1910

Bottom setting depth TVD: 1910

Bottom setting depth MSL: 1815

Calculated casing length MD: 1910

Casing Size: 13.375

Other Size 17.5

Grade: J-55

Other Grade:

Weight: 54.5

Joint Type: STC

Other Joint Type:

Condition: NEW

Inspection Document:

Standard: API

Spec Document:

Tapered String?: N

Tapered String Spec:

Safety Factors

Collapse Design Safety Factor: 1.25

Burst Design Safety Factor: 1.25

Joint Tensile Design Safety Factor type: DRY

Joint Tensile Design Safety Factor: 1.3

Body Tensile Design Safety Factor type: DRY

Body Tensile Design Safety Factor: 1.3

Casing Design Assumptions and Worksheet(s):

Lea South 25 Fed 1_Casing Assumptions Worksheet_08-24-2016.pdf

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

String Type: PRODUCTION

Other String Type:

Hole Size: 8.75

Top setting depth MD: 0

Top setting depth TVD: 0

Top setting depth MSL: 3725

Bottom setting depth MD: 11700

Bottom setting depth TVD: 11700

Bottom setting depth MSL: -7975

Calculated casing length MD: 11700

Casing Size: 5.5

Other Size

Grade: P-110

Other Grade:

Weight: 17

Joint Type: LTC

Other Joint Type:

Condition: NEW

Inspection Document:

Standard: API

Spec Document:

Tapered String?: N

Tapered String Spec:

Safety Factors

Collapse Design Safety Factor: 1.25

Burst Design Safety Factor: 1.25

Joint Tensile Design Safety Factor type: DRY

Joint Tensile Design Safety Factor: 1.3

Body Tensile Design Safety Factor type: DRY

Body Tensile Design Safety Factor: 1.3

Casing Design Assumptions and Worksheet(s):

Lea South 25 Fed 1_Casing Assumptions Worksheet_08-25-2016.pdf

Section 4 - Cement

Casing String Type: SURFACE

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Stage Tool Depth:

Lead

Top MD of Segment: 0

Bottom MD Segment: 1910

Cement Type: Class C

Additives: w/4% gel, 2% CACL,
Defoamer 0.25#/sx, pheno-seal

Quantity (sks): 1125

Yield (cu.ff./sk): 1.75

Density: 13.5

Volume (cu.ft.): 1969

Percent Excess: 100

Tail

Top MD of Segment: 0

Bottom MD Segment: 1910

Cement Type: Class C:POZ:Gel

Additives: C-45 w/2% CACL

Quantity (sks): 300

Yield (cu.ff./sk): 1.34

Density: 14.8

Volume (cu.ft.): 402

Percent Excess: 100

Casing String Type: INTERMEDIATE

Stage Tool Depth:

Lead

Top MD of Segment: 0

Bottom MD Segment: 5725

Cement Type: Class C

Additives: w/.46#/sx salt, 0.50% C-45,
STE Defoamer, Citric Acid, 5.0 #/sx Kol-
seal

Quantity (sks): 330

85:15:6:POZ:GEL

Yield (cu.ff./sk): 2.1

Density: 12.8

Volume (cu.ft.): 693

Percent Excess: 50

Tail

Top MD of Segment: 0

Bottom MD Segment: 5725

Cement Type: Class C:POZ:GEL

Additives: w/C-45

Quantity (sks): 200

Yield (cu.ff./sk): 1.33

Density: 14.8

Volume (cu.ft.): 266

Percent Excess: 50

Stage Tool Depth: 4125

Lead

Top MD of Segment: 0

Bottom MD Segment: 5725

Cement Type: Class C

Additives: w/Bentonite, Salt, C-45,
STE, Defoamer, Kol-seal

Quantity (sks): 1230

85:15:6:POZ:GEL

Yield (cu.ff./sk): 2.1

Density: 12.8

Volume (cu.ft.): 2583

Percent Excess: 50

Tail

Top MD of Segment: 0

Bottom MD Segment: 5725

Cement Type: Class C:POZ:Gel

Additives:

Quantity (sks): 100

Yield (cu.ff./sk): 1.33

Density: 14.8

Volume (cu.ft.): 133

Percent Excess: 50

Casing String Type: PRODUCTION

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Stage Tool Depth:

Lead

Top MD of Segment: 0

Bottom MD Segment: 11700

Cement Type: 40:60:10 Class

Additives: w/Bentonite, Salt, STE,
Defoamer FLA-CSA-1000 Kol-Seal,
Gyp-Seal

Quantity (sks): 585

C:POZ:GEL

Yield (cu.ff./sk): 1.24

~~Density: 11~~

Volume (cu.ft.): 1895

Percent Excess: 50

Top MD of Segment: 0

Bottom MD Segment: 11700

Cement Type: 50:50:0 Class

Additives: w/Salt, CSA-1000
& & C-47B

Quantity (sks): 400

H:POZ:GEL

Yield (cu.ff./sk): 1.25

Density: 14.2

Volume (cu.ft.): 500

Percent Excess: 50

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring will be used to monitor the loss or gain of fluid.

Circulating Medium Table

Top Depth: 0	Bottom Depth: 1910
Mud Type: SPUD MUD	
Min Weight (lbs./gal.): 8.4	Max Weight (lbs./gal.): 8.4
Density (lbs/cu.ft.):	Gel Strength (lbs/100 sq.ft.):
PH:	Viscosity (CP):
Filtration (cc):	Salinity (ppm):
Additional Characteristics:	

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Top Depth: 0

Bottom Depth: 5725

Mud Type: SALT SATURATED

Min Weight (lbs./gal.): 9.5

Max Weight (lbs./gal.): 9.8

Density (lbs/cu.ft.):

Gel Strength (lbs/100 sq.ft.):

PH:

Viscosity (CP):

Filtration (cc):

Salinity (ppm):

Additional Characteristics: 10.0 Brine to top of the Reef. Cut-Brine to TD

Top Depth: 0

Bottom Depth: 11700

Mud Type: SALT SATURATED

Min Weight (lbs./gal.): 9

Max Weight (lbs./gal.): 9.5

Density (lbs/cu.ft.):

Gel Strength (lbs/100 sq.ft.):

PH:

Viscosity (CP):

Filtration (cc):

Salinity (ppm):

Additional Characteristics:

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

RU Mud Loggers prior to DO 9-5/8". OH Logs Schlumberger PEX-HRLS & BHC Sonic from TD to Intermediate Casing; Spec-GR from TD to +/- 10500'. GR-N to surface

List of open and cased hole logs run in the well:

CALIPER,CBL,CNL,DS,GR,MUDLOG,OTH,SONIC

Other log type(s):

High Resolution Laterolog Array; Spectral GR; Litho-Density

Coring operation description for the well:

No cores.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5100

Anticipated Surface Pressure: 2526

Anticipated Bottom Hole Temperature(F): 160

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geohazards description:

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? NO

Hydrogen sulfide drilling operations plan:

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Lea South 25 Fed 1_Wellbore Profile_08-24-2016.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

Other Variance attachment:

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number:

Injection well name:

Assigned injection well API number?

Injection well API number:

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB000153

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:



APD ID: 10400003520

Submission Date: 08/29/2016

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

Lea South 25 Fed 1_Existing Road_08-29-2016.pdf

Existing Road Purpose: ACCESS,FLUID TRANSPORT

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

Lea South 25 Fed 1_Access Road_08-29-2016.pdf

New road type: TWO-TRACK

Length: 936.2 Feet Width (ft.): 30

Max slope (%): 2 Max grade (%): 1

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 15

New road access erosion control: Road will be crowned and ditched to prevent erosion.

New road access plan or profile prepared? NO

New road access plan attachment:

Access road engineering design? NO

Access road engineering design attachment:

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Access surfacing type: OTHER

Access topsoil source: BOTH

Access surfacing type description: 6" rolled and compacted caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description: Surfacing mat'l will consist of native caliche obtained from the well site if possible. Otherwise, caliche will be hauled from nearest caliche pit.

Onsite topsoil removal process: Grading

Access other construction information:

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and be consistent with local drainage patterns.

Road Drainage Control Structures (DCS) description: No drainage control necessary.

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

Lea South 25 Fed 1_One-Mile Radius_08-24-2016.pdf

Existing Wells description:

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? DEFER

Estimated Production Facilities description: If well is productive, Nearburg plans to lay a flow line to the Lea South 25 Fed Com #8, and follow existing flowline from #8 to #5H battery. Specific details will be submitted via Sundry Notice.

Section 5 - Location and Types of Water Supply

Water Source Table

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Water source use type: INTERMEDIATE/PRODUCTION CASING,
SURFACE CASING

Describe type:

Water source type: GW WELL

Source latitude:

Source longitude:

Source datum:

Water source permit type: PRIVATE CONTRACT

Source land ownership: PRIVATE

Water source transport method: TRUCKING

Source transportation land ownership: PRIVATE

Water source volume (barrels): 0

Source volume (acre-feet): 0

Source volume (gal): 0

Water source use type: INTERMEDIATE/PRODUCTION CASING,
SURFACE CASING

Describe type:

Water source type: GW WELL

Source latitude:

Source longitude:

Source datum:

Water source permit type: PRIVATE CONTRACT

Source land ownership: PRIVATE

Water source transport method: PIPELINE

Source transportation land ownership: PRIVATE

Water source volume (barrels): 0

Source volume (acre-feet): 0

Source volume (gal): 0

Water source and transportation map:

Lea South 25 Fed 1_Water Source Map Primary and Secondary 02-07-2017 2_02-07-2017.pdf

Water source comments: Primary Water Source (pipeline): Patrick Sims water well; delivery point: frac pond in NE/4 Sec 36, T20S, R34E Secondary Water Source (trucking): Berry Ranch water well; delivery point: NE/4 Sec 35, T 20S, R34E (see attachment).

New water well? NO

New Water Well Info

Well latitude:

Well Longitude:

Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft):

Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft):

Well casing type:

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Well casing outside diameter (in.):

Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method:

Drill material:

Grout material:

Grout depth:

Casing length (ft.):

Casing top depth (ft.):

Well Production type:

Completion Method:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: Construction materials will be used from the location. The secondary source of construction materials is a caliche pit on the Berry Ranch in the NE/4 of Sec 35, T20S, R34E (see attached map).

Construction Materials source location attachment:

Lea South 25 Fed 1_Construction Materials Map Primary and Secondary 02-07-2017_02-07-2017.pdf

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drilling Fluids

Amount of waste: 6000 barrels

Waste disposal frequency : Daily

Safe containment description: Steel tanks

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: Trucked to approved disposal facility. Estimated 6000 bbls total.

Waste type: COMPLETIONS/STIMULATION

Waste content description: 15% NEFE HCL acid (spent)

Amount of waste: 300 barrels

Waste disposal frequency : One Time Only

Safe containment description: Frac tanks

Safe containmant attachment:

Waste disposal type: ON-LEASE INJECTION **Disposal location ownership:** PRIVATE

Disposal type description:

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Disposal location description: Nearburg Producing Company SWD well

Waste type: FLOWBACK

Waste content description: Oil

Amount of waste: 1000 barrels

Waste disposal frequency : One Time Only

Safe containment description: Frac tanks

Safe containmant attachment:

Waste disposal type: OTHER

Disposal location ownership: PRIVATE

Disposal type description: Haul to tank battery

Disposal location description: Trucked to tank battery.

Waste type: SEWAGE

Waste content description: Human waste

Amount of waste: 50 pounds

Waste disposal frequency : Weekly

Safe containment description: Portable toilets

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY

Disposal location ownership: COMMERCIAL

Disposal type description:

Disposal location description: Serviced by toilet rental company

Waste type: PRODUCED WATER

Waste content description: Produced water

Amount of waste: 4000 barrels

Waste disposal frequency : One Time Only

Safe containment description: Steel tanks

Safe containmant attachment:

Waste disposal type: ON-LEASE INJECTION

Disposal location ownership: PRIVATE

Disposal type description:

Disposal location description: Nearburg Producing Company SWD well

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Waste type: GARBAGE

Waste content description: Trash and debris

Amount of waste: 200 pounds

Waste disposal frequency : Weekly

Safe containment description: roll-off bin with netted top

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: Truck to commercial waste facility

Waste type: DRILLING

Waste content description: Cuttings

Amount of waste: 4800 barrels

Waste disposal frequency : Daily

Safe containment description: Steel bins

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: Trucked to an approved disposal facility. Estimated 4800 bbls total.

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.) **Reserve pit width (ft.)**

Reserve pit depth (ft.) **Reserve pit volume (cu. yd.)**

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? NO

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Description of cuttings location Stored in steel bin and hauled to disposal site by truck.

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

Lea South 25 Fed 1_Well Site Diagram_08-24-2016.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: NEW

Recontouring attachment:

Drainage/Erosion control construction: Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion.

Drainage/Erosion control reclamation: Any portion of the site that is not needed for future operations will be reclaimed to the original state as much as possible.

Wellpad long term disturbance (acres): 1.95

Wellpad short term disturbance (acres): 2.6

Access road long term disturbance (acres): 0.32

Access road short term disturbance (acres): 0.32

Pipeline long term disturbance (acres): 0.6446281

Pipeline short term disturbance (acres): 0.6446281

Other long term disturbance (acres): 0

Other short term disturbance (acres): 0

Total long term disturbance: 2.914628

Total short term disturbance: 3.5646281

Reconstruction method: Interim reclamation: 75'x300' of west side of well pad. Caliche will be removed using a Caterpillar, and area will be covered with topsoil within six months of well completion. Reclaimed area will be reseeded depending on weather.

Topsoil redistribution: After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible.

Soil treatment: No treatment necessary.

Existing Vegetation at the well pad: mesquite, shinnery oak

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: mesquite, shinnery oak

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: mesquite, shinnery oak

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: No other disturbances.

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table

Seed type: PERENNIAL GRASS

Seed source: COMMERCIAL

Seed name: LPC-Seed Mix 2

Source name:

Source address:

Source phone:

Seed cultivar:

Seed use location: WELL PAD

PLS pounds per acre: 5

Proposed seeding season: SPRING

Seed Summary

Total pounds/Acre: 5

Seed Type	Pounds/Acre
PERENNIAL GRASS	5

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: Tim

Last Name: Green

Phone: (432)686-8235

Email: tgreen@nearburg.com

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Seedbed prep: Rip and add topsoil.

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: All areas will be monitored, and weeds will be treated.

Weed treatment plan attachment:

Monitoring plan description: Will monitor after final reclaim.

Monitoring plan attachment:

Success standards: N/A

Pit closure description: Utilize closed-loop.

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: NEW ACCESS ROAD

Describe:

Surface Owner: PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Fee Owner: Martha Skeen

Phone: (575)910-6731

Surface use plan certification: YES

Surface use plan certification document:

Lea South 25 Fed 1_Surface Agreement Certification_02-08-2017.pdf

Fee Owner Address: Linda Jurva, Trustee 6301 Porter
Road Carlsbad, NM 88220

Email:

Surface access agreement or bond: Agreement

Surface Access Agreement Need description: Surface Use Agreement concerning entry and surface
restoration after completion of drilling operations.

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Disturbance type: WELL PAD

Describe:

Surface Owner: PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Operator Name: NEARBURG PRODUCING COMPANY

Well Name: LEA SOUTH 25 FEDERAL

Well Number: 1

Fee Owner: Martha Skeen

Phone: (575)910-6731

Surface use plan certification: YES

Surface use plan certification document:

Lea South 25 Fed 1_Surface Agreement Certification_02-08-2017.pdf

Surface access agreement or bond: Agreement

Surface Access Agreement Need description: Surface Use Agreement concerning entry and surface restoration after completion of drilling operations.

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Section 12 - Other Information

Right of Way needed? NO

Use APD as ROW?

ROW Type(s):

ROW Applications

SUPO Additional Information: This location was previously permitted by Cimarex as the Lynch 25 Federal #1 (API #30-025-43057). APD expired on August 1, 2015. Cuttings will be stored in a haul-off bin and removed from the location by truck after completion.

Use a previously conducted onsite? YES

Previous Onsite information: Onsite was conducted when original APD was submitted (APD now expired). Original APD #30-025-40723 - Lynch 25 Federal #1

Other SUPO Attachment

Lea South 25 Fed Com 1_SUPO Report_08-29-2016.pdf