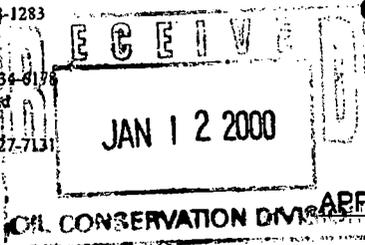


District I - (505) 393-6161
 1625 N. French Dr
 Hobbs, NM 88241-1980
 District II - (505) 749-1283
 811 S. First
 Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Road
 Aztec, NM 87410
 District IV - (505) 827-7131

New Mexico
 Energy Minerals and Natural Resources Department
 Oil Conservation Division
 2040 South Pacheco Street
 Santa Fe, New Mexico 87505
 (505) 827-7131

SUBMIT ORIGINAL
 PLUS 2 COPIES
 TO THE SANTA FE
 OFFICE



I. Operator and Well

Operator name & address Nearburg Producing Company 3300 N A St., Bldg 2, Suite 120 Midland, TX 79705							OGRID Number 015742	
Contact Party Sarah Jordan							Phone 915-686-8235	
Property Name Anaconda 11 Federal					Well Number #1		API Number 30-025-34701	
UL D	Section 11	Township 20S	Range 33E	Feet From The 660	North/South Line North	Feet From The 760	East/West Line West	County Lea

II. Date/Time Information

Spud Date 11-2-99	Spud Time 2000 hrs.	Date Completed 12-23-99	Pool Teas Bone Spring
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- III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.
- IV. Attach a list of all working interest owners with their percentage interests.
- V. AFFIDAVIT:

State of Texas)
) ss.
 County of Midland)

Sarah Jordan, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature Sarah Jordan Title Production Analyst Date 1-10-00

SUBSCRIBED AND SWORN TO before me this 10th day of January, 2000.

DIXIE D. WALTON
 Notary Public
 STATE OF TEXAS
 My Comm. Exp. 05/25/2000

Dixie D. Walton
 Notary Public

My Commission expires: 5-2000

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:
 This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>Mark Kelly</u>	Title <u>P.F. Sec.</u>	Date <u>FEB 21 2000</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 2/21/00

NOTICE: The operator must notify all working interest owners of this New Well certification.

PV2V2010752205

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Nearburg Producing Company

3. Address and Telephone No.

3300 N A St., Bldg 2, Suite 120, Midland, TX 79705 915/686-8235

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

680' FNL and 760' FWL, Section 11, T20S, R33E

5. Lease Designation and Serial No.
NMNM 17238

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Anaconda 11 Federal #1

9. API Well No.

30-025-34701

10. Field and Pool, or Exploratory Area

Teas Bone Spring

11. County or Parish, State

Lea County, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

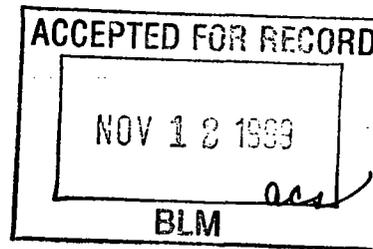
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Surface Csg and Cmt</u>	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Drilled to 493'. C&C hole. RU and ran 11 jts 13-3/8" 48# H40 ST&C csg. Set @ 493'. Cmt csg using 430 sxs cmt + additives. Circulated 110 sxs to pit. WOC. Cut off casing and weld on wellhead. NU BOPE and test to 1,000 psi - OK.

SPUD 11/2/99 2000PM



14. I hereby certify that the foregoing is true and correct

Signed [Signature]

Title Production Analyst

Date 11/08/99

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

Date _____

Title 18 U.S.C. Section 1001, makes 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.

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

<p>1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> Other _____</p> <p>b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____</p> <p>2. NAME OF OPERATOR Nearburg Producing Company</p> <p>3. ADDRESS AND TELEPHONE NO. 3300 North A Street, Building 2, Suite 120, Midland, Texas 79705 (915) 686-8235</p> <p>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 660' FNL and 760' FWL At top prod. interval reported below At total depth</p>	<p>5. LEASE DESIGNATION AND SERIAL NO. NM 17238</p> <p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME</p> <p>7. UNIT AGREEMENT NAME</p> <p>8. FARM OR LEASE NAME, WELL NO. Anaconda 11 Federal #1</p> <p>9. API WELL NO. 30-025-34701</p> <p>10. FIELD AND POOL, OR WILDCAT Teas Bone Spring</p> <p>11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Section 11, T20S, R33E</p>
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14. PERMIT NO.	DATE ISSUED 09/15/99	12. COUNTY OR PARISH Lea	13. STATE New Mexico
15. DATE SPUDDED 01/02/99	16. DATE T.D. REACHED 11/26/99	17. DATE COMPL. (Ready to prod.) 12/23/99	
18. ELEVATIONS (DF, RKB, RT, GE, ETC.)* 3,582' GR 3,596' KB		19. ELEV. CASINGHEAD	
20. TOTAL DEPTH, MD & TVD 9,720'	21. PLUG, BACK T.D., MD & TVD 9,631'	22. IF MULTIPLE COMPL., HOW MANY*	23. INTERVALS DRILLED BY →
24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)* 6,545' - 552' Delaware			25. WAS DIRECTIONAL SURVEY MADE No
26. TYPE ELECTRIC AND OTHER LOGS RUN DLL/LDT/CNL/GR/CAL			27. WAS WELL CORED No

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
13-3/8"	48#	493'	17-1/2"	Circ to surface; 430 sacks	
8-5/8"	24# & 32#	5,200'	11"	Circ to surface; 2,250 sacks	
5-1/2"	17#	9,720'	7-7/8"	Cmt 250 sxs; TOC @ 4,500'	

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	6,386'	

31. PERFORATION RECORD (Interval, size and number) 6,545' - 552' - 0.4" - 16 shots	32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.								
	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>DEPTH INTERVAL (MD)</th> <th>AMOUNT AND KIND OF MATERIAL USED</th> </tr> </thead> <tbody> <tr> <td>6,545' - 6,552'</td> <td>Acidize w/1,000 gals 7-1/2% acid. Frac w/ 24,380# resin coated proppant.</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED	6,545' - 6,552'	Acidize w/1,000 gals 7-1/2% acid. Frac w/ 24,380# resin coated proppant.				
DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED								
6,545' - 6,552'	Acidize w/1,000 gals 7-1/2% acid. Frac w/ 24,380# resin coated proppant.								

33. * PRODUCTION

DATE FIRST PRODUCTION 12/23/99	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Pumping	WELL STATUS (Producing or shut-in) Producing					
DATE OF TEST 12/28/99	HOURS TESTED 24	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL—BBL. 141	GAS—MCF. 69	WATER—BBL. 123	GAS-OIL RATIO 489:1
FLOW. TUBING PRESS. NA	CASING PRESSURE NA	CALCULATED 24-HOUR RATE →	OIL—BBL. 141	GAS—MCF. 69	WATER—BBL. 123	OIL GRAVITY-API (CORR.) 35	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold	TEST WITNESSED BY Matt Lee
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35. LIST OF ATTACHMENTS
C-104, Deviation Report, Logs

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Kim Stewart TITLE Regulatory Analyst DATE 01/10/00

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes 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.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

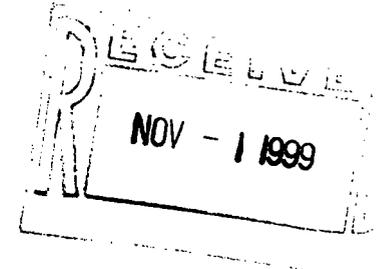
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Delaware Brushy Canyon	6544'	6552'	Oil

38. GEOLOGICAL MARKERS			38. GEOLOGICAL MARKERS		
NAME	TOP		NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH		MEAS. DEPTH	TRUE VERT. DEPTH
T/Rustler	1348'				
B/Salt	3188'				
T/Yates	3428'				
T/Delaware	5360'				
T/Bone Spring	8238'				
T/1st Bone Spring	9280'				

Property W 554205 ANACONDA 11 FED #1
 DOI# 00
 Effective Date 0/00/00
 Status ACTIVE

Owner	Sec	Name	Int Type	Ownr Type	Susp Code	JIB Susp	Sev Exmt	Indp Flag	Working Decimal	Revenue Decimal	-WI Co	ICT- Acct	-RI Co	ICT- Acct	Actv
54330		ROY G NIEDERHOFFER	0	W			N		.012231440	.000000000					
1319		MENPART ASSOCIATES (1/1/94)	0	W			N		.022933950	.000000000					
31450		HOLSUM, INCORPORATED	0	W			N		.018347160	.000000000					
68300		AAR LIMITED PARTNERSHIP,	0	W			N		.009173580	.000000000					
68310		GENE REISCHMAN, AS HIS	0	W			N		.006115720	.000000000					
74550		J. KENNETH SMITH	0	W			N		.006115720	.000000000					
1489		LJR RESOURCES LTD. CO.	0	W			N		.006115720	.000000000					
91100		WRIGHT FAMILY LIVING TRUST	0	W			N		.006115720	.000000000					
54300		NEARBURG EXPLORATION CO,L.L.C.	0	W			N		.473968200	.000000000	4				
2077		R-N LIMITED PARTNERSHIP	0	W			N		.009173580	.000000000					
1851		MADISON CAPITAL PARTNERS II	0	W			N		.007644650	.000000000					
13492		DUANE A. DAVIS	0	W			N		.001528930	.000000000					
48000		TIMOTHY R. MACDONALD	0	W			N		.000509640	.000000000					
2468		DEAN A. HORNING	0	W			N		.000509640	.000000000					
73375		ROBERT G. SHELTON	0	W			N		.000509640	.000000000					
2469		LEESBURG INVESTMENTS, LTD.	0	W			N		.024462880	.000000000					
2245		GEORGE S. MENNEN REVOCABLE	0	W			N		.006115720	.000000000					
2939		E.G.L. RESOURCES, INC.	0	W			N		.088428110	.000000000					
2521		SAMSON RESOURCES COMPANY, ON	0	W			N		.300000000	.000000000					
***** Total *****										1.000000000	.000000000				

*** End of Report ***



*cc. Jim
 Bob
 Sarah
 Kim*