

DATE 5/7/99	SUSPENSE 5/27/99	ENGINEER MS	LOGGED KN	TYPE NSL
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
☒ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

OIL CONSERVATION DIV.
99 MAY - 7 PM 1:01

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☒ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

William F. Carr
 Print or Type Name

William F. Carr
 Signature

Attorney
 Title

5/07/99
 Date

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
MICHAEL H. FELDEWERT
ANTHONY F. MEDEIROS
PAUL R. OWEN
KATHERINE M. MOSS
—
JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
FACSIMILE: (505) 983-6043
E-MAIL: ccbspa@ix.netcom.com

May 7, 1999

HAND-DELIVERED

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505

OIL CONSERVATION DIV.
99 MAY - 7 PM 1:01

Re: *Application of Nearburg Exploration Company, L.L.C. for Administrative Approval of an Unorthodox Well Location for its Hagaman "34" Well No. 1, 1100 feet from the South line and 1150 feet from the East Line of Section 34, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico*

Dear Ms. Wrotenbery:

Nearburg Exploration Company, L.L.C. hereby seeks administrative approval pursuant to the provisions of Division Rule 104 F (2) adopted on January 18, 1996, of an unorthodox well location for its Hagaman "34" Well No. 1 to be drilled as a wildcat well to the Morrow formation at an unorthodox well location 1100 feet from South line and 1150 feet from the East line of Section 34, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. The E/2 of Section 34 will be dedicated to the well.

The well will be drilled to an approximate depth of 8,800 feet to test the Morrow formation. This location in the Morrow formation is unorthodox because it is governed by the Division Rule 104.B. (1)(a) which provides for wells at this depth on 320-spacing units to be located no closer than 660 feet to the nearest side boundary of the dedicated tract nor closer than 1650 feet to the nearest end boundary nor closer than 330 feet to any quarter-quarter section or subdivision inner boundary.

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
May 7, 1999
Page 2

Attached hereto as Exhibit "1" is a plat, as required by Rule 104.F (3), showing the subject spacing unit, the proposed unorthodox well location, the offsetting wells and the diagonal and adjoining spacing units. The well will have to be directionally drilled because the surface location for a straight hole at this location would be on the Federal Law Enforcement Training Center. Administrative approval of directional drilling will be sought by administrative application which will be filed as soon as a final agreement is reached with an offsetting owner.

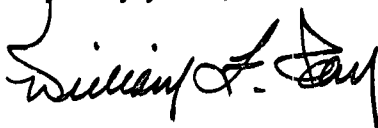
This unorthodox location is required by geological conditions in the Morrow formation. Attached hereto as Exhibit "2" is a Morrow Isochron Map of the subject area. This exhibit demonstrates that moving to the proposed unorthodox location should enable Nearburg to encounter a substantially thicker portion of the reservoir than a well at a standard location.

Exhibit "3" lists parties affected by this application. A copy of this application, including a copy of the plat described above has been sent to the affected parties by certified mail-return receipt requested in accordance with Rule 1207 (a)(5) advising them that if they have an objection to this application it must be filed in writing within twenty days from the date this notice was sent.

Also enclosed is a proposed order approving this application.

Your attention to this matter is appreciated.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is fluid and cursive, with a large initial "W" and a stylized "C".

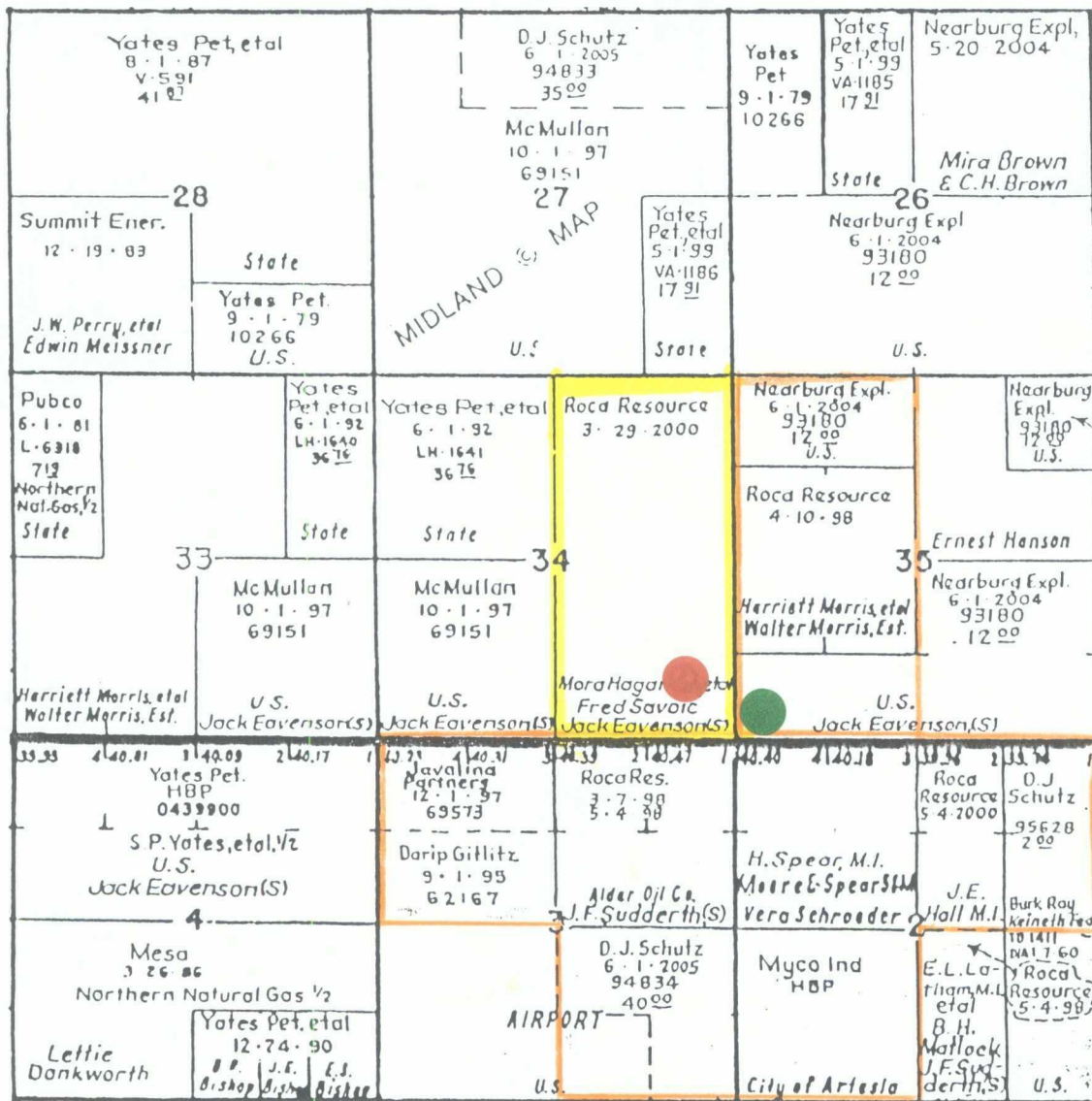
WILLIAM F. CARR
Attorney for Nearburg Exploration Company, L.L.C.

Enclosures

cc: Mr. Duke Roush
Nearburg Exploration Company, L.L.C.
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705

EXHIBIT "I"
Hagaman "34" No. 1
BHL 1150' FEL, 1100' FSL
Section 34, T-16-S, R-25-E

Section 35, T-16-S, R-25-E







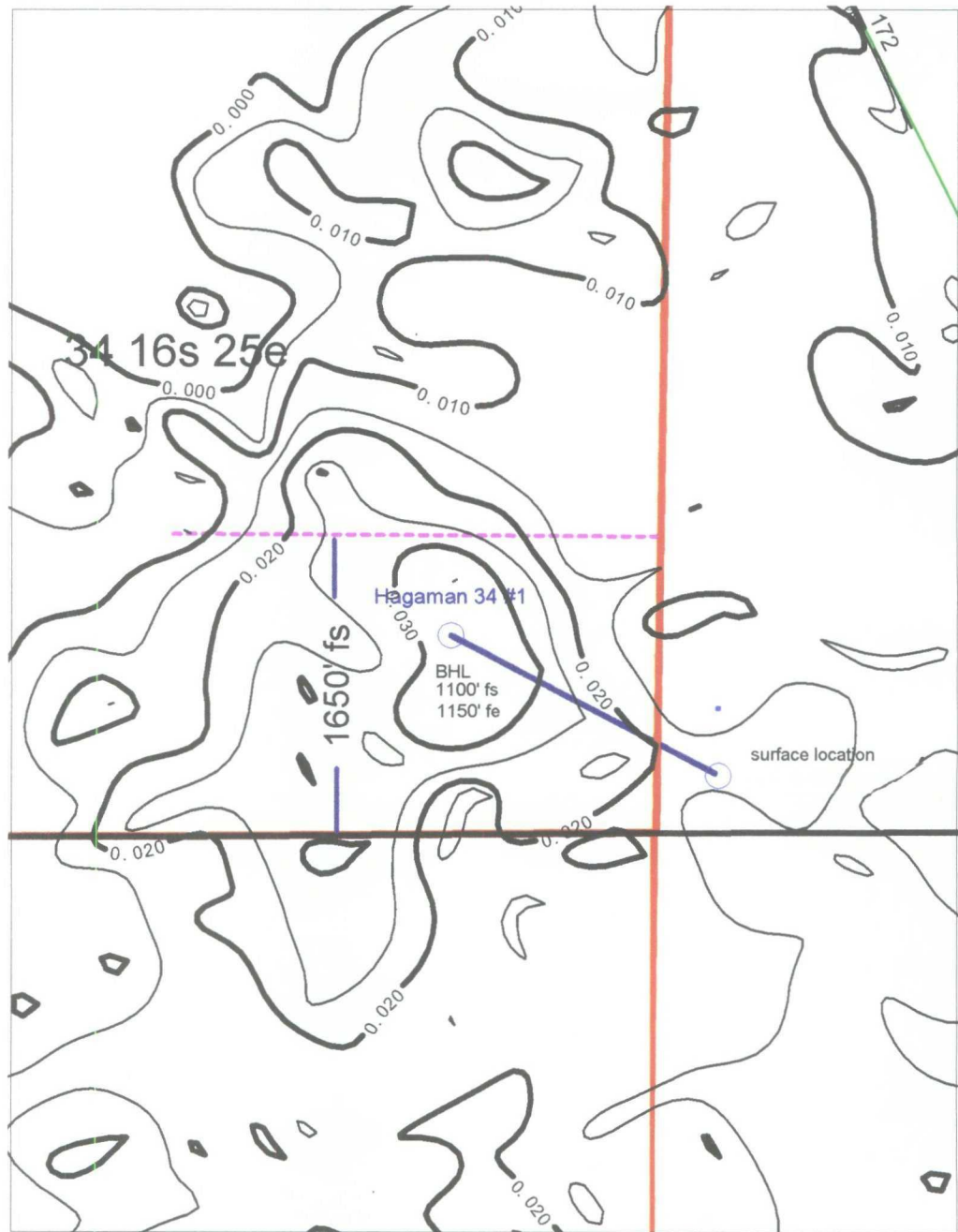
Surface location 
Bottom hole location 
Proration Unit 
Affected tracts 

EXHIBIT "2"

X/Y :



Morrow Isochron Map for Nearburg Hagaman 34-1

Eagle Creek Prospect, Eddy County, NM
map scale 1:1000

EXHIBIT "3"

AFFECTED PARTIES

Application of Nearburg Exploration Company, L.L.C. for
administrative approval of an unorthodox well location
Hagaman "34" Well No. 1
1100 feet from the South line and 1150 feet from the East line
Section 34, Township 16 South, Range 25 East, NMPM
Eddy County, New Mexico

Roy G. Barton
1919 North Turner
Post Office Box 978
Hobbs, New Mexico 88240

MYCO Industries
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Bureau of Land Management
2909 West 2nd Street
Roswell, New Mexico 88201

Sarah Lou Link Grimes
Post Office Box 2006
Midland, Texas 79702

Federal Law Enforcement Training Center
1300 West Ritchie
Artesia, New Mexico 88210

Fina Oil & Chemical
6 Desta Drive, Suite 4400
Midland, Texas 79702

Manix Energy, L.L.C.
Post Office Box 2818
Midland, Texas 79702

Mathew-Link Properties, Ltd.
500 West Texas, Suite 1160
Midland, Texas 79701

Richard Lyons Moore
Michael Harrison Moore
Estate of Stephen Scott Moore
310 West Wall Street
Midland, Texas 79701

Nearburg Exploration Company, L.L.C.
3300 North "a" Street
Building 2, Suite 120
Midland, Texas 79705

Attention: Duke Roush

Administrative Order NSL-_____

Dear Mr. Roush:

Reference is made to your application dated May 6, 1999 for an unorthodox well location for a wild cat well to be drilled to the Morrow formation for your proposed Hagaman "34" Well No.1. Said well to be drilled to a bottom hole location in the Morrow formation 1100 feet from the South line and 1150 feet from the East line (Unit P) of Section 34, Township 16 South, Range 25 East, NMPM, Eddy County, New Mexico.

A 320-acre spacing and proration unit in the Morrow formation comprising the E/2 of said Section 34 is to be dedicated to said well.

By authority granted me under the provisions of Rule 104.F(2) of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the New Mexico Oil Conservation Commission in Case 11,351 on January 18, 1996, the above-described unorthodox well location is hereby approved.

Sincerely,

Lori Wrotenbery
Director

cc: Oil Conservation Division - Hobbs/Artesia
U. S. Bureau of Land Management - Carlsbad

District II
811 South First, Artesia, NM 88210District III
1000 Rio Brazos Rd., Aztec, NM 87410District IV
2040 South Pacheco, Santa Fe, NM 87505OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505☐ AMENDED REPORT

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

Operator Name and Address Nearburg Producing Company 3300 N A St., Bldg 2, Suite 120 Midland, TX 79705		OGRID Number 015742
		API Number 30 - 0
Property Code	Property Name Hagaman 34	Well No. 1

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
1	3	17S	25E		300	North	300	East	Eddy

Proposed 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
P	34	16S	25E		1100	South	1150	East	Eddy

Proposed Pool 1 Wildcat; Morrow	Proposed Pool 2
------------------------------------	-----------------

Work Type Code N	Well Type Code G	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 3511
Multiple No	Proposed Depth 8100	Formation Morrow	Contractor Patterson	Spud Date 06-07-99

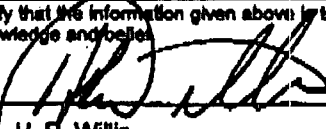
Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	48#	400'	500 sxs	Circ to surface
12-1/4"	8-5/8"	24#	1,200'	775 sxs	Circ to surface
7-7/8"	5-1/2"	17# & 20#	8,100'	950 sxs	

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Propose to directionally drill from a SHL of 300' FNL and 300' FEL, Sec. 3-T17S-25E to a BHL of 1,100 FSL and 1,150' FEL, Sec. 34-T16S-R25E Eddy County, New Mexico to sufficient depth to evaluate the Morrow formation. After reaching TD, logs will be run and casing set if the evaluation is positive. Perforate, test and stimulate as necessary to establish production. A directional plan is attached.

Acreage dedication is 320 acres; E/2 of Section 34.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: 		Approved By:	
Printed name: H. R. Willis		Title:	
Title: Drilling Superintendent		Approval Date:	Expiration Date:
Date: 05-25-99	Phone: 815/686-8235	Conditions of Approval: Attached: <input type="checkbox"/>	

DISTRICT II

P.O. Drawer 22, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Grande Rd., Arton, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Wildcat; Morrow
Property Code	Property Name	Well Number
	HAGAMAN "34"	1
OGED No.	Operator Name	Elevation
015742	NEARBURG PRODUCING COMPANY	3511

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	3	17 S	25 E		300	NORTH	300	EAST	EDDY

Bottom Hole Location If Different From Surface

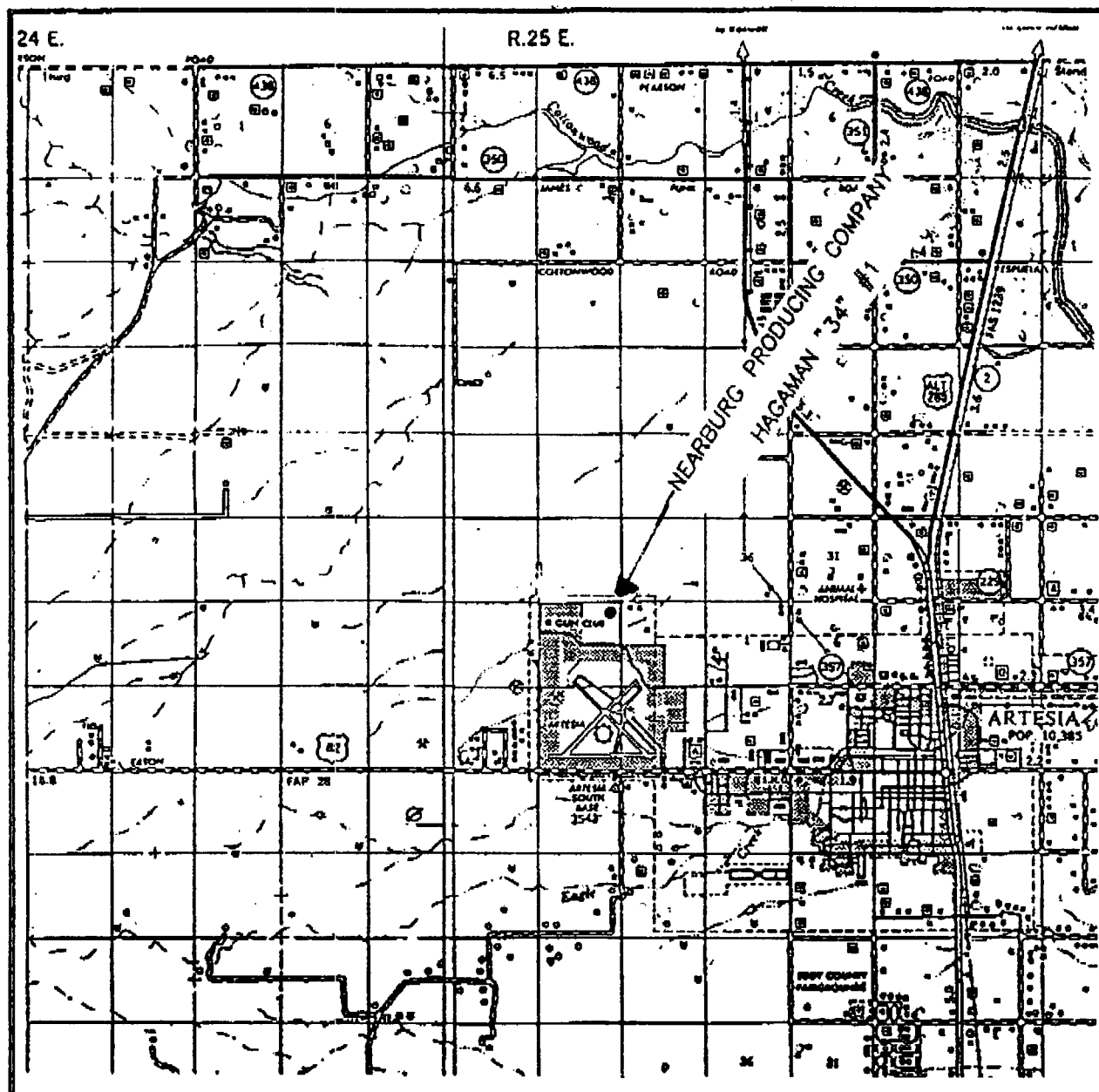
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	34	16 S	25 E		1100	SOUTH	1150	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	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

				OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>H. R. Willis</u> Printed Name <u>H. R. Willis</u> Title <u>Drilling Superintendent</u> Date <u>May 11, 1999</u>	
SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my belief. APRIL 22, 1999 Date Surveyed <u>APRIL 22, 1999</u> JLP Signature <u>ROBERT J. EDSON</u> Printed Name <u>ROBERT J. EDSON</u> Title <u>Professional Surveyor</u> State <u>NEW MEXICO</u> No. <u>12345</u> Exp. <u>1-23-99</u> P.O. Num <u>99-12369</u> Cor. Book <u>15</u> Page <u>15</u> Cor. Book <u>15</u> Page <u>15</u> Cor. Book <u>15</u> Page <u>15</u>					
LOT 4 40.23 AC.	LOT 3 40.31 AC.	LOT 2 40.39 AC.	LOT 1 40.47 AC.		

VICINITY MAP

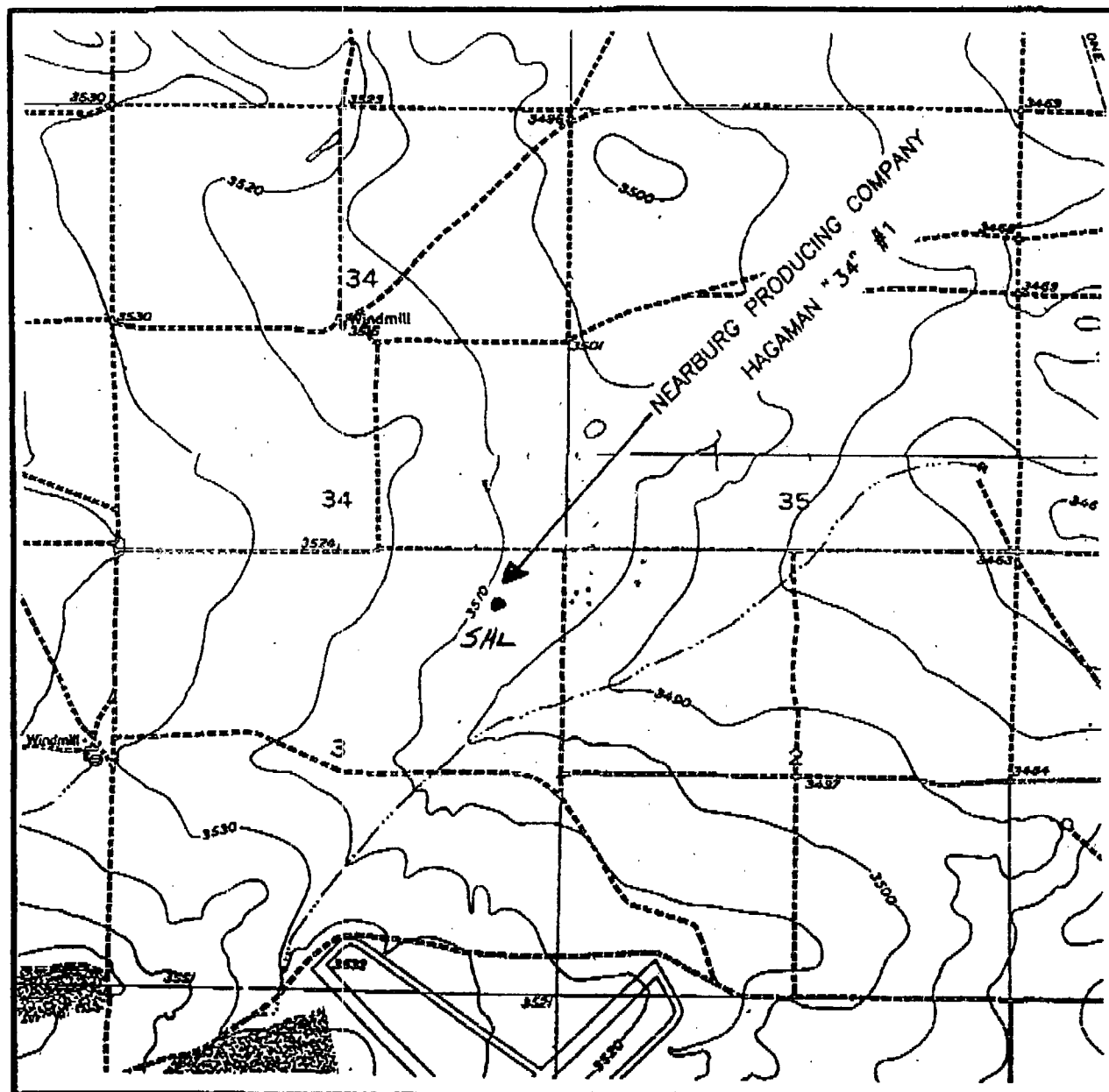


SCALE: 1" = 2 MILES

SEC. 3 TWP. 17-S RGE. 25-ESURVEY N.M.P.M.COUNTY EDDYDESCRIPTION 300' FVL & 300' FFLELEVATION 3507'OPERATOR NEARBURG PRODUCING COMPANYLEASE HAGAMAN "34"

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL ~ 10'

SEC. 3 TWP. 17-S RGE. 25-ESURVEY N.M.P.M.COUNTY EDDYDESCRIPTION 300' FAL & 300' FELELEVATION 3507'OPERATOR NEARBURG PRODUCING COMPANYLEASE HAGAMAN "34"

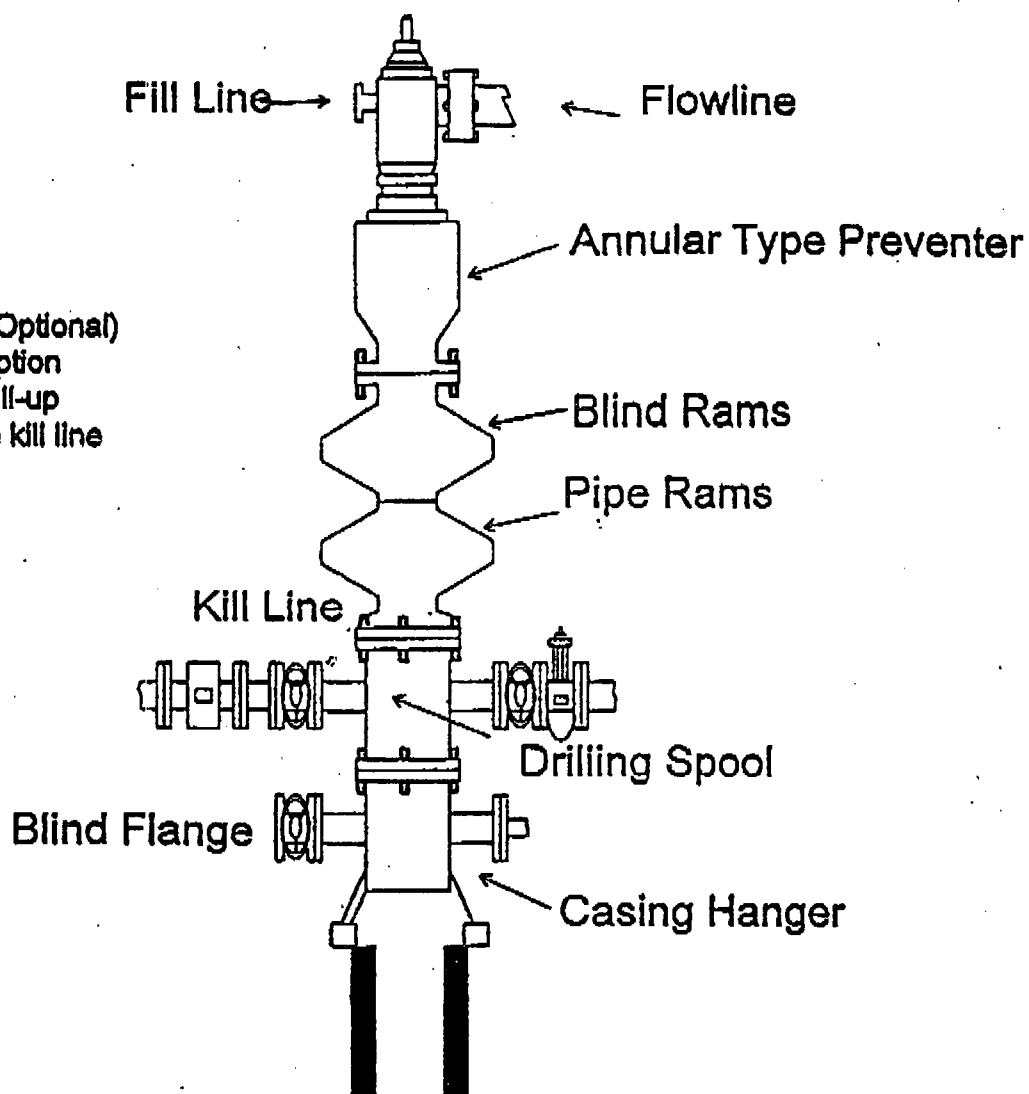
U.S.G.S. TOPOGRAPHIC MAP

ARTESIA & ESPUELA, N.M.

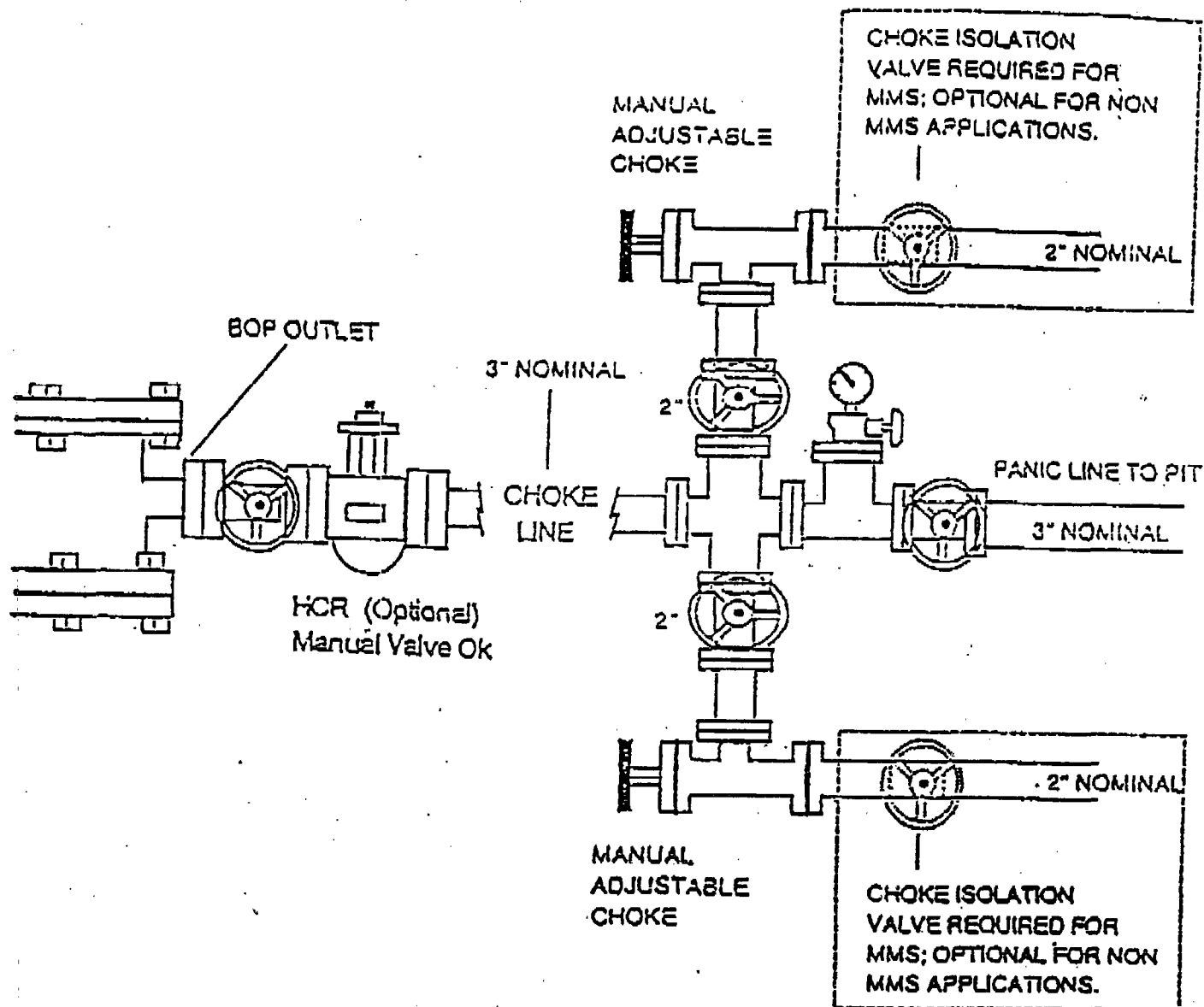
JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

**NEARBURG PRODUCING COMPANY
BOPE SCHEMATIC**

Rotating Head (Optional)
Drilling Nipple option
must include a fill-up
line. Do not use kill line
for fill up.

**900 Series**

NEARBURG PRODUCING COMPANY
CHOKE MANIFOLD
2M AND 3M SERVICE



SCIENTIFIC DRILLING INTERNATIONAL
MIDLAND, TEXAS

NEARBURG PRODUCING COMPANY

Well Name : HAGAMAN 34 #1
Field : EDDY COUNTY, NM
Site : SEC 3, T-17-S, R-25-E
SHL : 300'FNL & 300'FEL
Plan BHL : SEC 34, T-16-S, R-25-E, 1100'FSL & 1150'FEL
Date of Wellplan : 14 MAY 1999
Job No. : OPTION #2 WELLPLAN
:

is survey is correct to the best of my knowledge
d is supported by actual field data.

..... COMPANY REPRESENTATIVE

SCIENTIFIC DRILLING INTERNATIONAL

Customer : NEARBURG PRODUCING COMPANY
 Well Name : HAGAMAN 34 #1
 Field : EDDY COUNTY, NM
 Section : SEC 3, T-17-S, R-25-E
 : 300' FNL & 300' FEL
 in BHL : SEC 34, T-16-S, R-25-E, 1100' FSL & 1150' FEL

Page 1 of 3
 Date 14 MAY 1999
 Filename : HAGAMAN1

No Interpolation

Height Of WELLSITE Datum Above Field Datum 0.00 ft

MD ft	INC deg	DIR deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	D'LEG °/100
2000.0	0.00	N31.26°W	2000.00	0.00	0.00	0.00	0.0
2100.0	2.25	N31.26°W	2099.97	1.68	-1.02	1.96	2.3
2200.0	4.50	N31.26°W	2199.79	6.71	-4.07	7.85	2.3
2300.0	6.75	N31.26°W	2299.31	15.09	-9.16	17.65	2.3
2400.0	9.00	N31.26°W	2398.36	26.80	-16.27	31.35	2.3
2500.0	11.25	N31.26°W	2496.79	41.82	-25.39	48.93	2.3
2600.0	13.50	N31.26°W	2594.46	60.14	-36.51	70.36	2.3
2700.0	15.75	N31.26°W	2691.22	81.72	-49.62	95.61	2.3
2707.3	15.91	N31.26°W	2698.26	83.43	-50.65	97.60	2.2
2800.0	15.91	N31.26°W	2787.39	105.15	-63.84	123.02	0.0
2900.0	15.91	N31.26°W	2883.55	128.59	-78.07	150.44	0.0
3000.0	15.91	N31.26°W	2979.72	152.03	-92.30	177.86	0.0
3100.0	15.91	N31.26°W	3075.89	175.47	-106.53	205.28	0.0
3200.0	15.91	N31.26°W	3172.06	198.91	-120.76	232.70	0.0
3300.0	15.91	N31.26°W	3268.22	222.35	-135.00	260.12	0.0
3400.0	15.91	N31.26°W	3364.39	245.79	-149.23	287.54	0.0
3500.0	15.91	N31.26°W	3460.56	269.23	-163.46	314.96	0.0
3600.0	15.91	N31.26°W	3556.72	292.67	-177.69	342.38	0.0
3700.0	15.91	N31.26°W	3652.89	316.10	-191.92	369.80	0.0
3800.0	15.91	N31.26°W	3749.06	339.54	-206.15	397.22	0.0
3900.0	15.91	N31.26°W	3845.23	362.98	-220.38	424.65	0.0
4000.0	15.91	N31.26°W	3941.39	386.42	-234.61	452.07	0.0
4100.0	15.91	N31.26°W	4037.56	409.86	-248.84	479.49	0.0
4200.0	15.91	N31.26°W	4133.73	433.30	-263.07	506.91	0.0
4300.0	15.91	N31.26°W	4229.89	456.74	-277.30	534.33	0.0
4400.0	15.91	N31.26°W	4326.06	480.18	-291.53	561.75	0.0
4500.0	15.91	N31.26°W	4422.23	503.62	-305.76	589.17	0.0
4600.0	15.91	N31.26°W	4518.39	527.06	-319.99	616.59	0.0
4700.0	15.91	N31.26°W	4614.56	550.49	-334.22	644.01	0.0
4800.0	15.91	N31.26°W	4710.73	573.93	-348.45	671.43	0.0
4900.0	15.91	N31.26°W	4806.90	597.37	-362.68	698.85	0.0
5000.0	15.91	N31.26°W	4903.06	620.81	-376.91	726.27	0.0
5100.0	15.91	N31.26°W	4999.23	644.25	-391.15	753.69	0.0
5200.0	15.91	N31.26°W	5095.40	667.69	-405.38	781.11	0.0
5300.0	15.91	N31.26°W	5191.56	691.13	-419.61	808.53	0.0

SCIENTIFIC DRILLING INTERNATIONAL

stomer : NEARBURG PRODUCING COMPANY
 Well Name : HAGAMAN 34 #1
 Field : EDDY COUNTY, NM
 Section : SEC 3, T-17-S, R-25-E
 Location : 300' FNL & 300' FEL
 Well BHL : SEC 34, T-16-S, R-25-E, 1100' FSL & 1150' FEL

Page 2 of 3
 Date 14 MAY 1999
 Filename : HAGAMAN1

No Interpolation

Height Of WELLSITE Datum Above Field Datum 0.00 ft

MD ft	INC deg	DIR deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	D'/LEG °/100
5400.0	15.91	N31.26°W	5287.73	714.57	-433.84	835.96	0.0
5500.0	15.91	N31.26°W	5383.90	738.01	-448.07	863.38	0.0
5600.0	15.91	N31.26°W	5480.07	761.45	-462.30	890.80	0.0
5700.0	15.91	N31.26°W	5576.23	784.88	-476.53	918.22	0.0
5800.0	15.91	N31.26°W	5672.40	808.32	-490.76	945.64	0.0
5900.0	15.91	N31.26°W	5768.57	831.76	-504.99	973.06	0.0
6000.0	15.91	N31.26°W	5864.73	855.20	-519.22	1000.48	0.0
6100.0	15.91	N31.26°W	5960.90	878.64	-533.45	1027.90	0.0
6200.0	15.91	N31.26°W	6057.07	902.08	-547.68	1055.32	0.0
6300.0	15.91	N31.26°W	6153.23	925.52	-561.91	1082.74	0.0
6400.0	15.91	N31.26°W	6249.40	948.96	-576.14	1110.16	0.0
6500.0	15.91	N31.26°W	6345.57	972.40	-590.37	1137.58	0.0
6600.0	15.91	N31.26°W	6441.74	995.84	-604.60	1165.00	0.0
6700.0	15.91	N31.26°W	6537.90	1019.27	-618.83	1192.42	0.0
6800.0	15.91	N31.26°W	6634.07	1042.71	-633.06	1219.84	0.0
6900.0	15.91	N31.26°W	6730.24	1066.15	-647.30	1247.27	0.0
7000.0	15.91	N31.26°W	6826.40	1089.59	-661.53	1274.69	0.0
7100.0	15.91	N31.26°W	6922.57	1113.03	-675.76	1302.11	0.0
7200.0	15.91	N31.26°W	7018.74	1136.47	-689.99	1329.53	0.0
7300.0	15.91	N31.26°W	7114.91	1159.91	-704.22	1356.95	0.0
7400.0	15.91	N31.26°W	7211.07	1183.35	-718.45	1384.37	0.0
7500.0	15.91	N31.26°W	7307.24	1206.79	-732.68	1411.79	0.0
7600.0	15.91	N31.26°W	7403.41	1230.22	-746.91	1439.21	0.0
7700.0	15.91	N31.26°W	7499.57	1253.66	-761.14	1466.63	0.0
7800.0	15.91	N31.26°W	7595.74	1277.10	-775.37	1494.05	0.0
7900.0	15.91	N31.26°W	7691.91	1300.54	-789.60	1521.47	0.0
8000.0	15.91	N31.26°W	7788.08	1323.98	-803.83	1548.89	0.0
8100.0	15.91	N31.26°W	7884.24	1347.42	-818.06	1576.31	0.0
8200.0	15.91	N31.26°W	7980.41	1370.86	-832.29	1603.73	0.0
8300.0	15.91	N31.26°W	8076.58	1394.30	-846.52	1631.16	0.0
8324.4	15.91	N31.26°W	8100.00	1400.01	-849.99	1637.83	0.0

SCIENTIFIC DRILLING INTERNATIONAL

Customer : NEARBURG PRODUCING COMPANY

Page 3 of 3

Well Name : HAGAMAN 34 #1

Date 14 MAY 1999

Field : EDDY COUNTY, NM

Filename : HAGAMAN1

Section : SEC 3, T-17-S, R-25-E

L : 300' FNL & 300' FEL

Main BHL : SEC 34, T-16-S, R-25-E, 1100' FSL & 1150' FEL

No Interpolation

Height Of WELLSITE Datum Above Field Datum 0.00 ft

Begin of Bottom Hole Closure WELLSITE CENTRE

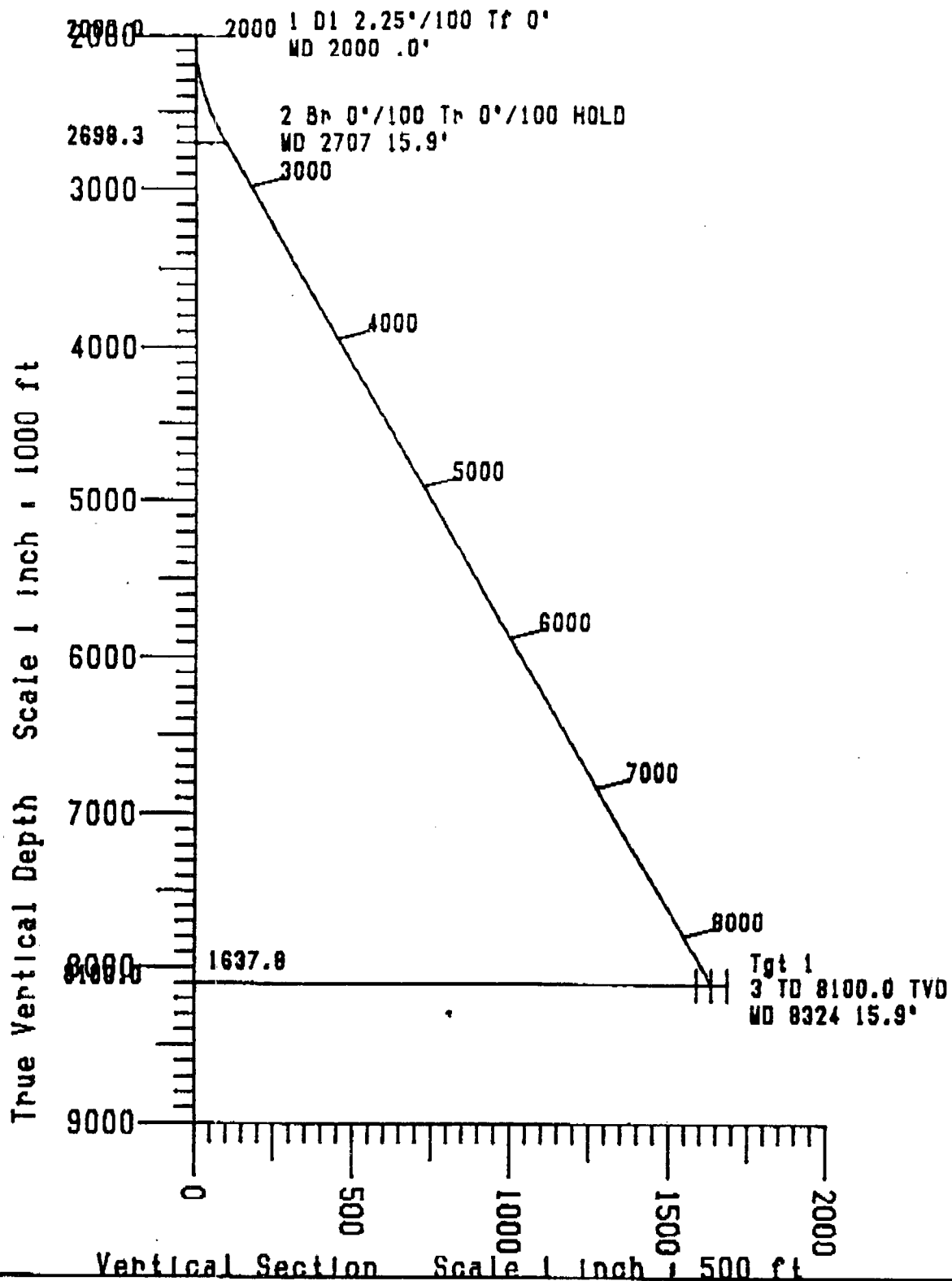
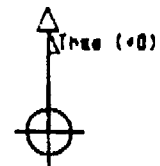
Bottom Hole Closure 1638 ft N31.26°W



SCIENTIFIC DRILLING
FOR
NEARBURG PRODUCING COMPANY
MAGNAN 24 81

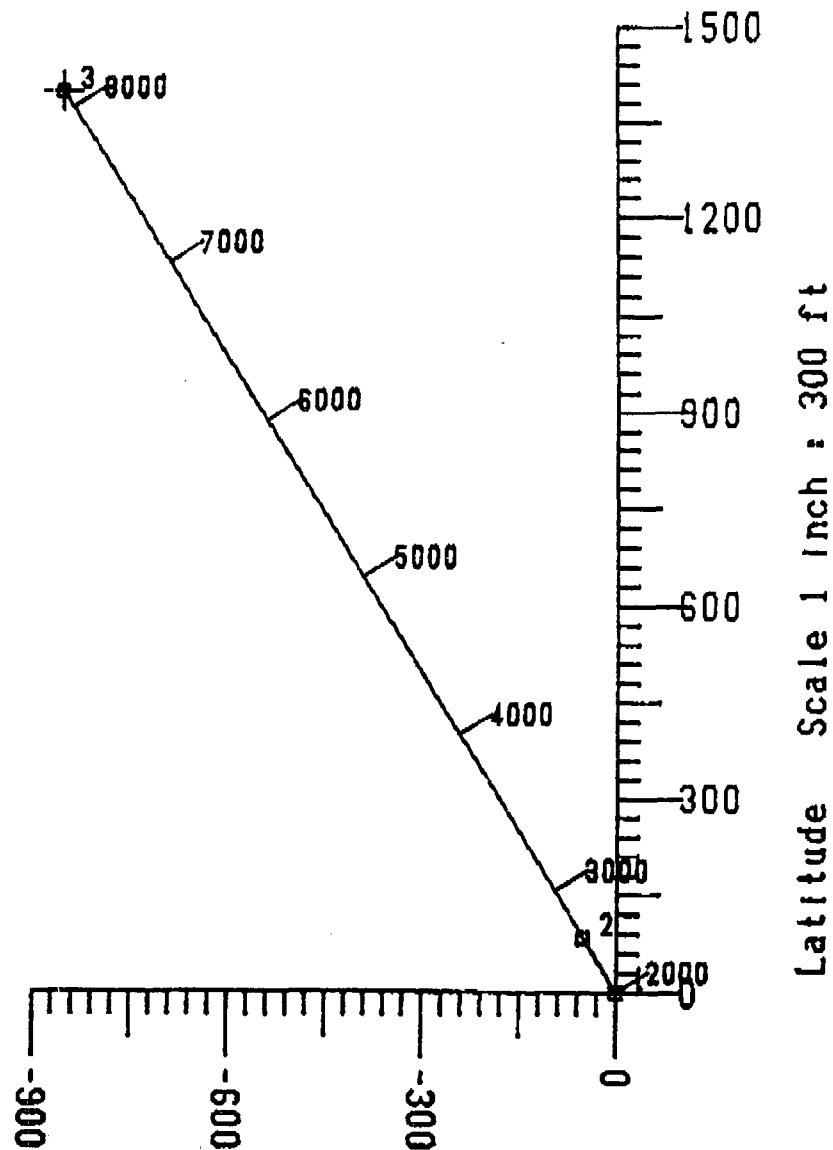
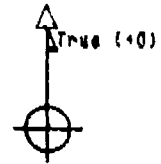
IN
EDDY COUNTY, NM

OPTION #2





SCIENTIFIC DRILLING
FOR
NEARBURG PRODUCING COMPANY
HAGANAH 34 61
IN
EDDY COUNTY, NM
OPTION 82



PLANE OF VERT SECTn 320.73'

PLAT DATE 05-19-1989

TARGET DETAILS

No	TYD	Lat	Dep
1	9100.0	1400.0	-850.0

WELL PROPOSAL

Sec	WD	TYD	VS	INC	DIR	LAT	DEP	TGT
1	2000.0	2000.0	0.0	0.0	320.73	0.0	0.0	
2	2707.2	2690.0	87.0	15.0	320.73	82.4	-50.7	
3	9324.4	9100.0	1027.0	15.0	320.73	1400.0	-850.0	1

CASING DETAILS

No	Size	TYD	WD
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NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

May 17, 1999

Nearburg Exploration Company, L.L.C.
c/o Campbell, Carr, Berge & Sheridan, P. A.
P.O. Box 2088
Santa Fe, New Mexico 87504-2208

Attention: William F. Carr

**Re: *Administrative application for an unorthodox
subsurface wildcat Morrow gas well location in the E/2
of Section 34, Township 16 South, Range 25 East,
NMPM, Eddy County, New Mexico.***

Dear Mr. Carr:

In order to complete my review of this application please provide me with a diagram of the proposed wellbore to be directional drilled and a copy of this well's APD.

Thank you, should you have any questions or further comments concerning this matter, please contact me in Santa Fe at (505) 827-8185.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Artesia

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION05/17/99 14:58:51
OGOMES -TPNX
PAGE NO: 1

Sec : 35 Twp : 16S Rng : 25E Section Type : NORMAL

D 40.00 Federal owned	C 40.00 Federal owned	B 40.00 Fee owned	A 40.00 Federal owned
E 40.00 Fee owned	F 40.00 Fee owned	G 40.00 Fee owned	H 40.00 Fee owned

PF01 HELP
PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

05/17/99 14:58:55
OGOMES -TPNX
PAGE NO: 2

Sec : 35 Twp : 16S Rng : 25E Section Type : NORMAL

L 40.00 Federal owned	K 40.00 Federal owned	J 40.00 Federal owned	I 40.00 Federal owned
M 40.00 Federal owned	N 40.00 Federal owned	O 40.00 Federal owned	P 40.00 Federal owned

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION05/17/99 14:56:13
OGOMES -TPNX
PAGE NO: 1

Sec : 34 Twp : 16S Rng : 25E Section Type : NORMAL

D 40.00 CS OPEN R	C 40.00 CS OPEN R	B 40.00 Fee owned	A 40.00 Fee owned
E 40.00 CS OPEN R	F 40.00 CS OPEN R	G 40.00 Fee owned	H 40.00 Fee owned

PF01 HELP
PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION05/17/99 14:56:17
OGOMES -TPNX
PAGE NO: 2

Sec : 34 Twp : 16S Rng : 25E Section Type : NORMAL

L 40.00 Federal owned	K 40.00 Federal owned	J 40.00 Fee owned	I 40.00 Fee owned
M 40.00 Federal owned	N 40.00 Federal owned	O 40.00 Fee owned	P 40.00 Fee owned

PF01 HELP
PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12