

30-015-39177

**SURFACE USE AND OPERATIONS PLAN FOR
DRILLING, COMPLETION, AND PRODUCING**

**NEARBURG PRODUCING COMPANY
HUBER FEDERAL #5H
10' FSL & 1980' FWL, SEC. 3, T-20S, R-25E
EDDY COUNTY, NM**

LOCATION

5 miles SW of Lakewood

OIL & GAS LEASE

NMNM14758

RECORD LESSEE

Robert L. Lindgren

BOND COVERAGE

\$25,000 statewide bond of Nearburg Producing Company

ACRES IN LEASE

1,442.36 acres

GRAZING LEASE

Greg or Kris Williamson
P O Box 498
Artesia, NM 88211

POOL

N. Seven Rivers; Glor-Yeso

EXHIBITS

- A. Area Road Map
 - B. Drilling Rig Layout
 - C. Vicinity Oil & Gas Map
 - D. Location Verification Map
 - E. Well Location & Acreage Dedication Map
- This well to be drilled to 7362'

1. EXISTING ROADS

- A. Exhibit A is a portion of a section map showing the location of the proposed well as staked.
- B. Exhibit C is a plat showing existing roads in the vicinity of the proposed well site.

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2. ACCESS ROADS

A. Length & Width

Approval requested for access road to be built, the "Multi-Use ROW Map" provides route.

B. Surface Material

Existing

C. Maximum Grade

Less than 5%

D. Turnouts

None necessary

E. Drainage Design

Existing

F. Culverts

None necessary

G. Gates and Cattle Guards

None needed

3. LOCATION OF EXISTING WELLS

Existing wells in the immediate area are shown on Exhibit C

4. LOCATION OF EXISTING/PROPOSED FACILITIES

This well will use the production facilities located on the lease at the Huber Federal #1 well site. The Multi-Use ROW map provides the route, for approval, of the flow lines and electric lines. The flow line will be a surface Poly 4" line and will carry the entire well stream to the Huber #1 battery.

5. LOCATION AND TYPE OF WATER SUPPLY

It is not contemplated that a water well will be drilled. Water necessary for drilling will be purchased and hauled to the site over existing roads shown on Exhibit D.

6. METHODS OF HANDLING WASTE DISPOSAL

A. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.

B. Water produced during tests will be disposed of in the drilling pits.

C. Oil produced during testing will be stored in test tanks

D. Trash will be contained in a trash trailer and removed from wellsite.

E. All trash and debris will be removed from the wellsite within 30 days after finishing drilling and/or completion operations.

7. ANCILLARY FACILITIES

None required

8. WELL SITE LAYOUT

Exhibit B shows the relative location and dimensions of the well pad, mud pits, reserve pit, & trash pit, and the location of major rig components.

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9. PLANS FOR RESTORATION OF THE SURFACE

- A. Upon completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. The well site will be cleaned of all trash and junk to leave the site in an aesthetically pleasing condition as possible.
- B. Upon abandonment, all equipment, trash, and junk will be removed & the site will be cleaned.

10. OTHER INFORMATION

- A. Topography
The land surface at the well site is rolling native grass with a regional slope being to the east.
- B. Soil
Topsoil at the well site is sandy soil.
- C. Flora & Fauna
The location is in an area sparsely covered with mesquite and range grasses.
- D. Ponds & Streams
No known rivers, lakes, springs, or streams in the area
- E. Residences and Other Structures
No known residences within a mile of the proposed well location.
- F. Archaeological, Historical, and Cultural Sites
None observed in this area
- G. Land Use
Grazing
- H. Surface Ownership
BLM (USA)

11. Operations Representative

Matt Lee
Artesia, NM
575-746-0422 (office)
575-365-6662 (mobile)

12. CERTIFICATION

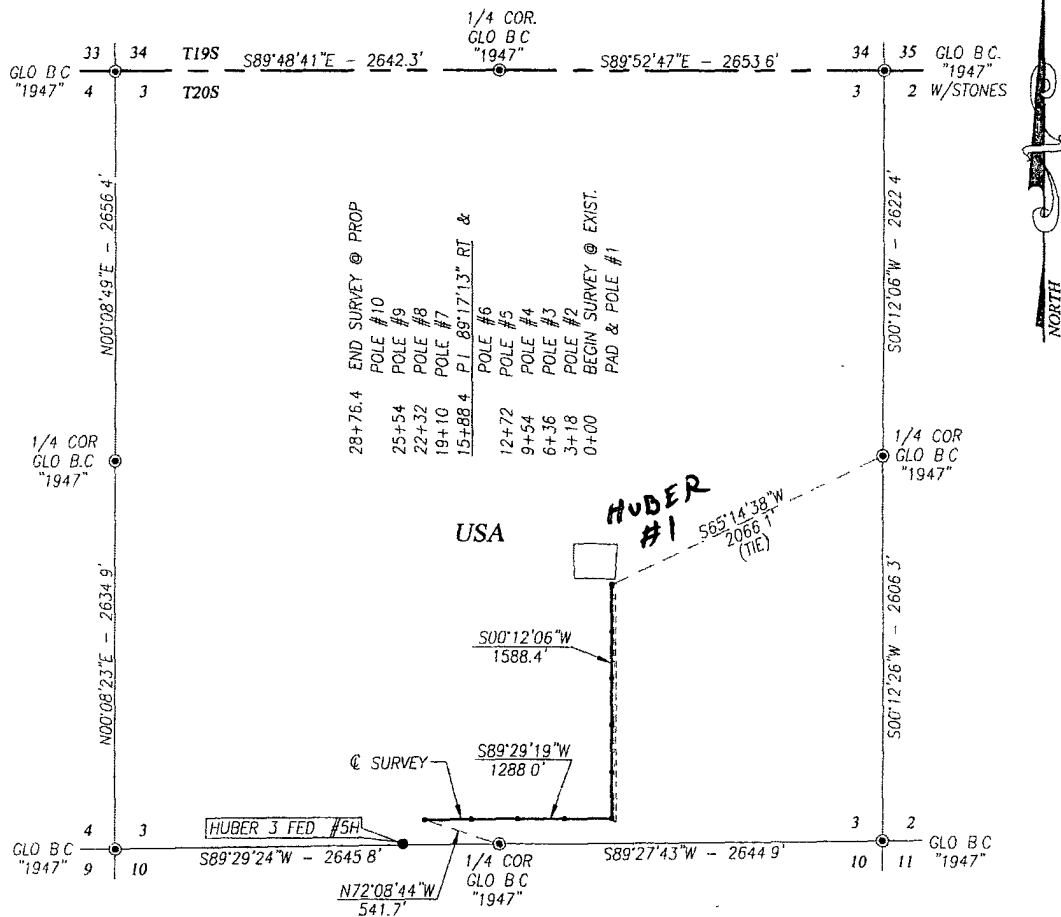
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drills site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Nearburg Producing Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

6/27/11
Date

Matt Lee by JF
Matt Lee, Drilling Manager

RWR
6-27-11

SECTION 3, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.
EDDY COUNTY NEW MEXICO



DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE AND 2876.4 FEET OR 0.545 MILES IN LENGTH CROSSING USA LAND IN SECTION 3, TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM, EDDY COUNTY, NEW MEXICO AND BEING 25.0 FEET LEFT AND 25.0 FEET RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY

NOTE

BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES

LEGEND

● DENOTES FOUND CORNER AS NOTED

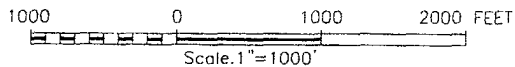
I HEREBY CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS ACTUAL ON THE GROUND SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

6/02/2011

GARY E. EDSON, N.M.P.S. No 12641
ROBERT J. EDSON, N.M.P.S. No 3239

PROVIDING SURVEYING SERVICES SINCE 1946

JOHN WEST SURVEYING COMPANY
412 N DAL PASO
HOBBS, N.M. 88240
(575) 393-3117

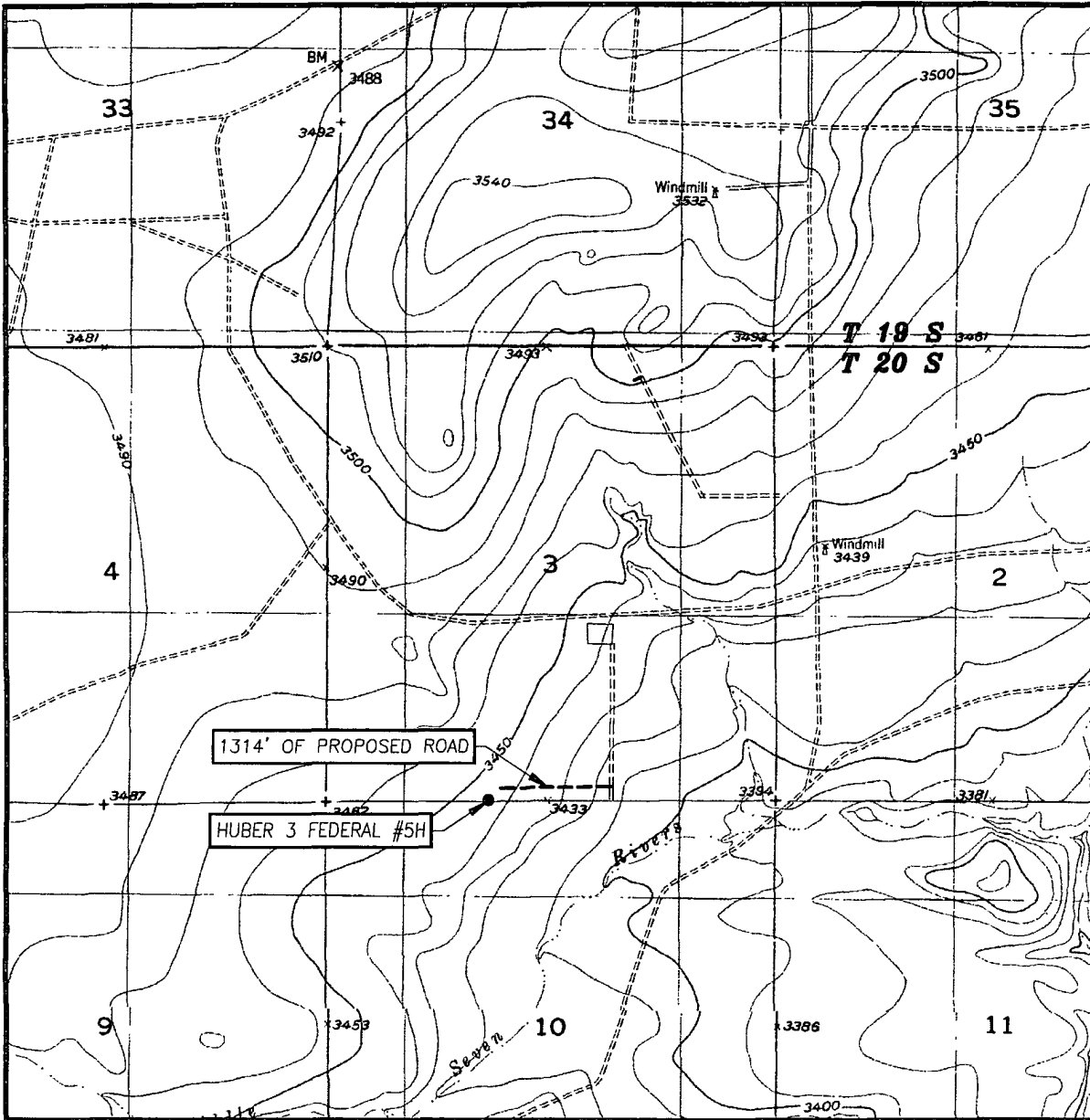


NEARBURG PRODUCING COMPANY

SURVEY OF A MULTI-USE R.O.W. CROSSING
SECTION 3, TOWNSHIP 20 SOUTH, RANGE 25
EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO

Survey Date 5/25/11	Sheet 1 of 1 Sheets
W.O. Number 1111.1213	Drawn By. LA
Date 6/2/11	CAD File: 11111213

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
SEVEN RIVERS, NM

SEC. 3 TWP. 20-S RGE. 25-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

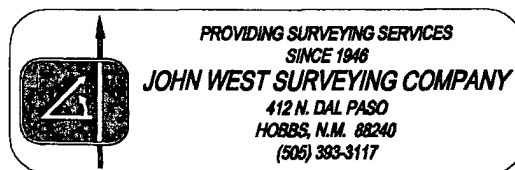
DESCRIPTION 10' FSL & 1980' FWL

ELEVATION 3443'

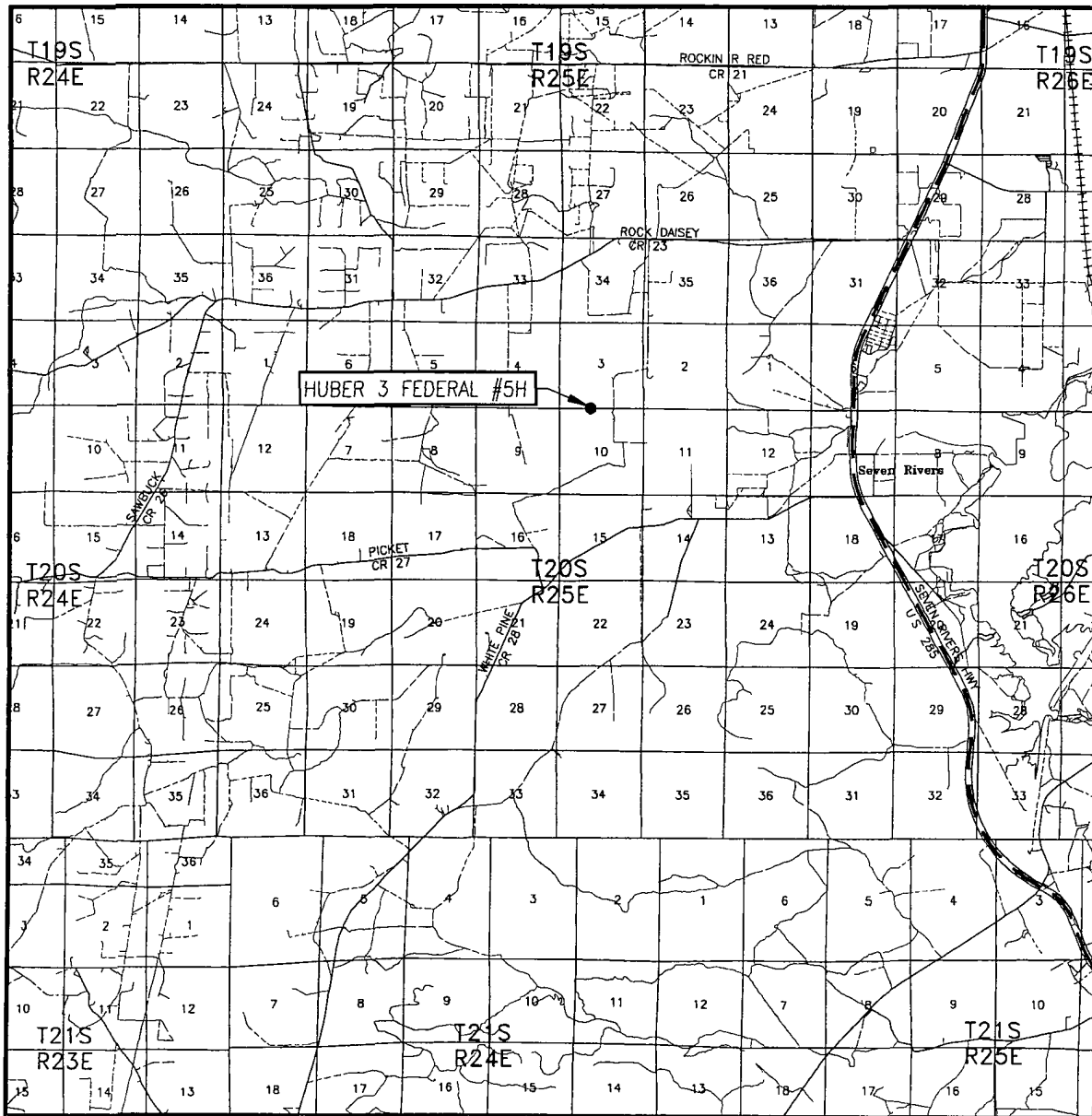
NEARBURG
OPERATOR PRODUCING COMPANY

LEASE HUBER 3 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
SEVEN RIVERS, NM



VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 3 TWP. 20-S RGE. 25-E

SURVEY N.M.P.M.

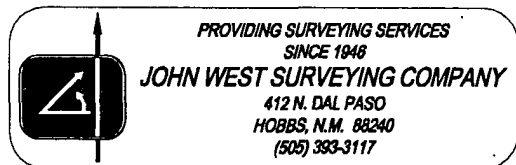
COUNTY EDDY STATE NEW MEXICO

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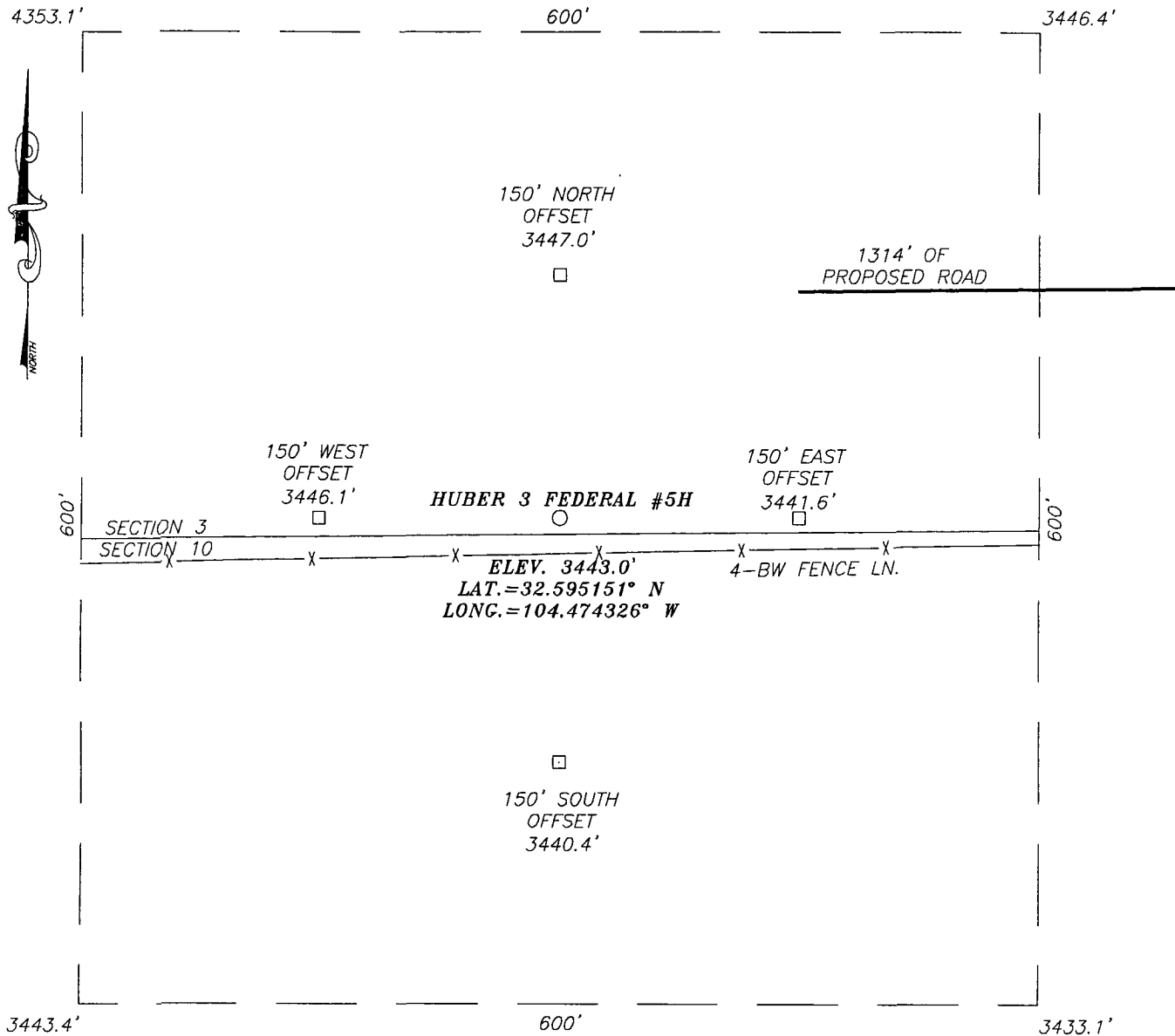
ELEVATION 3443'

NEARBURG
OPERATOR PRODUCING COMPANY

LEASE HUBER 3 FEDERAL

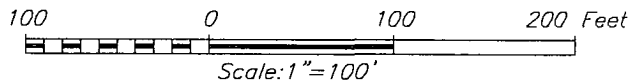


SECTION 3, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF HIGHWAY 285 AND COUNTY ROAD 23 (ROCK DAISY ROAD), GO WEST ON CO. RD. #23 APPROX. 2.9 MILES. GO SOUTH FOR APPROX. 1.6 MILES, THEN WEST 0.5 MILES, THEN SOUTH 0.4 MILES TO A PROPOSED ROAD SURVEY FOLLOW ROAD SURVEY WEST APPROX 1314 FEET TO THIS LOCATION.



NEARBURG PRODUCING COMPANY

HUBER 3 FEDERAL #5H WELL
 LOCATED 10 FEET FROM THE SOUTH LINE
 AND 1980 FEET FROM THE WEST LINE OF SECTION 3,
 TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

Survey Date: 5/25/11	Sheet 1 of 1 Sheets
W.O. Number: 11.11.1172	Dr By. LA
Date: 6/1/11	11111172
	Scale: 1"=100'



PROVIDING SURVEYING SERVICES
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