

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOC

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Nearburg Producing Company

3a. Address

3300 N A St., Bldg 2, Ste 120, Midland, TX 79705

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

SHL: 330 FNL and 1480 FEL, Sec 24, 22S, 24E
BHL: 1980 FSL and 660 FEL, Sec 24, 22S, 24E

3b. Phone No. (Include Area Code)

432/686-8235 x 203

RECEIVED

JUL 01 2005

5. Lease Serial No.

NMNM97855

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

McKittrick 24 Fed #3

9. API Well No.

30-015-34151

10. Field and Pool, or Exploratory Area
(Gas)

11. County or Parish, State

Eddy NM

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

TYPE OF SUBMISSION

☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize ☐ Deepen ☐ Production (Start/Resume) ☐ Water Shut-Off
☐ Alter Casing ☐ Fracture Treat ☐ Reclamation ☐ Well Integrity
☐ Casing Repair ☐ New Construction ☐ Recomplete ☐ Other
☒ Change Plans ☐ Plug and Abandon ☐ Temporarily Abandon
☐ Convert to Injection ☐ Plug Back ☐ Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

NPC requests to changed the name of the subject well from:

McKittrick 24 Federal #3 (NMNM97855)

to:

McKittrick 18 Federal #1 (NMNM97112) - NEW PROPERTY CODE - 34923

We also request to change to BHL from:

1980 FSL and 660 FEL, Sec 24, 22S, 24E

to:

1650 FSL and 1980 FWL, Sec 18, 22S, 25E

See attached info.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Sarah Jordan

Title

Production Analyst

Date 6/20/05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

(ORIG. SGD.) ALEXIS C. SWOBODA

PETROLEUM ENGINEER

Date

JUN 29 2005

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

RFO

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, 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.

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Nearburg Producing Company
3300 North "A" Street, Building 2, Suite 120
Midland, Texas 77905

The undersigned accepts all applicable terms, conditions, stipulations and restrictions covering operations conducted on the leased land or portion thereof, as described below:

Lease No: NMNM97112

Legal Description of Land: SHL: Unit B, 330 FNL and 1480 FEL, Sec 24-22S-24E
BHL: Unit K, 1650 FSL and 1980 FWL, Sec 18-22S-24E
Eddy County, New Mexico

Formation(s) (if applicable): Upper Penn (Gas)

Bond Coverage: \$25,000 statewide bond of Nearburg Producing Company

BLM Bond File No: NM1307

6.20.05
Date

H. R. Willis
H. R. Willis
Drilling Manager

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I

1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

Form C-102

Revised JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number		Pool Code	Pool Name <i>McKittrick Hills, Upper Penn (Gas)</i>	
Property Code	Property Name McKITTRICK 18 FEDERAL		Well Number 1	
OGRID No. 015742	Operator Name NEARBURG PRODUCING COMPANY		Elevation 3960'	

Surface Location

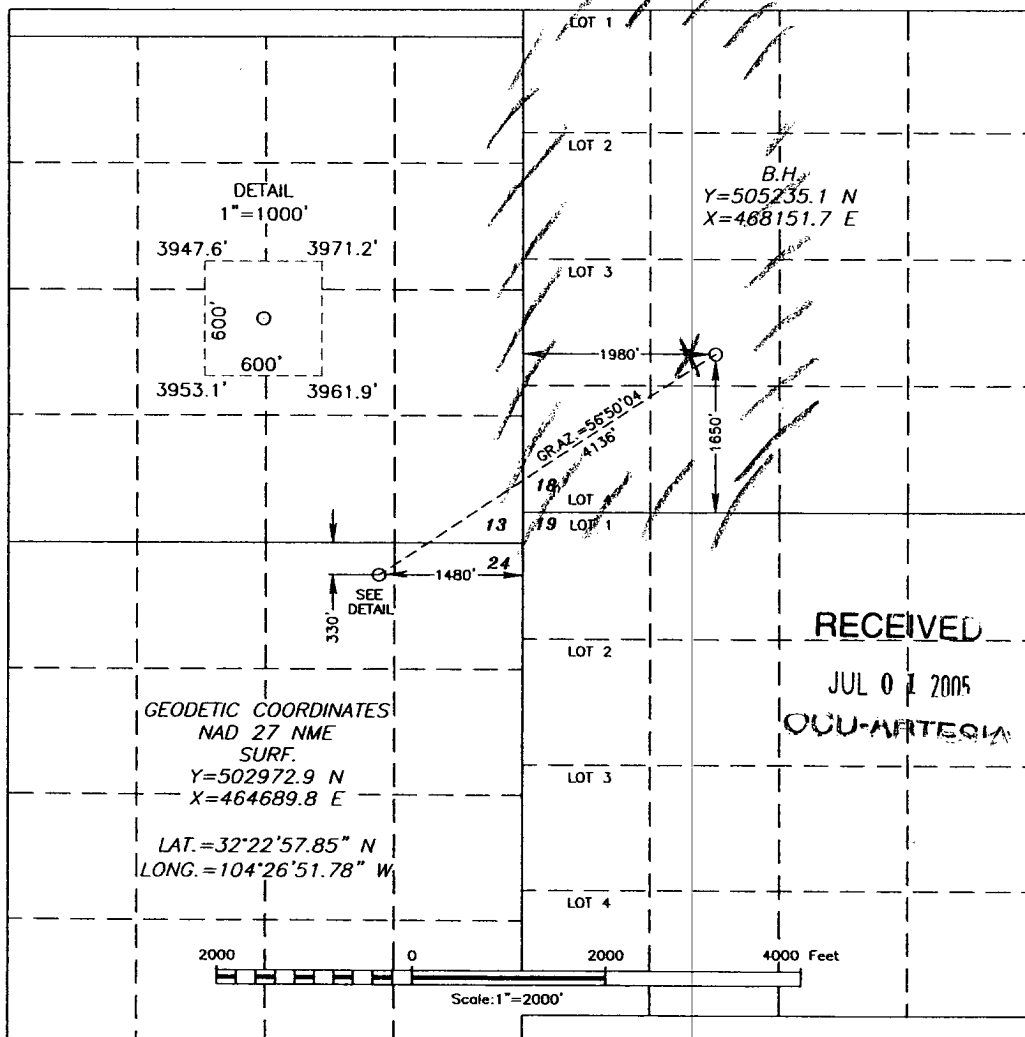
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	24	22-S	24-E		330	NORTH	1480	EAST	EDDY

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
K	18	22-S	25-E		1650	SOUTH	1980	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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.

S. Jordan
Signature
S. Jordan
Printed Name
Prod Analyst
Title
6.20.05
Date

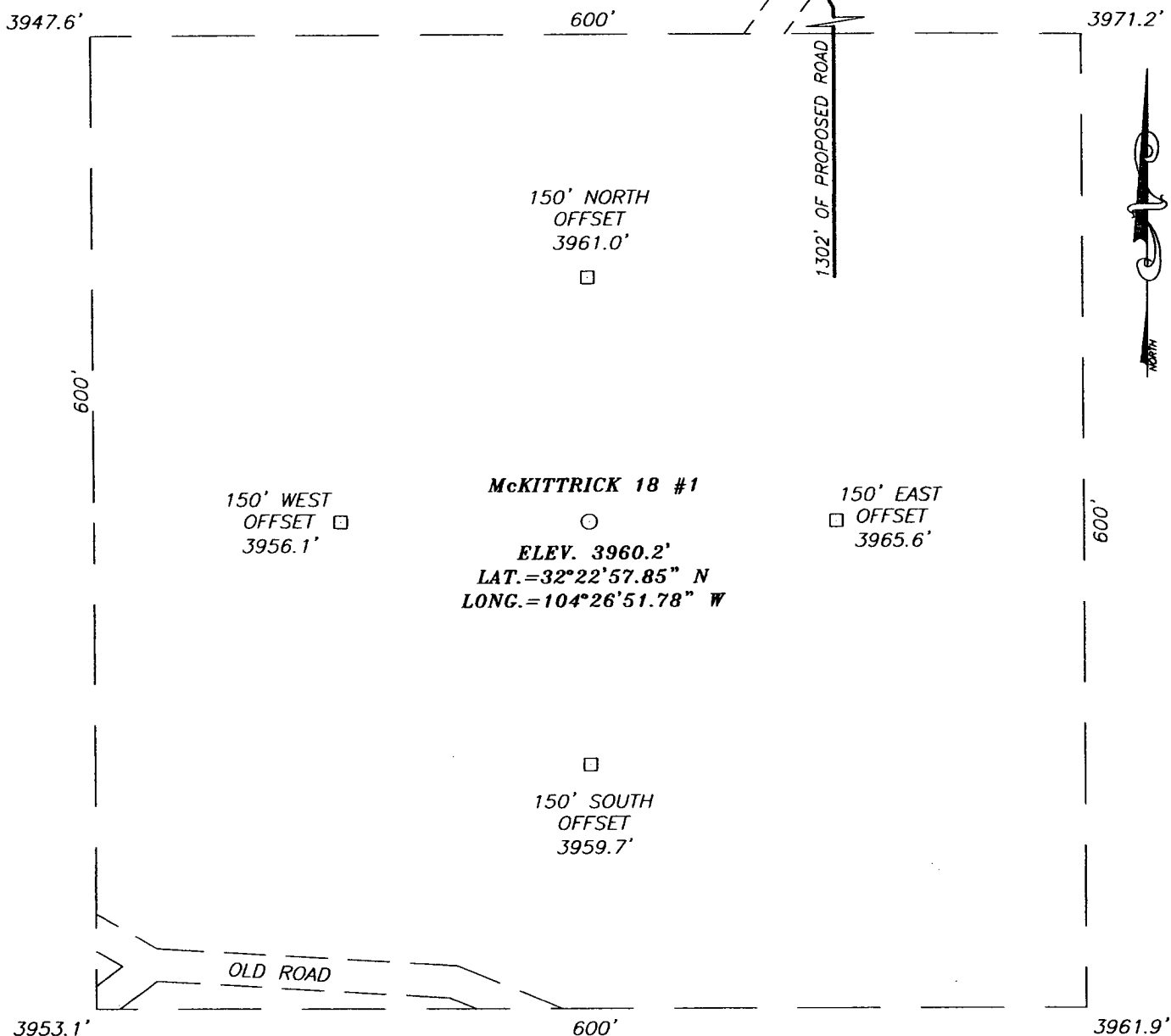
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

MARCH 9, 2005

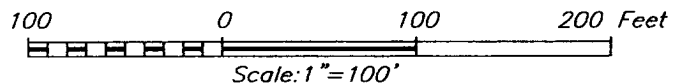
Date Surveyed **06/16/05** JR
Signature & Seal of **GARY EIDSON**
Professional Surveyor
NEW MEXICO
05.13.094
Certified No. **GARY EIDSON** 12641

SECTION 24, TOWNSHIP 22 SOUTH, RANGE 24 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO



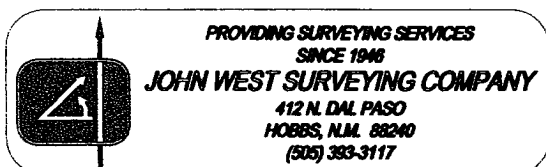
DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. #285 AND ST. HWY. #137 (QUEENS HWY.) GO WEST ON ST. HWY. #137 FOR APPROX. 6.1 MILES. TURN LEFT AND FOLLOW MEANDERING ROAD FOR APPROX. 5.5 MILES TO A ROAD INTERSECTION. TURN RIGHT AND GO APPROX. 3.0 MILES TO ANOTHER ROAD INTERSECTION. TURN LEFT AND FOLLOW ROAD TO THE McKITTRICK 24 #1 WELL. FOLLOW PROPOSED ROAD SURVEY APPROX. 1300' SOUTH TO THIS LOCATION.



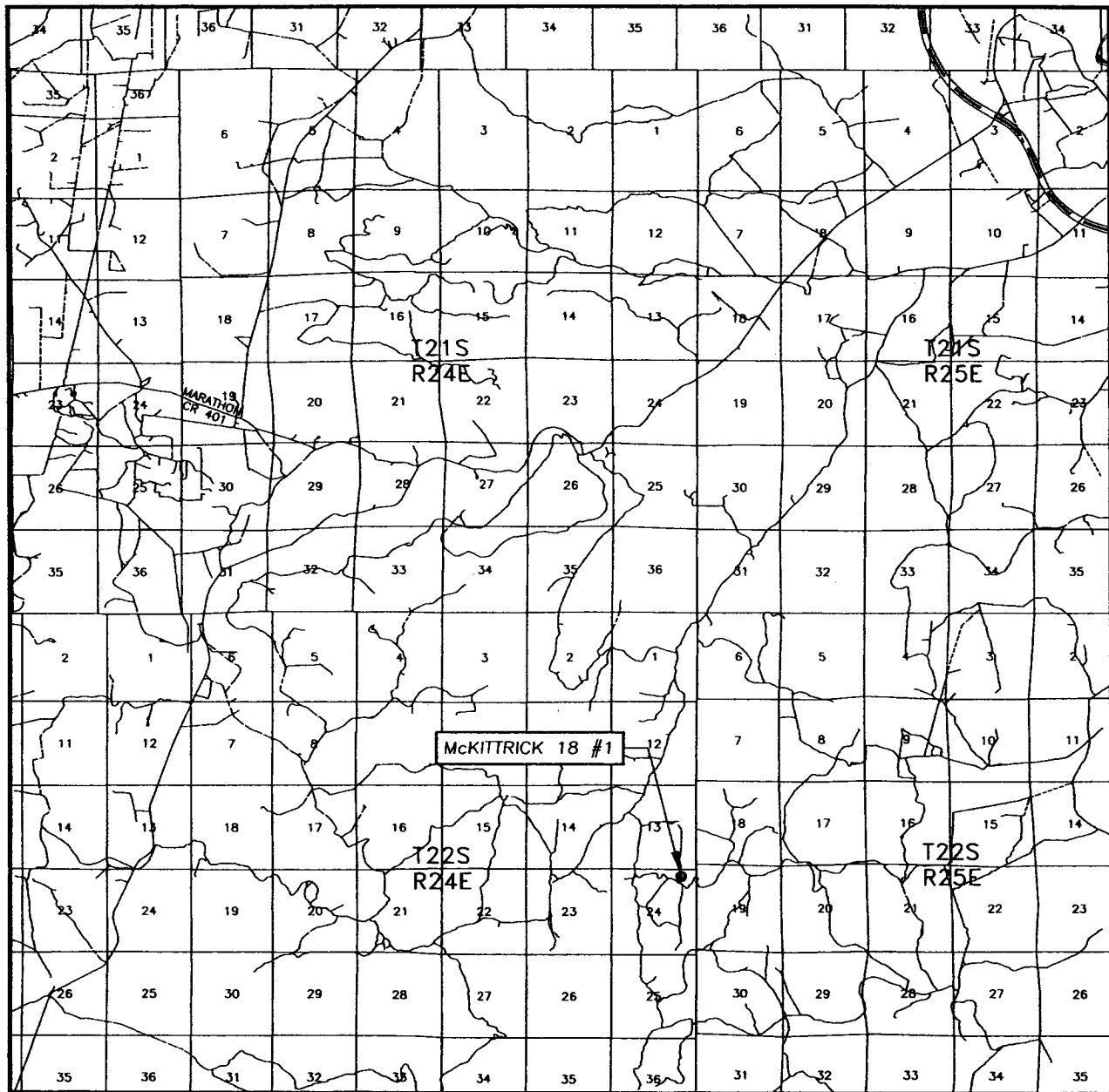
NEARBURG PRODUCING COMPANY

McKITTRICK 18 #1 WELL
LOCATED 330 FEET FROM THE NORTH LINE
AND 1480 FEET FROM THE EAST LINE OF SECTION 24,
TOWNSHIP 22 SOUTH, RANGE 24 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



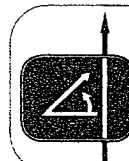
Survey Date: 3/9/05	Sheet 1 of 1 Sheets
W.O. Number: 05.13.0944	Dr By: J.R.
Date: 03/16/05	Disk: CD#5
05130944	Scale: 1"=100'

VICINITY MAP



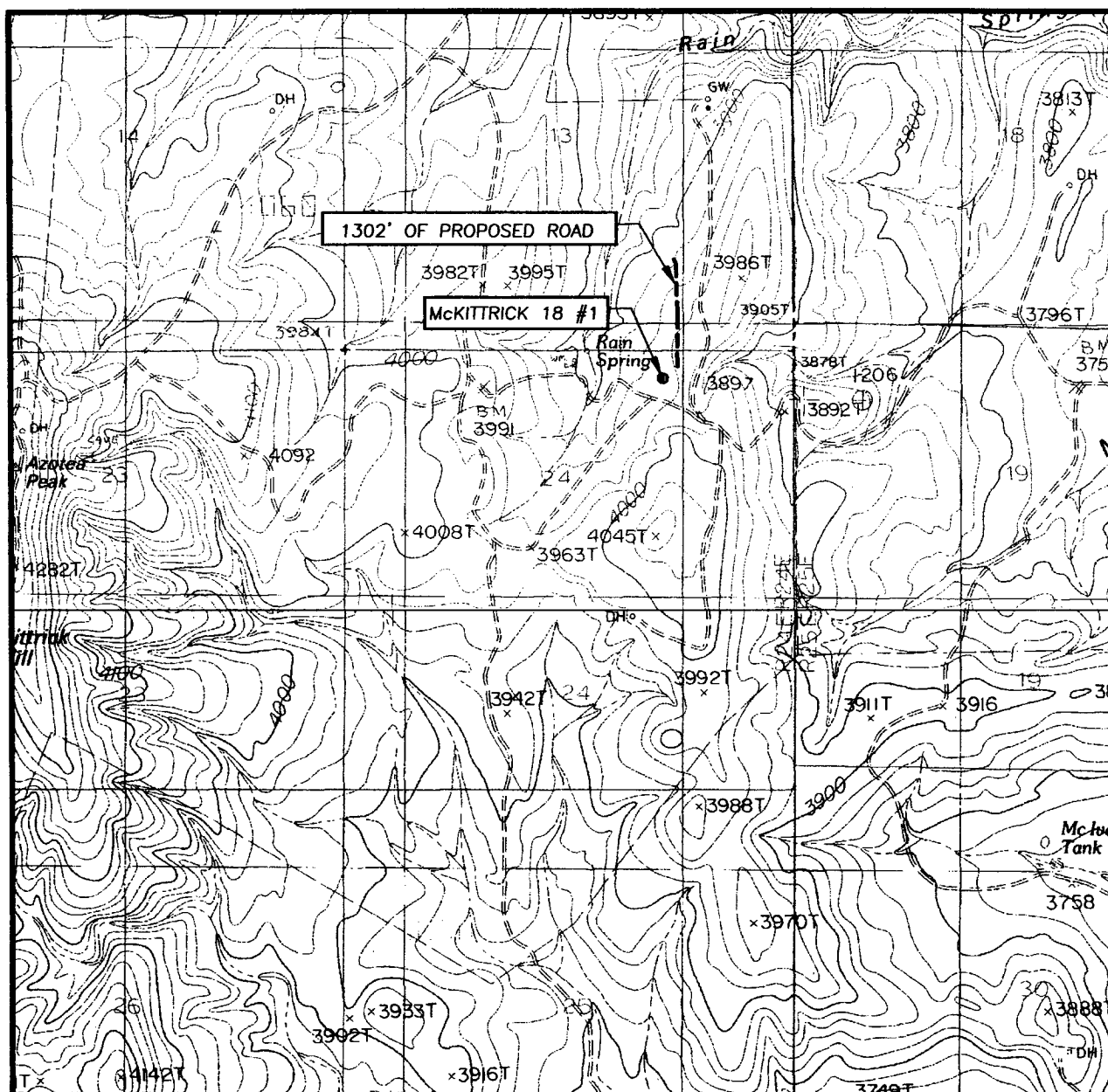
SCALE: 1" = 2 MILES

SEC. 24 TWP. 22-S RGE. 24-E
SURVEY N.M.P.M.
COUNTY EDDY
DESCRIPTION 330' FNL & 1840' FEL
ELEVATION 3960
OPERATOR NEARBURG
PRODUCING COMPANY
LEASE McKITTRICK 18



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
AZOTEA PEAK, N.M. - 20'
CARNERO PEAK, N.M. - 20'

SEC. 24 TWP. 22-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY EDDY

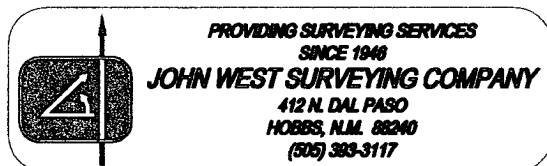
DESCRIPTION 330' FNL & 1480' FEL

ELEVATION 3960'

OPERATOR NEARBURG
PRODUCING COMPANY

LEASE McKITTRICK 18

U.S.G.S. TOPOGRAPHIC MAP
AZOTEA PEAK, N.M.



Nearburg Producing Company

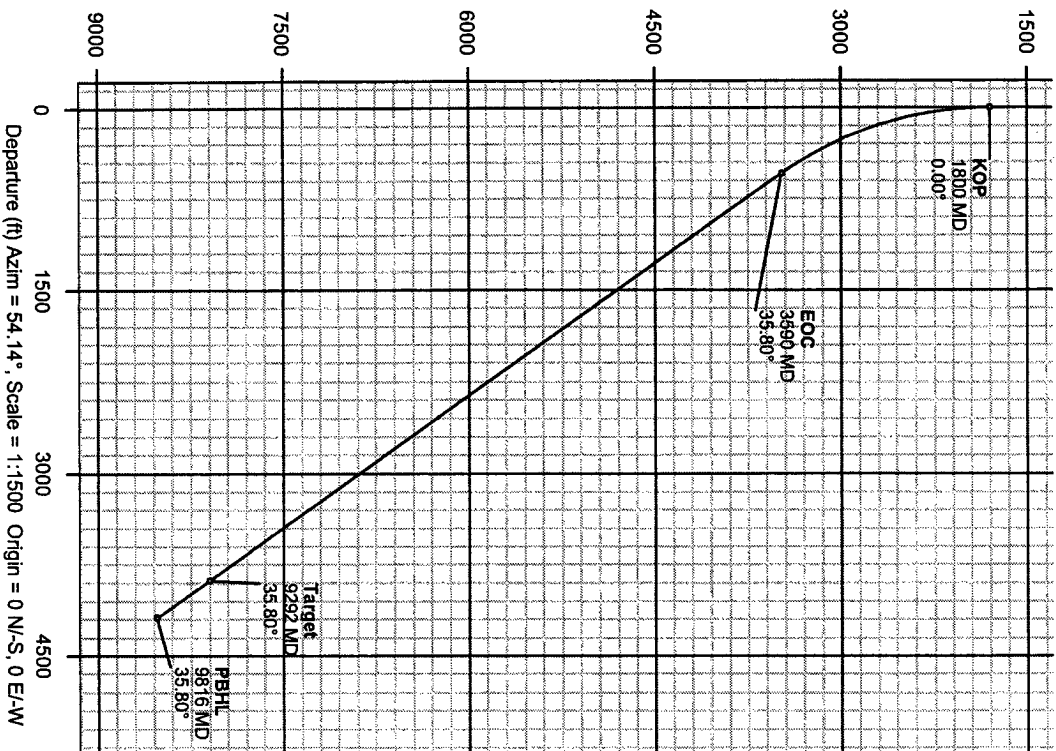
WELL Mckittrick 18 Fed #1

FIELD Eddy County, NM

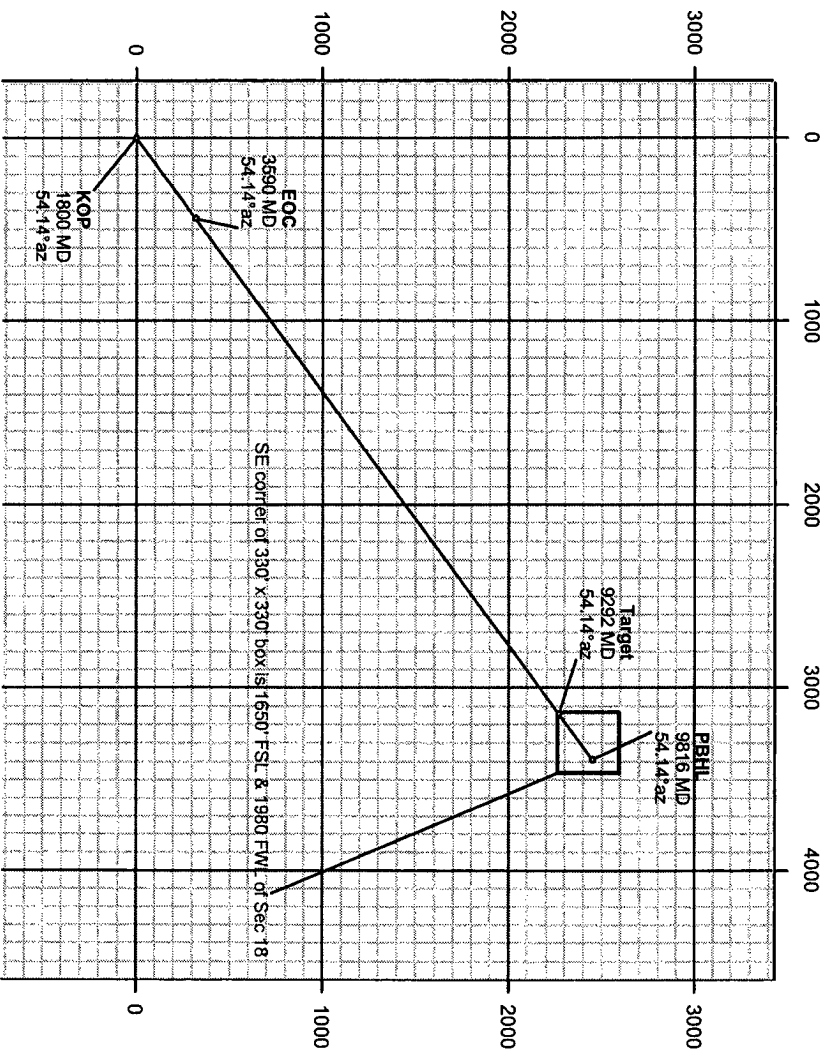
STRUCTURE Mckittrick 18 Fed #1

Magnetic Parameters		Dip		60.324°	Date	March 23, 2005	Surface Location		NAD27 New Mexico State Plane, Eastern Zone, US Feet		Miscellaneous		
Model		IGRF 2005		Mag Dec	+8.719°	FS	42288.7 m	Lat	N32 22 57.647	Long	W104 29 51.780	TVD Ref	McKittrick 18 Fed #1
								Northing	502972.80 ftUS	Easting	464688.80 ftUS	Sec	18-1/2
								Scale Fct	0.9999105188			Srvy Date	Thu 12:11 PM June 16, 2005

<< W Scale = 1:1000(ft) E >>



Departure (ft) Azim = 54.14°, Scale = 1:1500 Origin = 0 N/S, 0 E/W



INTERPID
Directional Drilling Specialists



Proposal

Report Date: June 16, 2005	Survey / DLS Computation Method: Minimum Curvature / Lubinski
Client: Nearburg Producing Company	Vertical Section Azimuth: 54.140°
Field: Eddy County, NM	Vertical Section Origin: N 0.000 ft, E 0.000 ft
Structure / Slot: Mckittrick 18 Fed #1 / Mckittrick 18 Fed #1	TVD Reference Datum: RKB
Well: Mckittrick 18 Fed #1	TVD Reference Elevation: 0.0 ft relative to
Borehole: Mckittrick 18 Fed #1	Sea Bed / Ground Level Elevation: 0.000 ft relative to
UW/API#:	Magnetic Declination: 8.719°
Survey Name / Date: 18-1_r3 / June 16, 2005	Total Field Strength: 49268.736 nT
Tort / AHD / DDI / ERD ratio: 35.804° / 4183.36 ft / 5.237 / 0.491	Magnetic Dip: 60.324°
Grid Coordinate System: NAD27 New Mexico State Planes, Eastern Zone, US Feet	Declination Date: March 23, 2005
Location Lat/Long: N 32 22 57.847, W 104 26 51.780	Magnetic Declination Model: IGRF 2005
Location Grid N/E Y/X: N 502972.900 RUS, E 464689.800 RUS	North Reference: Grid North
Grid Convergence Angle: -0.06126068°	Total Corr Mag North -> Grid North: +8.780°
Grid Scale Factor: 0.99991052	Local Coordinates Referenced To: Well Head

Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	Closure (ft)	Closure Azimuth (deg)	DLS (deg/100 ft)	Tool Face (deg)
Tie-In	0.00	0.00	54.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	54.14M
KOP	1800.00	0.00	54.14	1800.00	0.00	0.00	0.00	0.00	0.00	0.00	54.14M
	1900.00	2.00	54.14	1899.98	1.75	1.02	1.41	1.75	54.14	2.00	54.14M
	2000.00	4.00	54.14	1999.84	6.98	4.09	5.66	6.98	54.14	2.00	54.14M
	2100.00	6.00	54.14	2099.45	15.69	9.19	12.72	15.69	54.14	2.00	0.00G
	2200.00	8.00	54.14	2198.70	27.88	16.33	22.60	27.88	54.14	2.00	0.00G
	2300.00	10.00	54.14	2297.47	43.52	25.50	35.27	43.52	54.14	2.00	0.00G
	2400.00	12.00	54.14	2395.62	62.60	36.67	50.74	62.60	54.14	2.00	0.00G
	2500.00	14.00	54.14	2493.06	85.10	49.85	68.97	85.10	54.14	2.00	0.00G
	2600.00	16.00	54.14	2589.64	110.98	65.01	89.94	110.98	54.14	2.00	0.00G
	2700.00	18.00	54.14	2685.27	140.21	82.14	113.64	140.21	54.14	2.00	0.00G
	2800.00	20.00	54.14	2779.82	172.77	101.21	140.02	172.77	54.14	2.00	0.00G
	2900.00	22.00	54.14	2873.17	208.60	122.20	169.06	208.60	54.14	2.00	0.00G
	3000.00	24.00	54.14	2965.21	247.67	145.09	200.73	247.67	54.14	2.00	0.00G
	3100.00	26.00	54.14	3055.84	289.93	169.84	234.98	289.93	54.14	2.00	0.00G
	3200.00	28.00	54.14	3144.94	335.33	196.43	271.77	335.33	54.14	2.00	0.00G
	3300.00	30.00	54.14	3232.39	383.81	224.83	311.06	383.81	54.14	2.00	0.00G
	3400.00	32.00	54.14	3318.11	435.31	255.00	352.80	435.31	54.14	2.00	0.00G
	3500.00	34.00	54.14	3401.97	489.77	286.90	396.94	489.77	54.14	2.00	0.00G
EOC	3590.18	35.80	54.14	3475.93	541.37	317.13	438.76	541.37	54.14	2.00	0.00G
Target	9291.69	35.80	54.14	8100.00	3876.80	2271.00	3142.00	3876.80	54.14	0.00	0.00G
PBHL	9815.71	35.80	54.14	8525.00	4183.36	2450.58	3390.46	4183.36	54.14	0.00	0.00G