

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM14758
2. Name of Operator NEARBURG PRODUCING COMPANY		6. If Indian, Allottee or Tribe Name
Contact: VICKI JOHNSTON E-Mail: vjohnston1@gmail.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 3300 NORTH A STREET BLDG 2 STE 120 MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 830-537-4599	8. Well Name and No. HUBER FEDERAL 6H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 3 T20S R25E SWSW Lot M 180FSL 330FWL		9. API Well No. 30-015-39765-00-X1
		10. Field and Pool, or Exploratory SEVEN RIVERS
		11. County or Parish, and State EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original APD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 site is ready for final inspection.)

Revised TVD: 2795'  
Revised MD: 7336'  
Kickoff Point: 2222'  
Start Date: December 2014

Please see attached revisions to original APD:

1. Drilling Program
2. Contact List
3. Directional Plan

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

Accepted for record  
NMOCDCES  
10/27/14  
NM OIL CONSERVATION  
ARTESIA DISTRICT  
OCT 27 2014

RECEIVED

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #270858 verified by the BLM Well Information System For NEARBURG PRODUCING COMPANY, sent to the Carlsbad Committed to AFMSS for processing by CHRISTOPHER WALLS on 10/23/2014 (15CRW0014SE)	
Name (Printed/Typed) TIM GREEN	Title PRODUCTION SERVICES MANAGER
Signature (Electronic Submission)	Date 10/14/2014

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>Chris Walls</i>	Title Eng	Date 10/23/14
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 CFO	

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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**CHANGES TO ORIGINAL APD**  
**Nearburg Producing Company OGRID #15742**  
**Huber Federal #6H**  
**API #30-015-39765**

**DRILLING PROGRAM REVISIONS:**

TVD: 2795' MD: 7336' KOP: 2222'

1. **GEOLOGICAL NAME OF SURFACE FORMATION** – no revision

2. **ESTIMATED TOPS OF GEOLOGICAL MARKERS**

FORMATION	DEPTH (RKB)	SUBSURFACE	LITHOLOGY
Grayburg	432'	3045'	Dolomite
San Andres	732'	2745'	Dolomite
Glorieta	2321'	1156'	Silty Dolomite
Yeso	2457'	1020'	Dolomite
*Mid Yeso Mkr	2611'	866'	Dolomite
*EOC – TVD	2795'	682'	Dolomite

3. **ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL, OR GAS** – no revision

4. **CASING AND CEMENTING PROGRAM**

**Casing Program**

Casing Size	Hole Size	From To	Weight	Grade	Joint	Condition	Purpose
9-5/8"	12-1/4"	0' to 825'	36	J-55	LTC	New	Surface
7"	8-3/4"	0' to 3122'	26	L-80	LTC	New	Intermediate
*4-1/2"	6-1/8"	2722'-7336'	11.6	I-80	LTC	New	Production

Equivalent or adequate grades and weights of casing may be substituted at time casing is run, depending on availability.

\* **NOTE:** This is a non-cemented liner with a Peak Packer System. Peak Packer representative to be on location to review packer placement, hanger and casing procedure. Long string casing will be hydro-tested before leaving yard.

**Cement Program**

The cement volumes are estimates and will be adjusted based on the volume based on the open hole volume determined by logging. These volumes are based on circulating cement to surface.

Casing String	Interval	TOC	Class	Wt.	Description	Yield cfs	Excess %
Surf -9-5/8"	0 to 825'	0	H	14.6	<b>Lead:</b> 180 sx Thixotropic+ 10% A-10+1% CC+10 pps LCM-1+.25 pps Cello+5 pps LCM. FW-6.15/gps	1.32	100
			C	14.8	<b>Tail:</b> 314 sx "C" + 2% CC + 1 gps FP-6L. FW-6.3/gps	1.32	
Int - 7"	0 to 3122'	0	C	14.8	<b>Lead:</b> 750 sx "C" Neat FW-6.3/gps	1.32	100

5. **PRESSURE CONTROL EQUIPMENT** – no revision

6. **TYPES AND CHARACTERISTICS OF PROPOSED MUD SYSTEM**

Drilling Interval	Fluid Type	Wt/ppg	Viscosity	Water Loss	Plastic Viscosity	Yield Point
0 to 825'	FW/Gel	8.4-9.2	36-42	NC	3-5	5-7
825'-3122'	FW/Cut Brine	8.3-9.2	28-30	NC	1	1
3122'-7336'	Cut Brine	8.6-9.2	29-32	10-12'	4-5	6-10

7. **AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT** – no revision

8. **LOGGING, TESTING AND CORING PROGRAM**

Specific logging footages in Conditions of Approval will be used.

9. **ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES AND POTENTIAL HAZARDS**

No revisions. BHP is expected to be 1,100 psi.

10. **ANTICIPATED STARTING DATE**

Planned operations will commence in December 2014.

**CONTACT LIST REVISIONS:**

Matt Lee, Operations Manager

Office: (575) 746-0422

Home: (575) 627-0885

Cell: (575) 365-6662

Wes Stinson, Drilling Foreman

Cell: (575) 365-6500

Tim Speer, Engineering

Office: (432) 818-2930

Home: (432) 694-2067

Cell: (432) 934-6885

Bill Elton, Geology

Office: (432) 828-2920

Cell: (432) 528-9749

Russell Wickman, Land

Office: (432) 818-2913

Home: (432) 685-9102

Cell: (432) 556-5533

Terry Gant, Midland Manager

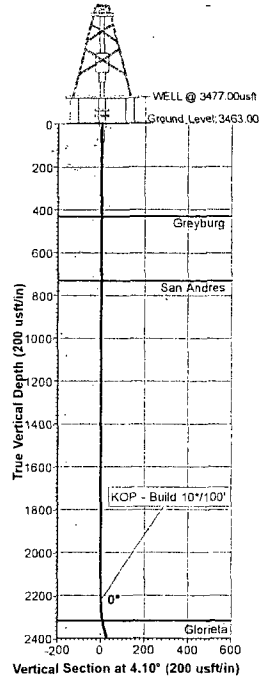
Office: (432) 828-2901

Home: (432) 687-4744

Cell: (432) 528-1121

# Nearburg Producing Co.

Project: Eddy County, NM (NAD27 NME) (10)  
Well: Huber 3 Fed #6H  
Wellbore: Lateral #1  
Design: Design #2 (10°/100')



WELL DETAILS																
+N/-S		+E/-W		Northing		Ground Level: 3463.00		Latitude		Longitude						
0.00		0.00		580411.50		454928.50		32° 35' 44.057 N		104° 28' 46.854 W						
SECTION DETAILS																
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Diag	TFace	VSec	Target	Annotation					
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00							
2	2222.04	0.00	0.00	2222.04	0.00	0.00	0.00	0.00	0.00		KOP - Build 10°/100'					
3	3122.04	90.00	4.10	2795.00	571.49	40.82	10.00	4.10	572.96		EOC - Hold 90°					
4	7336.11	90.00	4.10	2795.00	4774.80	341.90	0.00	0.00	4787.03	PBHL - TD(H3F6H)						
DESIGN TARGET DETAILS																
Name		TVD		+N/-S		+E/-W		Northing		Easting		Latitude		Longitude		Shape
PBHL - TD(H3F6H)		2795.00		4774.80		341.90		585186.90		455270.40		32° 36' 31.312 N		104° 28' 42.933 W		Point
- plan hits target center																

Map System: US State Plane 1927 (Exact solution)  
Datum: NAD 1927 (NADCON CONUS)  
Ellipsoid: Clarke 1866  
Zone Name: New Mexico East 3001

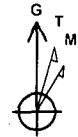
Local Origin: Site Huber 3 Fed #6H, Grid North

Latitude: 32° 35' 44.057 N  
Longitude: 104° 28' 46.854 W

Grid East: 454928.50  
Grid North: 580411.50  
Scale Factor: 1.000

Geomagnetic Model: IGRF2010  
Sample Date: 25-Sep-14  
Magnetic Declination: 7.63°  
Dip Angle from Horizontal: 60.29°  
Magnetic Field Strength: 48412

To convert a Magnetic Direction to a Grid Direction, Add 7.71°  
To convert a Magnetic Direction to a True Direction, Add 7.63° East  
To convert a True Direction to a Grid Direction, Add 0.08°

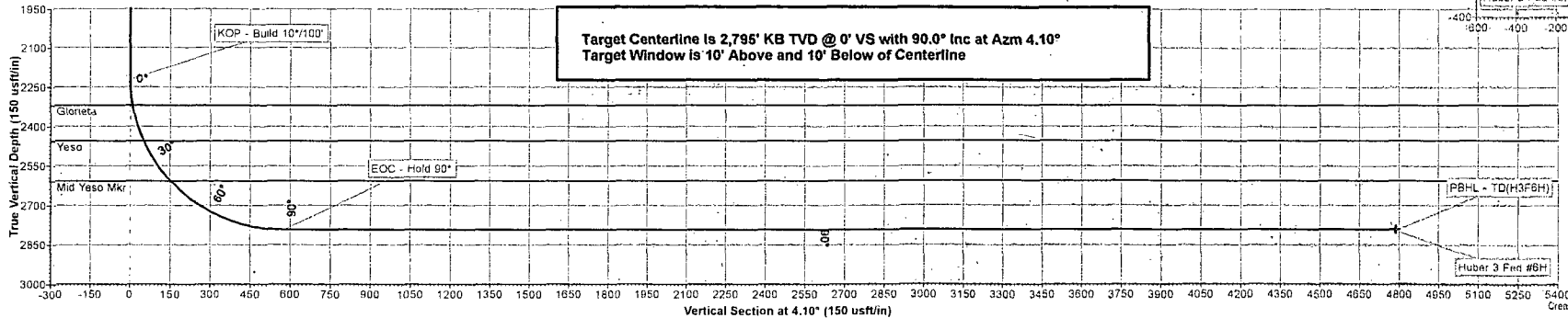
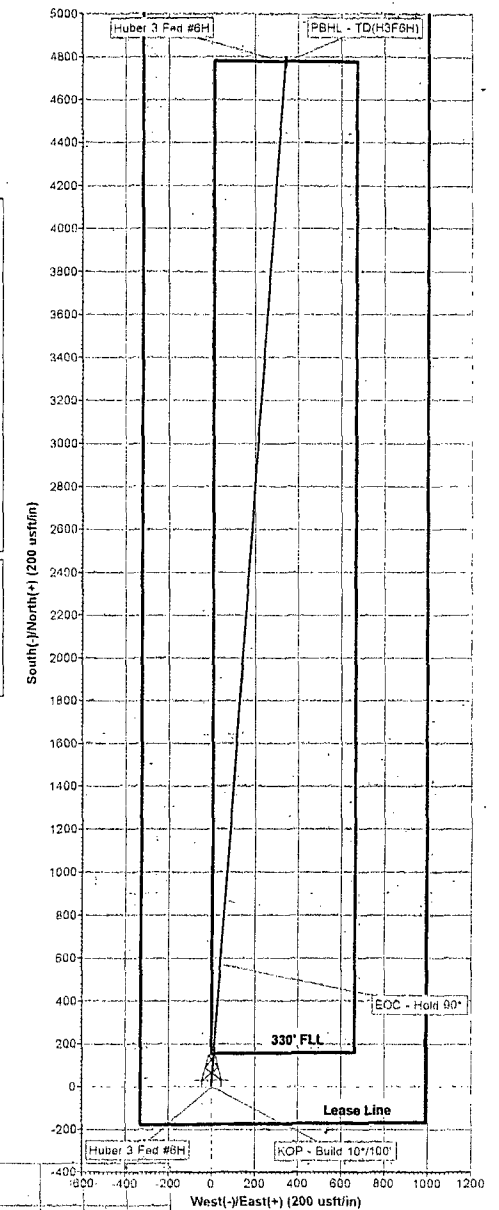
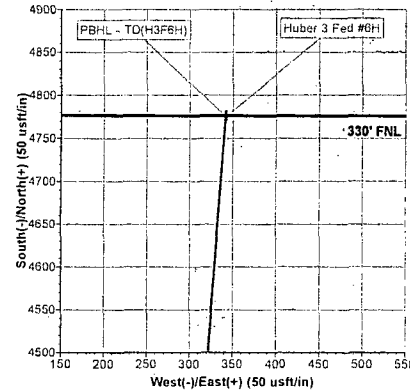
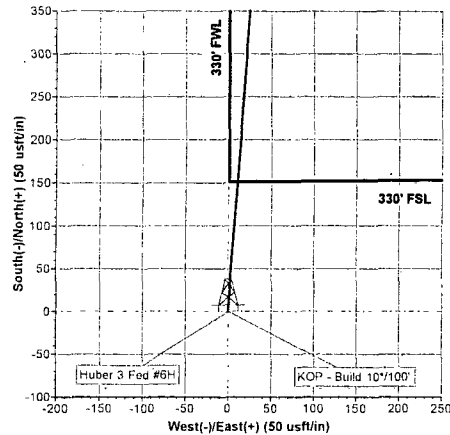


Azimuths to Grid North  
True North: 0.08°  
Magnetic North: 7.71°

Magnetic Field  
Strength: 48411.75nT  
Dip Angle: 60.29°  
Date: 9/25/2014  
Model: IGRF2010

**LEGEND**

— Design #2 (10°/100')



# **Nearburg Producing Co.**

**Eddy County, NM (NAD27 NME) (10)**

**Huber 3 Fed #6H**

**Huber 3 Fed #6H**

**30-015-39765**

**Lateral #1**

**Plan: Design #2 (10"/100')**

## **Standard Planning Report**

**30 September, 2014**

**M3P**  
**DIRECTIONAL**  
**SERVICES**

# M3P Directional Services

## Planning Report



Database:	EDM 5000.1 Single User Db	Local Coordinate Reference:	Site: Huber 3 Fed #6H
Company:	Nearburg Producing Co.	TVD Reference:	WELL @ 3477.00usft
Project:	Eddy County, NM (NAD27 NME) (10)	MD Reference:	WELL @ 3477.00usft
Site:	Huber 3 Fed #6H	North Reference:	Grid
Well:	Huber 3 Fed #6H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Lateral #1		
Design:	Design #2 (10'/100')		

Project:	Eddy County, NM (NAD27 NME) (10)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site:	Huber 3 Fed #6H, Sec 3, T-20-S, R-25-E		
Site Position:	From: Map	Northing:	580,411.50 usft
		Easting:	454,928.50 usft
		Latitude:	32° 35' 44.057 N
		Longitude:	104° 28' 46.854 W
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16"
		Grid Convergence:	-0.08°

Well:	Huber 3 Fed #6H		
Well Position	+N/-S	0.00 usft	Northing: 580,411.50 usft
	+E/-W	0.00 usft	Easting: 454,928.50 usft
			Latitude: 32° 35' 44.057 N
			Longitude: 104° 28' 46.854 W
Position Uncertainty	0.00 usft	Wellhead Elevation:	3,477.00 usft
		Ground Level:	3,463.00 usft

Wellbore:	Lateral #1		
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Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	9/25/2014	7.63	60.29	48,412

Design:	Design #2 (10'/100')		
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Audit Notes:			
Version:	Phase:	PLAN	Tie On Depth: 0.00

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	4.10

Plan Sections	Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	2,222.04	0.00	0.00	2,222.04	0.00	0.00	0.00	0.00	0.00	0.00	
	3,122.04	90.00	4.10	2,795.00	571.49	40.92	10.00	10.00	0.00	4.10	
	7,336.11	90.00	4.10	2,795.00	4,774.80	341.90	0.00	0.00	0.00	0.00	PBHL - TD(H3F6H)

# M3P Directional Services

## Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Site: Huber 3 Fed #6H
Company:	Nearburg Producing Co.	TVD Reference:	WELL @ 3477.00usft
Project:	Eddy County, NM (NAD27 NME) (10)	MD Reference:	WELL @ 3477.00usft
Site:	Huber 3 Fed #6H	North Reference:	Grid
Well:	Huber 3 Fed #6H	Survey/Calculation Method:	Minimum Curvature
Wellbore:	Lateral #1		
Design:	Design #2 (10°/100')		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	
432.00	0.00	0.00	432.00	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Greyburg</b>										
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00	
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00	
732.00	0.00	0.00	732.00	0.00	0.00	0.00	0.00	0.00	0.00	
<b>San Andres</b>										
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00	
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,222.04	0.00	0.00	2,222.04	0.00	0.00	0.00	0.00	0.00	0.00	
<b>KOP - Build 10°/100'</b>										
2,250.00	2.80	4.10	2,249.99	0.68	0.05	0.68	10.00	10.00	0.00	
2,300.00	7.80	4.10	2,299.76	5.28	0.38	5.30	10.00	10.00	0.00	
2,321.50	9.95	4.10	2,321.00	8.59	0.61	8.61	10.00	10.00	0.00	
<b>Glorieta</b>										
2,350.00	12.80	4.10	2,348.94	14.19	1.02	14.23	10.00	10.00	0.00	
2,400.00	17.80	4.10	2,397.15	27.34	1.96	27.41	10.00	10.00	0.00	
2,450.00	22.80	4.10	2,444.03	44.64	3.20	44.75	10.00	10.00	0.00	
2,464.14	24.21	4.10	2,457.00	50.26	3.60	50.39	10.00	10.00	0.00	
<b>Yeso</b>										
2,500.00	27.80	4.10	2,489.22	65.94	4.72	66.11	10.00	10.00	0.00	
2,550.00	32.80	4.10	2,532.38	91.09	6.52	91.33	10.00	10.00	0.00	
2,600.00	37.80	4.10	2,573.18	119.90	8.59	120.21	10.00	10.00	0.00	
2,649.59	42.75	4.10	2,611.00	151.86	10.87	152.25	10.00	10.00	0.00	
<b>Mid-Yeso Mkr</b>										
2,650.00	42.80	4.10	2,611.30	152.14	10.89	152.53	10.00	10.00	0.00	
2,700.00	47.80	4.10	2,646.46	187.58	13.43	188.06	10.00	10.00	0.00	
2,750.00	52.80	4.10	2,678.39	225.94	16.18	226.51	10.00	10.00	0.00	
2,800.00	57.80	4.10	2,706.85	266.92	19.11	267.61	10.00	10.00	0.00	
2,850.00	62.80	4.10	2,731.62	310.23	22.21	311.02	10.00	10.00	0.00	
2,900.00	67.80	4.10	2,752.51	355.52	25.46	356.43	10.00	10.00	0.00	
2,950.00	72.80	4.10	2,769.36	402.46	28.82	403.49	10.00	10.00	0.00	
3,000.00	77.80	4.10	2,782.05	450.68	32.27	451.84	10.00	10.00	0.00	
3,050.00	82.80	4.10	2,790.48	499.83	35.79	501.11	10.00	10.00	0.00	
3,100.00	87.80	4.10	2,794.58	549.51	39.35	550.92	10.00	10.00	0.00	

# M3P Directional Services Planning Report



Database:	EDM 5000.1 Single User Db	Local/Co-ordinate Reference:	Site: Huber 3 Fed #6H
Company:	Nearburg Producing Co.	TVD Reference:	WELL @ 3477.00usft
Project:	Eddy County NM (NAD27 NME) (10)	MD Reference:	WELL @ 3477.00usft
Site:	Huber 3 Fed #6H	North Reference:	Grid
Well:	Huber 3 Fed #6H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Lateral #1		
Design:	Design #2 (10%/100')		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	N/S (usft)	E/W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
3,122.04	90.00	4.10	2,795.00	571.49	40.92	572.96	10.00	10.00	0.00
EOC - Hold 90°									
3,200.00	90.00	4.10	2,795.00	649.25	46.49	650.92	0.00	0.00	0.00
3,300.00	90.00	4.10	2,795.00	749.00	53.63	750.92	0.00	0.00	0.00
3,400.00	90.00	4.10	2,795.00	848.74	60.77	850.92	0.00	0.00	0.00
3,500.00	90.00	4.10	2,795.00	948.49	67.92	950.92	0.00	0.00	0.00
3,600.00	90.00	4.10	2,795.00	1,048.23	75.06	1,050.92	0.00	0.00	0.00
3,700.00	90.00	4.10	2,795.00	1,147.98	82.20	1,150.92	0.00	0.00	0.00
3,800.00	90.00	4.10	2,795.00	1,247.72	89.34	1,250.92	0.00	0.00	0.00
3,900.00	90.00	4.10	2,795.00	1,347.47	96.49	1,350.92	0.00	0.00	0.00
4,000.00	90.00	4.10	2,795.00	1,447.21	103.63	1,450.92	0.00	0.00	0.00
4,100.00	90.00	4.10	2,795.00	1,546.95	110.77	1,550.92	0.00	0.00	0.00
4,200.00	90.00	4.10	2,795.00	1,646.70	117.91	1,650.92	0.00	0.00	0.00
4,300.00	90.00	4.10	2,795.00	1,746.44	125.05	1,750.92	0.00	0.00	0.00
4,400.00	90.00	4.10	2,795.00	1,846.19	132.20	1,850.92	0.00	0.00	0.00
4,500.00	90.00	4.10	2,795.00	1,945.93	139.34	1,950.92	0.00	0.00	0.00
4,600.00	90.00	4.10	2,795.00	2,045.68	146.48	2,050.92	0.00	0.00	0.00
4,700.00	90.00	4.10	2,795.00	2,145.42	153.62	2,150.92	0.00	0.00	0.00
4,800.00	90.00	4.10	2,795.00	2,245.17	160.77	2,250.92	0.00	0.00	0.00
4,900.00	90.00	4.10	2,795.00	2,344.91	167.91	2,350.92	0.00	0.00	0.00
5,000.00	90.00	4.10	2,795.00	2,444.66	175.05	2,450.92	0.00	0.00	0.00
5,100.00	90.00	4.10	2,795.00	2,544.40	182.19	2,550.92	0.00	0.00	0.00
5,200.00	90.00	4.10	2,795.00	2,644.15	189.33	2,650.92	0.00	0.00	0.00
5,300.00	90.00	4.10	2,795.00	2,743.89	196.48	2,750.92	0.00	0.00	0.00
5,400.00	90.00	4.10	2,795.00	2,843.63	203.62	2,850.92	0.00	0.00	0.00
5,500.00	90.00	4.10	2,795.00	2,943.38	210.76	2,950.92	0.00	0.00	0.00
5,600.00	90.00	4.10	2,795.00	3,043.12	217.90	3,050.92	0.00	0.00	0.00
5,700.00	90.00	4.10	2,795.00	3,142.87	225.05	3,150.92	0.00	0.00	0.00
5,800.00	90.00	4.10	2,795.00	3,242.61	232.19	3,250.92	0.00	0.00	0.00
5,900.00	90.00	4.10	2,795.00	3,342.36	239.33	3,350.92	0.00	0.00	0.00
6,000.00	90.00	4.10	2,795.00	3,442.10	246.47	3,450.92	0.00	0.00	0.00
6,100.00	90.00	4.10	2,795.00	3,541.85	253.61	3,550.92	0.00	0.00	0.00
6,200.00	90.00	4.10	2,795.00	3,641.59	260.76	3,650.92	0.00	0.00	0.00
6,300.00	90.00	4.10	2,795.00	3,741.34	267.90	3,750.92	0.00	0.00	0.00
6,400.00	90.00	4.10	2,795.00	3,841.08	275.04	3,850.92	0.00	0.00	0.00
6,500.00	90.00	4.10	2,795.00	3,940.83	282.18	3,950.92	0.00	0.00	0.00
6,600.00	90.00	4.10	2,795.00	4,040.57	289.33	4,050.92	0.00	0.00	0.00
6,700.00	90.00	4.10	2,795.00	4,140.31	296.47	4,150.92	0.00	0.00	0.00
6,800.00	90.00	4.10	2,795.00	4,240.06	303.61	4,250.92	0.00	0.00	0.00
6,900.00	90.00	4.10	2,795.00	4,339.80	310.75	4,350.92	0.00	0.00	0.00
7,000.00	90.00	4.10	2,795.00	4,439.55	317.89	4,450.92	0.00	0.00	0.00
7,100.00	90.00	4.10	2,795.00	4,539.29	325.04	4,550.92	0.00	0.00	0.00
7,200.00	90.00	4.10	2,795.00	4,639.04	332.18	4,650.92	0.00	0.00	0.00
7,300.00	90.00	4.10	2,795.00	4,738.78	339.32	4,750.92	0.00	0.00	0.00
7,336.11	90.00	4.10	2,795.00	4,774.80	341.90	4,787.03	0.00	0.00	0.00
PBHL - TD(H3F6H)									



# M3P Directional Services

## Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Site Huber 3 Fed #6H
Company:	Nearburg Producing Co.	TVD Reference:	WELL @ 3477.00usft
Project:	Eddy County, NM (NAD27-NME) (10)	MDI Reference:	WELL @ 3477.00usft
Site:	Huber 3 Fed #6H	North Reference:	Grid
Well:	Huber 3 Fed #6H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Lateral #1		
Design:	Design #2 (10"/100')		

Design Targets									
Target Name	hit/miss:target	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	
Shape		(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)	
									Latitude Longitude
PBHL - TD(H3F6H)		0.00	0.00	2,795.00	4,774.80	341.90	585,186.30	455,270.40	32° 36' 31.312 N 104° 28' 42.933 W
- plan hits target center									
- Point									

Formations						
Measured Depth	Vertical Depth	Name	Lithology	Dip	Dip Direction	
(usft)	(usft)			(°)	(°)	
432.00	432.00	Greyburg	Dolomite	0.00		
732.00	732.00	San Andres	Dolomite	0.00		
2,321.50	2,321.00	Glorieta	Dolomite	0.00		
2,464.14	2,457.00	Yeso	Dolomite	0.00		
2,649.59	2,611.00	Mid Yeso Mkr	Dolomite	0.00		

Plan Annotations					
Measured Depth	Vertical Depth	Local Coordinates			
(usft)	(usft)	+N/-S	+E/-W	Comment	
(usft)	(usft)	(usft)	(usft)		
2,222.04	2,222.04	0.00	0.00	KOP - Build 10"/100'	
3,122.04	2,795.00	571.49	40.92	EOC - Hold 90°	

## CONDITIONS OF APPROVAL

OPERATOR'S NAME:	NEARBURG PRODUCING CO.
LEASE NO.:	NM14758
WELL NAME & NO.:	HUBER FEDERAL -6H
SURFACE HOLE FOOTAGE:	180'/S & 330'/W
BOTTOM HOLE FOOTAGE:	330'/N & 660'/W
LOCATION:	SEC.3-T20S-R25E
COUNTY:	EDDY County, New Mexico

### I. DRILLING

#### A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

☒ **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,  
(575) 361-2822

1. **Although Hydrogen Sulfide has not been reported in the area, it is always a potential hazard. If Hydrogen Sulfide is encountered, report measured amounts and formations to the BLM.**
2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. **If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a “Major” violation.**
3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies.

#### B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#).

Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.).

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

**HIGH CAVE/KARST – CONTINGENCY CASING WILL BE REQUIRED IF LOST CIRCULATION OCCURS WHILE DRILLING THE SURFACE HOLE. THE SURFACE HOLE WILL HAVE TO BE REAMED AND A LARGER CASING INSTALLED AND THE BLM IS TO BE CONTACTED PRIOR TO RUNNING THE CASING. IF LOST CIRCULATION OCCURS WHILE DRILLING THE 8-3/4" HOLE, THE CEMENT PROGRAM FOR THE 5-1/2" CASING WILL NEED TO BE MODIFIED AND THE BLM IS TO BE CONTACTED PRIOR TO RUNNING THE CASING. A MINIMUM OF TWO CASING STRINGS CEMENTED TO SURFACE IS REQUIRED IN HIGH CAVE/KARST AREAS. THE CEMENT MUST BE IN A SOLID SHEATH THEREFORE, ONE INCH OPERATIONS WILL NOT BE PERMITTED. A DV TOOL WILL BE REQUIRED.**

**Possible lost circulation in the San Andres formation.**

1. The 9-5/8 inch surface casing shall be set at approximately 825 feet and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
  - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the **7** inch production casing is:
  - ☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office. The lateral will utilize a packer assembly.
- 3. The minimum required fill of cement behind the **4-1/2** inch production liner is:
  - ☒ Cement not required – Packer/Port system to be used.
- 3. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

### **C. PRESSURE CONTROL**

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M)** psi.
- 3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
  - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

- b. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**.
- c. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- d. The results of the test shall be reported to the appropriate BLM office.
- e. All tests are required to be recorded on a calibrated test chart. **A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.**
- f. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

#### **D. DRILL STEM TEST**

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

#### **E. WASTE MATERIAL AND FLUIDS**

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

**CRW 102314**