

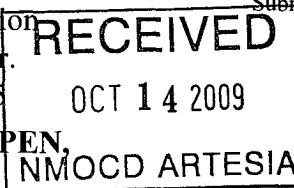
State of New Mexico
Energy, Minerals & Natural Resources

Form C-101
June 16, 2008 *RM*

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 S. St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office



☐ AMENDED REPORT

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

¹ Operator Name and Address Nearburg Producing Company 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705		² OGRID Number 015742
		³ API Number 30- 015-28375
⁴ Property Code	⁵ Property Name Ross Ranch 22	⁶ Well No 3
⁹ Proposed Pool 1 North Seven Rivers; Glorietta/ Yeso		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
C	22	19S	25E		660	North	1980	West	Eddy

⁸ 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

Additional Well Location

¹¹ Work Type Code Plugback	¹² Well Type Code 0	¹³ Cable/Rotary NA	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3470
¹⁶ Multiple No	¹⁷ Proposed Depth 8070	¹⁸ Formation G/Y	¹⁹ Contractor Lucky	²⁰ Spud Date 11/1/09

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14-3/4	9-5/8	36	1117	950	NA
8-3/4	7	23 & 26	8070	1200	NA
All csg is existing					

²² 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 plugback the well to evaluate the Yeso Formation. Perf. test and stimulate as necessary to establish production.

See attached procedure, current and post wellbore diagrams.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief

Signature: <i>Sarah Jordan</i>		OIL CONSERVATION DIVISION	
Printed name: Sarah Jordan		Approved by: <i>Jacqueline Reamer</i>	
Title: Prod/ Reg Analyst		Title: <i>Geologist</i>	
E-mail Address: sjordan@nearburg.com		Approval Date: <i>10/22/09</i>	Expiration Date: <i>10/23/2011</i>
Date: <i>10-6-09</i>	Phone: 432/818-2950	Conditions of Approval Attached <input type="checkbox"/>	

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-28375	² Pool Code 97565	³ Pool Name North Seven Rivers; G/V
⁴ Property Code	⁵ Property Name Ross Ranch 22	⁶ Well Number 3
⁷ OGRID No. 15742	⁸ Operator Name Nearburg Producing Company	⁹ Elevation 3470

¹⁰ Surface Location

UL or lot no. C	Section 20	Township 19S	Range 25E	Lot Idn	Feet from the 660	North/South line N	Feet from the 1750	East/West line W	County Eddy
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¹¹ 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
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¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

<p>16</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</p> <p><i>[Signature]</i> 10-6-09 Signature Date Sarah Jordan Printed Name</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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</p>
	<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p>
	<p>Certificate Number</p>

District I
PO Box 1980, Hobbs, NM 88240-2980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Grande Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-28375		Pool Code 97265		Pool Name North Suen River, 6/4	
Property Code 16130		Property Name ROSS RANCH 22		Well Number 3	
OGRID No. 15742		Operator Name NEARBURG PRODUCING COMPANY		Elevation 3470	

¹⁰ Surface Location

UL or lot no. C	Section 22	Township 19S	Range 25E	Lot Idn	Feet from the 660	North/South line NORTH	Feet from the 1750	East/West line WEST	County EDDY
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¹¹ 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
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¹² Dedicated Acres 40	¹³ Joint or Infill N	¹⁴ Consolidation Code N/A	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>Sarah Jordan</u> Printed Name: <u>Reg. Analyst</u> Title: <u>10/6/09</u> Date: <u>10/6/09</u>	
	¹⁸ 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. Date of Survey: <u>02/28/1995</u> Signature and Seal of Professional Surveyor: <u>[Signature]</u> NEW MEXICO REGISTERED LAND SURVEYOR ENGINEER 5412 Certificate Number: <u>NM PEGPS NO. 5412</u>	

CURRENT EQUIPMENT DESCRIPTION:

RECOMMENDED PROCEDURE:

The Glorieta/Yeso is a BAD GAS zone (H2S at hazardous levels)

1. MIRU Well service unit.
2. ND wellhead, NU BOP
3. RU Wireline, RIH with gauge ring to 5700'. **All wireline work to be done under a 5000# lubricator.**
4. RIH with CIBP and set CIBP @ 7620
5. Dump bail 35' cmt on top of CIBP.
6. RIH with CIBP and set CIBP @ 5890.
7. Dump bail 35' cmt on top of CIBP.
8. RIH with CIBP @ set CIBP @ 3806.
9. Dump bail 35' cmt on top of CIBP.
10. Run GR-Collar/CBL log from 3000 back to 2000. Make 1000 psi and 0 psi pass with CBL. (Should be cmt'd to surf)
11. RIH with tbg to +/- 3695. Test casing to 4000#
12. Pickle tbg w/500g Xylene and 1500g 15% NeFeHCl pump down tbg and out BS to clean both tbg & 7" casing. POH with tbg.
13. RU wireline to perf the following intervals with premium charges (7" Casing in 8-3/4" hole):

2295	2321	2336	2343	2355	2357	2361	2373	2377	2385	2391	2402
2407	2412	2426	2441	2468	2493	2525	2543	2738	2768	2772	2779

with 1 spf premium charges correlated to Schlumberger "Platform Express Litho-Density Compensated Neutron" log dated 3-17-1996.
14. RIH tbg to 2200' with 7" trtg pkr. Set trtg pkr. Hold 500# on BS while breaking down the perforations.
15. RU BJ to Break down perfs with 2000g 15% NeFe HCl using 401.3" ball sealers in stages as follows:
 - a) Pump 500g 15% NEFE HCL
 - b) Drop 8 7/8" 1.3 balls
 - c) Pump 250g 15% NEFE HCL
 - d) Drop 8 7/8" 1.3 balls
 - e) Pump 250g 15% NEFE HCL
 - f) Drop 8 7/8" 1.3 balls
 - g) Pump 250g 15% NEFE HCL
 - h) Drop 8 7/8" 1.3 balls
 - i) Pump 250g 15% NEFE HCL
 - j) Drop 8 7/8" 1.3 balls
 - k) Pump 500g 15% NEFE HCL
 - l) Displace to btm perf w/2% KCL

Let acid spend 2 hrs. Flow and swab back acid load. Rlse pkr and RIH to make sure balls are cleared off perfs. POH w/tbg & pkr.
16. ND BOP NU wellhead. RD well service unit.
17. Frac well down casing. Frac design to be determined.
18. Flowback well till it dies then run 2-3/8" tbg and 8 1-3/8" K bars + 3/4" KD rods and ponies to surface.

CURRENT WELLBORE DIAGRAM

Page 5 of 9

LEASE:	Ross Ranch 22	WELL:	3	FIELD:	Dagger Draw North	API:	30-015-28375
LOC:	660 FNL & 1980 FWL	SEC:	22	BLK:		PARS NO:	
SVY:	T19S, R25E	GL:	3471	CTY/ST	Eddy County, NM	SPUD:	2/25/1996
CURRENT STATUS:	Inactive (SI)	KB:	3484	DF:	3483	TD DATE:	3/18/1996
						COMP. DATE:	3/30/1996

FRESH WATER
DEPTH:

HOLE SIZE: 14 3/4"
SURF CSG & SIZE: 9 5/8" 36# K55
SET @: 1,117'
SXS CMT: 950 sx
CIRC: Y 114 sx
TOC AT: surface
TOC BY: circ

COMMENTS:

*****GEOLOGY*****

TOPS OF ALL ZONES
PRODUCTIVE OF HYDRO-
CARBONS:

TBG:
JTS:
SN:
TAC:
ROD SIZE:

CURRENT PERFS:

PKR:
TYPE:

SQUEEZE JOBS:

OH ID:
COTD:
PBTd: 7985
TD: 8070

DV Tool @ 5995

7654-7771

HOLE SIZE: 8 3/4"
PROD. CSG & SIZE: 7" 23# & 26#, K55 & N80
SET @: 8,070'
SXS CMT: Stg 1: 450 sx, Stg 2: 750 sx
CIRC: Yes both stages
TOC AT: surface
TOC BY: circ

OPEN HOLE:

LINER:

BY: TS
9/21/2009

PROPOSED WELLBORE DIAGRAM

Page 6 of 9

LEASE: Ross Ranch 22	WELL: 3	FIELD: Dagger Draw North	API: 30-015-28375
LOC: 660 FNL & 1980 FWL	SEC: 22	BLK: 0	Reservoir
SVY: T19S, R25E	GL: 3471	CTY/ST: Eddy County, NM	SPUD: 2/25/1996
CURRENT STATUS: Inactive (SI)	KB: 3484	DF: 3483	TD DATE: 3/18/1996
			COMP. DATE: 3/30/1996

FRESH WATER
DEPTH:

HOLE SIZE: 14 3/4"
SURF CSG & SIZE: 9 5/8" 36# K55
SET @: 1,117'
SXS CMT: 950 sx
CIRC: Y 114 sx
TOC AT: surface
TOC BY: circ

COMMENTS:

*****GEOLOGY*****

TOPS OF ALL ZONES
PRODUCTIVE OF HYDRO-
CARBONS:

TBG:
JTS:
SN:
TAC:
ROD SIZE:

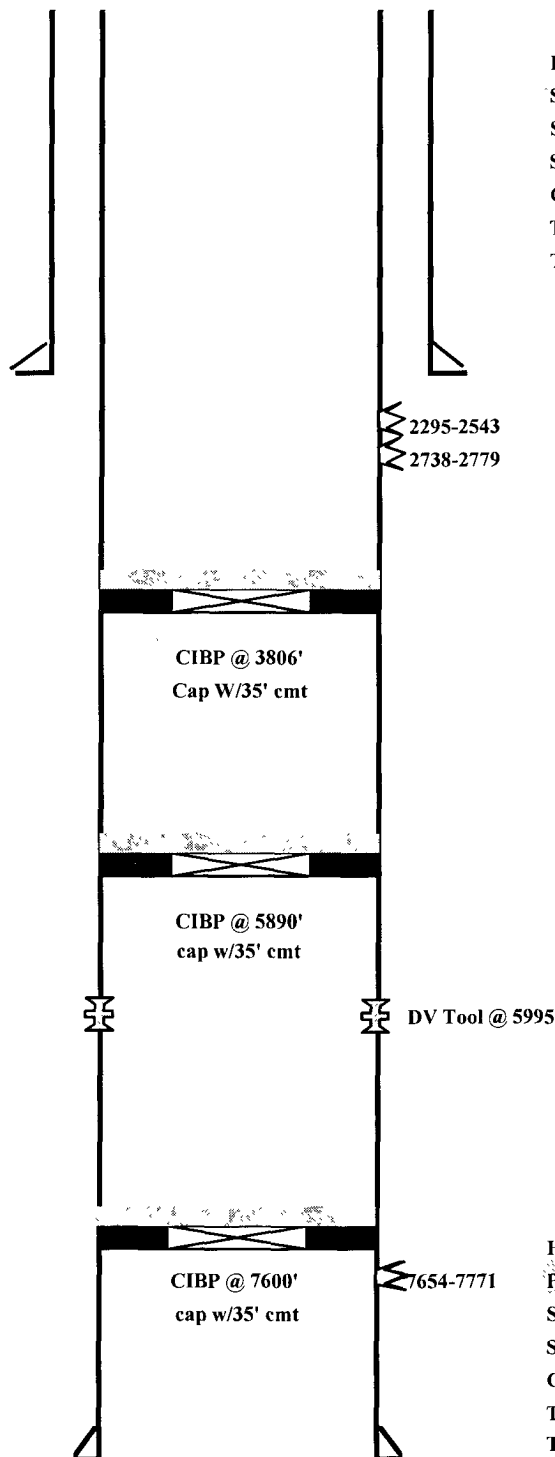
PKR:
TYPE:

CURRENT PERFS:

SQUEEZE JOBS:

OH ID:
COTD:

PBTD: 3771
TD: 8070



HOLE SIZE: 8 3/4"
PROD. CSG & SIZE: 7" 23# & 26#, K55 & N80
SET @: 8,070'
SXS CMT: Stg 1: 450 sx, Stg 2: 750 sx
CIRC: Yes both stages
TOC AT: surface
TOC BY: circ

OPEN HOLE:

LINER:

BY: TS
9/21/2009