

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

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

1. Operator Name and Address NEARBURG PRODUCING CO 3300 N. A Street, Bldg 2, Midland, TX 79707		2. OGRID Number 15742
		3. API Number 30-015-39003
4. Property Code 38617	5. Property Name GLASS 7 E-H	6. Well No. 001H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	12	19S	25E	H	2080	N	100	E	EDDY

8. Pool Information

PENASCO DRAW;SA-YESO (ASSOC)	50270
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3383
14. Multiple N	15. Proposed Depth 7533	16. Formation Yeso Formation	17. Contractor	18. Spud Date 6/20/2011
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	32	825	494	0
Prod	7.875	5.5	17	7533	400	0

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	Shaffer

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Terri Stathem	Approved By: Randy Dade
Title: Regulatory Analyst	Title: District Supervisor
Email Address: tstathem@nearburg.com	Approved Date: 5/4/2011 Expiration Date: 5/4/2013
Date: 5/3/2011 Phone: 432-818-2950	Conditions of Approval Attached

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
11885 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, New Mexico 87505

Form C-102
Revised July 16, 2010
Submit to Appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 50270	Pool Name Penasco Draw; SA-Yeso (Assoc)
Property Code	Property Name GLASS "7" E-H	Well Number 1H
OGRID No. 15742	Operator Name NEARBURG PRODUCING COMPANY	Elevation 3383'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	12	19-S	25-E		2080	NORTH	100	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
H	7	19-S	26-E		2080	NORTH	330	EAST	EDDY

Dedicated Acres 159.57	Joint or Infill	Consolidation Code	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>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Terri Statham</i> 5/3/11 Signature Date Terri Statham Printed Name tstatham@nearburg.com E-mail Address</p>
<p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=609838.5 N X=470420.5 E</p> <p>LAT.=32.676509° N LONG.=104.429465° W</p> <p>BOTTOM HOLE LOCATION Y=609889.8 N X=475441.3 E</p> <p>SCALE-1"=2000'</p>	<p>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>APRIL 12, 2011</p> <p>Date of Survey Signature & Seal of Professional Surveyor:</p> <p><i>Ronald J. Eidson</i> 4/23/2011 Certificate Number Gary G. Eidson 12641 Ronald J. Eidson 3239</p> <p>LA - REV: 4/27/11 JWSC W.O.: 11.11.0817</p>

Permit Comments

Operator: NEARBURG PRODUCING CO , 15742

Well: GLASS 7 E-H #001H

API: 30-015-39003

Created By	Comment	Comment Date
Artesia	Land P/P	5/3/2011

Permit Conditions of Approval

Operator: NEARBURG PRODUCING CO , 15742

Well: GLASS 7 E-H #001H

API: 30-015-39003

OCD Reviewer	Condition
Artesia	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string