

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 Fax:(575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-101
August 1, 2011
Permit 176657

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
4. Property Code 40219		3. API Number 30-015-41784
5. Property Name Shelby "23"		6. Well No. 001

7. Surface Location

UL - Lot	B	Section	23	Township	19S	Range	25E	Lot Idn		Feet From	900	N/S Line	N	Feet From	2140	E/W Line	E	County	Eddy
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8. Proposed Bottom Hole Location

UL - Lot	B	Section	23	Township	19S	Range	25E	Lot Idn	B	Feet From	900	N/S Line	N	Feet From	2140	E/W Line	E	County	Eddy
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9. Pool Information

N. SEVEN RIVERS; GLORIETA-YESO	97565
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3444
16. Multiple N	17. Proposed Depth 3600	18. Formation Yeso Formation	19. Contractor	20. Spud Date 11/25/2013
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	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	3600	720	0

Casing/Cement Program: Additional Comments

8-5/8" Casing: Lead Cement: 180 sxs Thixotropic "H" + 10% A-10 + 1% CC + 10 pps LCM-1 + .25 pps Cello + 5 pps LCM 1. Weight 14.6 ppg Yield 1.32 cfs Mix Water 6.15 gps Tail Cement: 314 sxs "C" + 2% CC + 1 gps FP-6L. Weight 14.8 ppg Yield 1.32 cfs Mix Water 6.3 gps. These volumes based on circulating cement to surface. 100% excess. If cement does not circulate 1 inch cement to surface. 5-1/2" Casing: Lead Cement: 720 sxs "C" Neat Weight 14.8 ppg Yield 1.32 cfs Mix Water 6.3 gps. These volumes based on circulating cement to surface. 40% excess. Final cement volumes for production casing to be calculated off open hole logs plus 40% excess.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Hydril	5000	5000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature: _____ Printed Name: Electronically filed by LeighAnn Hall Title: Production Tech Email Address: lhall@nearburg.com Date: 11/7/2013	OIL CONSERVATION DIVISION Approved By: Randy Dade Title: District Supervisor Approved Date: 11/8/2013 Expiration Date: 11/8/2015 Conditions of Approval Attached
Phone: 432-818-2950	

DISTRICT I
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State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 97565	Pool Name N. Seven Rivers; Glorieta-Yeso
Property Code	Property Name SHELBY "23"	Well Number 1
OCRID No. 15742	Operator Name NEARBURG PRODUCING COMPANY	Elevation 3444'

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	23	19 S	25 E		900	NORTH	2140	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
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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>N 531438 3490 E 501082 6770 NAD83</p> <p>800'</p> <p>S.L.</p> <p>2140'</p> <p>SURFACE LOCATION Lat - N 32°39'03.49" Long - W 104°27'13.66" NAD83 E 504264.8 (NAD-83)</p> <p>N 596219 2870 E 506390 8330 NAD83</p>	<p>OPERATOR CERTIFICATION 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>Signature <u>Tim Green</u> Date <u>11-4-13</u></p> <p>Printed Name <u>Tim Green</u></p> <p>Email Address <u>tgreen@nearburg.com</u></p>
	<p>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.</p> <p>Date Surveyed <u>OCTOBER 22, 2013</u></p> <p>Signature of Professional Surveyor <u>[Signature]</u></p> <p>Certified Professional Land Surveyor 7977</p>
	<p>SCALE: 1" = 1000'</p> <p>WO Num.: 29589</p>

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Form APD Comments

 Permit 176657

PERMIT COMMENTS

Operator Name and Address: NEARBURG PRODUCING CO [15742] 3300 N. A Street, Bldg 2, Midland, TX 79707		API Number: 30-015-41784
		Well: Shelby "23" #001
Created By	Comment	Comment Date
vjohnstonnpc	A closed loop system will be used.	11/7/2013
CSHAPARD	Land p/P	11/8/2013

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Form APD Conditions
Permit 176657

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: NEARBURG PRODUCING CO [15742] 3300 N. A Street, Bldg 2, Midland, TX 79707		API Number: 30-015-41784
		Well: Shelby "23" #001
OCD Reviewer	Condition	
CSHAPARD	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	