

DATE IN <u>6.11.11</u>	SUSPENSE	ENGINEER <u>DKB</u>	LOGGED IN <u>6.11.11</u>	TYPE <u>NISL</u>	APP NO <u>1116244514</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



Nearburg
15742

Rocking 12#1

ADMINISTRATIVE APPLICATION CHECKLIST

30-075-40158

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] **[NSP-Non-Standard Proration Unit]** **[SD-Simultaneous Dedication]**
[DHC-Downhole Commingling] **[CTB-Lease Commingling]** **[PLC-Pool/Lease Commingling]**
[PC-Pool Commingling] **[OLS - Off-Lease Storage]** **[OLM-Off-Lease Measurement]**
[WFX-Waterflood Expansion] **[PMX-Pressure Maintenance Expansion]**
[SWD-Salt Water Disposal] **[IPI-Injection Pressure Increase]**
[EOR-Qualified Enhanced Oil Recovery Certification] **[PPR-Positive Production Response]**

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce

Print or Type Name

Signature

Title

Date

e-mail Address

6/10/11

Attorney
jamesbruce@aol.com

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12-12532E

6406

JAMES BRUCE
ATTORNEY AT LAW

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SANTA FE, NEW MEXICO 87504

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SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

June 10, 2011

David K. Brooks
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Brooks:

Pursuant to NMAC 19.15.15.13, Nearburg Producing Company applies for approval of an unorthodox oil well location for the following well:

<u>Well:</u>	Rocking 12 Well No. 1
<u>Location:</u>	720 feet FNL & 1335 feet FEL
<u>Well Unit:</u>	N $\frac{1}{2}$ NE $\frac{1}{4}$ §12-12S-32E, Lea County, New Mexico

Applicant intends to drill the well to test the North Bagley Permo-Pennsylvanian Pool. The pool has 80 acre spacing and wells to be located within 150 feet of the center of a quarter section. An APD with a Form C-102 is attached as **Exhibit A**.

The location is based on topographic and geologic reasons. Attached as **Exhibit B** is a write-up discussing the reasons for the location.

The well encroaches on the NE $\frac{1}{4}$ NE $\frac{1}{4}$, and possibly on the SE $\frac{1}{4}$ NE $\frac{1}{4}$, of Section 12. However, interest ownership is common in the NE $\frac{1}{4}$, so there is no adversely affected interest owner, and notice of this application is not required to be given to any offset.

Very truly yours,


James Bruce

Attorney for Nearburg Producing Company

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

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

Form C-101
Permit 132487

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 30-025-40158
4. Property Code 38651	5. Property Name ROCKING 12	6. Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	12	12S	32E	B	720	N	1335	E	LEA

8. Pool Information

BAGLEY;PERMO PENN, NORTH	3820
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary C	12. Lease Type Private	13. Ground Level Elevation 4321
14. Multiple N	15. Proposed Depth 10500	16. Formation Strawn	17. Contractor	18. Spud Date 8/1/2011
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mls 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	17.5	13.375	48	400	410	0
Intl	12.25	8.625	32	3950	1500	0
Prod	7.875	5.5	17	10500	1480	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 ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed Name: Electronically filed by Terri Stathem

Title: Regulatory Analyst

Email Address: tstathem@nearburg.com

Date: 6/2/2011

Phone: 432-818-2950

OIL CONSERVATION DIVISION

Approved By: Paul Kautz

Title: Geologist

Approved Date: 6/6/2011

Expiration Date: 6/6/2013

Conditions of Approval Attached

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax (505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210
Phone (505) 748-1283 Fax:(505) 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-102
Permit 132487

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-40158	2. Pool Code 3820	3 Pool Name BAGLEY;PERMO PENN, NORTH
4 Property Code 38651	5 Property Name ROCKING 12	6 Well No. 001
7 OGRID No 15742	8. Operator Name NEARBURG PRODUCING CO	9. Elevation 4321

10. Surface Location

UL - Lot B	Section 12	Township 12S	Range 32E	Lot Idn	Feet From 720	N/S Line N	Feet From 1335	E/W Line E	County LEA
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 80.00	13 Joint or Infill	14. Consolidation Code	15. 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

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(s) 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.

E-Signed By: Terri Stathem

Title: Regulatory Analyst

Date: 6/2/2011

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.

Surveyed By: Ronald Eidson

Date of Survey: 3/29/2011

Certificate Number: 3239

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	Pool Name
Property Code	Property Name ROCKING 12	Well Number 1
OGRID No.	Operator Name NEARBURG PRODUCING COMPANY	Elevation 4321'

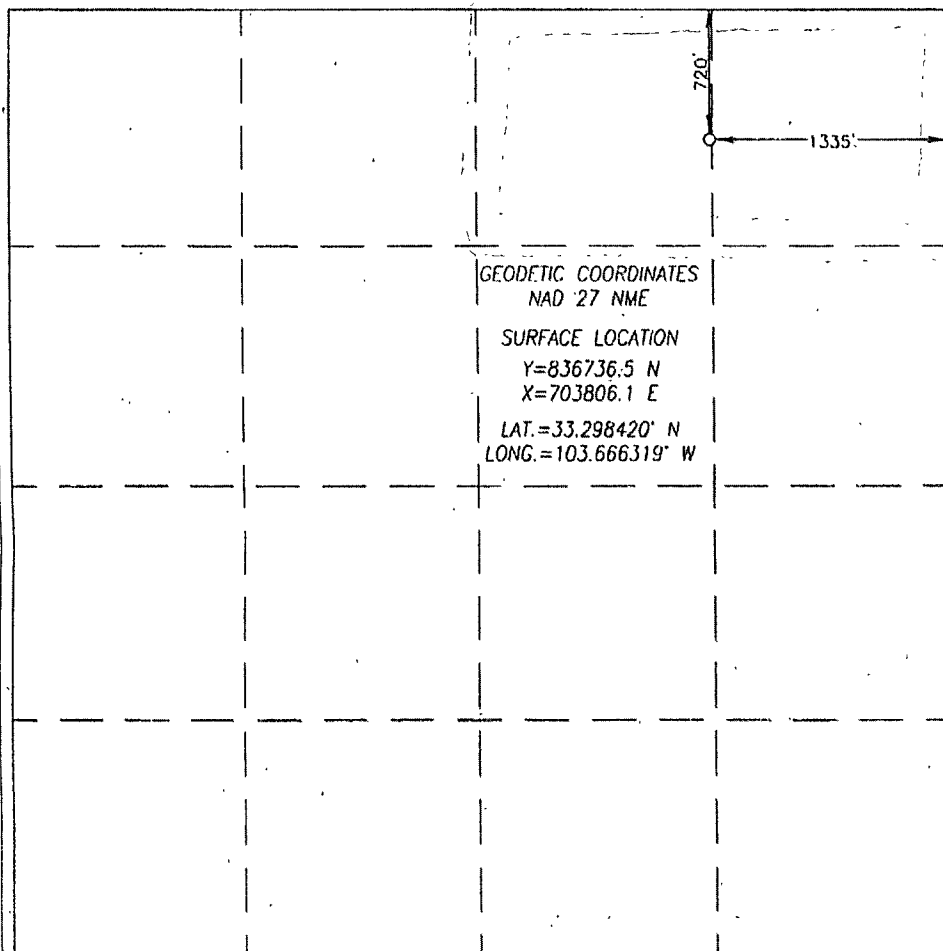
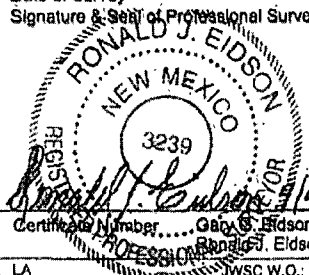
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	12	12-S	32-E		720	NORTH	1335	EAST	LEA

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	Joint or Infill	Consolidation Code	Order No.						

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	<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>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</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>MARCH 29, 2011</p> <p>Date of Survey _____</p> <p>Signature & Seal of Professional Surveyor: </p> <p>Certificate Number: 12841 Professional Surveyor: Ronald J. Eidson 3239</p> <p>LA _____ JWSC W.O.: 11.11.0730</p>

Rocking 12 #1

SHL 720' FNL and 1335' FEL

Section 12, T-12-S, R-32-E

Lea County, New Mexico

The non-standard surface location for the Rocking 12 #1 well was necessitated in part by the fact that the well needed to be located on the highest structural position with respect to the Bough "C" structure map. This map was constructed by integrating the subsurface well control with 3-D seismic to generate the subsea depth structure map. In addition, we were unable to move the location to the west ^{farther} into the NW/4NE/4 section 1 due to a pipeline crossing there and were unable to move the location farther to the east into the NE/4NE/4 section 1 due to the risk of encountering a much thinner Bough "C" interval.

EXHIBIT B

X/Y
Feet

703300

708300

840400

840400

835400

835400

703300

708300

4780.000
4787.850
4795.500
4803.850
4811.800
4819.750
4827.700
4835.650
4843.600
4851.550
4859.600
4867.450
4875.400
4883.350
4891.300
4899.250
4907.200
4915.150
4923.100
4931.050
4939.000
4946.950
4954.900
4962.850
4970.800
4978.750
4986.700
4994.650
5002.600
5010.550
5018.500
5026.450
5034.400
5042.350

Nearburg Producing

Bagley Field Area

Lea County, New Mexico

Scale = 1:9000
0 750 1500 2250 ft

Bough C Subsea
C.I. = 10 feet

Rocking 12 #1

SHL 720' FNL and 1335' FEL

Section 12, T-12-S, R-32-E

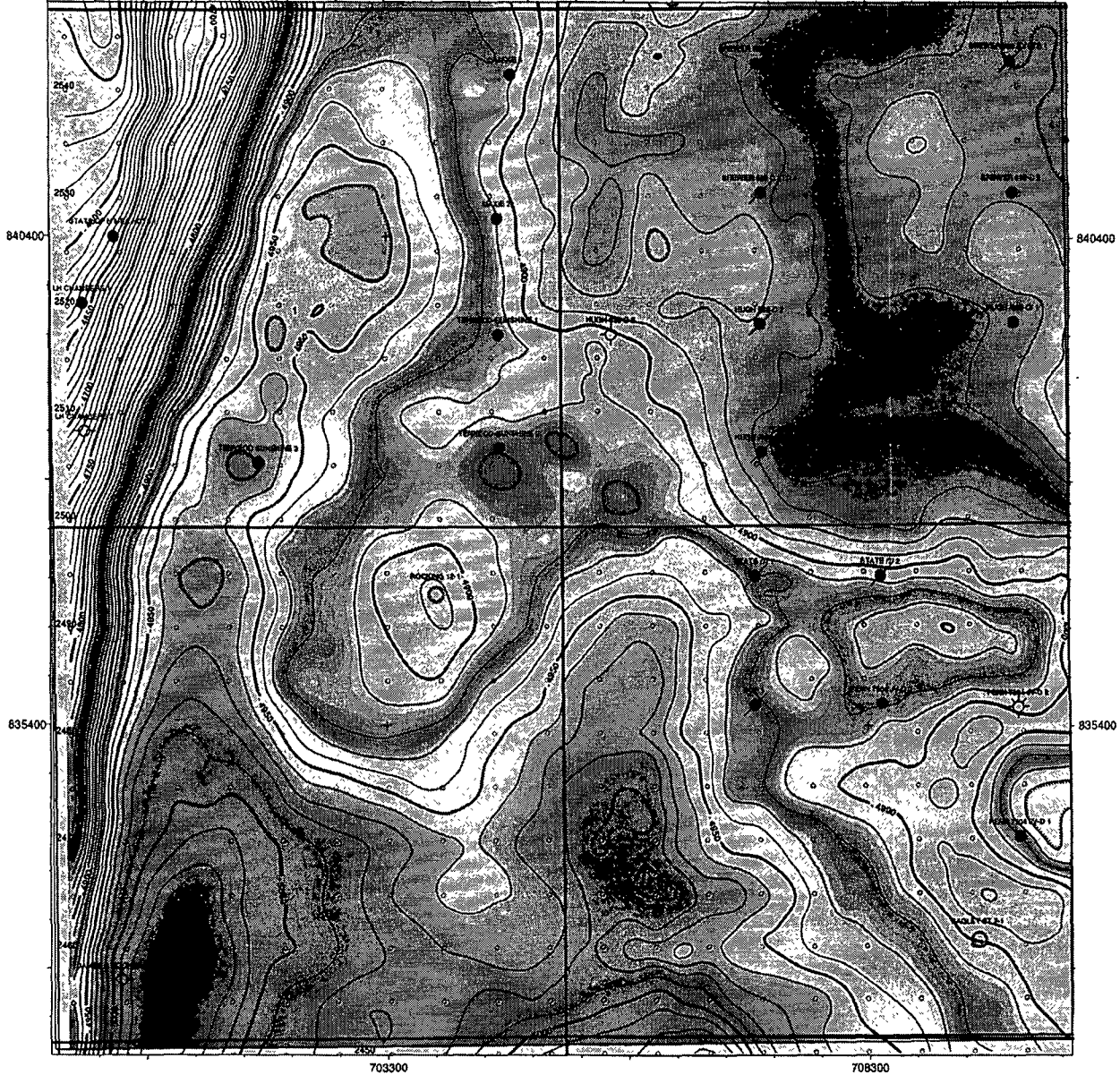
Lea County, New Mexico

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X/Y:
Feet

703300

708300



703300

708300

Nearburg Producing

Bagley Field Area

Lea County, New Mexico

Scale = 1:8000
0 750 1500 2250 ft

Bough C Subsea
C.I. = 10 feet

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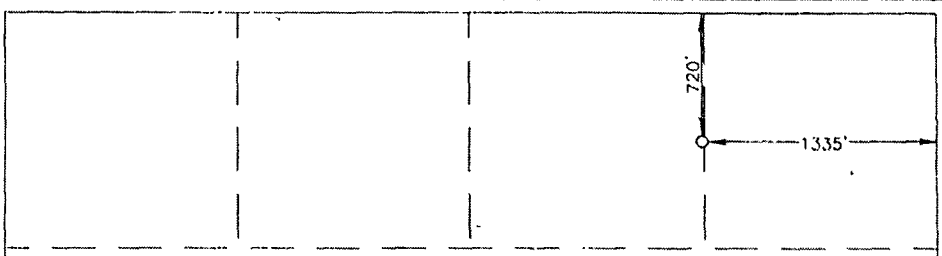
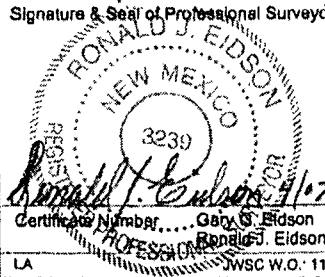
WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name ROCKING 12	Well Number 1
OGRID No.	Operator Name NEARBURG PRODUCING COMPANY	Elevation 4321'

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	12	12-S	32-E		720	NORTH	1335	EAST	LEA

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	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>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>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=836736.5 N X=703806.1 E</p> <p>LAT.=33.298420' N LONG.=103.666319' W</p>				<p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</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>MARCH 29, 2011</p> <p>Date of Survey _____</p> <p>Signature & Seal of Professional Surveyor:</p>	
					
				<p>Certificate Number: Gary S. Eidson 12841 Ronald J. Eidson 3239</p> <p>LA _____ WSC W.O.: 11.11.0730</p>	