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Randy Howard <rhoward@nearburg.com> on behalf of Randy Howard

Friday, April 24, 2015 2:08 PM

**To:** Brent Sawyer; Aaron Myers

**Cc:** John Turro

**Subject:** WELL INFORMATION REQUIREMENTS

**Attachments:** 0569\_001.pdf

In light of this morning's meeting, I have attached our most updated Well Information Requirements.

Please let me know if you have any questions or comments.

Thank you,

Randy Howard

Land Manager

Nearburg Producing Company

432-818-2914 (direct line)

432-599-0382 (cell)

## WELL INFORMATION REQUIREMENTS

Well Name:

Footage Location:

County/State:

Operator:

Operator agrees to furnish to Nearburg Exploration Company, L.L.C. and Nearburg Producing Company the information requested herein, to reasonably observe the requests made herein by Nearburg, and to allow Nearburg the rights and privileges set forth below.

A. **DRILLING AND MUDLOGGER REPORTS:**

Copies of any and all daily drilling and mudlogger reports containing current depth and status, general summary, deviation surveys, mud properties, daily and cumulative costs, background gas and drilling break intervals in which a show is present with a description of show and the lithology containing the show. Daily well and mudlogger reports should be e-mailed daily by 10:30 a.m. CST and, if requested, a weekly recap mailed/faxed to the following:

**NEARBURG EXPLORATION COMPANY, L.L.C.**

Drilling Reports

3300 N. "A" Street, Building 2, Suite 120

Midland, Texas 79705

Attn: daily reports [dailyreport@nearburg.com](mailto:dailyreport@nearburg.com)

FAX: (432) 687-4130

**NEARBURG EXPLORATION COMPANY, L.L.C.**

Mudlogs and Electric Logs

3300 N. "A" Street, Building 2, Suite 120

Midland, Texas 79705

Attn: daily reports [dailyreport@nearburg.com](mailto:dailyreport@nearburg.com)

FAX: (432) 686-7806

B. **HARD COPY WELL DATA**

The following listed data should be mailed as follows:

**NEARBURG EXPLORATION COMPANY, L.L.C.**

3300 N. "A" Street, Building 2, Suite 120

Midland, Texas 79705

Attn: As designated below

**NEARBURG PRODUCING COMPANY**

P. O. Box 823085

Dallas, Texas 75382-3085

Attn: As designated below

- |   | <u>MIDLAND</u>        | <u>DALLAS</u>       |
|---|-----------------------|---------------------|
| 1. Copy of survey plats, permit to drill, and other regulatory forms and letters filed with any governmental agencies.  | Tim Green (1)         | 0                   |
| 2. Copy of the drilling and completion procedures 48 hours prior to commencement of operation.  | Matt Lee (1)          | Michael Griffin (1) |
| 3. Copies of the final mud log.   | Bill Elton (2)        | Michael Griffin (1) |
| 4. Copies of the field prints<br>Of all logs run in the well.   | Bill Elton (1)        | Michael Griffin (1) |
| <b>Put LAS &amp; PDS Print Files (including repeat section) on Interact. Notify Bill Elton @ <a href="mailto:belton@nearburg.com">belton@nearburg.com</a></b> |                       |                     |
| 5. Copies of the final composite prints of all logs run in well.  |                       | Michael Griffin (1) |
| 6. Copy of well log customer diskette<br>3 1/2 " LAS format or CD.  |                       | Michael Griffin (1) |
| 7. One initial and final copy of any DST, coring, sample analysis, formation fluid analysis, or test reports on the well.                                     | Bill Elton (1)        | Michael Griffin (1) |
| 8. Upon request, well history at completion of the well.  | Kimberly Crandell (1) | Michael Griffin (1) |

**Well Information Requirements**

		<u>MIDLAND</u>	<u>DALLAS</u>
9.	Copy of the bit record and mud recap.	Matt Lee (1)	0
10.	One copy of Operator's State Production Report (monthly)	Rue Landon (1)	0
11.	One sample cut of all samples, if any, collected by mudlog crew	Bill Elton (1)	0
12.	One (1) completed slabbed section of any whole core ("chips" from those portions removed for special analysis).	Bill Elton (1)	0
13.	One (1) copy each of all title opinions, governmental OCD examiner and commission hearing orders and curative instruments covering the spacing unit for the well should be sent to:		

**NEARBURG EXPLORATION COMPANY, L.L.C.**  
 3300 N. "A", Building 2, Suite 120  
 Midland, Texas 79705  
 Attn: Land Department

**NEARBURG PRODUCING COMPANY**  
 P. O. Box 823085  
 Dallas, Texas 75382-3085  
 Attn: Land Administration

**C. NOTIFICATION:**

- Nearburg should receive 24-hour notice of the following events: spudding, wireline logging, open hole testing, coring, or plugging of the well. Notification should be by phone to one of the following persons, in the order indicated:

<u>NAME</u>	<u>OFFICE</u>	<u>HOME</u>	<u>CELL</u>
Bill Elton (Geology)	(432) 818-2920	(432) 697-9923	(432) 528-9749
Tim Speer (Engineering)	(432) 818-2930	(432) 694-6749	(432) 528-8036
Randy Howard (Land)	(432) 818-2914	(432) 697-4118	(432) 599-0382

- If you anticipate a major decision (plugging, casing point, etc.) that involves Nearburg over a weekend or holiday, please notify Bill Elton, Tim Speer or Randy Howard by phone (in the order listed) no later than the day prior to such weekend of holiday.
- SLB InterACT – Request access for Bill Elton and Tim Speer

**D. ACCESS TO LOCATION**

Nearburg Producing Company and Nearburg Exploration Company, L.L.C., its employees, consultants, or agents, shall have full and free access to the drilling location to include the derrick floor AND mudlogging unit at all times, without notice, and all well operation and information obtained or conducted during the drilling, completing or producing life of any well to which Nearburg is entitled to receive such well information.

**E. SPECIAL REQUIREMENTS FOR ADDITIONAL WELL INFORMATION**

Nearburg Producing Company and Nearburg Exploration Company, L.L.C. reserve the right to run a velocity survey, acoustic surveys, or other well bore logs or tests including the Schlumberger hi-res density and FMI for spot ELAN analysis and DST(s) to its satisfaction if not run by the operator, or in the case where operator runs same, operator shall furnish to Nearburg all such information or surveys. In addition, Nearburg may require operator to run a two-man mudlogging unit.

**F. GEOLOGIC PROGNOSIS, DRILLING PLAN, COMPLETION PLAN**

Prior to any operation, Operator shall furnish to Nearburg, a geologic prognosis, drilling plan and well completion plan specifying in reasonable detail the procedure of work for the proposed operation, including, but not limited to, anticipated tops of formations and anticipated formations to be DST, along with type of elogs and other tests anticipated to be run in the operation in the geologic prog, surface, bottom hole or end of lateral locations, as applicable, anticipated hole size, type and amount of bits to be used, use of downhole motors and/or steering devices to be used, directional plan and copies of directional surveys while drilling, types of drilling fluid, along with mud weights, water loss and other components of the drilling fluid, casing design in the drilling plan, and casing design, details of perf locations, frac design, including locations and stages, along with amounts and types of fluid and proppant to be used in the completion plan. Such prognosis/plan shall be sent to Nearburg not later than 48 hours prior to commencement of any such operation, preferably along with, or shortly after, a proposal is sent to Nearburg which requires a timely election.

**G. PRODUCTION DATA**

Email the daily production for the first 90 days to [dailyreport@nearburg.com](mailto:dailyreport@nearburg.com). This should include all production data, specifically including, but not limited to, flow rates, gas mcf/d, oil bopd, water bwpd, ngi's, choke size, FTP, FCP, and method of production.