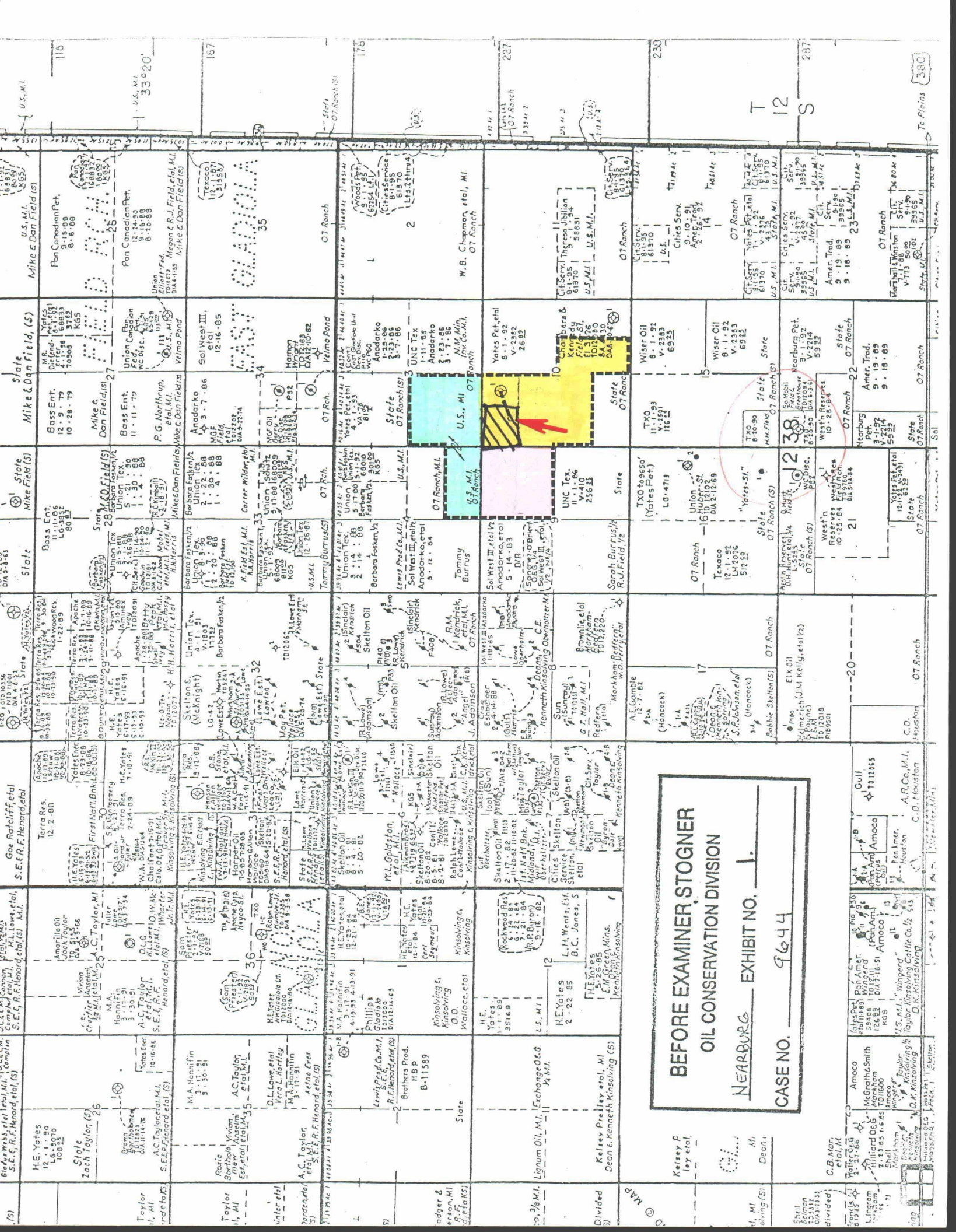




BEFORE EXAMINER, STOGNER

OIL CONSERVATION DIVISION

CASE NO. 9644 EXHIBIT NO. 1.

NEARBURG

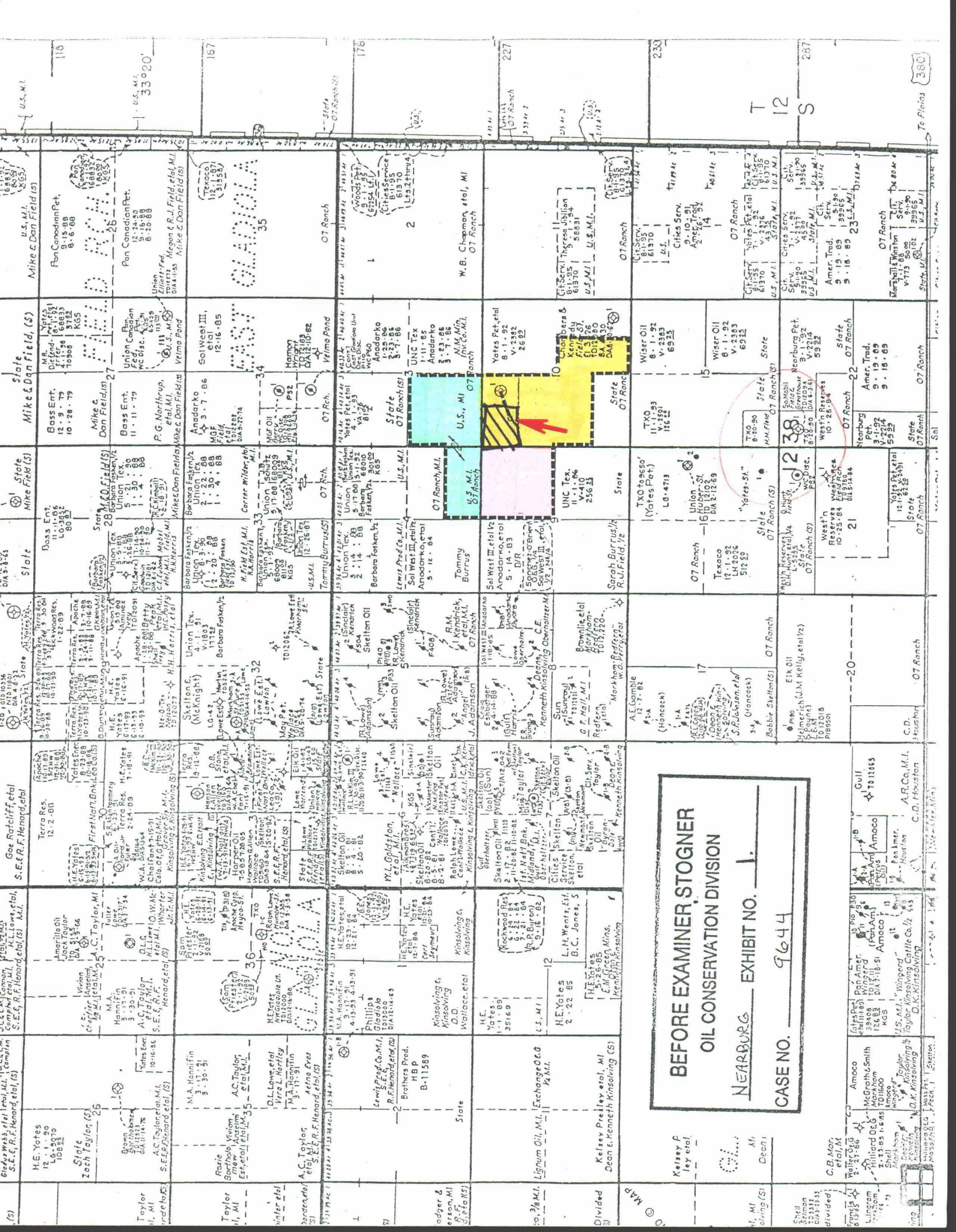
Case No. 9644

Exhibit No. 1

State

U.S. M.I.

State



Nearburg Producing Company

Exploration and Production
P.O. Box 31405
5447 Glen Lakes Drive
Dallas, Texas 75231-0405
214-739-1778
FAX 214-739-4819

March 17, 1989

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
P. O. Box 1980
1000 W. Broadway
Hobbs, New Mexico 88240

RE: STATE 10C WELL NO. 1-Y
SECTION 10-T12S-R38E
LEA COUNTY, NEW MEXICO

Gentlemen:

Enclosed for your approval are the following forms for the referenced well:

- 6 copies of Form C-101, Application for Permit to Drill
- 4 copies of Form C-102, Well Location Plat
- 1 copy of the Blowout Preventor Diagram

We are aware that no allowable can be assigned to the referenced well until the conclusion of the Directional Well and Unorthodox Location Hearings.

If further information is required, please advise.

Yours very truly,

NEARBURG PRODUCING COMPANY

Mildred Simpkins

Mildred Simpkins
Production Analyst

encls.

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION
<u>NEARBURG</u> EXHIBIT NO. <u>2.</u>
CASE NO. <u>9644</u>

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Arapahoe, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCE on New Wells)

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
LG-8382

7. Lease Name or Unit Agreement Name

State 10C

8. Well No.
1-Y

9. Pool name or Wildcat
Wildcat

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. Type of Work:

DRILL ☐ RE-ENTER ☒ DEEPEN ☐ PLUG BACK ☐

b. Type of Well:

Oil Well ☐ Gas Well ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. Name of Operator

Nearburg Producing Company

3. Address of Operator

P. O. Box 31405, Dallas, Texas 75231-0405

4. Well Location

Unit Letter C : 660 Feet From The North Line and 1,980 Feet From The West Line

Section 10

Township 12S

Range 38E

NMPM

Lea

County

10. Proposed Depth
12,400' MD

11. Formation
Devonian

12. Rotary or C.T.
Rotary

13. Elevations (Show whether DF, RT, GR, etc.)
3,851' GR

14. Kind & Status Plug. Boot
Blanket

15. Drilling Contractor
Undetermined

16. Approx. Date Work will start
3/22/89

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8" existing	54.5#	445'	475	circ.
11"	8-5/8" existing	32#	4,463'	1,500	circ.
7-7/8"	5-1/2"	17#, 20#, 23#	12,400'	500	

We plan to re-enter and drill out the surface plug and following four plugs (see attached original P&A report), and set a kickoff plug at +8,000'. We then plan to drill a directional hole to an estimated bottom hole location of 1,000 FNL and 1,100 FNL of Section 10, T12S, R38E. The measured total depth will be +12,400'. After running logs, if the analysis is positive we will run 5-1/2" casing and attempt a completion.

Blowout Preventor Diagram attached.

Directional well and unorthodox location hearings set for April 12, 1989.

We are aware that no allowable can be assigned until the conclusion of the hearings.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information herein is true and complete to the best of my knowledge and belief.

SIGNATURE T. R. MacDonald TITLE Engineering Manager DATE 3/17/89

TYPE OR PRINT NAME T. R. MacDonald TELEPHONE NO. 739-1778

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Aztec, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

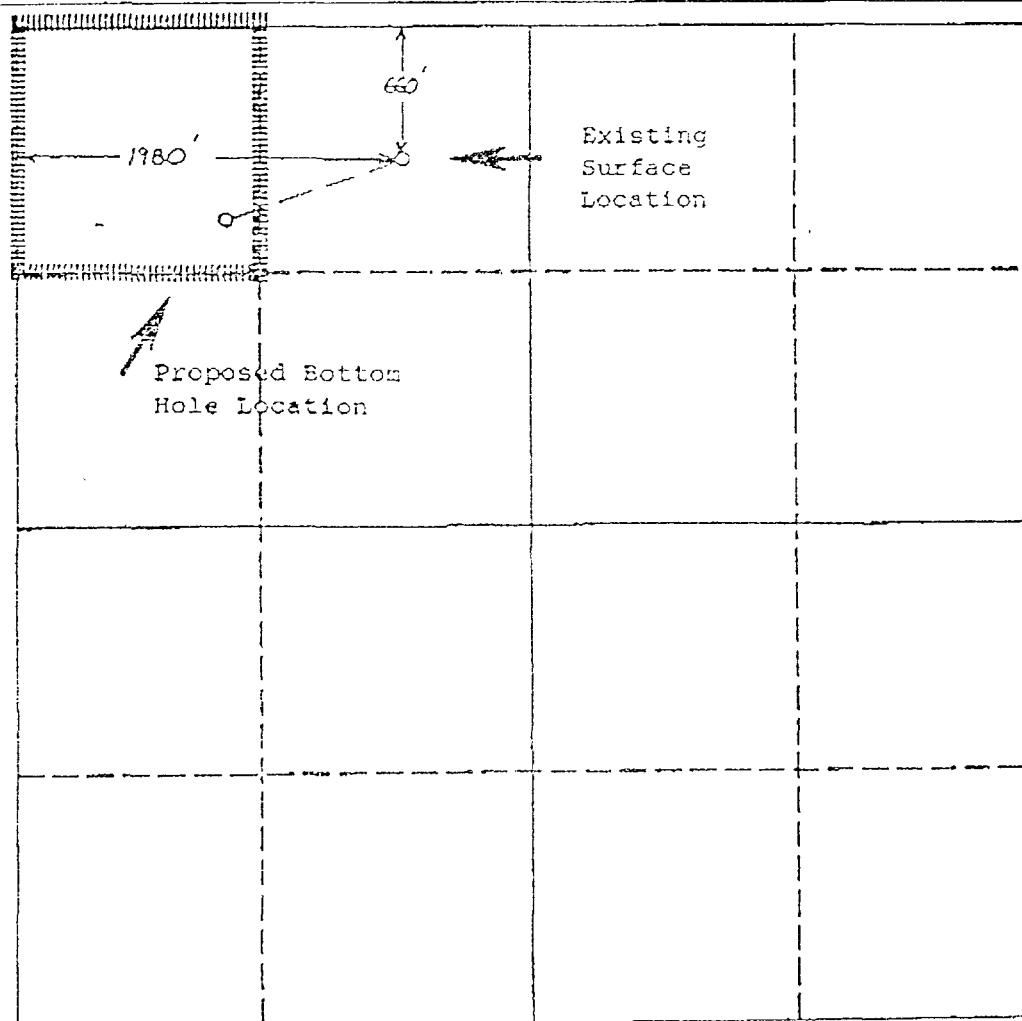
Operator Nearburg Producing Company			Lease State 10C		Well No. 1-Y
Unit Letter C	Section 10	Township 12S	Range 38E	County Lea	NMPM
Actual Footage Location of Well: 660 feet from the North line and 1,980 feet from the West line					
Ground level Elev. 3,851'	Producing Formation Devonian		Pool Wildcat	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, forced-pooling, etc.?

☐ Yes ☐ No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary).

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, 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.

Signature: *T.R. MacDonald*
Printed Name: T.R. MacDonald
Position: Engineering Manager
Company: Nearburg Producing Co.
Date: March 17, 1989

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 knowledge and belief.

Date Surveyed: SEE ATTACHED PLAT
Signature & Seal of Professional Surveyor: _____

Certificate No.: _____

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

All distances must be from the corner boundaries of the Section.

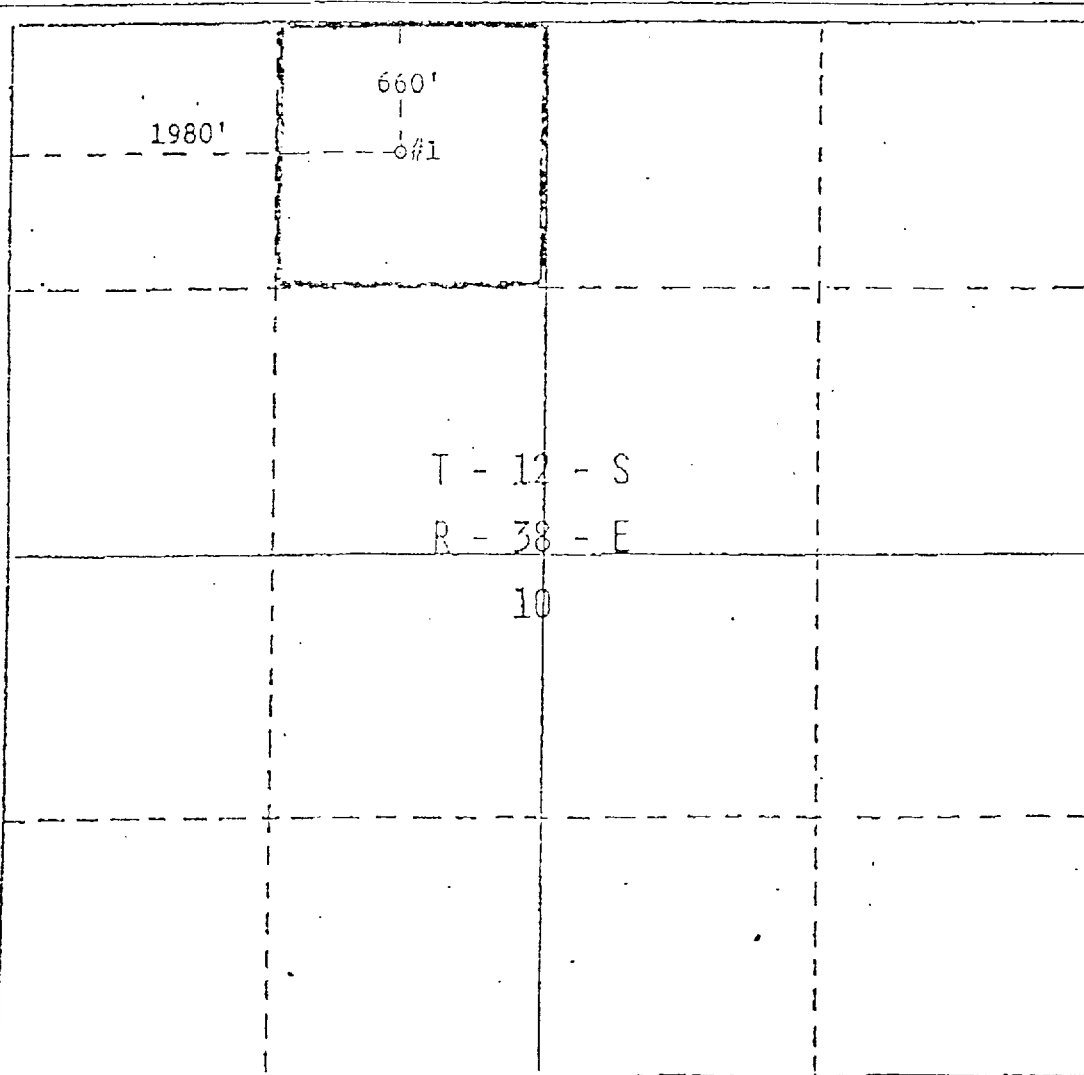
Operator UNC Texas, Inc.		Lease State "10"		Well No. 1	
Unit Letter C	Section 10	Township 12-S	Range 38-E	County Lea	
Actual Postage Location of Well:					
660 feet from the North line and		1980 feet from the West line			
Ground Level Elev. 3851'	Producing Formation Devonian		Pool Wildcat	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

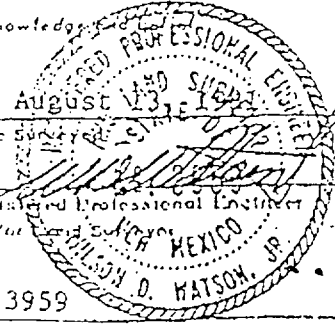
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Randall H. Hulme

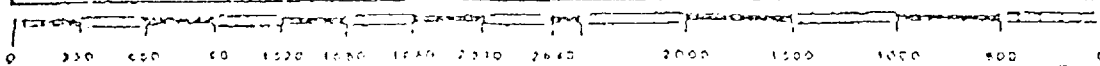
Name
Randall H. Hulme
Position
Drig. & Prod. Engineer
Company
UNC Texas, Inc.

Date
12/22/81

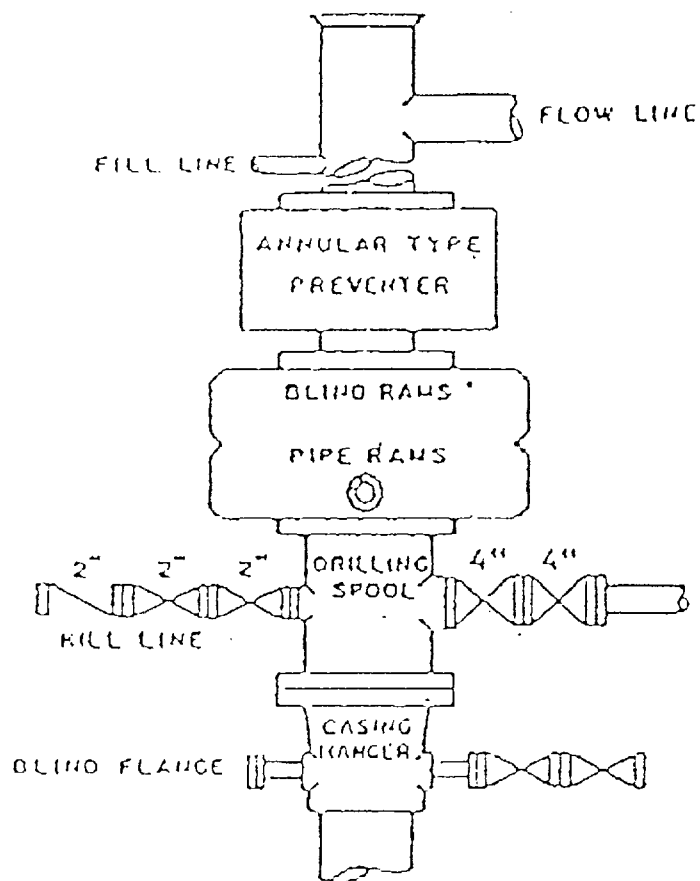
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge.



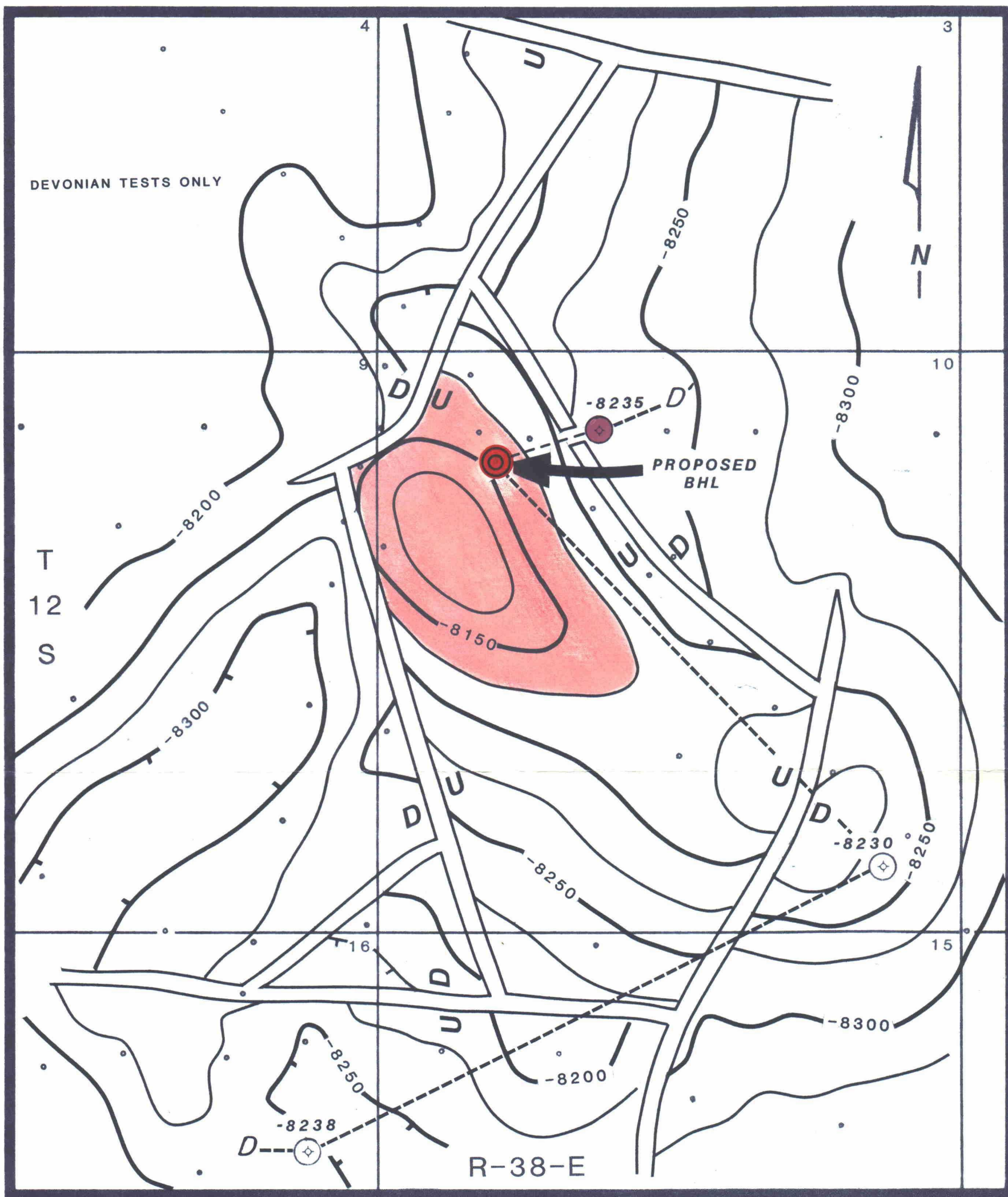
Date Surveyed
Registered Professional Engineer and/or Surveyor
Wilson D. Watson, Jr.
3959
Certificate No.



BLOWOUT PREVENTER SKETCH
Nearburg Producing Company
STATE 10C WELL NO. 1-Y



900 SERIES



• CDP or conventional shot points



Nearburg Producing Company
Exploration and Production
Dallas, Texas

BRONCO NW PROSPECT Lea County, New Mexico

SEISMIC BASE OF WOODFORD SHALE

C.I.: 25 FT.

GEOLOGY BY	DATE	DRAWN BY	FILE NO
T.E. Durham	1/10/89	LJM	

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION

Nearburg EXHIBIT NO. 3

CASE NO. 9644