

NEARBURG EXHIBIT NO. 1

NEW MEXICO OIL CONSERVATION COMMISSION CASE NO. Form C-101 9294
Revised 1-1-63

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease
STATE FCC

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

b. Type of Well
 DRILL DEEPEN PLUG BACK
 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, TX 75231-0405

4. Location of Well
 UNIT LETTER E LOCATED 1980 FEET FROM THE North LINE
 AND 660 FEET FROM THE West LINE OF SEC. 7 TWP. 19S RGF. 26E NMPM

7. Unit Agreement Name

8. Farm or Lease Name
GLASS 7E

9. Well No.
1

10. Field and Pool, or Wildcat
Undesignated West Four Mile Draw-Morrow

12. County
EDDY

19. Proposed Depth <u>10,000'</u>	19A. Formation <u>Morrow</u>	20. Rotary or C.T. <u>Rotary</u>
21. Elevations (Show whether DP, RT, etc.) <u>3383.1' GR</u>	21A. Kind & Status Plug Bond <u>Blanket</u>	21B. Drilling Contractor <u>Peterson Drilling Co.</u>
		22. Approx. Date Work will start <u>2/15/88</u>

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"	61#	350'	375	Circ
11"	8-5/8"	24#	1,350'	430	Circ
7-7/8"	4-1/2"	10.5# & 11.6#	9,500'	575	7,500'

Propose to drill the well to evaluate the Morrow formation. After reaching TD, logs will be run and casing set if the evaluation is positive. Perforate, test, and stimulate as necessary to establish production. BOP program is attached.

Approval subject to final order of New Mexico Oil Conservation Division Case No. 9294.

4. 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 above is true and complete to the best of my knowledge and belief.

Signed TKM Donald Title Engineering Manager Date 2/1/88

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

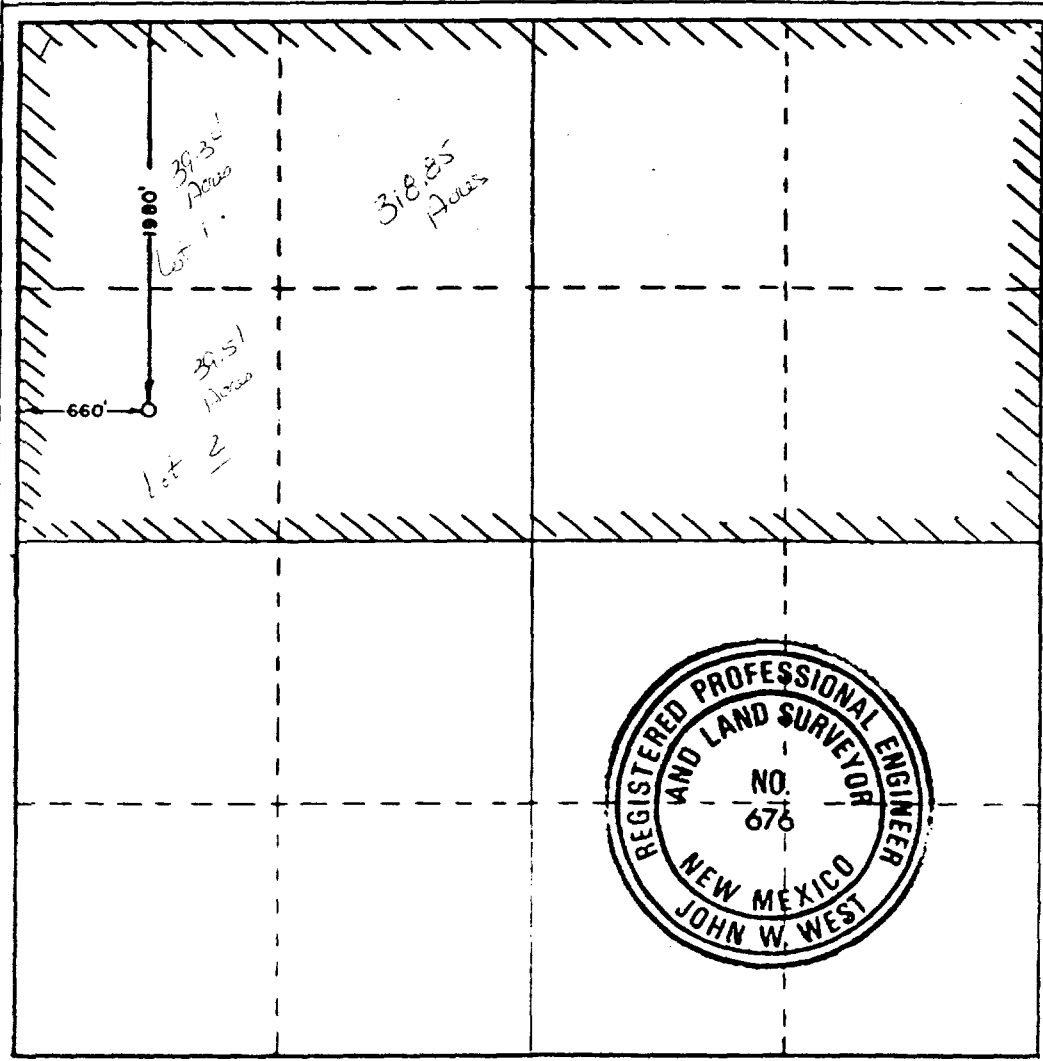
Operator Nearburg Producing Co.		Lease Glass 7E		Well No. 1
Tract Letter E	Section 7	Township 19 South	Range 26 East	County Eddy
Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the West line				
Ground Level Elev. 3383.1	Producing Formation Morrow	Pool Undes. Four Mile Draw-Morrow	Dedicated Acreage: 320.00 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 Pooling

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 Commission.



CERTIFICATION

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

Mark K. Nearburg
Name

Mark K. Nearburg
Position
Vice President-Land Mgr.

Nearburg Producing Co.
Company

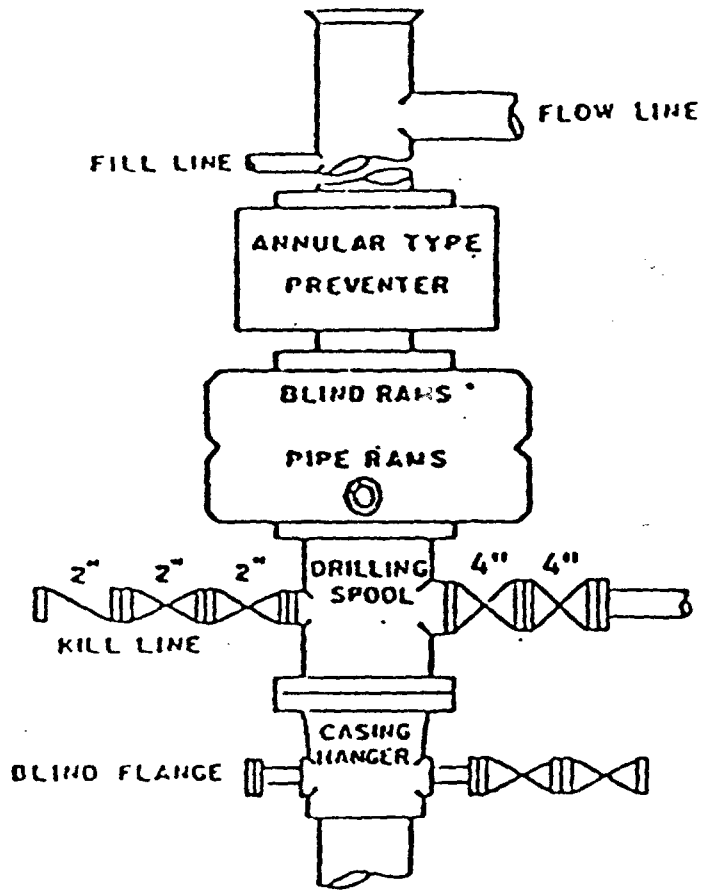
January 14, 1988
Date

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

John W. West
Signature of Professional Engineer and Land Surveyor

BLOWOUT PREVENTER SKETCH
Nearburg Producing Company
GLASS 7E WELL NO. 1



900 SERIES