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LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease
STATE FEDERAL

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 M LOCATED 1300 FEET FROM THE South LINE
AND 400 FEET FROM THE West LINE OF SEC. 7 TWP. 17S RCP. 38E NMPM

7. Unit Agreement Name

8. Farm or Lease Name
BAKER 7M

9. Well No.
1

10. Field and Pool, or Wildcat
South Humble City-Strawn

12. County
Lea

19. Proposed Depth
12,200'

19A. Formation
Strawn

20. Rotary or C.T.
Rotary

21. Elevations (Show whether DP, RT, etc.)
'3720.9' GR

21A. Kind & Status Plug. Bond
Blanket

21B. Drilling Contractor
Landis Drilling Company

22. Approx. Date Work will start
3/1/88

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"	48#	460'	500	Circ
11"	8-5/8"	24# & 32#	4,700'	1600	Circ
7-7/8"	4-1/2"	11.6#	12,100'	830	±8000'

Propose to drill the well to evaluate the Strawn 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. 9313.

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION
NEARBURG EXHIBIT NO. 1
CASE NO. 9313

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

Signed J. K. MacDonell Title Engineering Manager Date 2/9/88

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

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

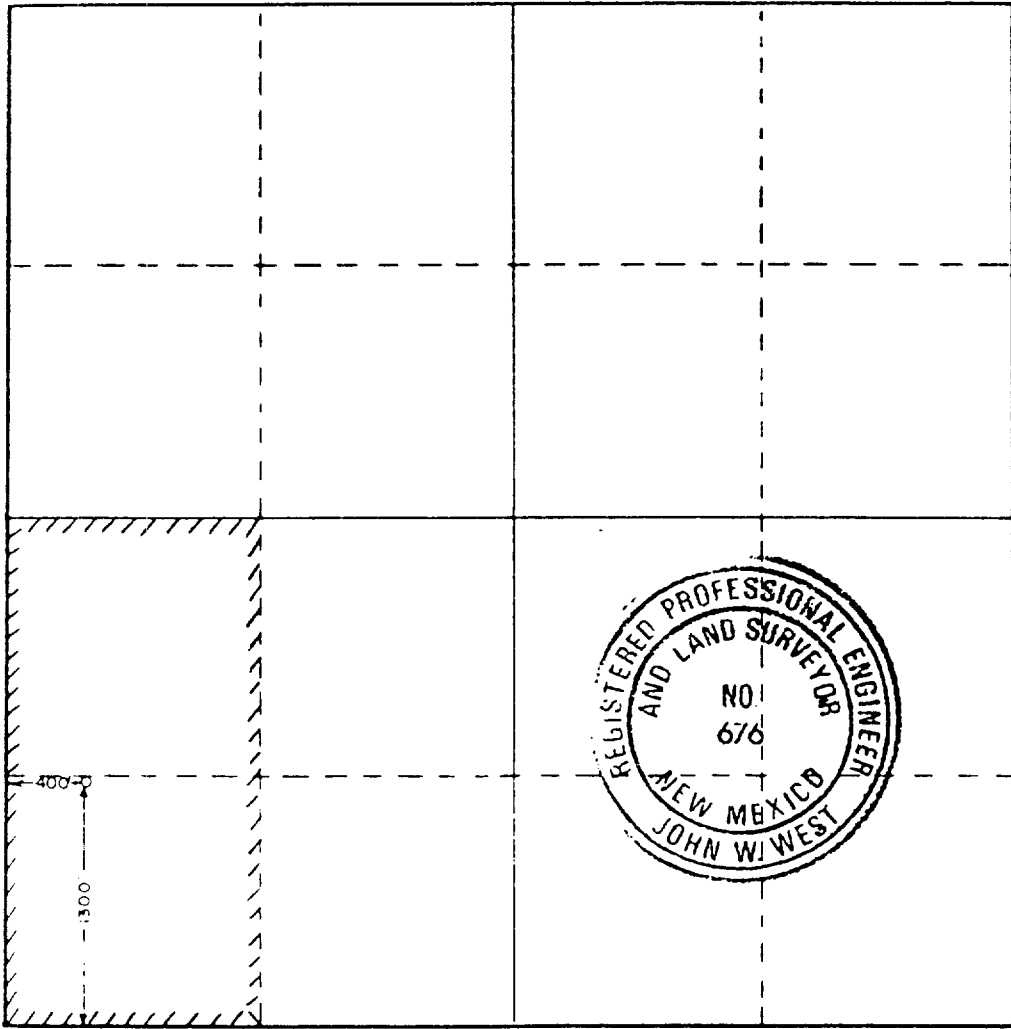
Operator NEARBURG PRODUCING CO.			Lease BAKER 7M		Well No. 1
Grid Letter M	Section 7	Township 17 SOUTH	Range 38 EAST	County LEA	
Actual Enclosure Location of Well: 1300 feet from the SOUTH line and 400 feet from the WEST line					
Ground Level Elev 3720.9	Producing Formation Strawn		Pool South Humble City-Strawn	Dedicated Acreage: 75.59 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 Manager

Company
Nearburg Producing Company

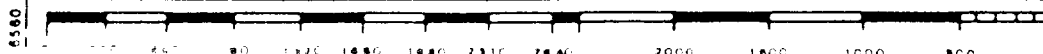
Date
February 9, 1988

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.

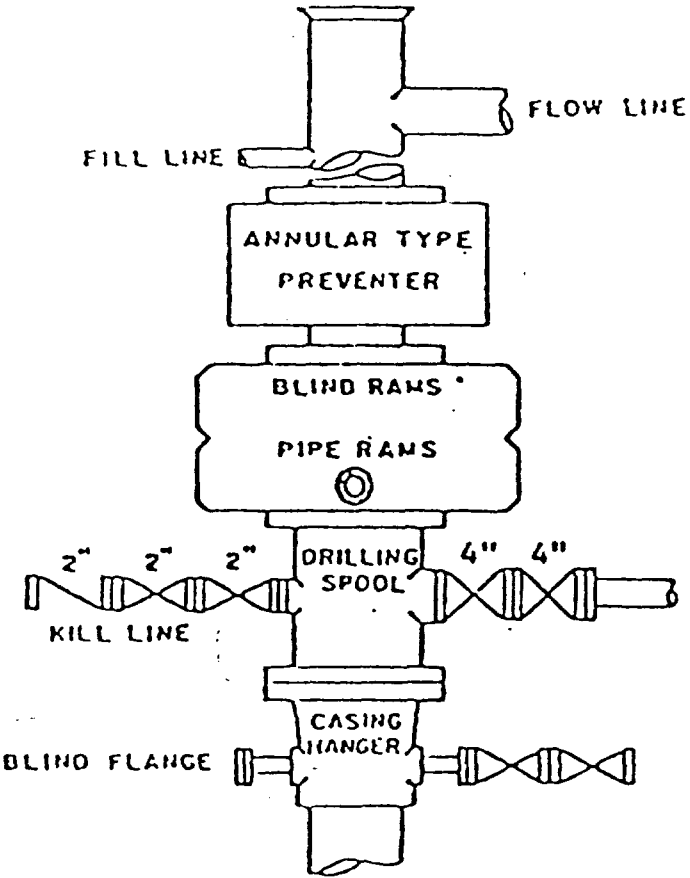
Date Surveyed
February 4, 1988

Registered Professional Engineer and/or Land Surveyor

John W. West
 Certificate No. **JOHN W. WEST, 676**



BLOWOUT PREVENTER SKETCH
Nearburg Producing Company
BAKER 7M WELL NO. 1



900 SERIES

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION

EXHIBIT NO. 2

CASE NO. 93B

HUMBLE CITY

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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