

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OCD-ARTESIAFORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007**SUNDRY NOTICES AND REPORTS ON WELLS****Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.****SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Nearburg Producing Company

3a. Address

3300 N A St., Bldg 2, Ste 120, Midland, TX 79705

3b. Phone No. (include area code)

432/686-8235 x 203

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2590 FNL and 330 FWL, Sec 11-25S-28E

5. Lease Serial No.

NMNM16104

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Salt Draw 11 Fed #1

9. API Well No.

30-015-34436

10. Field and Pool, or Exploratory Area
Willow Lake, SW; Delaware

11. County or Parish, State

Eddy NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other Spud.Surface, Prod Csg
and Cmt

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Well was spud on 12/9/05

Drld to 896'. RU csg crew and ran 13 jts 9-5/8 40# J55 LTC csg. Set @ 896'. Cmt as follows: Lead Slurry - 200 sxs BJ 35/65/6 POZ + additives. Tail Slurry - 200 sxs Class C + additives. Circ 28 sxs cmt to pits. Clark Bennett, BLM rep, witnessed cmt job. WOC 24 hrs. NU BOPE and TIH w/ drlg assembly. Drlg ahead.

Drld to 5125'. Set kick off plug @ 4164-4824 w/ 330 sxs Class H + additives. WOC. Set 2nd plug @ 4100-4634. Cmt w/ 300 sxs Class H + additives. WOC. TIH and start drilling curve.

Drlg to 6850'. RU csg crew and ran 177 jts 5-1/2 17# N80 LTC and X-line csg. Set @ 6850'. Cmt as follows: Stage 1 - Lead Slurry - 200 sxs BJ 35/65/6 POZ + additives. Tail Slurry - 280 sxs Class H + additives. Circ 115 sxs to pit. Stage 2 - Lead Slurry - 694 sxs 35/65/6 C + additives and 700 sxs 50/50/10 C + additives. Tail Slurry - 100 sxs Class C Neat. Circ 161 sxs to pit. WOC. ND, set slips, cut csg and release rig on 1/15/06.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Sarah Jordan

Title

Production Analyst

Date 2/1/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

DAVID B. GLASS

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.