

State of New Mexico  
Energy, Minerals & Natural Resources

Form C-101  
June 16, 2008

District I  
1625 N French Dr., Hobbs, NM 88240  
District II  
1301 W Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S St Francis Dr., Santa Fe, NM 87505

Oil Conservation Division  
1220 S. St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,  
PLUGBACK, OR ADD A ZONE**

|                                                                                                                          |                                            |                                         |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------------------------------|
| <sup>1</sup> Operator Name and Address<br>Nearburg Producing Company<br>3300 N A St., Bldg 2, Ste 120, Midland, TX 79705 |                                            | <sup>2</sup> OGRID Number<br>015742     |
| <sup>4</sup> Property Code<br>38263                                                                                      | <sup>5</sup> Property Name<br>Mullarkey 23 | <sup>3</sup> API Number<br>30-015-38056 |
| <sup>9</sup> Proposed Pool 1<br>Undesignated; Yeso                                                                       |                                            | <sup>6</sup> Well No<br>1               |
| <sup>10</sup> Proposed Pool 2                                                                                            |                                            |                                         |

<sup>7</sup> Surface Location

| UL or lot no | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|--------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| H            | 23      | 19S      | 25E   |         | 2310          | North            | 330           | East           | Eddy   |

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

| UL or lot no | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|--------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|              |         |          |       |         |               |                  |               |                |        |

Additional Well Location

|                                          |                                      |                                 |                                                                          |                                              |
|------------------------------------------|--------------------------------------|---------------------------------|--------------------------------------------------------------------------|----------------------------------------------|
| <sup>11</sup> Work Type Code<br>New Well | <sup>12</sup> Well Type Code<br>Oil  | <sup>13</sup> Cable/Rotary<br>R | <sup>14</sup> Lease Type Code<br>Fee <input checked="" type="checkbox"/> | <sup>15</sup> Ground Level Elevation<br>3416 |
| <sup>16</sup> Multiple<br>No             | <sup>17</sup> Proposed Depth<br>4000 | <sup>18</sup> Formation<br>Yeso | <sup>19</sup> Contractor<br>United                                       | <sup>20</sup> Spud Date<br>6/1/10            |

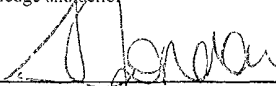
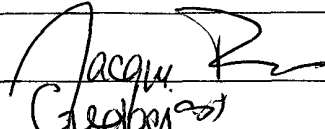
<sup>21</sup> Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 11        | 8-5/8       | 24                 | 800           | 350 sxs         | surface       |
| 7-7/8     | 5-1/2       | 17                 | 4000          | 500 sxs         | surface       |
|           |             |                    |               |                 |               |
|           |             |                    |               |                 |               |
|           |             |                    |               |                 |               |

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

NPC proposes to drill the well to the Yeso formation. Test, perf and stimulate as needed to establish production.

Acreage dedication is 40 acres

|                                                                                                                              |                     |                                                                                                    |  |
|------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------------------------------------------------------------------------------------|--|
| <sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. |                     | OIL CONSERVATION DIVISION                                                                          |  |
| Signature:                                |                     | Approved by:  |  |
| Printed name: Sarah Jordan                                                                                                   |                     | Title: Greider                                                                                     |  |
| Title: Prod/ Reg Analyst                                                                                                     |                     | Approval Date: 7/29/2010 Expiration Date: 7/29/2011                                                |  |
| E-mail Address: sjordan@nearburg.com                                                                                         |                     |                                                                                                    |  |
| Date: 6-2-10                                                                                                                 | Phone: 432/818-2950 | Conditions of Approval Attached <input type="checkbox"/>                                           |  |

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State of New Mexico

Energy, Minerals, and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 copies

Fee Lease - 3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                         |                                                      |                                                               |
|-----------------------------------------|------------------------------------------------------|---------------------------------------------------------------|
| <sup>1</sup> API Number<br>30-015-38046 | <sup>2</sup> Pool Code<br>97565                      | <sup>3</sup> Pool Name<br>NORTHSEVEN<br>RIVERS; GLORIETA-YESO |
| <sup>4</sup> Property Code<br>38263     | <sup>5</sup> Property Name<br>MULLARKEY 23           | <sup>6</sup> Well Number<br>1                                 |
| <sup>7</sup> GRID No.<br>Q5742          | <sup>8</sup> Operator Name<br>NEARBURG PRODUCING CO. | <sup>9</sup> Elevation<br>3416'                               |

<sup>10</sup>Surface Location

| UL or lot no. | Section | Township | Range             | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| H             | 23      | 19 SOUTH | 25 EAST, N.M.P.M. |         | 2310'         | NORTH            | 330'          | EAST           | EDDY   |

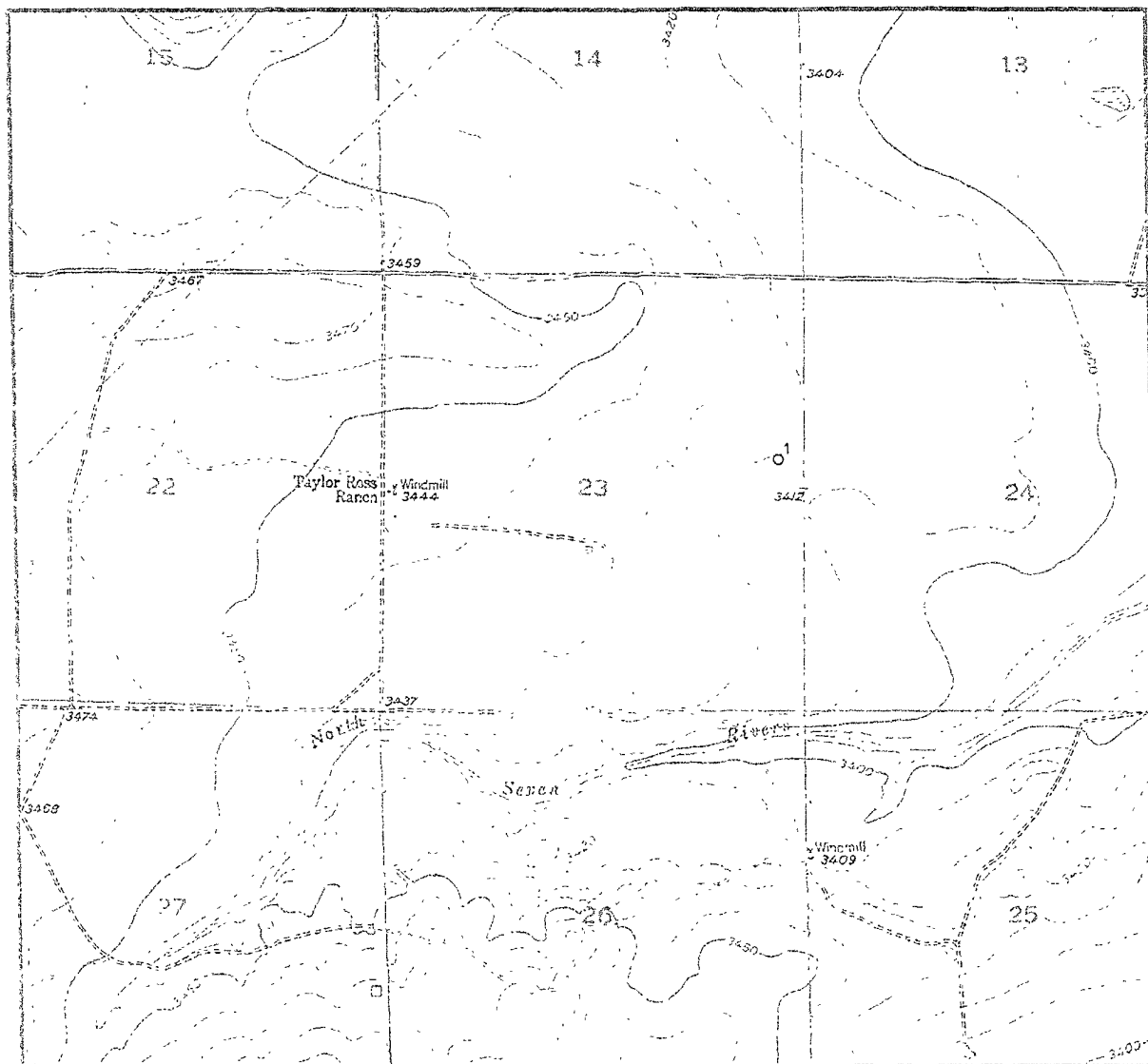
<sup>11</sup>Bottom Hole Location If Different From Surface

| UL or lot no.                        | Section                       | Township                         | Range                   | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|---------|---------------|------------------|---------------|----------------|--------|
|                                      |                               |                                  |                         |         |               |                  |               |                |        |
| <sup>12</sup> Dedicated Acres<br>4.0 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |         |               |                  |               |                |        |

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

|                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div><p><sup>16</sup></p></div> | <div><p><sup>17</sup> OPERATOR CERTIFICATION</p><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p><p>Signature: <i>[Signature]</i> Date: 6.2.10</p><p>Printed Name: S. Jordan</p></div> <div><p><sup>18</sup> SURVEYOR CERTIFICATION</p><p>I hereby certify that the well location shown on this plat was plotted from notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my belief.</p><p>Date of Survey: MAY 11, 2010</p><p>Signature and Seal of Professional Surveyor: <i>[Signature]</i></p><p>Certificate Number: Micheal Blake Brown P.S. #18329</p><p>JOB #155811 / 75 NE E.U.O.</p></div> |
|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

# LOCATION & ELEVATION VERIFICATION MAP



SCALE : 1" = 2000'

CONTOUR INTERVAL 10'

SECTION 23 TWP 19-S RGE 25-E

SURVEY NEW MEXICO PRINCIPAL MERIDIAN

COUNTY EDDY STATE NM

DESCRIPTION 2310' FNL & 330' FEL

ELEVATION 3416'

OPERATOR NEARBURG PRODUCING CO.

LEASE MULLARKEY 23 #1

U.S.G.S. TOPOGRAPHIC MAP

DAYTON, NEW MEXICO

SCALED LAT. LAT.: N 32°38'50.23"

LONG. LONG.: W 104°27'50.05"

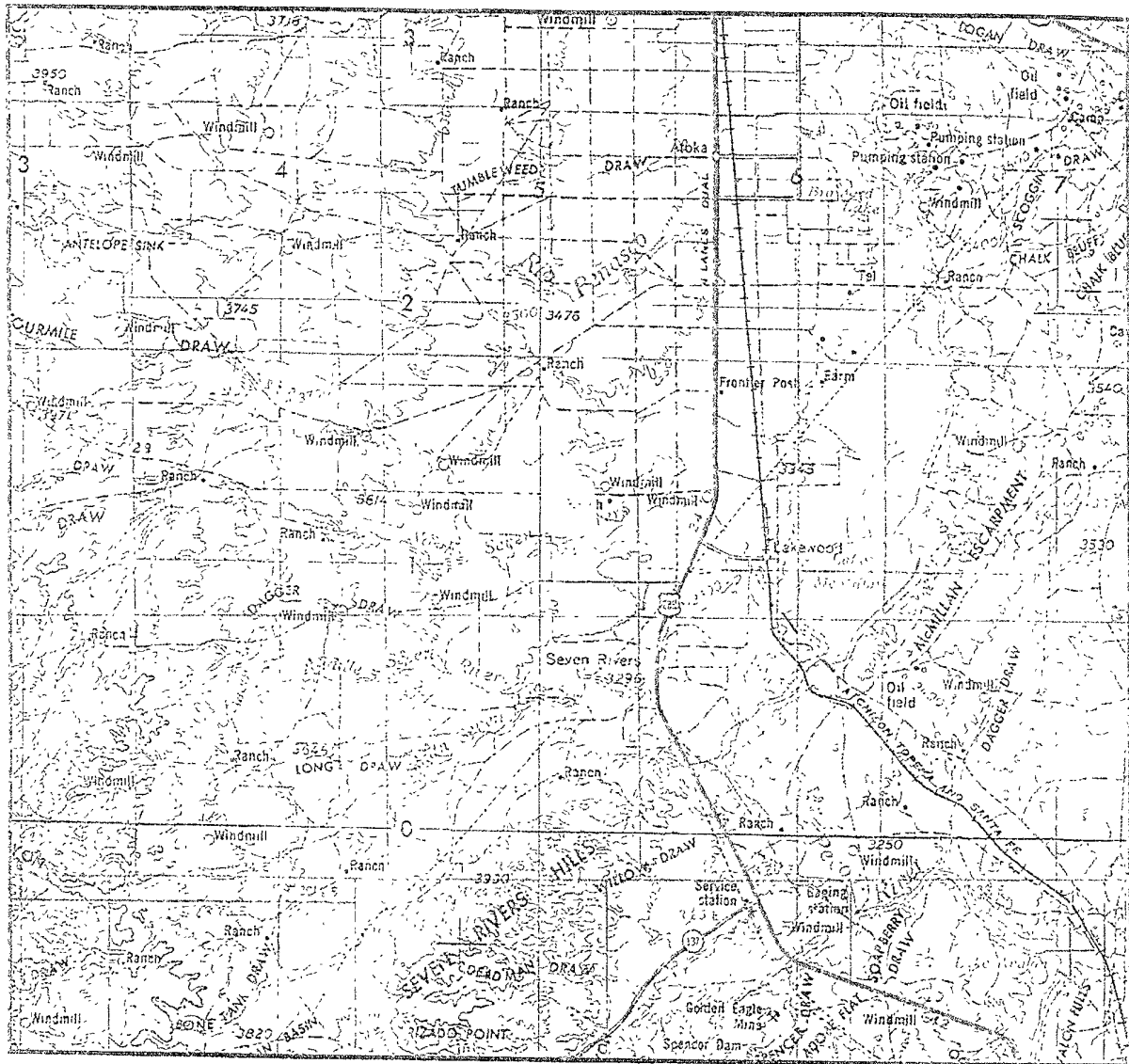


## TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

2903 N. BIG SPRING  
MIDLAND, TX. 79705  
(800) 767-1653

# VICINITY MAP



SECTION 23 TWP 18-S RGE 27-E

SURVEY NEW MEXICO PRINCIPAL MERIDIAN

COUNTY EDDY STATE NM

DESCRIPTION 2310' FNL & 330' FEL

OPERATOR NEARBURG PRODUCING

LEASE MULLARKEY 23 #1

DISTANCE & DIRECTION FROM JCT. OF HWY. 285 & CO.

RD. 21, GO EAST 3.0 MILES ON CO. RD. 21, THENCE

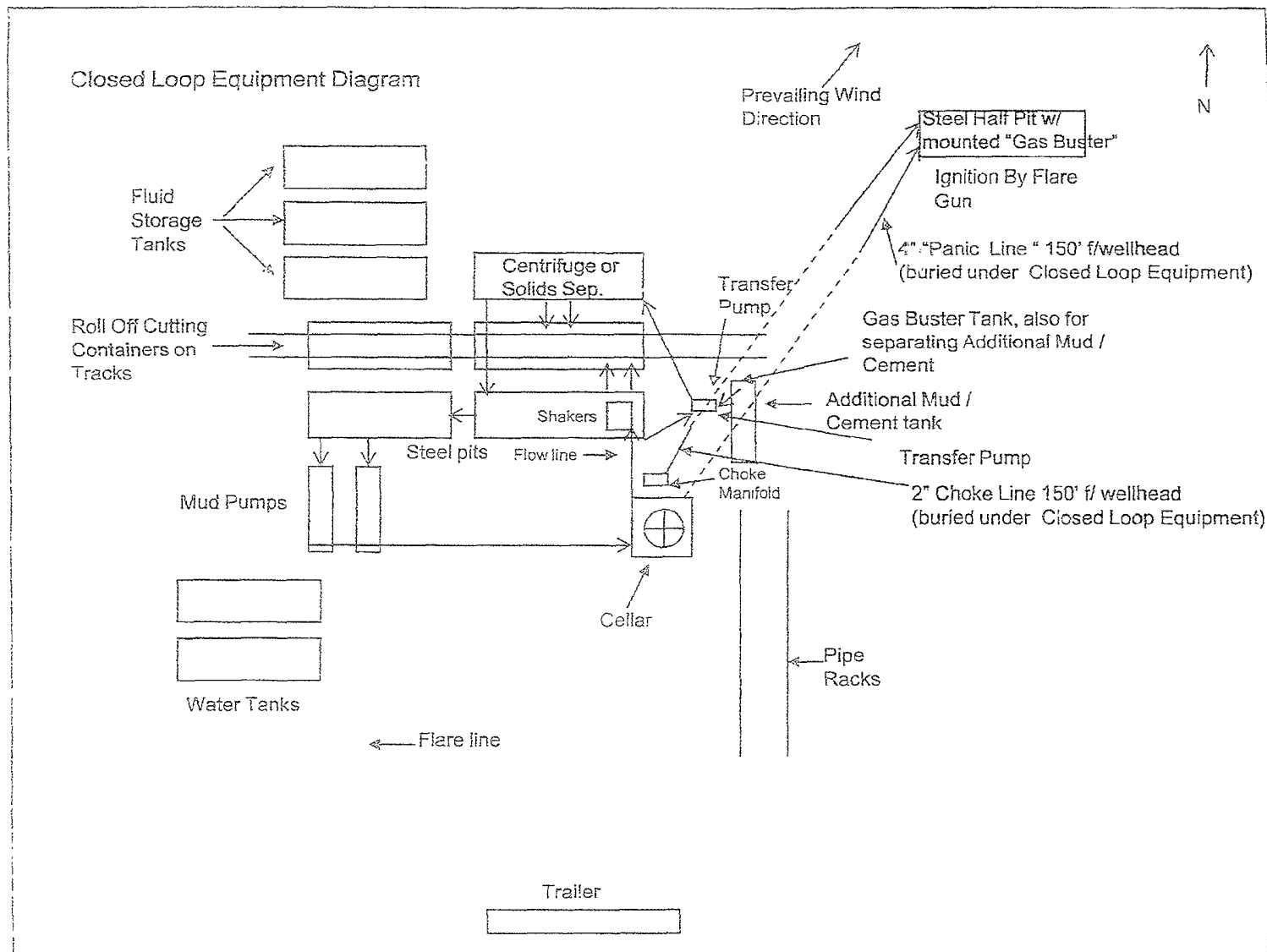
SOUTH 0.5 MILES ON LEASE ROAD TO A POINT ±330'

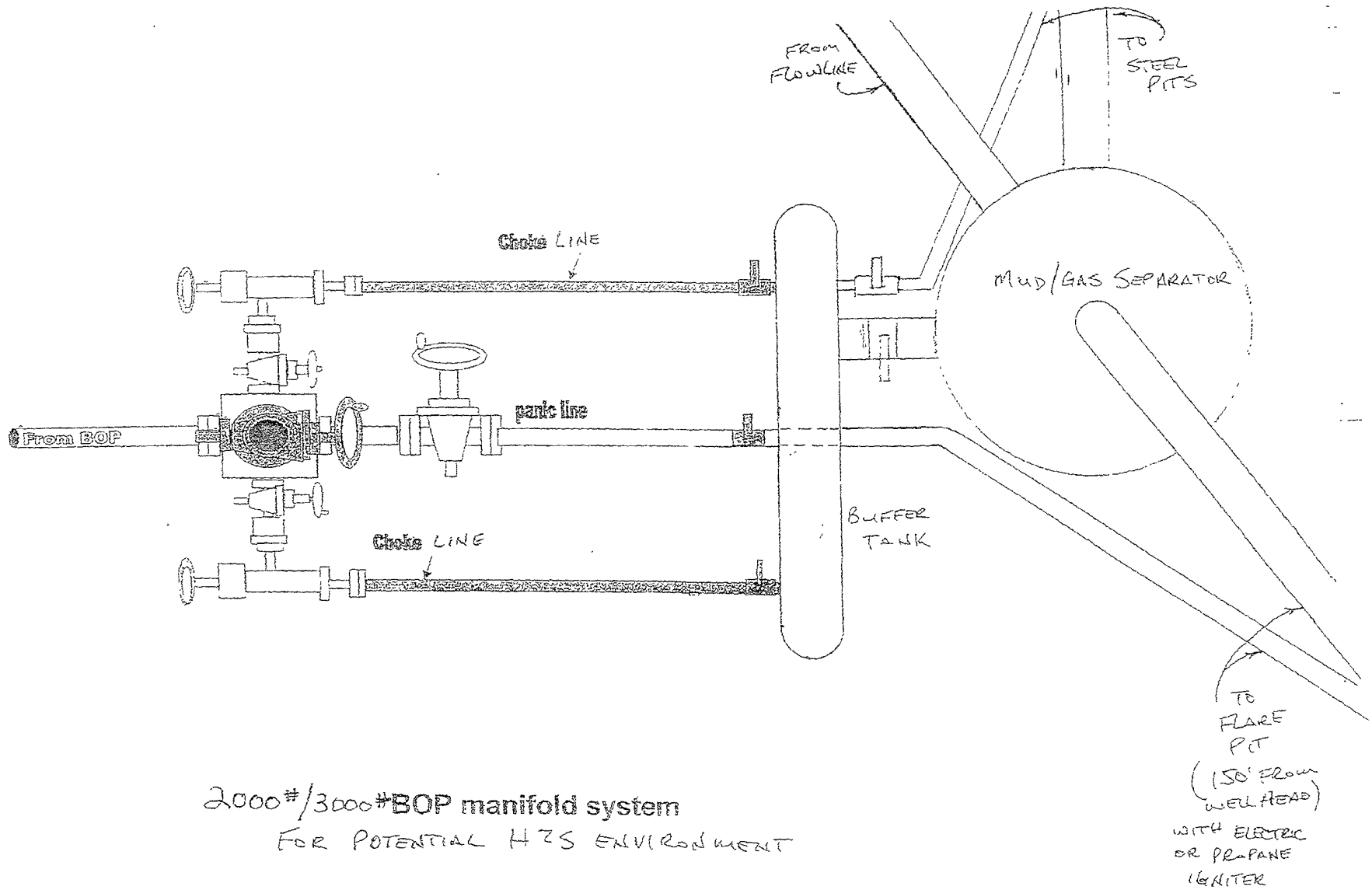
EAST OF THE LOCATION.

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MIDLAND, TX. 79705  
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2000#/3000# BOP manifold system  
For POTENTIAL H<sub>2</sub>S ENVIRONMENT