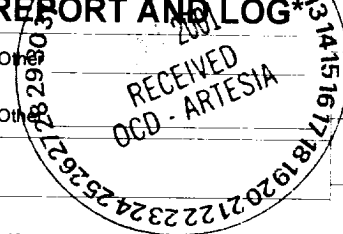


UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
New Mexico Conservation  
300 S. 1st Street  
Albuquerque, NM 88210-2834

FORM APPROVED  
OMB NO. 1004-0137  
Expires: February 28, 1995

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# WELL COMPLETION OR RECOMPLETION REPORT AND LOG



1a. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐

b. TYPE OF COMPLETION: NEW WELL ☐ WORK OVER ☒ DEEP-EN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER ☐

2. NAME OF OPERATOR  
Nearburg Producing Company

3. ADDRESS AND TELEPHONE NO.  
3300 North A Street, Building 2, Suite 120, Midland, Texas 79705 (915) 686-8235

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface  
1650' FSL and 767' FWL  
At top prod. interval reported below  
At total depth

5. LEASE DESIGNATION AND SERIAL NO.  
NM 56426

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.  
Neptune 31 Federal #1

9. API WELL NO.  
30-015-30340

10. FIELD AND POOL, OR WILDCAT  
E, Palmillo Bone Spring

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA  
Section 31, T18S, R29E

12. COUNTY OR PARISH  
Eddy

13. STATE  
New Mexico

14. PERMIT NO.

DATE ISSUED

15. DATE SPUDDED  
09/21/98

16. DATE T.D. REACHED  
10/21/98

17. DATE COMPL. (Ready to prod.)  
11/16/00

18. ELEVATIONS (DF, RKB, RT, GE, ETC.)\*  
3,495' GL 3,510' KB

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD  
11,220'

21. PLUG, BACK T.D., MD & TVD  
7761'

22. IF MULTIPLE COMPL., HOW MANY\*

23. INTERVALS DRILLED BY

ROTARY TOOLS  
X

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)\*  
7490' - 7578' - Bone Spring

25. WAS DIRECTIONAL SURVEY MADE  
No

26. TYPE ELECTRIC AND OTHER LOGS RUN  
DLL/LDT/CNL/GR/CAL

27. WAS WELL CORED  
No

## CASING RECORD (Report all strings set in well)

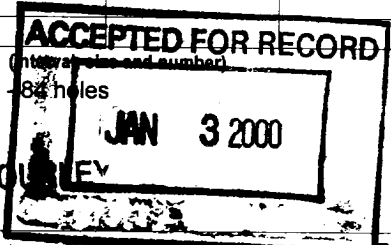
CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
13-3/8"	48#	347'	12-1/4"	Cement 400 sxs, circ to surface	
8-5/8"	24# & 32#	3275'	7-7/8"	Cement 2120 sxs, circ to surface	
5-1/2"	17# & 20#	7812'	7-7/8"	Cement 275 sxs	

29.	LINER RECORD				30.	TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	

31. PERFORATION RECORD (Interval, size and number)  
7490' - 7578' - 2 JSPF - 84 holes

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7490' - 7578'	Acidized w/ 3000 gals 7-1/2% acid. Fracture w/ Spectra Frac-30 sand.



ORIG. SGD.) GARY GOUVER

33. \* PRODUCTION

DATE FIRST PRODUCTION  
11/16/00

PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)  
Pumping

WELL STATUS (Producing or shut-in)  
Producing

DATE OF TEST  
12/03/00

HOURS TESTED  
24

CHOKE SIZE

PROD'N FOR TEST PERIOD

OIL—BBL.  
46

GAS—MCF.  
25

WATER—BBL.  
8

GAS-OIL RATIO  
543:1

FLOW. TUBING PRESS. CASING PRESSURE CALCULATED 24-HOUR RATE

OIL—BBL.  
46

GAS—MCF.  
25

WATER—BBL.  
8

OIL GRAVITY-API (CORR.)  
35.9

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)  
Sold

TEST WITNESSED BY  
Matt Lee

35. LIST OF ATTACHMENTS  
C-104, Deviation Report, Logs

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Kim Stewart TITLE Regulatory Analyst DATE 12/19/00

\*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, 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.

37. SUMMARY OF POROUS ZONES: (Summarize all important zones of porosity and contents of; cored intervals; and all drill-stem tests, including depth intervals, lost circulation, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
2nd Bone Spring	7490	7570	Fine GR, SS w/ show
Wolfcamp	8760	8776	Limestone w/ show

38. GEOLOGICAL MARKERS			38. GEOLOGICAL MARKERS		
NAME	TOP		NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH		MEAS. DEPTH	TRUE VERT. DEPTH
T/Rustler	690		T/Strawn	9956	
T/Queen	1770		T/Atoka	10256	
T/Penrose	2090		T/Morrow	10538	
T/San Andres	2650		T/Morrow Clastics	10760	
T/Bone Spring SS	3568				
T/1st Bone Spring SS	6522				
T/2nd Bone Spring SS	7035				
T/3rd Bone Spring SS	8277				
T/Wolfcamp	8649				
T/Canyon	9548				