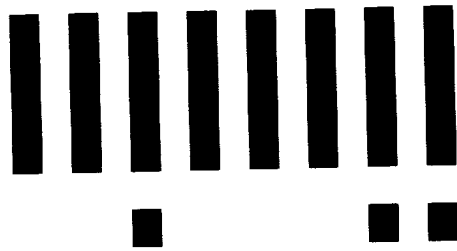


FIELD REPORT FOR CEMENTING OF WELLS

OIL CONSERVATION DIVISION

Operator <u>Nearburg Prod Co</u>		Lease <u>Parino 232</u>		Well # <u>2</u>	
Location of Well	Unit <u>L</u>	Section <u>23</u>	Township <u>19</u>	Range <u>25</u>	County <u>Eddy</u>
Drilling Contractor	<u>TOT Drlg Co</u>		Type of Equipment <u>Rotary</u>		
<u>APPROVED CASING PROGRAM</u>					
Size of Hole	Size of Casing	Weight Per Foot	New or Used	Depth	Sacks Cement
<u>17 1/2"</u>	<u>13 3/8"</u>	<u>48#</u>	<u>New</u>	<u>350'</u>	<u>375 sx</u>
<u>12 1/4"</u>	<u>8 5/8"</u>	<u>24#</u>	<u>..</u>	<u>1350'</u>	<u>450 sx</u>
<u>7 7/8"</u>	<u>4 1/2"</u>	<u>11.60#</u>	<u>..</u>	<u>9700'</u>	<u>575 sx</u>
Casing Data:					
Surface <u> </u> joints of <u>8 5/8"</u> inch <u>24</u> # Grade <u>J-55</u>					
(Approved) (Rejected) <u> </u>					
Inspected by <u>M.S.</u> date <u>7-15-88</u>					
Cementing Program					
Size of hole <u>17 1/2"-350'</u> Size of Casing <u>8 5/8"</u> Sacks cement required <u> </u>					
Type of Shoe used <u>guide</u> Float collar used <u>insert</u> Btm 3 jts welded <u>yes</u>					
TD of hole <u>1377'</u> Set <u>1377'</u> Feet of <u>8 5/8"</u> inch <u>24</u> # Grade <u>J-55</u>					
New-used csg. @ <u>1377'</u> with <u>200 290cc</u> sacks neat cement around shoe					
+ <u>1000</u> sax <u>Hall. Lite</u> additives (<u>1/4# Floeal, 290cc</u>)					
Plug down @ <u>11:30</u> (AM) (PM) Date <u>7-15-88</u>					
Cement circulated <u>yes</u> No. of Sacks <u>125 sx</u>					
Cemented by <u>Halliburton</u> Witnessed by <u>Mike Stubblefield</u>					
Temp. Survey ran @ <u> </u> (AM) (PM) Date <u> </u> top cement @ <u> </u>					
Casing test @ <u> </u> (AM) (PM) Date <u> </u>					
Method Used <u> </u> Witnessed by <u> </u>					
Checked for shut off @ <u> </u> (AM) (PM) Date <u> </u>					
Method used <u> </u> Witnessed by <u> </u>					
Remarks: <u>+ 1000 gal. flowcheck ahead of cement slurry.</u>					
Full returns to TD					
<u>centralizers every 3rd joint off bottom. (total 6)</u> <u>Last Drlg break 1059'</u>					



LTR



Job separation sheet

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OPERATOR	<input checked="" type="checkbox"/>

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NEW MEXICO OIL CONSERVATION COMMISSION

30-015-25939
Form C-101
Revised 1-1-65

JUL 01 '88

~~AMENDED~~

O. C. D.
ARTESIA, OFFICE

5A. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.
7. Unit Agreement Name
8. Farm or Lease Name PARINO 23L
9. Well No. 2
10. Field and Pool, or Wildcat Undesignated Boyd Morrow
12. County Eddy
19. Proposed Depth 10,000'
19A. Formation Morrow
20. Rotary or C.T. Rotary
21. Elevations (Show whether DP, RT, etc.) 3433.3' GR
21A. Kind & Status Plug. Bond Blanket
21B. Drilling Contractor TOT Drilling
22. Approx. Date Work will start June 30, 1988

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>	SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>
2. Name of Operator Nearburg Producing Company		
3. Address of Operator P. O. Box 31405, Dallas, Texas 75231-0405		
4. Location of Well UNIT LETTER <u>L</u> LOCATED <u>1200</u> FEET FROM THE <u>East</u> LINE AND <u>1500</u> FEET FROM THE <u>South</u> LINE OF SEC. <u>23</u> TWP. <u>19S</u> RGP. <u>25E</u> NMPM		
23. 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#	350'	375	Circ.
12-1/4"	8-5/8"	24#	1350'	450	Circ.
7-7/8"	4-1/2"	11.60#	9700'	575	7500'

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 hearings set for July 6, 1988.

POST 10-1
NL & API
7-8-88

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 1/5/89
UNLESS DRILLING UNDERWAY

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.R. McDonald Title Engineering Manager Date June 29, 1988

(This Original Signed By
Mike Williams

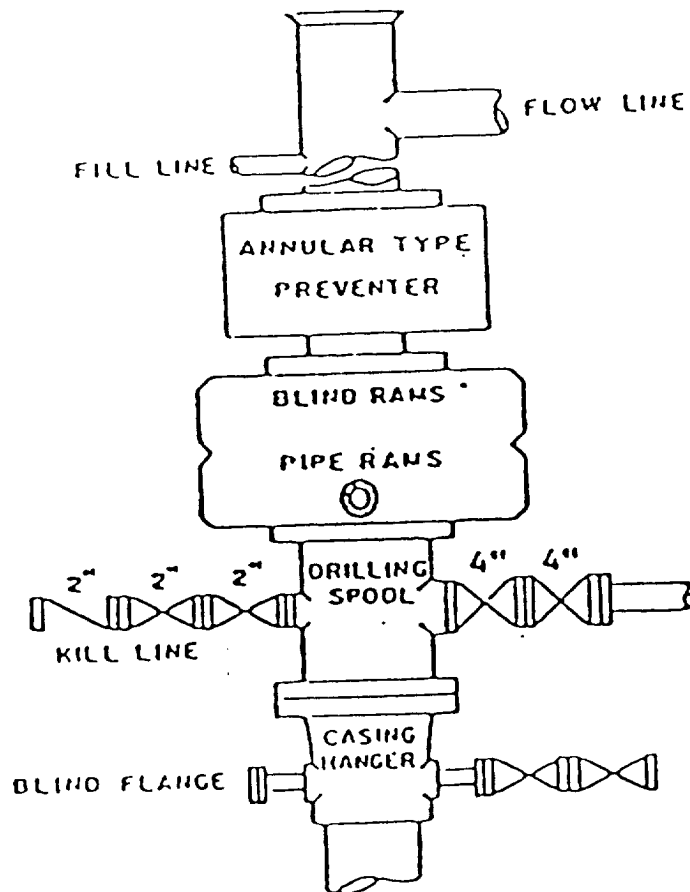
APPROVED BY Oil & Gas Inspector TITLE

CONDITIONS OF APPROVAL, IF ANY: Pending NMC Approval + See Attached

DATE JUL - 5 1988

AMENDED

BLOWOUT PREVENTER SKETCH
Nearburg Producing Company
PARINO 23L WELL NO. 2



MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT
AMENDED

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

All distances must be from the outer boundaries of the Section

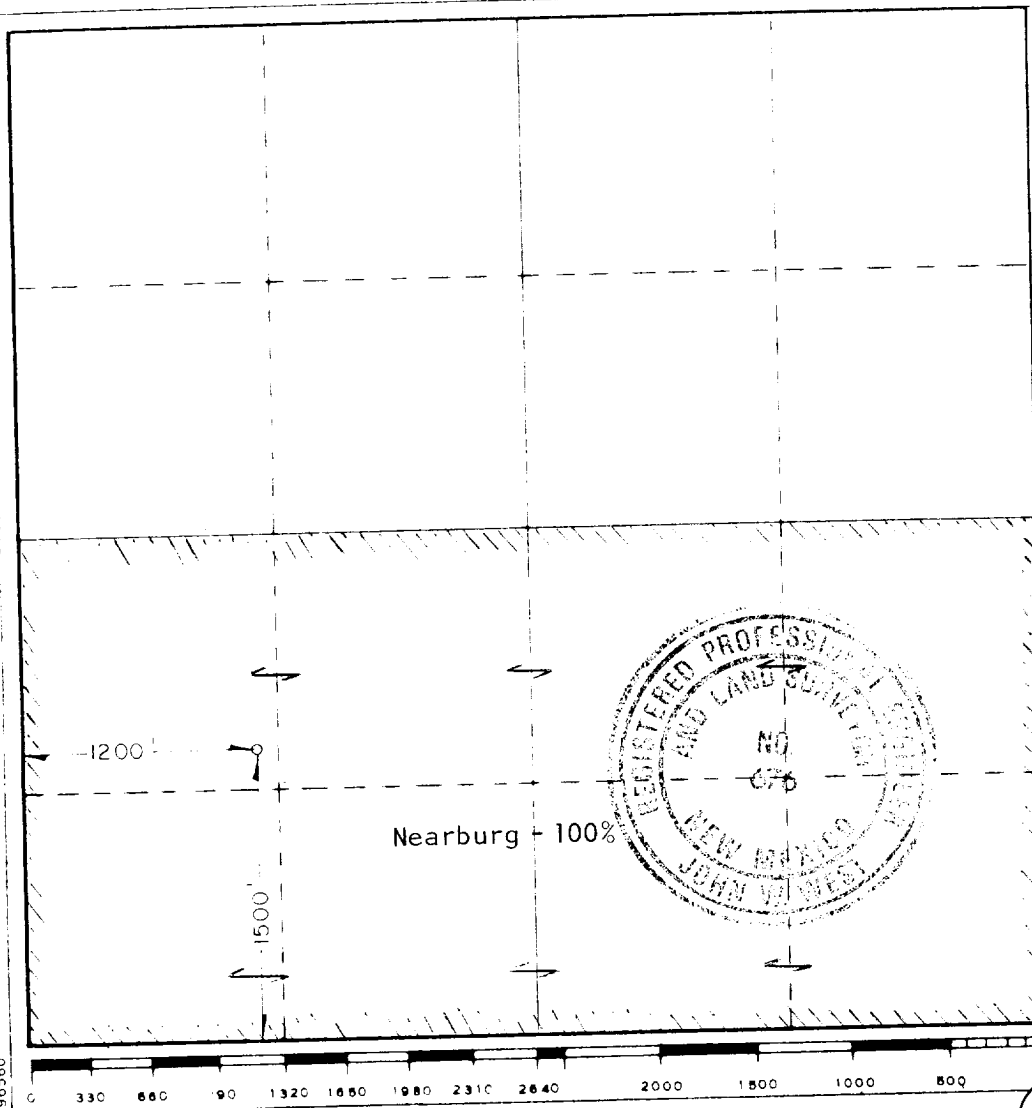
Owner Nearburg Producing Company			Lease Parino 23L		Well No. 2
Section 1	Section 23	Township 19 South	Range 25 East	County Eddy County	
Actual Well Location of Well: 1500 feet from the South line and 1200 feet from the West line					
Ground Level Elev. 3433.3'	Producing Formation Morrow	Pool Boyd Morrow		Dedicated Acreage 320.00	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Pooled

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 communization, 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

Vice President-Land Manager

Nearburg Producing Company

Date
 June 28, 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
 June 27, 1988

Registered Professional Engineer and Land Surveyor

Ronald J. Eidson

Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239

96560

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NEW MEXICO OIL CONSERVATION COMMISSION
RECEIVED

Form C-101
Revised 1-1-65

JUL 01 '88

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	
2. Name of Operator Nearburg Producing Company				5A. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
3. Address of Operator P.O. Box 31405, Dallas, Texas 75231-0405				5. State Oil & Gas Lease No.	
4. Location of Well UNIT LETTER <u>K</u> LOCATED <u>1500</u> FEET FROM THE <u>West</u> LINE AND <u>1500</u> FEET FROM THE <u>South</u> LINE OF SEC. <u>23</u> TWP. <u>19</u> R. <u>25</u> N.M.P.M.				7. Unit Agreement Name	
				8. Farm or Lease Name PARINO 23K	
				9. Well No. 2	
				10. Field and Pool, or Wildcat Undesignated Boyd Morrow	
				12. County Eddy	
19. Proposed Depth 10,000'		19A. Formation Morrow		20. Rotary or C.T. Rotary	
21. Elevations (Show whether DT, RL, etc.) 3433.0' GR		21A. Kind & Status Plug, Bond Blanket		21B. Drilling Contractor TOT Drilling	
				22. Approx. Date Work will start June 26, 1988	

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#	350'	375	Circ.
12-1/4"	8-5/8"	24#	1350'	450	Circ.
7-7/8"	4-1/2"	11.60#	9700'	575	7500'

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 hearings set for July 6, 1988.

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 T.R. McDaniel Title Engineering Manager Date June 20, 1988

(This space for State Use)

Original Signed By

Mike Williams

APPROVED BY Oil & Gas Inspector TITLE

CONDITIONS OF APPROVAL, IF ANY:

DATE JUL 5 1988

MEXICO OIL CONSERVATION COMMIL
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-85

All distances must be from the outer boundaries of the Section

Lessor NEARBURG PRODUCING COMPANY		Lease PARINO 23-K		Well No. 2
Tract Letter K	Section 23	Township 19 South	Range 25 East	County Eddy
Actual Portside Location of Well: 1500 feet from the south line and 1500 feet from the west line				
Ground Level Elev. 3433.0	Producing Formation Morrow	Pool Undesignated Boyd Morrow		Dedicated Acreage 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

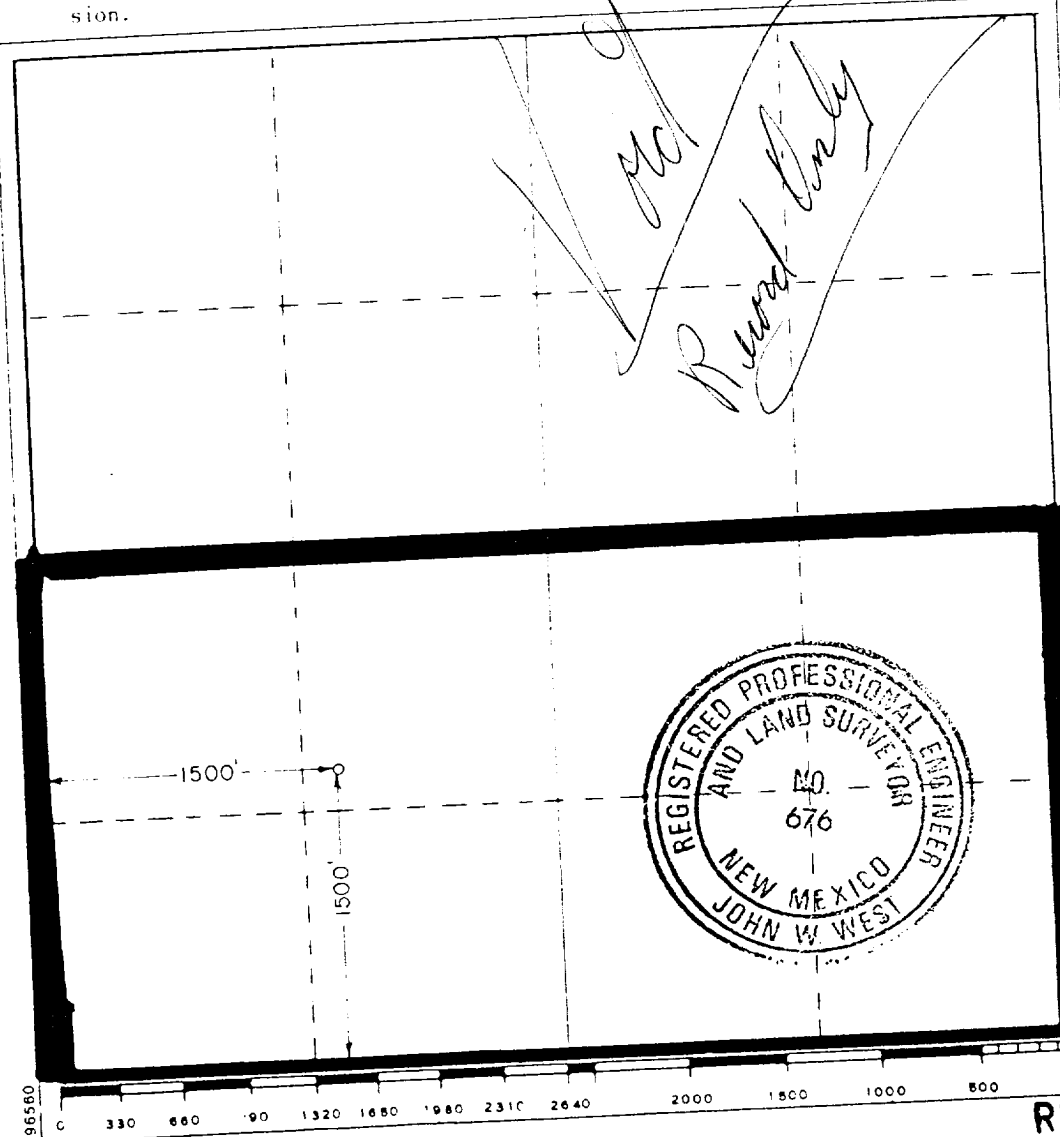
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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 Voluntary 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

T. R. MacDonald

T. R. MacDonald

Engineering Manager

Nearburg Producing Company

June 20, 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

June 11, 1988

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239

RECEIVED JUN 20 1988

Nearburg Producing Company

Exploration and Production
P.O. Box 31405
5447 Glen Lakes Drive
Dallas, Texas 75231-0405
214-739-1778

July 1, 1988

RECEIVED

JUL 05 '88

O. C. D.
ARTESIA, OFFICE

State of New Mexico
Oil Conservation Division
Drawer DD
811 South First
Artesia, New Mexico 88210

RE: PARINO WELL NO. 1
Section 23-T19S-R25E
Eddy County, New Mexico

Gentlemen:

Enclosed is the Form C-103 you requested for the Parino Well No. 1. It is our understanding that this will allow us to receive approval to drill the Parino 23K Well No. 2 for which we have applied.

3 copies of Form C-103, Sundry Notices and Reports on Wells

We appreciate your assistance in this matter.

Sincerely,

NEARBURG PRODUCING COMPANY



T. R. MacDonald
Engineering Manager

TRM/ms
encls.

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SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO REECON OR PLUG BACK TO A DIFFERENT RESERVOIR.
USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- Re-Entry	JUL 05 '88	5a. Indicate Type of Lease State <input type="checkbox"/> Fee <input checked="" type="checkbox"/>
2. Name of Operator Nearburg Producing Company	O. C. D.	3. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 31405, Dallas, Texas 75231-0405	ARTESIA, OFFICE	7. Unit Agreement Name
4. Location of Well UNIT LETTER I 1980 FEET FROM THE South LINE AND 660 FEET FROM THE East LINE, SECTION 23 TOWNSHIP 19S RANGE 25E		8. Form or Lease Name Parino
		9. Well No. 1
		10. Field and Pool, or Wildcat Boyd Morrow
11. Elevation (Show whether DF, RT, CR, etc.) 3417.2' GL		12. County Eddy

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPER. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input checked="" type="checkbox"/> See Below	CASING TEST AND CEMENT JOB <input type="checkbox"/>	

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1702.

7/1/88 We have filed an application to drill the Parino 23K Well No. 2, Unit Letter L located 1200' from the East line and 1500' from the South line of Section 23-T19S-R25E. If this new well is a successful completion in the Morrow formation, we will then plug this well, the Parino Well No. 1, in the Morrow formation.

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

SIGNED T.R. McDonald TITLE Engineering Manager DATE 7-1-88

Original Signed By
Mike Williams

JUL 5 1988

APPROVED BY Oil & Gas Inspector

CONDITIONS OF APPROVAL, IF ANY: