

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DATE  
(Other instructions on  
reverse side)

FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO  
NM02500

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO

9. API WELL NO

10. FIELD AND POOL, OR WILDCAT

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA

Section 7, T22S, R26E

12. COUNTY OR PARISH

Eddy

13. STATE

New Mexico

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL  
WELL

GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☒

MULTIPLE  
ZONE

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

1450' FSL and 725' FEL, Unit I

At proposed prod. zone

1650' FSL and 1650' FWL, Unit K

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

3 miles Southwest of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drg. unit line, if any)

1389'

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

NA

19. PROPOSED DEPTH

11,700'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3710' GR

22. APPROX. DATE WORK WILL START\*

10/01/00

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48#	300'	500 sx cmt, circ to surface
12-1/4"	9-5/8"	36#	2600'	1000 sx cmt, circ to surface
7-7/8"	5-1/2"	17# & 20#	11,700'	500 sx cmt

Propose to directionally drill well from SHL of 1450' FSL and 725' FEL, Section 7, T22S, R26E to a BHL at 1650' FSL and 1650' FWL, Section 7, T22S, R26E, Eddy County, New Mexico to sufficient depth 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.

SUBJECT TO  
LIKE APPROVAL  
BY STATE

Acreage dedication 320; W/2 of Section 7.

Notify OCD at SPUD & TIME  
to witness cementing the  
9 5/8" casing.

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS

IN ABOVE SPACE DESCRIBE PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

*Kim Stewart*

(This space for Federal or State office use)

PERMIT NO

Application approval does not warrant or certify that the applicant holds legal or equitable title to the rights in the subject lease which would entitle the applicant to conduct operations thereon  
CONDITIONS OF APPROVAL, IF ANY:

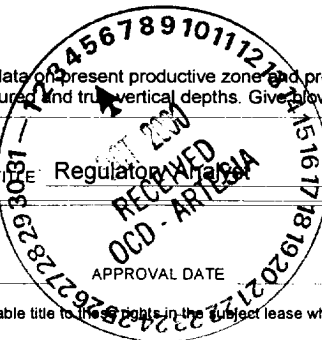
APPROVED BY

TITLE

DATE

\*See Instructions 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.



Assistant Field Manager,  
Lands And Minerals

OCT 15 2000  
APPROVED FOR US

