

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTN. M. Oil Com. Division
815 SUBMIT IN LICATE
ARTESIA, NM 88202
(Other instructions on reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NMNM 100828
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Nearburg Producing Company		7. UNIT AGREEMENT NAME 24129
3. ADDRESS AND TELEPHONE NO. 3300 North A Street, Building 2, Suite 120, Midland, Texas 79705 (915) 686-8235		8. FARM OR LEASE NAME, WELL NO. Cone Butte 19 Federal #1
4. LOCATION OF WELL (Report location clearly and in accordance with General Requirements) At surface 622' FNL & 1,987' FEL At proposed prod. zone Unit B SUBJECT TO Indian Basin: LIKE APPROVAL Morrow, South BY STATE NSL 4156 96784		9. API WELL NO. 30-015-30553
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 18.5 miles West Southwest of Carlsbad		10. FIELD AND POOL, OR WILDCAT Wildcat Morrow
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any) 622' FNL & 1,987' FEL		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 19, T22S, R24E
16. NO. OF ACRES IN LEASE 615.36		12. COUNTY OR PARISH Eddy
17. NO. OF ACRES ASSIGNED TO THIS WELL 307.64		13. STATE New Mexico
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2858.8'		20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4,374 GR		22. APPROX. DATE WORK WILL START* 12/01/98

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" H40 STC	48#	300'	400 sx
11"	8-5/8" J55 STC	24#	2,000'	600 sx
7-7/8"	5-1/2" N80 LTC	17#	0 - 10,700'	500 sx
7-7/8"	5-1/2" S95 LTC	17#	10,700' - 11,000'	

Propose to drill the well 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.

NSL- 4156

Approved. 10/20/98

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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 [Signature] TITLE Manager of Drilling and Production DATE 10/29/98
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval 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.
CONDITIONS OF APPROVAL, IF ANY:

Acting

Assistant Field Office Manager,
Lands and MineralsAPPROVED BY [Signature] TITLE _____ DATE Jan 1, 1999

*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.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name Wildcat - Morrow	
Property Code	Property Name CONE BUTTE 19 FEDERAL		Well Number 1	
OGRID No. 015742	Operator Name NEARBURG PRODUCING COMPANY		Elevation 4374'	

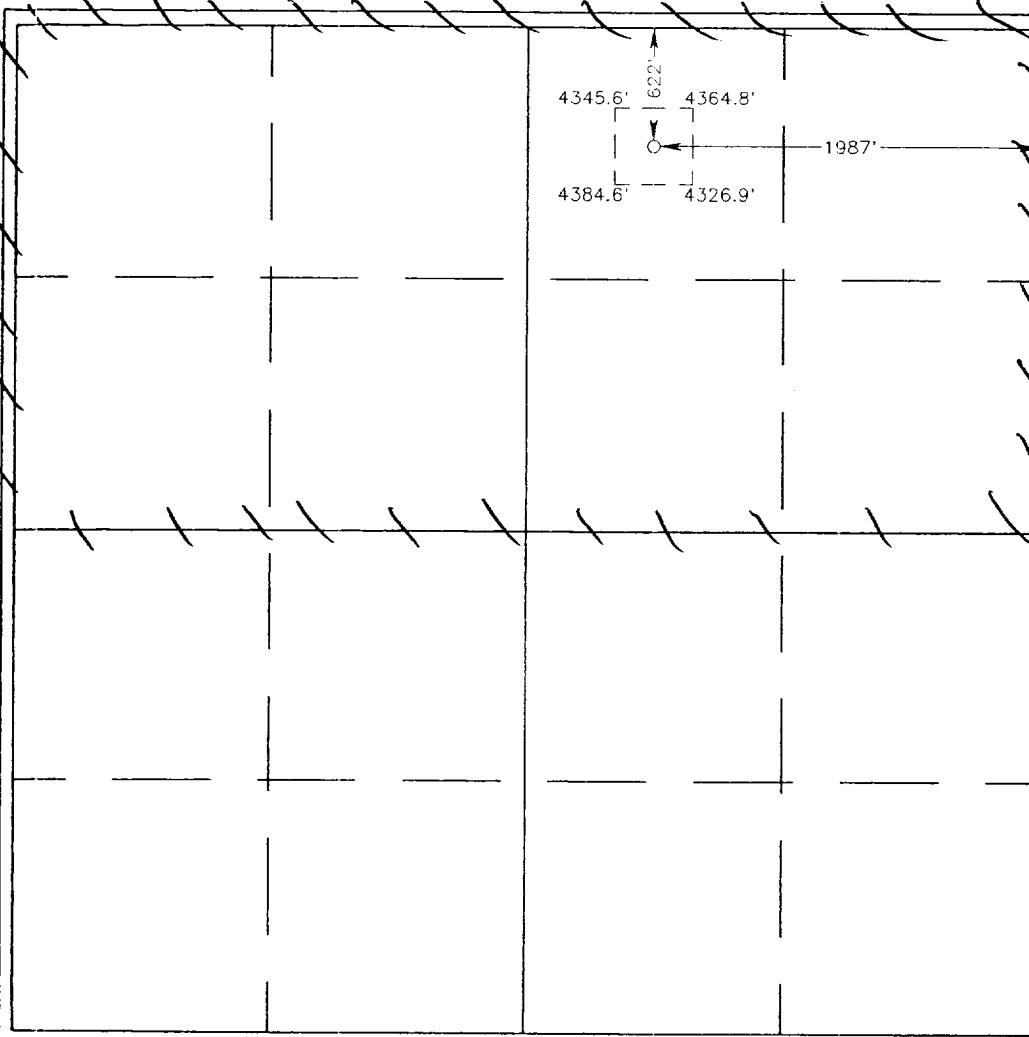
Surface Location

UL or lot No. B	Section 19	Township 22 S	Range 24 E	Lot Idn	Feet from the 622	North/South line NORTH	Feet from the 1987	East/West line EAST	County EDDY
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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
Dedicated Acres 320	Joint or Infill J	Consolidation Code		Order No.					

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



OPERATOR CERTIFICATION

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

Signature

E. Scott Kimbrough
Printed Name

Mgr. Drlg & Prod.
Title

Date

10/29/98

SURVEYOR CERTIFICATION

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 belief.

SEPTEMBER 10, 1998

Date Surveyor

Signature & Seal

Professional Surveyor

Professional Surveyor

Professional Surveyor

Professional Surveyor

Professional Surveyor

Professional Surveyor

Professional Surveyor

Professional Surveyor

Professional Surveyor

Professional Surveyor

Professional Surveyor

Professional Surveyor

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CDG

Certificate No. ROYAL E. EDSON 3239

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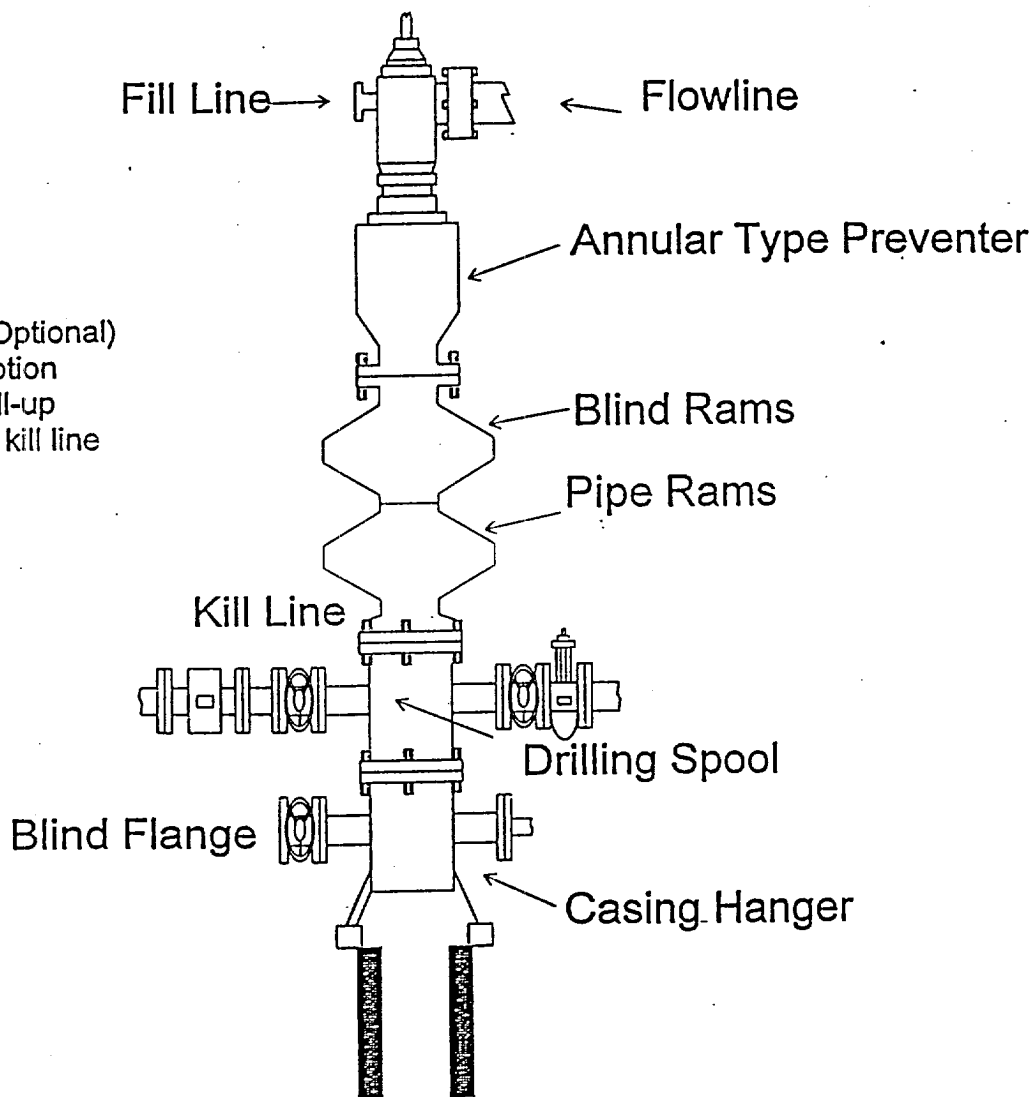
Certificate No. ROYAL E. EDSON 3239

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9-14-98

12641

BOPE SCHEMATIC NEARBURG PRODUCING COMPANY



Rotating Head (Optional)
Drilling Nipple option
must include a fill-up
line. Do not use kill line
for fill up.

900 Series

Cone Butte 19 Federal #1
Section 19, T22S, R24E
622' FNL and 1,987' FEL
Eddy County, New Mexico



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

October 20, 1998

Nearburg Exploration Company, L.L.C.
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Administrative Order NSL-4156

Dear Mr. Bruce:

Reference is made to your application dated October 17, 1998 on behalf of the operator, Nearburg Exploration Company, L.L.C., for an unorthodox Morrow gas well location for its proposed Cone Butte "19" Federal Com. Well No. 1 to be drilled 622 feet from the North line and 1987 feet from the East line (Unit B) of Section 19, Township 22 South, Range 24 East, NMPM. Undesignated South Indian Basin-Morrow Gas Pool, Eddy County, New Mexico.

Lots 3 and 4, the NE/4, and the E/2 NW/4 (N/2 equivalent) of Section 19 being a standard 307.72-acre gas spacing and proration unit for this pool is to be dedicated to the well.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox Morrow gas well location is hereby approved.

Sincerely,

Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management

