

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

572

Form C-104
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies
 AMENDED REPORT

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

| | | |
|--|--|---|
| ¹ Operator name and Address Nearburg Producing Company 3300 N A St., Bldg 2, Suite 120 Midland, TX 79705 | | ² OGRID Number 015742 |
| | | ³ Reason for Filing Code RT - 5,000 (March, 2000) |
| ⁴ API Number 30 - 0 15-30793 | ⁵ Pool Name Dagger Draw; Upper Penn, North | ⁶ Pool Code 15472 |
| ⁷ Property Code 15753 | ⁸ Property Name South Boyd 27 | ⁹ Well Number 12 |

II. ¹⁰ Surface Location

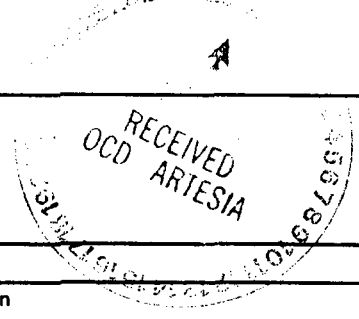
| Ul or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 27 | 19S | 25E | | 990 | South | 1980 | West | Eddy |

¹¹ Bottom Hole Location

| Ul or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|------------------------|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|-------------------------------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |
| ¹² Lse Code | ¹³ Producing Method Code | ¹⁴ Gas Connection Date | ¹⁵ C-129 Permit Number | ¹⁶ C-129 Effective Date | ¹⁷ C-129 Expiration Date | | | | |
| F | P | 03/17/00 | NA | | | | | | |

III. Oil and Gas Transporters

| ¹⁸ Transporter OGRID | ¹⁹ Transporter Name and Address | ²⁰ POD | ²¹ O/G | ²² POD ULSTR Location and Description |
|---------------------------------|---|-------------------|-------------------|--|
| 00734 | Amoco Pipeline Co. 302 E Avenue A Lovington, NM 88260 | 2814574 | O | Tank Battery, Section 27, 19S, 25E |
| 009171 | GPM 4044 Penbrook Odessa, TX 79762 | 2814575 | G | Tank Battery, Section 27, 19S, 25E |



IV. Produced Water

| ²³ POD | ²⁴ POD ULSTR Location and Description |
|-------------------|--|
| 2814576 | Tank Battery, Section 27, 19S, 25E |

V. Well Completion Data

| ²⁵ Spud Date | ²⁶ Ready Date | ²⁷ TD | ²⁸ PBDT | ²⁹ Perforations | ³⁰ DHC, DC, MC |
|-------------------------|------------------------------------|-------------------------|----------------------------|----------------------------|---------------------------|
| 11/04/99 | 03/17/00 | 8100' | 8034' | 7822-7849' | |
| ³¹ Hole Size | ³² Casing & Tubing Size | ³³ Depth Set | ³⁴ Sacks Cement | | |
| 14-3/4 | 9-5/8 | 1100' | 1,200 sx | | |
| 8-3/4 | 7 | 8100' | 225 sx | | |
| | 2-7/8" | 7714' | | | |

VI. Well Test Data

| ³⁵ Date New Oil | ³⁶ Gas Delivery Date | ³⁷ Test Date | ³⁸ Test Length | ³⁹ Tbg. Pressure | ⁴⁰ Csg. Pressure |
|----------------------------|---------------------------------|-------------------------|---------------------------|-----------------------------|-----------------------------|
| | | | | | |
| ⁴¹ Choke Size | ⁴² Oil | ⁴³ Water | ⁴⁴ Gas | ⁴⁵ AOF | ⁴⁶ Test Method |
| | | | | | |

| | | | |
|--|---------------------------------|---------------------------|--|
| ⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. | | OIL CONSERVATION DIVISION | |
| Signature: <i>Kim Stewart</i> | Approved by: <i>Jim W. Seem</i> | | |
| Printed name: Kim Stewart | Title: SUPERVISOR, DISTRICT II | | |
| Title: Regulatory Analyst | Approval Date: 4-3-00 | | |
| Date: 03/28/00 | Phone: 915/686-8235 | | |

⁴⁸ If this is a change of operator fill in the OGRID number and name of the previous operator

| Previous Operator Signature | Printed Name | Title | Date |
|-----------------------------|--------------|-------|------|
| | | | |

512

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

| |
|--|
| WELL API NO. ✓ 30-015-30793 |
| Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| State Oil & Gas Lease No. |
| Lease Name or Unit Agreement Name South Boyd 27 |
| Well No. #12 |
| Pool name or Wildcat Dagger Draw; Upper Penn, North |
| Well Location Unit Letter <u>N</u> : <u>990</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>West</u> Line <u>27</u> Section <u>19S</u> Township <u>25E</u> Range <u>NMPM</u> <u>Eddy</u> County |
| Elevation (Show whether DF, RKB, RT, GR, etc.) 3465' GR |

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

Type of Well:
OIL WELL GAS WELL OTHER

Name of Operator
Nearburg Producing Company

Address of Operator
3300 N A St., Bldg 2, Suite 120, Midland, TX 79705

Well Location
Unit Letter N : 990 Feet From The South Line and 1980 Feet From The West Line
27 Section 19S Township 25E Range NMPM Eddy County

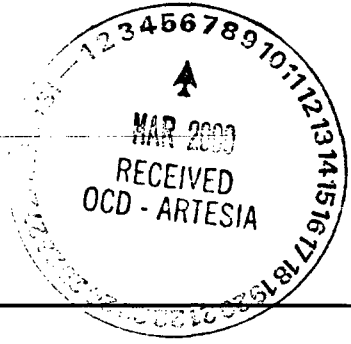
Elevation (Show whether DF, RKB, RT, GR, etc.)
3465' GR

11 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 OPNS. <input type="checkbox"/> | PLUG AND ANBANDONMENT <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | | CASING TEST AND CEMENT JOB <input type="checkbox"/> | |
| OTHER: _____ <input type="checkbox"/> | | OTHER: Production Csg and Cmt <input checked="" type="checkbox"/> | |

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

02/17/00: MIRU Patterson rig. NU BOPE and test. Start to directionally drill.
02/29/00: Drilled to 8,100'. C&C hole. RU csg crew and ran 209 jts 7" 23#, 26#, J55, K55, N80, S95, LT&C, ST&C and BT&C csg. Set csg @ 8,100'. Cmt csg using 225 sxs cmt + additives. Ran temp survey. TOC @ 6,700'. ND BOPE and set slips. Release rig @ 0100 hrs 02/29/00.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Kim Stewart TITLE Regulatory Analyst DATE 03-01-00
TYPE OR PRINT NAME Kim Stewart TELEPHONE NO. 915/686-8235

(This space for State Use)
APPROVED BY Jim W. Green TITLE District Supervisor DATE 3-16-00
CONDITIONS OF APPROVAL, IF ANY:

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

51
Form C-104
Revised October 18, 1994

District II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

Instructions on back
Submit to Appropriate District Office
5 Copies

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

2040 South Pacheco
Santa Fe, NM 87505

AMENDED REPORT

District IV
2040 South Pacheco, Santa Fe, NM 87505

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

| | | |
|---|--|--|
| Operator name and Address Nearburg Producing Company 3300 N A St., Bldg 2, Suite 120 Midland, TX 79705 | | ² OGRID Number 015742 |
| | | ³ Reason for Filing Code RT - 5,000 (December, 1999) |
| ⁴ API Number 30 - 0 15-30793 | ⁵ Pool Name Dagger Draw, Upper Penn, North | ⁶ Pool Code 15472 |
| ⁷ Property Code 15753 | ⁸ Property Name South Boyd 27 | ⁹ Well Number 12 |

II. ¹⁰ Surface Location

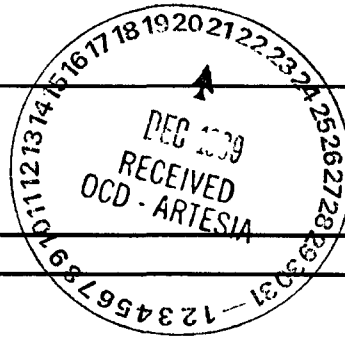
| UI or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 27 | 19S | 25E | | 990 | South | 1980 | West | Eddy |

¹¹ Bottom Hole Location

| UI or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|-----------------------------|--|----------|---|---------|---|------------------|------------------------------------|----------------|-------------------------------------|
| | | | | | | | | | |
| ¹² Lse Code F | ¹³ Producing Method Code P | | ¹⁴ Gas Connection Date 12/17/99 | | ¹⁵ C-129 Permit Number NA | | ¹⁶ C-129 Effective Date | | ¹⁷ C-129 Expiration Date |

III. Oil and Gas Transporters

| ¹⁸ Transporter OGRID | ¹⁹ Transporter Name and Address | ²⁰ POD | ²¹ O/G | ²² POD ULSTR Location and Description |
|---------------------------------|---|-------------------|-------------------|--|
| 00734 | Amoco Pipeline Co. 302 E Avenue A Lovington, NM 88260 | 2814574 | O | Unit N, Section 27, 19S, 25E 990' FNL and 1980' FEL |
| 009171 | GPM 4044 Penbrook Odessa, TX 79762 | 2814575 | G | Unit N, Section 27, 19S, 25E 990' FSL and 1980' FWL |



IV. Produced Water

| | |
|------------------------------|--|
| ²³ POD 2814576 | ²⁴ POD ULSTR Location and Description Unit N, Section 27, 19S, 25E |
|------------------------------|--|

V. Well Completion Data

| | | | | | |
|-------------------------------------|--------------------------------------|--|-----------------------------|---|---------------------------|
| ²⁵ Spud Date 11/04/99 | ²⁶ Ready Date 12/17/99 | ²⁷ TD 8000' | ²⁸ PBDT 7871' | ²⁹ Perforations 7787-7835' (OA) | ³⁰ DHC, DC, MC |
| ³¹ Hole Size 14-3/4 | | ³² Casing & Tubing Size 9-5/8 | | ³³ Depth Set 1100' | |
| ³¹ Hole Size 8-3/4 | | ³² Casing & Tubing Size 7 | | ³³ Depth Set 8000' | |
| | | ³² Casing & Tubing Size 2-7/8" | | ³³ Depth Set 7853' | |
| | | | | ³⁴ Sacks Cement 1,200 sx | |
| | | | | ³⁴ Sacks Cement 225 sx | |

VI. Well Test Data

| | | | | | |
|----------------------------|---------------------------------|-------------------------|---------------------------|-----------------------------|-----------------------------|
| ³⁵ Date New Oil | ³⁶ Gas Delivery Date | ³⁷ Test Date | ³⁸ Test Length | ³⁹ Tbg. Pressure | ⁴⁰ Csg. Pressure |
| ⁴¹ Choke Size | ⁴² Oil | ⁴³ Water | ⁴⁴ Gas | ⁴⁵ AOF | ⁴⁶ Test Method |

| | | | |
|--|----------------------------------|-----------------------------------|--|
| ⁴⁷ hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. | | OIL CONSERVATION DIVISION | |
| Signature: <i>Kim Stewart</i> | Approved by: <i>Jim W. Brown</i> | Title: <i>District Supervisor</i> | |
| Printed name: Kim Stewart | Approval Date: <i>1-5-00</i> | | |
| Title: Regulatory Analyst | | | |
| Date: 12/20/99 | Phone: 915/686-8235 | | |

⁴⁸ If this is a change of operator fill in the OGRID number and name of the previous operator

| | | | |
|-----------------------------|--------------|-------|------|
| Previous Operator Signature | Printed Name | Title | Date |
|-----------------------------|--------------|-------|------|

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PO Box 1980, Hobbs, NM 88241-1980

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811 South First, Artesia, NM 88210

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District IV
2040 South Pacheco, Santa Fe, NM 87505

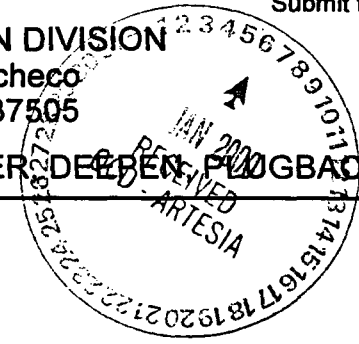
State of New Mexico
Energy, Minerals & Natural Resources Department

5F Form C-101
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, OR ADD A ZONE



| | | |
|---|--------------------------------|-------------------------------|
| Operator Name and Address Nearburg Producing Company 3300 N A St., Bldg 2, Suite 120 Midland, TX 79705 | | OGRID Number 015742 |
| | | API Number 30 - 0 15 30793 |
| Property Code 15753 | Property Name South Boyd 27 | Well No. 12 |

Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 27 | 19S | 25E | | 990 | South | 1980 | West | Eddy |

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 |
|---|---------|----------|-------|---------|--------------------------|------------------|---------------|----------------|--------|
| N | 27 | 19S | 25E | | 700 | South | 1860 | West | Eddy |
| Proposed Pool 1 Dagger Draw: Upper Penn, North | | | | | Proposed Pool 2 15472 | | | | |

| | | | | |
|---------------------|------------------------|----------------------------|-------------------------|--------------------------------|
| Work Type Code P | Well Type Code O | Cable/Rotary R | Lease Type Code P | Ground Level Elevation 3465 |
| Multiple No | Proposed Depth 8300 | Formation Cisco/ Canyon | Contractor Patterson | Spud Date 01-12-00 |

Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 14-3/4" | 9-5/8" | 36# | 1,100' | 1,000 sx | Circ |
| 8-3/4" | 7" | 23# & 26# | 8,300' | 1,200 sx | Circ |
| | | | | | |
| | | | | | |

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.

Propose to plug back the well to 5,500'. We will directionally drill to sufficient depth to evaluate the Cisco/Canyon 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.

Acreage dedication is 160 acres: SW/4 of Section 27.

| | | | |
|--|---|-------------------------------------|--------------------------------------|
| I hereby certify that the information given above is true and complete to the best of my knowledge and belief. | | OIL CONSERVATION DIVISION | |
| Signature: <i>Blaik M. Wisenbaker</i> | Printed name: Blaik M. Wisenbaker | Approved By: <i>Jim Ed Green</i> | Title: <i>District Supervisor</i> |
| Title: Sr. Petroleum Engineer | Date: 01-05-00 | Approval Date: 1-7-00 | Expiration Date: 1-7-01 |
| Phone: 915/ 686-8235 | Conditions of Approval: Attached: <input type="checkbox"/> | | |

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------|---|---|
| API Number 30-015-30793 | Pool Code 15472 | Pool Name Dagger Draw; Upper Penn, North |
| Property Code 15753 | Property Name SOUTH BOYD 27 | Well Number 12 |
| OGRID No. 15742 | Operator Name NEARBURG PRODUCING COMPANY | Elevation 3465 |

Surface Location

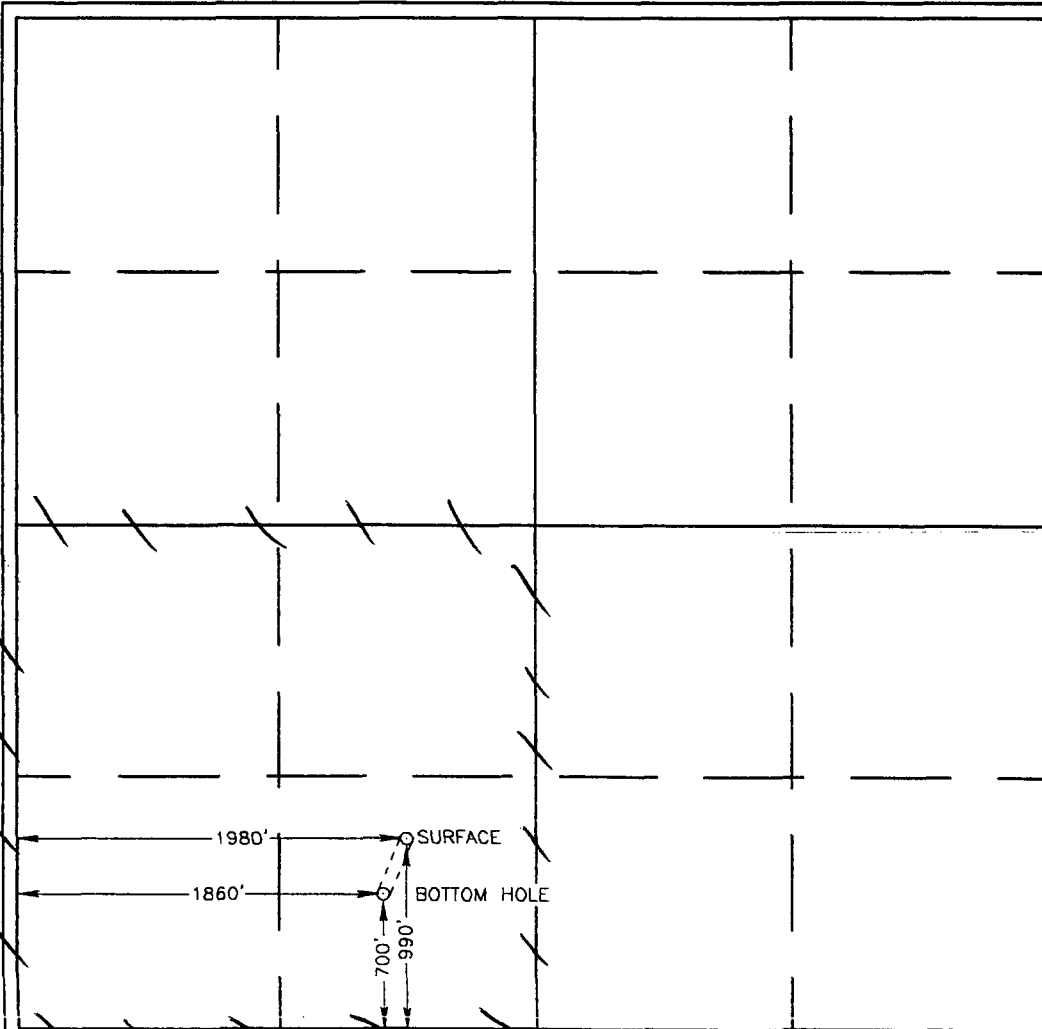
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 27 | 19 S | 25 E | | 990 | SOUTH | 1980 | WEST | EDDY |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 27 | 19 S | 25 E | | 700 | SOUTH | 1860 | WEST | EDDY |

| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
|-----------------|-----------------|--------------------|-----------|
| 160 | N | | |

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.

Blair M. Wisenbaker
Signature

BLAIR M. WISENBAKER
Printed Name

Sr. Petroleum Engineer
Title

January 5, 2000
Date

Date

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.

OCTOBER 19, 1999

Date Surveyed DC

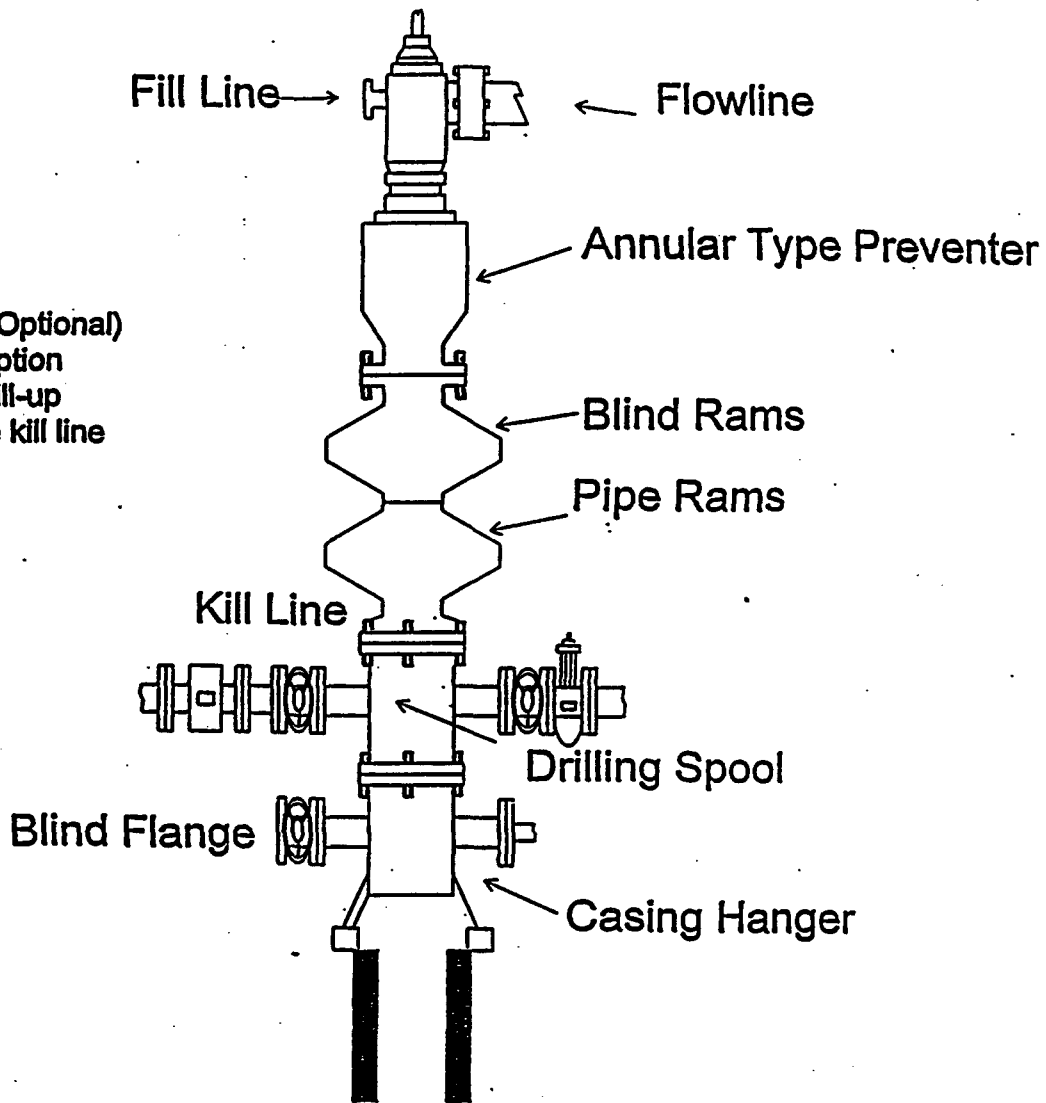
Signature & Seal of Professional Surveyor

Ronald J. Edison
Signature
12/29/99
99-11-0868

Certificate No. RONALD J. EDISON 3239
GARY EDISON 12641
MACON-McDONALD 12185

NEARBURG PRODUCING COMPANY
BOPE SCHEMATIC

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



1500 Series

Scientific Drilling Planning Report

| | | | |
|--|---|-----------------------|----------------|
| Company: Nearburg Producing Company | Date: 1/4/2000 | Time: 15:21:46 | Page: 1 |
| Field: Dagger Draw | Co-ordinate(NE) Reference: Site: Eddy County, New Mexico, True North | | |
| Site: Eddy County, New Mexico | Vertical (TVD) Reference: SITE 0.0 above Mean Sea Level | | |
| Well: South Boyd 27 #12 | Section (VS) Reference: Site (0.0E,0.0N,202.5Az) | | |
| Wellpath: OH Original hole | Plan: Plan #1 | | |

| | | | |
|---|---|----|--|
| Field: Dagger Draw | Local Coordinate Reference: Site Centre | | |
| | Location of Field Centre: N/A | | |
| | Field Centre Map Easting: | ft | |
| | Field Centre Map Northing: | ft | |
| Map Projection & Zone: US State Plane Coordinate System 1927 New Mexico, Eastern Zone | Direction of Local North: True | | |
| Ellipsoid: Clarke - 1866 | Local Vertical Reference: Wellpath Datum | | |
| Field Datum: Mean Sea Level | Geomagnetic Model: IGRF95 | | |

Site: Eddy County, New Mexico

| | | | |
|---------------------|------|------------------|--|
| Site Centre: | ft E | Latitude | |
| | ft N | Longitude | |

Site Water Depth: 0.0 ft

Magnetic Declination: 0.00 deg
Grid Convergence: 0.00 deg

Measured Depths Referenced To: SITE 0.0 ft above Mean Sea Level

Well: South Boyd 27 #12

990' FSL, 1980' FWL

| | | | |
|--------------------------|--------------|----------------------|---------|
| Originating From: | 0.0 ft +N/-S | Map Easting : | 0.00 ft |
| | 0.0 ft +E/-W | Map Northing: | 0.00 ft |

Wellpath: OH Original hole

| | | | |
|--|--------------|--|--|
| Origin of Vertical Section: Site Centre | 0.0 ft +N/-S | | |
| | 0.0 ft +E/-W | | |
| Direction of Vertical Section: 202.48 deg | | | |

| | |
|-----------------------|----------------------------------|
| Plan: Plan #1 | Date Composed: 12/29/1999 |
| | Version: 1 |
| Principal: Yes | Locked: No |

Plan Section Information

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | DLS d/100ft | Build d/100ft | Turn d/100ft | TFO deg | Target |
|----------|-------------|-------------|-----------|-------------|-------------|----------------|------------------|-----------------|------------|---------|
| 4500.0 | 0.00 | 202.48 | 4500.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 5500.0 | 0.00 | 202.48 | 5500.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 6069.7 | 14.24 | 202.48 | 6063.8 | -65.1 | -26.9 | 2.50 | 2.50 | 0.00 | 0.00 | |
| 6581.9 | 14.24 | 202.48 | 6560.3 | -181.5 | -75.1 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 7531.3 | 0.00 | 202.48 | 7500.0 | -290.0 | -120.0 | 1.50 | -1.50 | 0.00 | 180.00 | Top Pay |
| 8131.3 | 0.00 | 202.48 | 8100.0 | -290.0 | -120.0 | 0.00 | 0.00 | 0.00 | 0.00 | |

Section 1 : Straight MD Part 1 Hold

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS d/100ft | Build d/100ft | Turn d/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|----------------|------------------|-----------------|------------|
| 4500.0 | 0.00 | 202.48 | 4500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4600.0 | 0.00 | 202.48 | 4600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4700.0 | 0.00 | 202.48 | 4700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4800.0 | 0.00 | 202.48 | 4800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4900.0 | 0.00 | 202.48 | 4900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5000.0 | 0.00 | 202.48 | 5000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5100.0 | 0.00 | 202.48 | 5100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5200.0 | 0.00 | 202.48 | 5200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5300.0 | 0.00 | 202.48 | 5300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5400.0 | 0.00 | 202.48 | 5400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5500.0 | 0.00 | 202.48 | 5500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |

Scientific Drilling Planning Report

| | | | |
|--|--|-----------------------|----------------|
| Company: Nearburg Producing Company | Date: 1/4/2000 | Time: 15:21:46 | Page: 2 |
| Field: Dagger Draw | Co-ordinate(N/E) Reference: Site: Eddy County, New Mexico, True North | | |
| Site: Eddy County, New Mexico | Vertical (TVD) Reference: SITE 0.0 above Mean Sea Level | | |
| Well: South Boyd 27 #12 | Section (VS) Reference: Site (0.0E,0.0N,202.5Azi) | | |
| Wellpath: OH Original hole | Plan: | Plan #1 | |

Section 1 : Straight MD Part 1 Hold

| MD | Incl | Azlm | TVD | +N/-S | +E/-W | VS | DLS | Build | Turn | TFO |
|----|------|------|-----|-------|-------|----|-----|-------|------|-----|
| | | | | | | | | | | |

Section 2 : S-Shape Part 1 Build 2.50

| MD ft | Incl deg | Azlm deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS d/100ft | Build d/100ft | Turn d/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|----------------|------------------|-----------------|------------|
| 5600.0 | 2.50 | 202.48 | 5600.0 | -2.0 | -0.8 | 2.2 | 2.50 | 2.50 | 0.00 | 0.00 |
| 5700.0 | 5.00 | 202.48 | 5699.7 | -8.1 | -3.3 | 8.7 | 2.50 | 2.50 | 0.00 | 0.00 |
| 5800.0 | 7.50 | 202.48 | 5799.1 | -18.1 | -7.5 | 19.6 | 2.50 | 2.50 | 0.00 | 0.00 |
| 5900.0 | 10.00 | 202.48 | 5898.0 | -32.2 | -13.3 | 34.8 | 2.50 | 2.50 | 0.00 | 0.00 |
| 6000.0 | 12.50 | 202.48 | 5996.0 | -50.2 | -20.8 | 54.3 | 2.50 | 2.50 | 0.00 | 0.00 |
| 6069.7 | 14.24 | 202.48 | 6063.8 | -65.1 | -26.9 | 70.4 | 2.50 | 2.50 | 0.00 | 0.00 |

Section 3 : S-Shape Part 2 Hold

| MD ft | Incl deg | Azlm deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS d/100ft | Build d/100ft | Turn d/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|----------------|------------------|-----------------|------------|
| 6100.0 | 14.24 | 202.48 | 6093.2 | -72.0 | -29.8 | 77.9 | 0.00 | 0.00 | 0.00 | 180.00 |
| 6200.0 | 14.24 | 202.48 | 6190.1 | -94.7 | -39.2 | 102.5 | 0.00 | 0.00 | 0.00 | 180.00 |
| 6300.0 | 14.24 | 202.48 | 6287.1 | -117.4 | -48.6 | 127.1 | 0.00 | 0.00 | 0.00 | 180.00 |
| 6400.0 | 14.24 | 202.48 | 6384.0 | -140.2 | -58.0 | 151.7 | 0.00 | 0.00 | 0.00 | 180.00 |
| 6500.0 | 14.24 | 202.48 | 6480.9 | -162.9 | -67.4 | 176.3 | 0.00 | 0.00 | 0.00 | 180.00 |
| 6581.9 | 14.24 | 202.48 | 6560.3 | -181.5 | -75.1 | 196.4 | 0.00 | 0.00 | 0.00 | 180.00 |

Section 4 : S-Shape Part 3 Drop -1.50

| MD ft | Incl deg | Azlm deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS d/100ft | Build d/100ft | Turn d/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|----------------|------------------|-----------------|------------|
| 6600.0 | 13.97 | 202.48 | 6577.9 | -185.6 | -76.8 | 200.9 | 1.50 | -1.50 | 0.00 | 180.00 |
| 6700.0 | 12.47 | 202.48 | 6675.2 | -206.7 | -85.5 | 223.7 | 1.50 | -1.50 | 0.00 | 180.00 |
| 6800.0 | 10.97 | 202.48 | 6773.1 | -225.5 | -93.3 | 244.0 | 1.50 | -1.50 | 0.00 | 180.00 |
| 6900.0 | 9.47 | 202.48 | 6871.5 | -241.9 | -100.1 | 261.8 | 1.50 | -1.50 | 0.00 | 180.00 |
| 7000.0 | 7.97 | 202.48 | 6970.4 | -255.9 | -105.9 | 277.0 | 1.50 | -1.50 | 0.00 | 180.00 |
| 7100.0 | 6.47 | 202.48 | 7069.6 | -267.5 | -110.7 | 289.5 | 1.50 | -1.50 | 0.00 | 180.00 |
| 7200.0 | 4.97 | 202.48 | 7169.1 | -276.7 | -114.5 | 299.5 | 1.50 | -1.50 | 0.00 | 180.00 |
| 7300.0 | 3.47 | 202.48 | 7268.8 | -283.5 | -117.3 | 306.8 | 1.50 | -1.50 | 0.00 | 180.00 |
| 7400.0 | 1.97 | 202.48 | 7368.7 | -287.9 | -119.1 | 311.6 | 1.50 | -1.50 | 0.00 | 180.00 |
| 7500.0 | 0.47 | 202.48 | 7468.7 | -289.9 | -120.0 | 313.7 | 1.50 | -1.50 | 0.00 | 180.00 |
| 7531.3 | 0.00 | 202.48 | 7500.0 | -290.0 | -120.0 | 313.8 | 1.50 | -1.50 | 0.00 | 180.00 |

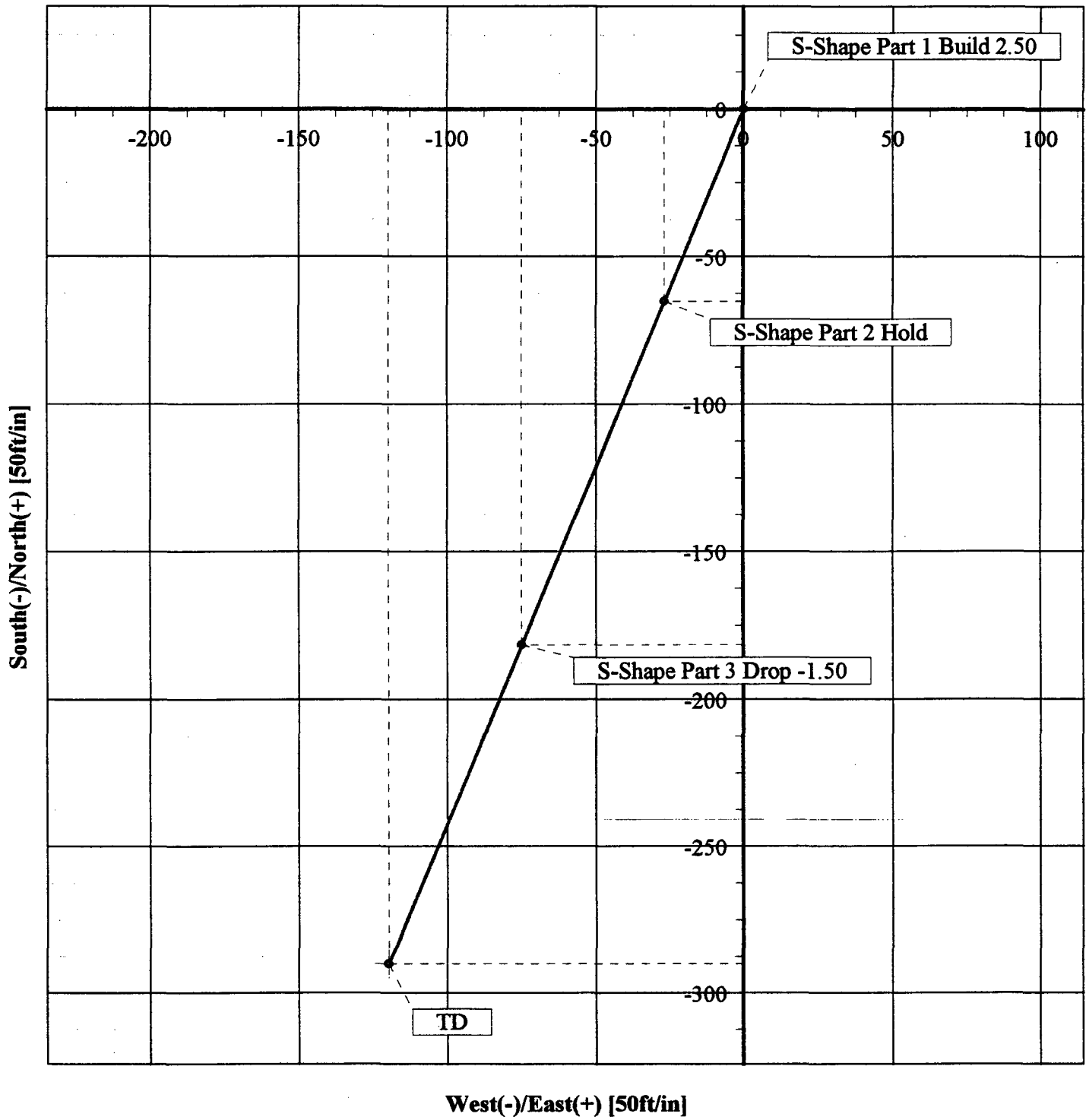
Section 5 : Straight TVD Part 1 Hold

| MD ft | Incl deg | Azlm deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS d/100ft | Build d/100ft | Turn d/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|----------------|------------------|-----------------|------------|
| 7600.0 | 0.00 | 202.48 | 7568.7 | -290.0 | -120.0 | 313.8 | 0.00 | 0.00 | 0.00 | 180.00 |
| 7700.0 | 0.00 | 202.48 | 7668.7 | -290.0 | -120.0 | 313.8 | 0.00 | 0.00 | 0.00 | 180.00 |
| 7800.0 | 0.00 | 202.48 | 7768.7 | -290.0 | -120.0 | 313.8 | 0.00 | 0.00 | 0.00 | 180.00 |
| 7900.0 | 0.00 | 202.48 | 7868.7 | -290.0 | -120.0 | 313.8 | 0.00 | 0.00 | 0.00 | 180.00 |
| 8000.0 | 0.00 | 202.48 | 7968.7 | -290.0 | -120.0 | 313.8 | 0.00 | 0.00 | 0.00 | 180.00 |
| 8100.0 | 0.00 | 202.48 | 8068.7 | -290.0 | -120.0 | 313.8 | 0.00 | 0.00 | 0.00 | 180.00 |
| 8131.3 | 0.00 | 202.48 | 8100.0 | -290.0 | -120.0 | 313.8 | 0.00 | 0.00 | 0.00 | 180.00 |



**Scientific
Drilling**

Nearburg Producing Company
Field: Dagger Draw
Site: Eddy County, New Mexico
Well: South Boyd 27 #12
Wellpath: OH Original hole
Plan: Plan #1



DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

| |
|--|
| WELL API NO. 30-015-30793 |
| Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| State Oil & Gas Lease No. |
| Lease Name or Unit Agreement Name South Boyd 27 |
| Well No. #12 |
| Pool name or Wildcat Dagger Draw; Upper Penn, North |

| | |
|---|--|
| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) | |
| Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER | |
| Name of Operator Nearburg Producing Company | Well No. #12 |
| Address of Operator 3300 N A St., Bldg 2, Suite 120, Midland, TX 79705 | Pool name or Wildcat Dagger Draw; Upper Penn, North |
| Well Location Unit Letter <u>N</u> : <u>990</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>West</u> Line 27 Section <u>19S</u> Township <u>25E</u> Range <u>NMPM</u> <u>Eddy</u> County | |
| Elevation (Show whether DF, RKB, RT, GR, etc.) 3465' GR | |

11

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

| | |
|--|---|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | |
| OTHER: <input type="checkbox"/> | |

SUBSEQUENT REPORT OF:

| | |
|---|--|
| REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ANBANDONMENT <input type="checkbox"/> |
| CASING TEST AND CEMENT JOB <input type="checkbox"/> | |
| OTHER: Production Csg and Cmt <input checked="" type="checkbox"/> | |

¹²Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Drilled to 8,000'. C&C hole. RU csg crew and ran 197 jts 7" 23#, 26# and 29# J55 and S95 LT&C and BT&C csg. Set csg @ 8,000'. Cmt csg using 225 sxs cmt + additives. Drop plug and displace w/ 307 bbls H2O. Bump plug and floats held. Ran temp survey. TOC @ 6,700'. ND BOPE and set slips w/ 150,000#. Cont ND BOPE and clean pits. Released rig @ 2330 hrs 11/24/99.



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

SIGNATURE Sarah Jordan TITLE Production Analyst DATE 11-29-99
 TYPE OR PRINT NAME Sarah Jordan TELEPHONE NO. 915/686-8235

(This space for State Use)

APPROVED BY Jim W. [Signature] TITLE District Supervisor DATE 1-5-00

CONDITIONS OF APPROVAL, IF ANY:

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION

2040 Pacheco St. Santa Fe, NM 87505

WELL API NO. 30-015-30793
Indicate Type of Lease STATE [] FEE [X]
State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

Lease Name or Unit Agreement Name South Boyd 27

Well No. #12
Pool name or Wildcat Dagger Draw, Upper Penn, North

Type of Well: OIL WELL [X] GAS WELL [] OTHER []

Name of Operator Nearburg Producing Company

Address of Operator 3300 N A St., Bldg 2, Suite 120, Midland, TX 79705

Well Location Unit Letter N : 990 Feet From The South Line and 1980 Feet From The West Line
27 Section 19S Township 25E Range NMPM Eddy County

Elevation (Show whether DF, RKB, RT, GR, etc.) 3465' GR

11 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK [] PLUG AND ABANDON []
TEMPORARILY ABANDON [] CHANGE PLANS []
PULL OR ALTER CASING []
OTHER: []

REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] PLUG AND ANBANDONMENT []
CASING TEST AND CEMENT JOB []
OTHER: Surface Csg and Cmt [X]

12 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Drilled to 1,100'. C&C hole. Ru csg crew and ran 25 jts 9-5/8" 36# J55 ST&C csg. Set csg @ 1,100'. Cmt csg using 1,200 sxs cmt + additives. No cmt to surface. WOC. Ran temp survey. TOC @ 60'. Ran 1" csg to 60'. Cmt csg using 250 sxs cmt. No cmt to surface. WOC. Ran 1" csg to 20'. Cmt csg using 67 sxs cmt. Circ cmt to surface. WOC. Cut off csg and weld on wellhead. NU BOPE and test.



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

SIGNATURE [Signature] TITLE Production Analyst DATE 11-08-99

TYPE OR PRINT NAME Sarah Jordan TELEPHONE NO. 915/686-8235

(This space for State Use)

APPROVED BY [Signature] TITLE District Supervisor DATE 11-11-99

CONDITIONS OF APPROVAL, IF ANY:

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
811 South First, Artesia, NM 88210

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

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-101
Revised October 18, 1994

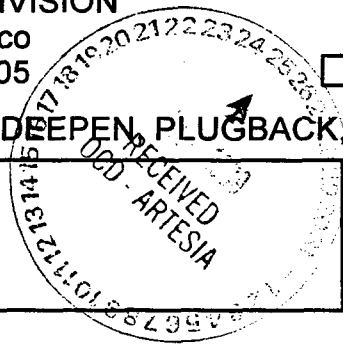
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

AMENDED REPORT

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

| | | |
|---|--|----------------------------|
| Operator Name and Address Nearburg Producing Company 3300 N A St., Bldg 2, Suite 120 Midland, TX 79705 | | GRID Number 015742 |
| Property Code 15752 | | API Number 30-015-30793 |
| Property Name South Boyd 27 | | Well No. 12 |



Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 27 | 19S | 25E | | 990 | South | 1980 | West | Eddy |

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 |
|---|---------|----------|-------|---------|--------------------------|------------------|---------------|----------------|--------|
| Proposed Pool 1 Dagger Draw: Upper Penn, North | | | | | Proposed Pool 2 15472 | | | | |

| | | | | |
|---------------------|------------------------|----------------------------|-------------------------|--------------------------------|
| Work Type Code N | Well Type Code O | Cable/Rotary R | Lease Type Code P | Ground Level Elevation 3465 |
| Multiple No | Proposed Depth 8300 | Formation Cisco/ Canyon | Contractor Patterson | Spud Date 11-01-99 |

Minimum WOC time 8 **Yrs.** **Proposed Casing and Cement Program**

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 14-3/4" | 9-5/8" | 36# | 1,100' | 1,000 sx | Circ |
| 8-3/4" | 7" | 23# & 26# | 8,300' | 1,200 sx | Circ |
| | | | | | |
| | | | | | |

²² 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.

Propose to drill the well to sufficient depth to evaluate the Cisco/ Canyon 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.

Acreage dedication is 160 acres: SW/4 of Section 27.

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

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: Blaik M. Wisenbaker

Printed name: Blaik M. Wisenbaker

Title: Sr. Petroleum Engineer

Date: 10-22-99

Phone: 915/ 686-8235

OIL CONSERVATION DIVISION

Approved By: [Signature]

Title: District Supervisor

Approval Date: 10-22-99

Expiration Date: 10-22-00

Conditions of Approval:
Attached:

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 Dagger Draw:Upper Penn, North |
| Property Code | Property Name SOUTH BOYD 27 | Well Number 12 |
| OGRID No. 015742 | Operator Name NEARBURG PRODUCING COMPANY | Elevation 3465 |

Surface Location

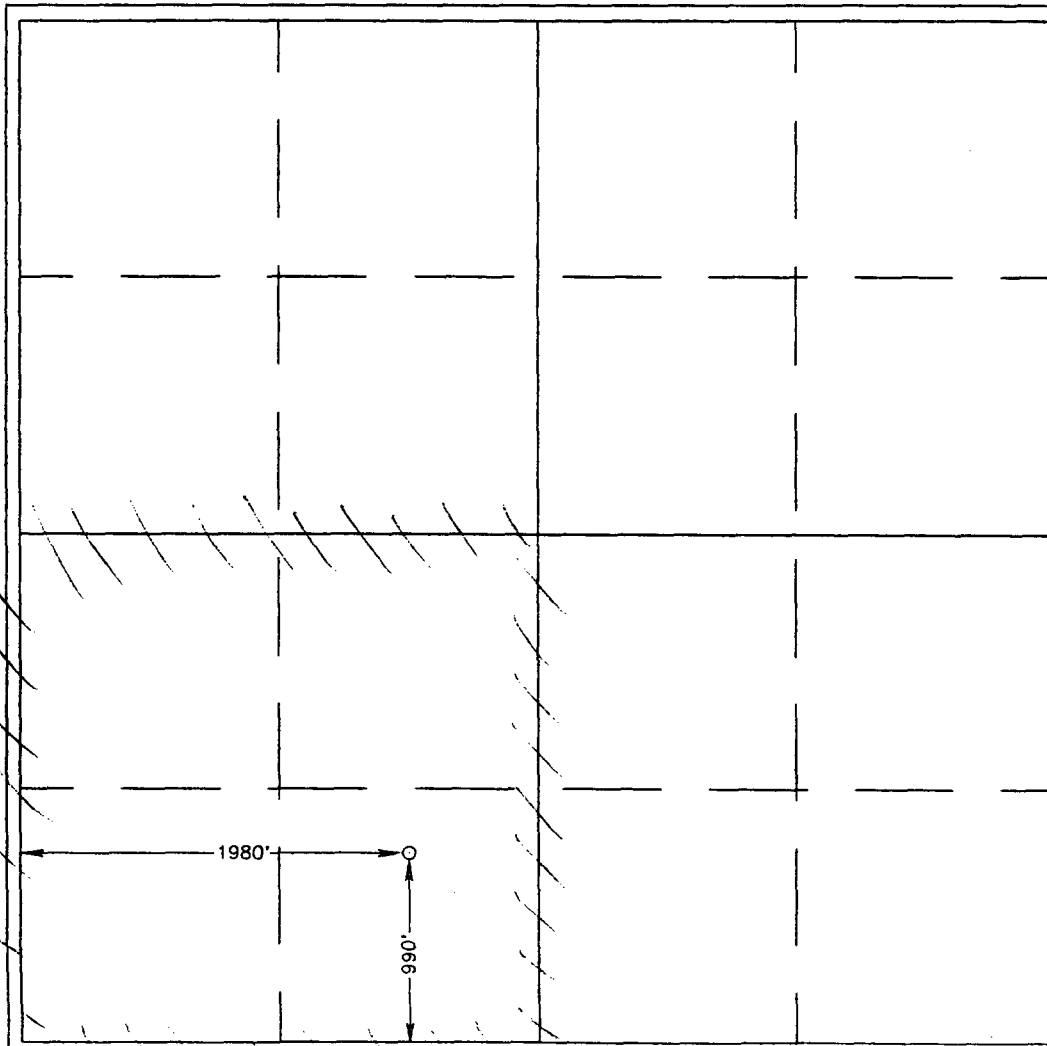
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 27 | 19 S | 25 E | | 990 | SOUTH | 1980 | WEST | EDDY |

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 | Joint or Infill | Consolidation Code | Order No. |
|-----------------|-----------------|--------------------|-----------|
| 160 | N | | |

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.

Blaik M. Wisenbaker
Signature

Blaik M. Wisenbaker
Printed Name

Sr. Petroleum Engineer
Title

10/22/99
Date

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.

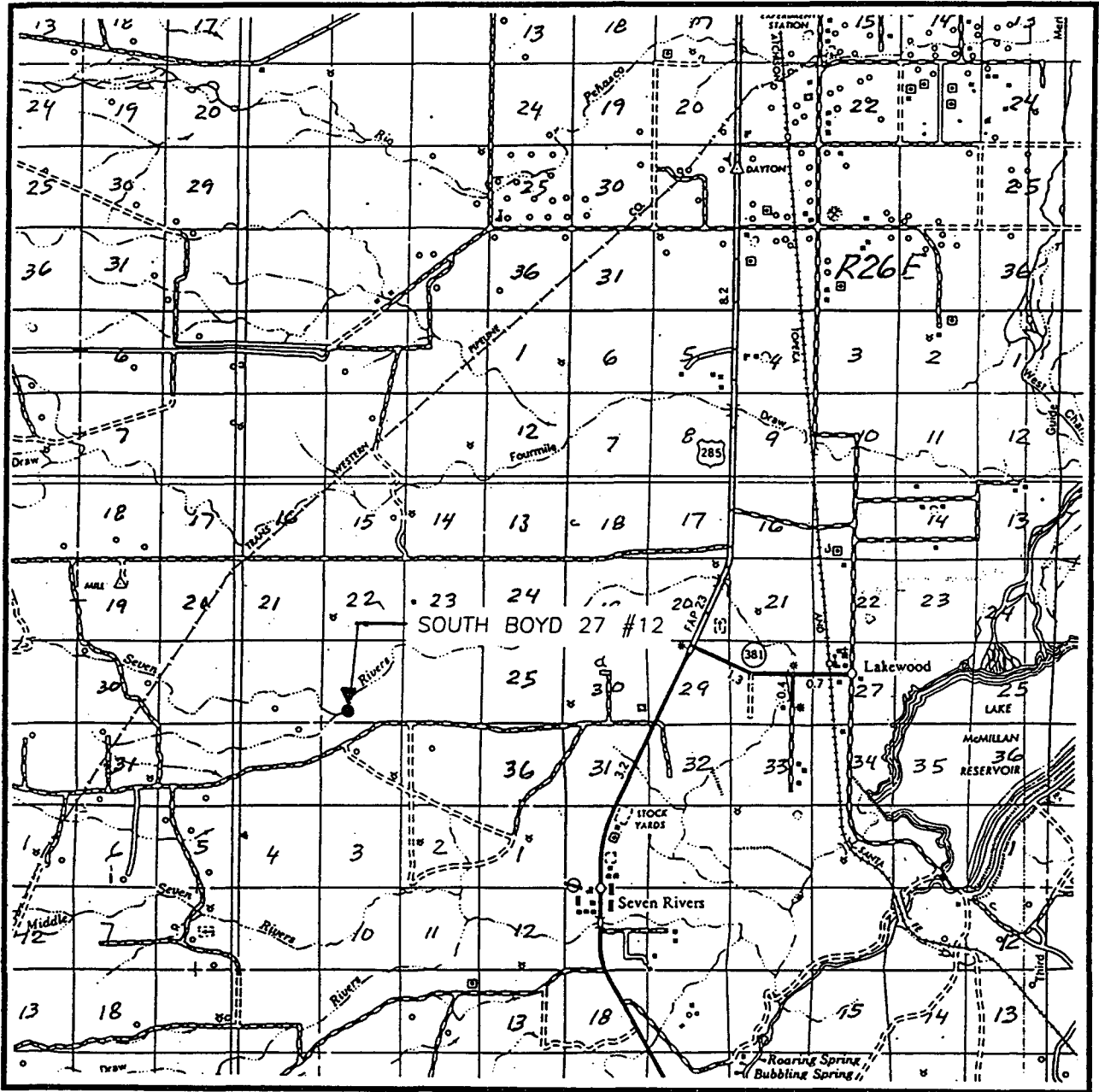
OCTOBER 19, 1999

Date Surveyed DC

Signature *Ronald C. Edson*
Professional Surveyor
NEW MEXICO
8278
8-21-99
99-11-0868

Certificate No. RONALD C. EDSON 3239
CARY EDSON 12641
RONALD C. McDONALD 12185

VICINITY MAP

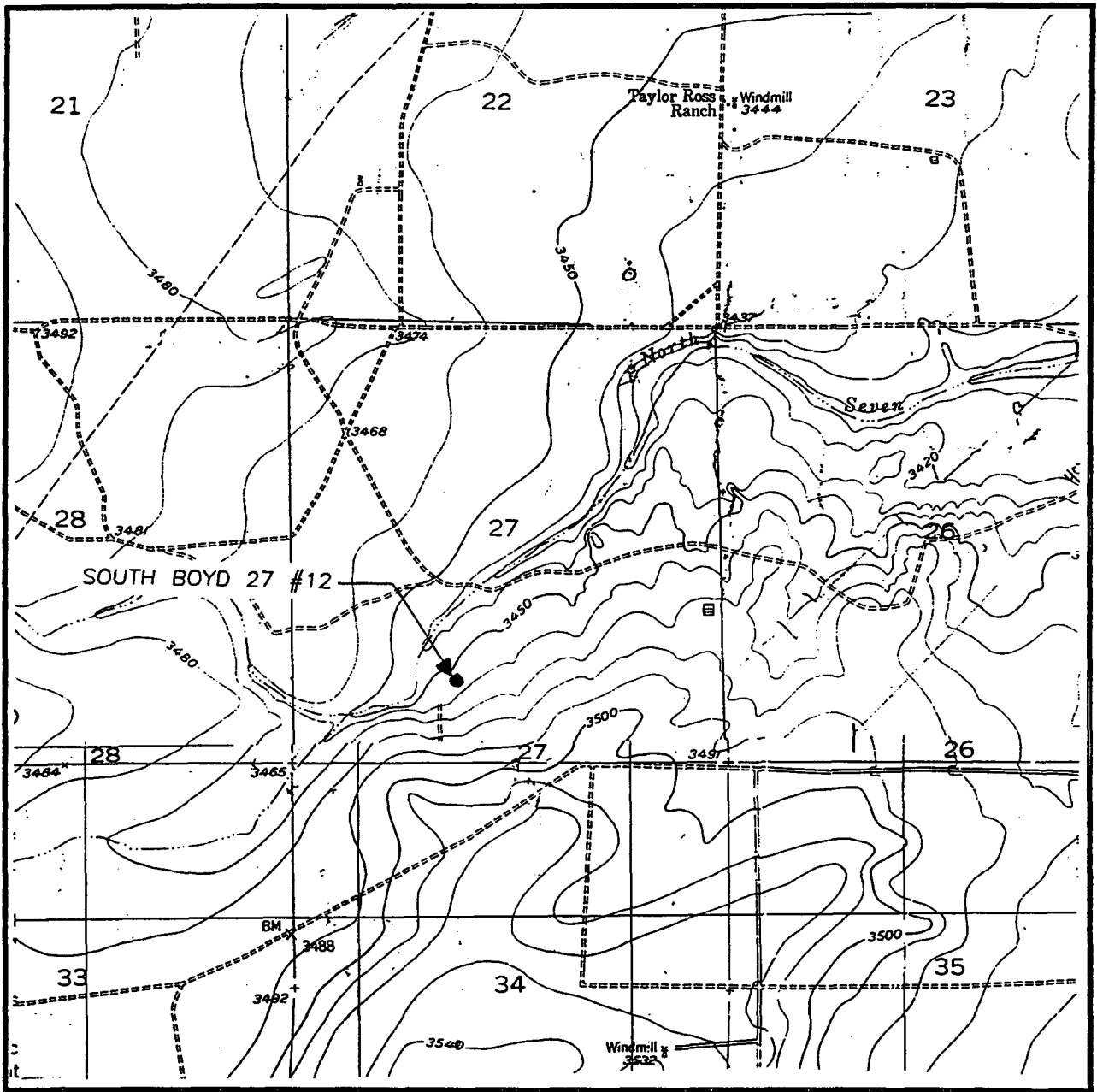


SCALE: 1" = 2 MILES

SEC. 27 TWP. 19-S RGE. 25-E
 SURVEY N.M.P.M.
 COUNTY EDDY
 DESCRIPTION 990' FSL & 1980' FWL
 ELEVATION 3465
NEARBURG
 OPERATOR PRODUCING COMPANY
 LEASE SOUTH BOYD 27

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
SEVEN RIVERS - 10'
DAYTON - 10'

SEC. 27 TWP. 19-S RGE. 25-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 990' FSL & 1980' FWL

ELEVATION 3465

OPERATOR NEARBURG PRODUCING COMPANY

LEASE SOUTH BOYD 27

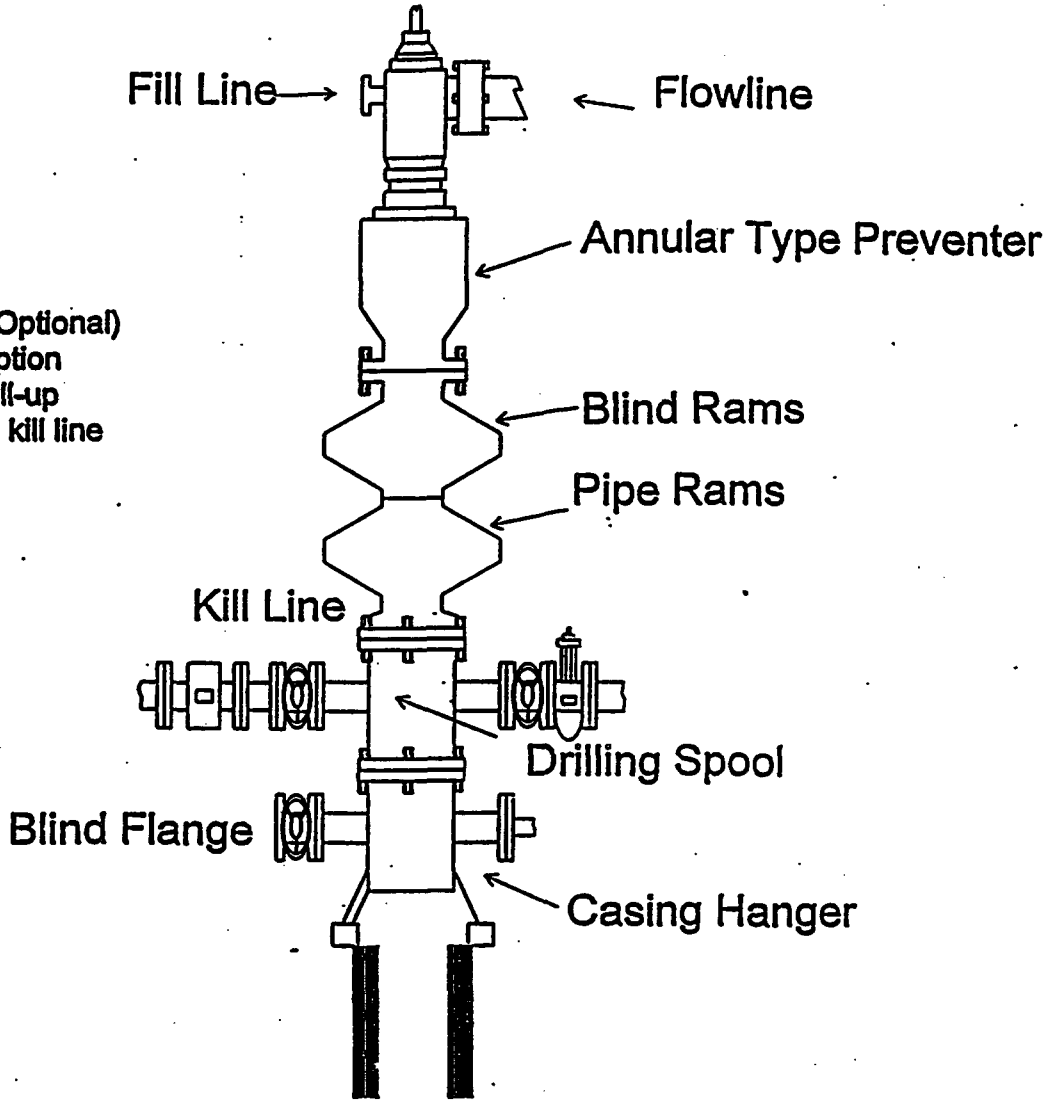
U.S.G.S. TOPOGRAPHIC MAP
SEVEN RIVERS, DAYTON, N.M.

**JOHN WEST SURVEYING
HOBBS, NEW MEXICO**

(505) 393-3117

NEARBURG PRODUCING COMPANY
BOPE SCHEMATIC

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



1500 Series