

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES
BEFORE THE OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION FOR THE
PURPOSE OF CONSIDERING:**

CASE 12622

**APPLICATION OF NEARBURG EXPLORATION COMPANY, L.L.C.
FOR TOW NON-STANDARD GAS SPACING AND PRORATION UNITS
LEA COUNTY, NEW MEXICO**

SUBPOENA DUCES TECUM

**TO: NEARBURG EXPLORATION COMPANY, L.L.C
NEARBURG PRODUCING COMPANY
c/o William F. Carr, Esq.
Hollard & Hart, LLP
P. O. Box 2208
Santa Fe, New Mexico, 87504-2208**

OIL CONSERVATION DIV.
01 APR 27 AM 10:32

Pursuant to Section 70-2-8, NMSA (1978) and Rule 1211 of the New Mexico Oil Conservation Division's Rules of Procedure, you are hereby ORDERED to appear at 8:30 a.m., May 3, 2001 to the offices of the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87504 and to produce the documents and items specified in attached Exhibit A and to make available to Redrock Operating Ltd. Co, Tim Cashon, Mark L. Stanger, and their attorney, W. Thomas Kellahin, for copying, all of said documents.

This subpoena is issued to Nearburg Exploration Company, L.L.C. and Nearburg Producing Company (collectively "Nearburg") on application of Redrock Operating, Ltd. Co, Tim Cashon and Mark L. Stanger through their attorneys, Kellahin & Kellahin, P. O. Box 2265, Santa Fe, New Mexico 87504.

Dated this 27th day of April, 2001.

NEW MEXICO OIL CONSERVATION DIVISION


BY:  for
LORI WROTENBERY, DIRECTOR

EXHIBIT "A"

TO SUBPOENA DUCES TECUM TO NEARBURG EXPLORATION COMPANY, L.L.C. AND NEARBURG PRODUCING COMPANY IN NEW MEXICO OIL CONSERVATION DIVISION CASE 12622

PURPOSE: The purpose of this subpoena is to provide all of the information necessary for Redrock Operating Ltd. Co. Tim Cason and Mark L. Stanger to be able to prepare their opposition to Nearburg Exploration Company, L.L.C. in Case 12622.

THE DATA TO BE PRODUCED INVOLVES THE MORROW FORMATION

I. PRODUCE THE FOLLOWING DOCUMENTS:

for EACH AND ALL of the following wells in Section 34, T21S, R34E, Lea County, New Mexico:

A. WELLS:

- (1) Nearburg's Grama Ridge East "34" State Well No. 1 drilled in Unit H
- (2) Pecos River Operating, Inc. and/or EOG Resources, Inc.'s Llano "34" State Well No. 1 drilled in Unit I
- (3) Grama Ridge Morrow Unit Well No. 2 drilled in Unit L

B. DOCUMENTS:

1. Electric Log data
2. Drilling Time data
3. Drill Cutting of Log Cores
4. Mud Logs
5. Completion data
6. Gas Analysis
7. Water Analysis
8. Fluid data
8. Reservoir Performance
9. Geologic data
10. Well Performance data
11. Permeability data

12. Porosity data
13. Reservoir thickness data
14. Pressure data
15. Gas Content data
16. pressure v. time plots
17. production decline curves
18. Initial Water/Gas Saturation data

IF NOT ALREADY INCLUDED ABOVE THEN THE FOLLOWING
ADDITIONAL DATA:

1. Openhole logs, including but not limited to density/neutron porosity, resistivity and sonic logs
2. PVT data
3. Reservoir pressure data, **by individual zone (perforation)** including but not limited to bottom-hole surveys or pressures, surface pressure readings, daily tubing pressure and casing pressures, drill stem tests, build-up tests and interference tests, with relevant information as to shut-in time and production rates prior to shut-in.
4. all production data including, but not limited to all well check records, including gauges/charts for each well on a daily basis from initial testing/completion to date showing actual production of oil, gas and water for said well per day and per month.
5. Chronological reports to include details of:
 - a. perforating and perforation locations
 - b. stimulation fluids, volumes, rates, and pressures for each treated interval
 - c. Swabbing, flowing and/or pumping results for each interval that was perforated and tested including Pre and Post stimulation results as applicable.
 - d. daily drilling and completion reports
6. If your client has conducted any reservoir simulation which includes any of the subject wells, then provide: model software description, model parameters and assumptions, model variables, model history matching data, model predictions, subsequent modification.
7. Any petroleum engineering data used or to be used by Nearburg to justify its position in NMOCD Case 12622 including all pressure data, including but not limited to bottom hole pressure surveys, daily tubing

pressure and casing pressure surveys, with relevant information as to shut-in time and production rate prior to shut-in;

8. Any and all reserve calculations, including but not limited to estimates of ultimate recovery, production decline curves, pressure decline curves, material balance calculations (including reservoir parameters), volumetric calculation (including reservoir parameters);

9. Any and all reservoir studies, including but not limited to drainage calculations, well interference studies, pressure studies or well communication studies;

10. Any and all documents and data concerning "workover" actually conducted, attempted or contemplated;

11. Any geologic data including geologic maps, structure maps, isopachs, cross-sections, and/or logs being used by Nearburg to justify its position;

C. SEISMIC DATA:

(1) any and all information concerning the acquisition, processing and interpretation of the 3-D seismic data;

(2) copies of the geophysical interpreter's report, including all maps and input data;

(2) predesign of the 3-D survey including the resolution, bin size, number of bins, number of pre and poststack traces;

(3) identify and describe the seismic calculation (computer) program used;

(4) any and all seismic profiles and time sections;

(5) list of all ties and mis-ties to well data;

(6) any velocity maps, including isochron or velocity converted depth maps;

(7) details on digitisation of maps, including a detailed description of the software package for reduction of the digitized data;

(8) details, including any adjustment of parameters for map construction including depth conversion; and

(9) copies of any and all maps including initial and final isopach contour maps of structure and any "isometric displays" or presentations.

D. Correspondence/communications/accounting/land files:

- (1) Any and all contracts, communitization agreements, joint operating agreements, leases, correspondence, farmout agreements that apply to any of the subject wells;
- (2) A detailed accounting of all production, expenses, revenues and payments for any of the subject wells.
- (3) all title opinions including but not limited to drill site and division order opinions.
- (4) all land files.
- (5) all documents between Nearburg and Office of Commissioner of Public Lands for New Mexico
- (6) all documents between Nearburg and EOG Resources Inc.
- (7) all documents between Nearburg and Oil Conservation Division located in Santa Fe, New Mexico
- (8) all documents between Nearburg and Oil Conservation Division located in Hobbs, New Mexico

E. Hearing Exhibits

- (1) copies of any geologic data and exhibits including geologic maps, structure maps, isopachs, cross-sections, and/or logs to be used by Nearburg.
- (2) copies of any and all geophysical data/studies and exhibits to be used by Nearburg.
- (3) copies of any and all petroleum engineering data/studies and exhibits to be used by Nearburg.

INSTRUCTIONS

This Subpoena Duces Tecum seeks all information available to you or in your possession, custody or control from any source, wherever situated, including but not limited to information from any files, records, computers documents, employees, former employees, consultants, counsel and former counsel. It is directed to each person to whom such information is a matter of personal knowledge.

When used herein, "you" or "your" refers to the person or entity to whom this Subpoena Duces Tecum is addressed to including all of his or its attorneys, officers, agent, consultants, employees, directors, representatives, officials, departments, divisions, subdivisions, subsidiaries, or predecessors.

The term "document" as used herein means every writing and record of every type and description in the possession, custody or control of Nearburg Exploration Company, L.L.C. and/or Nearburg Producing Company, whether prepared by you or otherwise, which is in your possession or control or known by you to exist, including but not limited to all drafts, papers, books, writings, records, letters, photographs, computer disks, tangible things, correspondence, communications, telegrams, cables, telex messages, memoranda, notes, notations, work papers, transcripts, minutes, reports and recordings of telephone or other conversations or of interviews, conferences, or meetings. It also includes diary entries, affidavits, statements, summaries, opinions, reports, studies, analyses, evaluations, contracts, agreements, jottings, agenda, bulletins, notices, announcements, plans, specifications, sketches, instructions charts, manuals, brochures, publications, schedules, price lists, client lists, journals, statistical records, desk calendars, appointment books, lists, tabulations sound recordings, computer printouts, books of accounts, checks, accounting records, vouchers, and invoices reflecting business operations, financial statements, and any notice or drafts relating to the foregoing, without regard to whether marked confidential or proprietary,. It also includes duplicate copies if the original is unavailable or if the duplicate is different in any way, including marginal notations, from the original.