N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

Form 3160-3
(July 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

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

# APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.: NMNM12828

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WORK: DRILL ☒ DEEPEN ☐

7. UNIT AGREEMENT NAME:

b. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ OTHER — SINGLE ZONE ☐ MULTIPLE ZONE ☐

8. FARM OR LEASE NAME, WELL NO.: Shelby 12 Federal #5

2. NAME OF OPERATOR: Nearburg Producing Company

RECEIVED
MAR 2 4 2004
OCD-ARTESIA

9. API WELL NO.: 30-015-33322

3. ADDRESS AND TELEPHONE NO.: 3300 N A St., Bldg 2, Suite 120, Midland, TX 79705 432/686-8235 x 203

10. FIELD AND POOL, OR WILDCAT: Undesignated Indian Basin; Upper Penn, Associated

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: Unit I, ~~2350~~ 2300 FSL and ~~50~~ 516 FEL, Sec 11, 22S, 24E
At proposed prod. zone: Unit E, 1980 FNL and 660 FWL, Sec 12, 22S, 24E

SUBJECT TO LIKE APPROVAL BY STATE

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: SHL: Sec 11, BHL: Sec. 12, 22S, 24E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 12 miles West of Carlsbad

12. COUNTY OR PARISH: Eddy

13. STATE: NM

| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT (Also to nearest drlg. unit line, if any) | 16. NO. OF ACRES IN LEASE | 17. NO. OF ACRES ASSIGNED TO THIS WELL |
|---|---|---|
| 330 | 1200 | 320 |
| **18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.** | **19. PROPOSED DEPTH** | **20. ROTARY OR CABLE TOOLS** |
| 1750 | 8600' | Rotary |

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3967'

Carlsbad Controlled Water Basin

22. APPROX. DATE WORK WILL START*: 03/01/2004

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|---|---|---|---|---|
| 14-3/4 | 9-5/8 | 36# | 1500' | 700 sxs |
| 8-3/4 | 7 | 23# & 26# | 8600' | 1000 sxs |
| | | | | |

Propose to Directionally drill the well to a 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 stimulation as necessary to establish production.

Acreage dedication is 320 acres; N/2 of Section 12.

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 Production Analyst DATE 01/13/2004

(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:

APPROVED BY /s/ Joe G. Lara ACTING TITLE FIELD MANAGER DATE 22 MAR 2004

*See Instructions On Reverse Side

APPROVAL FOR 1 YEAR

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.

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

*SUBMIT IN TRIPLICATE*

5. Lease Designation and Serial No.: NM 12828

6. If Indian, Allottee or Tribe Name:

7. If Unit or CA, Agreement Designation:

1. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.: Shelby 12 Federal #5

2. Name of Operator: Nearburg Producing Company

9. API Well No.:

3. Address and Telephone No.: 3300 North A Street, Building 2, Suite 120, Midland, TX 79705 (432) 686-8235 x 203

10. Field and Pool, or Exploratory Area: Indian Basin; Upper Penn, Associated

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: Unit I, 2300 FSL and 916 FEL, Sec 11, 22S, 24E
BHL: Unit E, 1980 FNL and 660 FWL, Section 12, T22S, R24E

11. County or Parish, State: Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | |
|---|---|---|
| ☒ Notice of Intent | ☐ Abandonment | ☐ Change of Plans |
| ☐ Subsequent Report | ☐ Recompletion | ☐ New Construction |
| ☐ Final Abandonment Notice | ☐ Plugging Back | ☐ Non-Routine Fracturing |
| | ☐ Casing Repair | ☐ Water Shut-Off |
| | ☐ Altering Casing | ☐ Conversion to Injection |
| | ☒ Other Move surface hole location | ☐ Dispose Water |

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinet details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markders and zones pertinent to this work.)*

Nearburg Producing Company, at the request of Jim Goodbar, BLM, is requesting to move the SHL as follows:

Old SHL: Unit I, 2350 FSL and 50 FEL, Sec 11, 22S, 24E

New SHL: Unit I, 2300 FLS and 916 FEL, Sec 11, 22S, 24E

See attached plat.

RECEIVED
2004 MAR 11 PM 12 34
BUREAU OF LAND MGMT.
CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct

Signed _____ Title Production Analyst Date 03/10/2004

(This space for Federal or State office use)

Approved by /s/ Joe G. Lara ACTING Title FIELD MANAGER Date 22 MAR 2004
Conditions of approval, if any:

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.

*See Instruction on Reverse Side

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

# OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| API Number | Pool Code | Pool Name |
|---|---|---|
| | | Indian Basin; Upper Penn, Ass. |

| Property Code | Property Name | Well Number |
|---|---|---|
| | SHELBY 12 FEDERAL | 5 |

| OGRID No. | Operator Name | Elevation |
|---|---|---|
| 015742 | NEARBURG PRODUCING CO. | 4019' |

### Surface Location

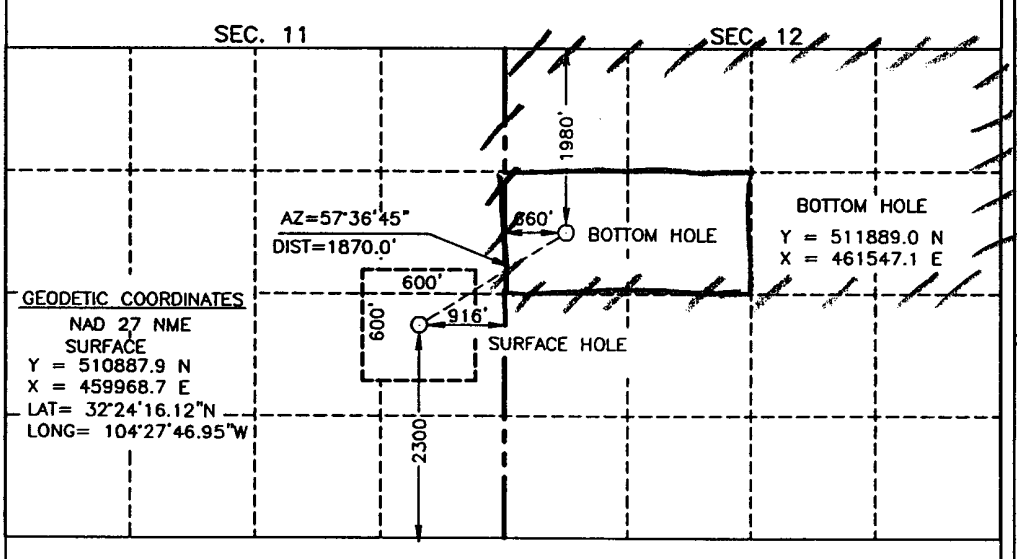
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---|---|---|---|---|---|---|---|---|---|
| I | 11 | 22-S | 24-E | | 2300 | SOUTH | 916 | EAST | EDDY |

### 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 |
|---|---|---|---|---|---|---|---|---|---|
| E | 12 | 22-S | 24-E | | 1980 | NORTH | 660 | WEST | EDDY |

| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
|---|---|---|---|
| 320 | J | | |

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: Sarah Jordan

Printed Name: Prod. Analyst

Title: 3-10-04

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 supervison and that the same is true and correct to the best of my belief.*

March 03, 2004

Date Surveyed: AWB

Signature & Seal of Professional Surveyor: Gary G. Eidson 3/8/04

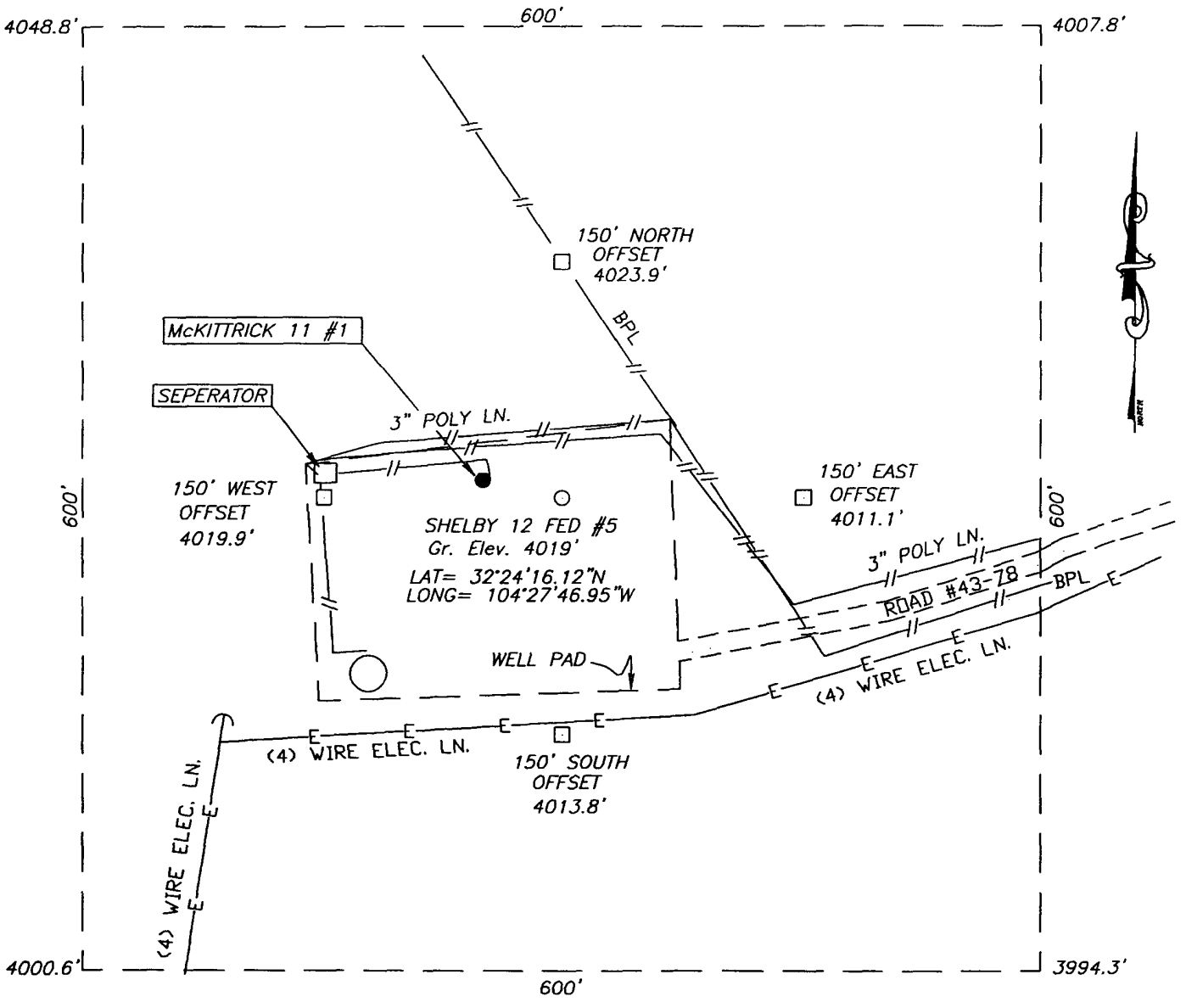
NEW MEXICO 12641 REGISTERED PROFESSIONAL SURVEYOR

04.11.0255

Certificate No. GARY EIDSON 12641

# SECTION 11, TOWNSHIP 22 SOUTH, RANGE 24 EAST, N.M.P.M.,

EDDY COUNTY, NEW MEXICO.




## DIRECTIONS TO LOCATION:

FROM THE INTERSECTION OF U.S. HWY #285 AND COUNTY ROAD #406 (WATERHOLE RD). GO WEST ON CO. RD. #406 FOR 2.0 MILES. TURN LEFT AND GO 7.5 MILES SOUTHWEST STAYING ON MAIN ROAD. TURN RIGHT AND GO 0.8 MILES TO THE EXISTING NEARBURG McKITTRICK FED 11 #1 WELL AND THIS LOCATION.

100 0 100 200 FEET

Scale:1"=100'

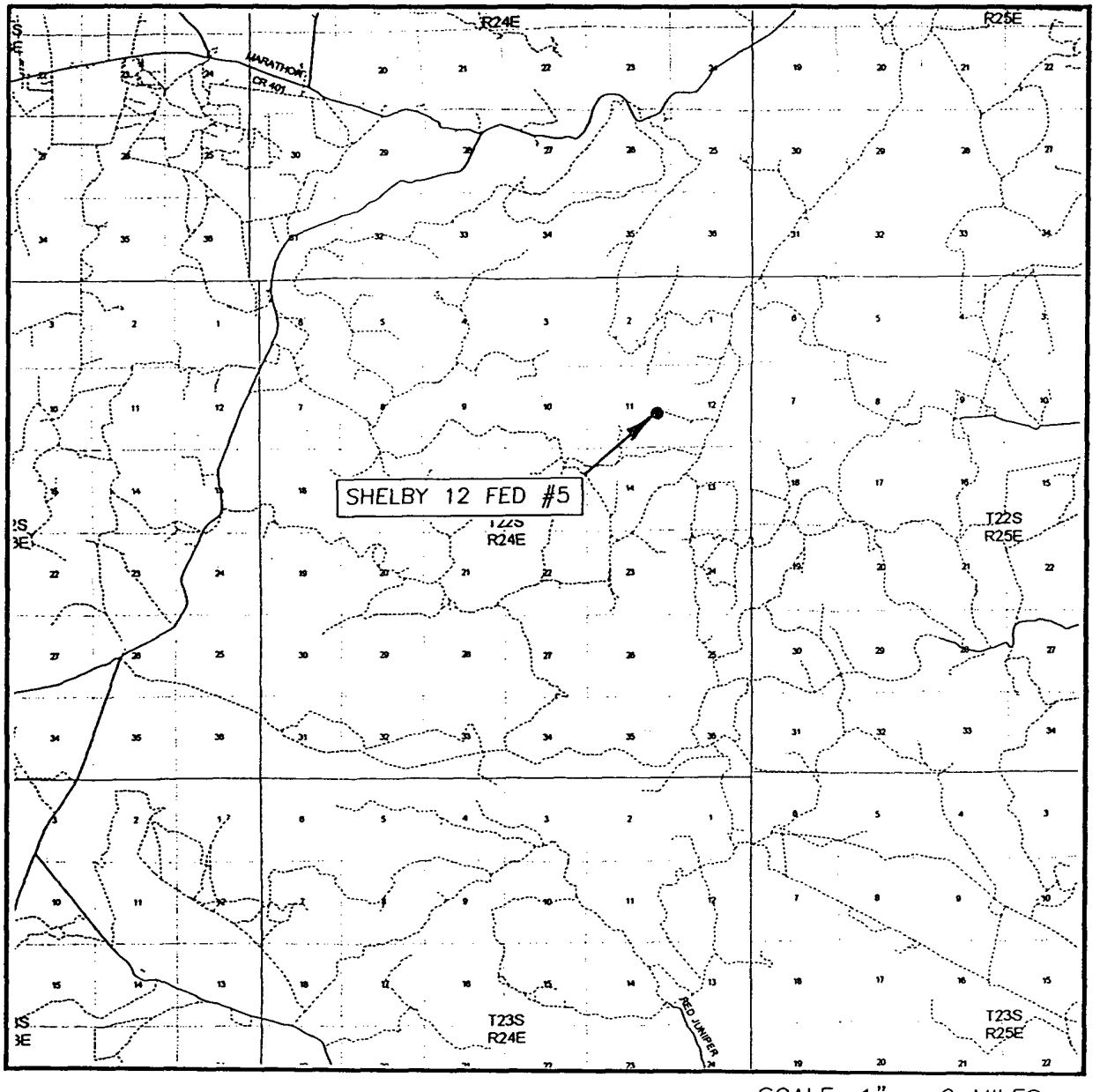
## NEARBURG PRODUCING COMPANY

THE SHELBY 12 FEDERAL #5 LOCATED 2300' FROM THE SOUTH LINE AND 916' FROM THE EAST LINE OF SECTION 11, TOWNSHIP 22 SOUTH, RANGE 24 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO

| | | | |
|---|---|---|---|
| Survey Date: 03/03/04 | | Sheet 1 of 1 Sheets | |
| W.O. Number: 04.11.0255 | | DRAWN BY: A.W.B | |
| Date:03/05/04 | DISK: CD#10 | 0411.0255 | Scale:1"=100' |


JOHN WEST SURVEYING COMPANY
412 N. DAL PASO – HOBBS, NEW MEXICO – 505-393-3117

# VICINITY MAP




SCALE: 1" = 2 MILES

SEC. 11 TWP. 22-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 2300' FSL & 916' FEL

ELEVATION 4019'

OPERATOR NEARBURG PRODUCING COMPANY

LEASE SHELBY 12 FEDERAL

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

# LOCATION VERIFICATION MAP


SCALE: 1" = 2000'

CONTOUR INTERVAL: 20'

AZOTEA PEAK, N.M.

SEC. 11 TWP. 22-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 2300' FSL & 916' FEL

ELEVATION 4019'

OPERATOR NEARBURG PRODUCING COMPANY

LEASE SHELBY 12 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
AZOTEA SPEAK, N.M.

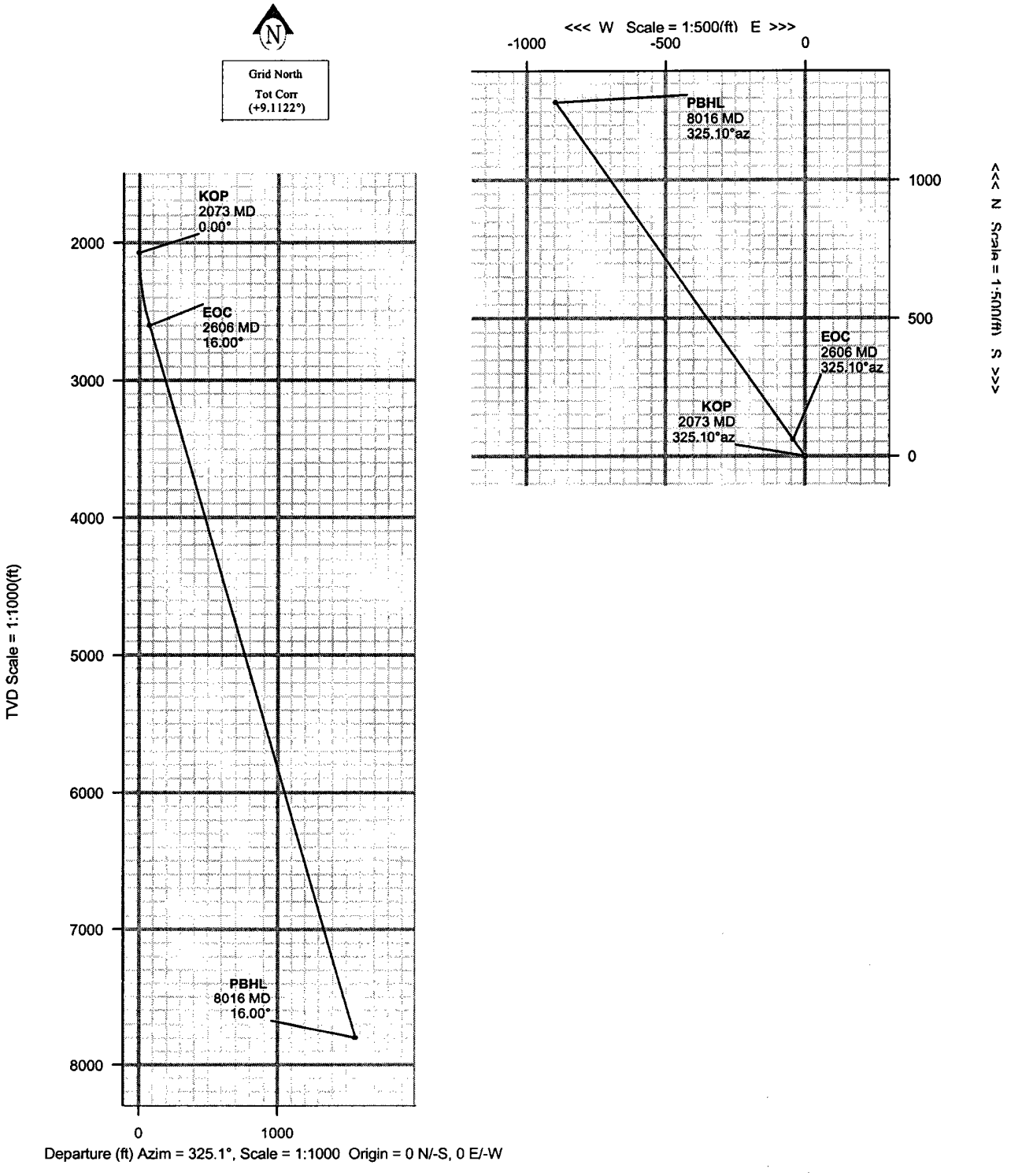
JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

INTREPID
Directional Drilling Specialists

# Nearburg Producing Company

| WELL | FIELD | STRUCTURE |
|---|---|---|
| Shelby 12 Fed # 5 | Eddy County | Shelby 12 Fed # 5 |

| Magnetic Parameters | | | | Surface Location | | | | NAD27 New Mexico State Planes, Eastern Zone, US Feet | | Miscellaneous | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Model: IGRF 2000 | Dip: 60.437° | Date: December 16, 2003 | | Lat: N32 24 13.354 | Northing: 510606.30 flUS | Grid Conv: -0.065212107° | | | | Slot: Shelby 12 Fed # 5 | TVD Ref: RKB (0.00 ft above ) | | |
| | Mag Dec: +9.047° | FS: 49526.9 nT | | Lon: W104 27 16.088 | Easting: 462442.60 flUS | Scale Fact: 0.999910706 | | | | Plan: Shelby12-5_r1 | Srvy Date: Tue 02:55 PM December 16, 2003 | | |



# Proposal

| | | | |
|---|---|---|---|
| **Report Date:** | December 16, 2003 | **Survey / DLS Computation Method:** | Minimum Curvature / Lubinski |
| **Client:** | Nearburg Producing Company | **Vertical Section Azimuth:** | 325.100° |
| **Field:** | Eddy County | **Vertical Section Origin:** | N 0.000 ft, E 0.000 ft |
| **Structure / Slot:** | Shelby 12 Fed # 5 / Shelby 12 Fed # 5 | **TVD Reference Datum:** | RKB |
| **Well:** | Shelby 12 Fed # 5 | **TVD Reference Elevation:** | 0.0 ft relative to |
| **Borehole:** | Shelby 12 Fed # 5 | **Sea Bed / Ground Level Elevation:** | 0.000 ft relative to |
| **UWI/API#:** | | **Magnetic Declination:** | 9.047° |
| **Survey Name / Date:** | Shelby12-5_r1 / December 16, 2003 | **Total Field Strength:** | 49526.900 nT |
| **Tort / AHD / DDI / ERD ratio:** | 16.000° / 1565.33 ft / 4.411 / 0.201 | **Magnetic Dip:** | 60.437° |
| **Grid Coordinate System:** | NAD27 New Mexico State Planes, Eastern Zone, US Feet | **Declination Date:** | December 16, 2003 |
| **Location Lat/Long:** | N 32 24 13.354, W 104 27 18.088 | **Magnetic Declination Model:** | IGRF 2000 |
| **Location Grid N/E Y/X:** | N 510605.300 ftUS, E 462442.600 ftUS | **North Reference:** | Grid North |
| **Grid Convergence Angle:** | -0.06521210° | **Total Corr Mag North -> Grid North:** | +9.112° |
| **Grid Scale Factor:** | 0.99991071 | **Local Coordinates Referenced To:** | Well Head |

| Comments | Measured Depth (ft) | Inclination (deg) | Azimuth (deg) | TVD (ft) | Vertical Section (ft) | NS (ft) | EW (ft) | Closure (ft) | Closure Azimuth (deg) | DLS (deg/100 ft) | Tool Face (deg) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Tie-In | 0.00 | 0.00 | 325.10 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -34.90M |
| KOP | 2072.64 | 0.00 | 325.10 | 2072.64 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -34.90M |
| | 2100.00 | 0.82 | 325.10 | 2100.00 | 0.20 | 0.16 | -0.11 | 0.20 | 325.10 | 3.00 | -34.90M |
| | 2200.00 | 3.82 | 325.10 | 2199.91 | 4.25 | 3.48 | -2.43 | 4.25 | 325.10 | 3.00 | -34.90M |
| | 2300.00 | 6.82 | 325.10 | 2299.46 | 13.52 | 11.09 | -7.73 | 13.52 | 325.10 | 3.00 | 0.00G |
| | 2400.00 | 9.82 | 325.10 | 2398.40 | 27.99 | 22.95 | -16.01 | 27.99 | 325.10 | 3.00 | 0.00G |
| | 2500.00 | 12.82 | 325.10 | 2496.44 | 47.62 | 39.05 | -27.24 | 47.62 | 325.10 | 3.00 | 0.00G |
| | 2600.00 | 15.82 | 325.10 | 2593.32 | 72.35 | 59.34 | -41.39 | 72.35 | 325.10 | 3.00 | 0.00G |
| EOC | 2605.97 | 16.00 | 325.10 | 2599.07 | 73.98 | 60.68 | -42.33 | 73.98 | 325.10 | 3.00 | 0.00G |
| PBHL | 8016.50 | 16.00 | 325.10 | 7800.00 | 1565.33 | 1283.82 | -895.58 | 1565.33 | 325.10 | 0.00 | 0.00G |

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

# OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| API Number | Pool Code | Pool Name |
|---|---|---|
| | | Indian Basin; Upper Penn, Ass. |

| Property Code | Property Name | Well Number |
|---|---|---|
| | SHELBY 12 FERERAL | 5 |

| OGRID No. | Operator Name | Elevation |
|---|---|---|
| 015742 | NEARBURG PRODUCING CO. | 3967' |

### Surface Location

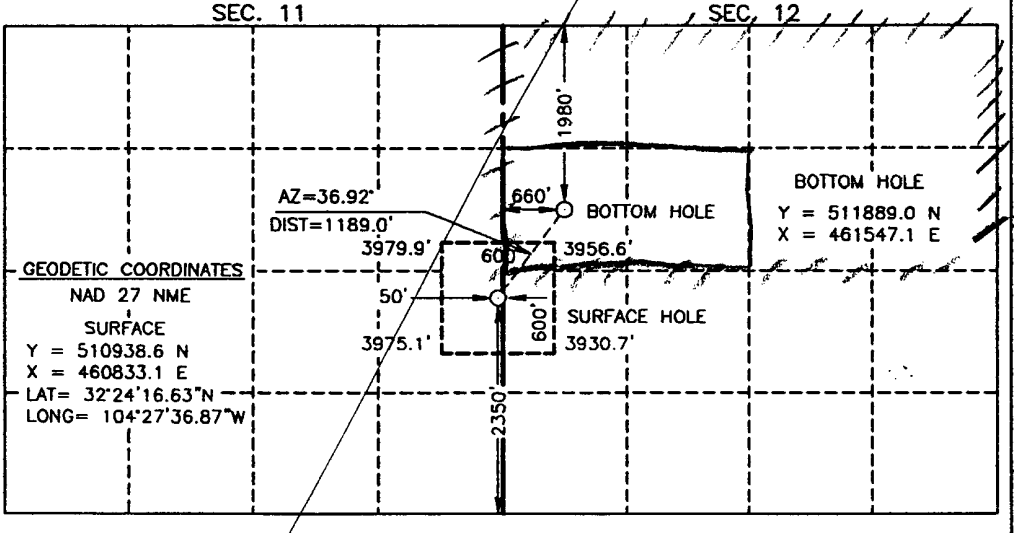
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---|---|---|---|---|---|---|---|---|---|
| I | 11 | 22-S | 24-E | | 2350 | SOUTH | 50 | EAST | EDDY |

### 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 |
|---|---|---|---|---|---|---|---|---|---|
| E | 12 | 22-S | 24-E | | 1980 | NORTH | 660 | WEST | EDDY |

| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
|---|---|---|---|
| 320 | J | | |

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: Sarah Jordan

Printed Name: Sarah Jordan

Title: Prod. Analyst

Date: 12-23-03

### 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 supervison, and that the same is true and correct to the best of my belief.*

December 04, 2003

Date Surveyed: AWB

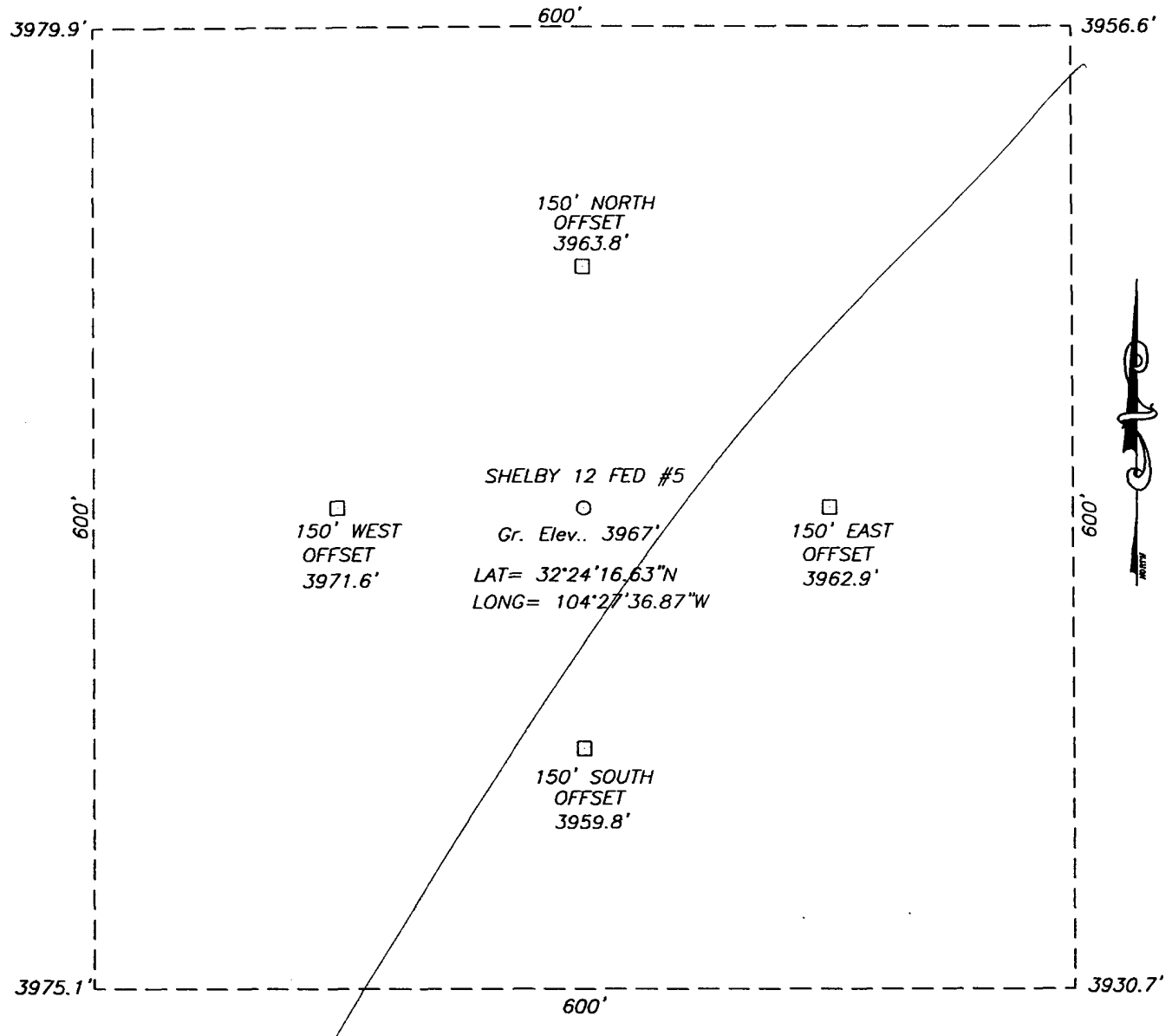
Signature & Seal of Professional Surveyor: Gary L. Jones 12/17/03

03.13.1400

Certificate No. GARY EIDSON 12641

# SECTION 11, TOWNSHIP 22 SOUTH, RANGE 24 EAST, N.M.P.M.,

EDDY COUNTY, NEW MEXICO.




## DIRECTION TO LOCATION:

FROM THE INTERSECTION OF U.S. HWY #285 AND COUNTY ROAD #406 (WATERHOLE RD.) GO WEST-SOUTHWEST 2.0 MILES. TURN LEFT AT A CALICHE ROAD AND GO 7.5 MILES (ROAD MEANDERS) SOUTHWESTERLY. TURN RIGHT ON CALICHE ROAD AND GO 3300 FEET. PROPOSED LOCATION IS NORTH 150.0 FEET.

100 0 100 200 FEET

Scale:1"=100'

## NEARBURG PRODUCING COMPANY

THE SHELBY 12 FEDERAL #5 LOCATED 2350' FROM THE SOUTH LINE AND 50' FROM THE EAST LINE OF SECTION 11, TOWNSHIP 22 SOUTH, RANGE 24 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO

| | | | |
|---|---|---|---|
| Survey Date: 12/04/03 | | Sheet 1 of 1 Sheets | |
| W.O. Number: 03.11.1321 | | DRAWN BY: A.W.B | |
| Date:12/07/03 | DISK: CD#10 | NEAR#1400 | Scale:1"=100' |


JOHN WEST SURVEYING COMPANY
412 N. DAL PASO - HOBBS, NEW MEXICO - 505-393-3117

# LOCATION VERIFICATION MAP


SCALE: 1" = 2000'

CONTOUR INTERVAL: 20'

AZOTEA PEAK, N.M.

SEC. 11 TWP. 22-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 2350' FSL & 50' FEL

ELEVATION 3967'

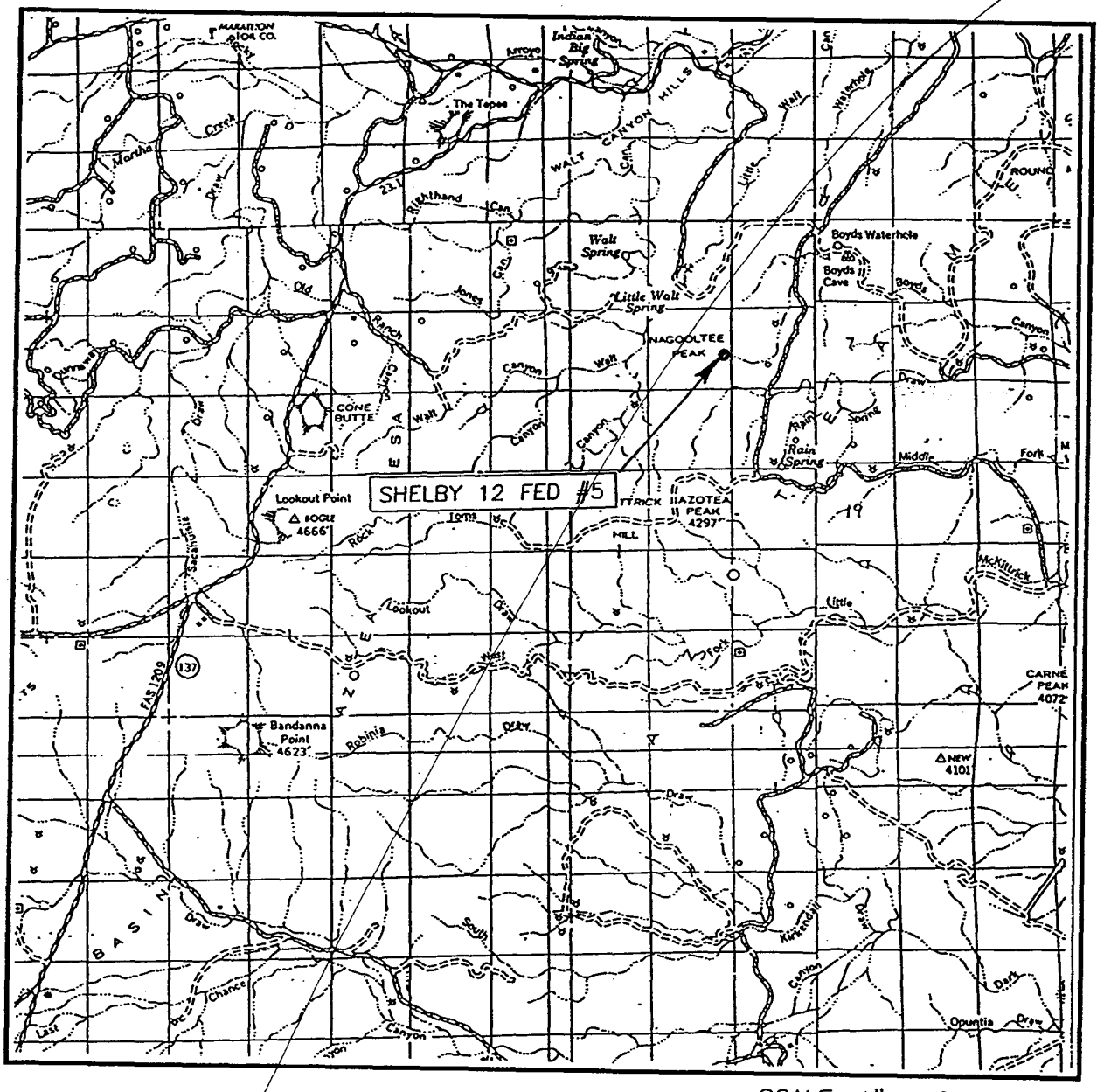
OPERATOR NEARBURG PRODUCING COMPANY

LEASE SHELBY 12 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
AZOTEA SPEAK, N.M.

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

# VICINITY MAP




SEC. 11 TWP. 22-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 2350' FSL & 50' FEL

ELEVATION 3967'

OPERATOR NEARBURG PRODUCING COMPANY

LEASE SHELBY 12 FEDERAL


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

## STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

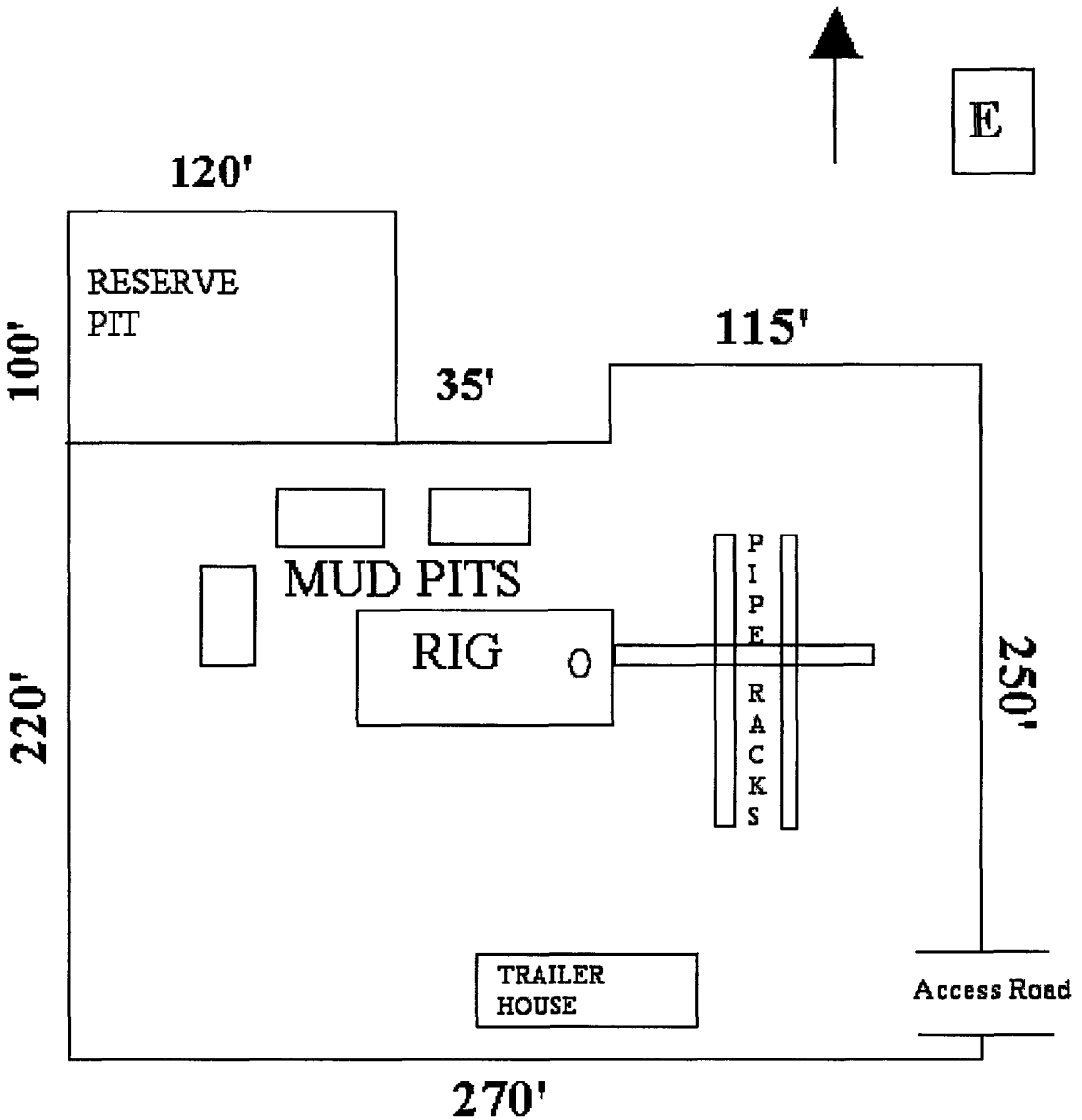
Nearburg Producing Company
3300 North "A" Street, Building 2, Suite 120
Midland, Texas 77905

The undersigned accepts all applicable terms, conditions, stipulations and restrictions covering operations conducted on the leased land or portion thereof, as described below:

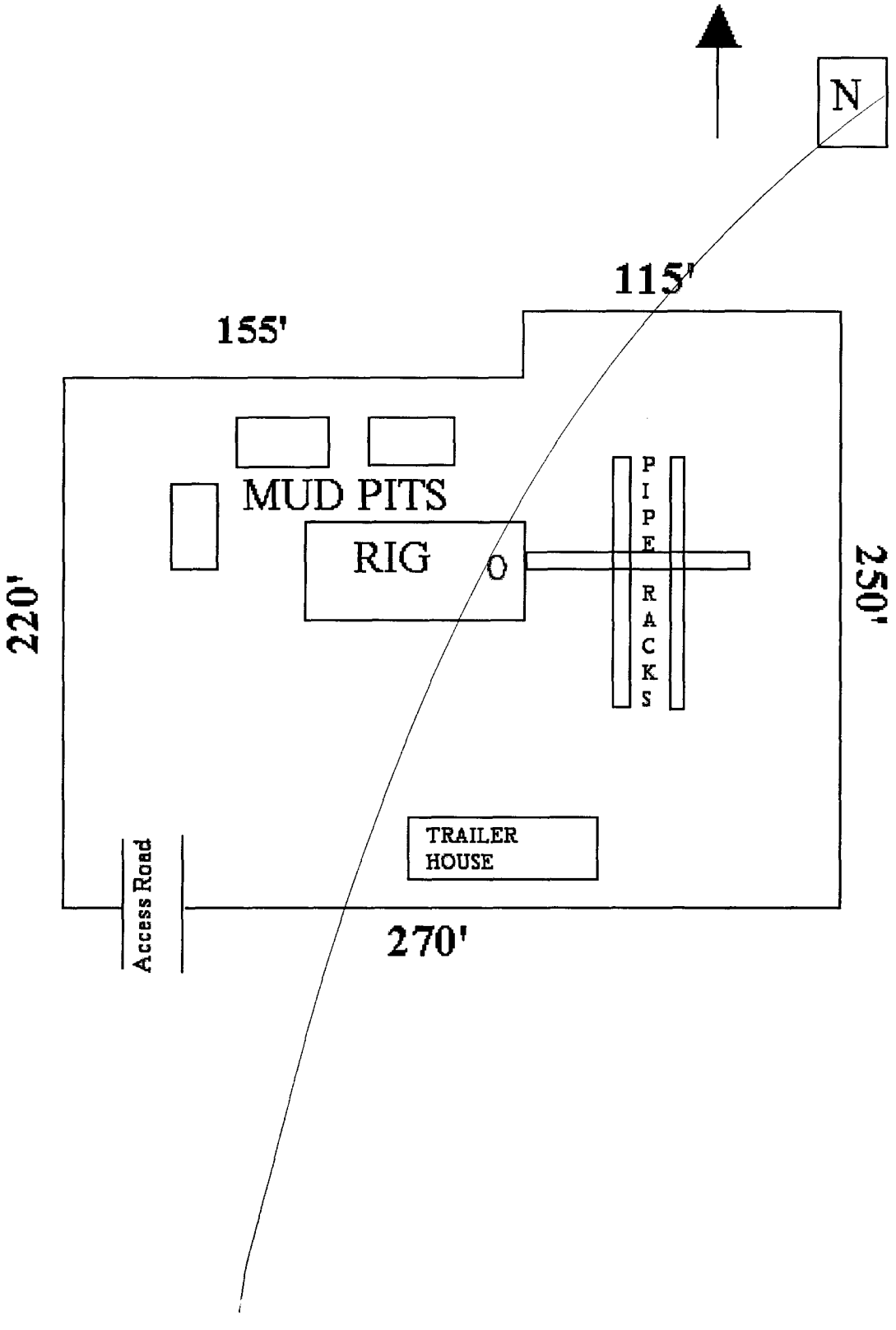
| | |
|---|---|
| Lease No: | NMNM12828 |
| Legal Description of Land: | SHL: Unit I, 2350 FSL and 50 FEL, Sec 11, 22S, 24E<br>BHL: Unit E, 1980 FNL and 660 FWL, Sec 12, 22S, 24E<br>Eddy County, New Mexico |
| Formation(s) (if applicable): | Upper Penn, Associated |
| Bond Coverage: | $25,000 statewide bond of Nearburg Producing Company |
| BLM Bond File No: | NM1307 |

12/31/03
Date

H. R. Willis
Drilling Manager




Shelby 12 Federal #5
SHL: Unit I, 2350 FSL & 50 FEL
Sec 11, 22S, 24E
BHL: Unit E, 1980 FNL & 660 FWL
Sec 12, 22S, 24E
Eddy County, NM


N
115'
155'
MUD PITS
RIG
PIPE RACKS
220'
250'
TRAILER HOUSE
Access Road
270'

**ATTACHMENT TO FORM 3160-3**
**SHELBY 12 FEDERAL #5**
**SHL: UNIT I, 2350 FSL AND 50 FEL, SEC 11, 22S, 24E**
**BHL: UNIT E, 1980 FNL AND 660 FWL, SEC 12, T22S, R24E**
**EDDY COUNTY, NEW MEXICO**

## DRILLING PROGRAM

1. GEOLOGIC NAME OF SURFACE FORMATION

   Quaternary

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS

| | |
|---|---|
| Bone Spring | 3670' |
| Wolfcamp Shale | 7148' |

3. ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL, OR GAS

| | |
|---|---|
| Cisco/ Canyon | 7885 |

4. CASING AND CEMENTING PROGRAM

| Casing Size | From To | Weight | Grade | Joint |
|---|---|---|---|---|
| 9-5/8" | 0' – 1,500' | 36# | J55 | STC |
| 7" | 0' – 8,600' | 23 & 26# | K55, N80 | LTC & BTC |

Equivalent or adequate grades and weights of casing may be substituted at time casing is run, depending on availability.

We plan to drill a 14-3/4" hole to equal 1500'. 9-5/8" casing will be cemented with 700 sxs Class "C" or volume necessary to bring cement back to surface.

8-3/4" hole will be drilled to 8,600' and 7" production casing will be cemented with approximately 1000 sxs of Class "H" cement circulated to surface.

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

The BOP stack will consist of a 3,000 psi working pressure, dual ram type preventer and annular.

A BOP sketch is attached.

6. TYPES AND CHARACTERTICS OF THE PROPOSED MUD SYSTEM

Spud and drill to 1,500' with fresh water mud for surface string. The production section from 1,600' to 8,600' will be 8.3 ppg Fresh Water system with mud weight sufficient to control formation pressures.

7. AUXILLARY WELL CONTROL AND MONITORING EQUIPMENT

None required.

8. LOGGING, TESTING, AND CORING PROGRAM

DLL/CNL/LDT/CAL/GR logging is planned. Drill stem tests, cores and sidewall cores are possible.

9. ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES & POTENTIAL HAZARDS

None anticipated.

BHP expected to be 1,100 psi.

10. ANTICAPATED STARTING DATE:

Is planned that operations will commence on March 1, 2004 with drilling and completion operation lasting about 30 days.

**SURFACE USE AND OPERATIONS PLAN FOR**

**DRILLING, COMPLETION, AND PRODUCING**

**NEARBURG PRODUCING COMPANY**
**SHELBY 12 FEDERAL #5**
**SHL: UNIT I, 2350 FSL AND 50 FEL, SEC 11, 22S, 24E**
**BHL: UNIT E, 1980 FNL AND 660 FWL, SEC 12, T22S, R24E**
**EDDY COUNTY, NEW MEXICO**

LOCATED

12 miles West of Carlsbad, NM

OIL & GAS LEASE

NM 12828

RECORD LESSEE

Nearburg Exploration Company

BOND COVERAGE

$25,000 statewide bond of Nearburg Producing Company

ACRES IN LEASE

1200 acres

GRAZING LEASE

Rockhouse Ranch

POOL

Indian Basin; Upper Penn, Associated

EXHIBITS

A. Area Road Map
B. Drilling Rig Layout
C. Vicinity Oil & Gas Map
D. Topographic & Location Verification Map
E. Well Location & Acreage Dedication Map

This well will be drilled to a depth of approximately 8,600'.

1. EXISTING ROADS

   A. Exhibit A is a portion of a section map showing the location of the proposed well as staked.

   B. Exhibit C is a plat showing existing roads in the vicinity of the proposed well site.

2. ACCESS ROADS

   A. Length and Width

      The access road will be built and is shown on Exhibit D.

   B. Surface Material

      Existing.

   C. Maximum Grade

      Less than five percent

   D. Turnouts

      None necessary.

   E. Drainage Design

      Existing.

   F. Culverts

      None necessary.

   G. Gates and Cattle Guards

      None needed.

3. LOCATION OF EXISTING WELLS

   Existing wells in the immediate area are shown in Exhibit C.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

   Necessary production facilities for this well will be located on the well pad.

5. LOCATION AND TYPE OF WATER SUPPLY

It is not contemplated that a water well will be drilled. Water necessary for drilling will be purchased and hauled to the site over existing roads shown on Exhibit D.

6. METHODS OF HANDLING WASTE DISPOSAL

A. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.

B. Water produced during tests will be disposed of in the drilling pits.

C. Oil produced during tests will be stored in test tanks.

D. Trash will be contained in a trash trailer and removed from well site.

E. All trash and debris will be removed from the well site within 30 days after finishing drilling and/or completion operations.

7. ANCILLARY FACILITIES

None required.

8. WELL SITE LAYOUT

Exhibit B shows the relative location and dimensions of the well pad, mud pits, reserve pit, and trash pit, and the location of major rig components.

9. PLANS FOR RESTORATION OF THE SURFACE

A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. The well site will be cleaned of all trash and junk to leave the site in an as aesthetically pleasing condition as possible.

B. After abandonment, all equipment, trash, and junk will be removed and the site will be clean.

10. OTHER INFORMATION

A. Topography

The land surface at the well site is rolling native grass with a regional slope being to the east.

B. Soil

Topsoil at the well site is sandy soil.

C. Flora and Fauna

The location is in an area sparsely covered with mesquite and range grasses.

D. Ponds and Streams

There are no rivers, lakes, ponds, or streams in the area.

E. Residences and Other Structures

There are no residences within a mile of the proposed well site.

F. Archaeological, Historical, and Cultural Sites

None observed on this area.

G. Land Use

Grazing

H. Surface Ownership

Bureau of Land Management

11. OPERATOR'S REPRESENTATIVE

H. R. Willis
3300 North "A" Street, Bldg 2, Suite 120
Midland, Texas 79705
Office: (432) 686-8235
Home: (432) 697-2484

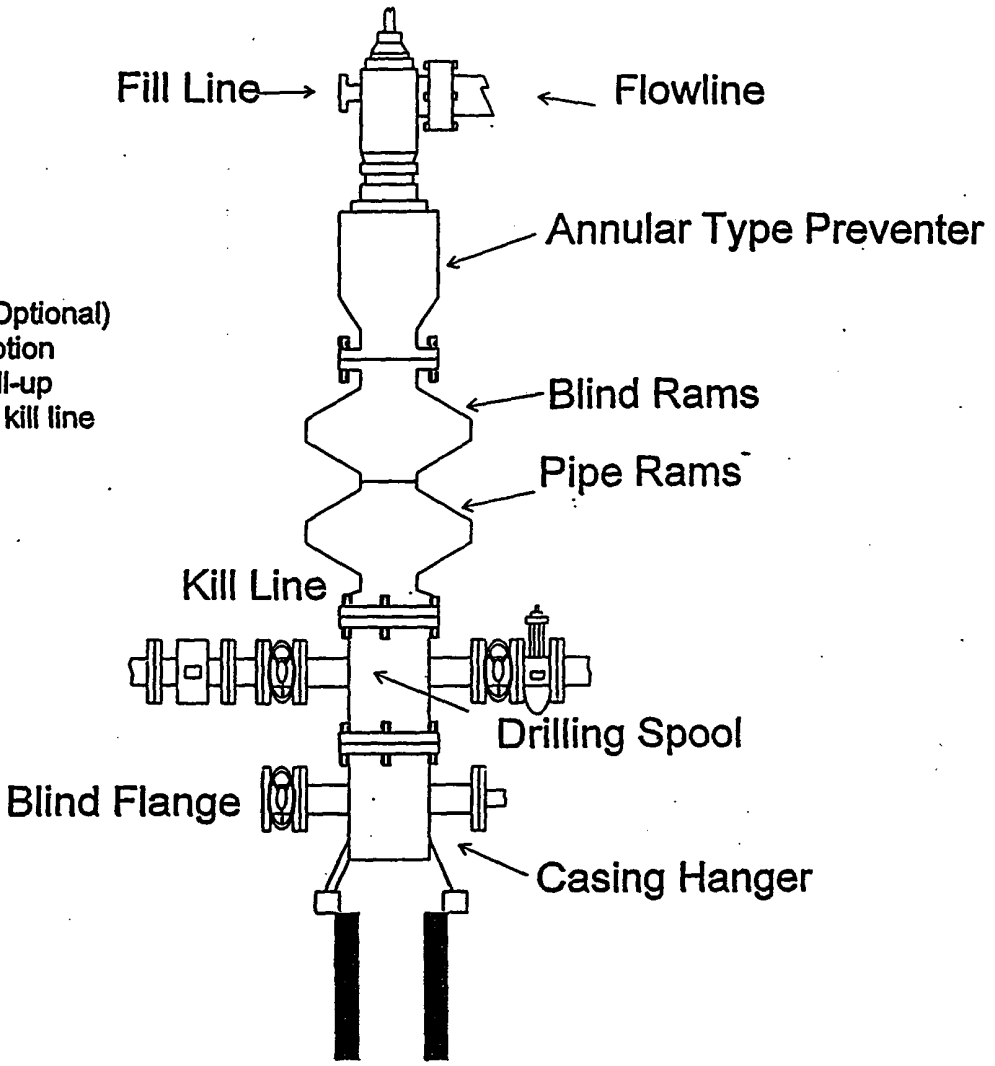
12. CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Nearburg Producing Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

12/15/03
Date

H. R. Willis
Drilling Manager

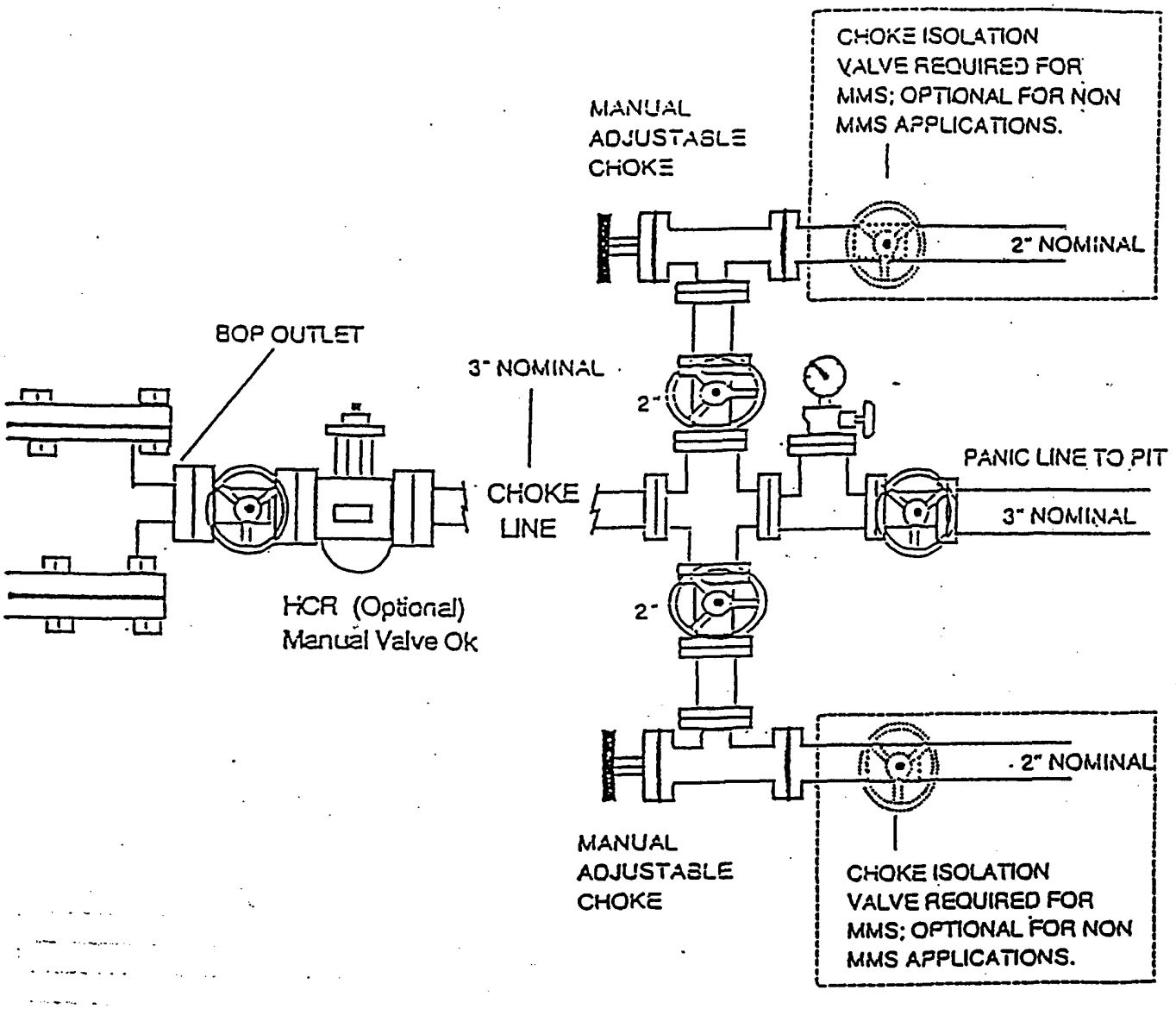
NEARBURG PRODUCING COMPANY
BOPE SCHEMATIC




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

900 Series

NEARBURG PRODUCING COMPANY
CHOKE MANIFOLD
2M AND 3M SERVICE



**HYDROGEN SULFIDE DRILLING OPERATIONS PLANS**
**NEARBURG PRODUCING COMPANY**
**SHELBY 12 FEDERAL #5**

1. HYDROGEN SULFIDE TRAINING

   A. All regularly assigned personnel, contracted or employed by Nearburg Producing Company, will receive training from a qualified instructor in the following areas prior to commencing drilling potential hydrogen sulfide bearing formations in this well:

      1. The hazards and characteristics of hydrogen sulfide (H2S).

      2. The proper use and maintenance of personal protective equipment and life support systems.

      3. The proper use of H2S detectors, alarms, warning systems, briefing areas, evacuation procedures and prevailing winds.

      4. The proper techniques for first aid and rescue procedures.

   B. In addition, supervisory personnel will be trained in the following areas:

      1. The effects of H2S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.

      2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.

      3. The contents and requirements of the H2S Drilling Operations Plan.

   C. There will be an initial training session just prior to encountering a known or probable H2S zone (within 3 days or 500 feet) and weekly H2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H2S Drilling Operations Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

2. H2S SAFETY EQUIPMENT AND SYSTEMS

Note: All H2S safety equipment and systems will be installed, tested and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H2S.

A. Well Control Equipment:

1. Flare line with continuous pilot.

2. Choke manifold with a minimum of one remote choke.

3. Blind rams and pipe rams to accommodate all sizes with properly sized closing unit.

4. Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head and flare gun with flares as needed.

B. Protective Equipment for Essential Personnel:

Mark II Surviveair 30-minute units located in the dog house and at briefing areas, as indicated on well site diagram.

C. H2S Detection and Monitoring Equipment:

1. Two portable H2S monitors positioned and location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 ppm are reached.

2. One portable SO2 monitor positioned near flare line.

D. Visual Warning systems:

1. Wind direction indicators as shown on well site diagram.

2. Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used when appropriate. See example attached.

E. Mud Program

1. The Mud Program has been designed to minimize the volume of H2S circulated to the surface. Proper mud weights, safe drilling practices and the use of H2S scavengers will minimize hazards when penetrating H2S bearing zones.

2. A mud-gas separator will be utilized as needed.

F. Metallurgy

All drill strings, casing, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and line and valves shall be suitable for H2S service.

G. Communication

1. Cellular telephone communications in company vehicles and mud logging trailer.

2. Land line (telephone) communications at area office.

H. Well Testing

Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safely and adequately conduct the test. The drill stem testing in an H2S environment will be conducted during the daylight hours.

# WARNING

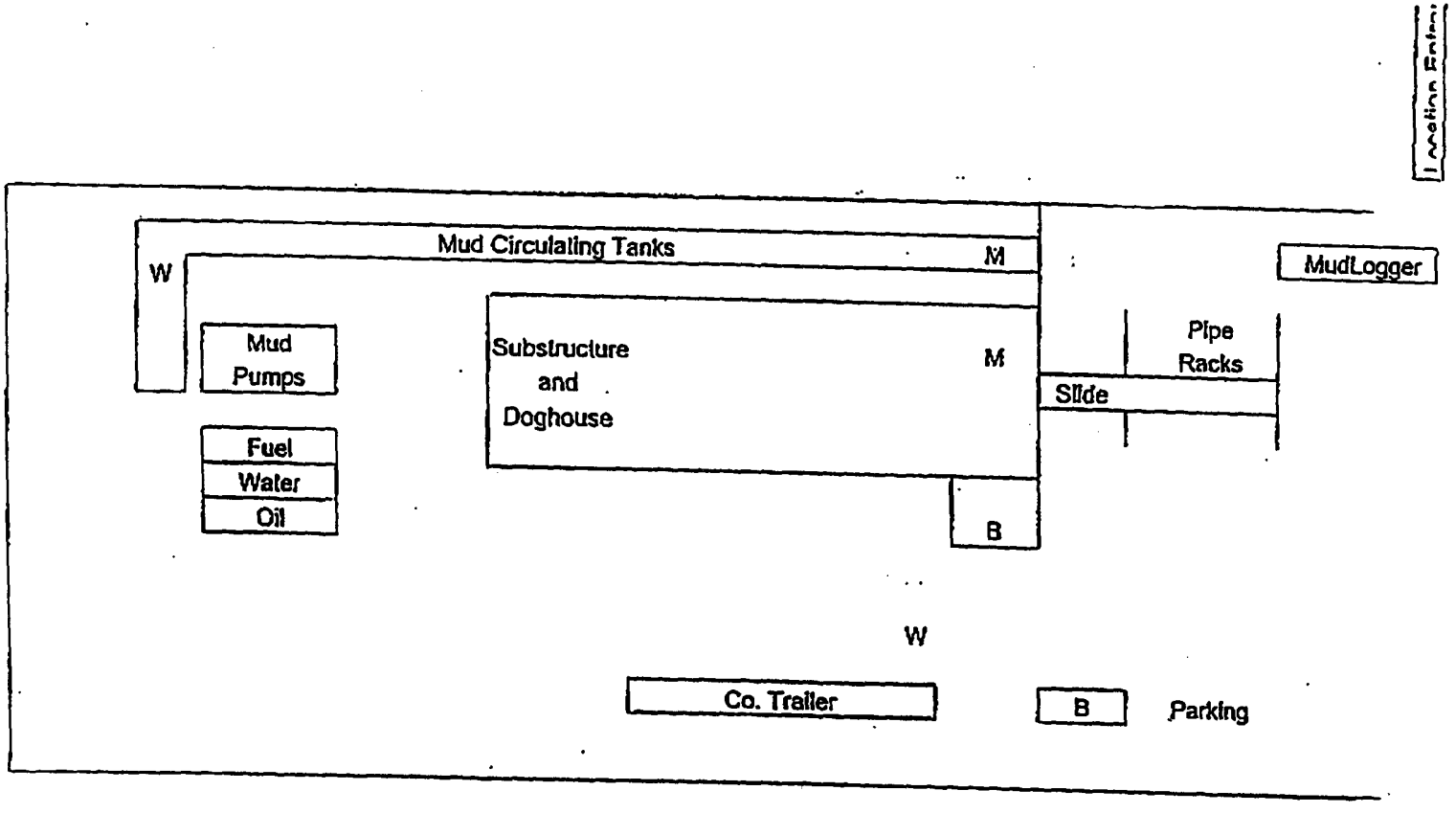
YOU ARE ENTERING A H2S AREA
**AUTHORIZED PERSONNEL ONLY**

1. BEARDS OR CONTACT LENSES NOT ALLOWED
2. HARD HATS REQUIRED
3. SMOKING IN DESIGNATED AREAS ONLY
4. BE WIND CONSCIOUS AT ALL TIMES
5. CHECK WITH NEARBURG SUPERINTENDENT AT MAIN OFFICE

## NEARBURG PRODUCING COMPANY

(432) 686-8235

# NEARBURG PRODUCING COMPANY
# HYDROGEN SULFIDE DRILLING OPERATIONS LOCATION PLAN




M - H2S Monitors with alarms at bell nipple and shale shaker

W - Wind Direction Indicators

B - Safe Briefing areas with caution signs and protective breathing equipment. Minimum 150' from wellhead.

Prevailing Wind Directions: Summer - South/Southwest
Winter - North/Northwest

# DRILLING FLUID SYNOPSIS

## NEARBURG PRODUCING CORPORATION

**SHELBY 12 FEDERAL # 5**
**Section 12**
**T-22-S**
**R-24-E**
**Eddy County, New Mexico**

CASING

9 5/8" at 1,600'

5 1/2" at 8,600'

| DEPTH | MUD WEIGHT | VISCOSITY | FLUID LOSS | DRILL SOLIDS | COMMENTS |
|---|---|---|---|---|---|
| 0-1,600' | 8.4 to 8.5 | 28 to 29 | No Control | <1% | Fresh Water, Fresh Gel Sweeps, Lime, Paper |
| 1,600'-8,600' | 8.4 to 8.5 | 28 to 29 | No Control | <1% | Fresh Water, Star NP-110, Paper, Lime Starch if needed |

## ESTIMATED FORMATION TOPS

| | |
|---|---|
| SAN ANDRES | 495' |
| GLORIETA | 2,018' |
| YESO | 2,110' |
| BONE SPRINGS | 4,600' |
| WOLFCAMP | 7,548' |
| PENN (CISCO) | 7,775' |
| CANYON | 7,895' |
| TD | 8,600' |

## RECOMMENDED CASING PROGRAM

9 5/8" at 1,600'

5 1/2" at 8,600'

## RECOMMENDED DRILLING FLUID PROGRAM

| DEPTH | WEIGHT | VISCOSITY | FILTRATE |
|---|---|---|---|
| **0-1,600'** | **8.4-8.5** | **28-29** | **No Control** |

Spud with fresh water circulating through the working pits. Sweep the hole with Fresh Water Gel flocculated with Lime mixed at a 10 to 1 ratio. Use Paper for seepage control. There is a potential for lost returns in this interval. If lost returns are encountered and circulation cannot be regained after pumping several viscous LCM pills, you should consider dry drilling to casing point. While dry drilling, we recommend periodically pumping viscous LCM sweeps to prevent solid accumulation in annulus.

| DEPTH | WEIGHT | VISCOSITY | FILTRATE |
|---|---|---|---|
| **1,300'-8,800'** | **8.4-8.5** | **28-29** | **No Control** |

Drill out from under surface with fresh water circulating through the reserve pit. Use Star NP-110 for sweeps and to control solids. Use Lime for 9.0 to 10.0 pH. Paper should be used for seepage. The hole should be swept every 200', or as needed, with pre-hydrated Fresh Water Gel. This will minimize solids buildup in the annulus and reduce the possibility of lost circulation while drilling the Upper Penn and other under pressured formations. There is a potential for lost returns in this interval. If lost returns are encountered and circulation cannot be regained after pumping several viscous LCM pills, you should consider dry drilling to casing point. While dry drilling, we recommend periodically pumping viscous LCM sweeps, to prevent solid accumulation in annulus. There is a possibility of encountering $H_2S$ from the Bone Springs as well as the Upper Penn. If $H_2S$ is encountered, we recommend additions of an $H_2S$ Scavenger for personnel safety and a Filming Amine to protect the drill pipe. We recommend utilizing a ±200 bbl premix pit for sweeps and LCM pills.

Note: we recommend a blend of Fiber Plug, Nut Shell, Maxi-Seal (Chem-Seal), and Mica may be used as LCM in this interval.

If a drilling fluid is desired for evaluation of this interval, we recommend returning to the working pits and utilizing a Star NP-110/Starch type fluid. Use Starch to reduce the API fluid loss below 15cc. Maintain pH at 9.0 to 10.0 with Lime. If additional viscosity is desired we recommend using Fresh Gel. This fluid should be sufficient for evaluation in this area.

**Estimated Drilling Fluid Cost: $4,000.00 to $5,000.00**
**Estimated Drilling Days: 13 to 16**

**Cost is based on a 1,000 bbl system and does not reflect lost circulation, abnormal pressure, $H_2S$, unstable hole conditions requiring elevated viscosities or mud in production interval.**

# Nearburg Producing Company

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

# Hydrogen Sulfide (H2S) Contingency Plan

For

30-015-33322

Shelby 12 Federal #5
SHL: 2350 FSL and 50 FEL, Sec 11, 22S, 24E
BHL: 1980 FNL and 660 FWL
Sec 12, T22S, R24E
Eddy County, New Mexico

RECEIVED
JAN 29 2004
OCD-ARTESIA

And

Patterson Drilling Rig #512

**PUBLIC PROTECTION PLAN**
**NEARBURG PRODUCING COMPANY**

**TABLE OF CONTENTS**

# PUBLIC PROTECTION PLAN
# NEARBURG PRODUCING COMPANY

## 1. PURPOSE

This plan is intended to protect the health and safety of the public, contractors and Nearburg Producing Company (NPC) personnel should an unanticipated release of a potentially hazardous volume of Hydrogen Sulfide (H2S) occur.

Further to:

- Comply with the Bureau of Land Management's (BLM) Onshore Oil and Gas Operations Onshore Oil and Gas Order No. 6, Hydrogen Sulfide Operations (43 CFR Part 3160).
- Comply with the State of New Mexico Oil Conservation Division's (NMOCD) rule 19 NMAC 15.C 118.
- Assure proper notification of the appropriate parties and agencies.

## 2. SCOPE

The provisions of this document are intended to address Hydrogen Sulfide (H2S) releases and H2S emergencies at Nearburg Producing Companies production batteries and all surrounding operated field locations in the McKittrick Hills Field. Facilities for which calculations indicate a potential hazardous volume of H2S could occur have additional site specific response information and radius of exposure drawn on the attached plat map. The field is located approximately 20 miles west of Carlsbad, New Mexico (Eddy County).

This plan is intended to be used in conjuction with the Emergency Response plan that is available at the Artesia Field Office and applies to RMS Level 1 incidents.

## 3. DEFINITIONS

**All Clear** - Notification of effected personnel, by the response leader, that the incident has ended and the area is safe to re-enter.

**A Potentially Hazardous Volume** - a volume of Hydrogen Sulfide (H2S) gas of such concentrate that:

- The 100-ppm ROE includes any public area.
- The 500-ppm ROE includes any public road.
- The 100-ppm ROE exceeds 3,000 feet.

**Facility** – Equipment involved in producing, processing, or transporting natural gas and/or crude oil, including the property to the edge of the pad or fence.

# PUBLIC PROTECTION PLAN
# NEARBURG PRODUCING COMPANY

**Hydrogen Sulfide Gas (H2S)** – is extremely flammable, colorless, poisonous gas that may occur naturally as a component of production streams, such as crude oil, produced water and natural gas. At low concentrations it has a rotten egg odor, but at higher concentrations deadens the sense of smell. Its specific gravity is heavier than air giving it a tendency to collect in low-lying areas on still days. The permissible exposure limit is 10 ppm and the short term exposure limit is 15 ppm. It is considered to be immediately dangerous to life and health at 300 ppm. H2S is readily dispersed in air and is water soluble.

**ICS (Incident Command System)** – A team based concept for emergency response in which roles and responsibilities are predetermined.

**Incident Commander (IC)** – Senior Nearburg Producing Company employee in charge of an emergency response.

**Incipient Stage Fire** – A fire in the beginning or very early stages of development, which can be effectively extinguished by one or more persons with portable fire fighting equipment.

**Muster Site** – A pre-defined staging or meeting area.

**RMS Level I** – an emergency that can be reasonably addressed by Artesia Area Office in which the incident occurs and that can be resolved in approximately two days or less.

**ROE** (Radius of Exposure) – The radius constructed with the point of escape (of gas) as its starting point and its length calculated using the Pasquill-Gifford derived equation or computer modeling where the H2S concentration is greater than 10%.

**PPM** – Parts per Million

**Public Area** – Any building or structure that is not associated with the well, facility or operation for which the ROE is being calculated and that is used as a dwelling, office, place of business, church, school, hospital or government building, or any portion of a park, city, town, village, or designated school bus stop or other similar area where members of the public may reasonably be expected o be present.

**Public Road** – Any federal, state, municipal or county road or highway.

**Serious Incident** – An event which results or has the potential to result in severe personal injury and/or significant equipment damage.

**Sulfur Dioxide (SO2)** – A heavy colorless toxic gas that is formed when hydrogen sulfide is burned. It has a pungent odor and is a respiratory irritant. The permissible exposure limit is 2 ppm, the short rem exposure limit is 5 ppm. It is considered to be immediately dangerous to life and health at 100 ppm. SO2 is readily dispersed in air and is water soluble.

**Total Personnel Evacuation** – An evacuation of all persons (contract employees, or visitors) from the emergency area to a muster area.

# PUBLIC PROTECTION PLAN
# NEARBURG PRODUCING COMPANY

## 4. THE PLAN

**Training:**

All personnel (company, contractors and sub-contractors) working in the field for NPC are required to complete hydrogen sulfide training before beginning work and annually thereafter.

Training on the contents of this plan shall be provided to all NPC and appropriate contract personnel working for NPC:

- whenever the employees' responsibilities or designated actions under the plan change,
- whenever the contents of the plan are changed/revised
- whenever a new employee begins employment, and
- periodically as needed for all employees.

Nearburg Producing Company supervision is responsible for this training.

**Orientation:**

All persons visiting or working at Indian Basin shall receive an orientation covering the following minimum items:

- ☐ What types of emergencies are possible,
- ☐ What the emergency evacuation alarm sounds like in the gas plant,
- ☐ How to report an incident/emergency,
- ☐ Who will be in charge during an emergency,
- ☐ How to safely evacuate the plant, and
- ☐ Where to assemble so that all persons can be accounted for.

The NPC representative responsible for the contractors or visitors shall conduct the orientations and shall document attendees and dates.

**H2S Monitors:**

All personnel working at the Indian Basin are required to wear personal H2S monitor at all times when working in the plant or field. Monitors should have a vibrating alarm if used in high noise areas.

**Activation:**

Phase I – activated when:

1. Sustained H2S concentration reaches 10 parts per million (ppm) in any work area and the source is not readily identified and/or controllable.
2. Continuous H2S levels are detected at 10 ppm (or greater) at any public road, near an occupied residence or bus stop, and the source is not readily identified and/or immediately controlled.

Phase II – activated when:

1. A potentially hazardous volume of H2S is detected.
2. When sustained H2S concentrations exceed 50 ppm at any facility boundary.

# PUBLIC PROTECTION PLAN
# NEARBURG PRODUCING COMPANY

**Phase I:**

Upon discovery on-site personnel should:

- ☐ Make others on-site aware of the presence of H2S and leave the area upwind or crosswind to a safe location. (Pre-determine if a pre-job tailgate meeting was conducted).
- ☐ Prevent unauthorized persons from entering the area. Request assistance if needed.
- ☐ If a residence or other public area is in the vicinity, monitor for H2S to ensure exposure is less than 10 ppm. Notify supervisor if higher exposures are noted or if any other questions arise about steps necessary to protect these sensitive areas.
- ☐ If considering re-entering the area to assess the H2S source, ensure you have been properly trained to respond. Use an H2S monitor with digital display (preferably a multi-gas monitor) and have a supplied air respirator (SAR) and back up person with SAR readily available. Consider notification of supervisor if appropriate.
- ☐ Proceed with caution. If H2S concentration reaches 10 ppm in your breathing zone, back out and use SAR to re-enter. **If H2S concentration reaches 50 ppm at the facility boundary, immediately notify supervision.**
- ☐ If source can be safely controlled, monitor area to ensure H2S levels are below 10 ppm. End response here and sound all clear to allow others to re-enter the area. Report length of release and volume to supervisor.
- ☐ If the source of H2S cannot be identified and/or controlled, or if you cannot do so with out exposing yourself to danger, leave the area to a safe distance.
- ☐ Notify supervision.
- ☐ Continue to monitor for H2S and maintain site security until instructed be supervision to do otherwise.

Supervision:

- ☐ Gather necessary information to determine the course of action and level of response.
- ☐ Mobilize any additional man power or equipment necessary.
- ☐ Ensure Phase II measures are implemented if appropriate.
- ☐ Continue to monitor situation until incident is over.
- ☐ Make notifications if required.
- ☐ Complete reports if required.
- ☐ Investigate as indicated.

**Phase II**

Upon discovery on-site personnel should:

- ☐ Make others on-site aware of the presence of H2S and leave the area upwind or crosswind to a safe location. (Pre-determined if a pre-job tailgate meeting was conducted).
- ☐ Prevent authorized persons from entering the area.
- ☐ **Notify Supervisor.**

Supervision:

- ☐ Initiate the Incident Command System as deemed appropriate.
- ☐ Mobilize the resources necessary to maintain site security and provide for the protection of personnel and the public.
- ☐ Issue warnings to all NPC personnel by radio and/or phone (IB Contact List) to make them aware of the incident and its location. Have non-essential personnel leave the area. If deemed necessary, order a total personnel evacuation of the area.

- ☐ Notify non-company personnel known to work or reside in the area (IB Contact List). If necessary to ensure their safety, dispatch NPC personnel with the appropriate monitor, supplied air respirators and means of communication to these locations. *(Appendix B)*
- ☐ Have NPC personnel set up road blocks to prevent unauthorized entry into impacted areas until relieved by law enforcement or other authorized personnel.
- ☐ Make all appropriate notifications to NPC, Federal, State and local authorities.
- ☐ When the release has been contained and monitoring indicates the area is safe to re-enter, terminate operations and sound the all clear.
- ☐ Complete records if required.
- ☐ Investigate as indicated.
- ☐ For spills, well blowouts, fires, natural disasters and terrorist or bomb threats

All other personnel not involved in the immediate response:

- ☐ If a total evacuation is ordered, report to the incident command center or nearest muster site to which you have safe access. (See Appendix A for muster site locations)
- ☐ Ensure all contract personnel working for you (or in your area) are accounted for and have them report to a safe muster site.
- ☐ Senior employee at each muster site should make a roster of all personnel reporting to that muster site and be prepared to make it available to the incident commander (IC).
- ☐ Maintain communication with the IC and be prepared to offer assistance as it is requested.

**Ignition of H2S:**

While no uncontrollable release of H2S is anticipated, should ignition of gas be necessary for the protection of personnel or the public, the determination would be made by the NPC Incident Commander. The method of ignition will maintain the safety of the person performing this task as the primary concern. The most likely method would be the use of a flare gun from a safe distance.

If this becomes necessary, monitoring will include sulfur dioxide (SO2) in addition to H2S.

**PUBLIC PROTECTION PLAN**
**NEARBURG PRODUCING COMPANY**

## 6. APPROVALS

Approved by: Name:_____ Date:_____
Title:

# NEARBURG PRODUCING COMPANY
# REGULATORY CONTACTS

| Agency | Contact Name | | Division/Area | Main Phone # | Cell Phone | Home Phone # |
|---|---|---|---|---|---|---|
| | First | Last | | | | |
| NMOCD | Emergency Number | | District 2 | 505-746-4302 | | |
| NMOCD | Field Rep On-Call | | District 2 | 505-939-8622 | | |
| NMOCD | Tim | Gum | District 2 | 505-748-1283 | 505-626-0824 | 505-324-1387 |
| NMOCD | Mike | Stubblefield | District 2 | 505-748-1283 | 505-626-0831 | 505-746-6422 |
| | | | | | | |
| NMOCD | Gerry | Guye | District 2 | 505-748-1283 | 505-626-0843 | 505-887-3254 |
| NMOCD | Phil | Hawkins | District 2 | 505-748-1283 | 505-626-0836 | 505-746-9272 |
| NMOCD | Bryan | Arrant | District 2 | 505-748-1283 | 505-626-0830 | 505-748-2092 |
| NMOCD | Lori | Wortenberhy | Santa Fe Division Ofc. | 505-827-7131 | 505-476-3460 | 505-466-0134 |
| NMOCD | Ed | Martin | Santa Fe Division Ofc. | 505-827-7131 | 505-476-3492 | 505-685-4056 |
| NMOCD | Roger | Anderson | Santa Fe Division Ofc. | 505-827-7131 | 505-476-3490 | 505-471-2017 |
| NM State Police | | | District 3, Roswell | 505-827-9312 | | |
| NM State Police | | | Sub-District 3, Roswell | 505-622-7200 (call this # for dispatch to our area) | | |
| BLM | | | Carlsbad | 505-887-6544 | | |
| US Coast Guard | | | National Response Center | 800-424-8802 | | |
| NMED | | | Air Quality Bureau | 505-827-1494 | | |
| | State Emergency Response Center | | | 505-827-9126 | | |
| LEPC | Local Emerg. Planning Commission - Eddy County | | | 505-885-2111 | | |
| NM OSHA | New Mexico OSHA Ofc. | | | 505-827-2850 | | |

# EMERGENCY SERVICES

| Service Provider | Description | Main Phone | |
|---|---|---|---|
| | | | |
| ***General Emergency*** | ***Police, Fire, Ambulance*** | ***911*** | |
| Carlsbad Police, Fire, Ambulance Service | | 505-885-2111 | |
| Artesia General Hospital | Medical Services | 505-748-3333 | |
| Carlsbad Fire Dept. | Fire Control | 505-885-3124 | |
| Artesia Fire Dept. | Fire Control | 505-746-2701 | |
| Happy Valley Fire Dept. | Fire Control | 505-885-1982 | |
| NM State Police | Sub-District 3, Carlsbad | | |
| NM State Police (Dispatcher) | District 3, Roswell | 505-622-7200 | |
| Eddy County Sheriff | Law Enforcement | 505-887-7551 | |

# NEARBURG PRODUCING COMPANY
# EMERGENCY RESPONSE PLAN

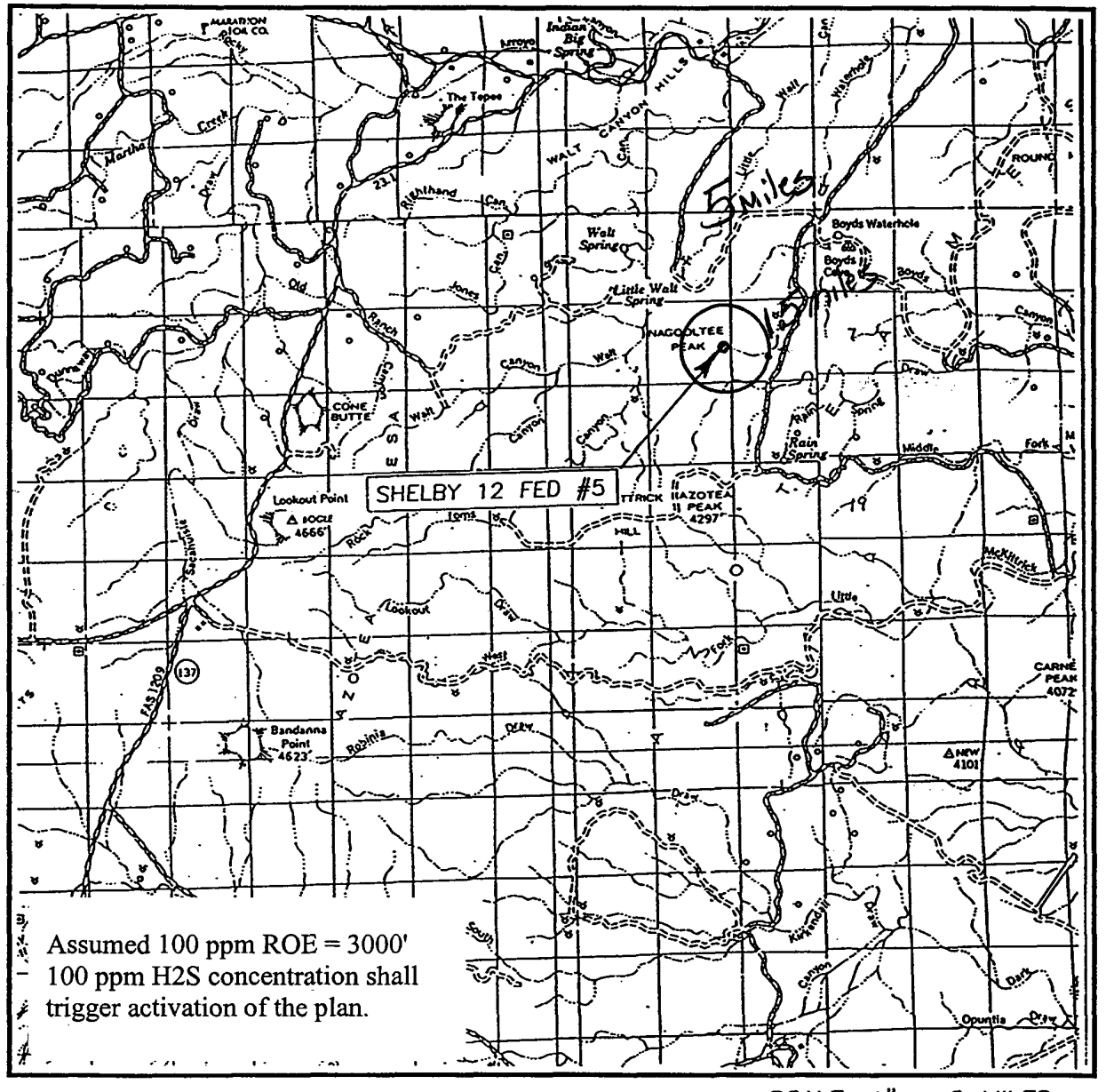
| Position | Office Phone | Cell Phone # | Home Phone # |
|---|---|---|---|
| | | | |
| **Drilling Superintendent** | | | |
| Butch Willis | 432-686-8235 (223) | | |
| **Production Superintendent** | | | |
| Matt Lee | 505-746-0422 | 505-365-6662 | 505-746-0932 |
| **Operations** | | | |
| Roger King | 505-746-0422 | 505-361-3605 | 505-885-3605 |
| Rick Foutch | 505-746-0422 | 505-361-4211 | 505-887-7844 |
| Jerry Stark | 505-746-0422 | 505-365-4672 | 505-746-3862 |
| **Planning Section** | | | |
| Fred White | 214-739-1778 | 469-644-1326 | 972-931-8845 |
| Bob Shelton | 432-686-8235 (214) | 432-682-3100 | 432-528-6134 |
| **Public Affairs** | | | |
| Bob Shelton | 432-686-8235 (214) | 432-682-3100 | 432-528-6134 |

# AREA RESIDENTS AND OFFSET OPERATIONS

| Location Desciption | Contact | Title | Address | City/ST/Zip | Phone 1 | Cell | Location Info. |
|---|---|---|---|---|---|---|---|
| 4TK + (Boles) | Wilkie, Mark & Sandi | | 1073 Marathon Rd. | Carlsbad, NM 88220 | 505-457-2022 | | |
| Foster Ranch | Foster, John | | P.O. Box 103 | Artesia, NM 88211-0103 | 505-457-2165 | | |
| Forrest Lee Ranch | Lee, Dean | | P.O. Box 89 | Lakewood, NM 88254 | 505-457-2301 | | Trailer house near NIBU 24 |
| Gissler Ranch | Cox, Billy | | 344 Pinderosa Pine | Carlsbad, NM 88220 | 505-457-2397 | | |
| Gregory's | Gregory, Wayne | | 617 Queens Hwy. | Carlsbad, NM 88220 | 505-457-2245 | | |
| HH Ranch | Houchtaling, Harold | | P.O. Box 234 | Artesia, NM 88211-0234 | 505-457-2245 | | |
| Howell Ranch | Howell, Richard | | P.O. Box 94 | Lakewood, NM 88254 | 505-457-2602 | | |
| Kincaid Ranch | Kincaid, Gene | | 2913 Octotilly Canyon Dr. | Carlsbad, NM 88220 | 505-887-6918 | | |
| Kincaid Ranch | Kincaid, Hugh | | 2911 Octotilly Canyon Dr. | Carlsbad, NM 88220 | 505-885-9458 | | |
| Kincaid Ranch | Marbauch, Jim | | 1762 Qureen Hwy. | Carlsbad, NM 88220 | 505-457-2233 | | Lives at ranch house just E of Hwy 137 About 2 miles past mile marker 42 towrds Queens. |
| Old Jones Ranch | Lasiter, Rick | | | | 505-457-2108 | | |
| Schafer Ranch | Biebelle, Stacey | | 646 Qureen Hwy. | Carlsbad, NM 88220 | 505-457-2360 | | House near low water crossing on Hwy 137 |
| Patsy's old house | DeMoss, Neil | | | | none | | |
| Chevron Oil | Boles, Randy | | | | | 505-390-7232 | |
| Chevron Oil | Angel, Kenneth | | | | | 505-390-1540 | |
| Devon | Daniel | | | | 505-390-5850 | | |
| Devon | Crosbey, Owen | | | | 505-748-7749 | | |
| Devon | Huber, Mark | | | | 505-748-5502 | | |
| Devon | Canada, Don | | | | 505-748-5503 | | |
| Devon | Brady | | | | 505-390-5431 | | |
| Devon | Huber, Joe | Superintendent | | | 505-390-5438 | | |
| Devon | "Doghouse" | | | | 505-457-2613 | | |
| Duke Energy | Lamb, Johnny | Foreman | | | 505-390-2791 | | |
| Duke Energy | Main Office | | Carlsbad | | 505-628-0282 | | |
| Duke Energy | Valenzuela, Oscar | | | | 505-910-4675 | | |
| El Paso | Jacquez, David | Gas Measurement | | | 505-857-2158 | | |
| KMG (Kerr McGee) | Deese, Tommy | Superintendent | | | 505-234-2703 | 505-706-3423 | |
| KMG (Kerr McGee) | Chalker, Andy | Prod. Foreman | | | 505-234-2703 | 505-910-0342 | |
| KMG (Kerr McGee) | Hess, Bobby | Team Leader | | | 505-234-2703 | 505-706-3543 | |
| KMG (Kerr McGee) | Wilson, James | | | | | | |
| KMG (Kerr McGee) | Brannon, Steve | | | | 505-390-1540 | 505-706-3669 | |
| Yates Petroleum (Agave) | Main Office | | | | 505-784-1471 | | |
| Yates Petroleum (Agave) | Johnson, Bill | Foreman | | | 505-748-6816 | 505-365-4615 | |
| Yates Petroleum (Agave) | Moorehead, Robert | | | | 505-748-6815 | 505-365-4840 | |

# Shelby 12 Federal #5

This is an open drilling site. H2S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H2S, including warning signs, wind indicators and H2S monitors.




SCALE: 1" = 2 MILES

SEC. 11 TWP. 22-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 2350' FSL & 50' FEL

ELEVATION 3967'

OPERATOR NEARBURG PRODUCING COMPANY

LEASE SHELBY 12 FEDERAL

Well located 12 miles due west of Carlsbad, NM


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