Form 3160-3
(April 2004)

0075

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.: NMNM53219

1a. Type of Work: [X] DRILL [ ] REENTER

6. If Indian, Allotee or Tribe Name:

1b. Type of Well: [X] Oil Well [ ] Gas Well [ ] Other [ ] Single Zone [ ] Multiple Zone

7. Unit or CA Agreement Name and No.:

2. Name of Operator: Nearburg Producing Company

8. Lease Name and Well No.: McKittrick Hills 1 Fed #2

3a. Address: 3300 N A St., Bldg 2, Suite 120, Midland, TX 79705

3b. Phone No. (include area code): 432/686-8235

9. API Well No.: 30-015-33875

4. Location of Well (*Report location clearly and in accordance with any State equirements*)*

At surface: 730 FSL and 1705 FWL, Sec 1-22S-24E

RECEIVED
DEC 30 2004
OCD-ARTESIA

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

At proposed prod. zone: 1650 FSL and 660 FWL, Sec 1-22S-24E

11. Sec., T., R., M., or Blk. and Survey or Area: Sec 1, 22S, 24E

14. Distance in miles and direction from nearest town or post office*: 10 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 drg. unit line, if any)	16. No. of Acres in lease	17. Spacing Unit dedicated to this well
660	2235.37	S/2 Section 1
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	**19. Proposed Depth**	**20. BLM/BIA Bond No. on file**
50'	8600'	NM1307
21. Elevations (Show whether DF, KDB, RT, GL, etc.	**22. Approximate date work will start***	**23. Estimated duration**
3851	12/15/04	30 days

24. Attachments

Carlsbad Controlled Water Basin

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature	Name (*Printed/Typed*)	Date
Sarah Jordan	Sarah Jordan	10-15-04

Title: Production Analyst

Approved by (Signautre)	Name (*Printed/Typed*)	Date
/s/ Maria Ketson	/s/ Maria Ketson	DEC 29 2004
Title FOR FIELD MANAGER	**Office** CARLSBAD FIELD OFFICE	

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, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowlingly 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.

(Instructions on page 2)

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

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:	NMNM53219
Legal Description of Land:	SHL: Unit N, 730 FSL and 1705 FWL, Sec 1-22S-24E BHL: Unit L, 1650 FSL and 660 FWL, Sec 1-22S-24E 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

10-15-04
Date

H R Willis / SG
H. R. Willis
Drilling Manager

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
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
	33685	Indian Basin; Upper Penn, Ass.

Property Code	Property Name	Well Number
	MCKITTRICK HILLS 1 FEDERAL	2

OGRID No.	Operator Name	Elevation
015742	NEARBURG PRODUCING COMPANY	3851'

Surface Location

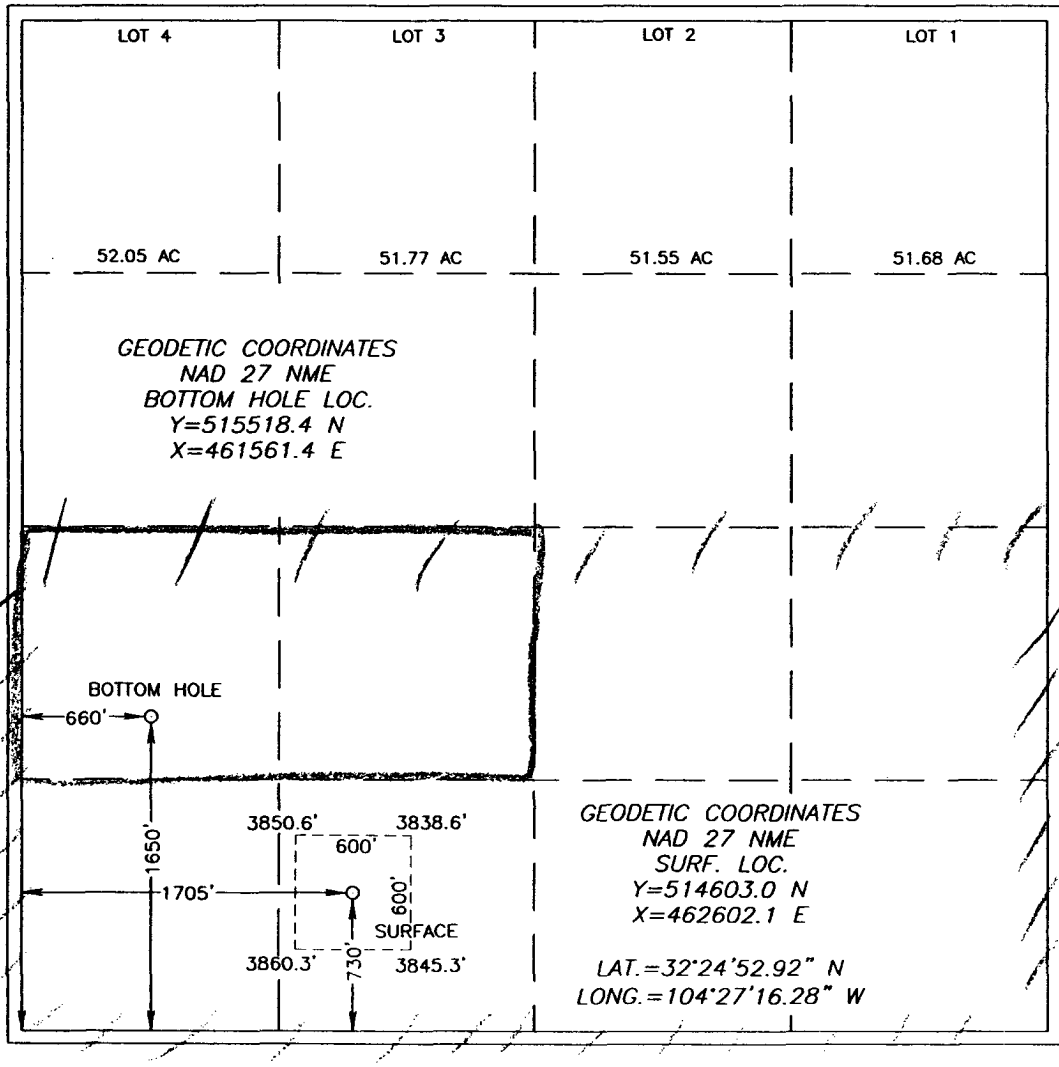
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	1	22-S	24-E		730	SOUTH	1705	WEST	EDDY

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
L	1	22-S	24-E		1650	SOUTH	660	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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: 10-15-04

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.

SEPTEMBER 30, 2004

Date Surveyed: LA

Signature & Seal of Professional Surveyor: Gary L. Eidson 10/4/04

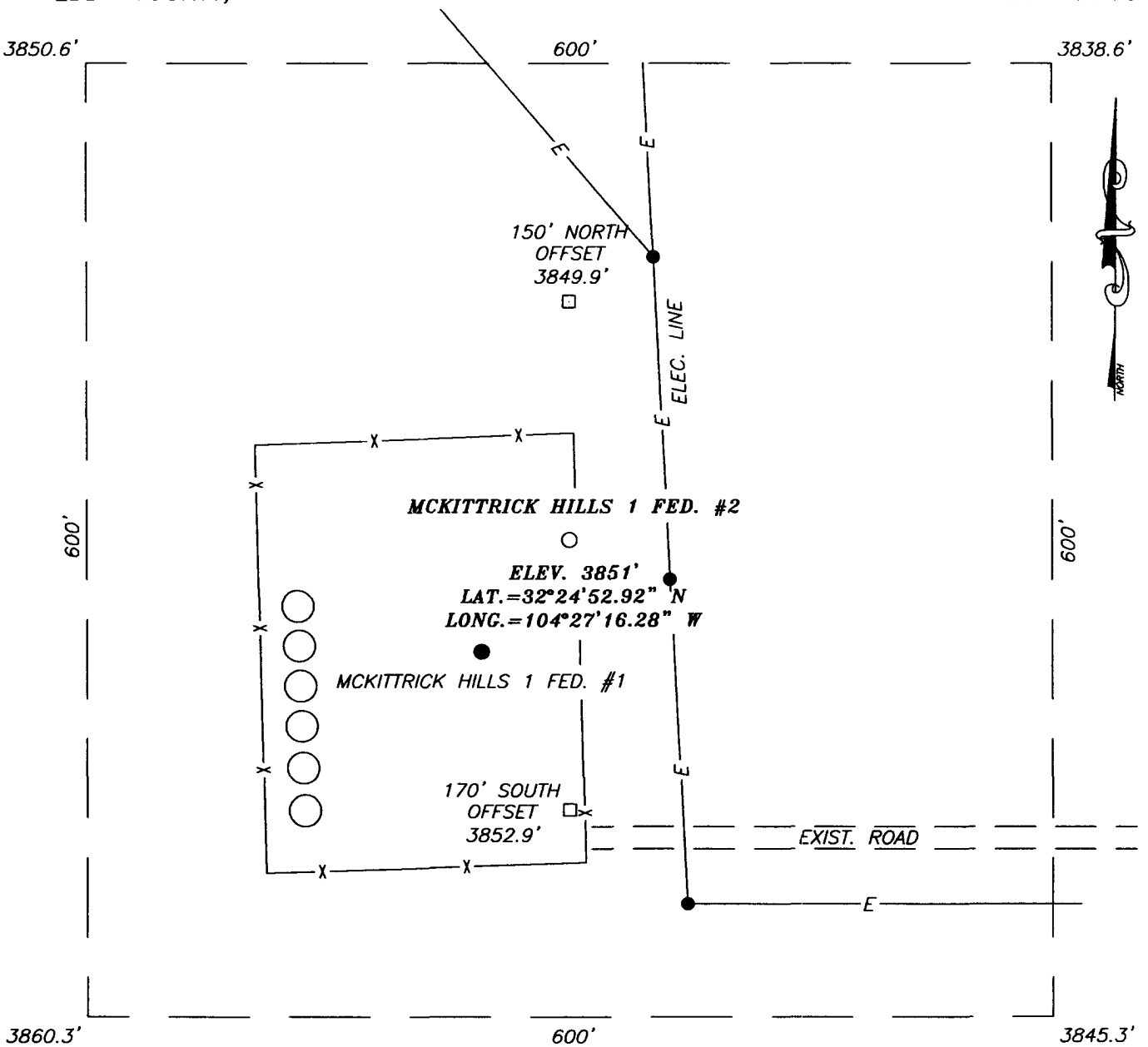
GARY L. EIDSON
NEW MEXICO
12641
PROFESSIONAL SURVEYOR

04.11.1289

Certificate No. GARY EIDSON 12641

SECTION 1, 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 CO. RD. #406 (WATER HOLE RD) GO SOUTHWEST ON CO. RD. #406 FOR APPROX. 2.0 MILES TO A LEASE ROAD GOING SOUTH--SOUTHWEST. TURN LEFT AND GO APPROX. 6.0 MILES. TURN RIGHT AT A FORK AND GO WEST APPROX. 0.5 MILES TO THE NEARBURG MCKITTRICK HILLS 1 FED. #1 WELL. THIS LOCATION IS EAST OF EXISTING WELL APPROX. 70'.

100 0 100 200 Feet

Scale: 1"=100'

PROVIDING SURVEYING SERVICES SINCE 1946

JOHN WEST SURVEYING COMPANY

412 N. DAL PASO

HOBBS, N.M. 88240

(505) 393-3117

NEARBURG PRODUCING COMPANY

MCKITTRICK HILLS 1 FED. #2 WELL
LOCATED 730 FEET FROM THE SOUTH LINE
AND 1705 FEET FROM THE WEST LINE OF SECTION 1,
TOWNSHIP 22 SOUTH, RANGE 24 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

Survey Date: 9/30/04	Sheet 1 of 1 Sheets		
W.O. Number: 04.11.1289	Dr By: LA		Rev 1:N/A
Date: 10/1/04	Disk: CD#3	04111289	Scale: 1"=100'

ATTACHMENT TO FORM 3160-3
MCKITTRICK HILLS 1 FEDERAL #2
SHL: 730 FSL AND 1705 FWL
BHL: 1650 FSL AND 660 FWL
SECTION 1, T22S, R24E
EDDY COUNTY, NEW MEXICO

DRILLING PROGRAM

1. GEOLOGIC NAME OF SURFACE FORMATION

   Artesia GP

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS

Bone Spring	3000'
Wolfcamp Shale	7500'

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

Cisco/ Canyon	8000'

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 1500' with fresh water mud for surface string. The production section from 1,500' 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

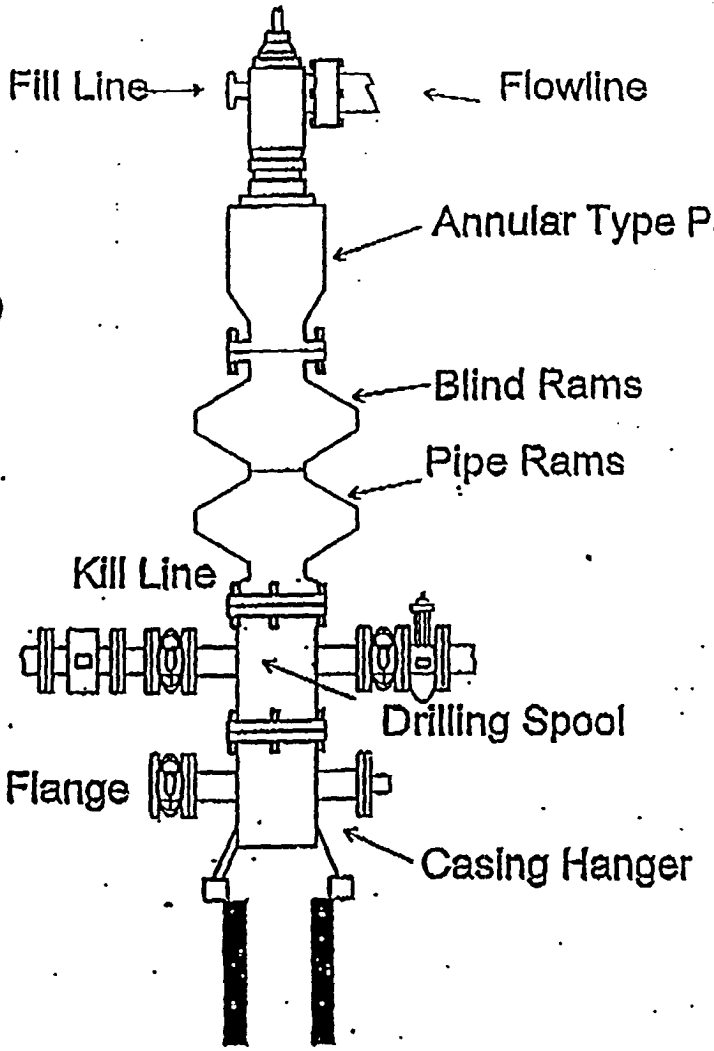
   None anticipated.

   BHP expected to be 1,100 psi.

10. ANTICAPATED STARTING DATE:

    Is planned that operations will commence on December 15, 2004 with drilling and completion operation lasting about 30 days.

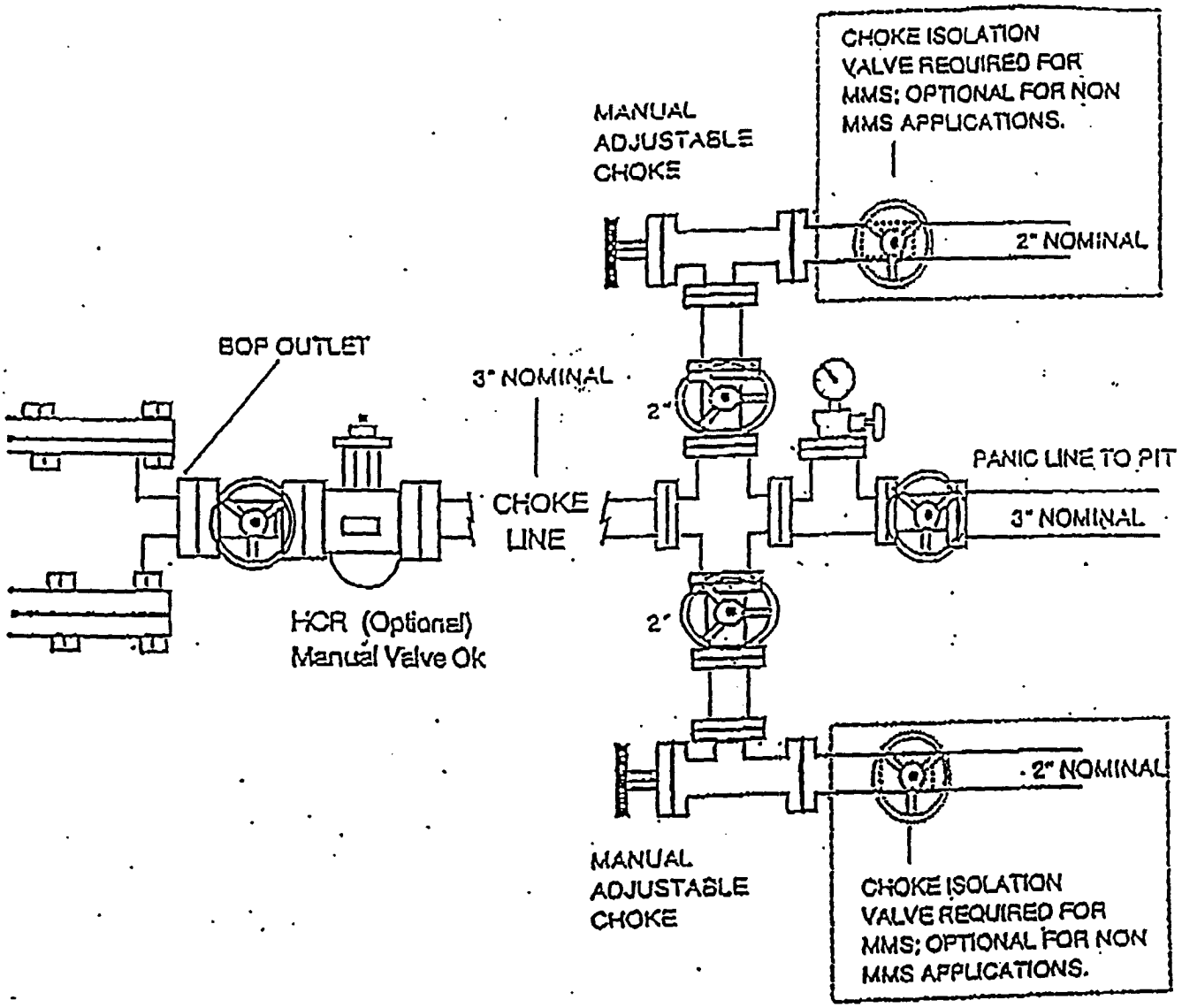
BOPE SCHEMATIC



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

1500 Series

EARBURG PRODUCING COMI N
CHOKE MANIFOLD
5M SERVICE



HYDROGEN SULFIDE DRILLING OPERATIONS PLANS
NEARBURG PRODUCING COMPANY
McKITTRICK HILLS 1 FEDERAL #2

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

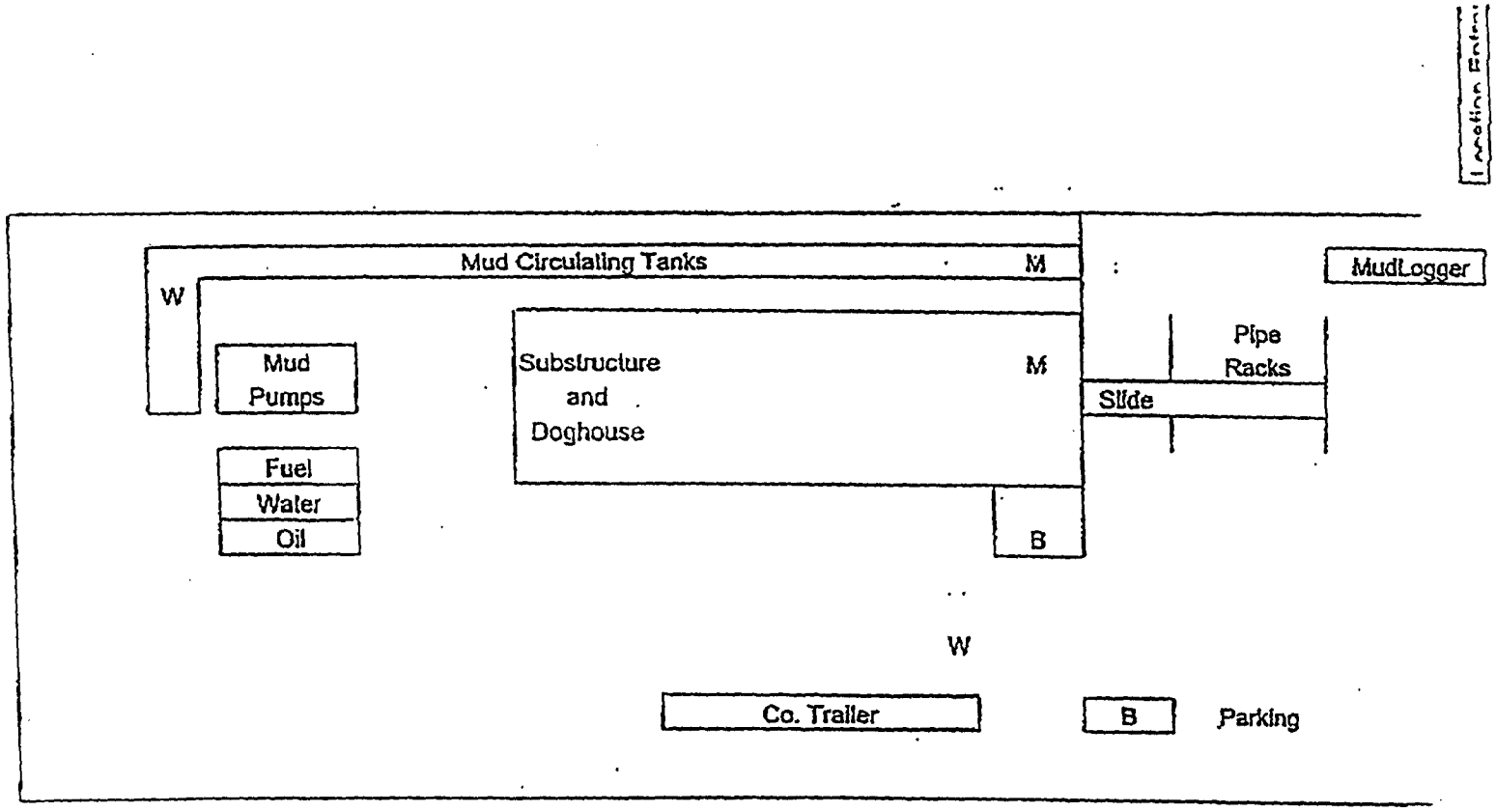
YOU ARE ENTERING A H2S AREA
AUTHORIZED PERSONNEL ONLY

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

OFFSHORE 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

PREPARED FOR:

Mr. Butch Willis
NEARBURG PRODUCING CORPORATION
Midland, Texas

McKittrick Hills 1 Federal # 2
Section 1
T-22-S
R-24-E
Eddy County, New Mexico

Prepared by:
Randy Auburg
December 7, 2004

December 7, 2004

Mr. Butch Willis
Nearburg Producing Corporation
3300 N. A St.
Suite 2120
Midland, Texas 79705-5402

Dear Mr. Willis,

Thank you for the opportunity to submit our drilling fluid recommendations for McKittrick Hills 1 Federal # 2 in Eddy County, New Mexico. These recommendations are based on information from your office, offset well data, and our knowledge of the area.

Of particular concern in this area is the potential for lost circulation and differential sticking in the surface hole and the Upper Penn formation. H_2S may be present in the Bone Springs and Upper Penn. Potential problems are discussed in the "Drilling Fluid Program" section of this proposal.

We estimate drilling time for this well to be 14 days at an estimated no service cost of $4,000.00 to $5,000.00 if severe lost circulation is not encountered. All support services for this well, including engineering, warehousing and trucking, is in Hobbs, New Mexico.

Sincerely,

Randy Auburg
Technical Services Manager
Permian Basin

DRILLING FLUID SYNOPSIS

NEARBURG PRODUCING CORPORATION

MCKITTRICK HILLS 1 FEDERAL # 2
Section 1
T-22-S
R-24-E
Eddy County, New Mexico

CASING

9 5/8" at 1,500'

5 1/2" at 8,600'

DEPTH	MUD WEIGHT	VISCOSITY	FLUID LOSS	DRILL SOLIDS	COMMENTS
0-1,500'	8.4 to 8.5	28 to 29	No Control	<1%	Fresh Water, Fresh Gel Sweeps, Lime, Paper
1,500'-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	1,818'
YESO	1,900'
BONE SPRINGS	3,553'
WOLFCAMP	7,503'
PENN (CISCO)	7,730'
CANYON	8,555'
TD	8,600'

RECOMMENDED CASING PROGRAM

9 5/8" at 1,500'

5 1/2" at 8,600'

RECOMMENDED DRILLING FLUID PROGRAM

DEPTH	WEIGHT	VISCOSITY	FILTRATE
0-1,500'	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 and for hole sweeps. 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
1,500'-8,600'	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 for solids control. Maintain a 9.0 to 10.0 pH with Lime. Use Paper for seepage control and for sweeps. The hole should be swept every 200', or as needed, with pre-hydrated Fresh Water Gel in order to minimize solids buildup in the annulus and reduce the possibility of lost circulation while drilling the Upper Penn and 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 string. 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. Lower the API fluid loss to less than 15cc with Starch. Maintain a 9.0 to 10.0 pH 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.

AMBAR LONE STAR FLUID SERVICES
LOST CIRCULATION PROCEDURES

Loss of circulation is a possibility on this well. Although each well is different, there are some basic procedures and drilling practices that can aid in reducing the severity or, in some cases, prevent lost circulation. Below is a list, which may prove helpful.

1. Maintain viscosities as low as possible and still clean the hole. We recommend a viscosity of 28 to 29 on this well.
2. Maintain mud weights as low as possible without jeopardizing safety.
3. Use slow trip speeds to prevent swabbing and surging.
4. Break circulation in stages with reduced pump strokes while tripping in the hole.
5. Rotate pipe prior to and while tripping in the hole.
6. Use an optimum hydraulics program.

Severe seepage to total loss of circulation may occur even when the above procedures are followed. For severe seepage, we recommend circulating pills (50-100 bbls. depending on hole size) containing 10-30 ppb of various (fibrous and flake) lost circulation material. It would be helpful to reduce pump rates until full returns are established. Once full returns are regained, normal pump rates should be returned to in stages. The inclusion of lost circulation material in the entire system is recommended only if the above procedures do not adequately seal off the loss zone.

For total loss of circulation, we recommend pulling enough stands to place the bit above the loss zone. A viscous pill containing the appropriate type of loss circulation material should be spotted. The size of the pill should be determined by hole size and should contain at <u>least</u> 30 ppb lost circulation material. Several attempts should be made before considering other alternatives. After returns are regained, we recommend staging back to bottom using the procedure outlined above.

If returns are not fully re-established, consideration should be given to dry drilling while pumping periodic sweeps to ensure hole cleaning.

We recommend the use of a fine LCM (Amseal) in the production interval.

PERMIAN BASIN REGION
PERSONNEL

MIDLAND OFFICE	800-669-7146
Larry Wadzeck	Regional Manager Permian/MidCon
Carlton Crownover	Engineering Manager
Randy Auburg	Technical Service Manager
Gerald Huff	Regional Sales & Marketing

WEST TEXAS ENGINEERING	800-669-7146
Jim Paysinger	Senior Sales and Service Engineer
Tom O'Reilly	Senior Sales and Service Engineer
Joseph Abraham	Sales and Service Engineer
Blake Arthur	Sales and Service Engineer

NEW MEXICO ENGINEERING	800-669-7146
Gregg Scarbro	Senior Sales and Service Engineer
Marshall Fleming	Senior Sales and Service Engineer
Clay Gamble	Sales and Service Engineer
Manny Heald	Sales and Service Engineer

REFERENCE WELLS

1. Nearburg Production Co., M-H Federal Com # 1, Section 1, T-22-S, R-24-E, Eddy County, New Mexico

2. Morris Antwell, M-H Federal Com #1, Section 1, T-22-S, R-24-E, Eddy County, New Mexico

3. Union Texas, Shelby Fed # 3, Section 12, T-22-S, R-24-E, Eddy County, New Mexico

4. Nearburg Production Co., Big Walt 2 State #2, Section 2, T-22-S, R-24-E, Eddy County, New Mexico

5. Devon, Right Hand Canyon 35 Fed # 2, Section 35, T-21-S, R-24-E, Eddy County, New Mexico

6. Yates Petroleum Co., Indian Hills ARG ST C #1, Section 36, T-21-S, R-24-E, Eddy County, New Mexico

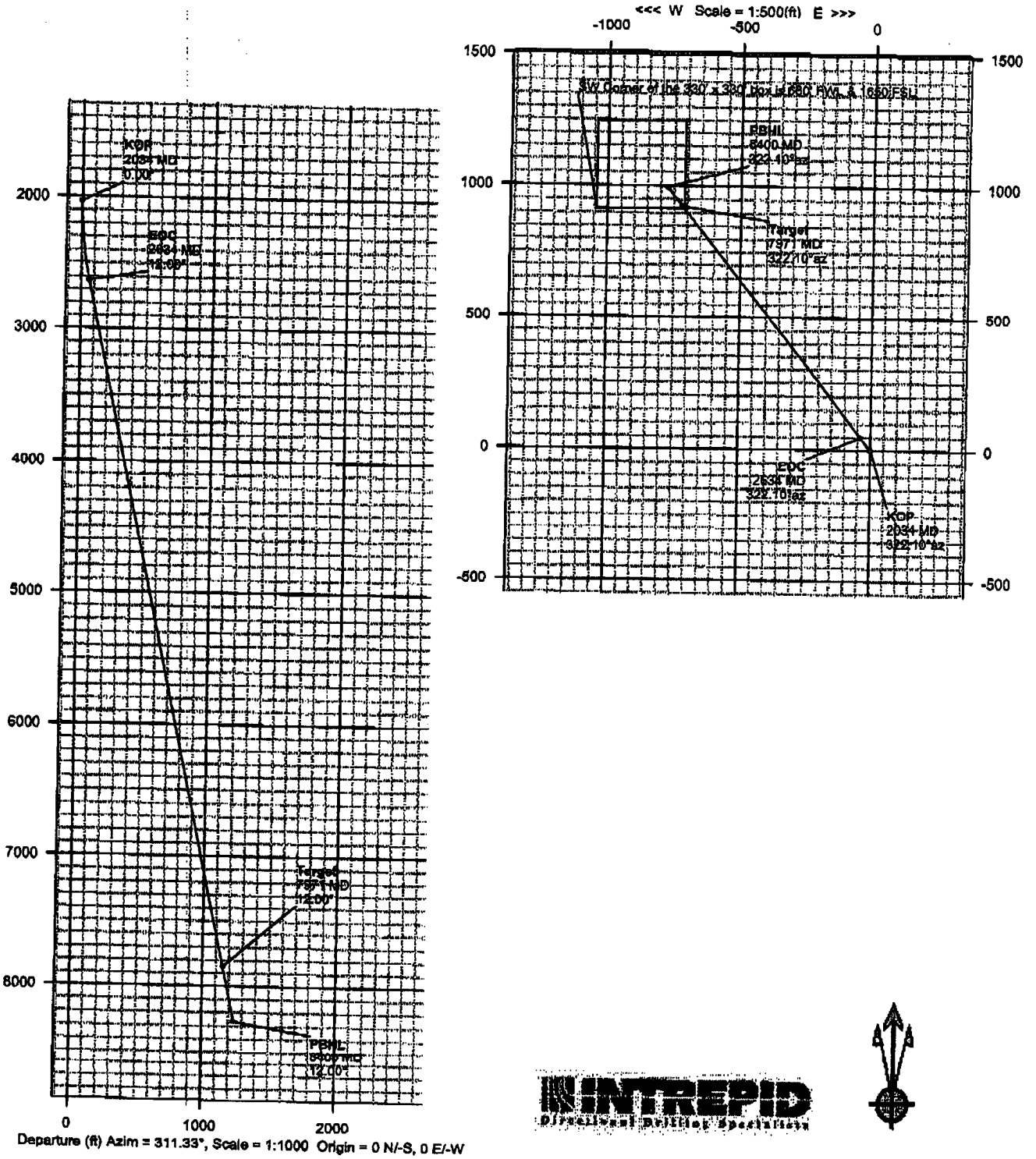
Proposal

Report Date:	December 23, 2004	Survey / DLS Computation Method:	Minimum Curvature / Lubinski
Client:	Nearburg Producing Company	Vertical Section Azimuth:	311.330°
Field:	Eddy County, NM	Vertical Section Origin:	N 0.000 ft, E 0.000 ft
Structure / Slot:	Mckittrick Hills 1 Fed #2 / Mckittrick Hills 1 Fed #2	TVD Reference Datum:	RKB
Well:	Mckittrick Hills 1 Fed #2	TVD Reference Elevation:	0.0 ft relative to
Borehole:	Mckittrick Hills 1 Fed #2	Sea Bed / Ground Level Elevation:	0.000 ft relative to
UWI/API#:		Magnetic Declination:	8.989°
Survey Name / Date:	Mckittrick Hills1-2_r1 / December 3, 2004	Total Field Strength:	49459.958 nT
Tort / AHD / DDI / ERD ratio:	12.000° / 1261.38 ft / 4.187 / 0.153	Magnetic Dip:	60.444°
Grid Coordinate System:	NAD27 New Mexico State Planes, Eastern Zone, US Feet	Declination Date:	December 03, 2004
Location Lat/Long:	N 32 24 52.917, W 104 27 16.280	Magnetic Declination Model:	IGRF 2000
Location Grid N/E Y/X:	N 514603.000 ftUS, E 462502.100 ftUS	North Reference:	Grid North
Grid Convergence Angle:	-0.06496264°	Total Corr Mag North -> Grid North:	+9.054°
Grid Scale Factor:	0.99991068	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	322.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-37.90M
KOP	2034.19	0.00	322.10	2034.19	0.00	0.00	0.00	0.00	0.00	0.00	-37.90M
	2100.00	1.32	322.10	2099.99	0.74	0.60	-0.46	0.76	322.10	2.00	-37.90M
	2200.00	3.32	322.10	2199.91	4.71	3.79	-2.95	4.80	322.10	2.00	-37.90M
	2300.00	5.32	322.10	2299.62	12.11	9.72	-7.57	12.32	322.10	2.00	0.00G
	2400.00	7.32	322.10	2399.01	22.91	18.41	-14.33	23.32	322.10	2.00	0.00G
	2500.00	9.32	322.10	2497.95	37.12	29.82	-23.21	37.79	322.10	2.00	0.00G
	2600.00	11.32	322.10	2596.33	54.71	43.95	-34.21	55.69	322.10	2.00	0.00G
EOC	2634.19	12.00	322.10	2629.81	61.50	49.40	-38.45	62.60	322.10	2.00	0.00G
Target	7971.00	12.00	322.10	7850.00	1151.53	925.00	-720.00	1172.19	322.10	0.00	0.00G
PBHL	8400.00	12.00	322.10	8269.63	1239.15	995.39	-774.79	1261.38	322.10	0.00	0.00G

Nearburg Producing Company

WELL	FIELD	WELLBORE
Mckittrick Hills 1 Fed #2	Eddy County, NM	Mckittrick Hills 1 Fed #2



INTREPID
Directional Drilling Specialists