Submit 3 Copies To Appropriate District State of New Mexico Form C-103 Energy, Minerals and Natural Resources March 4, 2004 WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 30-015-28801 District II OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III STATE | FEE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe. NM 87505 District IV 6. State Oil & Gas Lease No. 1220 S. St. Francis Dr., Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name: (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A South Boyd 27 Com DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 8. Well Number 1. Type of Well: RECEIVED Oil Well X Gas Well Other 2. Name of Operator 9. OGRID Number JAN 1 2 2005 Nearburg Producing Company 015742 OCD-ARTESIA10. Pool name or Wildcat 3. Address of Operator 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705 Dagger Draw: Upper Penn, North 4. Well Location 820 South line and _ 990 Unit Letter feet from the feet from the West Section Township 19S 25E NMPM Eddy Range County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3458 Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached) Pit location: UL _____ Sect ____ Twp ____ Rng ____ Pit type _____ Depth to Groundwater ____ Distance from nearest fresh water well __ Distance from nearest surface water _____ Below-grade Tank Location UL _____ Sect ____ Twp ____ Rng _____ ; _ feet from the _____ line and _____ feet from the ____ line 12. 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 REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND **ABANDONMENT** PULL OR ALTER CASING **MULTIPLE** CASING TEST AND COMPLETION **CEMENT JOB** OTHER: OTHER: 13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. NPC would like to TA the subject well as follows: 1. MIRU PU. Kill well if necessary 2. ND WH and NU BOPE. 3. POH w/ production equipment if necessary. 4. Set CIBP as per attached PROPOSED wellbore diagram. 5. Cap CIBP w/ 35' cmt. 6. Clean location and notify OCD of new wellbore status. Well to be repserved pending wellbore review. I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or belowgrade tank has been/will be constructed or closed according to NMOCD guidelines _____, a general permit ____or an (attached) alternative OCD-approved plan [_____ TITLE Production Analyst SIGNATURE ____ __ DATE ___

APPROVED BY Mile Barton TITLE Compliance Officer DATE 1/18/05

Conditions of approval, if any: MIT required prior to TA status approval - 14 hour notice
required prior to test.

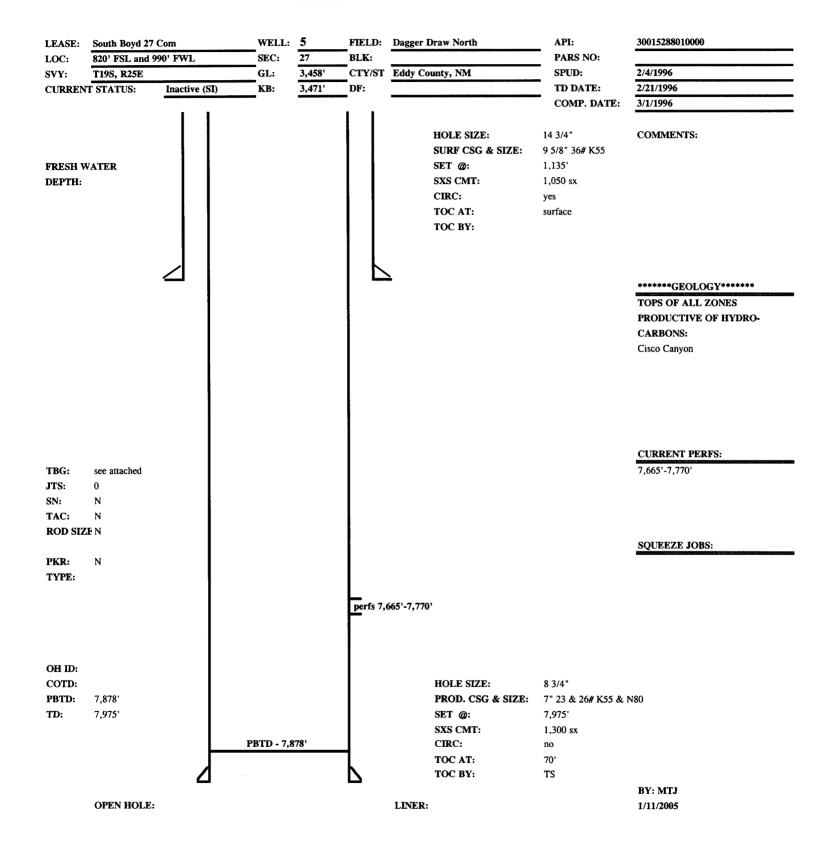
Type or print name Sarah Jordan

E-mail address:

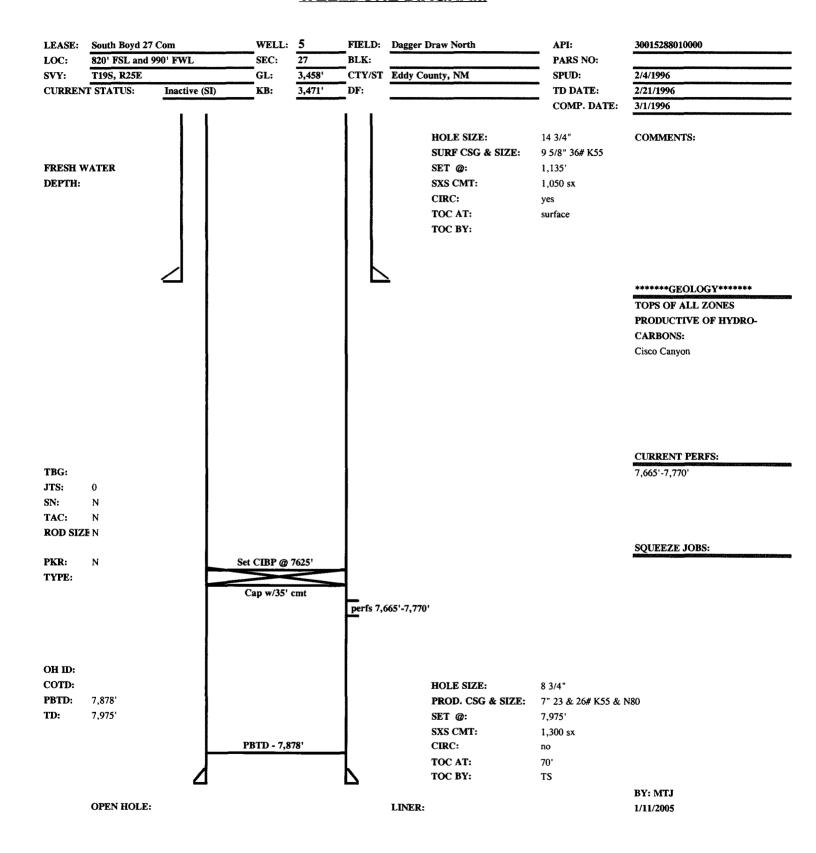
sjordan@nearburg.com

Telephone No. 432/686-8235

CURRENT WELLBORE DIAGRAM



PROPOSED WELLBORE DIAGRAM



Nearburg Producing Company

Rod and Tubing Detail as of: 1-9-2002 Bill Young

Well Name South Boyd "27" #5

Tubing Detail:

| Equipment b | below | seating | nipple |
|-------------|-------|---------|--------|
|-------------|-------|---------|--------|

0.00

NOTE: All equipment & tubing LD to T.A. well

Perfs @ 7665' - 7770'.

PBTD @ 7875'.

Bill Young

| Equipment above seating nipple | 0.00 |
|---|------|
| Distance RKB to tbg hanger | |
| | 0.00 |
| Effective setting depth of seating nipple | 0.00 |
| Bottom of pump shroud | 0.00 |