

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 1301 W. Grand Ave., 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

Form C-103
 March 4, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-33939
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Salt Draw 10 State
8. Well Number 1
9. OGRID Number 015742
10. Pool name or Wildcat Salt Draw; Atoka
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2962

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

1. Type of Well: RECEIVED
 Oil Well Gas Well Other

2. Name of Operator: Nearburg Producing Company
 APR 13 2005

3. Address of Operator: 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705

4. Well Location
 Unit Letter A : 840 feet from the North line and 660 feet from the East line
 Section 10 Township 25S Range 28E NMPM County Eddy

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 <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: 7" csg and cmt <input checked="" type="checkbox"/>	

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.

Drld to 11076 and lost partial returns. Mix LCM pill. Dr1 to 11337 and had drilling break, well flowing. Circ well on chk, displace w/ brine and lost fulls returns. Mic LCM and circ. Build mud weight and drld to 11525 mixing LCM and building mud weight. Drld to 11700, cond mud and circ gas out of hole. RU csg crew and ran 273 jts 7" 29# P110 and N80 LTC csg. Set @ 11700'. Cmt as follows: Lead slurry - 735 sxs BJ H + additives. Tail slurry - 400 sxs 15/61 + additives. WOC 68 hrs. TOC @ 4100' per temp survey. ND, set csg clips, install tbg head and test to 1500 psi for 30 mins - OK. NU BOPE and test. PU slimhole drillstring and TIH w/ drlg assembly. Cont. drlg.

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 below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan

SIGNATURE: Sarah Jordan TITLE: Production Analyst DATE: 4/12/05
 Type or print name: Sarah Jordan E-mail address: sjordan@nearburg.com
 Telephone No. 432/686-8235

(This space for State use)

FOR RECORDS ONLY

APR 18 2005

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any: