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 & Natural Resources

Oil Conservation Divsiion
1220 S. St. Francis Dr.
Santa Fe, NM 87505

RECEIVED
MAY 19 2005
OCD-ARTESIA

Form C-101
March 4, 2004
Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies
☒ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

[1] Operator Name and Address	[2] OGRID Number
Nearburg Producing Company 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705	015742
	[3] API Number 30- 15-26687

[4] Property Code	[5] Property Name	[6] Well No.
	Foster 31 Fee Com	1

[7] Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
J	31	19S	25E		1980	South	1980	East	Eddy

[8] Proposed 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

[9] Proposed Pool 1	[10] Proposed Pool 2
Undesignated; Wolfcamp	

Drilling Pit Location and Other Information

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
J	31	19S	25E		1980	South	1980	East	Eddy

Depth to ground water	Distance from nearest fresh water well	Distance from nearest surface water

[11] Work Type Code	[12] Well Type Code	[13] Cable/Rotary	[14] Lease Type Code	[15] Ground Level Elevation
Plugback	O or G		Fee	3544
[16] Multiple	**[17] Proposed Depth**	**[18] Formation**	**[19] Contractor**	**[20] Spud Date**
	7966	Wolfcamp	Lucky	6/1/05

[21] Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14-3/4	9-5/8	36	1210	1700	NA
8-3/4	7	23 & 26	7645	1040	NA
All csg is existing					

[22] Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Propose to pligback the well to evaluate the Wolfcamp formation. Perf, test and stimulate as necessary to establish production.

See attached procedure.

[23] I hereby certify that the information given above is true and complete to the best of my knowledge and belief. **I further certify that the drilling pit will be constructed according to NMOCD guidelines** ☒ **a general permit** ☐, **or an (attached) alternative OCD-approved plan** ☐ .

Signature: Sarah Jordan

Printed name: Sarah Jordan

Title: Production Analyst

E-mail Address: sjordan@nearburg.com

Date: 5/18/05

Phone: 432/686-8235 x 203

OIL CONSERVATION DIVISION

Approved by: TIM W. GUM
DISTRICT II SUPERVISOR

Title:

Approval Date: MAY 20 2005

Expiration Date: MAY 20 2006

Conditions of Approval:

Attached ☐

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator	Lease	Well No.
NEARBURG PRODUCING CO.	FOSTER 31 FEE COM	1

Unit Letter	Section	Township	Range	County
J	31	19 SOUTH	25 EAST NMPM	EDDY

Actual Footage Location of Well:
1980 feet from the SOUTH line and 1980 feet from the EAST line

Ground level Elev.	Producing Formation	Pool	Dedicated Acreage:
3544.0	Wolfcamp	Undesignated Wolfcamp	320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

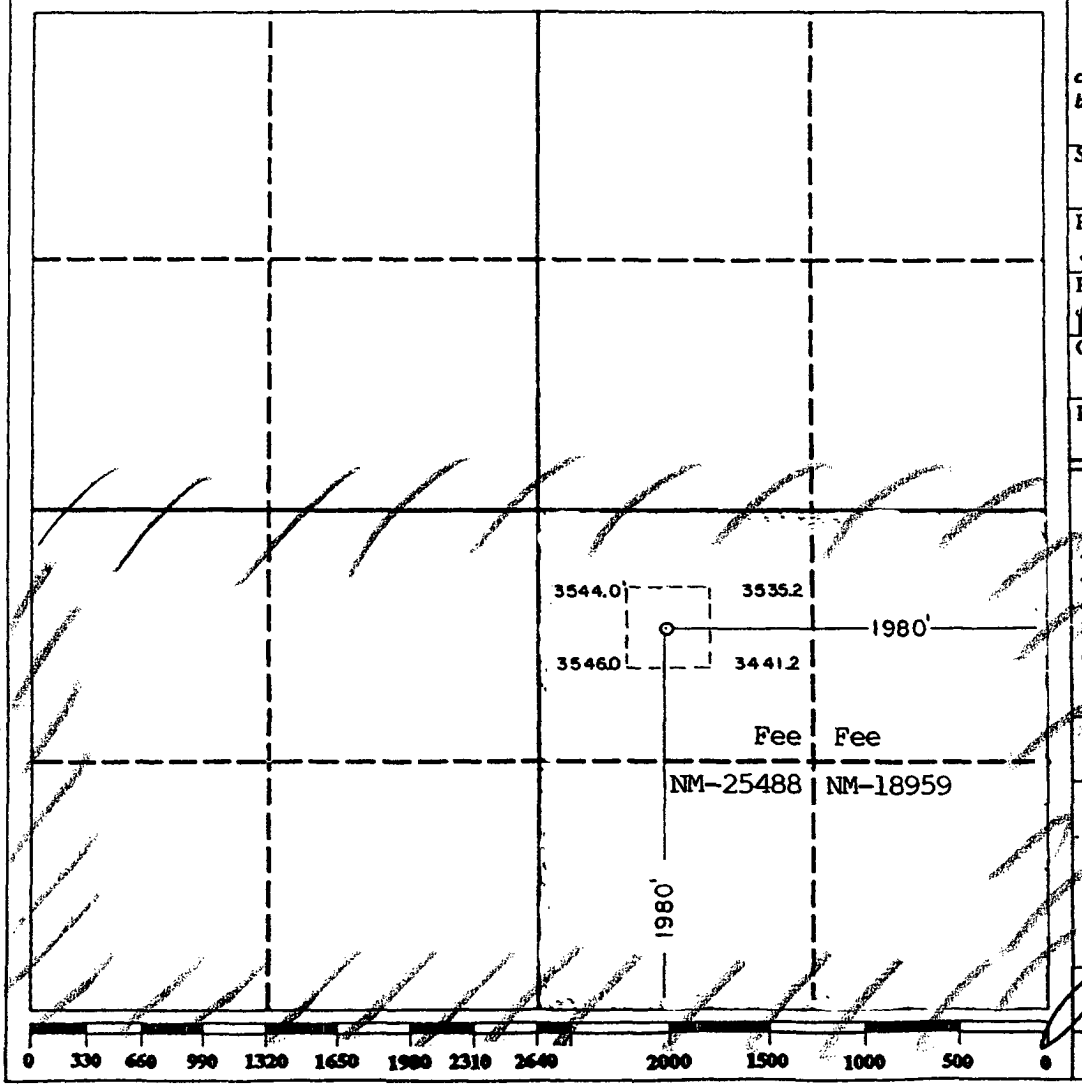
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

[X] Yes [ ] No If answer is "yes" type of consolidation Communitization

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary. _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein in true and complete to the best of my knowledge and belief.

Signature: Sarah Jordan
Printed Name: Sarah Jordan
Position: Prod. Analyst
Company: Nearburg Producing Co.
Date: 5-18-05

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 knowledge and belief.

Date Surveyed: 2-25-91

Signature & Seal of Professional Surveyor

REGISTERED PROFESSIONAL LAND SURVEYOR
JOHN W. WEST
NEW MEXICO

Certificate No. JOHN W. WEST 676
RONALD J. EIDSON 3239

125630

CURRENT EQUIPMENT DESCRIPTION: None

RECOMMENDED PROCEDURE (Wolfcamp):

Test Anchors prior to starting operations.

1) MIRU PU. ND WH NU BOP. RU JSI and run gauge ring run. Have JSI dump bail 35' cmt on top of existing CIBP @ 7574'. Run CBL to insure cement presence from 7300' to 1200' (Well has shows in San Andres, Yeso, and Bone Springs). Final run w/500# on csg. RD JSI.

2) RIH w/2-3/8" production tbg to 7200'. Pickle inside of tbg w/400 g Xylene & 700 gals 15% HCL. Displace pickling fluids down and out the tubing @ 4 bpm then reverse to pit/tank at 4 bpm. Displacing fluid to be 4% KCL w/.5 gpt Claymaster 5C and packer fluid additives.

3) RIH w/2-3/8" prod tbg and TCP perforating assembly (see attachment). Set packer on depth using GR and equipment length. ND BOP and NU tree tested to 5,000#. Leave 1 bbl 7% KCL w/Claymaster in tbg to maximize underbalance.

4) Drop bar and perforate the following Wolfcamp interval:
7102-7126' w/6 spf
correlated to Schlumbergers "Compensated Neutron Formation Density Gamma Ray" Run 1 dated 5-7-91.

5) Bring well on w/10 or 12/64" choke. Do not exceed 1,000 mcfd during the first day. Increase rates only after consulting Matt Lee or Brian Huzzey.

6) If production rates are less than 100 mcfd, drop the guns and RU BJ to stimulate the well as follows:

2,000 gal 20% NEFE as follows at 3 to 5 bpm (Pmax to be determined based on tbg condition/grade):

- **a) pump 500g 20% NEFE**
- **b) Drop 60 7/8" 1.3 sg balls**
- **c) pump 500g 20% NEFE**
- **d) Drop 60 7/8" 1.3 sg balls**
- **e) pump 500g 20% NEFE**
- **f) Drop 60 7/8" 1.3 sg balls**
- **g) pump 500g 20% NEFE**
- **h) Displace to top perf w/2% KCL.**

If job "balls out" then surge and continue pumping remainder of acid. RD BJ.

7) If zone is uneconomic RIH w/7" CIBP and set at 7050'. Dump bail 35' cmt to abandon Wolfcamp.