State of New Mexico Energy, Minerals & Natural Resources 1625 N. French Dr., Hobbs, NM 88240

District I

Title:

Date:

E-mail Address: sjordan@nearburg.com

9/22/05

Form C-101 March 4, 2004

Expiration Date.

RECEIVED Submit to appropriate District Office District II State Lease - 6 Copies 1301 W. Grand Avenue, Artesia, NM 88210 Oil Conservation Divsiion SEP 2 6 2005 District III Fee Lease - 5 Copies 1220 S. St. Francis Dr. OCD-ARTESIA 1000 Rio Brazos Rd., Aztec, NM 87410 District IV AMENDED REPORT Santa Fe, NM 87505 1220 S. St. Francis Dr., Santa Fe, NM 87505 APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE ² OGRID Number ¹Operator Name and Address 015742 Nearburg Producing Company ³API Number 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705 30-15-29421 Property Name ⁶Well No. ⁴Property Code 20560 Sandy Crossing 32 State Com #1Y Surface Location UL or lot no. Section Township Lot. Idn Feet from the North/South Line Feet from the East/West line County Range 1980 990 32 **17S** 27E South East Eddy Ι ⁸ Proposed Bottom Hole Location If Different From Surface Lot. Idn Feet from the North/South Line Feet from the East/West line Township Range County UL or lot no. Section 10 Proposed Pool 2 9 Proposed Pool 1 Red Lake Queen; Grayburg/ San Andres 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 32 **17S** 27E 1980 South 990 East Eddy Ι Distance from nearest fresh water well Distance from nearest surface water Depth to ground water 12 Well Type Code 13 Cable/Rotary 15 Ground Level Elevation 11 Work Type Code 14 Lease Type Code Re-Entry 0 State 3475 ²⁰ Spud Date 16 Multiple 17 Proposed Depth 18 Formation 19 Contractor N 2377 Grayburg/San Andres Lucky 10/15/05 ²¹Proposed Casing and Cement Program Hole Size Casing Size Casing weight/foot Setting Depth Sacks of Cement Estimated TOC 11 8-5/8 24 1500 865 Surface 7-7/8 5 - 1/220 2377 400 Surface All csg is existing 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. NPC proposes to re-enter the subject well down to 2320'. Perf, test and stimulate as needed to establish production 23 I hereby certify that the information given above is true and complete to the best of OIL CONSERVATION DIVISION my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines X a general permit , or Approved by: an (attached) alternative OCD-approved plan Signature: Printed name: Sarah Jordan Title: Production Analyst

Approval Date:

Attached

432/686-8235 x 203

Conditions of Approval:

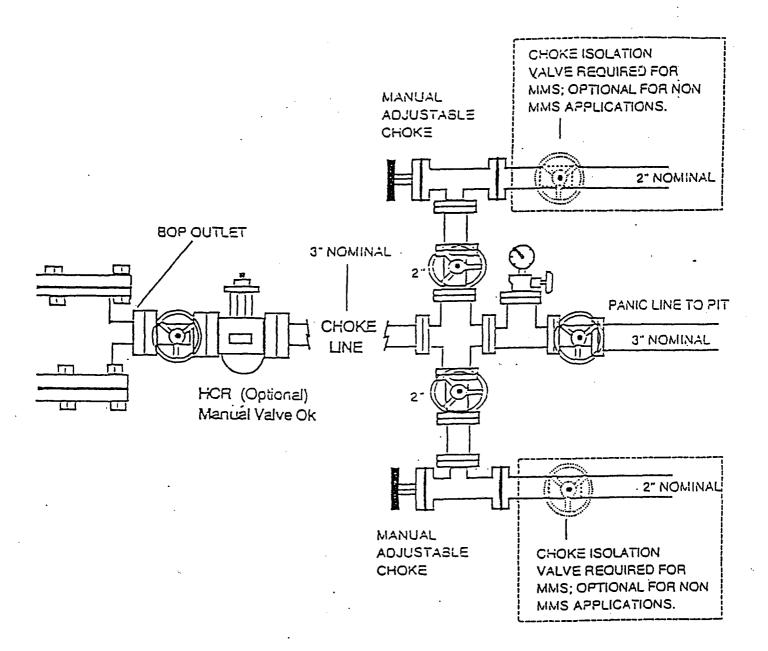
District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South Farst, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV

State of New Mexico Energy, Minerals & Natural Resources Departmen

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Form C-102 **
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies

Fee Lease - 3 Copies AMENDED REPORT 2040 South Pacheco, Santa Fe, NM 87505 WELL LOCATION AND ACREAGE DEDICATION PLAT ² Pool Code ¹ API Number ⁵ Property Name Well Number ⁴ Property Code SANDY CROSSING "32" STATE COM 1 NEARBURG PRODUCING COMPANY 'OGRID No. * Elevation 3475. 10 Surface Location Section Township Lot Idn Feet from the North/South line Feet from the East/West line UL or lot no. Range County 32 17-S 27-E 1980 SOUTH 990 **EAST EDDY** Ι 11 Bottom Hole Location If Different From Surface Lot Idn North/South line Feet from the East/West line UL or let no. Section Township Range Feet from the County 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. 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 ¹⁷ OPERATOR CERTIFICATION 16 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief 18SURVEYOR 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 supervision, and that the same is true and correct to the best of my belief. DECEMBE YOM R. REDO, aba Son Ist Estokens 5412

CHOKE MANIFULLY '



BOPE SCHEMATIC NEARBURG PRODUCING COMPANY

