

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

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SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

NOV 05 2007

2. Name of Operator

Nearburg Producing Company

OCD-ARTESIA

3a. Address

3300 N A St., Bldg 2, Ste 120, Midland, TX 79705

3b. Phone No. (include area code)

432/686-8235

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2011 FNL and 672 FWL, Sec 15-19S-25E

5. Lease Serial No.

NMNM12833

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Osage Boyd 15 Fed

Com #3

9. API Well No.

30-015-28679

10. Field and Pool, or Exploratory Area

Dagger Draw; Upper Penn,
North

11. County or Parish, State

Eddy

NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☒ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

NPC requests to plugback the subject well to test the Bone Springs formation as per the attached procedure.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Sarah Jordan

sjordan@nearburg.com

Title

Production Analyst

Date

10/18/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Title

PETROLEUM ENGINEER

Date

OCT 31 2007

Conditions of approval, if any, are attached. Approval of this notice 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.

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

CURRENT EQUIPMENT DESCRIPTION:**RECOMMENDED PROCEDURE:**

- 1) MIRU pulling unit. ND wellhd & NU BOP. MI & unload 7,700' 2-7/8" workstring. RIH to 7700' and circulate hole with abandonment fluid to 5400'. Test casing to 500# and chart. POH w/tbg.
- 2) MIRU JSI. RIH w/CIBP & set at 5620'. Dump 35' cement on CIBP @ 5,620'. RIH w/ Premium Charges shooting 4 spf phased 120 degrees perforating the 1st Bone Springs sand as follows: 4753-4761' (as per Schlumberger Platform Express Density-Neutron Measured Depth log dated November 1, 1995). Total 32 holes. RD WL.
- 3) RIH w/ 7" treating packer on 2-7/8" N-80 workstring to +/- 4700'. Test tbg to 7,500 psi GIH. Pickle tbg w/200 gal Xylene and 1000g 7.5% NEFE HCL to EOT then reverse out. Load hole w/ 2% KCL water. Set packer & pressure annulus to 500 psi. RU BJ Services and break down the 1st Bone Spring perms 4753-4761' w/ 1,500 gals 20% NEFE and releasing 15- 7/8", 1.3 sg ball sealers every 500 gals. (total 30 BS). Flush to btm perf w/2% KCL water.
- 4) Swab / flow test well. If swab/flow back results warrant additional stimulation a frac procedure and AFE will be prepared.

Tbg	Grade	Wt/Ft w/ Couplings (lb)	Wt/Ft w/ Couplings (lb)	Diameters (in)	Diameter s (in)	Diameters (in)	OD of Couplings (in)
2.875	N-80	6.4	6.5	2.441	2	3.094	3.5
OD of Couplings (in)		Collapse(p	Burst (psi)	Joint Yield Strength (lb)	Joint Yield Strength (lb)		
3.668		11,160	10,570	105,560	144,960		
		<u>X .8=</u>					
		8,456					