

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

Form C-101
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address Nearburg Producing Company 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705		² OGRID Number 015742
		³ API Number 30- 15-28427
⁴ Property Code	⁵ Property Name B&B 22	⁶ Well No. 8
⁹ Proposed Pool 1 North Seven Rivers; Glorieta- Yeso		¹⁰ Proposed Pool 2

⁷Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
I	22	19S	25E		1980	South	990	East	Eddy

⁸Proposed 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

Additional Well Location

¹¹ Work Type Code Plugback	¹² Well Type Code 0	¹³ Cable/Rotary	¹⁴ Lease Type Code State	¹⁵ Ground Level Elevation 3447
¹⁶ Multiple N	¹⁷ Proposed Depth 8200	¹⁸ Formation Yeso	¹⁹ Contractor Mesa	²⁰ Spud Date 2/1/08
Depth to ground water		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume _____ bbls Drilling Method:				
Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹Proposed 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	1113	1100	Surface
8-3/4	7	23 & 26	8200	350	Surface
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 plugback the well to evaluate the Yeso 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 <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Signature: <i>S. Jordan</i>		OIL CONSERVATION DIVISION	
Printed name: Sarah Jordan		Approved by: BRYAN G. ARANT	
Title: Production Analyst		Title: DISTRICT II GEOLOGIST	
E-mail Address: sjordan@nearburg.com		Approval Date: JAN 10 2008	Expiration Date: JAN 10 2010
Date: 1-10-08	Phone: 432/686-8235 x 203	Conditions of Approval: Attached <input type="checkbox"/>	

B & B #8

RECOMMENDED PROCEDURE:

Both the Upper Penn and Glorietta/Yeso are BAD GAS zones (H₂S at hazardous levels)

1) RU JSI to perf as follows:

2782'	2779'	2777'	2751'	2549'	2520'
2505'	2470'	2462'	2458'	2447'	2445'
2431'	2411'	2406'	2403'	2394'	2386'
2348'	2344'				

with 1 spf premium charges correlated to Schlumberger Platform Express Three Detector Density Compensated Neutron/NGT" log dated July 28, 1997 run One. RD JSI.

2) RU BJ to Break down perfs with 2000g 15% NEFE HCL in stages as follows:

- a) Pump 500g 15% NEFE HCL
- b) Drop 5 7/8" 1.3 balls
- c) Pump 250g 15% NEFE HCL
- d) Drop 5 7/8" 1.3 balls
- e) Pump 250g 15% NEFE HCL
- f) Drop 5 7/8" 1.3 balls
- g) Pump 250g 15% NEFE HCL
- h) Drop 5 7/8" 1.3 balls
- i) Pump 250g 15% NEFE HCL
- j) Drop 5 7/8" 1.3 balls
- k) Pump 250g 15% NEFE HCL
- l) Drop 5 7/8" 1.3 balls
- m) Pump 250g 15% NEFE HCL
- n) Displace to btm perf w/2% KCL

3) RU BJ to Frac well as follows at 60 bpm down casing:

Stage	Fluid	Vol(g)	ppg	Prop	Stage#	Cum#'s
1	Gelled 3% Acid	20,000	Pre-PAD			
2	Gelled 3% Acid	5,000	.5	20/40 SLC	2,500	2,500
3	Gelled 3% Acid	20,000	.PAD			
4	Gelled 3% Acid	10,000	.1	LiteProp 14/30	1,000	3,500
5	Gelled 3% Acid	20,000	.2	LiteProp 14/30	4,000	7,500
6	Gelled 3% Acid	20,000	.3	LiteProp 14/30	6,000	13,500
7	Gelled 3% Acid	10,000	.4	LiteProp 14/30	4,000	17,500
8	Gelled 3% Acid	10,000	.5	SLC 20/40	5,000	22,500
9	Gelled 3% Acid	10,000	.75	SLC 20/40	7,500	30,000
10	Gelled 3% Acid	10,000	1	SLC 20/40	10,000	40,000
11	Gelled 3% Acid	10,000	1.5	SLC 20/40	15,000	50,000
12	Fresh Water	3,690	FLUSH			

Get ISIP, 5 min, 10 min & 15 min SIP's. RD BJ.

4) SI Overnight to let resin coated sand stabilize.

5) Flowback well till it dies then re-run production equipment as before.

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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-28427		² Pool Code		³ Pool Name North Server Rivers; Gibraltar Mesa	
⁴ Property Code		⁵ Property Name B + B		⁶ Well Number 8	
⁷ OGRID No. 015742		⁸ Operator Name Nearburg Producing Company		⁹ Elevation 3447	
¹⁰ Surface Location					
UL or lot no. I	Section 22	Township 19S	Range 25E	Lot Idn	Feet from the 1980
				North/South line S	Feet from the 990
				East/West line E	County Eddy
¹¹ 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
¹² Dedicated Acres 40		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.

¹⁶	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Jordan</u> Date: <u>1.10.08</u> Printed Name: <u>Jordan</u>
	¹⁸ 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 supervision, and that the same is true and correct to the best of my belief. Date of Survey: Signature and Seal of Professional Surveyor: Certificate Number:

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APN Number 30-015-28427		Pool Code 1	Pool Name North Seven Rivers & Glorieta-Yuso
Property Code B & B "22"	Property Name NEARBURG PRODUCING COMPANY		Well Number 8
OGRID No. 15742	Operator Name NEARBURG PRODUCING COMPANY		Elevation 3447.

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
I	22	19-S	25-E		1980	SOUTH	990	EAST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or In/III	14 Consolidation Code	15 Order No.
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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

16					<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Jordan</i></p> <p>Signature: <i>Jordan</i></p> <p>Printed Name: <i>Bob Analyst</i></p> <p>Title: <i>1-10-08</i></p> <p>Date: <i>1-10-08</i></p>
					<p>18 SURVEYOR CERTIFICATION</p> <p>herby certify that the well location shown on this plat is placed 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.</p> <p>JUNE 21 1997</p> <p>State of NEW MEXICO</p> <p>Professional Surveyor</p> <p>5412</p> <p>REGISTERED SURVEYOR</p> <p>5412</p>

CURRENT WELLBORE DIAGRAM

LEASE: B & B	WELL: 8	FIELD: Dagger Draw North	API: 30015284270000
LOC: 1,944' FSL & 990' FEL	SEC: 22	BLK:	FARS NO:
SVY: T195, R15E	GL: 3,447	CTY/ST: Eddy County, NM	SPUD: 7/6/1997
CURRENT STATUS: Active	KR:	DP:	TD DATE: 7/29/1997
			COMP. DATE: 9/11/1997

FRESH WATER
DEPTH:

HOLE SIZE: 14 3/4"
 PROD. CSG & SIZE: 9 5/8" 360 K55 STC
 SET @: 1,113'
 SXS CMT: 1100 ex
 CIRC: yes
 TOC AT: surface
 TOC BY:

*****GEOLOGY*****

TOPS OF ALL ZONES
 PRODUCTIVE OF HYDRO-
 CARBONS:
 San Andres: 735'
 Glerista: 1343'
 Bone Springs: 3888'
 Wolfcamp: 6100'
 Canyon: 7652'

CURRENT PERFS:

7,705'-7,725'
 7,746'-7,780'

SQUEEZE JOBS:

TBG: 2.875 J55 6.50 EUE 8rd
 JTS: 249
 SN: 7827
 TAC:
 ROD SIZE:

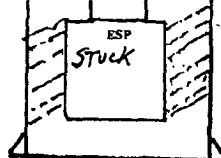
PKR:
 TYPE:

OH ID:
 COTD:
 PBTD: 8,117'
 TD: 8,200'

NO DV TOOL !!!

perfs 7,705-20'

perfs 7,746-80'



HOLE SIZE: 8 3/4"
 PROD. CSG & SIZE: 7" 23# & 26# N80 K55 STC & LTC
 SET @: 8,200'
 SXS CMT: 350 ex 50/50 Poz H
 CIRC: No
 TOC AT: 5782' by TS
 TOC BY:

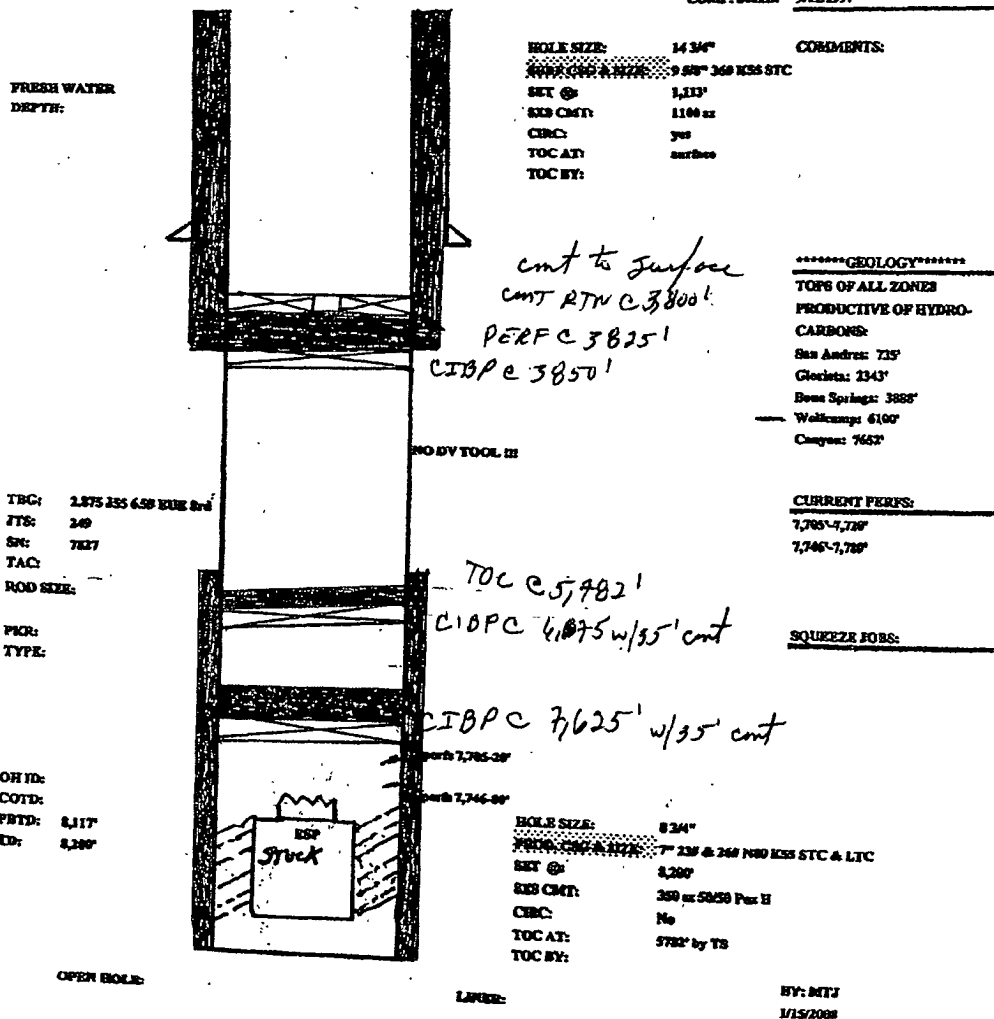
OPEN HOLE:

LINER:

BY: MTJ
 1/15/2008

POST.
WELLBORE DIAGRAM

LEASE: B & B	WELL: 8	FIELD: Dagger Draw North	API: 2001528470000
LOC: 1,984 FSL & 990 FSL	SBC: 22	BLK:	FARS NO:
SVY: T196, R25E	CL: 3,447	CTVST: Eddy County, NM	SPUD: 7/6/1997
CURRENT STATUS: Active	KR:	BP:	TD DATE: 7/29/1997
			COMP. DATE: 9/11/1997



1. CUT TBG OFF ABOVE STUCK ESP BELOW PERFS C 7800'
2. Set CIBP C 7,625' ABOVE CIBPC PERFS W/35' CMT ON TOP EST TOP OF CMT 7,590'
3. CIRC MUD LADDED FLUID TO 3,850'
4. Set CIBP C 6,075' w/35' CMT (EST TOC C 6,045') WOLF CAMP
5. Set CIBP C 3,850', PERF 4SPF C 3,825', EST CIRC
6. Set CMT RTN C 3,800' and cmt 7" csg to surface
7. Will recompleat in Glorieta ZONE