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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

MAY 29 2008
OCD-ARTESIA

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

Form C-101
May 27, 2004

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	[2] OGRID Number
Nearburg Producing Company 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705	015742 [3] API Number 30- 15-23049

[4] Property Code	[5] Property Name	[6] Well No
	Parino	1

[9] Proposed Pool 1	[10] Proposed Pool 2
Undesignated; Glorieta/ Yeso	

[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
I	23	19S	25E		1980	South	660	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

Additional Well Location

[11] Work Type Code	[12] Well Type Code	[13] Cable/Rotary	[14] Lease Type Code	[15] Ground Level Elevation
Plugback	0		State	3417
[16] Multiple	**[17] Proposed Depth**	**[18] Formation**	**[19] Contractor**	**[20] Spud Date**
N	9460	Glorieta/ Yeso	Mesa	6/15/08

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

Pit: Liner: Synthetic ☐ _____ mils thick Clay ☐ Pit Volume _____ bbls Drilling Method:

Closed-Loop System ☐ Fresh Water ☐ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☐

[21] Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2	13-3/8	48	417	700	NA
12-1/4	9-5/8	36	2501	1500	NA
8 3/4	4-1/2	11.6	9460	1375	4500
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.

NOTE: NEW PIT RULE

[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 [X] a general permit ☐, or an (attached) alternative OCD-approved plan ☐. Signature:	OIL CONSERVATION DIVISION Approved by: Jim W. Gum Title: District II Supervisor
Printed name: Sarah Jordan	
Title: Production Analyst	Approval Date: 5/29/08 Expiration Date: 5/29/10
E-mail Address: sjordan@nearburg.com	
Date: Phone: 432/686-8235 x 203	Conditions of Approval: Attached ☐

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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	[2] Pool Code	[3] Pool Name
	97482	North Seven Rivers; Glorieta-Yeso

[4] Property Code	[5] Property Name	[6] Well Number
	Parino	1

[7] OGRID No.	[8] Operator Name	[9] Elevation
015742	Nearburg Producing Company	3417

[10] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	23	19S	25E		1980	S	660	E	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	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
40			

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 — Date 5.29.08

S Jordan

Printed Name

[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

RECOMMENDED PROCEDURE:

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

1) MIRU PU. RIH w/2-3/8" tbg to PBTD 7715' and circulate abandonment mud to 3500'. POH w/tbg.

2) RU JSI to run CBL from 5500' to 5000' on the 1st pass w/no pressure then a pass from 5500' to 500' above the TOC with 500#. Have JSI set CIBP @ 6610' and cap w/35' cmt. Have JSI perf 4 sqz holes @ 3950'. RD JSI.

3) RIH w/CICR on 2-3/8" tbg to 3850'. Set CICR and establish circulation. Cmt 4.5" casing to the surface. PUH and leave 100' cmt on CICR. RD BJ.

4) POH w/ tbg. RIH w/3-7/8" bit to TOC. POH w/bit & tbg. Test casing to 4000#.

5) RU JSI to perf the following intervals with premium charges (4.5" Casing in 8-3/4" hole):

2704'	2689'	2635'	2614'	2612'	2602'	2597'
2573'	2569'	2561'	2550'	2543'	2526'	2524'
2519'	2508'	2502'				

with 1 spf premium charges correlated to Schlumberger Compensated Neutron - Formation Density log dated 12/15/79 Run One. RD JSI.

6) RIH w/2-3/8" J-55 tbg to 2400' with 4.5" trtg pkr. Pickle tbg w/300g Xylene and 1000g 15% NEFE pump down tbg and out BS to clean both tbg & 4.5" casing. Set trtg pkr. Hold 500# on BS while breaking down the perforations.

7) 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 500g 15% NEFE HCL
l) Displace to btm perf w/2% KCL

Let acid spend 1-1.5 hrs. Flow back acid load. Rise pkr and RIH to make sure balls are cleared off perfs. POH w/tbg & pkr.

8) 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	1,591	FLUSH			

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

9) SI Overnight to let resin coated sand stabalize.

10) Flowback well till it dies then run 2-3/8" tbg and 8 1-3/8"K bars + 3/4" KD rods and ponies to surface. Use new C80-119-54 weatherford units.

CURRENT WELLBORE DIAGRAM

LEASE:	Parino	WELL:	#1	FIELD:		API:	30-015-23049
LOC:	1980' FSL & 660' FEL	SEC:	23	BLK:		Reservoir	
SVY:	Sec 23 T19S 25E	GL:	3417.2'	CTY/ST	Eddy / NM	SPUD:	10/3/1983
CURRENT STATUS:	TA'd	KB:	3431.6'	DF:		TD DATE:	10/6/1983
						COMP. DATE:	3/29/1984

FRESH WATER DEPTH:

HOLE SIZE:	17.5"
SURF CSG & SIZE:	13-3/8" 48#
SET @:	417'
SXS CMT:	700 sx
CIRC:	Yes
TOC AT:	
TOC BY:	

COMMENTS:

HOLE SIZE:	12.25"
INT. CSG & SIZE:	9-5/8" 36#
SET @:	2501'
SXS CMT:	1500 sx
CIRC:	Yes
TOC AT:	
TOC BY:	

*******GEOLOGY*******
TOPS OF ALL ZONES PRODUCTIVE OF HYDROCARBONS:
San Andres: 1010'
Glorieta: 2400'
Wolfcamp: 6610'
Penn: 7718'
Strawn: 8240'
Atoka: 8900'
Morrow: 9280'

CURRENT PERFS:

TBG:
JTS:
SN:
TAC:
ROD SIZE:

SQUEEZE JOBS:

PKR:
TYPE:

CIBP @ 7750' cap w/35'cmt — 7796-7820' w/4 spf

CIBP @ 8624' cap w/36'cmt — 8724-32' 2 spf Strawn Perfs

Casing detail: 236 jts total. 47 jts 4.5" 8rd 11.6# LT&C N-80 (1968') 189 jts 4.5" 8rd LT&C 11.6# J-55 (7502')

OH ID:
COTD:
PBTD: 9375'
TD: 9460'

CIBP @ 9270' cap w/35'cmt

		9346'
		9354'
		9355'
9329'	9333'	9377'
9330'	9336'	9378'
9332'	9337'	@ 4 spf
	9345'	

HOLE SIZE:	8-3/4"
PROD. CSG & SIZE:	4.5" 11.6# N-80, & J-55
SET @:	9460'
SXS CMT:	lead 950 sx 50/50 Poz tailed w/425 sx H
CIRC:	No
TOC AT:	4500'
TOC BY:	TS

BY: BHH
5/29/2008

OPEN HOLE:

LINER:

PROPOSED WELLBORE DIAGRAM

LEASE:	Parino	WELL:	#1	FIELD:		API:	30-015-23049
LOC:	1980' FSL & 660' FEL	SEC:	23	BLK.		Reservoir	
SVY:	Sec 23 T19S 25E	GL:	3417.2'	CTY/ST	Eddy / NM	SPUD:	10/3/1983
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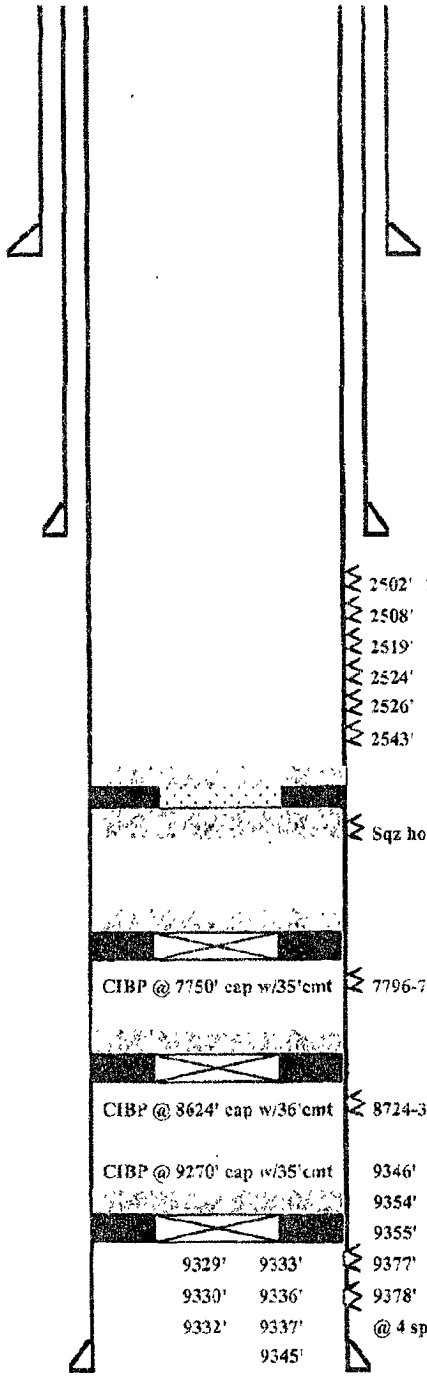

FRESH WATER DEPTH:

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SET @: 417'
SXS CMT: 700 sx
CIRC: Yes
TOC AT:
TOC BY:

COMMENTS:

HOLE SIZE: 12.25"
INT. CSG & SIZE: 9-5/8" 36#
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Morrow: 9280'

CURRENT PERFS:
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2508' 2561' 2614'
2519' 2569' 2635'
2524' 2573' 2689'
2526' 2597' 2704'
2543' 2602'

TBG:
JTS:
SN:
TAC:
ROD SIZE:

Sqz holes @ 3950' (Top of Bone Springs @ 3850')

SQUEEZE JOBS:

PKR:
TYPE:

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@ 4 spf

HOLE SIZE: 8-3/4"
PROD. CSG & SIZE: 4.5" 11.6# N-80, & J-55
SET @: 9460'
SXS CMT: lead 950 sx 50/50 Poz tailed w/425 sx H
CIRC: No
TOC AT: 4500'
TOC BY: TS

BY: BHH
5/29/2008

OPEN HOLE:

LINER: