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State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

APR 2 7 2004

DATE

OIL CONSERVATION DIVISION **DISTRICT I** P.O. Box 1980, Hobbs, NM 88240 WELL API NO. 2040 Pacheco St. 30-015-33315 Santa Fe, NM 87505 DISTRICT II P.O. Drawer DD, Artesia, NM 88210 sIndicate Type of Lease STATE FEE State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" Big Walt 2 State (FORM C-101) FOR SUCH PROPOSALS.) Type of Well: OIL X OTHER «Well No. 2Name of Operator Nearburg Producing Company 8 Pool name or Wildcat 3Address of Operator 3300 N A St., Bldg 2, Suite 120, Midland, TX 79705 Indian Basin; Upper Penn, Associated 4Well Location 1376 Feet From The South 2152 East Unit Letter I ine and Feet From The Line 228 24E Township Range **NMPM** County to Elevation (Show whether DF, RKB, RT, GR, etc.) 11 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PLUG AND ABANDON PERFORM REMEDIAL WORK REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON** CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ANBANDONMENT PULL OR ALTER CASING CASING TEST AND CEMENT JOB OTHER: Off lease measurement and surface gas commingling OTHER: 12Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. Nearburg Producing Company would like to add the subject well (this well is still waiting to be drilled) to Commingling Order PLC-189. The Big Walt 2 State #8 gas will be commingled with gas from the wells on Attachment I. The gas from each well is individually metered. The Off Lease measurement (sales) meter is located 1980' FSL and 100' FWL in Section 13, T21S, R25E, Eddy County, New Mexico I hereby certify that the information above is true and complete to the best of my knowledge and belief. TITLE Production Analyst SIGNATURE 04-21-2004 TYPE OR PRINT NAME Sarah Jordan sjordan@nearburg.com TELEPHONE NO. 432/686-8235 x 203 (This space for State Use)

FOR RECORDS ONLY

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

ATTACHMENT I

Well name	Surface hole	Bottom hole	<u>Status</u>
Big Walt 2 State #2	1650 FSL and 1980 FEL Sec. 2, T-22-S, R-24-E		Producing
Big Walt 2 State #4	660 FNL and 840 FWL Sec. 2, T-22-S, R-24-E		Producing
Big Walt 2 State #5	2520 FNL and 990 FWL Sec. 2, T-22-S, R-24-E		Producing
Big Walt 2 State #7	660 FSL and 760 FWL Sec. 2, T-22-S, R-24-E	-	Producing
Big Walt 2 State # 8	1376' FSL, 2152' FEL Sec. 2, T-22-S, R-24-E	2700' FNL, 1980' FEL Sec. 2, T-22-S, R-24-E	Proposed to Drill
Big Walt 2 State # 9	1,240' FSL & 2,085' FEL Sec. 2, T-22-S, R-24-E	660' FSL & 1,980' FEL Sec. 2, T-22-S, R-24-E	Waiting On Completion
McKittrick 11 Federal #2	757' FNL, 1341' FEL Sec. 11, T-22-S, R-24-E	990' FNL, 2310' FEL Sec. 11, T-22-S, R-24-E	Proposed to Drill
McKittrick 11 Federal #4	510' FSL & 740' FWL Sec. 2, T-22-S, R-24-E	660' FNL & 960' FWL Sec. 11, T-22-S, R-24-E	Waiting On Completion
Shelby 12 Federal #5	2300 FSL & 916 FEL Sec. 11, T-22-S, R-24-E	1980 FNL & 660 FWL Sec. 12, T-22-S, R-24-E	Being Drilled
US 13 Federal #1-Y	1977 FNL & 998 FWL Sec. 13, T-22-S, R-24-E	850 FNL & 1650 FWL Sec. 13, T-22-S, R-24-E	Waiting On Completion

Additional wells already on Commingling Order PLC-189