Form 3160-3
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

AES-11-706

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.: NMNM14758

1a Type of Work: [X] DRILL [ ] REENTER

6. If Indian, Allotee or Tribe Name:

1b Type of Well: [X] Oil Well [ ] Gas Well [ ] Other [ ] Single Zone [ ] Multiple Zone

7 Unit or CA Agreement Name and No.:

2 Name of Operator: Nearburg Producing Company

8. Lease Name and Well No: Huber Federal #6H

3a Address: 3300 N A St., Bldg 2, Ste 120

3b. Phone No (include area code): 432/686-8235

9 API Well No.: 30-015-39765

4 Location of Well (*Report location clearly and in accordance with any State equirements*)*

At surface: 180' FSL and 330' FWL, Sec 3-20S-25E UL: M UNORTHODOX

At proposed prod zone: 330' FNL and 660' FWL, Sec 3-20S-25E LOCATION

10 Field and Pool, or Exploratory: N. Seven Rivers; Glor-Yeso

11 Sec , T., R., M., or Blk and Survey or Area: 3-20S-25E

14 Distance in miles and direction from nearest town or post office*: 5 miles SW of Lakewood, NM

12 County or Parish: Eddy

13. State: NM

15 Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg unit line, if any)	16. No. of Acres in lease	17 Spacing Unit dedicated to this well
180'	1442.36	160.64 acres

18 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft	19. Proposed Depth	20. BLM/BIA Bond No. on file
1800'	MD: 7243 TVD: 2702	NMB000153

21. Elevations (Show whether DF, KDB, RT, GL, etc	22. Approximate date work will start*	23. Estimated duration
3463	1/1/12	33 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form

1. Well plat certified by a registered surveyor.
2. A Drilling Plan
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office)
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above)
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer

25 Signature	Name (*Printed/Typed*)	Date
	Terri Stathem	9/21/11

Title: Regulatory / Production Analyst

Approved by (Signature) /s/ W. W. Ingram	Name (*Printed/Typed*)	Date DEC 5 2011
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval 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.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S C. Section 1001 and Title 43 U.S.C. Section 1212, make 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

(Instructions on page 2)

Roswell Controlled Water Basin

RECEIVED
DEC 09 2011
NMOCD ARTESIA

Approval Subject to General Requirements & Special Stipulations Attached

SEE ATTACHED FOR CONDITIONS OF APPROVAL

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
11885 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, New Mexico 87505

Form C-102
Revised July 16, 2010
Submit to Appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-015-35765	97565	N. Seven Rivers; Glor-Yeso

Property Code	Property Name	Well Number
8396	HUBER FEDERAL	6H

OGRID No.	Operator Name	Elevation
15742	NEARBURG PRODUCING COMPANY	3463'

Surface Location

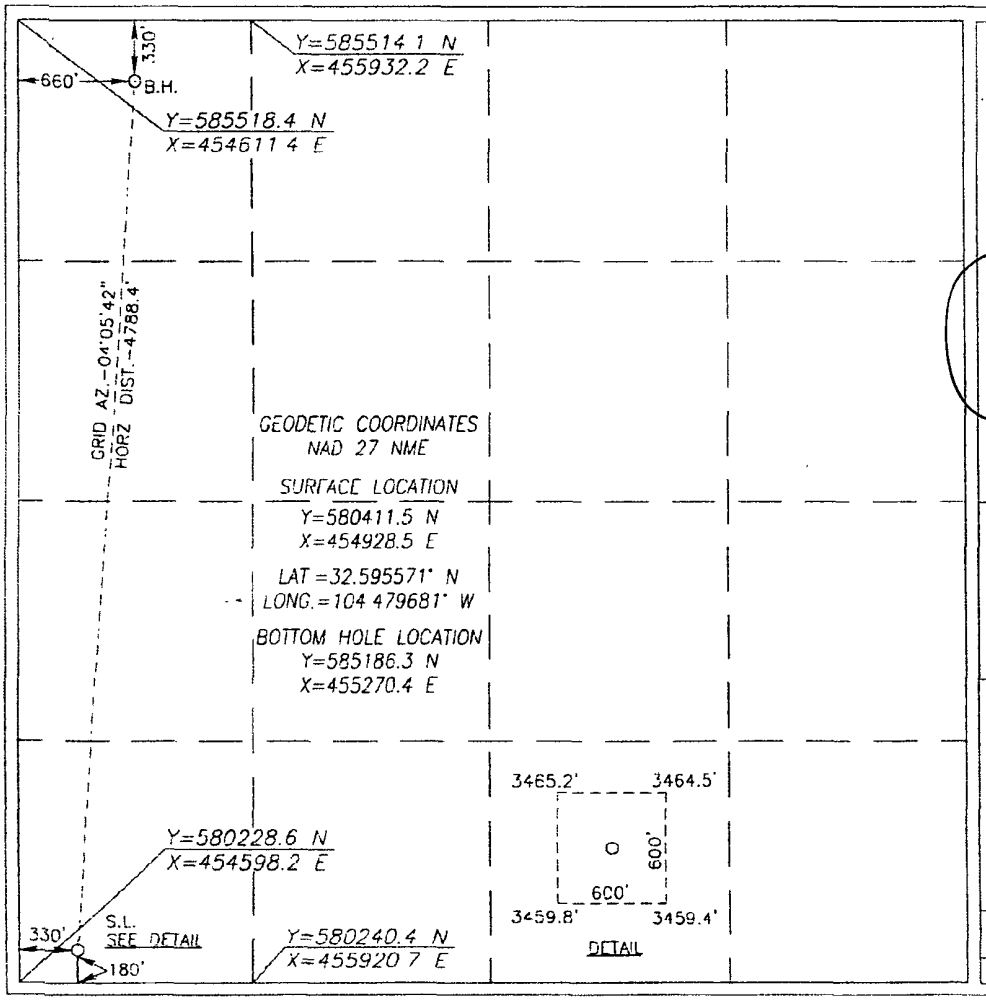
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	3	20-S	25-E		180	SOUTH	330	WEST	EDDY

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
D	3	20-S	25-E		330	NORTH	660	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160.64			

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



OPERATOR CERTIFICATION

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

9/22/11
Signature Date

Terri Stathem
Printed Name

tstathem@nearburg.com
E-mail Address

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

MAY 26, 2011
Date of Survey

Signature & Seal of Professional Surveyor:

RONALD J. EIDSON NEW MEXICO 3239 REGISTERED PROFESSIONAL SURVEYOR

Certificate Number: Gary L. Eidson 12641
Ronald J Eidson 3239

LA JWSC W.O.: 11.11.1171

Exhibit E
Nearburg Producing Company
Huber Federal #6H

SECTION 3, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,

EDDY COUNTY, NEW MEXICO

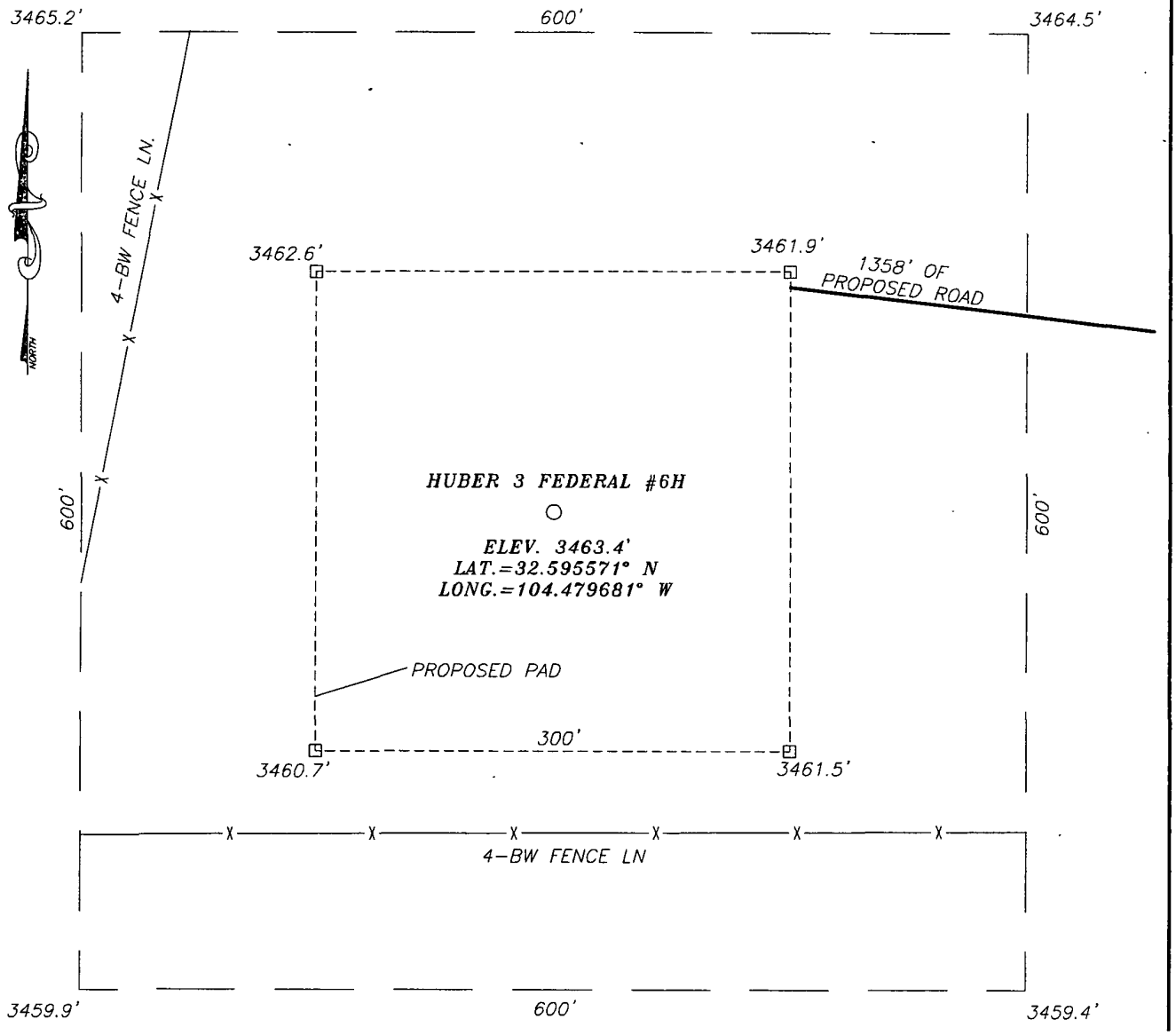


Exhibit A
Nearburg Producing Company
Huber Federal #6H

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF HIGHWAY 285 AND COUNTY ROAD 23 (ROCK DAISY ROAD), GO WEST ON CO RD. #23 APPROX. 2.9 MILES. GO SOUTH FOR APPROX. 1 6 MILES; THEN WEST 0 5 MILES, THEN SOUTH 0.4 MILES TO A PROPOSED ROAD SURVEY. FOLLOW ROAD SURVEY WEST APPROX. 2972 FEET TO THIS LOCATION.

100 0 100 200 Feet

Scale: 1"=100'

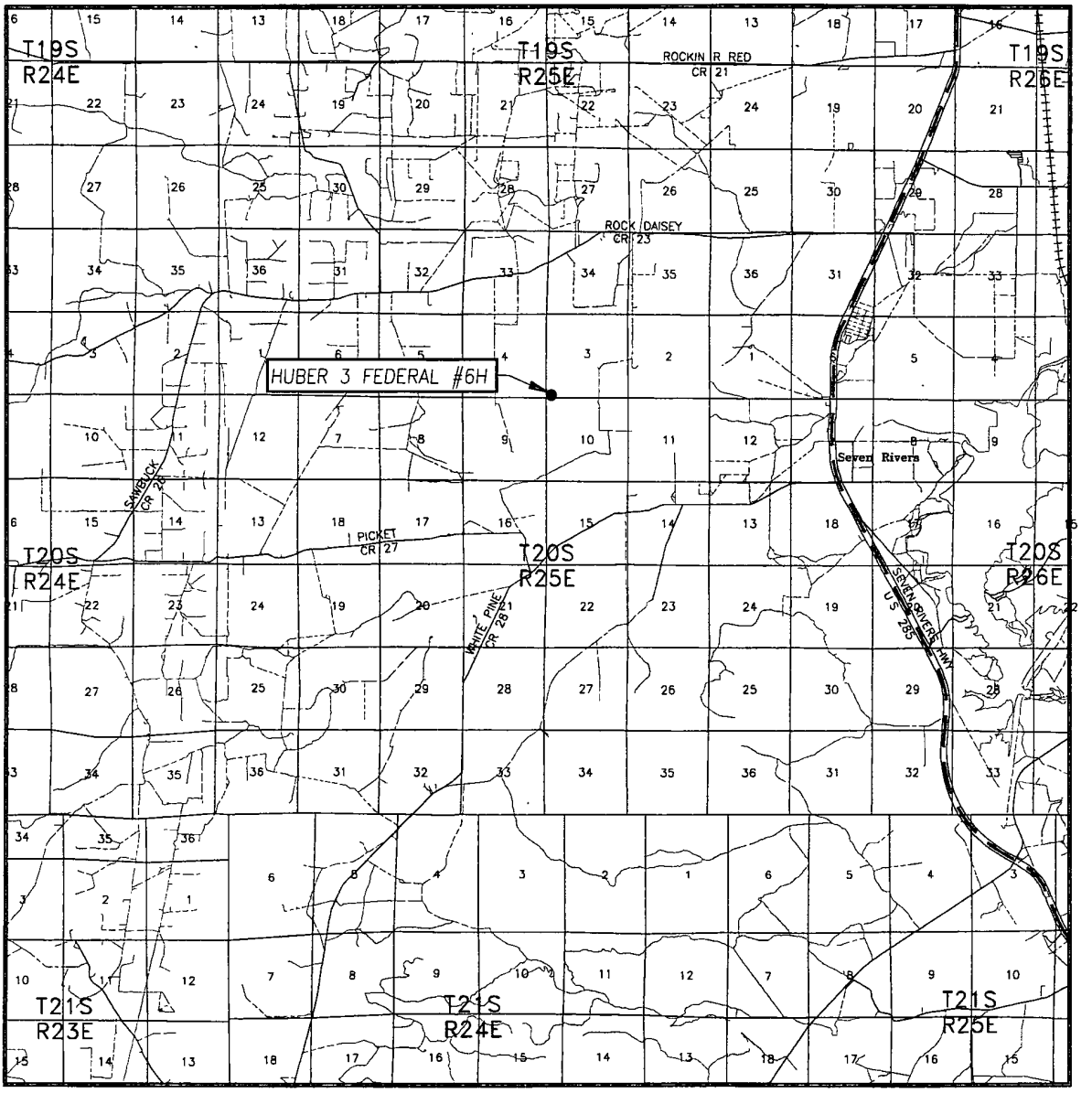
PROVIDING SURVEYING SERVICES SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

NEARBURG PRODUCING COMPANY

HUBER 3 FEDERAL #6H WELL
LOCATED 180 FEET FROM THE SOUTH LINE
AND 330 FEET FROM THE WEST LINE OF SECTION 3,
TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO

Survey Date: 5/25/11	Sheet 1 of 1 Sheets		
W.O. Number. 11.11.1171	Dr By. LA		Rev 1-N/A
Date. 6/1/11		11111171	Scale 1"=100'

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 3 TWP. 20-S RGE. 25-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 180' FSL & 330' FWL

ELEVATION 3463'

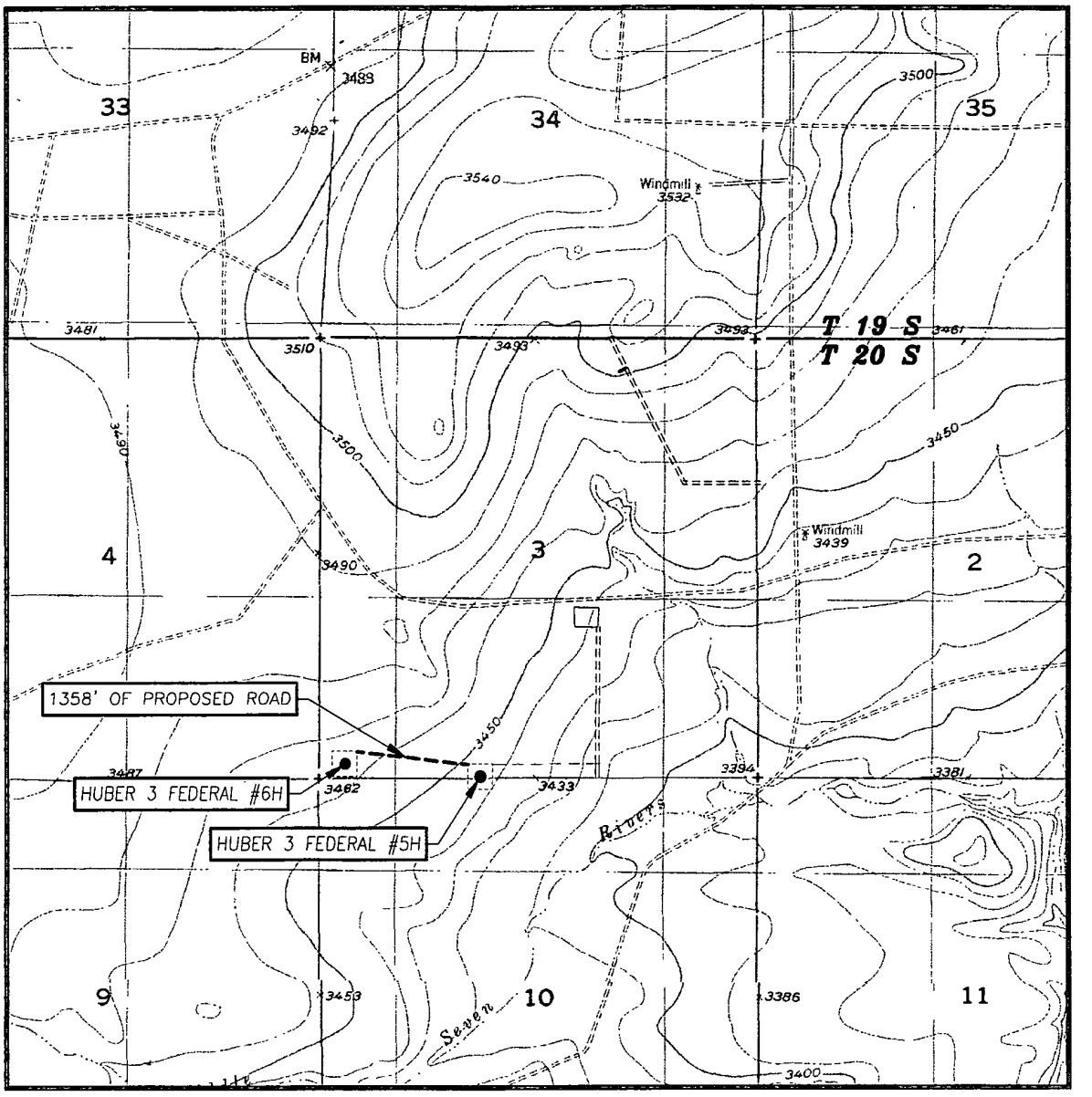
OPERATOR NEARBURG PRODUCING COMPANY

LEASE HUBER 3 FEDERAL

Exhibit C
Nearburg Producing Company
Huber Federal #6H

PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
SEVEN RIVERS, NM

SEC. 3 TWP. 20-S RGE. 25-E

SURVEY N.M.P.M

COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 180' FSL & 330' FWL

ELEVATION 3463'

OPERATOR NEARBURG PRODUCING COMPANY

LEASE HUBER 3 FEDERAL

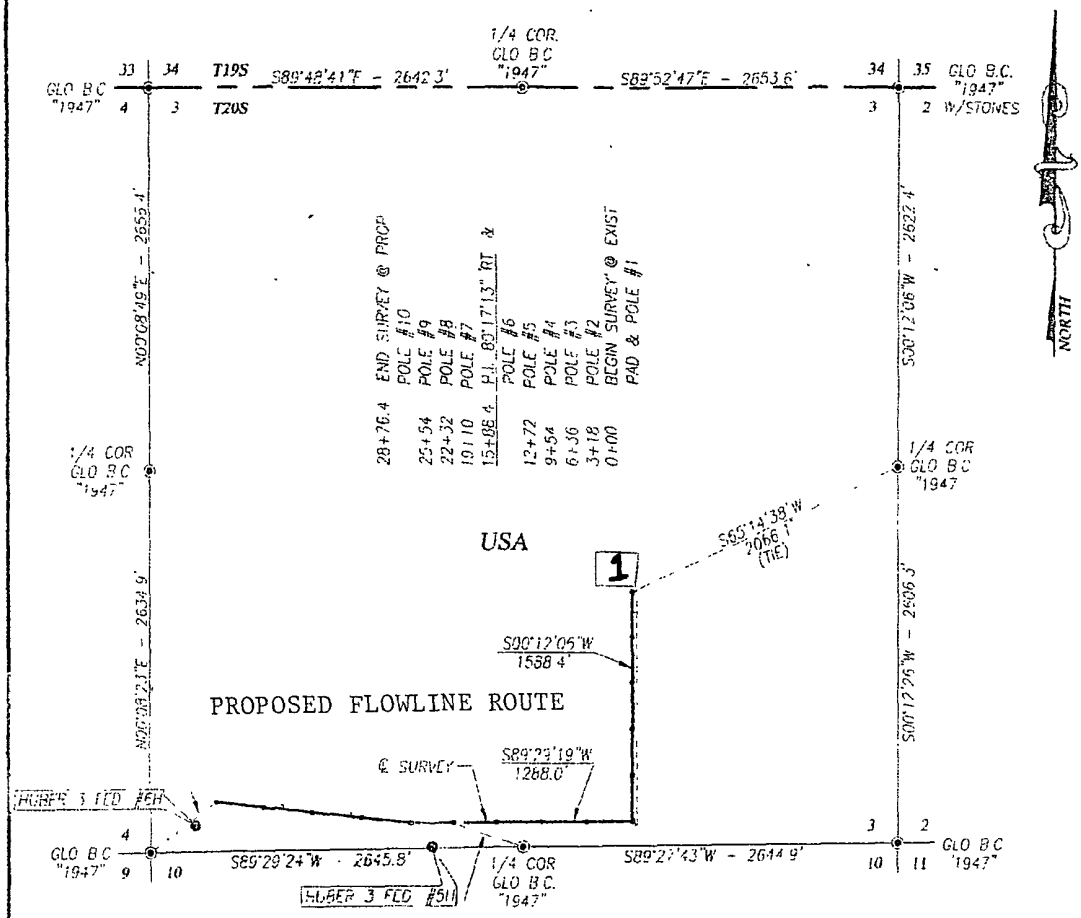
U.S.G.S. TOPOGRAPHIC MAP
SEVEN RIVERS, NM

Exhibit D
Nearburg Producing Company
Huber Federal #6H

PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

SECTION 3, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.

EDDY COUNTY NEW MEXICO



DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE AND 28+76.4 FEET OR 0.545 MILES IN LENGTH CROSSING USA LAND IN SECTION 3, TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM, EDDY COUNTY, NEW MEXICO AND BEING 25.0 FEET LEFT AND 25.0 FEET RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY

Exhibit F
Nearburg Producing Company
Huber Federal #6H

NOTE

BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES

LEGEND

◉ DENOTES FOUND CORNER AS NOTED

1000 0 1000 2000 FEET

Scale: 1"=1000'

I HEREBY CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS ACTUAL ON THE GROUND SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

6/02/2011

GARY G. EIDSON, N.M. P.S. No. 12641
RONALD J. EIDSON, N.M. P.S. No. 3239

PROVIDING SURVEYING SERVICES SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117

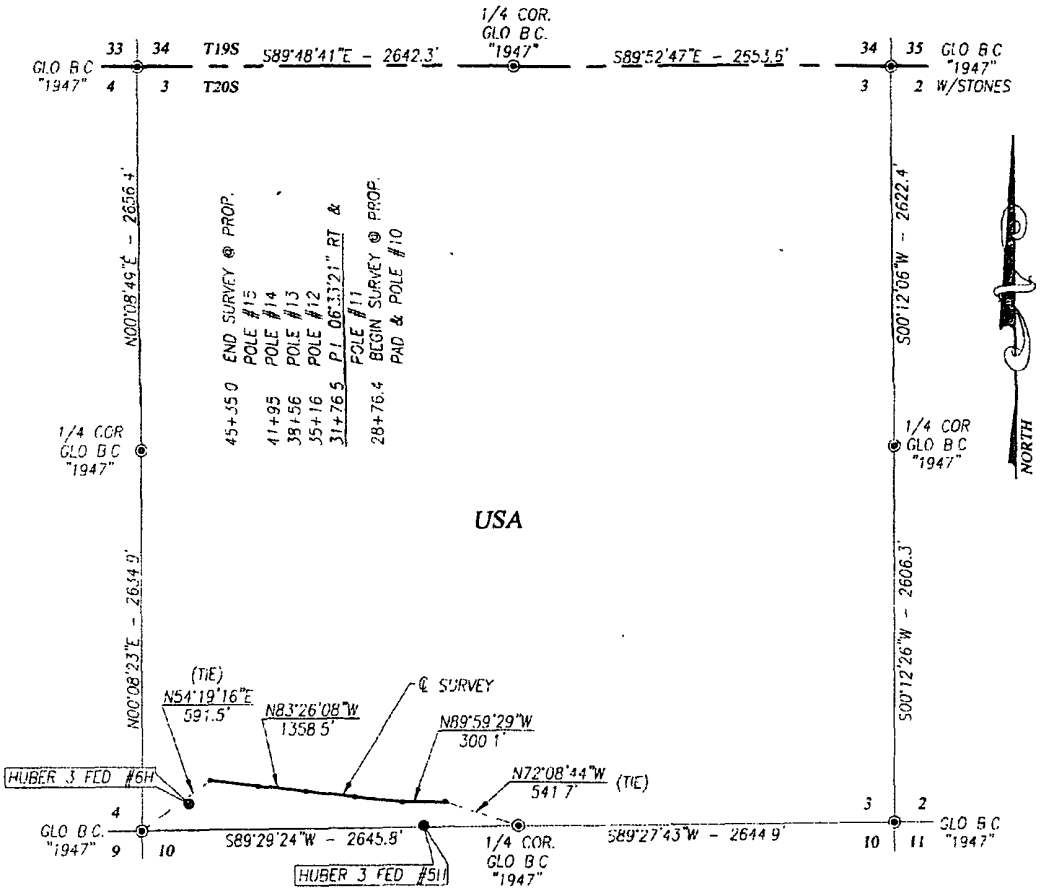
NEARBURG PRODUCING COMPANY

SURVEY OF A MULTI-USE R.O.W. CROSSING SECTION 3, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO

Survey Date: 5/23/11		Sheet 1 of 1 Sheets	
W.O. Number: 11.11.1213		Drawn By: LA	
Date: 6/2/11		CAD File: 11111213	

SECTION 3, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.

EDDY COUNTY NEW MEXICO



DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE AND 1658.6 FEET OR 0.314 MILES IN LENGTH CROSSING USA LAND IN SECTION 3, TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM, EDDY COUNTY, NEW MEXICO AND BEING 25.0 FEET LEFT AND 25.0 FEET RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY

Exhibit G
Nearburg Producing Company
Huber Federal #6H

NOTE

BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES.

LEGEND

◉ DENOTES FOUND CORNER AS NOTED

1000 0 1000 2000 FEET
Scale: 1"=1000'

I HEREBY CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS ACTUAL ON THE GROUND SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

6/02/2011

GARY G. EIDSON, N.M. P.S. No. 12641
RONALD J. EIDSON, N.M. P.S. No. 3239

PROVIDING SURVEYING SERVICES SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117

NEARBURG PRODUCING COMPANY

SURVEY OF A MULTI-USE R.O.W. CROSSING SECTION 3, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO

Survey Date: 5/25/11		Sheet 1 of 1 Sheets	
W.O. Number: 11.11.1221		Drawn By: LA	
Date: 6/2/11		CAD File: 1:111221	

Huber Federal #6H
Sec. 3 20S 25E

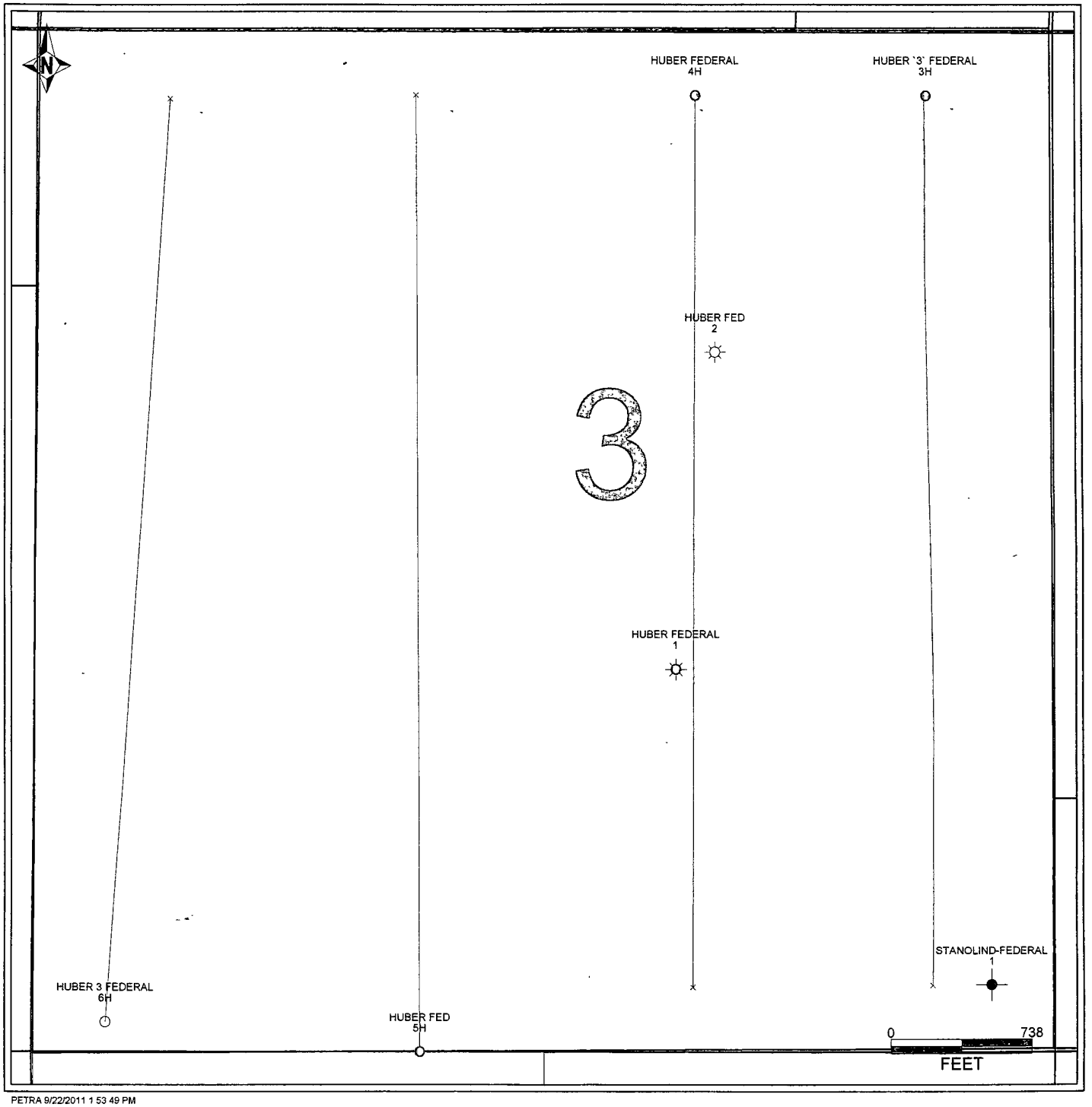


Exhibit I
Nearburg Producing Company
Huber Federal #6H

Attachment to Form 3160-3
Huber Federal #6H
SHL: 180' FSL & 330' FWL, Sec. 3, T-20S, R-25E
BHL: 330' FNL & 660' FWL, Sec. 3, T-20S, R-25E
Eddy County, NM

Drilling Program

1. **GEOLOICAL NAME OF SURFACE FORMATION**
Permian

2. **ESTIMATED TOPS OF GEOLOICAL MARKERS**

Grayburg	432' MD
San Andres	732' MD
Glorieta	2302' TVD
Yeso	2402' TVD

3. **ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS**

Grayburg	432' (MD) Wtr
San Andres	732' (MD) Oil
Yeso	2402' (TVD) Oil

4. **CASING AND CEMENTING PROGRAM**

Csg Sz	Setting Depth	Weight	Grade	Joint	Collapse	Burst	Tension
8-5/8	0-825'	32#	New J55	STC	1.125	1.125	1.6
5-1/2	0-7243'	17#	New N80	LTC	1.126	1.125	1.6

See COA } Equivalent or adequate grades and weights of casing may be substituted at time casing is run, depending on availability.

Drill 12-1/4" hole to 825'. 8-5/8" surface casing will be cemented in 2 Stages: Lead: 180 sxs Thixatropic "H" + 10% A-10 + 1% CC + 10 pps LCM-1 + .25 pps Cello + 5 pps LCM 1. Wt 14.6 ppg. Yield 1.52 cfs. Water 6.15 gps. Tail: 314 sx "C" + 2% CC +1 gps FP-6L. Weight 14.8 ppg. Yield 1.32 cfs. Water 6.3 gps. These volumes based upon circulating cement to surface. 100% excess.

Drill 7-7/8" hole to 7243'. 5-1/2" production casing will be cemented with Stage 2 550 sxs "C" Weight 14.8 Ppg. Yield 1.32 cfs. Water 6.3 gps. The volumes based upon circulating cement to surface. 100% excess. DV Tool at 2000'
Peak Packers will be installed below DV Tool.

* Set isolation packer at the top of the Glorietta to provide isolation between the San Andres + Glorietta.

5. **MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL**

Exhibit 1 & 2. Nipple up on 8-5/8" with 11", 2M system and test to 2000 with independent tester.

BOP will be operationally checked each 24 hr period. BOP will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. A 2" kill line and a 3" choke line will be included in the drilling spool located below the BOP. Other accessories to the BOP equipment will include a Kelly Cock and floor safety valve (inside BOP) and choke lines and choke manifold with 2000 psi WP rating.

6. **TYPES AND CHARACTERICS OF THE PROPOSED MUD SYSTEM**

DEPTH	TYPE SYSTEM	MUD WT	VISC	WATERLOSS
0 – 825'	Fresh Water	8.4 - 9.2	29	N.C.
825 – 7243'	Fresh Water/Cut Brine	8.3 - 9.2	29	N.C.

The necessary mud products for weight addition and fluid loss control will be on location at all times.

7. **AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT**

NONE REQUIRED

8. **LOGGING, TESTING, AND CORING PROGRAM** See COA

DLL/CNL/LDT/CAL/GR logging is planned. Drill stem tests, cores, and sidewall cores are possible.

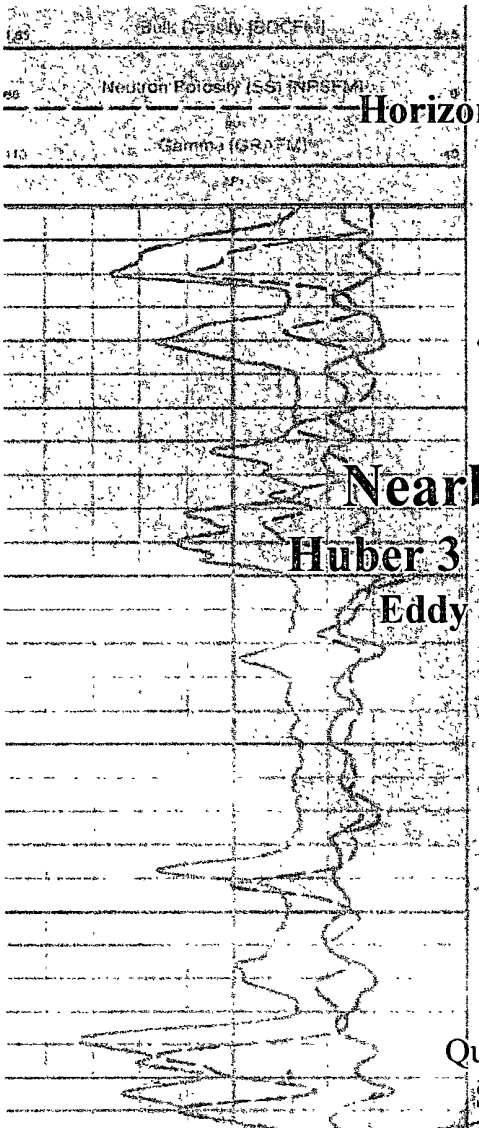
9. **ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES, & POTENTIAL HAZARDS**

None anticipated. BHP expected to be 1,100 psi.

10. **ANTICIPATED STARTING DATE**

Operations are planned to commence on January 1, 2012 with drilling and completion operations lasting 23 days.

Aim
Directional Services, LLC



Horizontal Proposal Package

Nearburg Producing
Huber 3 Federal, Well No. 6H
Eddy County, New Mexico

Attn: Matt Lee

Quote No.: 090811329
September 8, 2011

Mike Jensen mjensen@aimdir.com
Jake Venable jvenable@aimdir.com
Thomas Rinald trinald@aimdir.com
Allison Reinert areinert@aimdir.com
Randal Rinald rrinald@aimdir.com
Sabrina Harwood sharwood@aimdir.com

500 N. Water St. Suite 404 Corpus Christi, Texas 78401
Phone 361-653-6500 Fax 361-653-6599

Nearburg Producing Co.

Huber "3" Federal, Well No. 6H
Eddy County, New Mexico
Sec. 3-20S-25E
Quote No. 090811329

Aim
Directional Services, LLC

SITE DETAILS

Huber "3" Fed #6H

Site Centre Northing	580411 50
Easting	454928 50
Ground Level	3463 00
Positional Uncertainty	0 00
Convergence	-0 15

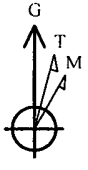
FIELD DETAILS

Eddy County, New Mexico

Geodetic System	US State Plane Coordinate System 1983
Ellipsoid	GRS 1980
Zone	New Mexico, Eastern Zone
Magnetic Model	WMM_2010
System Datum	Mean Sea Level
Local North	Grid North

ANNOTATIONS

No	TVD	MD	Annotation
1	2129 00	2129.00	KOP, Build 10 00°/100'
2	2701 96	3028 99	Hold 90 00°, 4 10° Azimuth
3	2702 00	7243 06	PBHL - Lateral



Azimuths to Grid North
True North 0 15°
Magnetic North 8 23°

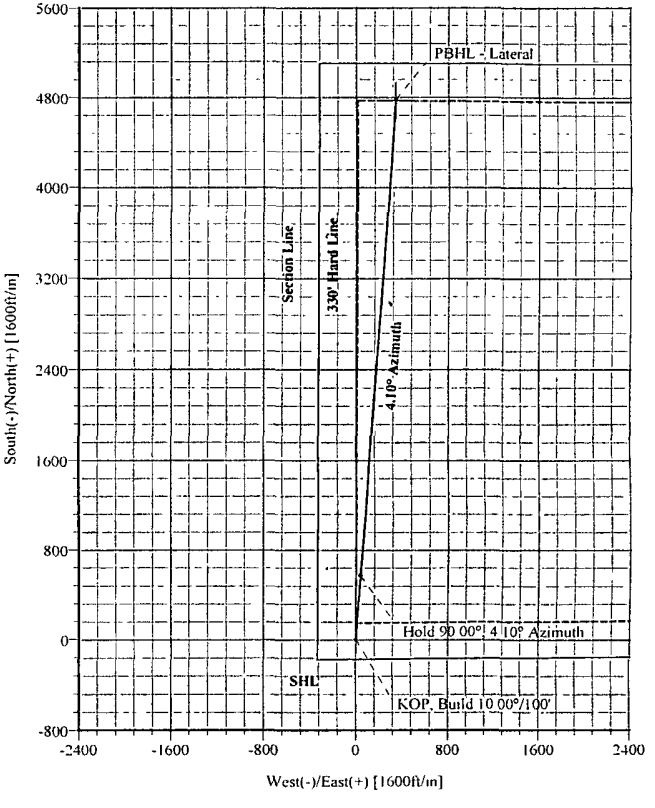
Magnetic Field
Strength. 48722nT
Dip Angle 60 33°
Date 09/08/2011
Model WMM_2010

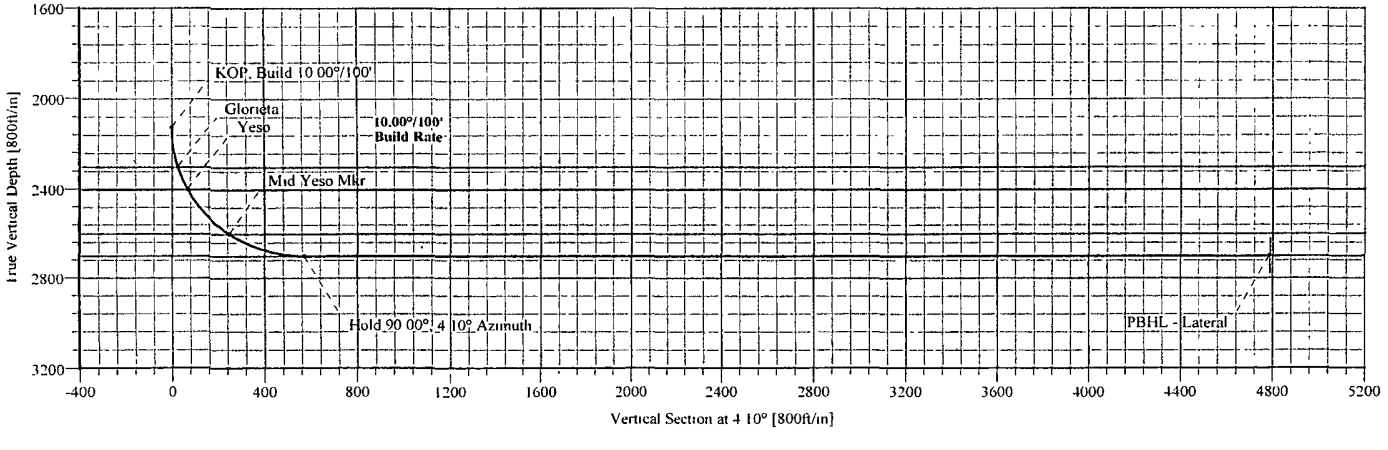
TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
PBHL - Lateral	2702 00	4774.80	341 90	585186 30	455270 40	32°36'30 293N	104°36'46 238W	Point

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	2129 00	0 00	0 00	2129 00	0 00	0 00	0 00	0 00	0 00	
2	3028 99	90 00	4 10	2701 96	571 49	40 92	10 00	4 10	572.95	
3	7243 07	90 00	4 10	2702 00	4774 80	341 90	0.00	0 00	4787 03	PBHL - Lateral





Drawn By SNH
Date Created 09/08/11
Date Revised 09/08/11
File Nearburg Producing- Huber 3 Federal #6H Lateral 1r0 gpj32

Aim Directional Services
Planning Report - Geographic

Company:	Nearburg Producing Company	**Date:**	09/08/2011	**Time:** 13:56:12	**Page:** 1
Field:	Eddy County, New Mexico	**Co-ordinate(NE) Reference:**	Well: #6H, Grid North		
Site:	Huber "3" Fed #6H	**Vertical (TVD) Reference:**	SITE 3477.0		
Well:	#6H	**Section (VS) Reference:**	Well (0.00N,0.00E,4.10Azi)		
Wellpath:	Lateral 1r0	**Plan:**	Lateral 1r0		

Field: Eddy County, New Mexico

Map System:	US State Plane Coordinate System 1983	**Map Zone:**	New Mexico, Eastern Zone
Geo Datum:	GRS 1980	**Coordinate System:**	Well Centre
Sys Datum:	Mean Sea Level	**Geomagnetic Model:**	WMM_2010

Site: Huber "3" Fed #6H

Site Position:		**Northing:**	580411.50 ft	**Latitude:**	32	35	43 035 N
From:	Map	**Easting:**	454928.50 ft	**Longitude:**	104	36	50 087 W
Position Uncertainty:	0.00 ft			**North Reference:**			Grid
Ground Level:	3463.00 ft			**Grid Convergence:**			-0 15 deg

Well: #6H **Slot Name:**

Well Position:	+N/-S	0.00 ft	**Northing:**	580411 50 ft	**Latitude:**	32	35	43.035 N
	+E/-W	0 00 ft	**Easting :**	454928.50 ft	**Longitude:**	104	36	50.087 W
Position Uncertainty:		0 00 ft						

Wellpath: Lateral 1r0 **Drilled From:** Surface

Tie-on Depth: 0.00 ft

Current Datum:	SITE	***Height*** 3477 00 ft	**Above System Datum:** Mean Sea Level
Magnetic Data:	09/08/2011		**Declination:** 8 07 deg
Field Strength:	48722 nT		**Mag Dip Angle:** 60.33 deg

Vertical Section:	**Depth From (TVD)** ft	**+N/-S** ft	**+E/-W** ft	**Direction** deg
	0.00	0 00	0.00	4.10

Plan: Lateral 1r0 **Date Composed:** 09/08/2011

Version: 1

Principal: Yes **Tied-to:** User Defined

Plan Section Information

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
2129 00	0 00	0.00	2129 00	0.00	0 00	0.00	0.00	0.00	0 00	
3028 99	90 00	4 10	2701.96	571.49	40.92	10.00	10.00	0.46	4.10	
7243.07	90 00	4 10	2702 00	4774 80	341 90	0.00	0.00	0.00	0.00	PBHL - Lateral

Section 1 : Start DLS 10 00 TFO 4.10

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
2129.00	0 00	0 00	2129.00	0 00	0.00	0.00	0.00	0 00	0.00	0 00
2150.00	2 10	4.10	2150.00	0.38	0 03	0.38	10.00	10.00	0 00	0.00
2200 00	7.10	4.10	2199.82	4.38	0 31	4.39	10.00	10.00	0.00	0 00
2250 00	12.10	4 10	2249.10	12.70	0.91	12.73	10.00	10 00	0.00	0.00
2300 00	17.10	4.10	2297.47	25 26	1.81	25.33	10 00	10.00	0.00	0.00
2304 74	17.57	4 10	2302.00	26.67	1 91	26.74	10.00	10.00	0.00	0.00
2350.00	22 10	4 10	2344.56	41 99	3.01	42.10	10 00	10.00	0 00	0 00
2400.00	27.10	4.10	2390.01	62 74	4.49	62.90	10.00	10.00	0 00	0.00
2413.55	28 46	4 10	2402.00	69.04	4 94	69.22	10.00	10.00	0.00	0 00
2450.00	32 10	4.10	2433.47	87.37	6.26	87.59	10.00	10 00	0.00	0 00
2500.00	37 10	4.10	2474 61	115.68	8.28	115.98	10.00	10 00	0.00	0 00
2550.00	42 10	4.10	2513 13	147.46	10 56	147.84	10.00	10.00	0.00	0.00
2600.00	47 10	4.10	2548.72	182.47	13.07	182.93	10.00	10.00	0 00	0.00
2650.00	52.10	4.10	2581 11	220.43	15.78	221.00	10.00	10.00	0 00	0.00
2685.43	55 64	4.10	2602.00	248.98	17.83	249.61	10.00	10.00	0.00	0.00
2700.00	57.10	4 10	2610.07	261 07	18.69	261.74	10 00	10 00	0.00	0.00
2750.00	62 10	4.10	2635.36	304.08	21.77	304 85	10 00	10.00	0.00	0.00
2800.00	67 10	4 10	2656 80	349 11	25 00	350.01	10 00	10.00	0 00	0.00
2850.00	72 10	4.10	2674 22	395.84	28 34	396 86	10.00	10.00	0.00	0.00
2900 00	77 10	4.10	2687.50	443.91	31.79	445.04	10.00	10 00	0.00	0 00
2950 00	82.10	4.10	2696.52	492 95	35.30	494.21	10.00	10.00	0 00	0 00

Aim Directional Services
Planning Report - Geographic

Company:	Nearburg Producing Company	**Date:**	09/08/2011	**Time:** 13:56:12	**Page:** 2
Field:	Eddy County, New Mexico	**Co-ordinate(NE) Reference:**	Well: #6H, Grid North		
Site:	Huber "3" Fed #6H	**Vertical (TVD) Reference:**	SITE 3477.0		
Well:	#6H	**Section (VS) Reference:**	Well (0.00N,0.00E,4.10Azi)		
Wellpath:	Lateral 1r0	**Plan:**	Lateral 1r0		

Section 1 : Start DLS 10.00 TFO 4.10

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
3000.00	87 10	4 10	2701.22	542.58	38.85	543.97	10.00	10.00	0.00	0.00
3028.99	90.00	4 10	2701.96	571.49	40.92	572 95	10.00	10.00	0.00	0.00

Section 2 : Start Hold

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
3100.00	90.00	4 10	2701.96	642.31	45.99	643 96	0.00	0.00	0.00	0.00
3200.00	90.00	4 10	2701.96	742.06	53.14	743.96	0.00	0.00	0 00	0 00
3300.00	90.00	4 10	2701.96	841.80	60.28	843.96	0.00	0 00	0 00	0 00
3400.00	90.00	4 10	2701.96	941.55	67.42	943.96	0.00	0.00	0 00	0 00
3500.00	90.00	4.10	2701.96	1041.29	74.56	1043 96	0.00	0.00	0.00	0 00
3600.00	90.00	4 10	2701 96	1141.04	81 70	1143.96	0.00	0 00	0 00	0 00
3700.00	90.00	4 10	2701.96	1240.78	88.85	1243.96	0.00	0.00	0 00	0 00
3800.00	90.00	4.10	2701 97	1340.53	95 99	1343.96	0.00	0 00	0 00	0.00
3900.00	90 00	4.10	2701.97	1440.27	103 13	1443.96	0.00	0 00	0 00	0.00
4000.00	90 00	4 10	2701.97	1540.01	110 27	1543.96	0.00	0 00	0 00	0 00
4100.00	90.00	4.10	2701 97	1639.76	117 42	1643.96	0.00	0.00	0 00	0 00
4200.00	90.00	4.10	2701.97	1739.50	124 56	1743.96	0.00	0 00	0 00	0.00
4300.00	90 00	4.10	2701.97	1839.25	131 70	1843.96	0 00	0 00	0.00	0.00
4400.00	90.00	4.10	2701.97	1938.99	138.84	1943.96	0.00	0.00	0.00	0.00
4500.00	90.00	4.10	2701.97	2038 74	145.98	2043.96	0 00	0.00	0 00	0 00
4600.00	90 00	4.10	2701.97	2138.48	153 13	2143.96	0 00	0.00	0.00	0.00
4700.00	90.00	4.10	2701.97	2238.23	160.27	2243.96	0.00	0.00	0.00	0.00
4800 00	90.00	4.10	2701.98	2337 97	167.41	2343.96	0.00	0.00	0 00	0.00
4900.00	90.00	4 10	2701 98	2437.72	174.55	2443.96	0.00	0.00	0.00	0.00
5000.00	90 00	4 10	2701 98	2537.46	181 70	2543.96	0 00	0 00	0.00	0.00
5100 00	90 00	4 10	2701.98	2637.21	188 84	2643.96	0 00	0.00	0 00	0 00
5200.00	90.00	4.10	2701.98	2736.95	195.98	2743.96	0.00	0.00	0 00	0.00
5300.00	90.00	4 10	2701.98	2836 69	203 12	2843.96	0 00	0.00	0 00	0.00
5400.00	90.00	4 10	2701.98	2936 44	210.26	2943.96	0.00	0.00	0.00	0.00
5500.00	90 00	4 10	2701.98	3036 18	217.41	3043 96	0.00	0 00	0 00	0.00
5600.00	90 00	4 10	2701.98	3135.93	224.55	3143.96	0.00	0.00	0.00	0.00
5700.00	90.00	4.10	2701.98	3235.67	231.69	3243 96	0.00	0.00	0.00	0.00
5800 00	90 00	4.10	2701.99	3335.42	238.83	3343.96	0 00	0.00	0.00	0.00
5900.00	90.00	4 10	2701.99	3435.16	245.98	3443.96	0.00	0 00	0.00	0.00
6000.00	90.00	4.10	2701.99	3534 91	253.12	3543.96	0 00	0 00	0.00	0.00
6100.00	90.00	4.10	2701.99	3634.65	260.26	3643.96	0.00	0.00	0.00	0.00
6200.00	90.00	4.10	2701.99	3734.40	267 40	3743.96	0.00	0.00	0.00	0.00
6300.00	90 00	4.10	2701.99	3834.14	274 54	3843.96	0.00	0.00	0.00	0 00
6400.00	90.00	4.10	2701.99	3933.89	281 69	3943.96	0.00	0.00	0.00	0.00
6500 00	90.00	4 10	2701.99	4033.63	288.83	4043.96	0.00	0 00	0.00	0.00
6600.00	90.00	4.10	2701.99	4133.37	295.97	4143.96	0 00	0 00	0.00	0.00
6700.00	90 00	4.10	2701.99	4233.12	303.11	4243.96	0 00	0 00	0.00	0.00
6800.00	90.00	4.10	2702.00	4332.86	310.26	4343.96	0 00	0.00	0.00	0.00
6900.00	90.00	4 10	2702.00	4432.61	317.40	4443 96	0.00	0.00	0 00	0 00
7000 00	90.00	4.10	2702.00	4532.35	324.54	4543.96	0.00	0.00	0.00	0.00
7100.00	90 00	4 10	2702 00	4632.10	331 68	4643.96	0.00	0.00	0 00	0.00
7200.00	90 00	4 10	2702.00	4731.84	338.82	4743.96	0.00	0.00	0.00	0.00
7243.07	90.00	4.10	2702.00	4774 80	341 90	4787.03	0.00	0 00	0 00	0 00

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	<--- Latitude ---> Deg Min Sec	<--- Longitude ---> Deg Min Sec
2129.00	0.00	0.00	2129.00	0.00	0 00	580411.50	454928.50	32 35 43.035 N	104 36 50.087 W
2150.00	2 10	4.10	2150.00	0.38	0 03	580411.88	454928.53	32 35 43.039 N	104 36 50.087 W
2200.00	7.10	4.10	2199.82	4.38	0 31	580415 88	454928 81	32 35 43.079 N	104 36 50 084 W
2250.00	12.10	4.10	2249.10	12.70	0 91	580424.20	454929.41	32 35 43.161 N	104 36 50.077 W
2300.00	17 10	4 10	2297.47	25.26	1.81	580436.76	454930 31	32 35 43.285 N	104 36 50 067 W
2304 74	17.57	4.10	2302.00	26.67	1.91	580438.17	454930.41	32 35 43.299 N	104 36 50.066 W
2350.00	22.10	4.10	2344.56	41 99	3.01	580453 49	454931.51	32 35 43 451 N	104 36 50.054 W

Aim Directional Services
Planning Report - Geographic

Company:	Nearburg Producing Company	**Date:**	09/08/2011	**Time:**	13:56:12
Field:	Eddy County, New Mexico	**Co-ordinate(NE) Reference:**	Well #6H, Grid North		
Site:	Huber "3" Fed #6H	**Vertical (TVD) Reference:**	SITE 3477.0		
Well:	#6H	**Section (VS) Reference:**	Well (0.00N,0.00E,4.10Azi)		
Wellpath:	Lateral 1r0	**Plan:**	Lateral 1r0		

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	<--- Latitude ---> Deg Min Sec	<--- Longitude ---> Deg Min Sec
2400.00	27.10	4.10	2390.01	62 74	4 49	580474 24	454932.99	32 35 43.656 N	104 36 50.037 W
2413.55	28.46	4.10	2402.00	69 04	4 94	580480 54	454933 44	32 35 43.719 N	104 36 50.032 W
2450 00	32.10	4 10	2433.47	87.37	6 26	580498.87	454934 76	32 35 43 900 N	104 36 50.017 W
2500 00	37 10	4.10	2474.61	115.68	8.28	580527.18	454936.78	32 35 44 180 N	104 36 49.994 W
2550.00	42.10	4.10	2513.13	147.46	10 56	580558.96	454939.06	32 35 44.495 N	104 36 49.969 W
2600.00	47.10	4.10	2548.72	182.47	13 07	580593.97	454941.57	32 35 44.841 N	104 36 49.940 W
2650.00	52.10	4.10	2581.11	220 43	15.78	580631 93	454944.28	32 35 45.217 N	104 36 49.910 W
2685.43	55.64	4.10	2602.00	248.98	17.83	580660 48	454946.33	32 35 45.500 N	104 36 49 887 W
2700.00	57.10	4 10	2610 07	261.07	18 69	580672.57	454947 19	32 35 45 619 N	104 36 49 877 W
2750.00	62.10	4 10	2635 36	304 08	21 77	580715.58	454950.27	32 35 46.045 N	104 36 49 842 W
2800 00	67.10	4.10	2656 80	349.11	25.00	580760.61	454953.50	32 35 46.491 N	104 36 49 806 W
2850.00	72.10	4.10	2674.22	395.84	28.34	580807.34	454956.84	32 35 46.953 N	104 36 49 768 W
2900.00	77.10	4.10	2687.50	443.91	31.79	580855.41	454960.29	32 35 47.429 N	104 36 49.730 W
2950.00	82.10	4.10	2696.52	492.95	35.30	580904 45	454963 80	32 35 47.914 N	104 36 49.690 W
3000 00	87 10	4 10	2701.22	542.58	38.85	580954.08	454967 35	32 35 48 405 N	104 36 49.650 W
3028.99	90 00	4.10	2701.96	571.49	40 92	580982 99	454969.42	32 35 48 692 N	104 36 49.627 W
3100 00	90 00	4.10	2701.96	642.31	45 99	581053.81	454974.49	32 35 49 393 N	104 36 49.570 W
3200 00	90.00	4 10	2701.96	742.06	53 14	581153.56	454981.64	32 35 50.380 N	104 36 49 489 W
3300.00	90 00	4 10	2701.96	841 80	60.28	581253.30	454988.78	32 35 51.367 N	104 36 49.409 W
3400.00	90 00	4 10	2701 96	941 55	67 42	581353.05	454995.92	32 35 52.354 N	104 36 49.328 W
3500.00	90 00	4 10	2701.96	1041.29	74.56	581452.79	455003 06	32 35 53 341 N	104 36 49.248 W
3600 00	90 00	4.10	2701.96	1141.04	81 70	581552.54	455010 20	32 35 54.328 N	104 36 49.167 W
3700 00	90 00	4 10	2701.96	1240.78	88 85	581652.28	455017.35	32 35 55.316 N	104 36 49 087 W
3800.00	90.00	4 10	2701.97	1340.53	95.99	581752.03	455024.49	32 35 56 303 N	104 36 49 007 W
3900.00	90.00	4.10	2701.97	1440.27	103.13	581851 77	455031 63	32 35 57.290 N	104 36 48 926 W
4000.00	90.00	4.10	2701.97	1540.01	110 27	581951 51	455038 77	32 35 58.277 N	104 36 48.846 W
4100.00	90.00	4.10	2701.97	1639.76	117.42	582051 26	455045.92	32 35 59.264 N	104 36 48.765 W
4200.00	90.00	4.10	2701.97	1739.50	124.56	582151.00	455053 06	32 36 0.252 N	104 36 48.685 W
4300.00	90.00	4 10	2701.97	1839.25	131.70	582250.75	455060.20	32 36 1.239 N	104 36 48.605 W
4400.00	90.00	4 10	2701.97	1938.99	138 84	582350.49	455067.34	32 36 2.226 N	104 36 48 524 W
4500.00	90.00	4 10	2701.97	2038.74	145.98	582450.24	455074.48	32 36 3.213 N	104 36 48.444 W
4600.00	90.00	4 10	2701.97	2138.48	153.13	582549.98	455081.63	32 36 4.200 N	104 36 48.363 W
4700.00	90.00	4.10	2701.97	2238.23	160 27	582649 73	455088.77	32 36 5.188 N	104 36 48 283 W
4800 00	90 00	4.10	2701.98	2337.97	167.41	582749.47	455095.91	32 36 6 175 N	104 36 48.202 W
4900.00	90.00	4 10	2701.98	2437.72	174.55	582849.22	455103.05	32 36 7.162 N	104 36 48 122 W
5000 00	90.00	4 10	2701.98	2537 46	181.70	582948.96	455110.20	32 36 8.149 N	104 36 48.042 W
5100 00	90.00	4.10	2701.98	2637.21	188.84	583048.71	455117.34	32 36 9 136 N	104 36 47 961 W
5200.00	90 00	4 10	2701.98	2736 95	195.98	583148.45	455124 48	32 36 10 124 N	104 36 47 881 W
5300.00	90.00	4 10	2701.98	2836.69	203.12	583248 19	455131.62	32 36 11.111 N	104 36 47.800 W
5400.00	90 00	4.10	2701.98	2936.44	210.26	583347.94	455138.76	32 36 12.098 N	104 36 47.720 W
5500.00	90.00	4 10	2701.98	3036.18	217 41	583447.68	455145.91	32 36 13 085 N	104 36 47.639 W
5600.00	90.00	4 10	2701.98	3135.93	224.55	583547.43	455153.05	32 36 14.072 N	104 36 47 559 W
5700.00	90 00	4.10	2701.98	3235 67	231.69	583647.17	455160.19	32 36 15.060 N	104 36 47 479 W
5800.00	90.00	4.10	2701 99	3335.42	238.83	583746.92	455167.33	32 36 16.047 N	104 36 47.398 W
5900.00	90 00	4.10	2701.99	3435.16	245.98	583846 66	455174 48	32 36 17.034 N	104 36 47 318 W
6000.00	90.00	4.10	2701.99	3534.91	253.12	583946.41	455181.62	32 36 18 021 N	104 36 47.237 W
6100.00	90.00	4.10	2701.99	3634.65	260 26	584046.15	455188.76	32 36 19.008 N	104 36 47 157 W
6200.00	90.00	4.10	2701.99	3734.40	267.40	584145.90	455195.90	32 36 19.995 N	104 36 47 076 W
6300.00	90.00	4.10	2701.99	3834.14	274.54	584245.64	455203.04	32 36 20.983 N	104 36 46.996 W
6400 00	90 00	4.10	2701.99	3933 89	281 69	584345.39	455210 19	32 36 21.970 N	104 36 46.916 W
6500 00	90.00	4 10	2701 99	4033.63	288.83	584445.13	455217.33	32 36 22.957 N	104 36 46.835 W
6600 00	90.00	4 10	2701.99	4133.37	295 97	584544 87	455224.47	32 36 23 944 N	104 36 46 755 W
6700 00	90 00	4 10	2701.99	4233.12	303 11	584644.62	455231.61	32 36 24.931 N	104 36 46 674 W

Aim Directional Services
Planning Report - Geographic

Company:	Nearburg Producing Company	**Date:**	09/08/2011	**Time:**	13:56:12
Field:	Eddy County, New Mexico	**Co-ordinate(NE) Reference:**	Well: #6H, Grid North	**Page:**	4
Site:	Huber "3" Fed #6H	**Vertical (TVD) Reference:**	SITE 3477.0		
Well:	#6H	**Section (VS) Reference:**	Well (0.00N,0.00E,4.10Azi)		
Wellpath:	Lateral 1r0	**Plan:**	Lateral 1r0		

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	<---- Latitude ----> Deg Min Sec	<--- Longitude ---> Deg Min Sec
6800.00	90.00	4.10	2702.00	4332.86	310.26	584744.36	455238.76	32 36 25.919 N	104 36 46.594 W
6900.00	90.00	4.10	2702.00	4432.61	317.40	584844.11	455245.90	32 36 26.906 N	104 36 46.513 W
7000.00	90.00	4.10	2702.00	4532.35	324.54	584943.85	455253.04	32 36 27.893 N	104 36 46.433 W
7100.00	90.00	4.10	2702.00	4632.10	331.68	585043.60	455260.18	32 36 28.880 N	104 36 46.353 W
7200.00	90.00	4.10	2702.00	4731.84	338.82	585143.34	455267.32	32 36 29.867 N	104 36 46.272 W
7243.07	90.00	4.10	2702.00	4774.80	341.90	585186.30	455270.40	32 36 30.293 N	104 36 46.238 W

Targets

Name	Description Dip.	Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	<---- Latitude ----> Deg Min Sec	<--- Longitude ---> Deg Min Sec
PBHL - Lateral			2702.00	4774.80	341.90	585186.30	455270.40	32 36 30.293 N	104 36 46.238 W

Formations

MD ft	TVD ft	Formations	Lithology	Dip Angle deg	Dip Direction deg
	0.00	Grayburg		0.00	0.00
	0.00	San Andres		0.00	0.00
2304.74	2302.00	Glorieta		0.00	0.00
2413.55	2402.00	Yeso		0.00	0.00
2685.43	2602.00	Mid Yeso Mkr		0.00	0.00
7200.00	2702.00	Target Center Line		0.00	0.00

Annotation

MD ft	TVD ft	
2129.00	2129.00	KOP, Build 10.00°/100'
3028.99	2701.96	Hold 90.00°, 4.10° Azimuth
7243.06	2702.00	PBHL - Lateral

Directional / MWD Standard Temp Price Quote

Nearburg Producing
Huber 3 Federal, Well No. 6H
Eddy County, New Mexico
Quote No.: 090811329

Date: 09/08/11

Aim Directional Services, LLC

Aim Directional / MWD Operating (Standard Temp):	**$8,600.00**
Performance Motor(s), Directional Supervisor (2), Per Diem, Float Sub, Steel Pony Collar	
MWD Tools and Equipment, MWD Engineer (1), Per Diem, Non-Mag Collars, UBHO Sub	
Standby:	$4,800 00
Additional Daily Charges if applicable:	
MWD Cabin	$150.00
Lodging - per man per day (if not provided by customer)	$150 00
EM-MWD System	$1,500.00
Evenwall Motors	$1,500.00
Gamma - includes 2nd MWD Engineer, (2) MD/TVD logs, and (1) CD-ROM.	$900.00
50% LIH Coverage	See Attached Schedule
Misc. Additional Charges if applicable:	
Float Valve (sale) if used or not returned	$795.00
Drill Pipe Screens (sale)	$750.00
Personnel Round-Trip Mileage (per mile per man)	$2.25
Transportation of Tools and Equipment to and from location	Billed direct to customer
Well Planning & Engineering (per well)	$1,000 00
Gamma Memory Log Export (per well)	$1,000.00
Stabilizers (Nortrak, String or Nearbit), Hole Opener	Third Party
EM Gap Sub Service Fee (per well)	$2,500.00
Inspection & Repairs - Steel (per used connection)	$150.00
Inspection & Repairs - Non-Mag (per used connection)	$275.00
Performance Motor Inspection - per used motor	See Attached Schedule
* Reline Charge for Performance Motors - per used motor	See Attached Schedule
Additional MD/TVD Logs	$50 00
Additional CD-Rom or Color Logs	$150.00
Shipping and Handling of additional logs (per address)	$50.00
EM Triple D-Cell Battery (per used battery)	$1,800.00
MWD Battery 150°C (per used battery)	$1,200.00
MWD Battery 175°C (per used battery)	$1,500.00

Estimated Daily Operating Cost: $8,600.00

* Stator reline charges apply when run in Oil Base Mud, Air Drilling or circulating temperature over 260°.
Price quote is valid for 30-days from the date it is submitted to the job starts. If beyond 30-days, the price quote may need to be re-submitted
Damage to equipment due to fishing operations, corrosives or temperatures greater than 270° circulating for Standard Temp tools or 315° circulating for High-Temp Tools will be billed back to the customer.

Aim
Directional Services, LLC

500 N. Water St., Suite 404 · Corpus Christi, Texas 78471 Ph: 361-653-6500 · Fax: 361-653-6599

Motor - 50% Lost-In-Hole Coverage

Standard/Performance Motors			
Motor (Sizes)	**No LIH Coverage**	**w/ LIH Coverage**	**Daily Cost**
3 3/8" - 3 1/2"	$70,000.00	$35,000.00	$400.00
3 3/4"	$90,000.00	$45,000.00	$400.00
4 3/4"	$108,000.00	$54,000.00	$450.00
6 1/4"	$140,000.00	$70,000.00	$450.00
6 3/4"	$150,000.00	$75,000.00	$450.00
7 3/4" - 8"	$160,000.00	$80,000.00	$500.00
9 5/8"	$220,000.00	$110,000.00	$500.00

Evenwall Power Section Motors			
Motor (Sizes)	**No LIH Coverage**	**w/ LIH Coverage**	**Daily Cost**
2 7/8"	$120,000.00	$60,000.00	$450.00
3 3/4"	$170,000.00	$85,000.00	$450.00
4 3/4"	$230,000.00	$115,000.00	$500.00
6 1/4"	$250,000.00	$125,000.00	$500.00
6 3/4"	$260,000.00	$130,000.00	$500.00
8"	$280,000.00	$140,000.00	$550.00

Accepted : _____ Declined : _____

Please Initial Above whether Accepted or Declined.

MWD - 50% Lost-In-Hole Coverage

Type	No LIH Coverage	w/ LIH Coverage	Daily Cost
Incl./Azimuth	$250,000.00	$125,000.00	$350.00
Directional	$290,000.00	$145,000.00	$450.00
EM-MWD	$350,000.00	$175,000.00	$550.00
Gamma	$80,000.00	$40,000.00	$150.00

MWD Repair Charge applies to tools exposed to temperature over specified ratings below.

320° F or Greater = $50,000 repair charge

Accepted : _____ Declined : _____

Please Initial Above whether Accepted or Declined.

Company Rep: _____ Dated: _____

Print Name: _____

Additional Terms and Conditions

1) No coverage is offered for any occurrences other than loss or abandonment below the rotary table

2) Coverage is subject to acceptance only before Motor and/or MWD equipment is lowered below the rotary table

3.) At least (1) thrououh attempt must be made for Coverage to take affect

4.) LIH Coverage is for 1st loss only. Any subsequent losses will be at full price

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Motor Inspection Schedule

Motor Inspection	
Motor (Sizes)	**Fee**
3 1/8" to 4 3/4"	$2,000.00
6 1/4" - 6 3/4"	$2,300.00
7 3/4" - 8"	$2,500.00
9 5/8"	$2,800.00

Motor Reline Schedules

Standard/Performance Motor		
Motor (Sizes)	**NBR**	**HSN or HR**
3 1/8" to 3 3/8"	$3,700.00	N/A
3 1/2" - 3 3/4"	$3,900.00	N/A
4 3/4"	$4,600.00	$5,600.00
6 1/4" - 6 3/4"	$5,800.00	$6,800.00
7 3/4" - 8"	$6,900.00	N/A
9 5/8"	$7,500 00	N/A

Evenwall Motor	
Motor (Sizes)	**Evenwall**
3 1/8" to 3 1/2"	N/A
3 3/4"	$5,500.00
4 3/4"	$7,900.00
6 1/4" - 6 3/4"	$8,050.00
7 3/4" - 8"	$13,800.00

Motor Reline charges apply when run is Oilbase Mud, Air Drilling, and/or temperatures greater than 260° F.
Stator Reline and Rotor Re-Chrome may apply when run in H_2S and or CO_2.

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TERMS AND CONDITIONS

1.) Operating Rate begins on the day that Aim Directional provided tools are lowered below the rotary table and continues until the tools are brought above the rotary table.
2.) Standby Rate begins on the day "tools and personnel" arrive on location, and applies to all days when Operating Rate is not in effect.
3.) The Operating Rates and Standby Rates are billed on a calendar day (mid-night to mid-night). These rates are for a 24-hour day or any part thereof.
4.) Standby rate will not apply to any day tools are in the hole, unless agreed upon in writing by an Aim Directional representative.
5.) Any and all applicable Sales and User Tax, Vat Tax will be added to the Final Invoice.
6.) Lost-in-Hole coverage available for first loss only. Any exceptions to this must be agreed upon by Aim Directional management prior to any further losses.
7.) Customer is responsible for downhole tools and surface equipment. Normal wear and tear shall not include damaging downhole environment. This includes but is not limited to, high solids content, oil based muds, foam/air mist drilling, chlorides, H2S, Acid, Co2, excessive vibration or circulating temperatures exceeding 270 degrees.
8.) Third party charges for services and/or tools are subject to a 15% handling fee, unless otherwise agreed upon between the Customer and Aim Directional management.
9.) No credit will be given for the 1st motor failure or 1st MWD failure. No credit will be given on motors failing after 100 circulating hours, whether on one run or multiple runs between repairs.
10.) Customer is liable for all tools and equipment from the time it arrives on the rig location or dock until the time that it is shipped back in.
11.) All prices are subject to change without notice.
12.) Any credits given will be on the Final Invoice. The Field Invoice will be completed without discounts or credits.
13.) All amounts due to AIM are payable in Corpus Christi, Nueces County, Texas and shall be due net thirty (30) days from date of invoice unless otherwise stated. Buyer agrees that any past due amount shall bear interest from due date until paid at the lesser amount of 18% per annum or the maximum non-usurious rate of interest permitted by applicable laws in effect from time to time.
14.) If the invoice is not paid when due and the Customer's account is placed in the hands of an attorney for collection and/or if suit is filed to collect the account or any part thereof, the Customer shall pay all of Aim Directional's expenses incurred in collecting or attempting to collect the unpaid balance, including, without limitation, all reasonable attorney's fees, expenses of collection and/or litigation, and costs of Court, in addition to the unpaid balance owed.
15.) INDEMNIFICATION AND LIMITATION OF LIABILITY:
    a. INDEMNIFICATION:
    You agree to indemnify AIM Directional Services, LLC (AIM) and hold AIM harmless against any claims, demands or causes of action for property damage or personal injury (including death) caused by the negligent act or omission of any employee, agents or subcontractor of any person firm or company other than AIM and not contributed to by the negligence of AIM, its employees or agents. AIM shall not be responsible for the acts and workmanship of your employees, agents, contractors or subcontractors or any third party, nor for failure or malfunction of any tools, materials, equipment, products, supplies facilities or devices not supplied by AIM. You agree to hold AIM harmless from any and all losses, claims or damages arising from subsurface damage, surface damage caused by subsurface damage, loss of hydrocarbons and from pollution, regardless of whether such damages, losses or claims were caused by the negligence or sole negligence of You or your employees or agents, it being the intent of the parties that this indemnity shall apply to property upon which any representative of AIM may perform services hereunder.
    b. LIMITATION OF LIABILITY:
    UNDER NO CIRCUMSTANCES SHALL AIM BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF ANTICIPATED PROFITS, LOSS OF USE OF EQUIPMENT OR OF ANY INSTALLATION, SYSTEM OR FACILITY INTO WHICH AIM'S EQUIPMENT OR PERSONNEL MAY BE LOCATED OR AT WHICH AIM, ITS AGENT OR SUBCONTRACTOR MAY BE PERFORMING WORK. Aim's total responsibility for any claims, damages, losses or liabilities arising out of or related to its performance of this contract or the products or services covered hereunder shall not exceed the purchase price paid.
16.) ARBITRATION
You and AIM both agree that any claim or dispute, whether in contract, tort or otherwise (including the interpretation and scope of this clause), between them or their employees, agents, successors or assigns, which arise out of or relate to this contract or any resulting transaction or relationship (including any such relationships with third parties who do not sign this contract) shall be resolved not by a court action but by a neutral binding arbitration governed by the Federal Arbitration Act in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The parties agree and understand that they choose arbitration instead of litigation to resolve disputes and that this contract evidences a transaction including interstate commerce. Any arbitration brought under the terms of this agreement shall be conducted in the following manner:
    a. The parties shall agree to appoint one person from Nueces County, Texas as an arbitrator. Said arbitrator shall be an attorney licensed to practice law in the State of Texas and shall further be qualified to act as arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. In the event the parties cannot agree upon an arbitrator, the Presiding Judge of Nueces County, Texas shall appoint the arbitrator. The fees of the arbitrator shall be shared equally by the parties.
    b. The arbitration hearing shall be held at the office of the arbitrator in Nueces County, Texas and the award of the arbitrator may be entered in the appropriate District Court of the State of Texas.
    c. The parties agree that the arbitration hearing will be held within ninety (90) calendar days of the commencement of such arbitration proceedings.

Aim
Directional Services, LLC

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Logistics & Communication

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Directional Coord.
Cell: 361-550-9925
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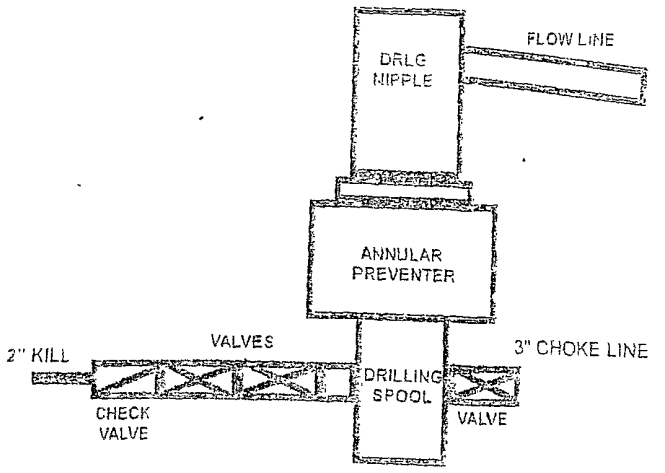
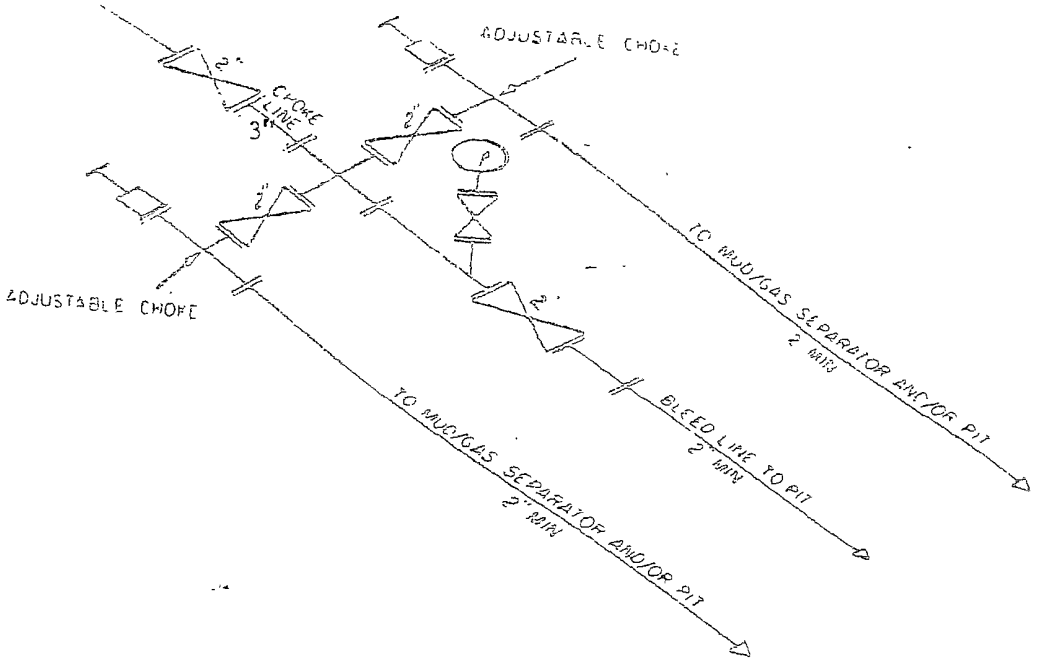
Sabrina Harwood
Well Planner
Cell: 361-229-9901
sharwood@aimdir.com

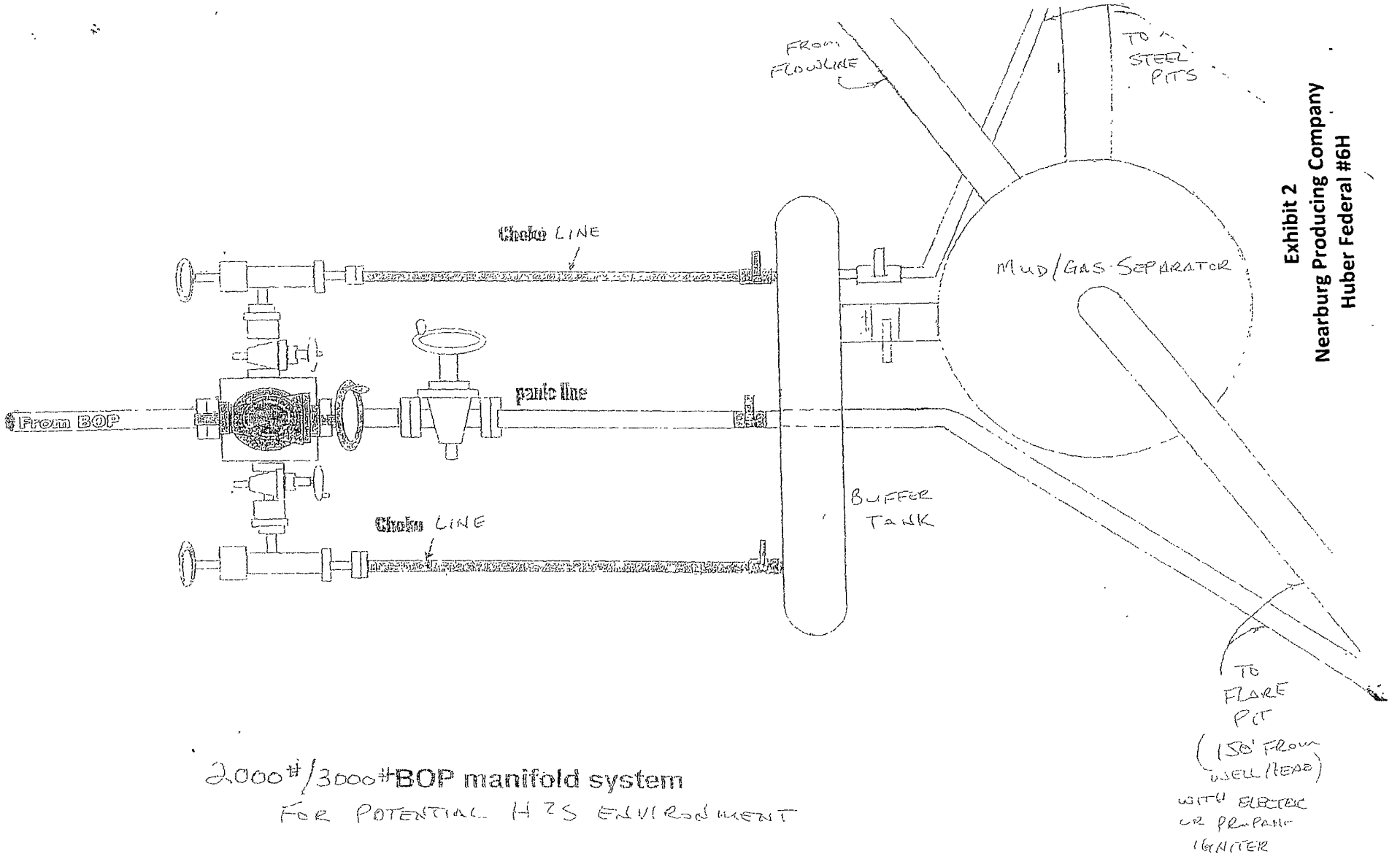
2M SYSTEM





2M CHOKE MANIFOLD EQUIPMENT – CONFIGURATION OF CHOKES MAY VARY

Exhibit 1
Nearburg Producing Company
Huber Federal #6H



2,000#/3,000# BOP manifold system

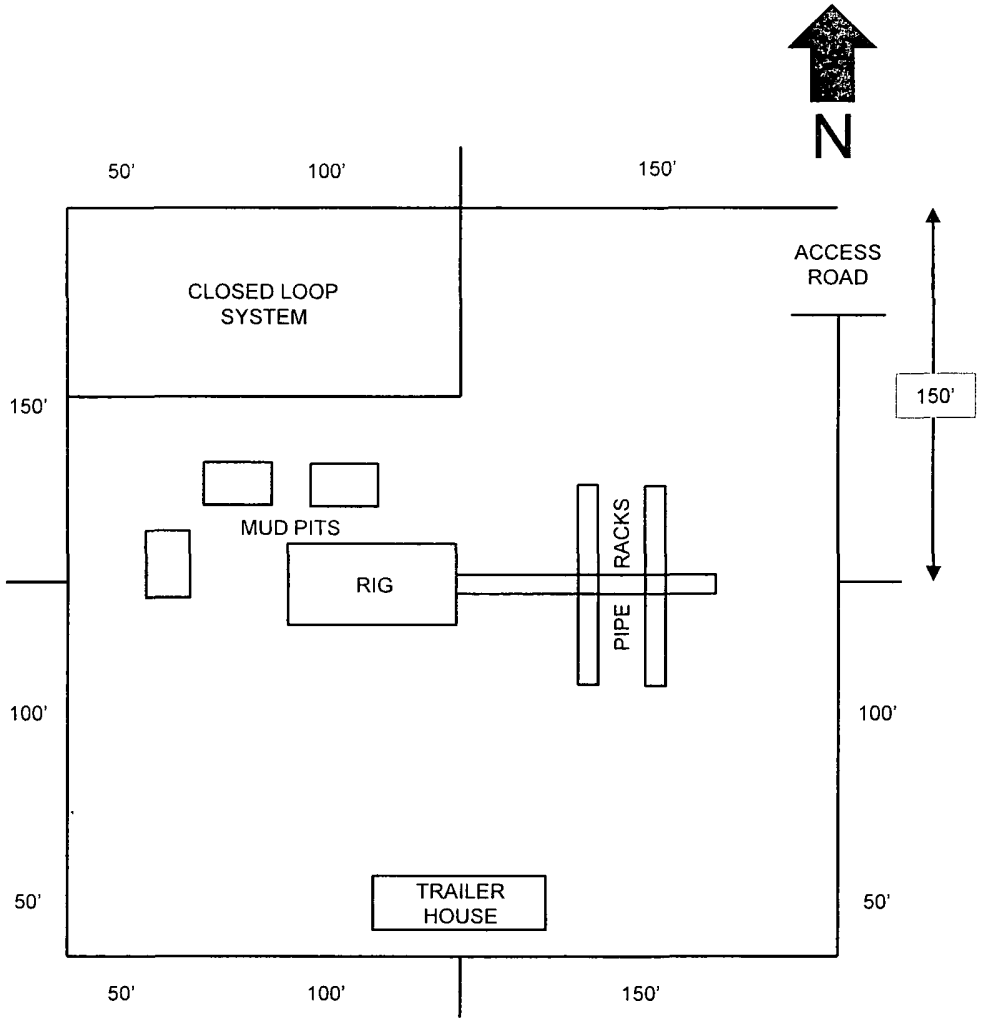
FOR POTENTIAL H2S ENVIRONMENT

Exhibit 2
Nearburg Producing Company
Huber Federal #6H

Nearburg Producing Company

Exploration and Production

Exhibit B
Nearburg Producing Company
Huber Federal #6H



HUBER FEDERAL #6H

Hydrogen Sulfide Drilling Operations Plans
Nearburg Producing Company
Huber Federal #5H

1. **HYDROGEN SULFIDE TRAINING**
   A. All regularly assigned personnel, contracted or employed by Nearburg Producing Company will receive training from a qualified instructor in the following areas prior to commencing drilling potential hydrogen sulfide bearing formations in this well:
      1. The hazards and characteristics of hydrogen sulfide (H2S).
      2. The proper use and maintenance of personal protective equipment and life support systems.
      3. The proper use of H2S detectors, alarms, warning systems, briefing areas, evacuation procedures and prevailing winds.
      4. The proper techniques for first aid and rescue procedures.
   B. In addition, supervisory personnel will be trained in the following areas:
      1. The effects of H2S on metal components. If high tensile tubular are to be used, personnel will be trained in their special maintenance requirements.
      2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
      3. The contents and requirements of the H2S Drilling Operations Plan.
   C. Initial training session prior to encountering a known or probable H2S zone (within 3 days or 500') and weekly H2S and well control drills for all personnel on each crew. The initial training session shall include a review of the site specific H2S Drilling Operations Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.
2. **H2S SAFETY EQUIPMENT AND SYSTEMS**
   Note: All H2S safety equipment and systems will be installed, tested and operational when drilling reaches a depth of 500' above, or three days prior to penetrating the first zone containing or reasonably expected to contain H2S.
   A. Well Control Equipment
      1. Flare line with continuous pilot.
      2. Choke manifold with a minimum of one remote choke.
      3. Blind rams and pipe rams to accommodate all sizes with properly sized closing unit.
      4. Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head and flare gun, and flares as needed.
   B. Protective Equipment for Essential Personnel:
      1. Mark II Surviveair 30 minute units located in the dog house and at briefing areas, as indicated on well site diagram.

C. H2S Detection and Monitoring Equipment
   1. Two portable H2S monitors positioned and located for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 ppm are reached.
   2. One portable SO2 monitor positioned near flare line.

D. Visual Warning Systems
   1. Wind direction indicators as shown on well site diagram.
   2. Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted yellow for high visibility, and black lettering of sufficient size to be legible from a reasonable distance from the immediate location. Bilingual signs will be used when appropriate.

Nearburg Producing Company
H2S Contingency Plan Emergency Contacts
(Name & Phone Numbers must be verified)

NPC OFFICE	432-686-8235
EMERGENCY PHONE NUMBER	432-686-8235 X500
NPC Contact Personnel	
Wes Stinson, Drilling	575-365-6500
Matt Lee, Drilling Manager	575-365-6662
Roger King, Production Foreman	575-361-3605
Artesia	
Ambulance	911
NM State Police	575-746-2703
City Police	575-746-2703
Sheriff's Office	575-746-9888
Fire Department	575-746-2701
Local Emergency Planning Committee	575-746-2122
NMOCD	575-748-1283
Carlsbad	
Ambulance	911
NM State Police	575-885-3137
City Police	575-885-2111
Sheriff's Office	575-887-7551
Fire Department	575-887-3798
Local Emergency Planning Committee	575-887-6544
BLM	575-887-6544
NM Emergency Response Commission (Santa Fe)	505-476-9600
24 Hour	505-827-9126
NM State Emergency Operations Center	505-476-9635
National Emergency Response Center (Washington DC)	800-424-8802
Other	
Boots & Coots IWD	800-256-9688 or 281-934-8884
Cudd Pressure Control	432-699-0139 or 432-563-3356
Halliburton	575-746-2757
BJ Services	575-746-3569
Flight for Life – 4000 24th St, Lubbock Tx	806-746-9911
Aerocare – R3, Box 49F, Lubbock, Tx	806-747-8923
Med Flight Air Ambulance-2301 Yale blvd SE #d, Albuq, NM	505-842-4433
SB Aid Med Serv – 2505 Clark Carr Loop SE, Albuq, NM	505-842-4949

Nearburg Producing Company
H2S Contingency Plan

Assumed 100 ppm ROE = 3000'
100 ppm H2S concentration shall trigger activation of this plan

Emergency Procedures

In the event of a release of gas containing H2S, the first responder(s) must:

- Isolate the area and prevent entry by other persons into the 1000 ppm ROE.
- Evacuate any public places encompassed by the 100 ppm BOE.
- Be equipped with H2S monitors and air packs in order to control the release.
- Use the "buddy system" to ensure no injuries occur during the response.
- Take precautions to avoid personal injury during this operation.
- Contact operator and/or local officials to aid in operation. See list of phone numbers attached
- Have received training in the following:
  - Detection of H2S and
  - Measures for protection against the gas
  - Equipment used for protection and emergency response.

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (S02). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally, the NM State Police may be involved. NM State Police shall be the Incident Command on the scene of any major release. Take care to protect downwind whenever there is an ignition of the gas.

Characteristics of H2S and S02

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H2S	1.189 Air=1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	S02	2.21 Air =1	2 ppm	n/a	1000 ppm

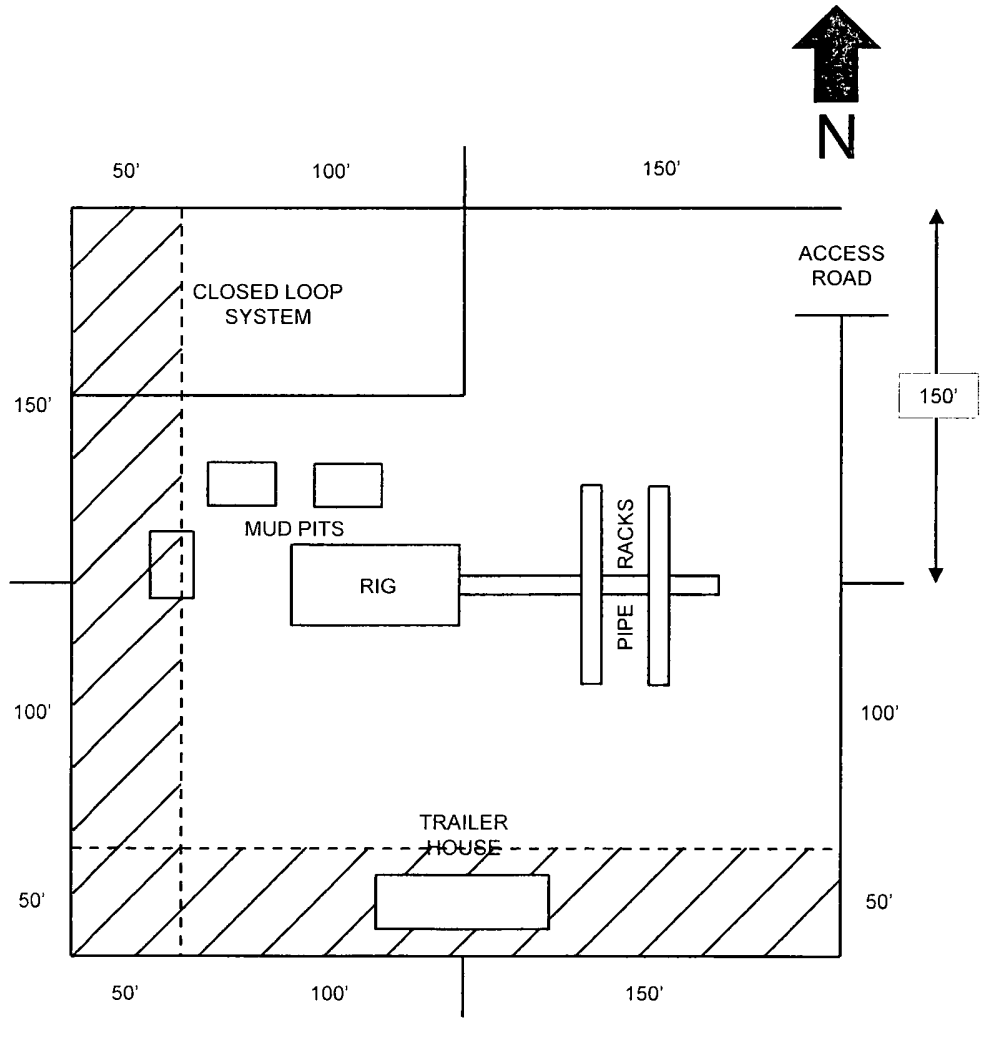
Contacting Authorities

Nearburg Producing Company's personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the NMOCD must be notified of the release as soon as possible and no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, locate of release, etc. Be prepared with all information available including directions to site. The following call list of essential and potential responders has been prepared for use during a release. Nearburg Producing Company's response must be in coordination with the State of NM's "Hazardous Materials Emergency Response Plan" (HMER).

Nearburg Producing Company

Exploration and Production

Exhibit H
Nearburg Producing Company
Huber Federal #6H



HUBER FEDERAL #6H

PROPOSED REMEDIATION

SURFACE USE AND OPERATIONS PLAN FOR
DRILLING, COMPLETION, AND PRODUCING

NEARBURG PRODUCING COMPANY
HUBER FEDERAL #6H
SHL: 180' FSL & 330' FWL, Sec. 3, T-20S, R-25E
BHL: 330' FNL & 660' FWL, Sec. 3, T-20S, R-25E
EDDY COUNTY, NM

LOCATION

5 miles SW of Lakewood

OIL & GAS LEASE

NMNM14758

RECORD LESSEE

Robert L. Lindgren

BOND COVERAGE

$25,000 statewide bond of Nearburg Producing Company

ACRES IN LEASE

1,442.36 acres

GRAZING LEASE

Greg or Kris Williamson
P O Box 498
Artesia, NM 88211

POOL

N. Seven Rivers; Glor-Yeso

EXHIBITS

A. Well site survey and elevation plat for the proposed well
B. Drilling Rig Layout
C. Vicinity Oil & Gas Map
D. Location Verification Map
E. Well Location & Acreage Dedication Map (C102)
F. Multi Use ROW Map – Proposed flowline route
G. Multi Use ROW Map – Proposed electric line route
H. Remediation Plan for well pad site
I. Section 3 well identification plat

This well to be drilled to 7362'

1. **EXISTING ROADS**
   A. Portion of a section map showing the location of the proposed well as staked is shown on Exhibit A.
   B. Existing access road to the Huber Federal #5H and a proposed access road (1358') to Huber Federal #6H are shown on Exhibit D. Access to the well site would included using the Huber Federal #5H access road and proposed access road to the Huber Federal #6 from the Huber Federal #5H well.
2. **ACCESS ROADS**
   A. Length & Width
      Approval requested for 1358' of access road to be built, Exhibit D, provides route of proposed access road from the Huber Federal #5H well site.
   B. Surface Material
      Existing
   C. Maximum Grade
      Less than 5%
   D. Turnouts
      None necessary
   E. Drainage Design
      Existing
   F. Culverts
      None necessary
   G. Gates and Cattle Guards
      None needed
3. **LOCATION OF EXISTING WELLS**
   Existing wells in the immediate area are shown on Exhibit I.
4. **LOCATION OF EXISTING/PROPOSED FACILITIES**
   The well will use the production facilities located on the lease at the Huber Federal #1 well site. The Multi-Use ROW map provides the route, for approval, of the flow line. The flow line will be a surface Poly 4" line and will carry the entire well stream to the Huber #1 battery. Please see Exhibit F.
5. **LOCATION OF ELECTRIC LINES**
   It will be necessary to run electric power to the well. Please see Exhibit G for proposed electric line route.
6. **LOCATION AND TYPE OF WATER SUPPLY**
   It is not contemplated that a water well will be drilled. Water necessary for drilling will be purchased and hauled to the site over existing and proposed roads shown on Exhibit D.

7. METHODS OF HANDLING WASTE DISPOSAL

A. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
B. Water produced during tests will be disposed of in the drilling pits.
C. Oil produced during testing will be stored in test tanks
D. Trash will be contained in a trash trailer and removed from wellsite.
E. All trash and debris will be removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES

None required

9. WELL SITE LAYOUT

Exhibit A shows the relative location and dimensions of the well pad. Exhibit B shows the relative location of the mud pits, reserve pit, & trash pit, and the location of major rig components. Exhibit C shows the vicinity of the proposed well location. Exhibit D, drill pad layout, with elevations.

10. PLANS FOR RESTORATION OF THE SURFACE

A. Upon completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. The well site will be cleaned of all trash and junk to leave the site in an aesthetically pleasing condition as possible.
B. Upon abandonment, all equipment, trash, and junk will be removed & the site will be cleaned.

11. OTHER INFORMATION

A. Topography
The land surface at the well site is rolling native grass with a regional slope being to the east.
B. Soil
Topsoil at the well site is sandy soil.
C. Flora & Fauna
The location is in an area sparsely covered with mesquite and range grasses.
D. Ponds & Streams
No known rivers, lakes, springs, or streams in the area
E. Residences and Other Structures
No known residences within a mile of the proposed well location.
F. Archaeological, Historical, and Cultural Sites
None observed in this area
G. Land Use
Grazing
H. Surface Ownership
BLM (USA)

12. Operations Representative

Matt Lee
Artesia, NM
575-746-0422 (office)
575-365-6662 (mobile)

13. CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drills site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Nearburg Producing Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

9/22/11 — Date

Matt Lee by JS — Matt Lee, Drilling Manager

PECOS DISTRICT
CONDITIONS OF APPROVAL

OPERATOR'S NAME:	NEARBURG PRODUCING COMPANY
LEASE NO.:	NM14758
WELL NAME & NO.:	6H HUBER FEDERAL
SURFACE HOLE FOOTAGE:	180' FSL & 330' FWL
BOTTOM HOLE FOOTAGE	330' FNL & 660' FWL
LOCATION:	Section 3, T.20 S., R.25 E., NMPM
COUNTY:	Eddy County, New Mexico

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

V. SPECIAL REQUIREMENT(S)

Cave and Karst

** Depending on location, additional Drilling, Casing, and Cementing procedures may be required by engineering to protect critical karst groundwater recharge areas.

Cave/Karst Surface Mitigation

The following stipulations will be applied to minimize impacts during construction, drilling and production.

Construction:
In the advent that any underground voids are opened up during construction activities, construction activities will be halted and the BLM will be notified immediately.

No Blasting:
No blasting will be utilized for pad construction. The pad will be constructed and leveled by adding the necessary fill and caliche.

Tank Battery Liners and Berms:
Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank.

Leak Detection System:
A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating values and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present. Leak detection plan will be submitted to BLM for approval.

Automatic Shut-off Systems:
Automatic shut off, check values, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

Cave/Karst Subsurface Mitigation

The following stipulations will be applied to protect cave/karst and ground water concerns:

Rotary Drilling with Fresh Water:
Fresh water will be used as a circulating medium in zones where caves or karst features are expected. SEE ALSO: Drilling COAs for this well.

Directional Drilling:

Kick off for directional drilling will occur at least 100 feet below the bottom of the cave occurrence zone. SEE ALSO: Drilling COAs for this well.

Lost Circulation:
ALL lost circulation zones from the surface to the base of the cave occurrence zone will be logged and reported in the drilling report.

Regardless of the type of drilling machinery used, if a void of four feet or more and circulation losses greater than 70 percent occur simultaneously while drilling in any cave-bearing zone, the BLM will be notified immediately by the operator. The BLM will assess the situation and work with the operator on corrective actions to resolve the problem.

Abandonment Cementing:
Upon well abandonment in high cave karst areas additional plugging conditions of approval may be required. The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

Pressure Testing:
Annual pressure monitoring will be performed by the operator on all casing annuli and reported in a sundry notice. If the test results indicated a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-6235 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall stockpile the topsoil in a low profile manner in order to prevent wind/water erosion of the topsoil. The topsoil to be stripped is approximately 3 inches in depth. The topsoil will be used for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation.

The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. ON LEASE ACCESS ROADS

Road Width
The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty (20) feet.

Surfacing
Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

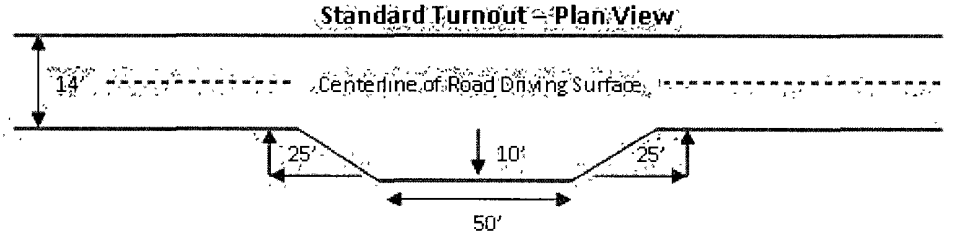
Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning
Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching
Ditching shall be required on the uphill side of the road.

Turnouts
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall be constructed on all blind curves. Turnouts shall conform to the following diagram:



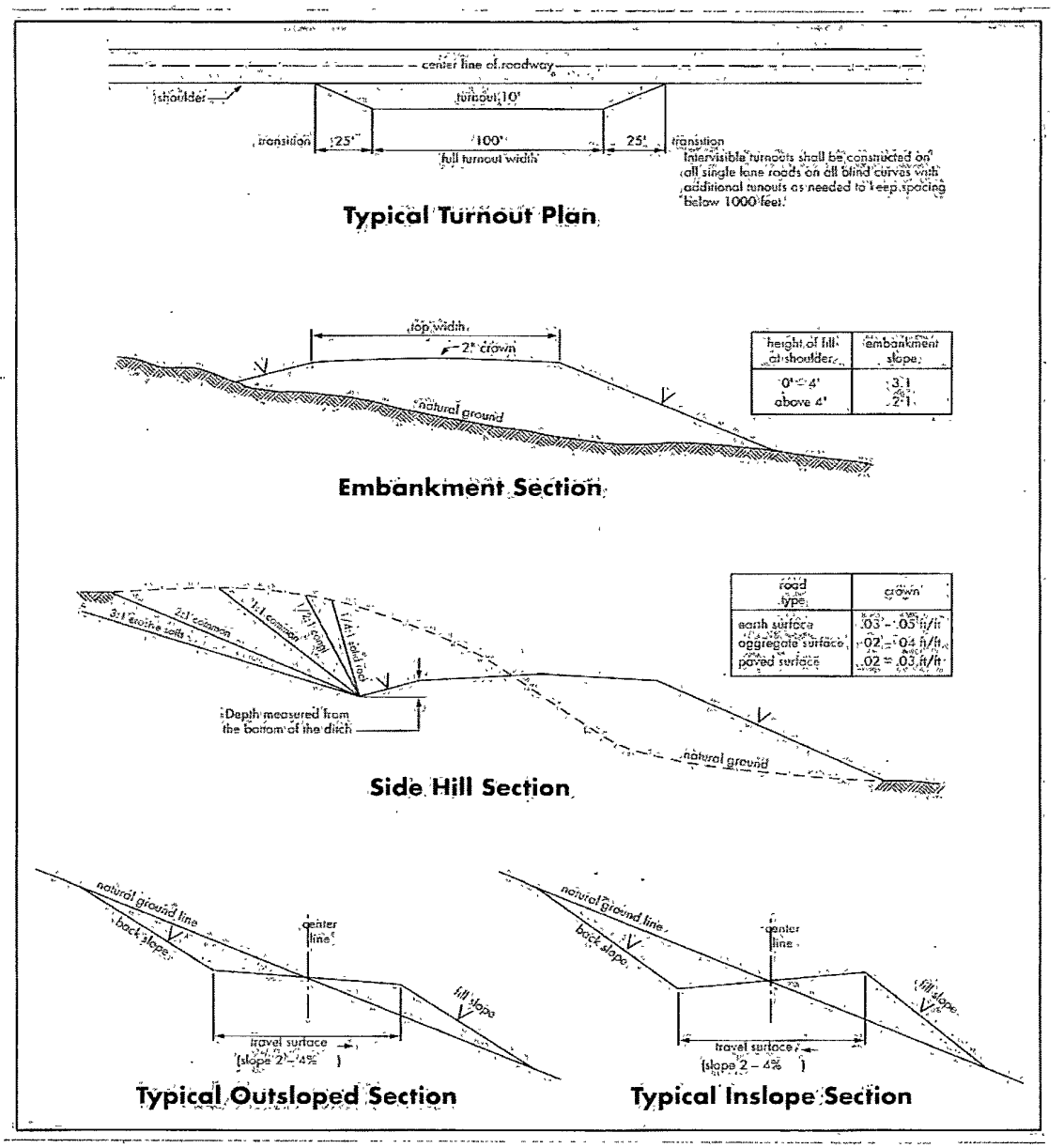
Drainage
Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

Figure 1 – Cross Sections and Plans For Typical Road Sections



VII. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

a. Spudding well
b. Setting and/or Cementing of all casing strings
c. BOPE tests

☒ **Eddy County**
Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

1. **Although Hydrogen Sulfide has not been reported in this section, it is always a potential hazard. If Hydrogen Sulfide is encountered, please report measured amounts and formations to the BLM.**

2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. **If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a "Major" violation.**

3. **The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies.**

B. CASING

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

HIGH CAVE/KARST – CONTINGENCY CASING WILL BE REQUIRED IF LOST CIRCULATION OCCURS WHILE DRILLING THE SURFACE HOLE. THE SURFACE HOLE WILL HAVE TO BE REAMED AND A LARGER CASING INSTALLED.

Possible lost circulation in the San Andres formation.

1. The **8-5/8** inch surface casing shall be set at approximately **825** feet and cemented to the surface.

    a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

    b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.

    c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.

    d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Set isolation packer at the top of the Glorietta to provide isolation between the San Andres and the Glorietta.

2. The minimum required fill of cement behind the **5-1/2** inch production casing is:

    ☒ Cement to surface from DV tool. If cement does not circulate, contact the appropriate BLM office. The lateral will utilize a packer assembly.

3. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M)** psi.

    a. **For surface casing only:** If the BOP/BOPE is to be tested against casing, the wait on cement (WOC) time for that casing is to be met (see WOC statement at start of casing section). Independent service company required.

3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.

    a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips or where the float does not hold, the minimum wait time before cut-off is eight hours after bumping the plug or when the cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. BOP/BOPE testing can begin after the above conditions are satisfied.

    b. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (18 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

    c. The results of the test shall be reported to the appropriate BLM office.

    d. All tests are required to be recorded on a calibrated test chart. **A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.**

    e. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

E. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

CRW 120111

VIII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities
Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Containment Structures
The containment structure shall be constructed to hold the capacity of the entire contents of the largest tank, plus 24 hour production, unless more stringent protective requirements are deemed necessary by the Authorized Officer.

Painting Requirement
All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color
Shale Green, Munsell Soil Color Chart # 5Y 4/2

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the

Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

a. Activities of the holder including, but not limited to construction, operation, maintenance, and
termination of the facility.

b. Activities of other parties including, but not limited to:

(1) Land clearing.
(2) Earth-disturbing and earth-moving work.
(3) Blasting.
(4) Vandalism and sabotage.

c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars ($1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any responsibility as provided herein.

6. All construction and maintenance activity will be confined to the authorized right-of-way width of **25** feet.

6. (a) Where a polyline is laid along a County Road, the operator will lay that polyline ten (10)
feet out from the center of the ditch to prevent obstructing County Maintenance activities.

7. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.

8. The holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline will be "snaked" around hummocks and dunes rather then suspended across these features.

9. The pipeline shall be buried with a minimum of **24** inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Powerlines shall be constructed in accordance to standards outlined in "Suggested Practices for Raptor Protection on Powerlines, " Raptor Research Foundation, Inc., 1981. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication are "raptor safe." Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

10. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land

shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

11. Special Stipulations:
    - Limit all disturbance to authorized width of approved access road.
    - For reclamation remove poles, lines, transformer, etc. and dispose of properly.
    - Fill in any holes from the poles removed.

    In addition to the standard practices that minimize impacts, as listed above, the following COA will apply:

12. Contact the Carlsbad BLM Field office 5 days prior to start of construction of powerlines. Please contact Paul Evans at (575) 234-5977, or (575) 361-7548.

IX. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

X. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Seed Mixture 4, for Gypsum Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

Species	lb/acre
Alkali Sacaton (Sporobolus airoides)	1.0
DWS Four-wing saltbush (Atriplex canescens)	5.0

DWS: DeWinged Seed

*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed

DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

8396

Operator Mewbourne OGRID # 15742
Well Name & # Hubert Federal 6H Surface Type (F) (S) (P)
Location: UL M, Sect 3, Twnship 20 s, RNG 25 e, Sub-surface Type (F) (S) (P)

A. Date C101 rec'd 12/9/2011 C101 reviewed 12/13/2011
B. 1. Check mark, Information is OK on Forms:
OGRID ✓, BONDING ____, PROP CODE ✓, WELL # ____, SIGNATURE ____
2. Inactive Well list as of: 12/13/2011 # wells 166, # Inactive wells 0
a. District Grant APD but see number of inactive wells:
No letter required ___; Sent Letter to Operator ____, to Santa Fe ____
3. Additional Bonding as of: 12/13/2011
a. District Denial because operator needs addition bonding:
No Letter required ✓; Sent Letter to Operator ____, To Santa Fe ____
b. District Denial because of Inactive well list and Financial Assurance:
No Letter required ✓; Sent Letter to Operator ____, To Santa Fe ___

C. C102 YES ✓, NO ___, Signature ✓
1. Pool N. Seven Rivers; G-Y, Code 97565
a. Dedicated acreage _____, What Units _____
b. SUR. Location Standard ____: Non-Standard Location ✓
c. Well shares acres: Yes ___, No ✓, # of wells ____ plus this well # ____
2. 2nd. Operator in same acreage, Yes ____, No ✓
Agreement Letter ____, Disagreement letter ____
3. Intent to Directional Drill Yes ✓, No ____
a. Dedicated acreage 160 Ac, What Units M-L-E-D
b. Bottomhole Location Standard ✓, Non-Standard Bottomhole ____
4. Downhole Commingle: Yes ____, No ____
a. Pool #2 _____, Code _____, Acres _____
Pool #3 _____, Code _____, Acres _____
Pool #4 _____, Code _____, Acres _____
5. POTASH Area Yes ____, No ✓,
D. Blowout Preventer Yes ____, No ____,
E. H2S Yes ✓, No ____,
F. C144 Pit Registration Yes ✓, No ____,
G. Does APD require Santa Fe Approval:
1. Non-Standard Location: Yes ____, No ✓, NSL # _____
2. Non-Standard Proration: Yes ____, No ✓, NSP # _____
3. Simultaneous Dedication: Yes ____, No ✓, SD # _____
Number of wells _____ Plus # _____
4. Injection order Yes ____, No ✓; PMX # _____ or WFX # _____
5. SWD order Yes ____, NO ✓; SWD # _____
6. DHC from SF _____; DHC-HOB _____; Holding _____

7. OCD Approval Date 12/13/2011 API #30-015-39765
8. Reviewers TCG