

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-101
May 27, 2004



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

JAN 29 2008

OCD-ARTESIA

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address Nearburg Producing Company 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705		² OGRID Number 015742
⁴ Property Code		³ API Number 30- 15-28378
⁵ Property Name Ross Ranch 22		⁶ Well No. 7
⁹ Proposed Pool 1 North Seven Rivers; Glorieta/ Yeso		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no. EK	Section 22	Township 19S	Range 25E	Lot. Idn	Feet from the 1980	North/South Line South	Feet from the 1650	East/West line West	County Eddy
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⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
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Additional Well Location

¹¹ Work Type Code Plugback	¹² Well Type Code 0	¹³ Cable/Rotary	¹⁴ Lease Type Code State	¹⁵ Ground Level Elevation 3457
¹⁶ Multiple N	¹⁷ Proposed Depth 8225	¹⁸ Formation Glorieta/ Yeso	¹⁹ Contractor Mesa	²⁰ Spud Date 2/15/08
Depth to ground water		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume _____ bbls Drilling Method:				
Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14-3/4	9-5/8	36 & 40	1109	1100	NA
8-3/4	7	23# & 26#	8120	275	NA
All csg is existing					

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Propose to plugback the well to evaluate the Glorita/ Yeso formation. Perf, test and stimulate as necessary to establish production.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Signature:		Approved by: BRYAN G. ARANT	
Printed name: Sarah Jordan		Title: DISTRICT II GEOLOGIST	
Title: Production Analyst		Approval Date: FEB 01 2008 Expiration Date: FEB 01 2010	
E-mail Address: sjordan@nearburg.com			
Date:	Phone: 432/686-8235 x 203	Conditions of Approval: Attached <input type="checkbox"/>	

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-0528378	² Pool Code	³ Pool Name North Seven Rivers Gloria 1/4-50
⁴ Property Code 16130	⁵ Property Name Ross Ranch 22	⁶ Well Number 7
⁷ OGRID No. 015742	⁸ Operator Name Nearburg Producing Company	⁹ Elevation 3457

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	22	19S	25E		1980	S	1650	W	

¹¹ Bottom Hole Location If Different From Surface

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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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.

<p>16</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</p> <p><i>[Signature]</i> 1-28-07 Signature Date</p> <p><i>[Printed Name]</i> Printed Name</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
	<p>Certificate Number</p>

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

State of New Mexico
Energy, Minerals & Natural Resources Department

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number 30-015-28378		2 Pool Code		3 Pool Name North Seven Rivers/Glorieta/Keso	
4 Property Code		5 Property Name ROSS RANCH "22"			6 Well Number 7
7 OGRID No. 15742		8 Operator Name NEARBURG PRODUCING COMPANY			9 Elevation 3457.

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	22	19-S	25-E		1980	SOUTH	1650	WEST	EDDY

11 Bottom Hole Location If Different From Surface

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

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.

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

<div>16</div>	<div>17 OPERATOR CERTIFICATION</div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>S. Jordan</i> Signature S. Jordan Printed Name Prod Analyst Title 1-28-08 Date</p>
	<div>18 SURVEYOR CERTIFICATION</div> <p>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.</p> <p>FEBRUARY 7, 1997 Date of Survey DAN R. REDDY Signature and Seal of Professional Surveyor: Certification Number NM 28415-00-5412</p>

RECOMMENDED PROCEDURE:

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

1) MIRU PU. ND WH WU BOP.

2) Test well to 500# to insure plug is in place and holding (may want to record a chart).

3) PU & RIH w/2-3/8" J-55 tbg to 7555' (PBTD) and tag TOC. PU and circulate the hole with abandonment mud to 3500'. POH w/tbg.

4) RU JSI to set a 7" CIBP @ 6000' and cap it w/35' cmt. PUH to 3710' and set another 7" CIBP w/35' cmt cap.

ALL PRIOR CHARGES TO GO AGAINST ABANDONMENT

5) Have JSI perf the following intervals at 1 spf with premium charges:

2326'	2331'	2342'	2349'	2356'	2363'	2367'
2372'	2376'	2380'	2403'	2412'	2458'	2466'
2470'	2524'	2576'	2706'	2710'		

Correlate to Schlumberger "Platform Express -Three Detector Density Compensated Neutron / MCD" log dated May 13, 1997 (run one - main pass). All perforating to be done under 3000# lubricator.

7) RIH w/new 2-7/8" J-55 tbg and a 7" trtg pkr. Set pkr @ 2250'+/-. Pickle w/300g Xylene and 1000g 15% NEFE HCL going down tbg and out BS to pickle tbg & casing.

8) RU BJ to acidize the perforations with 15% NEFE HCL @ 4 to 6 bpm (Pmax=5,000#) as follows:

Stage	Fluid	Vol	7/8" 1.3 Balls	Cum Vol (g)
1	15% NEFE HCL	250g		250g
2			6 balls	
3	15% NEFE HCL	250g		500g
4			6 balls	
5	15% NEFE HCL	250g		750g
6			6 balls	
7	15% NEFE HCL	250g		1000g
8			6 balls	
9	15% NEFE HCL	250g		1250g
10			6 balls	
11	15% NEFE HCL	250g		1500g
12	Flush to btm perf w/2% KCL			

If job balls out surge balls and pump remaining acid. Get ISIP/5 min/10 min/15 min SIP. Break down BJ Iron. Let acid spend for 1 to 1.5 hrs.

9) Flow back. Release trtg pkr RIH to ensure balls are off perfs. POH w/tbg and pkr.

10) Frac well as follows at 60 bpm:

Stage	Fluid	Vol(g)	ppg	Prop	Stage#	Cum#'s
1	Gelled Acid	20,000	Pre-PAD			
2	Gelled Acid	5,000	.5	SLC 20/40	2,500	2,500
3	Gelled Acid	20,000	PAD			
4	Gelled Acid	10,000	.1	LiteProp 14/30	1,000	3,500
5	Gelled Acid	20,000	.2	LiteProp 14/30	4,000	7,500
6	Gelled Acid	20,000	.3	LiteProp 14/30	6,000	13,500
7	Gelled Acid	10,000	.4	LiteProp 14/30	4,000	17,500

8	Gelled Acid	10,000	.5	SLC 20/40	5,000	22,500
9	Gelled Acid	10,000	.75	SLC 20/40	7,500	30,000
10	Gelled Acid	10,000	1	SLC 20/40	10,000	40,000
11	Gelled Acid	10,000	1.5	SLC 20/40	15,500	55,000
12	Fresh Water	Flush to 1.5 or 2 bbl short of top perf				

Leave well SI overnight for acid to spend and RC sand to bond. Flow back and put on pump ASAP.

Casing	Casing	Casing	Diameters	Collapse	Burst
7"	N-80	23	6.366	3,830	6,340
7"	K-55	23	6.366	3,270	4,360
					<u>X.8</u>
					3,488
Tbg	Tubing	Wt/Ft w/	(lb)	Collapse	Burst
2.375	J-55	4.7		8,100	7,700