

RECEIVED

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

AUG - 7 2008

HOBBS

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

S

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

5. Lease Serial No
NMNM54289

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No
Emerald 32 Federal #1

9. API Well No.
30-015-26996

10. Field and Pool, or Exploratory Area
Willow lake; Delaware
64450

11. County or Parish, State
Eddy NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

AUG 11 2008

2. Name of Operator
Nearburg Producing Company

OCD-ARTESIA

3a. Address
3300 N A St., Bldg 2, Ste 120, Midland, TX 79705

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: 2007 FNL and 1468 FWL, Sec 32, 24S, 29E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Change from
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	vertical to
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	horizontal hole

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

NPC requests to cut existing csg and change from vertical to horizontal hole per attached drilling plan.

**SUBJECT TO LIKE
APPROVAL BY STATE**

Buth - email - bwillis@nearburg.com

C - 505-399-5999

C - 432-528-5254

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

432-687-4130 - MIDLAND

Fax

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)
H. R. Willis

Title
Drilling Manager

Date 7/21/08 APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by:

Title

Date JUL 28 2008

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

WESLEY W. INGRAM

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make any statement or representation to any matter within its jurisdiction.

Jim signed State APD 7.30.08 in well file.

**Emerald 32 Federal 1H
Nearburg Producing Company
July 28, 2008
Conditions of Approval**

- 1. Communitization agreement required.**
- 2. Approval subject to like approval by state.**
- 3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the BOP/BOPE test. BOP to be tested to 2000 psi by independent tester.**
- 4. BLM to be called at 575-361-2822 to witness setting of CIBP and stub plug.**
- 5. Changes to the approved 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 and potentially a shutdown order until the approval is received.**
- 6. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing 5.5" casing string.**
- 7. Excess cement using BLM program shows less than 20% - additional cement may be required or 1" remedial may be needed.**
- 8. Surface disturbance not to extend past existing location without prior approval.**

WWI 072808

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Nearburg Producing Company
3300 North "A" Street, Building 2, Suite 120
Midland, Texas 77905

The undersigned accepts all applicable terms, conditions, stipulations and restrictions covering operations conducted on the leased land or portion thereof, as described below:

Lease No: NMNM54289

Legal Description of Land: SHL: 2007 FNL and 1468 FWL, Sec 32, 24S, 29E
BHL: 330 FNL and 1980 FWL, Sec 32, 24S, 29E
Eddy County, New Mexico

Formation(s) (if applicable): Delaware

Bond Coverage: \$25,000 statewide bond of Nearburg Producing Company

BLM Bond File No: NMB000153

6-20-08
Date

H. R. Willis
H. R. Willis
Drilling Manager

DISTRICT I
1635 N. FRENCH DR., ROSAR, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESTA, 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 and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

see plat

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-	Pool Code 64460	Pool Name Willow Lake 1, Delaware
Property Code 8385	Property Name EMERALD 32 FEDERAL	Well Number 1H
OCRID No. 015742	Operator Name NEARBURG PRODUCING COMPANY	ELEVATION 2927'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	WEST/East line	County
F	32	24-S	29-E		2007	NORTH	1468	WEST	EDDY

Bottom Hole Location if Different From Surface

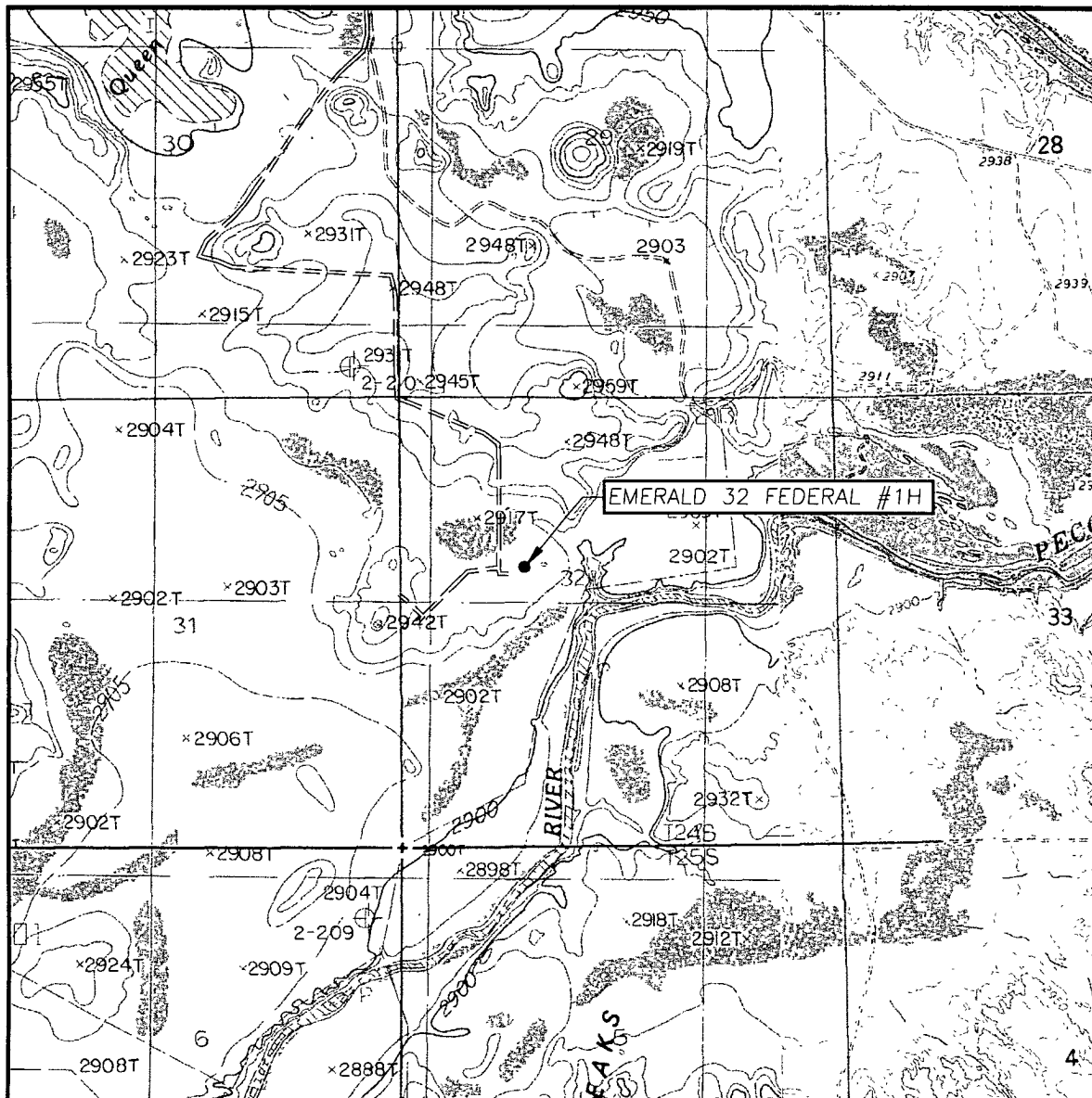
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	WEST/East line	County
C	32	24-S	29-E		330	NORTH	1980	WEST	EDDY

Dedicated Acres 80	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	BOTTOM HOLE LOCATION Y=429195.8 N X=600877.9 E GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=427710.9 N X=600074.9 E LAT.=32.175481° N LONG.=104.009889° W	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. <i>[Signature]</i> 6-20-08 Signature Date J. Jordan Printed Name 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. <i>[Signature]</i> 6/17/08 Date Signature RONALD J. EIDSON Signature Professional Surveyor Certificate No. CARY G. EIDSON 12641 RONALD J. EIDSON 3232
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LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:

MALAGA, N.M. - 10'

SUPPLEMENTAL CONTOUR INTERVAL - 5'

PIERCE CANYON, N.M. - 10'

SEC. 32 TWP. 24-S RGE. 29-E

SURVEY _____ N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

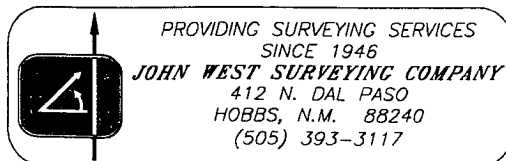
DESCRIPTION 2007' FNL & 1468' FWL

ELEVATION 2927'

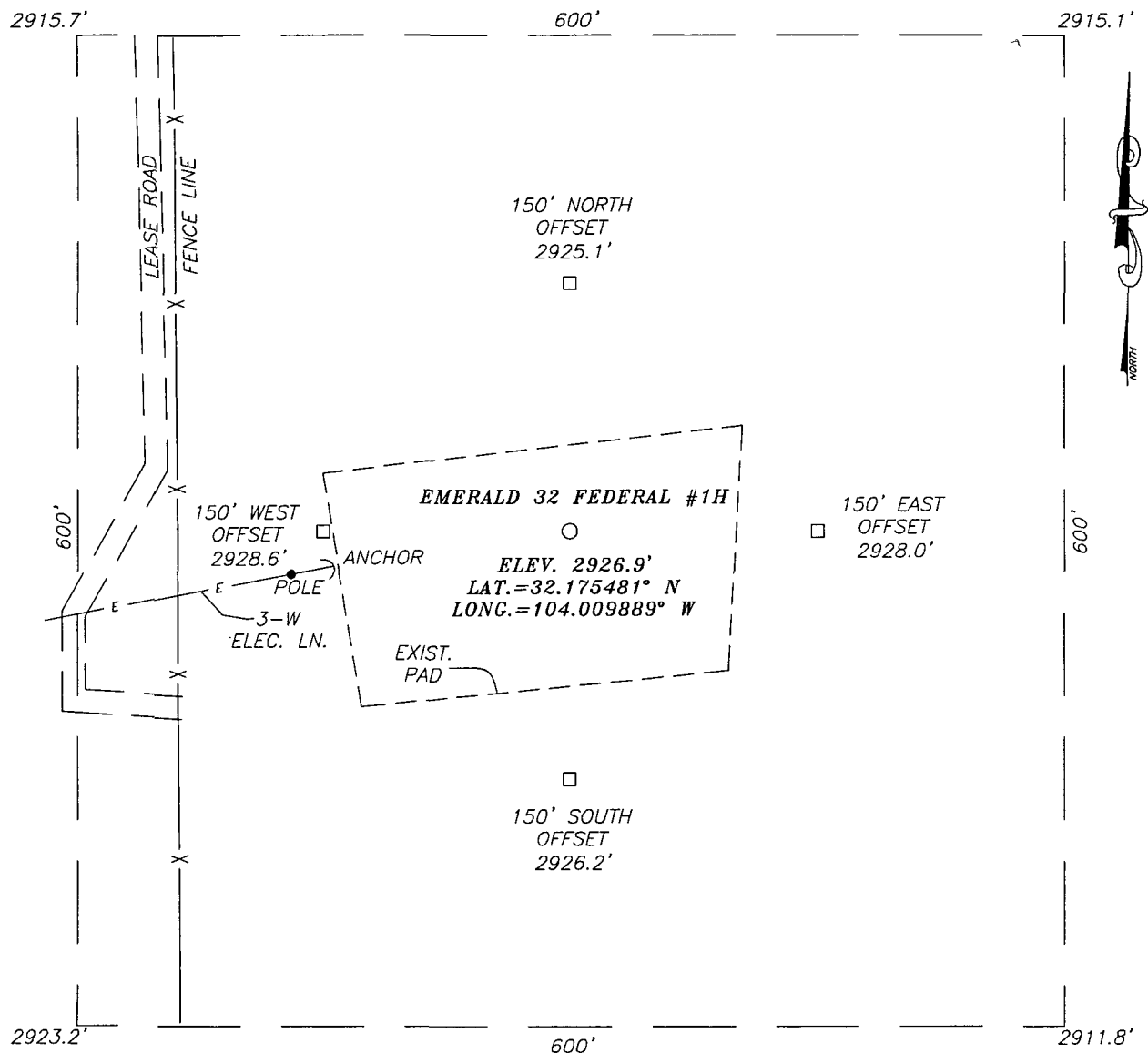
OPERATOR NEARBURG PRODUCING COMPANY

LEASE EMERALD 32 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
MALAGA, N.M.

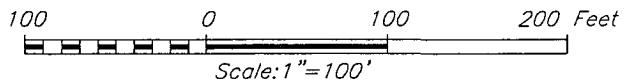


SECTION 32, TOWNSHIP 24 SOUTH, RANGE 29 WEST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF CO. RD. #285 & ST. HWY. #285 GO EAST ON CO. RD. #720 APPROX. 1.4 MILES. TURN RIGHT ON CO. RD. #746 AND GO SOUTH THEN EAST APPROX. 3.0 MILES EAST. TURN RIGHT AND GO SOUTH-SOUTHWEST APPROX. 1.5 MILES THRU CATTLE GUARD. VEER LEFT AND GO EAST AND SOUTHEAST APPROX. 1.3 MILES TO THIS LOCATION.



NEARBURG PRODUCING COMPANY

EMERALD 32 FEDERAL #1H WELL
LOCATED 2007 FEET FROM THE NORTH LINE
AND 1468 FEET FROM THE WEST LINE OF SECTION 32,
TOWNSHIP 24 SOUTH, RANGE 29 WEST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

Survey Date: 6/10/08 Sheet 1 of 1 Sheets

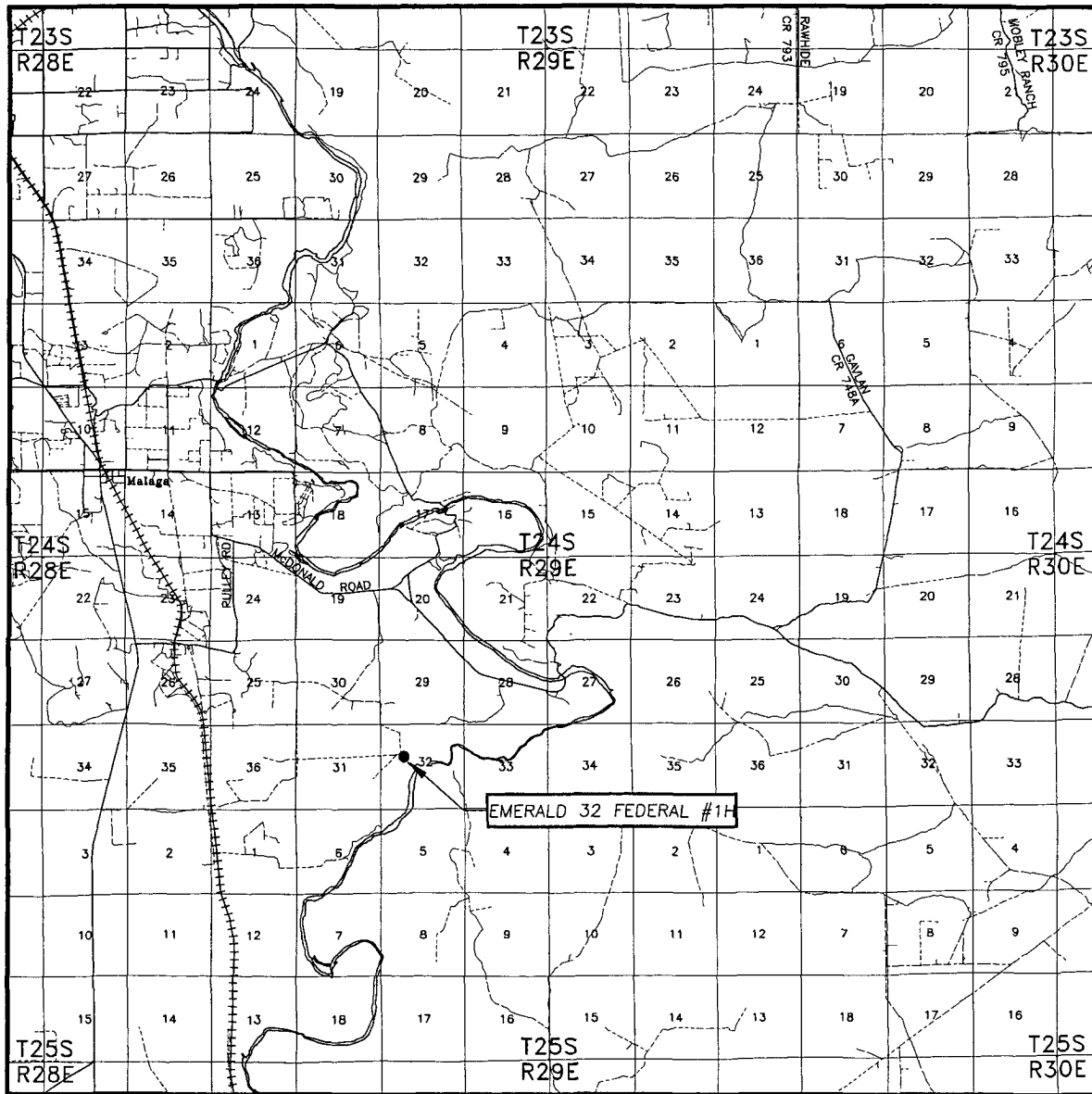
W.O. Number: 08.11.0931 Dr By: LA Rev 1:

Date: 6/17/08 08110931 Scale: 1"=100'



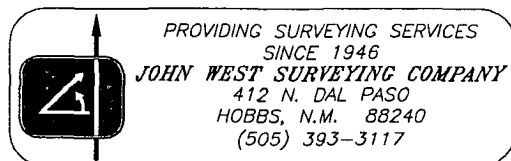
PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 32 TWP. 24-S RGE. 29-E
 SURVEY N.M.P.M.
 COUNTY EDDY STATE NEW MEXICO
 DESCRIPTION 2007' FNL & 1468' FWL
 ELEVATION 2927'
 OPERATOR NEARBURG PRODUCING COMPANY
 LEASE EMERAL 32 FEDERAL



ATTACHMENT TO FORM 3160-3
EMERALD 32 FEDERAL #1H
2007 FNL AND 1468 FWL, SECTION 32, 24S, 29E
EDDY COUNTY, NEW MEXICO

DRILLING PROGRAM

1. GEOLOGIC NAME OF SURFACE FORMATION

Quaternary Aeolian Deposits

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS

Delaware 2785

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

Delaware Oil – producing zone 5,100'

4. CASING AND CEMENTING PROGRAM

<u>Casing Size</u>	<u>From</u>	<u>To</u>	<u>Weight</u>	<u>Grade</u>	<u>Joint</u>	<u>Safety Factors</u>
13-3/8" (existing)	0' - 604'		48#	H40	STC	
5-1/2" (New)	0' - 4,200'		17#	N80	LTC	C - 3.2 B - 2.2
	4,200' - 6685'		17# 20	N80	BTC U-FJ	C - 2.0 B - 2.5

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

Set a CIBP in 5-1/2" csg @ 5,075' with 35' cmt on top. PU on 5-1/2" csg, free point and cut @ 4,100', LD 5-1/2" csg.

Spot 50' cmt plug in & above 5-1/2" csg stub to 3,900'. WOC. Move off pulling unit.

MIRU United Drilling Rig and rig up with closed loop mud system. Kick off plug by 4,000' around csg stub and be horizontal by 5,112' TVD.

Drill horizontal section to new BHL. Directional drilling plan attached.

7-7/8" hole will be drilled to 6,685' and 5-1/2" production casing will be cemented with
Lead - 700 sx Howco Lite PremPlus + Pheno Seal 1 pps - Wt - 12.8, Y - 1.84, W - 11.27
Tail - 170 sx ASC-10 pps Silicalite + 0.7% Halad 344 + 0.25% D3000 + 0.7% HR601
Wt - 15.2, Y - 2.62, W - 11.32

Tail to cover from 6,685' to 5,000' and Lead from 5,000' to surface.
These volumes have 50% excess.

Emerald 32 Federal #1**Page 2****5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL**

The BOP stack will consist of a 2,000 psi working pressure, dual ram type preventer and annular.

A BOP sketch is attached.

6. TYPES AND CHARACTERISTICS OF THE PROPOSED MUD SYSTEM

Kick off and drill with cut brine mud for existing horizontal. The horizontal section from 5,112' to 6685' will be Poly Pac/ XCD system with 9.0 ppg mud weight to TD.

7. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT

H2S equipment will be rig up before spud.

8. LOGGING, TESTING, AND CORING PROGRAM

No logs are planned.

9. ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES & POTENTIAL HAZARDS

None anticipated. BHP – 2,500 psi.

10. ANTICIPATED STARTING DATE:

Is planned that operations will commence on August 1, 2008 with drilling and completion operation lasting about 20 day.

NEARBURG PRODUCTION

Project: Eddy County, NM
Site: Emerald 32 Federal #1H
Well: Emerald 32 Federal #1H
Wellbore: Lateral #1
Plan: Plan #1 (Emerald 32 Federal #1H/Lateral #1)



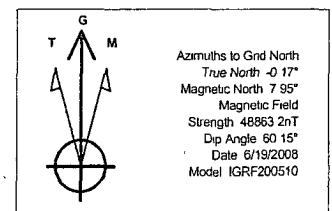
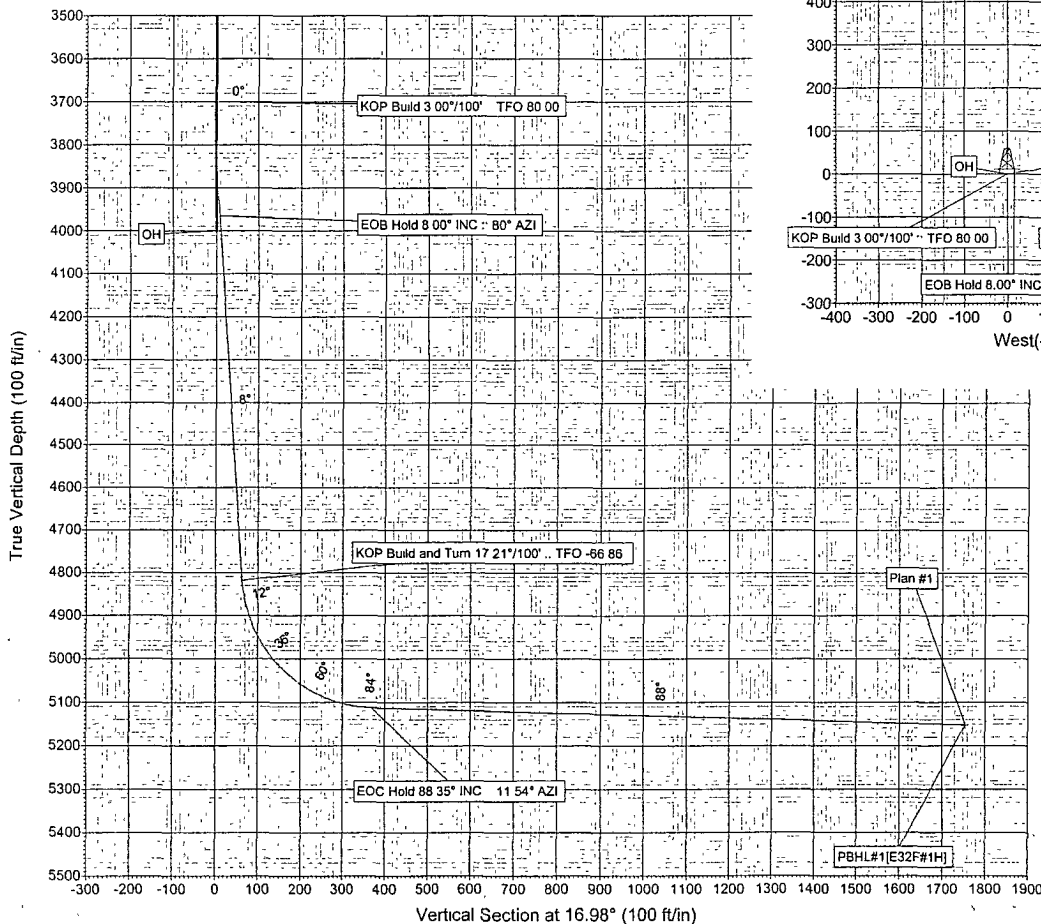
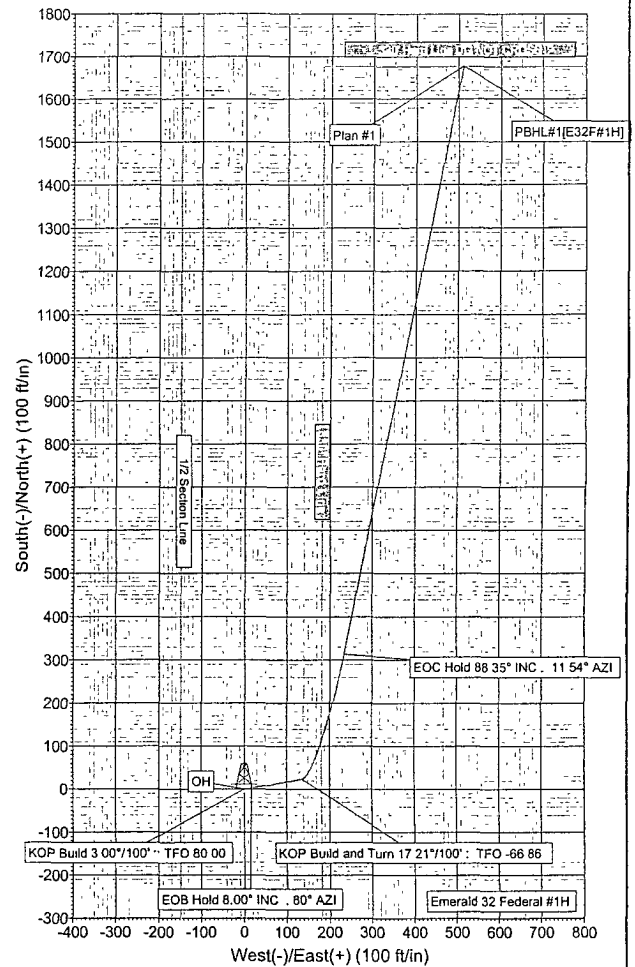
PROJECT DETAILS Eddy County, NM
Geodetic System US State Plane 1927 (Exact solution)
Datum NAD 1927 (NADCON CONUS)
Ellipsoid Clarke 1866
Zone New Mexico East 3001
System Datum Mean Sea Level

ANNOTATIONS

TVD	MD	Annotation
3700.00	3700.00	KOP Build 3.00°/100' TFO 80.00
3985.80	3986.67	EOB Hold 8.00° INC 80° AZI
4817.43	4826.67	KOP Build and Turn 17.21°/100' TFO -66.86
5111.99	5293.48	EOC Hold 88.35° INC 11.54° AZI

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	3700.00	0.00	0.00	3700.00	0.00	0.00	0.00	0.00	0.00	
2	3986.67	8.00	80.00	3985.80	3.23	18.30	3.00	80.00	8.43	
3	4826.67	8.00	80.00	4817.43	24.01	136.17	0.00	0.00	62.73	
4	5293.48	88.35	11.54	5111.99	314.10	233.62	18.30	-68.86	368.62	PBHL#1[E32F#1H]
5	6685.10	88.35	11.54	5152.00	1677.00	512.00	0.00	0.00	1753.42	



Nearburg Producing Co.

Eddy County, NM.

Emerald 32 Federal #1H

Emeral 32 Federal #1H

Lateral #1

Plan: Plan #1

Standard Survey Report

19 June, 2008

Black Viper Energy

Survey Report

Company: Nearburg Producing Co
Project: Eddy County, NM.
Site: Emerald 32 Federal #1H
Well: Emerald 32 Federal #1H
Wellbore: Lateral #1
Design: Plan #1

Local Co-ordinate Reference: Well Emerald 32 Federal #1H
TVD Reference: WELL @ 2927.00ft (Original Well Elev)
MD Reference: WELL @ 2927.00ft (Original Well Elev)
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.14 Server Db

Project	Eddy County, NM.		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Emerald 32 Federal #1H			
Site Position:		Northing:	427,710.90 ft	Latitude: 32° 10' 31.722 N
From:	Map	Easting:	600,074.90 ft	Longitude: 104° 0' 35.614 W
Position Uncertainty:	0.00 ft	Slot Radius:	"	Grid Convergence: 0 17 °

Well	Emerald 32 Federal #1H			
Well Position	+N/-S	0.00 ft	Northing:	427,710.90 ft
	+E/-W	0.00 ft	Easting:	600,074.90 ft
Position Uncertainty	0.00 ft	Wellhead Elevation:	ft	Ground Level: 2,927.00 ft

Wellbore	Lateral #1			
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)
	IGRF200510	6/19/2008	8 13	60.15
				Field Strength (nT) 48,863

Design	Plan #1			
Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	3,700.00
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	16.98

Survey Tool Program	Date 6/19/2008			
From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
3,700.00	6,685.10	Plan #1 (Lateral #1)	MWD	MWD - Standard

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
KOP Build 3.00°/100' :: TFO 80.00									
3,720.00	0.60	80.00	3,720.00	0.02	0.10	0.05	3.00	3.00	0.00
3,750.00	1.50	80.00	3,749.99	0.11	0.64	0.30	3.00	3.00	0.00
3,780.00	2.40	80.00	3,779.98	0.29	1.65	0.76	3.00	3.00	0.00
3,810.00	3.30	80.00	3,809.94	0.55	3.12	1.44	3.00	3.00	0.00
3,840.00	4.20	80.00	3,839.87	0.89	5.05	2.33	3.00	3.00	0.00
3,870.00	5.10	80.00	3,869.78	1.31	7.45	3.43	3.00	3.00	0.00
3,900.00	6.00	80.00	3,899.63	1.82	10.30	4.75	3.00	3.00	0.00
3,930.00	6.90	80.00	3,929.44	2.40	13.62	6.28	3.00	3.00	0.00
3,960.00	7.80	80.00	3,959.20	3.07	17.40	8.02	3.00	3.00	0.00
3,966.67	8.00	80.00	3,965.80	3.23	18.30	8.43	3.00	3.00	0.00
EOB Hold 8.00° INC :: 80° AZI									

Black Viper Energy

Survey Report

Company: Nearburg Producing Co.
Project: Eddy County, NM.
Site: Emerald 32 Federal #1H
Well: Emerald 32 Federal #1H
Wellbore: Lateral #1
Design: Plan #1

Local Co-ordinate Reference: Well Emerald 32 Federal #1H
TVD Reference: WELL @ 2927 00ft (Original Well Elev)
MD Reference: WELL @ 2927 00ft (Original Well Elev)
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.14 Server Db

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
3,990.00	8.00	80.00	3,988.91	3.79	21.50	9.90	0.00	0.00	0.00
4,020.00	8.00	80.00	4,018.62	4.52	25.61	11.80	0.00	0.00	0.00
4,050.00	8.00	80.00	4,048.32	5.24	29.73	13.69	0.00	0.00	0.00
4,080.00	8.00	80.00	4,078.03	5.97	33.84	15.59	0.00	0.00	0.00
4,110.00	8.00	80.00	4,107.74	6.69	37.95	17.48	0.00	0.00	0.00
4,140.00	8.00	80.00	4,137.45	7.42	42.06	19.38	0.00	0.00	0.00
4,170.00	8.00	80.00	4,167.16	8.14	46.17	21.27	0.00	0.00	0.00
4,200.00	8.00	80.00	4,196.86	8.87	50.28	23.16	0.00	0.00	0.00
4,230.00	8.00	80.00	4,226.57	9.59	54.40	25.06	0.00	0.00	0.00
4,260.00	8.00	80.00	4,256.28	10.32	58.51	26.95	0.00	0.00	0.00
4,290.00	8.00	80.00	4,285.99	11.04	62.62	28.85	0.00	0.00	0.00
4,320.00	8.00	80.00	4,315.70	11.77	66.73	30.74	0.00	0.00	0.00
4,350.00	8.00	80.00	4,345.40	12.49	70.84	32.63	0.00	0.00	0.00
4,380.00	8.00	80.00	4,375.11	13.22	74.96	34.53	0.00	0.00	0.00
4,410.00	8.00	80.00	4,404.82	13.94	79.07	36.42	0.00	0.00	0.00
4,440.00	8.00	80.00	4,434.53	14.67	83.18	38.32	0.00	0.00	0.00
4,470.00	8.00	80.00	4,464.24	15.39	87.29	40.21	0.00	0.00	0.00
4,500.00	8.00	80.00	4,493.94	16.12	91.40	42.10	0.00	0.00	0.00
4,530.00	8.00	80.00	4,523.65	16.84	95.51	44.00	0.00	0.00	0.00
4,560.00	8.00	80.00	4,553.36	17.57	99.63	45.89	0.00	0.00	0.00
4,590.00	8.00	80.00	4,583.07	18.29	103.74	47.79	0.00	0.00	0.00
4,620.00	8.00	80.00	4,612.78	19.02	107.85	49.68	0.00	0.00	0.00
4,650.00	8.00	80.00	4,642.48	19.74	111.96	51.57	0.00	0.00	0.00
4,680.00	8.00	80.00	4,672.19	20.47	116.07	53.47	0.00	0.00	0.00
4,710.00	8.00	80.00	4,701.90	21.19	120.18	55.36	0.00	0.00	0.00
4,740.00	8.00	80.00	4,731.61	21.92	124.30	57.26	0.00	0.00	0.00
4,770.00	8.00	80.00	4,761.32	22.64	128.41	59.15	0.00	0.00	0.00
4,800.00	8.00	80.00	4,791.02	23.37	132.52	61.04	0.00	0.00	0.00
4,826.67	8.00	80.00	4,817.43	24.01	136.18	62.73	0.00	0.00	0.00

KOP Build and Turn 17.21°/100' :: TFO -66.86

4,830.00	8.24	76.03	4,820.73	24.11	136.63	62.96	18.32	7.19	-119.31
4,860.00	11.67	50.66	4,850.29	26.55	141.07	66.59	18.30	11.44	-84.56
4,890.00	16.26	37.99	4,879.40	31.79	146.01	73.04	18.30	15.31	-42.22
4,920.00	21.28	30.97	4,907.80	39.78	151.40	82.25	18.30	16.71	-23.40
4,950.00	26.47	26.57	4,935.23	50.43	157.20	94.13	18.30	17.32	-14.68
4,980.00	31.76	23.54	4,961.43	63.66	163.34	108.58	18.30	17.63	-10.11
5,010.00	37.11	21.29	4,986.16	79.34	169.79	125.46	18.30	17.81	-7.47
5,040.00	42.48	19.55	5,009.20	97.34	176.47	144.62	18.30	17.92	-5.82
5,070.00	47.88	18.13	5,030.34	117.47	183.33	165.88	18.30	17.99	-4.74
5,100.00	53.29	16.93	5,049.38	139.57	190.29	189.05	18.30	18.04	-3.99
5,130.00	58.72	15.89	5,066.15	163.42	197.31	213.91	18.30	18.08	-3.46
5,160.00	64.15	14.97	5,080.49	188.81	204.31	240.24	18.30	18.10	-3.08
5,190.00	69.58	14.12	5,092.28	215.50	211.23	267.79	18.30	18.12	-2.81
5,220.00	75.02	13.34	5,101.39	243.26	218.01	296.31	18.30	18.13	-2.62
5,250.00	80.46	12.59	5,107.76	271.81	224.58	325.55	18.30	18.14	-2.49
5,280.00	85.91	11.87	5,111.32	300.92	230.89	355.22	18.30	18.15	-2.41
5,293.48	88.35	11.54	5,111.99	314.10	233.62	368.63	18.30	18.14	-2.38

EOC Hold 88.35° INC :: 11.54° AZI

5,310.00	88.35	11.54	5,112.47	330.28	236.92	385.07	0.00	0.00	0.00
5,340.00	88.35	11.54	5,113.33	359.66	242.92	414.92	0.00	0.00	0.00
5,370.00	88.35	11.54	5,114.19	389.04	248.93	444.77	0.00	0.00	0.00
5,400.00	88.35	11.54	5,115.06	418.42	254.93	474.62	0.00	0.00	0.00
5,430.00	88.35	11.54	5,115.92	447.80	260.93	504.48	0.00	0.00	0.00
5,460.00	88.35	11.54	5,116.78	477.18	266.93	534.33	0.00	0.00	0.00

Black Viper Energy

Survey Report

Company: Nearburg Producing Co.
Project: Eddy County, NM.
Site: Emerald 32 Federal #1H
Well: Emerald 32 Federal #1H
Wellbore: Lateral #1
Design: Plan #1

Local Co-ordinate Reference: Well Emerald 32 Federal #1H
TVD Reference: WELL @ 2927.00ft (Original Well Elev)
MD Reference: WELL @ 2927 00ft (Original Well Elev)
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM 2003 14 Server Db

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,490.00	88.35	11.54	5,117.64	506.56	272.93	564.18	0.00	0.00	0.00
5,520.00	88.35	11.54	5,118.51	535.94	278.93	594.04	0.00	0.00	0.00
5,550.00	88.35	11.54	5,119.37	565.33	284.93	623.89	0.00	0.00	0.00
5,580.00	88.35	11.54	5,120.23	594.71	290.93	653.74	0.00	0.00	0.00
5,610.00	88.35	11.54	5,121.09	624.09	296.94	683.59	0.00	0.00	0.00
5,640.00	88.35	11.54	5,121.96	653.47	302.94	713.45	0.00	0.00	0.00
5,670.00	88.35	11.54	5,122.82	682.85	308.94	743.30	0.00	0.00	0.00
5,700.00	88.35	11.54	5,123.68	712.23	314.94	773.15	0.00	0.00	0.00
5,730.00	88.35	11.54	5,124.54	741.61	320.94	803.01	0.00	0.00	0.00
5,760.00	88.35	11.54	5,125.40	770.99	326.94	832.86	0.00	0.00	0.00
5,790.00	88.35	11.54	5,126.27	800.37	332.94	862.71	0.00	0.00	0.00
5,820.00	88.35	11.54	5,127.13	829.75	338.94	892.56	0.00	0.00	0.00
5,850.00	88.35	11.54	5,127.99	859.13	344.95	922.42	0.00	0.00	0.00
5,880.00	88.35	11.54	5,128.85	888.52	350.95	952.27	0.00	0.00	0.00
5,910.00	88.35	11.54	5,129.72	917.90	356.95	982.12	0.00	0.00	0.00
5,940.00	88.35	11.54	5,130.58	947.28	362.95	1,011.98	0.00	0.00	0.00
5,970.00	88.35	11.54	5,131.44	976.66	368.95	1,041.83	0.00	0.00	0.00
6,000.00	88.35	11.54	5,132.30	1,006.04	374.95	1,071.68	0.00	0.00	0.00
6,030.00	88.35	11.54	5,133.17	1,035.42	380.95	1,101.53	0.00	0.00	0.00
6,060.00	88.35	11.54	5,134.03	1,064.80	386.95	1,131.39	0.00	0.00	0.00
6,090.00	88.35	11.54	5,134.89	1,094.18	392.96	1,161.24	0.00	0.00	0.00
6,120.00	88.35	11.54	5,135.75	1,123.56	398.96	1,191.09	0.00	0.00	0.00
6,150.00	88.35	11.54	5,136.62	1,152.94	404.96	1,220.95	0.00	0.00	0.00
6,180.00	88.35	11.54	5,137.48	1,182.33	410.96	1,250.80	0.00	0.00	0.00
6,210.00	88.35	11.54	5,138.34	1,211.71	416.96	1,280.65	0.00	0.00	0.00
6,240.00	88.35	11.54	5,139.20	1,241.09	422.96	1,310.50	0.00	0.00	0.00
6,270.00	88.35	11.54	5,140.07	1,270.47	428.96	1,340.36	0.00	0.00	0.00
6,300.00	88.35	11.54	5,140.93	1,299.85	434.96	1,370.21	0.00	0.00	0.00
6,330.00	88.35	11.54	5,141.79	1,329.23	440.97	1,400.06	0.00	0.00	0.00
6,360.00	88.35	11.54	5,142.65	1,358.61	446.97	1,429.92	0.00	0.00	0.00
6,390.00	88.35	11.54	5,143.52	1,387.99	452.97	1,459.77	0.00	0.00	0.00
6,420.00	88.35	11.54	5,144.38	1,417.37	458.97	1,489.62	0.00	0.00	0.00
6,450.00	88.35	11.54	5,145.24	1,446.75	464.97	1,519.47	0.00	0.00	0.00
6,480.00	88.35	11.54	5,146.10	1,476.14	470.97	1,549.33	0.00	0.00	0.00
6,510.00	88.35	11.54	5,146.97	1,505.52	476.97	1,579.18	0.00	0.00	0.00
6,540.00	88.35	11.54	5,147.83	1,534.90	482.97	1,609.03	0.00	0.00	0.00
6,570.00	88.35	11.54	5,148.69	1,564.28	488.98	1,638.89	0.00	0.00	0.00
6,600.00	88.35	11.54	5,149.55	1,593.66	494.98	1,668.74	0.00	0.00	0.00
6,630.00	88.35	11.54	5,150.42	1,623.04	500.98	1,698.59	0.00	0.00	0.00
6,660.00	88.35	11.54	5,151.28	1,652.42	506.98	1,728.44	0.00	0.00	0.00
6,685.10	88.35	11.54	5,152.00	1,677.00	512.00	1,753.42	0.00	0.00	0.00

Black Viper Energy

Survey Report

Company: Nearburg Producing Co.
 Project: Eddy County, NM.
 Site: Emerald 32 Federal #1H
 Well: Emerald 32 Federal #1H
 Wellbore: Lateral #1
 Design: Plan #1

Local Co-ordinate Reference: Well Emerald 32 Federal #1H
 TVD Reference: WELL @ 2927.00ft (Original Well Elev)
 MD Reference: WELL @ 2927.00ft (Original Well Elev)
 North Reference: Grid
 Survey Calculation Method: Minimum Curvature
 Database: EDM 2003.14 Server Db

Targets									
Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)		
- Shape									
1/2Sec[E32F#1H]	0.00	0.00	0.00	0.00	0.00	427,710.90	600,074.90	32° 10' 31.722 N	104° 0' 35.614 W
- plan misses by 3700.00ft at 3700.00ft MD (3700.00 TVD, 0.00 N, 0.00 E)									
- Rectangle (sides W2,640.00 H1,320.00 D0.00)									
LL[E32F#1H]	0.00	0.00	0.00	0.00	0.00	427,710.90	600,074.90	32° 10' 31.722 N	104° 0' 35.614 W
- plan misses by 3700.00ft at 3700.00ft MD (3700.00 TVD, 0.00 N, 0.00 E)									
- Rectangle (sides W2,640.00 H2,640.00 D0.00)									
HL	0.00	0.00	0.00	0.00	0.00	427,710.90	600,074.90	32° 10' 31.722 N	104° 0' 35.614 W
- plan misses by 3700.00ft at 3700.00ft MD (3700.00 TVD, 0.00 N, 0.00 E)									
- Rectangle (sides W1,980.00 H660.00 D0.00)									
PBHL#1[E32F#1H]	0.00	0.00	5,152.00	1,677.00	512.00	429,387.90	600,586.90	32° 10' 48.303 N	104° 0' 29.597 W
- plan hits target									
- Point									

Plan Annotations				
Measured Depth	Vertical Depth	Local Coordinates		Comment
(ft)	(ft)	+N/-S (ft)	+E/-W (ft)	
3,700.00	3,700.00	0.00	0.00	KOP Build 3.00°/100' :: TFO 80.00
3,966.67	3,965.80	3.23	18.30	EOB Hold 8.00° INC :: 80° AZI
4,826.67	4,817.43	24.01	136.18	KOP Build and Turn 17.21°/100' :: TFO -66.86
5,293.48	5,111.99	314.10	233.62	EOC Hold 88.35° INC :: 11.54° AZI

Checked By: _____ Approved By: _____ Date: _____

Nearburg Producing Co.

Emerald 32 Federal #1H - Plan #1

Eddy County, NM.

Emerald 32 Federal #1H

Measured Depth (ft)	Incl.	Azim.	Vertical Depth (ft)	Northings (ft)	Eastings (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)
3700.00	0.000	0.000	3700.00	0.00 N	0.00 E	0.00	0.00
3710.00	0.300	80.000	3710.00	0.00 N	0.03 E	0.01	3.00
3720.00	0.600	80.000	3720.00	0.02 N	0.10 E	0.05	3.00
3730.00	0.900	80.000	3730.00	0.04 N	0.23 E	0.11	3.00
3740.00	1.200	80.000	3740.00	0.07 N	0.41 E	0.19	3.00
3750.00	1.500	80.000	3749.99	0.11 N	0.64 E	0.30	3.00
3760.00	1.800	80.000	3759.99	0.16 N	0.93 E	0.43	3.00
3770.00	2.100	80.000	3769.98	0.22 N	1.26 E	0.58	3.00
3780.00	2.400	80.000	3779.98	0.29 N	1.65 E	0.76	3.00
3790.00	2.700	80.000	3789.97	0.37 N	2.09 E	0.96	3.00
3800.00	3.000	80.000	3799.95	0.45 N	2.58 E	1.19	3.00
3810.00	3.300	80.000	3809.94	0.55 N	3.12 E	1.44	3.00
3820.00	3.600	80.000	3819.92	0.65 N	3.71 E	1.71	3.00
3830.00	3.900	80.000	3829.90	0.77 N	4.36 E	2.01	3.00
3840.00	4.200	80.000	3839.87	0.89 N	5.05 E	2.33	3.00
3850.00	4.500	80.000	3849.85	1.02 N	5.80 E	2.67	3.00
3860.00	4.800	80.000	3859.81	1.16 N	6.60 E	3.04	3.00
3870.00	5.100	80.000	3869.78	1.31 N	7.45 E	3.43	3.00
3880.00	5.400	80.000	3879.73	1.47 N	8.35 E	3.85	3.00
3890.00	5.700	80.000	3889.69	1.64 N	9.30 E	4.28	3.00
3900.00	6.000	80.000	3899.63	1.82 N	10.30 E	4.75	3.00
3910.00	6.300	80.000	3909.58	2.00 N	11.36 E	5.23	3.00
3920.00	6.600	80.000	3919.51	2.20 N	12.46 E	5.74	3.00
3930.00	6.900	80.000	3929.44	2.40 N	13.62 E	6.28	3.00
3940.00	7.200	80.000	3939.37	2.62 N	14.83 E	6.83	3.00
3950.00	7.500	80.000	3949.29	2.84 N	16.09 E	7.41	3.00
3960.00	7.800	80.000	3959.20	3.07 N	17.40 E	8.02	3.00
3966.67	8.000	80.000	3965.80	3.23 N	18.30 E	8.43	3.00
3970.00	8.000	80.000	3969.10	3.31 N	18.76 E	8.64	0.00
3980.00	8.000	80.000	3979.00	3.55 N	20.13 E	9.27	0.00
3990.00	8.000	80.000	3988.91	3.79 N	21.50 E	9.90	0.00
4000.00	8.000	80.000	3998.81	4.03 N	22.87 E	10.54	0.00
4010.00	8.000	80.000	4008.71	4.27 N	24.24 E	11.17	0.00
4020.00	8.000	80.000	4018.62	4.52 N	25.61 E	11.80	0.00
4030.00	8.000	80.000	4028.52	4.76 N	26.98 E	12.43	0.00
4040.00	8.000	80.000	4038.42	5.00 N	28.36 E	13.06	0.00
4050.00	8.000	80.000	4048.32	5.24 N	29.73 E	13.69	0.00
4060.00	8.000	80.000	4058.23	5.48 N	31.10 E	14.32	0.00
4070.00	8.000	80.000	4068.13	5.72 N	32.47 E	14.96	0.00
4080.00	8.000	80.000	4078.03	5.97 N	33.84 E	15.59	0.00
4090.00	8.000	80.000	4087.93	6.21 N	35.21 E	16.22	0.00
4100.00	8.000	80.000	4097.84	6.45 N	36.58 E	16.85	0.00
4110.00	8.000	80.000	4107.74	6.69 N	37.95 E	17.48	0.00
4120.00	8.000	80.000	4117.64	6.93 N	39.32 E	18.11	0.00
4130.00	8.000	80.000	4127.54	7.17 N	40.69 E	18.74	0.00
4140.00	8.000	80.000	4137.45	7.42 N	42.06 E	19.38	0.00
4150.00	8.000	80.000	4147.35	7.66 N	43.43 E	20.01	0.00
4160.00	8.000	80.000	4157.25	7.90 N	44.80 E	20.64	0.00
4170.00	8.000	80.000	4167.16	8.14 N	46.17 E	21.27	0.00
4180.00	8.000	80.000	4177.06	8.38 N	47.54 E	21.90	0.00
4190.00	8.000	80.000	4186.96	8.62 N	48.91 E	22.53	0.00
4200.00	8.000	80.000	4196.86	8.87 N	50.28 E	23.16	0.00
4210.00	8.000	80.000	4206.77	9.11 N	51.66 E	23.79	0.00
4220.00	8.000	80.000	4216.67	9.35 N	53.03 E	24.43	0.00
4230.00	8.000	80.000	4226.57	9.59 N	54.40 E	25.06	0.00
4240.00	8.000	80.000	4236.47	9.83 N	55.77 E	25.69	0.00
4250.00	8.000	80.000	4246.38	10.07 N	57.14 E	26.32	0.00
4260.00	8.000	80.000	4256.28	10.32 N	58.51 E	26.95	0.00
4270.00	8.000	80.000	4266.18	10.56 N	59.88 E	27.58	0.00
4280.00	8.000	80.000	4276.09	10.80 N	61.25 E	28.21	0.00
4290.00	8.000	80.000	4285.99	11.04 N	62.62 E	28.85	0.00
4300.00	8.000	80.000	4295.89	11.28 N	63.99 E	29.48	0.00
4310.00	8.000	80.000	4305.79	11.52 N	65.36 E	30.11	0.00
4320.00	8.000	80.000	4315.70	11.77 N	66.73 E	30.74	0.00

4330.00	8.000	80.000	4325.60	12.01 N	68.10 E	31.37	0.00
4340.00	8.000	80.000	4335.50	12.25 N	69.47 E	32.00	0.00
4350.00	8.000	80.000	4345.40	12.49 N	70.84 E	32.63	0.00
4360.00	8.000	80.000	4355.31	12.73 N	72.21 E	33.26	0.00
4370.00	8.000	80.000	4365.21	12.97 N	73.58 E	33.90	0.00
4380.00	8.000	80.000	4375.11	13.22 N	74.96 E	34.53	0.00
4390.00	8.000	80.000	4385.01	13.46 N	76.33 E	35.16	0.00
4400.00	8.000	80.000	4394.92	13.70 N	77.70 E	35.79	0.00
4410.00	8.000	80.000	4404.82	13.94 N	79.07 E	36.42	0.00
4420.00	8.000	80.000	4414.72	14.18 N	80.44 E	37.05	0.00
4430.00	8.000	80.000	4424.63	14.42 N	81.81 E	37.68	0.00
4440.00	8.000	80.000	4434.53	14.67 N	83.18 E	38.32	0.00
4450.00	8.000	80.000	4444.43	14.91 N	84.55 E	38.95	0.00
4460.00	8.000	80.000	4454.33	15.15 N	85.92 E	39.58	0.00
4470.00	8.000	80.000	4464.24	15.39 N	87.29 E	40.21	0.00
4480.00	8.000	80.000	4474.14	15.63 N	88.66 E	40.84	0.00
4490.00	8.000	80.000	4484.04	15.88 N	90.03 E	41.47	0.00
4500.00	8.000	80.000	4493.94	16.12 N	91.40 E	42.10	0.00
4510.00	8.000	80.000	4503.85	16.36 N	92.77 E	42.74	0.00
4520.00	8.000	80.000	4513.75	16.60 N	94.14 E	43.37	0.00
4530.00	8.000	80.000	4523.65	16.84 N	95.51 E	44.00	0.00
4540.00	8.000	80.000	4533.55	17.08 N	96.88 E	44.63	0.00
4550.00	8.000	80.000	4543.46	17.33 N	98.26 E	45.26	0.00
4560.00	8.000	80.000	4553.36	17.57 N	99.63 E	45.89	0.00
4570.00	8.000	80.000	4563.26	17.81 N	101.00 E	46.52	0.00
4580.00	8.000	80.000	4573.17	18.05 N	102.37 E	47.15	0.00
4590.00	8.000	80.000	4583.07	18.29 N	103.74 E	47.79	0.00
4600.00	8.000	80.000	4592.97	18.53 N	105.11 E	48.42	0.00
4610.00	8.000	80.000	4602.87	18.78 N	106.48 E	49.05	0.00
4620.00	8.000	80.000	4612.78	19.02 N	107.85 E	49.68	0.00
4630.00	8.000	80.000	4622.68	19.26 N	109.22 E	50.31	0.00
4640.00	8.000	80.000	4632.58	19.50 N	110.59 E	50.94	0.00
4650.00	8.000	80.000	4642.48	19.74 N	111.96 E	51.57	0.00
4660.00	8.000	80.000	4652.39	19.98 N	113.33 E	52.21	0.00
4670.00	8.000	80.000	4662.29	20.23 N	114.70 E	52.84	0.00
4680.00	8.000	80.000	4672.19	20.47 N	116.07 E	53.47	0.00
4690.00	8.000	80.000	4682.09	20.71 N	117.44 E	54.10	0.00
4700.00	8.000	80.000	4692.00	20.95 N	118.81 E	54.73	0.00
4710.00	8.000	80.000	4701.90	21.19 N	120.18 E	55.36	0.00
4720.00	8.000	80.000	4711.80	21.43 N	121.56 E	55.99	0.00
4730.00	8.000	80.000	4721.71	21.68 N	122.93 E	56.62	0.00
4740.00	8.000	80.000	4731.61	21.92 N	124.30 E	57.26	0.00
4750.00	8.000	80.000	4741.51	22.16 N	125.67 E	57.89	0.00
4760.00	8.000	80.000	4751.41	22.40 N	127.04 E	58.52	0.00
4770.00	8.000	80.000	4761.32	22.64 N	128.41 E	59.15	0.00
4780.00	8.000	80.000	4771.22	22.88 N	129.78 E	59.78	0.00
4790.00	8.000	80.000	4781.12	23.13 N	131.15 E	60.41	0.00
4800.00	8.000	80.000	4791.02	23.37 N	132.52 E	61.04	0.00
4810.00	8.000	80.000	4800.93	23.61 N	133.89 E	61.68	0.00
4820.00	8.000	80.000	4810.83	23.85 N	135.26 E	62.31	0.00
4826.67	8.000	80.000	4817.43	24.01 N	136.17 E	62.73	0.00
4830.00	8.240	76.027	4820.73	24.11 N	136.63 E	62.96	18.30
4840.00	9.165	65.563	4830.62	24.61 N	138.06 E	63.85	18.30
4850.00	10.333	57.219	4840.47	25.43 N	139.53 E	65.06	18.30
4860.00	11.671	50.659	4850.29	26.55 N	141.07 E	66.59	18.30
4870.00	13.126	45.481	4860.06	27.99 N	142.66 E	68.43	18.30
4880.00	14.665	41.346	4869.76	29.74 N	144.31 E	70.58	18.30
4890.00	16.263	37.994	4879.40	31.79 N	146.01 E	73.04	18.30
4900.00	17.904	35.234	4888.96	34.15 N	147.76 E	75.81	18.30
4910.00	19.578	32.927	4898.43	36.81 N	149.55 E	78.88	18.30
4920.00	21.277	30.973	4907.80	39.78 N	151.40 E	82.25	18.30
4930.00	22.995	29.297	4917.06	43.03 N	153.29 E	85.92	18.30
4940.00	24.728	27.843	4926.21	46.59 N	155.22 E	89.88	18.30
4950.00	26.474	26.569	4935.23	50.43 N	157.20 E	94.13	18.30
4960.00	28.229	25.443	4944.11	54.56 N	159.21 E	98.67	18.30
4970.00	29.993	24.438	4952.84	58.97 N	161.26 E	103.49	18.30
4980.00	31.764	23.536	4961.43	63.66 N	163.34 E	108.58	18.30
4990.00	33.540	22.719	4969.85	68.62 N	165.46 E	113.95	18.30
5000.00	35.321	21.975	4978.09	73.85 N	167.61 E	119.58	18.30
5010.00	37.107	21.294	4986.16	79.34 N	169.79 E	125.46	18.30
5020.00	38.896	20.667	4994.04	85.09 N	171.99 E	131.61	18.30
5030.00	40.688	20.087	5001.72	91.09 N	174.22 E	137.99	18.30
5040.00	42.483	19.547	5009.20	97.34 N	176.47 E	144.62	18.30
5050.00	44.280	19.044	5016.47	103.82 N	178.74 E	151.49	18.30

5060.00	46.079	18.571	5023.52	110.53 N	181.02 E	158.58	18.30
5070.00	47.881	18.127	5030.34	117.47 N	183.33 E	165.88	18.30
5080.00	49.683	17.707	5036.93	124.63 N	185.64 E	173.40	18.30
5090.00	51.488	17.308	5043.28	132.00 N	187.96 E	181.13	18.30
5100.00	53.293	16.930	5049.38	139.57 N	190.29 E	189.05	18.30
5110.00	55.100	16.569	5055.23	147.33 N	192.63 E	197.16	18.30
5120.00	56.907	16.223	5060.82	155.29 N	194.97 E	205.45	18.30
5130.00	58.716	15.891	5066.15	163.42 N	197.31 E	213.91	18.30
5140.00	60.525	15.572	5071.21	171.72 N	199.65 E	222.54	18.30
5150.00	62.335	15.264	5075.99	180.19 N	201.98 E	231.32	18.30
5160.00	64.146	14.966	5080.49	188.81 N	204.31 E	240.24	18.30
5170.00	65.958	14.677	5084.71	197.57 N	206.63 E	249.30	18.30
5180.00	67.769	14.396	5088.64	206.47 N	208.94 E	258.49	18.30
5190.00	69.582	14.122	5092.28	215.50 N	211.23 E	267.79	18.30
5200.00	71.395	13.854	5095.62	224.65 N	213.51 E	277.20	18.30
5210.00	73.208	13.593	5098.66	233.90 N	215.77 E	286.71	18.30
5220.00	75.021	13.336	5101.39	243.26 N	218.01 E	296.31	18.30
5230.00	76.835	13.083	5103.82	252.70 N	220.23 E	305.99	18.30
5240.00	78.649	12.834	5105.95	262.22 N	222.42 E	315.74	18.30
5250.00	80.463	12.589	5107.76	271.81 N	224.58 E	325.55	18.30
5260.00	82.278	12.346	5109.26	281.47 N	226.72 E	335.40	18.30
5270.00	84.092	12.105	5110.45	291.17 N	228.82 E	345.30	18.30
5280.00	85.907	11.865	5111.32	300.92 N	230.89 E	355.22	18.30
5290.00	87.721	11.627	5111.87	310.69 N	232.92 E	365.16	18.30
5293.48	88.353	11.544	5111.99	314.10 N	233.62 E	368.62	18.30
5300.00	88.353	11.544	5112.18	320.48 N	234.92 E	375.11	0.00
5310.00	88.353	11.544	5112.47	330.28 N	236.92 E	385.07	0.00
5320.00	88.353	11.544	5112.76	340.07 N	238.92 E	395.02	0.00
5330.00	88.353	11.544	5113.04	349.86 N	240.92 E	404.97	0.00
5340.00	88.353	11.544	5113.33	359.66 N	242.92 E	414.92	0.00
5350.00	88.353	11.544	5113.62	369.45 N	244.93 E	424.87	0.00
5360.00	88.353	11.544	5113.91	379.25 N	246.93 E	434.82	0.00
5370.00	88.353	11.544	5114.19	389.04 N	248.93 E	444.77	0.00
5380.00	88.353	11.544	5114.48	398.83 N	250.93 E	454.72	0.00
5390.00	88.353	11.544	5114.77	408.63 N	252.93 E	464.67	0.00
5400.00	88.353	11.544	5115.06	418.42 N	254.93 E	474.62	0.00
5410.00	88.353	11.544	5115.34	428.21 N	256.93 E	484.57	0.00
5420.00	88.353	11.544	5115.63	438.01 N	258.93 E	494.53	0.00
5430.00	88.353	11.544	5115.92	447.80 N	260.93 E	504.48	0.00
5440.00	88.353	11.544	5116.21	457.60 N	262.93 E	514.43	0.00
5450.00	88.353	11.544	5116.49	467.39 N	264.93 E	524.38	0.00
5460.00	88.353	11.544	5116.78	477.18 N	266.93 E	534.33	0.00
5470.00	88.353	11.544	5117.07	486.98 N	268.93 E	544.28	0.00
5480.00	88.353	11.544	5117.36	496.77 N	270.93 E	554.23	0.00
5490.00	88.353	11.544	5117.64	506.56 N	272.93 E	564.18	0.00
5500.00	88.353	11.544	5117.93	516.36 N	274.93 E	574.13	0.00
5510.00	88.353	11.544	5118.22	526.15 N	276.93 E	584.08	0.00
5520.00	88.353	11.544	5118.51	535.94 N	278.93 E	594.04	0.00
5530.00	88.353	11.544	5118.79	545.74 N	280.93 E	603.99	0.00
5540.00	88.353	11.544	5119.08	555.53 N	282.93 E	613.94	0.00
5550.00	88.353	11.544	5119.37	565.33 N	284.93 E	623.89	0.00
5560.00	88.353	11.544	5119.66	575.12 N	286.93 E	633.84	0.00
5570.00	88.353	11.544	5119.94	584.91 N	288.93 E	643.79	0.00
5580.00	88.353	11.544	5120.23	594.71 N	290.93 E	653.74	0.00
5590.00	88.353	11.544	5120.52	604.50 N	292.94 E	663.69	0.00
5600.00	88.353	11.544	5120.81	614.29 N	294.94 E	673.64	0.00
5610.00	88.353	11.544	5121.09	624.09 N	296.94 E	683.59	0.00
5620.00	88.353	11.544	5121.38	633.88 N	298.94 E	693.54	0.00
5630.00	88.353	11.544	5121.67	643.67 N	300.94 E	703.50	0.00
5640.00	88.353	11.544	5121.96	653.47 N	302.94 E	713.45	0.00
5650.00	88.353	11.544	5122.24	663.26 N	304.94 E	723.40	0.00
5660.00	88.353	11.544	5122.53	673.06 N	306.94 E	733.35	0.00
5670.00	88.353	11.544	5122.82	682.85 N	308.94 E	743.30	0.00
5680.00	88.353	11.544	5123.10	692.64 N	310.94 E	753.25	0.00
5690.00	88.353	11.544	5123.39	702.44 N	312.94 E	763.20	0.00
5700.00	88.353	11.544	5123.68	712.23 N	314.94 E	773.15	0.00
5710.00	88.353	11.544	5123.97	722.02 N	316.94 E	783.10	0.00
5720.00	88.353	11.544	5124.25	731.82 N	318.94 E	793.05	0.00
5730.00	88.353	11.544	5124.54	741.61 N	320.94 E	803.01	0.00
5740.00	88.353	11.544	5124.83	751.40 N	322.94 E	812.96	0.00
5750.00	88.353	11.544	5125.12	761.20 N	324.94 E	822.91	0.00
5760.00	88.353	11.544	5125.40	770.99 N	326.94 E	832.86	0.00
5770.00	88.353	11.544	5125.69	780.79 N	328.94 E	842.81	0.00
5780.00	88.353	11.544	5125.98	790.58 N	330.94 E	852.76	0.00

5790.00	88.353	11.544	5126.27	800.37 N	332.94 E	862.71	0.00
5800.00	88.353	11.544	5126.55	810.17 N	334.94 E	872.66	0.00
5810.00	88.353	11.544	5126.84	819.96 N	336.94 E	882.61	0.00
5820.00	88.353	11.544	5127.13	829.75 N	338.94 E	892.56	0.00
5830.00	88.353	11.544	5127.42	839.55 N	340.95 E	902.51	0.00
5840.00	88.353	11.544	5127.70	849.34 N	342.95 E	912.47	0.00
5850.00	88.353	11.544	5127.99	859.13 N	344.95 E	922.42	0.00
5860.00	88.353	11.544	5128.28	868.93 N	346.95 E	932.37	0.00
5870.00	88.353	11.544	5128.57	878.72 N	348.95 E	942.32	0.00
5880.00	88.353	11.544	5128.85	888.52 N	350.95 E	952.27	0.00
5890.00	88.353	11.544	5129.14	898.31 N	352.95 E	962.22	0.00
5900.00	88.353	11.544	5129.43	908.10 N	354.95 E	972.17	0.00
5910.00	88.353	11.544	5129.72	917.90 N	356.95 E	982.12	0.00
5920.00	88.353	11.544	5130.00	927.69 N	358.95 E	992.07	0.00
5930.00	88.353	11.544	5130.29	937.48 N	360.95 E	1002.02	0.00
5940.00	88.353	11.544	5130.58	947.28 N	362.95 E	1011.98	0.00
5950.00	88.353	11.544	5130.87	957.07 N	364.95 E	1021.93	0.00
5960.00	88.353	11.544	5131.15	966.87 N	366.95 E	1031.88	0.00
5970.00	88.353	11.544	5131.44	976.66 N	368.95 E	1041.83	0.00
5980.00	88.353	11.544	5131.73	986.45 N	370.95 E	1051.78	0.00
5990.00	88.353	11.544	5132.02	996.25 N	372.95 E	1061.73	0.00
6000.00	88.353	11.544	5132.30	1006.04 N	374.95 E	1071.68	0.00
6010.00	88.353	11.544	5132.59	1015.83 N	376.95 E	1081.63	0.00
6020.00	88.353	11.544	5132.88	1025.63 N	378.95 E	1091.58	0.00
6030.00	88.353	11.544	5133.17	1035.42 N	380.95 E	1101.53	0.00
6040.00	88.353	11.544	5133.45	1045.21 N	382.95 E	1111.48	0.00
6050.00	88.353	11.544	5133.74	1055.01 N	384.95 E	1121.44	0.00
6060.00	88.353	11.544	5134.03	1064.80 N	386.95 E	1131.39	0.00
6070.00	88.353	11.544	5134.32	1074.60 N	388.96 E	1141.34	0.00
6080.00	88.353	11.544	5134.60	1084.39 N	390.96 E	1151.29	0.00
6090.00	88.353	11.544	5134.89	1094.18 N	392.96 E	1161.24	0.00
6100.00	88.353	11.544	5135.18	1103.98 N	394.96 E	1171.19	0.00
6110.00	88.353	11.544	5135.47	1113.77 N	396.96 E	1181.14	0.00
6120.00	88.353	11.544	5135.75	1123.56 N	398.96 E	1191.09	0.00
6130.00	88.353	11.544	5136.04	1133.36 N	400.96 E	1201.04	0.00
6140.00	88.353	11.544	5136.33	1143.15 N	402.96 E	1210.99	0.00
6150.00	88.353	11.544	5136.62	1152.94 N	404.96 E	1220.95	0.00
6160.00	88.353	11.544	5136.90	1162.74 N	406.96 E	1230.90	0.00
6170.00	88.353	11.544	5137.19	1172.53 N	408.96 E	1240.85	0.00
6180.00	88.353	11.544	5137.48	1182.33 N	410.96 E	1250.80	0.00
6190.00	88.353	11.544	5137.77	1192.12 N	412.96 E	1260.75	0.00
6200.00	88.353	11.544	5138.05	1201.91 N	414.96 E	1270.70	0.00
6210.00	88.353	11.544	5138.34	1211.71 N	416.96 E	1280.65	0.00
6220.00	88.353	11.544	5138.63	1221.50 N	418.96 E	1290.60	0.00
6230.00	88.353	11.544	5138.92	1231.29 N	420.96 E	1300.55	0.00
6240.00	88.353	11.544	5139.20	1241.09 N	422.96 E	1310.50	0.00
6250.00	88.353	11.544	5139.49	1250.88 N	424.96 E	1320.45	0.00
6260.00	88.353	11.544	5139.78	1260.67 N	426.96 E	1330.41	0.00
6270.00	88.353	11.544	5140.07	1270.47 N	428.96 E	1340.36	0.00
6280.00	88.353	11.544	5140.35	1280.26 N	430.96 E	1350.31	0.00
6290.00	88.353	11.544	5140.64	1290.06 N	432.96 E	1360.26	0.00
6300.00	88.353	11.544	5140.93	1299.85 N	434.96 E	1370.21	0.00
6310.00	88.353	11.544	5141.22	1309.64 N	436.97 E	1380.16	0.00
6320.00	88.353	11.544	5141.50	1319.44 N	438.97 E	1390.11	0.00
6330.00	88.353	11.544	5141.79	1329.23 N	440.97 E	1400.06	0.00
6340.00	88.353	11.544	5142.08	1339.02 N	442.97 E	1410.01	0.00
6350.00	88.353	11.544	5142.37	1348.82 N	444.97 E	1419.96	0.00
6360.00	88.353	11.544	5142.65	1358.61 N	446.97 E	1429.92	0.00
6370.00	88.353	11.544	5142.94	1368.41 N	448.97 E	1439.87	0.00
6380.00	88.353	11.544	5143.23	1378.20 N	450.97 E	1449.82	0.00
6390.00	88.353	11.544	5143.52	1387.99 N	452.97 E	1459.77	0.00
6400.00	88.353	11.544	5143.80	1397.79 N	454.97 E	1469.72	0.00
6410.00	88.353	11.544	5144.09	1407.58 N	456.97 E	1479.67	0.00
6420.00	88.353	11.544	5144.38	1417.37 N	458.97 E	1489.62	0.00
6430.00	88.353	11.544	5144.67	1427.17 N	460.97 E	1499.57	0.00
6440.00	88.353	11.544	5144.95	1436.96 N	462.97 E	1509.52	0.00
6450.00	88.353	11.544	5145.24	1446.75 N	464.97 E	1519.47	0.00
6460.00	88.353	11.544	5145.53	1456.55 N	466.97 E	1529.42	0.00
6470.00	88.353	11.544	5145.82	1466.34 N	468.97 E	1539.38	0.00
6480.00	88.353	11.544	5146.10	1476.14 N	470.97 E	1549.33	0.00
6490.00	88.353	11.544	5146.39	1485.93 N	472.97 E	1559.28	0.00
6500.00	88.353	11.544	5146.68	1495.72 N	474.97 E	1569.23	0.00
6510.00	88.353	11.544	5146.97	1505.52 N	476.97 E	1579.18	0.00
6520.00	88.353	11.544	5147.25	1515.31 N	478.97 E	1589.13	0.00

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6530.00	88.353	11.544	5147.54	1525.10 N	480.97 E	1599.08	0.00
6540.00	88.353	11.544	5147.83	1534.90 N	482.97 E	1609.03	0.00
6550.00	88.353	11.544	5148.12	1544.69 N	484.98 E	1618.98	0.00
6560.00	88.353	11.544	5148.40	1554.48 N	486.98 E	1628.93	0.00
6570.00	88.353	11.544	5148.69	1564.28 N	488.98 E	1638.89	0.00
6580.00	88.353	11.544	5148.98	1574.07 N	490.98 E	1648.84	0.00
6590.00	88.353	11.544	5149.27	1583.87 N	492.98 E	1658.79	0.00
6600.00	88.353	11.544	5149.55	1593.66 N	494.98 E	1668.74	0.00
6610.00	88.353	11.544	5149.84	1603.45 N	496.98 E	1678.69	0.00
6620.00	88.353	11.544	5150.13	1613.25 N	498.98 E	1688.64	0.00
6630.00	88.353	11.544	5150.42	1623.04 N	500.98 E	1698.59	0.00
6640.00	88.353	11.544	5150.70	1632.83 N	502.98 E	1708.54	0.00
6650.00	88.353	11.544	5150.99	1642.63 N	504.98 E	1718.49	0.00
6660.00	88.353	11.544	5151.28	1652.42 N	506.98 E	1728.44	0.00
6670.00	88.353	11.544	5151.57	1662.21 N	508.98 E	1738.39	0.00
6680.00	88.353	11.544	5151.85	1672.01 N	510.98 E	1748.35	0.00
6685.10	88.353	11.544	5152.00	1677.00 N	512.00 E	1753.42	0.00

All data are in feet unless otherwise stated. Directions and coordinates are relative to Grid North.

Vertical depths are relative to WELL. Northings and Eastings are relative to Well.

The Dogleg Severity is in Degrees per 100 feet.

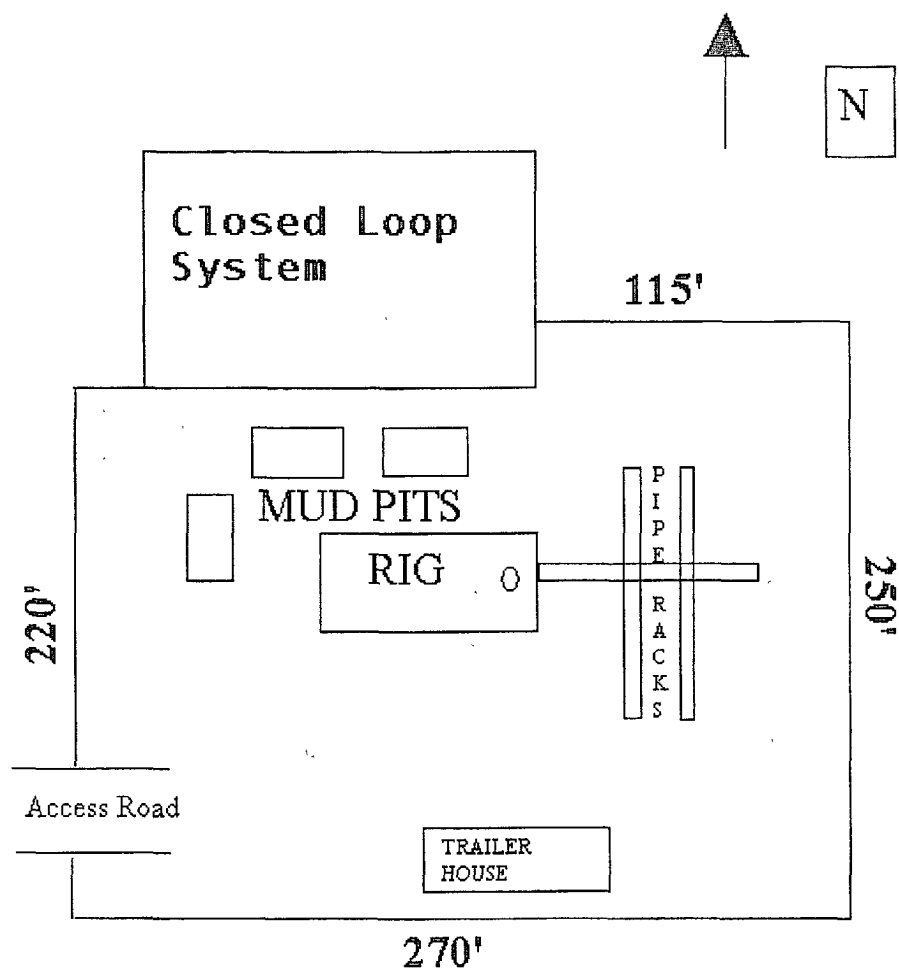
Vertical Section is from slot and calculated along an Azimuth of 16.978° (Grid).

Coordinate System is NAD 1927 (NADCON CONUS) US State Plane 1927 (Exact solution), New Mexico East 3001.

Central meridian is -104.333°.

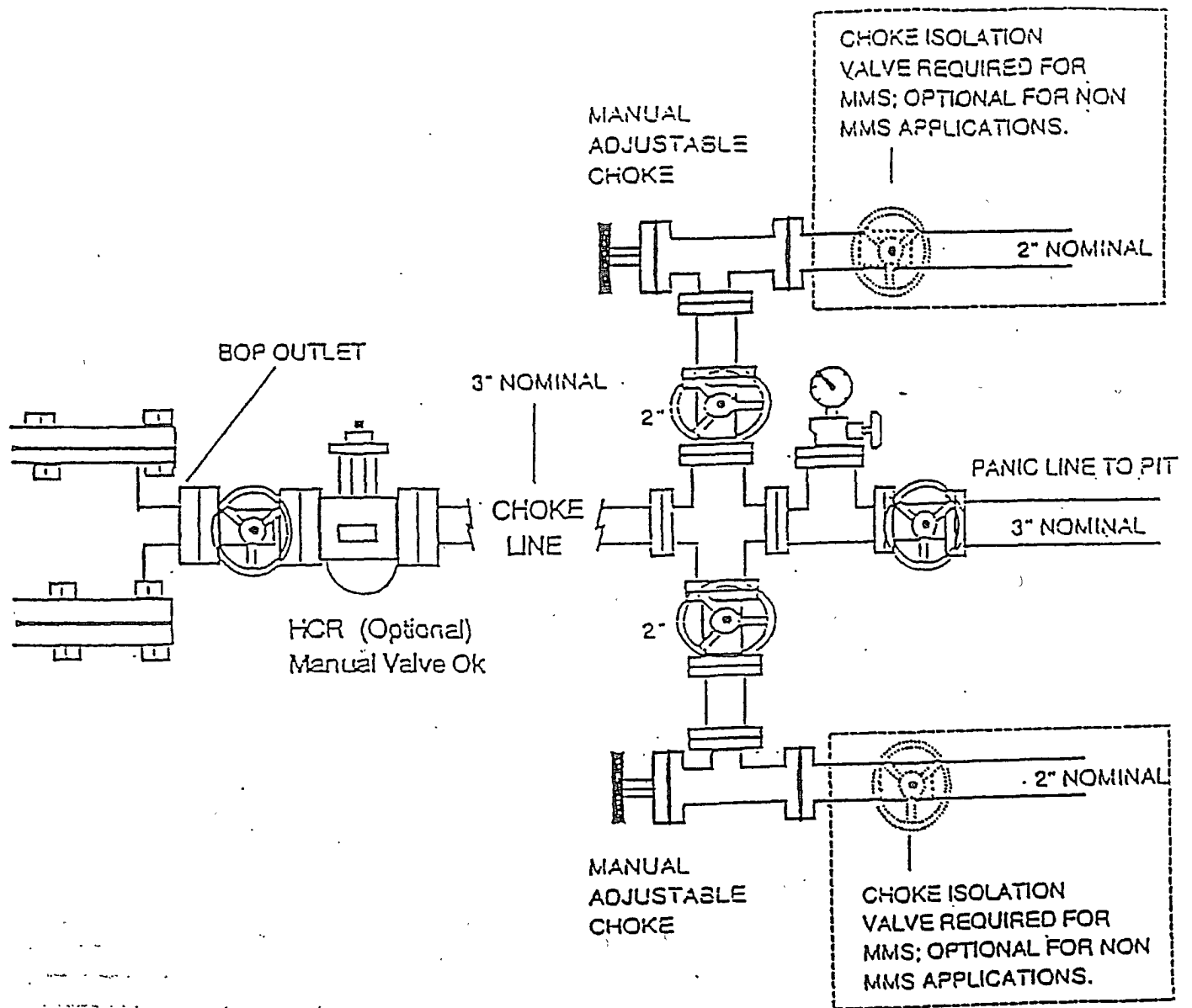
Grid Convergence at Surface is 0.172°.

Based upon Minimum Curvature type calculations, at a Measured Depth of 6685.10ft., the Bottom Hole Displacement is 1753.42ft., in the Direction of 16.978° (Grid).

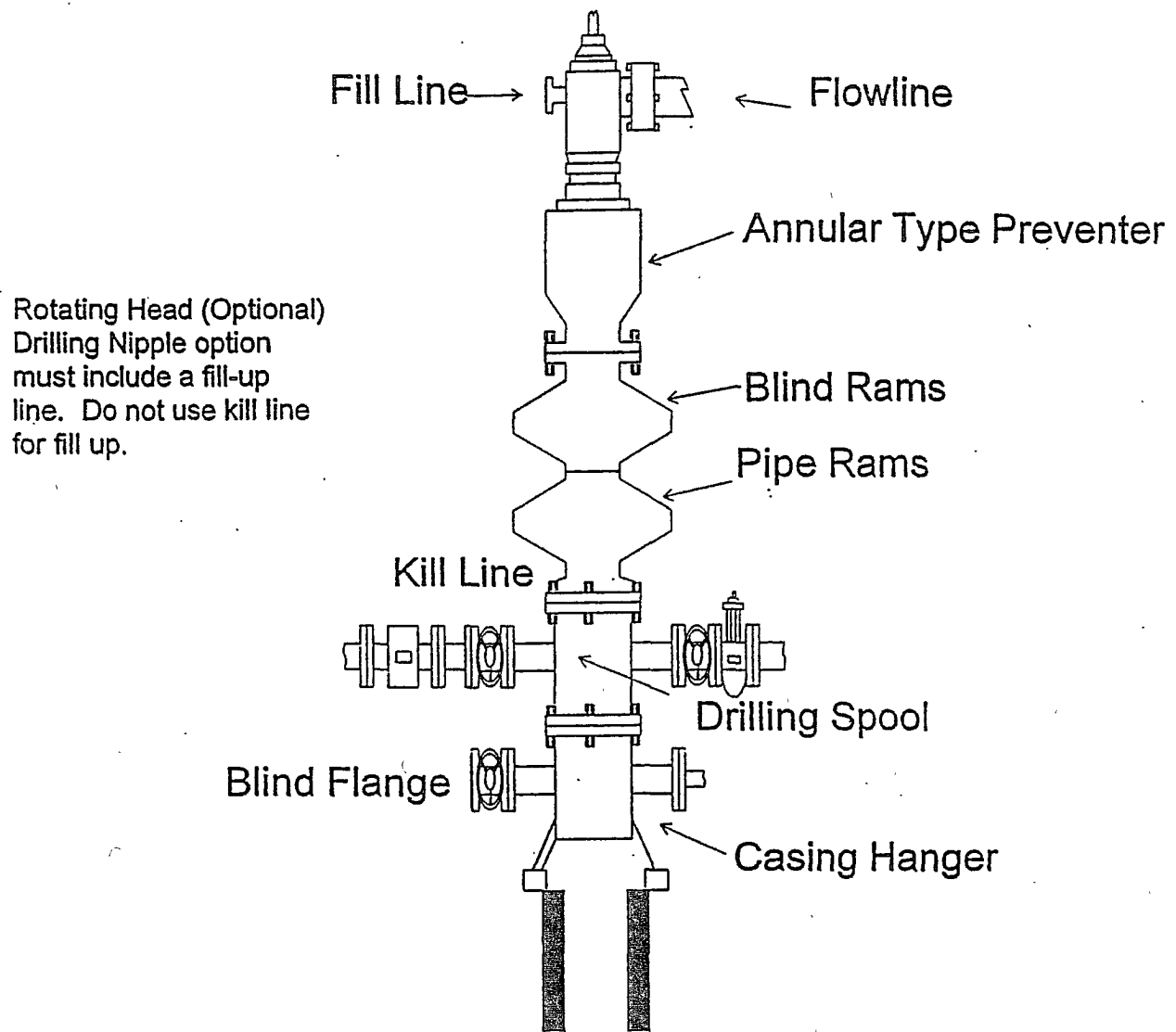


Emerald 32 Federal #1H

NEARBURG PRODUCING COMPANY
CHOKE MANIFOLD
2M AND 3M SERVICE



NEARBURG PRODUCING COMPANY
BOPE SCHEMATIC



900 Series

CURRENT WELLBORE DIAGRAM

LEASE:	<u>Emerald 32 Federal #1</u>	WELL:	<u>#1</u>	FIELD:	<u>Willow Lake Delaware</u>	API:	<u>30-015-26996</u>
LOC:	<u>2007' FNL & 1470' FWL</u>	SEC:	<u>32</u>	BLK:	<u></u>	Reservoir	<u>Delaware</u>
SVY:	<u>Sec 32 T24S R29E</u>	GL:	<u>2929'</u>	CTY/ST	<u>Eddy County, NM</u>	SPUD:	<u>6/6/1992</u>
CURRENT STATUS:	<u>Producing</u>	KB:	<u>2946'</u>	DF:	<u></u>	TD DATE:	<u>6/24/1992</u>
						COMP. DATE:	<u>7/15/1992</u>

FRESH WATER
DEPTH:

HOLE SIZE: 12.25"
SURF CSG & SIZE: 8-5/8" 24#
SET @: 604'
SXS CMT: 250 SX
CIRC:
TOC AT:
TOC BY:

COMMENTS:

*****GEOLOGY*****

TOPS OF ALL ZONES
PRODUCTIVE OF HYDRO-
CARBONS:
Bell Canyon: 2818'
Cherry Canyon: 3729'
Brushy Canyon: 4970'

CURRENT PERFS:

SQUEEZE JOBS:

TBG:
JTS:
SN:
TAC:
ROD SIZE:

PKR:
TYPE:

OH ID:
COTD:
PBTD:
TD:

OPEN HOLE:

4780-87'
4790-93'
5114-5137' 1 spf (24 holes)
6204', 6205'
6206', 6209'
6210', 6213'
6214', 6256'
6257', 6258'
6259', 6260'
6261', 6262'
6263', 6339'
6340', 6374'
6375', 6378'
6379', 6384'
6385', 6386'
6387', 6400'
6401', 6402'
6403'

HOLE SIZE: 7-7/8"
PROD. CSG & SIZE: 5-1/2" 17#
SET @: 6643'
SXS CMT: 550 SX
CIRC: No
TOC AT: 4250'
TOC BY:

PROPOSED WELLBORE DIAGRAM

LEASE: Emerald 32 Federal #1	WELL: #1	FIELD: Willow Lake Delaware	API: 30-015-26996
LOC: 2007' FNL & 1470' FWL	SEC: 32	BLK:	Reservoir: Delaware
SVY: Sec 32 T24S R29E	GL: 2929'	CTY/ST: Eddy County, NM	SPUD: 6/6/1992
CURRENT STATUS: Producing	KB: 2946'	DF:	TD DATE: 6/24/1992
			COMP. DATE: 7/15/1992

FRESH WATER
DEPTH:

HOLE SIZE: 12.25"
SURF CSG & SIZE: 8-5/8" 24#
SET @: 604'
SXS CMT: 250 sx
CIRC:
TOC AT:
TOC BY:

COMMENTS:

*****GEOLOGY*****

TOPS OF ALL ZONES
PRODUCTIVE OF HYDRO-
CARBONS:
Bell Canyon: 2818'
Cherry Canyon: 3729'
Brushy Canyon: 4970'

Kick off @ 4,000' around csg stub
be horizontal @ 5,112' TVD.
Directional plan attached

CURRENT PERFS:

TBG:
JTS:
SN:
TAC:
ROD SIZE:

5-1/2" csg stub @ 4,100'
w/ 50' cmt in & above

PKR:
TYPE:

TOC @ 4,250' - Temp survey

SQUEEZE JOBS:

OH ID:
COTD:
PBTD:
TD:

CIBP w/ 35' cmt @ 5,075'
5114-5137' 1 spf (24 holes)

HOLE SIZE: 7-7/8"
PROD. CSG & SIZE: 5-1/2" 17#
SET @: 6643'
SXS CMT: 550 sx
CIRC: No
TOC AT: 4250'
TOC BY:

OPEN HOLE:

LINER:

**HYDROGEN SULFIDE DRILLING OPERATIONS PLANS
NEARBURG PRODUCING COMPANY
EMERALD 32 FEDERAL #1H**

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 tubulars 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. There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in 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.

HYDROGEN SULFIDE DRILLING OPERATIONS PLANS

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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 feet 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 with flares as needed.

B. Protective Equipment for Essential Personnel:

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 location 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 a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used when appropriate. See example attached.

HYDROGEN SULFIDE DRILLING OPERATIONS PLANS

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E. Mud Program

1. The Mud Program has been designed to minimize the volume of H₂S circulated to the surface. Proper mud weights, safe drilling practices and the use of H₂S scavengers will minimize hazards when penetrating H₂S bearing zones.
2. A mud-gas separator will be utilized as needed.

F. Metallurgy

All drill strings, casing, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and line and valves shall be suitable for H₂S service.

G. Communication

1. Cellular telephone communications in company vehicles and mud logging trailer.
2. Land line (telephone) communications at area office.

H. Well Testing

Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safely and adequately conduct the test. The drill stem testing in an H₂S environment will be conducted during the daylight hours.

NEARBURG PRODUCING COMPANY HYDROGEN SULFIDE (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 ROE.
- 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
 - 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 (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally, the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever this is an ignition of the gas.

Characteristics of H₂S and SO₂.

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H ₂ S	1.189 Air = 1	10 ppm	100 ppm/ hr	600 ppm
Sulfur Dioxide	SO ₂	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 OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location 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
H2S CONTINGENCY PLAY EMERGENCY CONTACTS
(Name & Phone Numbers Must be Verified)

NPC Office 432/686-8235
Emergency Phone Number 432/686-8235 x 500

NPC Contact Personnel

Butch Willis, Drilling Manager 432/528-5254
Matt Lee, Production Superintendent 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 (Artesia) 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 IWC 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 Amb - 2301 Yale Blvd SE #d#, Albuquerque, NM 505/842-4433
S B Aid Med Service - 2505 Clark Carr Loop Se, Albuquerque, NM 505/842-4949

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

NEARBURG PRODUCING COMPANY
EMERALD 32 FEDERAL #1H
SECTION 32, 24S, 29E
EDDY COUNTY, NEW MEXICO

LOCATED

7 miles SE of Malaga, NM

OIL & GAS LEASE

NMNM54289

RECORD LESSEE

Nearburg Exploration Company, LLC

BOND COVERAGE

\$25,000 statewide bond of Nearburg Producing Company

ACRES IN LEASE

40 acres

GRAZING LEASE

Scott Branson

POOL

Undesignated; Delaware

EXHIBITS

- A. Area Road Map
- B. Drilling Rig Layout
- C. Vicinity Oil & Gas Map
- D. Topographic & Location Verification Map
- E. Well Location & Acreage Dedication Map

This well will be drilled to a depth of approximately 6685'.

Emerald 32 Federal #1H

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1. EXISTING ROADS

A. Exhibit A is a portion of a section map showing the location of the well as staked.

B. Exhibit C is a plat showing existing roads in the vicinity of the well site.

2. ACCESS ROADSA. Length and Width

The access road is existing as shown on Exhibit D.

B. Surface Material

Existing.

C. Maximum Grade

Less than five percent

D. Turnouts

None necessary.

E. Drainage Design

Existing.

F. Culverts

None necessary.

G. Gates and Cattle Guards

Existing

3. LOCATION OF EXISTING WELLS

Existing wells in the immediate area are shown in Exhibit C.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

Production facilities for this well are located west on the Amethyst 32 #1 pad.

Emerald 32 Federal #1H

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5. LOCATION AND TYPE OF WATER SUPPLY

A water well will not be drilled. Water necessary for drilling will be purchased and hauled to the site over existing roads shown on Exhibit D.

6. METHODS OF HANDLING WASTE DISPOSAL

A. Drilling fluids and cutting will be hauled to CRI waste facility.

B. Water produced during tests will be hauled to CRI.

C. Oil produced during tests will be stored in test tanks.

D. Trash will be contained in a trash trailer and removed from well site.

E. All trash and debris will be removed from the well site within 30 days after finishing drilling and/or completion operations.

7. ANCILLARY FACILITIES

None required.

8. WELL SITE LAYOUT

Exhibit B shows the relative location and dimensions of the existing well pad, and the location of major rig components.

9. PLANS FOR RESTORATION OF THE SURFACE

A. After 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 as aesthetically pleasing condition as possible.

B. After abandonment, all equipment, trash, and junk will be removed and the site will be clean.

10. OTHER INFORMATIONA. 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.