

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., 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 and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-36348
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Boyd 26L State
8. Well Number 1
9. OGRID Number 015742
10. Pool name or Wildcat North Seven Rivers; Glorieta/ Yeso

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	2. Name of Operator Nearburg Producing Company
3. Address of Operator 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705	4. Well Location Unit Letter <u>L</u> : <u>1980</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line Section <u>26</u> Township <u>19S</u> Range <u>25E</u> NMPM County <u>Eddy</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3437	

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Spud, Csg, Cmt and TD ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

NPC spud the subject well on 7/2/08. Please see attached for work performed.

ACCEPTED FOR RECORD

OCT 14 2008

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIA

Spud Date: 7/2/08

Rig Release Date: 7/14/08

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE S. Jordan TITLE Production/ Reg Analyst DATE 10/1/08
Type or print name Sarah Jordan E-mail address: sjordan@nearburg.com PHONE 432/686-8235

For State Use Only

APPROVED BY _____ TITLE _____ DATE _____

Conditions of Approval (if any):

TIGHT HOLE-PLEASE DO NOT RELEASE ANY INFORMATION ON THIS WELL

Boyd 26L State #1

1980 FSL and 660 FWL

Sec 26, 19S, 25E

North Seven Rivers; Glorieta/Yeso

Eddy County, New Mexico

**** ALL COSTS ARE FIELD ESTIMATES ****

06/21/08 - 06/28/08 Sweat Construction built location.

06/30/08 - 07/02/08 MIRU United #11. Got verbal from Tim Gum, NMOCD, to change surface csg to 7".

SPUD WELL AT 1500 hrs 07/2/08.

07/03/08 TD: 191' (151'). Drilling cmt. Surveys: None Today; MW: 8.4; Visc: 50; pH: 10
Day 1 Notified OCD of spud. RU United rig # 11. Mix spud mud, PU bit and Dc's. Drlg 11" hole & WLS f/40' t/62', lost full returns, dry drill f/62' t/191'. Circ and TOH. Dump 10 yds redi-mix, then 5 yds dn conductor. WOC 4 hrs. Washing & reaming cmt to bottom.

07/04/08 TD: 616' (425'). Drilling cmt. Surveys: 3/4 @ 562'; MW: 8.4; Visc: 50; pH: 10
Day 2 Drld cmt to 191 w/ full returns. Drld and surveyed to 616'. NDA.

07/05/08 TD: 803' (187'). WOC. Surveys: 1 @ 766'; MW: 8.4; Visc: 50; pH: 10
Day 3 Drlg 11" hole & WLS f/616' t/620'. C & C hole. TOH for new bit. TIH w/ bit #2. Drlg 11" hole & WLS f/620' t/803'. (Drld 183' in 10 hrs) Circ and cond hole. TOH, LD DP & DC's. RU Bull Rogers casing crew and run 19 jts 7" 23# J55 LTC casing to 803'. C & C hole. RU Superior Cmt crew and pump 10 bbls H2O, Lead: 200 sx "C" Lite, Tail: 200 sx "C" + 2% CACL2, drop pug and displace with 30 bbls H2O, bump plug with 500 psi, circ 100 sx to pit. WOC.

04/06/08 TD: 803' (0'). TIH. Surveys: None Today; MW: 8.4; Visc: 35; pH: 10
Day 4 WOC. Cut off conductor, weld on 7" Larkin wellhead - 2K. NU BOPE & maniflod, test with rig pump to 2,000 psi - OK. Clean pits. PU 3-1/2" kelly, 6-1/8" bit, xo, 21 - 4-3/4" DC's, xo - 3-1/2" DP. Drill float collar, cement in shoe jt and float shoe to 803'. TOH, PU bit #3 (PDC) and TIH.

04/07/08 TD: 1016' (213'). Drlg. Surveys: None Today; MW: 8.4; Visc: 35; pH: 10
Day 5 TIH w/ PDC bit. Drld to 937'. TOH (poor penetration rate) PDC had lead cutters broke. TIH. Drld to 1016'. NDA.

07/08/08 TD: 1453' (437'). Drlg. Surveys: None Today; MW: 8.4; Visc: 35; pH: 10
Day 6 Drld to 1171'. TOH. PU MM & PDC to increase penetration. Drld to 1453'. NDA.

07/09/08 TD: 1828' (375'). Drlg. Surveys: 3/4 @ 1747; MW: 8.4; Visc: 35; pH: 10
Day 7 Drld and surveyed to 1828'. TOH and change mud motor, clean pits and TIH.

07/10/08 TD: 2100' (272'). Drlg. Surveys: None Today; MW: 8.4; Visc: 35; pH: 10
Day 8 Drld to 1832'. Poor penetration rate. TOH, LD MM & PDC. PU button bit and TIH. Drld to 2100'. NDA.

07/11/08 TD: 2431' (331'). Drlg. Surveys: 1 @ 2219; MW: 8.4; Visc: 35; pH: 10
Day 9 Drld and surveyed to 2431'. NDA.

07/12/08 TD: 2710' (279'). Drlg. Surveys: 1-3/4 @ 2538; MW: 8.4; Visc: 35; pH: 10
Day 10 Drld and surveyed to 2635'. TFNB. Drld to 2710'. NDA.

07/13/08 TD: 3000' (290'). RU Logger. Surveys: 1 @ 2983; MW: 8.4; Visc: 35; pH: 10
Day 11 Drld and surveyed to TD @ 3000'. Pump sweep and C&C hole. TOH & LDDP and DC's. RU Schlumberger.

07/14/08 TD: 3000' (0'). Released Rig.
Day 12 Logging Wait on orders. RU casing crew and run 73 jts 4-1/2" 11.60# J55 LTC casing to 3,000' C & C hole. RU Superior and cement with Lead: 120 sx "C" Lite, Tail: 200 sx "C" + 2%, drop plug and displace with 50 bbls H2O, bumped plug, floats held. Circ 100 sx to pit. ND BOPE, set slips, clean pits and release rig @ 2200 hrs.