

District I  
1625 N French Dr., Hobbs, NM 88240  
District II  
1701 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  
June 16, 2008

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

Submit to appropriate District Office

AMENDED REPORT

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

<sup>1</sup> Operator Name and Address Nearburg Producing Company 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705		<sup>2</sup> OGRID Number 015742
		<sup>3</sup> API Number 30- 015-26818
<sup>4</sup> Property Code 8380	<sup>5</sup> Property Name Covert Com	<sup>6</sup> Well No 2
<sup>9</sup> Proposed Pool 1 DAGGER MAW Undesignated; Wolfcamp (EAF) 95960		<sup>10</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
D	6	20S	25E		660	North	660	West	Eddy

<sup>8</sup> 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

Additional Well Location

<sup>11</sup> Work Type Code Plugback	<sup>12</sup> Well Type Code O/G	<sup>13</sup> Cable/Rotary NA	<sup>14</sup> Lease Type Code NA Fed	<sup>15</sup> Ground Level Elevation 3573.4
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 8090	<sup>18</sup> Formation Wolfcamp	<sup>19</sup> Contractor Lucky	<sup>20</sup> Spud Date 6/1/10

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4	9-5/8	36	1150	2050	NA
8-3/4	7	26 & 29	8090	1475	NA
All csg is existing					

<sup>22</sup> Describe the proposed program. If this application is to DRILL, RE-ENTER, 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.

NPC requests approval to plugback to the Wolfcamp formation per attached procedure. Perf, test and stimulate as necessary to establish production.

**Permit Expires 2 Years From Approval  
Date Unless Drilling Underway  
Plugback**

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.	OIL CONSERVATION DIVISION	
Signature: <i>Sarah Jordan</i>	Approved by: <i>[Signature]</i>	
Printed name: Sarah Jordan	Title: Geophysicist	
Title: Prod/ Reg Analyst	Approval Date: 06/24/10	Expiration Date: 06/24/12
E-mail Address: sjordan@nearburg.com		
Date: 5/21/10	Phone: 432/818-2950	Conditions of Approval Attached <input type="checkbox"/>

Submit to Appropriate District Office  
 State Lease - 4 copies  
 Fee Lease - 3 copies

State of New Mexico  
 Geology, Minerals and Natural Resources Department

Form O-182  
 Revised 5-1-89

**OIL CONSERVATION DIVISION**

P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

RECEIVED  
 AUG 27 1991

DISTRICT I  
 P.O. Box 1993, Hobbs, NM 88240

DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

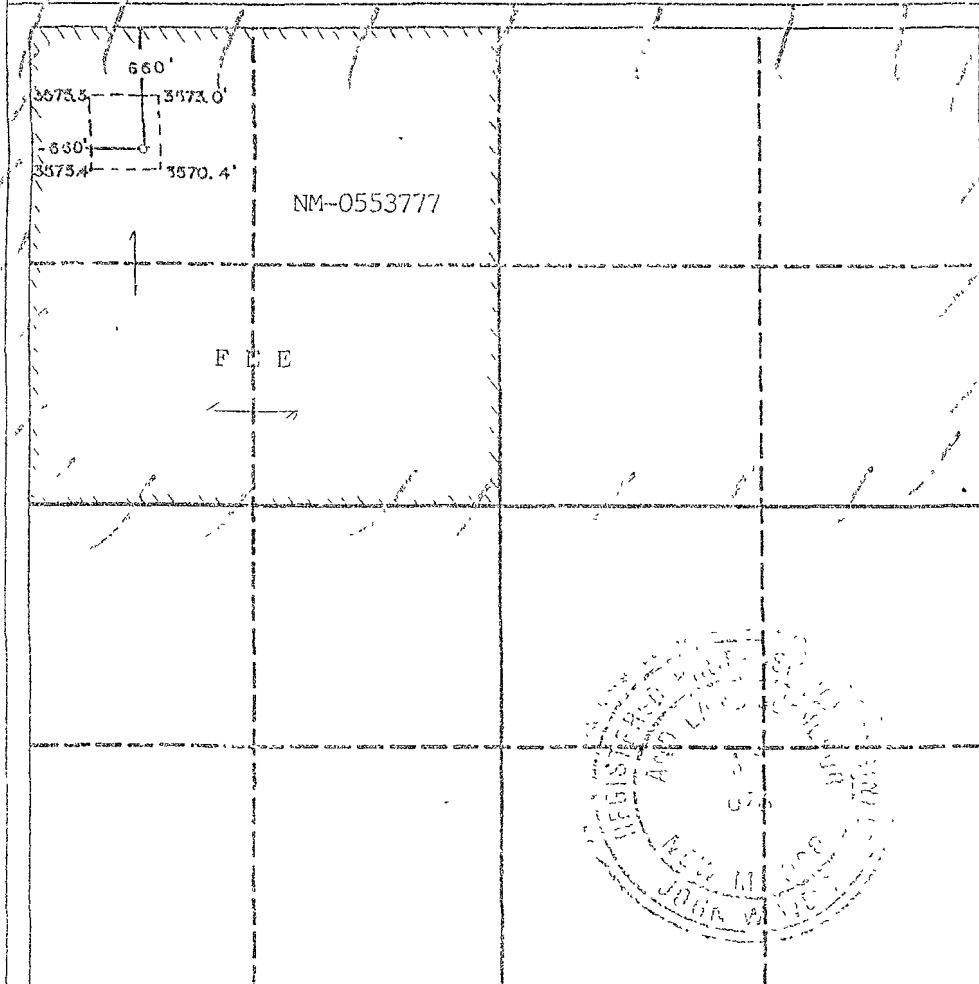
O. C. D.  
 ARTESIA OFFICE

Operator NEARBURG PRODUCING CO.			Lease COVERT COM		Well No. 2
Unit Letter D	Section 6	Township 20 SOUTH	Range 25 EAST	County EDDY	

Actual Footage Location of Well:  
 660 feet from the WEST line and 660 feet from the NORTH line

Ground Level Elev. 3573.4	Producing Formation Wolfcamp (GAS)	Pool Dagger Draw Wolfcamp	Dedicated Acreage: 330 Acres
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- Outline the acreage dedicated to the subject well by colored pencil or hand-drawn marks on the plat below. **< 75960 >**
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
 Yes  No  If answer is "yes" type of consolidation \_\_\_\_\_  
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)  
 No allowables will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

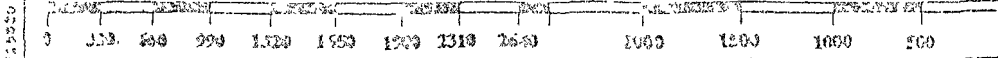


**OPERATOR CERTIFICATION**  
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Kathie Craft*  
 Printed Name: Kathie Craft  
 Position: Land Administrator  
 Company: Nearburg Producing Co.  
 Date: August 26, 1991

**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 knowledge and belief.

Date Surveyed: 5-4-91  
 Signature & Seal of Professional Surveyor: *Ronald J. Lidson*  
 Certificate No. JOHN W. WEST, 676  
 RONALD J. LIDSON, 3239



Covert Com #2

Alternate - Wolfcamp Only

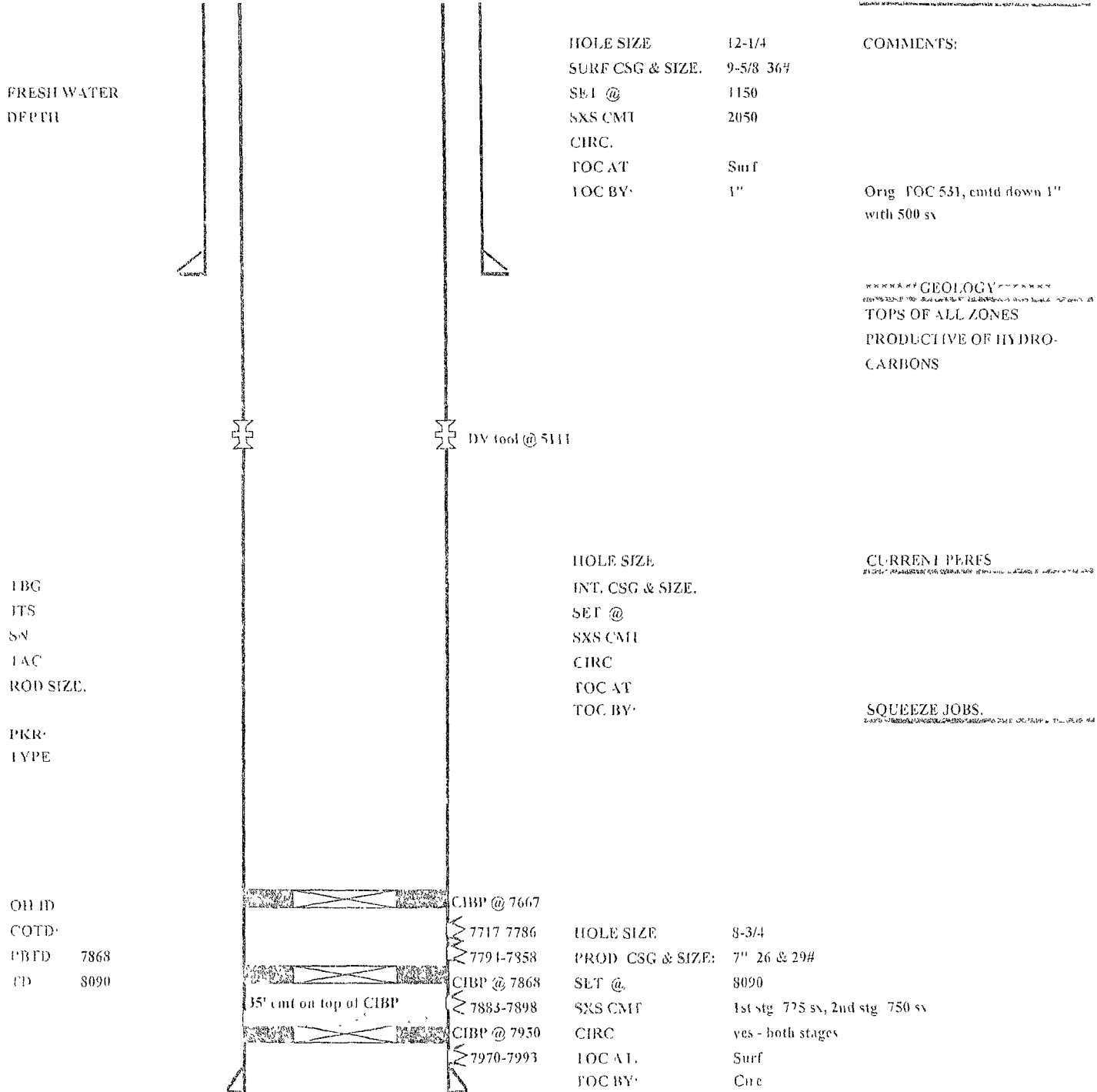
RECOMMENDED PROCEDURE:

1. MIRU Well service unit.
2. Load and pressure test casing to 2,000# (Well TA'd casing should be full)
3. ND wellhead, NU BOP
4. PU and RIH with tubing open ended to 6950'
5. Pickle tbg with 300 gals Xylene and 500 gals 15% NeFeHCl Reverse back through tubing
6. POH with tbg.
7. RU Wireline, RIH with gauge ring to 7200 All wireline work to be done under a 5000# lubricator.
8. Run GR-Collar log from 7200 back to 6000.
9. Perf. 6709-6715, 6734-6740, 6868-6886 and 6892-6912 with 2 SPF 60 degree phasing Correlate to Schlumberger "Gamma Ray Compensated Neutron Litho-Density" log dated 11/28/1991
10. RIH with packer to +/- 6610.
11. Set packer and acidize perfs from 6709 6912 with 5,000 gals 15% NeFeHCl using 80 ball sealers as follows  
Pump 1,000 gals acid then drop 10 balls, drop balls in clusters of 10 every 10 bbls thereafter  
Flush to bottom perf with 2% KCl water
12. Swab sufficiently to recover load and test production

Note. This zone is a Gas or Gas/Condensate zones and should have virgin pressure. If economic, it should come in flowing.

# CURRENT WELLBORE DIAGRAM

LEASE	Covert Com	WELL	2	FIELD	Dagger Draw North	APL	30-015-26818
LOC	660 FN & W	SEC	6	BLK		Reservoir	Cisco/Canyon
SVY	120S R25E	GL	3573	CTY/ST	Eddy Co, NM	SPUD	11/1/1991
CURRENT STATUS	TA'd	KB	3588	DF	3587	TD DATE	11/27/1991
						COMP DATE	1/7/1992



HOLE SIZE 12-1/4  
 SURF CSG & SIZE 9-5/8 36#  
 SET @ 1150  
 SXS CMT 2050  
 CIRC.  
 FOC AT Surf  
 FOC BY 1"

COMMENTS:  
  
 Orig FOC 531, emtd down 1"  
 with 500 sv

\*\*\*\*\* GEOLOGY \*\*\*\*\*  
 TOPS OF ALL ZONES  
 PRODUCTIVE OF HYDRO-  
 CARBONS

HOLE SIZE  
 INT. CSG & SIZE.  
 SET @  
 SXS CMT  
 CIRC  
 FOC AT  
 FOC BY

CURRENT PERFS  
  
 SQUEEZE JOBS

OH ID  
 COTD  
 UBFID 7868  
 ID 8090  
  
 CIBP @ 7667  
 7717-7786  
 7791-7858  
 CIBP @ 7868  
 7883-7898  
 CIBP @ 7930  
 7970-7993  
 35' cmt on top of CIBP

HOLE SIZE 8-3/4  
 PROD CSG & SIZE: 7" 26 & 29#  
 SET @ 8090  
 SXS CMT 1st stg 775 sv, 2nd stg 750 sv  
 CIRC yes - both stages  
 FOC AT Surf  
 FOC BY Cnc

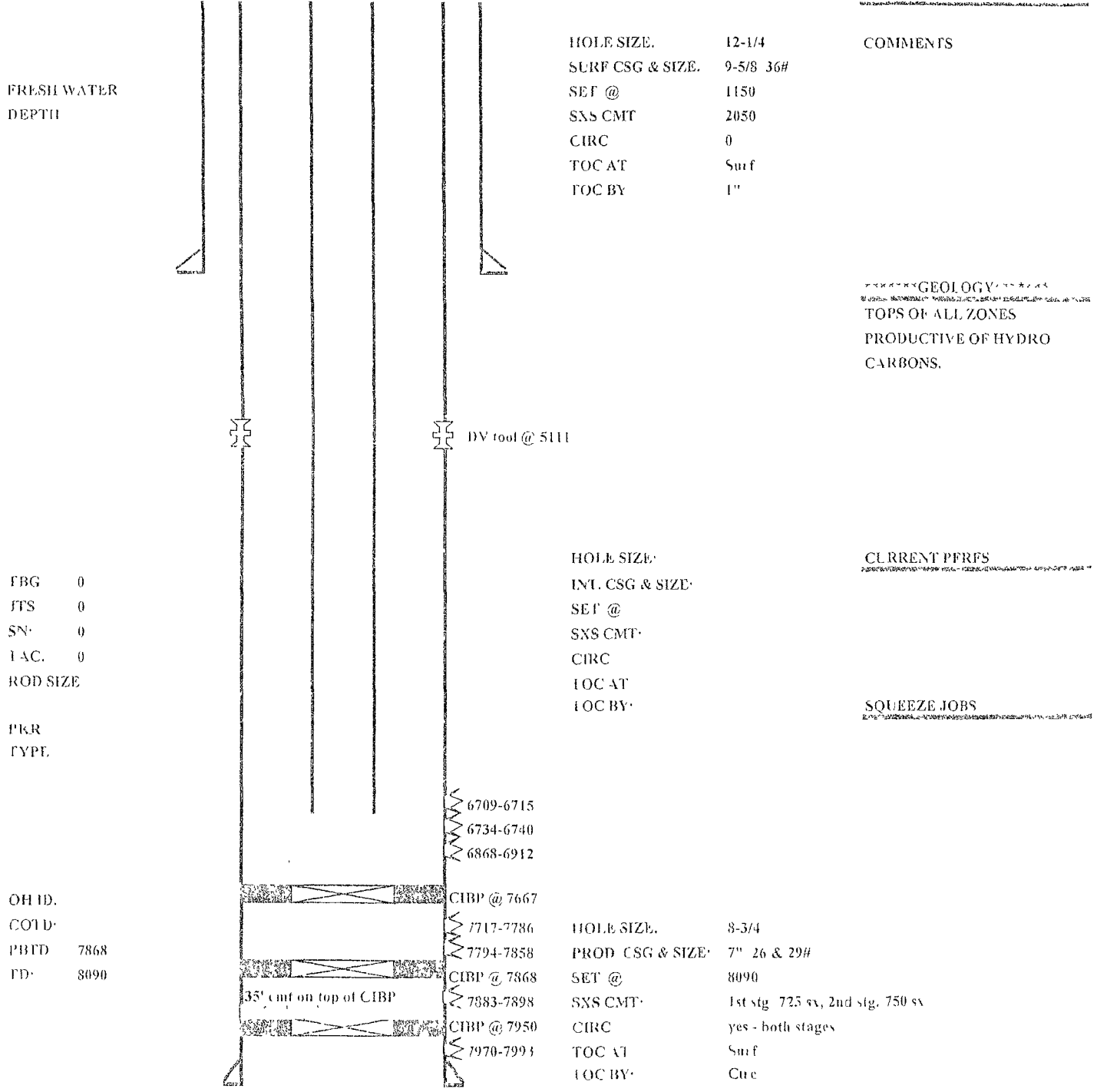
OPEN HOLE

LINER

BY TS  
 3/22/2010

# PROPOSED WELLBORE DIAGRAM

LEASE	Coverl Com	WELL	2	FIELD	Dagger Draw North	API	30-015-26818
LOC	660 FN & W	SEC	6	BLK	0	Reservoir	Canyon
SVY	T20S R25E	GL	3573	CITY/ST	Eddy Co, NM	SPUD	11/1/1991
CURRENT STATUS	TA'd	KB	3588	DP	3587	TD DATE	11/27/1991
						COMP DATE	1/7/1992



FRESH WATER  
DEPTH

HOLE SIZE 12-1/4  
SURF CSG & SIZE 9-5/8 36#  
SET @ 1150  
SXS CMT 2050  
CIRC 0  
TOC AT Surf  
FOC BY 1"

COMMENTS

\*\*\*\*\*GEOLOGY\*\*\*\*\*  
TOPS OF ALL ZONES  
PRODUCTIVE OF HYDRO  
CARBONS.

FBG 0  
JTS 0  
SN 0  
TAC 0  
ROD SIZE  
PKR  
TYPE

HOLE SIZE  
INT. CSG & SIZE  
SET @  
SXS CMT  
CIRC  
TOC AT  
FOC BY

CURRENT PREFS  
SQUEEZE JOBS

OH ID.  
COID  
PBITD 7868  
FD 8090

6709-6715  
6734-6740  
6868-6912  
CIBP @ 7667  
7717-7786  
7794-7858  
CIBP @ 7868  
7883-7898  
CIBP @ 7950  
7970-7993

HOLE SIZE 8-3/4  
PROD CSG & SIZE 7" 26 & 29#  
SET @ 8090  
SXS CMT 1st stg 725 sv, 2nd stg. 750 sv  
CIRC yes - both stages  
TOC AT Surf  
FOC BY Cut c

OPEN HOLE

LINEP

BY IS  
3/22/2010