

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT **OCD-ARTESIA**FORM APPROVED
OMB NO 1004-0137
Expires March 31, 2007**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.****SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Nearburg Producing Company

3a. Address

3300 N A St., Bldg 2, Ste 120, Midland, TX

3b. Phone No (include area code)

432/818-2950

4. Location of Well (Footage, Sec., T, R, M., or Survey Description)

2460 FSL and 810 FWL, Sec 33, 18S, 27E

5. Lease Serial No.

NMNM125357 105206

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No

KL 33 Fed Com #1

9. API Well No.

30-015-38085

10. Field and Pool, or Exploratory Area

Red Lake; Upper Penn. East

11. County or Parish, State

Eddy NM

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

TYPE OF SUBMISSION

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other Spud andSurface Csg andcmt

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 recompleat 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 recompleat 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 spud subject well on 8/30/10. Drld to 2325'. RU csg crew and ran 60 jts 8-5/8 32# J55 STC csg and set at 2325'. RD csg crew. RU BJ and cmt as follows: Lead: 513 sxs 35/65 POZ C and Tail: 100 sxs C + additives. Drop plug and displaced w/ 139 bbls H2O. Bumped plug, float held, CIP @ 9:00 PM. RD BJ and WOC. Cut off csg and weld on wellhead. Test to 1000 psi, held OK. NU BOPE's and test to 3000 psi high and 250 low. PU drlg assembly and cont drilling ahead.

RECEIVED

SEP 29 2010

NMOCD ARTESIA

ACCEPTED FOR RECORD

SEP 24 2010

/s/ Chris Walls

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Sarah Jordan

Title

Production Analyst

Date 9/20/10

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.