

State of New Mexico  
Energy, Minerals & Natural Resources

Form C-101  
March 4, 2004

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

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

Submit to appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ 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., Bdg 2 Syte 120, Midland, TX 79705		<sup>2</sup> OGRID Number 015742
<sup>4</sup> Property Code 27886		<sup>3</sup> API Number 30- 025-35510
<sup>5</sup> Property Name Simms 35 State		<sup>6</sup> Well No. 3

<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
N	35	20S	35E		660	South	1980	West	Lea

<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
<sup>9</sup> Proposed Pool 1 Lea Southwest Wolfcamp					<sup>10</sup> Proposed Pool 2 Southeast				

<sup>21</sup> Drilling Pit Location and Other Information									
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
Depth to ground water				Distance from nearest fresh water well			Distance from nearest surface water		
<sup>11</sup> Work Type Code Plugback		<sup>12</sup> Well Type Code OG		<sup>13</sup> Cable/Rotary		<sup>14</sup> Lease Type Code S		<sup>15</sup> Ground Level Elevation 3688	
<sup>16</sup> Multiple No		<sup>17</sup> Proposed Depth 13513		<sup>18</sup> Formation Wolfcamp		<sup>19</sup> Contractor		<sup>20</sup> Spud Date 1/10/05	

<sup>21</sup> Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2	13-3/8	61	1347	1110	Surface
12-1/4	9-5/8	40	5583	1805	Surface
8-3/4	5-1/2	17 & 20	13513	2904	Surface
All Existing					

<sup>22</sup> 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 Wolfcamp formation. Perf. test and stimulate as necessary to establish production.

See attached procedure.

Permit Expires 1 Year 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. 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"/> .		<b>OIL CONSERVATION DIVISION</b>	
Signature: <i>Sarah Jordan</i>		Approved by: <i>[Signature]</i>	
Printed name: Sarah Jordan		Title: PETROLEUM ENGINEER	
Title: Production Analyst		Approval Date: JAN 18 2005	
E-mail Address: sjordan@nearburg.com		Expiration Date:	
Date: 1/4/05	Phone: 432/686-8235 x 203	Conditions of Approval: Attached <input type="checkbox"/>	

# State of New Mexico

Energy, Minerals and Natural Resources Department

## DISTRICT I

P.O. Box 1990, Hobbs, NM 88241-1990

## DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

# OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-35510	Pool Code 80080	Pool Name Lea Southwest, Wolfcamp
Property Code 27886	Property Name SIMMS "35" STATE	Well Number 3
OGRID No. 015742	Operator Name NEARBURG PRODUCING CO.	Elevation 3688'

### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	20-S	35-E		660	SOUTH	1980	WEST	LEA

### 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

Dedicated Acres 160	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

	<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature <u>Sarah Jordan</u> Printed Name <u>Sarah Jordan</u> Title <u>Prod. Analyst</u> Date <u>1-4-05</u>
	<b>SURVEYOR CERTIFICATION</b>  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.  MARCH 28, 2001  Date Surveyed <u>                    </u> AWB Signature & Seal For Professional Surveyor <u>Ronald J. Edson</u> Certificate No. <u>01-11-0389</u> Certificate No. <u>RONALD J. EDSON 3239</u> <u>GARY EDSON 12841</u>

**CURRENT EQUIPMENT DESCRIPTION:**

**RECOMMENDED PROCEDURE:**

- 1) MIRU PU. Kill well if necessary and ND WH. NU BOP.
- 2) Release & POH w/2 3/8" x 5 1/2" 20# PLS pkr w/50K shear.
- 3) MIRU JSI to RIH w/JB/GR/CCL to 13310' (bottom of Morrow perms). POH & RIH w/5-1/2" CIBP/CCL to 13100' and set CIBP. Dump 35' cmt on CIBP.
- 4) RIH w/2-7/8" 5-1/2" 10K trtg pkr, on/off tool, and Xover and 3.5" workstring to 11,500' testing to 5000#. Pickle tbq w/400 g Xylene and 900g 15% HCL and reverse out w/4% KCL. Set pkr. Swab well down to 3000' FS.
- 5) RU JSI to perforate from 11,602-26' w/4 spf Titan part # RTG2106-320T 2" guns phased 90 degrees under a 5000# lubricator (correlate to Schlumberger "Platform Express Triple Detector Litho-Density Compensated Neutron / GR" run one dated 22-AUG-2001). RD JSI.
- 6) If well will flow bring it on with a 10 or 12/64" chk. Increase choke size only after consulting Matt Lee or Brian Huzzey.
- 7) If well does not flow RU BJ to perform a 4000 g 15% NEFE HCL at 4-5bpm as follows:
  - Pump 1000 g 15% HCL
  - Drop 25 - 7/8" 1.3 balls
  - Pump 750 gal 15% HCL
  - Drop 25 - 7/8" 1.3 balls
  - Pump 750 g 15% HCL
  - Drop 25 - 7/8" 1.3 balls
  - Pump 750 g 15% HCL
  - Drop 25 - 7/8" 1.3 balls
  - Pump 750 g 15% HCL
  - Flush to top perf w/2% KCL

Let acid spend for 30 to 45 min then flow/swab back acid load. If well flows follow step 6 flowback procedure.
- 8) If breakdown provides sufficient response an acid frac may be performed if both Operations (Matt Lee) and Engineering (Brian Huzzey) believe it is warranted. A 10,000 gal x-linked acid procedure has already been prepared for execution down a 3.5" 9.3# P-110 workstring at 25 bpm.
- 9) RD PU.

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Energy, Minerals and Natural Resources

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

Form C-144  
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office.

### Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒  
Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: <u>Nearburg Producing Company</u> Telephone: <u>686-8235</u> e-mail address: <u>s.jordan@nearburg.com</u>				
Address: <u>3300 N A St., Bldg 2, Ste 120, Midland, TX 79705</u>				
Facility or well name: <u>Simms 35 State #3</u> API #: <u>30-025-35510</u> U/L or Qtr/Qtr: <u>N</u> Sec: <u>35</u> T: <u>20S</u> R: <u>35E</u>				
County: <u>Lea</u> Latitude: _____ Longitude: _____ NAD: 1927 <input checked="" type="checkbox"/> 1983 <input type="checkbox"/> Surface Owner Federal <input type="checkbox"/> State <input checked="" type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>				
<table border="1"> <tr> <td> <b>Pit</b>  Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/>  Workover <input checked="" type="checkbox"/> Emergency <input type="checkbox"/>  Lined <input checked="" type="checkbox"/> Unlimited <input type="checkbox"/>  Liner type: Synthetic <input checked="" type="checkbox"/> Thickness: <u>12</u> mil Clay <input type="checkbox"/> Volume: _____ bbl </td> <td> <b>Below-grade tank</b>  Volume: _____ bbl Type of fluid: _____  Construction material: _____  Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____ </td> </tr> </table>			<b>Pit</b> Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input checked="" type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlimited <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness: <u>12</u> mil Clay <input type="checkbox"/> Volume: _____ bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____
<b>Pit</b> Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input checked="" type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlimited <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness: <u>12</u> mil Clay <input type="checkbox"/> Volume: _____ bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____			
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points)	X		
Wellhead protection area. (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No (0 points)	X		
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points)	X		
<b>Ranking Score (Total Points)</b>		<b>0</b>		

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: onsite ☐ offsite ☐ If offsite, name of facility: \_\_\_\_\_ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface: \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 1/14/05

Printed Name/Title: Sarah Jordan, Production Analyst

Signature: 

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: \_\_\_\_\_

Printed Name/Title: \_\_\_\_\_

JAN 18 2005

PETROLEUM ENGINEER

Signature: 