

State of New Mexico
Energy, Minerals & Natural Resources

Form C-101
May 27, 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

☐ AMENDED REPORT

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

¹ Operator Name and Address Nearburg Producing Company 3300 N A., St. Bldg 2, Ste 120, Midland, TX 79705		² OGRID Number 015742
⁴ Property Code 3517D	⁵ Property Name New Mexico State 36	³ API Number 30-025-37518
⁹ Proposed Pool 1 E-K; Bone Springs		⁶ Well No. 4
¹⁰ Proposed Pool 2		

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
G	36	18S	33E		1980	North	1980	East	Lea

⁸ 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

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 826
¹⁶ Multiple N	¹⁷ Proposed Depth 10,000	¹⁸ Formation Bone Springs	¹⁹ Contractor Patterson - UTI	²⁰ Spud Date 10/25/05
Depth to ground water		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume _____ bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ 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	48	450	500	Surface
11	8-5/8	36	5000	1500	Surface
7-7/8	5-1/2	17 & 20	10,000	800	4500

²² 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.

NPC proposes to drill well to sufficient depth to evaluate the Bone Springs formation. Perf, test and stimulate as necessary to establish production.

Acreage dedication is 80 acres.

**Permit Expires 1 Year From Approval
Date Unless Drilling Underway**

²³ 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"/> . Signature: <i>Sarah Jordan</i>		OIL CONSERVATION DIVISION	
Printed name: Sarah Jordan			
Title: Production Analyst		Approved by: <i>[Signature]</i> Title: PETROLEUM ENGINEER	
E-mail Address: sjordan@nearburg.com		Approval Date: OCT 19 2005 Expiration Date:	
Date: 10/13/05	Phone: 432/686-8235 x 203	Conditions of Approval: Attached <input type="checkbox"/>	

DISTRICT I

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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 JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-37518	Pool Code 21650	Pool Name CK Bone Springs
Property Code 35170	Property Name NEW MEXICO STATE 36	Well Number 4
OGRID No. 015742	Operator Name NEARBURG PRODUCING COMPANY	Elevation 3826'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	36	18-S	33-E		1980	NORTH	1980	EAST	LEA

Bottom Hole Location If Different From Surface

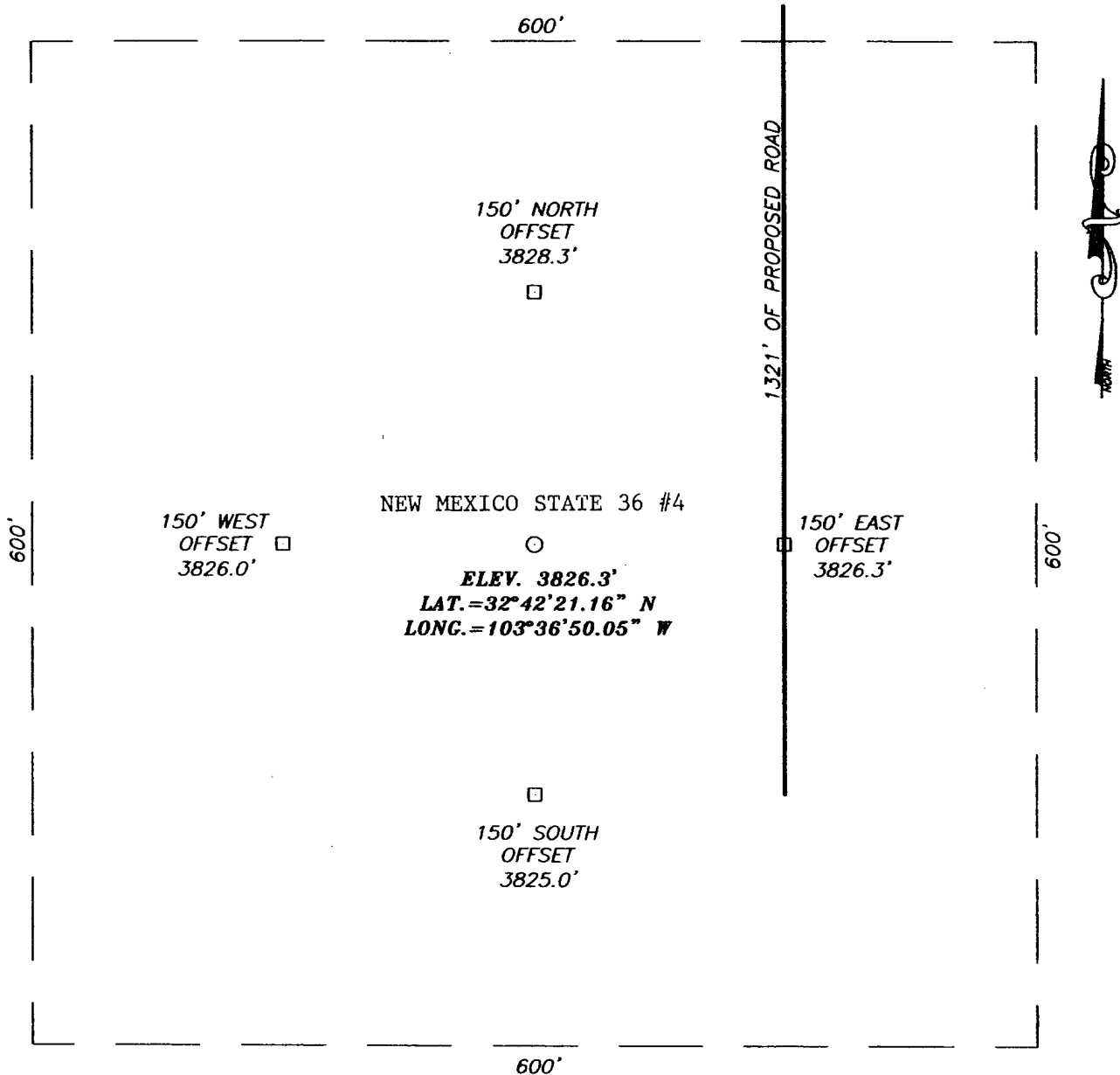
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 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

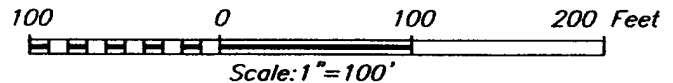
	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>[Signature]</i> Printed Name: Jordan Title: Prod Analyst Date: 10.13.05	
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this 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. Date Surveyed: OCTOBER 3, 2005 Signature & Seal: <i>[Signature]</i> LA Professional Surveyor: RONALD G. EDSON Date: 05.11.1543	
	Certificate No. RONALD G. EDSON 3239 REGISTERED PROFESSIONAL SURVEYOR	

SECTION 36, TOWNSHIP 18 SOUTH, RANGE 33 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. 62-180 AND SMITH RANCH RD. GO NORTH ON SMITH RANCH RD APPROX. 2.1 MILES. TURN RIGHT AND GO NORTHEAST APPROX. 2.0 MILES. TURN LEFT AND GO NORTH APPROX. 3.0 MILES. TURN LEFT AND GO WEST APPROX. 0.4 MILES. TURN RIGHT AND GO NORTH APPROX. 1.0 MILES. TURN LEFT AND GO SOUTHWEST TO THE ROCO RESOURCES NM ST. 36 #1 WELL. FOLLOW PROPOSED ROAD SOUTH APPROX. 1321 FEET TO THIS LOCATION.



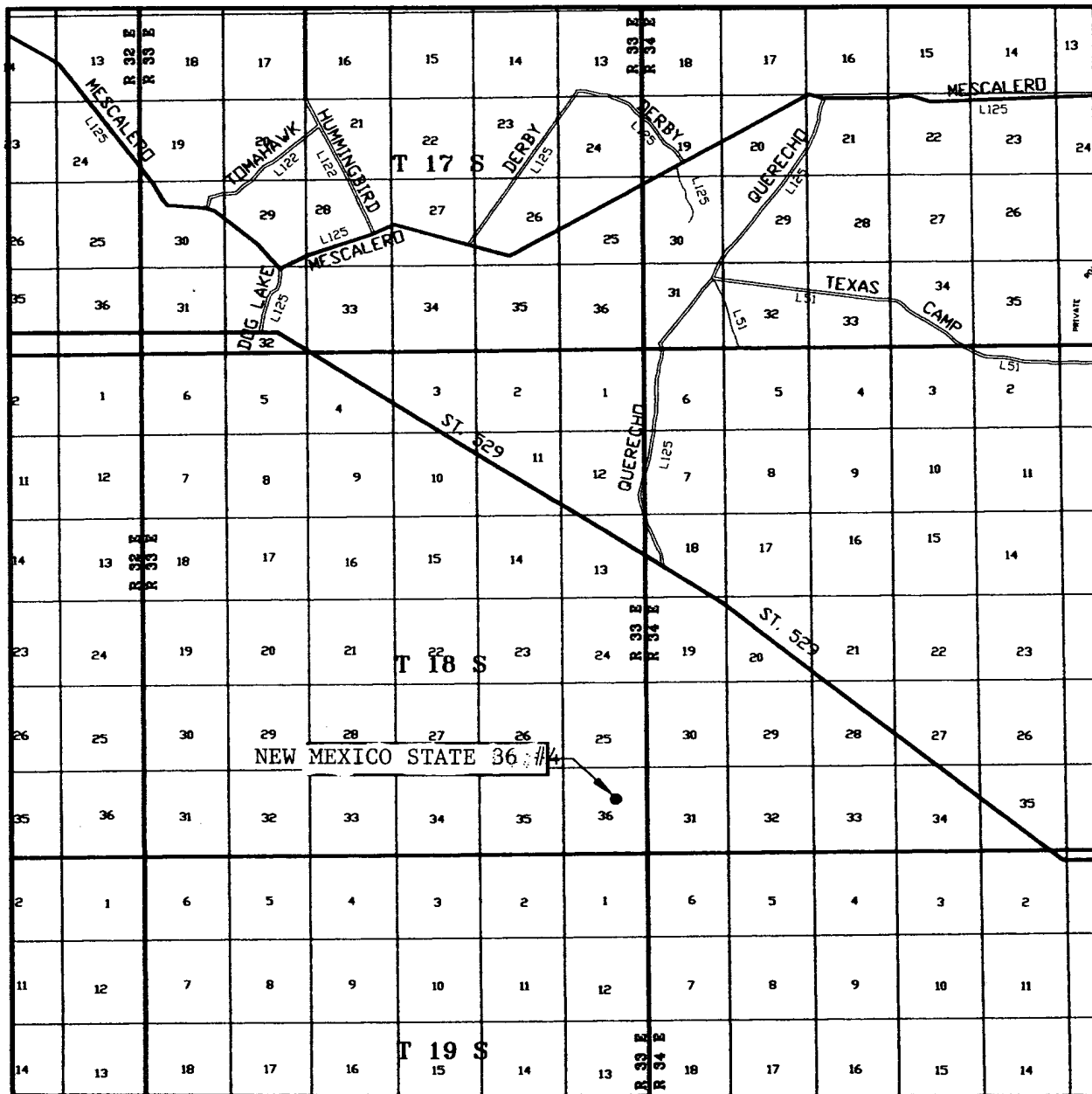
NEARBURG PRODUCING COMPANY

New Mexico State 36 #4 WELL
 LOCATED 1980 FEET FROM THE NORTH LINE
 AND 1980 FEET FROM THE EAST LINE OF SECTION 36,
 TOWNSHIP 18 SOUTH, RANGE 33 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO.

Survey Date: 10/3/05	Sheet 1 of 1 Sheets
W.O. Number: 05.11.1547	Dr By: LA
Date: 10/5/05	Disk: CD#4
05111547	Scale: 1"=100'

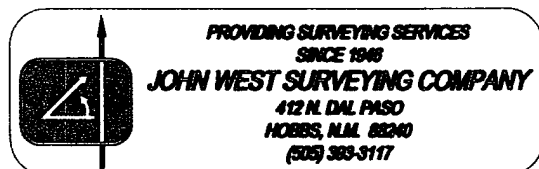
PROVIDING SURVEYING SERVICES
 SINCE 1948
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117

VICINITY MAP

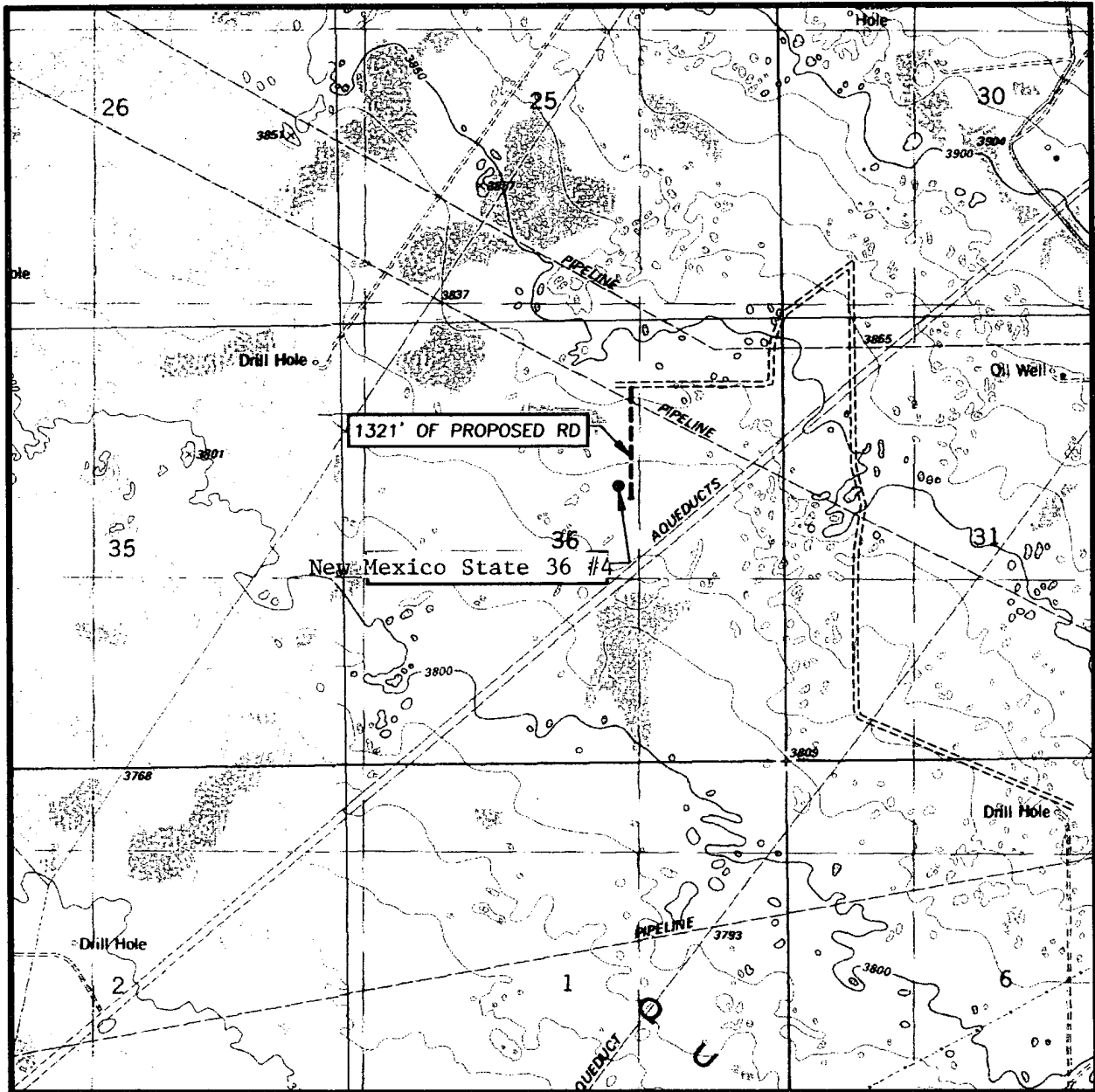


SCALE: 1" = 2 MILES

SEC. 36 TWP. 18-S RGE. 33-E
 SURVEY N.M.P.M.
 COUNTY LEA
 DESCRIPTION 1980' FNL & 1980' FEL
 ELEVATION 3826'
 OPERATOR NEARBURG PRODUCING COMPANY
 LEASE New Mexico State 36 #4



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
IRONHOUSE WELL, N.M. - 10'

SEC. 36 TWP. 18-S RGE. 33-E

SURVEY N.M.P.M.

COUNTY LEA

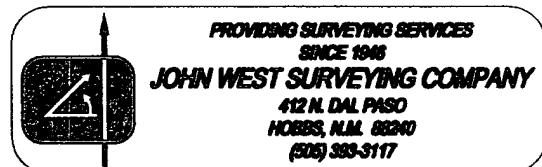
DESCRIPTION 1980' FNL & 1980' FEL

ELEVATION 3826'

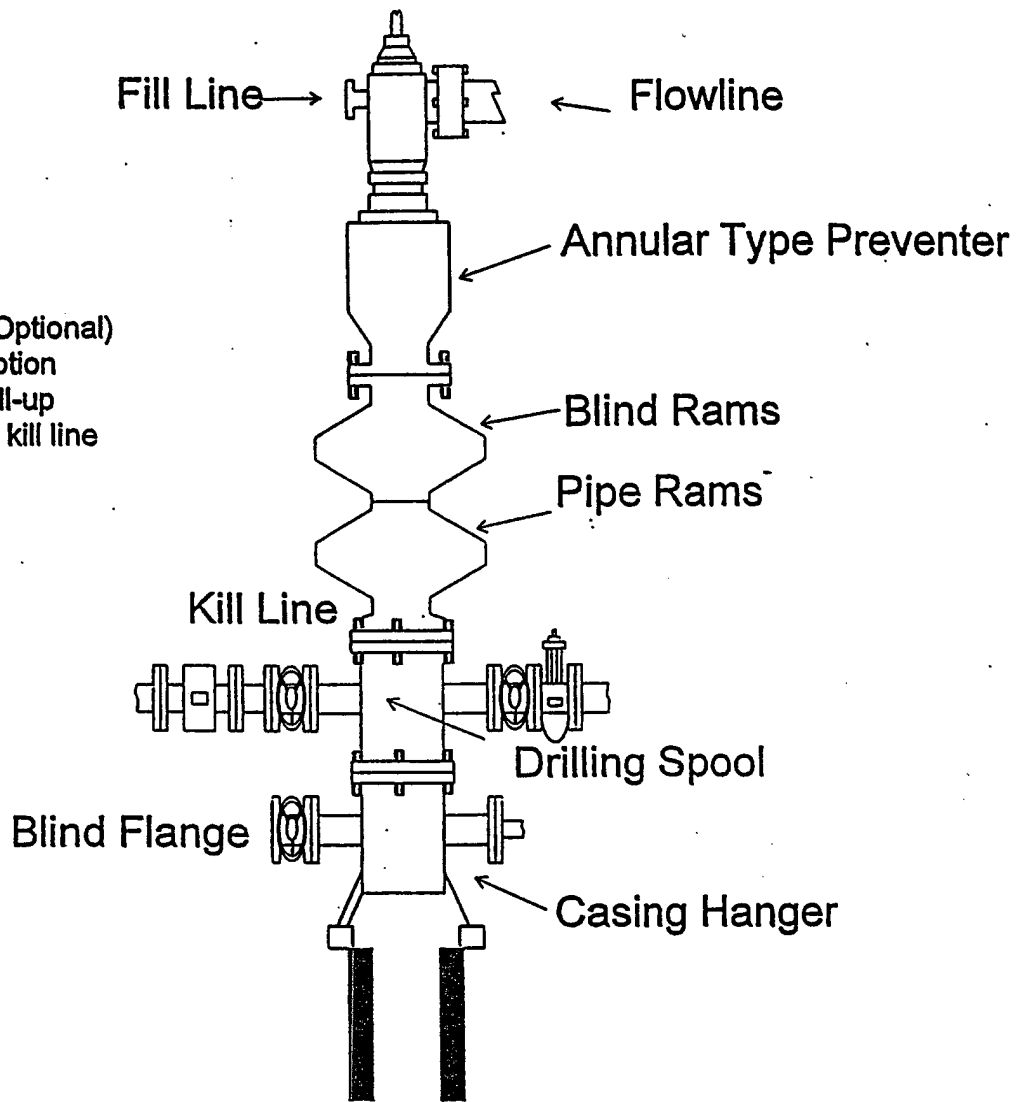
OPERATOR NEARBURG
PRODUCING COMPANY

LEASE NEW MEXICO STATE 36 #4

U.S.G.S. TOPOGRAPHIC MAP
IRONHOUSE WELL, N.M.



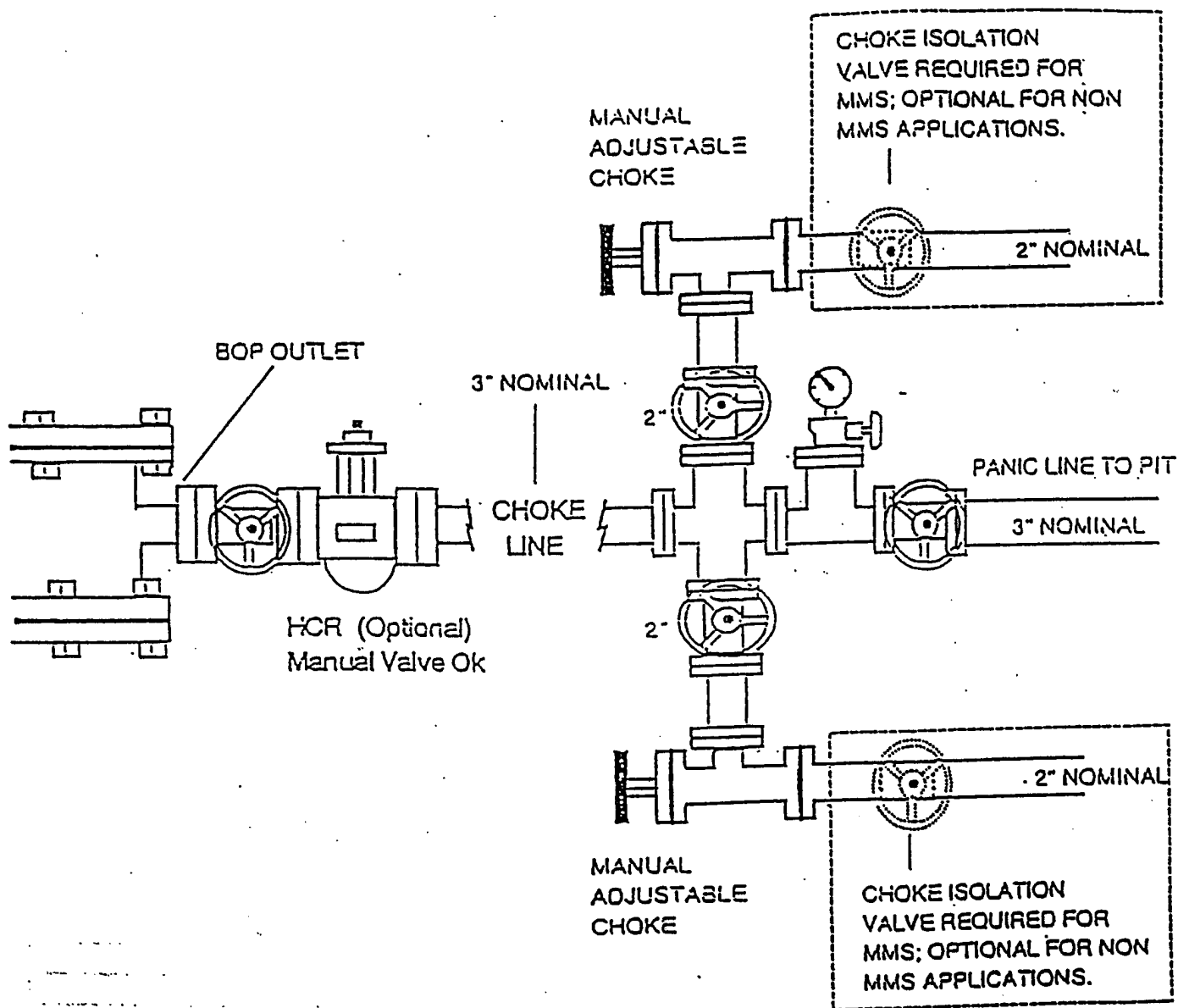
NEARBURG PRODUCING COMPANY
BOPE SCHEMATIC



Rotating Head (Optional)
Drilling Nipple option
must include a fill-up
line. Do not use kill line
for fill up.

900 Series

NEARBURG PRODUCING COMPANY
CHOKE MANIFOLD
2M AND 3M SERVICE



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State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-144
June 1, 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: Nearburg Producing Company Telephone: 432/686-8235 e-mail address: s.jordan@nearburg.com
Address: 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705
Facility or well name: New Mexico State 36 #4 API #: 30-025-37518 U/L or Qtr/Qtr G Sec 36 T 18 R 33
County: Lea Latitude _____ Longitude _____ NAD: 1927 ☒ 1983 ☐ Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input 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"/> Pit Volume _____ bbl	Below-grade tank 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
Ranking Score (Total Points) 0	

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: (check the onsite box if you are burying in place) 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.

Additional Comments: _____

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: 10/13/05

Printed Name/Title: Sarah Jordan, Production Analyst

Signature: [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: OCT 19 2005

Printed Name/Title: _____

PETROLEUM ENGINEER

Signature: [Signature]