

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 **MAR 13 2008** Submit to appropriate District Office
1220 S. St. Francis Dr.
Santa Fe, NM 87505 **HOBBS OCD** 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
		³ API Number 30- 025-36452
⁴ Property Code 23540 San Simon	⁵ Property Name Cuerno 4 State	⁶ Well No. 2E
⁹ Proposed Pool 1 Undesignated; Wolfcamp		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no. B	Section 4	Township 22S	Range 35E	Lot. Idn	Feet from the 736	North/South Line North	Feet from the 1899	East/West line East	County Lea
--------------------	--------------	-----------------	--------------	----------	----------------------	---------------------------	-----------------------	------------------------	---------------

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no. C	Section 4	Township 22S	Range 35E	Lot Idn	Feet from the 660	North/South Line North	Feet from the 1980	East/West line West	County Lea
--------------------	--------------	-----------------	--------------	---------	----------------------	---------------------------	-----------------------	------------------------	---------------

Additional Well Location

¹¹ Work Type Code Re-Entry	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3605
¹⁶ Multiple	¹⁷ Proposed Depth 11500 TVD	¹⁸ Formation Wolfcamp	¹⁹ Contractor Patterson	²⁰ Spud Date 4/1/08
Depth to ground water		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic ☐ muls thick Clay ☐ Pit Volume _____ bbls Drilling Method: Closed-Loop System ☐ Fresh Water ☐ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☐				

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	61	1488	1200 sxs	Surface
12-1/4	9-5/8	36&40	5581	2670 sxs	Surface
above is existing					
7-7/8	5-1/2	17	11500	700 sxs	300' / 200' inside 9-5/8

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 prooses to re-enter the subject welland directionally drill to TD. Set kick off plug @ 6000' and drill to 11,500''. Perf, test and stimulate as necessary to establish production.

Direc Plan Attached.

**Permit Expires 2 Years 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 NMOC guidelines ☒ a general permit ☐ , or an (attached) alternative OCD approved plan ☐ . Signature: <i>Sarah Jordan</i>	RE-Entry OIL CONSERVATION DIVISION
Printed name: Sarah Jordan	Approved by: <i>Chris Williams</i>
Title: Production Analyst	Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER
E-mail Address: sjordan@nearburg.com	Approval Date: MAR 18 2008 Expiration Date:
Date: <i>3.12.08</i>	Conditions of Approval: Attached ☐
Phone: 432/686-8235	

State of New Mexico

Energy, Minerals and Natural Resources Department

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 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State LEase - 4 Copies

Fee LEase - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30025-3452	Pool Code 53690	San Simon Undesignated; Wolfcamp	Pool Name
Property Code 2354D	Property Name CUERNO 4 STATE		Well Number 2#Y
OGRID No. 015742	Operator Name NEARBURG PRODUCING COMPANY		Elevation 3605'

Surface Location

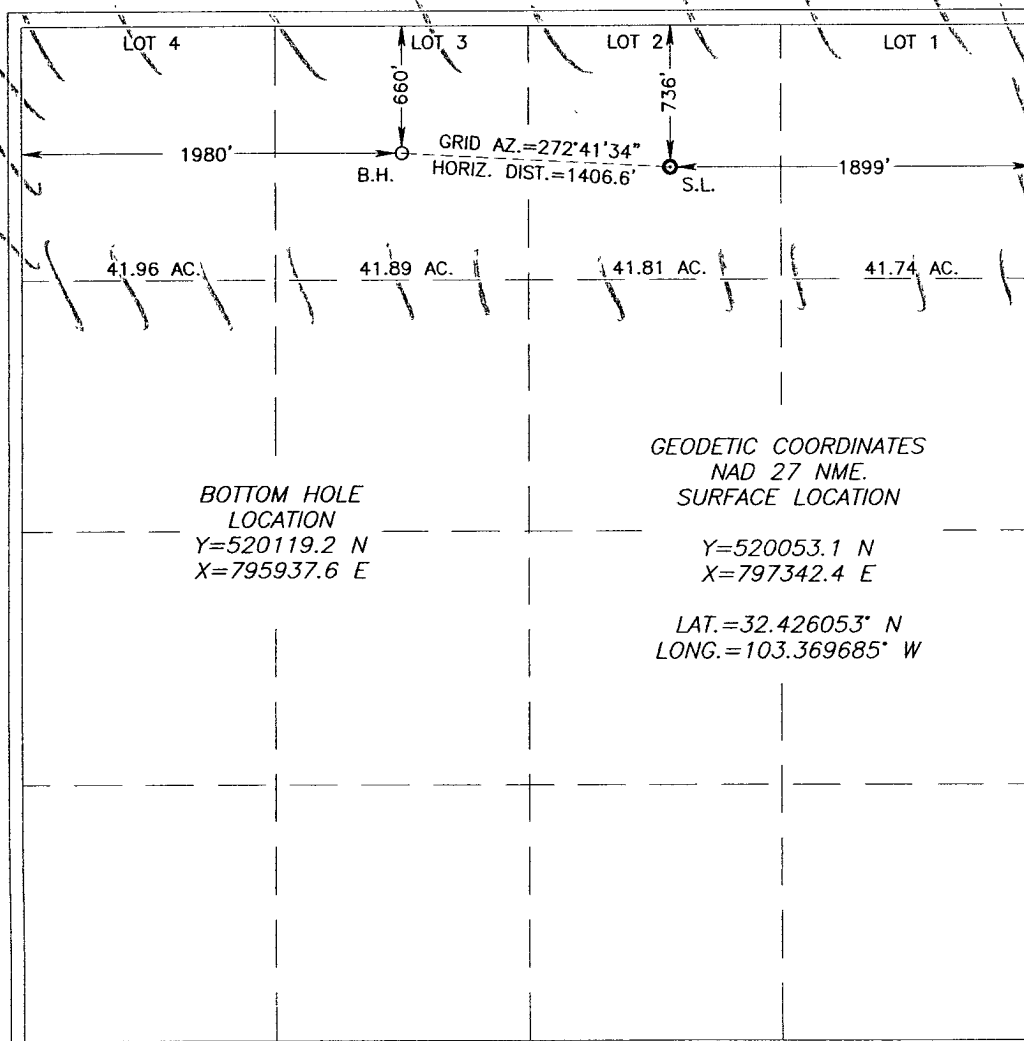
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	4	22-S	35-E		736	NORTH	1899	EAST	LEA

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
C	4	22-S	35-E		660	NORTH	1980	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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 that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

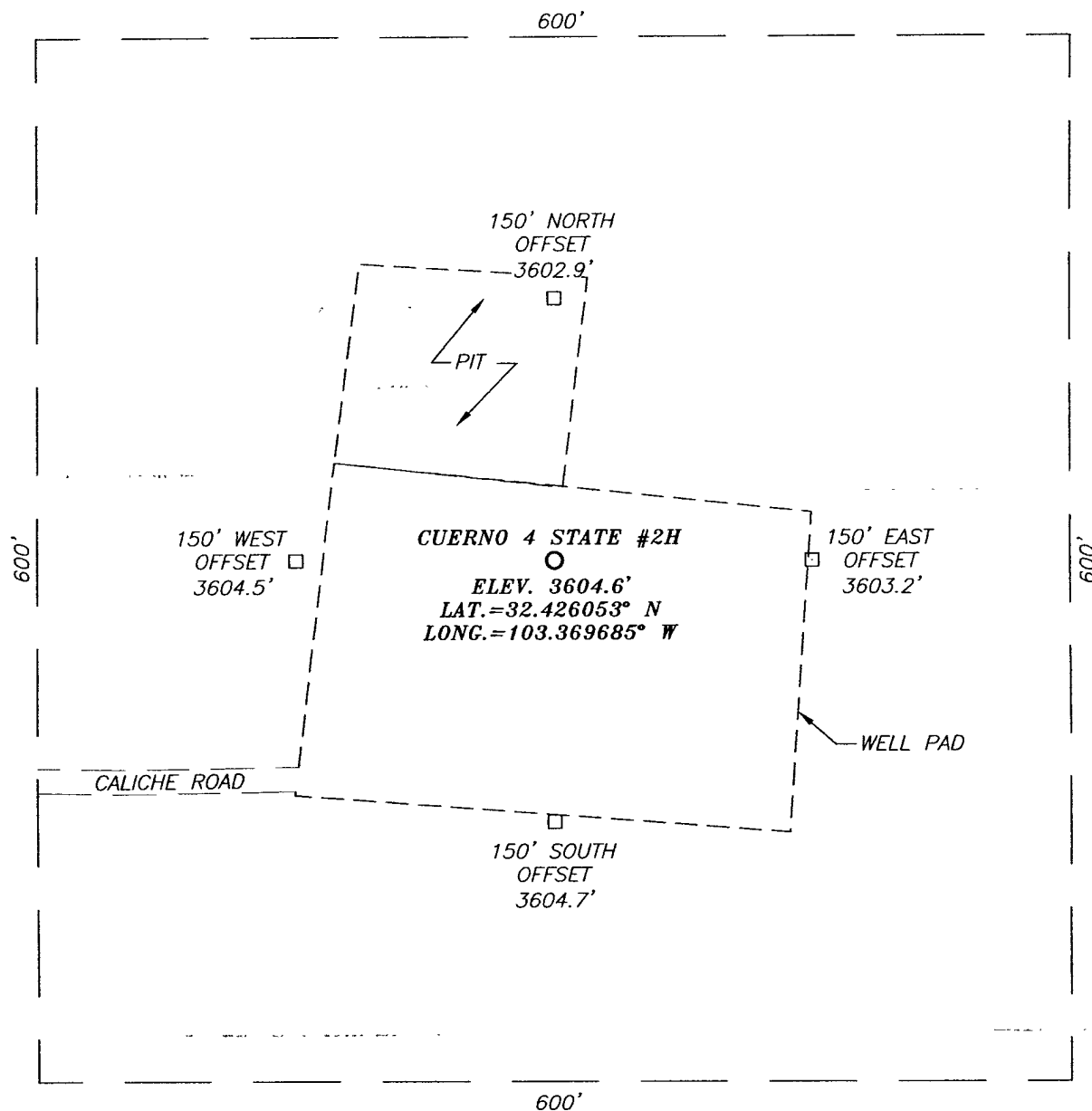
Jordan 3/12/08
Signature Date
Jordan
Printed Name

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.

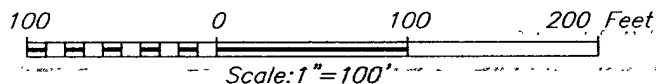
FEBRUARY 19 2008
Date Surveyed
Signature & Seal of Professional Surveyor
3239
Certificate No. GARY G. EIDSON 12641
RONALD J. EIDSON 3239

SECTION 4, TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

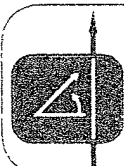
FROM THE INTERSECTION OF STATE HIGHWAY 176 AND COUNTY ROAD E32 (SAN SIMON ROAD), GO SOUTH ON COUNTY ROAD E32 APPROX. 3.2 MILES. TURN LEFT ON CALICHE ROAD AND GO EAST APPROX. 0.9 MILES. TURN RIGHT AND GO SOUTH APPROX. 0.8 MILES. TURN LEFT AND GO SOUTHEAST APPROX. 0.9 MILES. TURN LEFT AND GO NORTH APPROX. 0.2 MILES. TURN RIGHT AND GO EAST APPROX. 0.3 MILES TO THE SOUTHWEST CORNER OF AN EXISTING WELL PAD. THIS LOCATION IS APPROX. 150 FEET NORTHEAST.



NEARBURG PRODUCING COMPANY

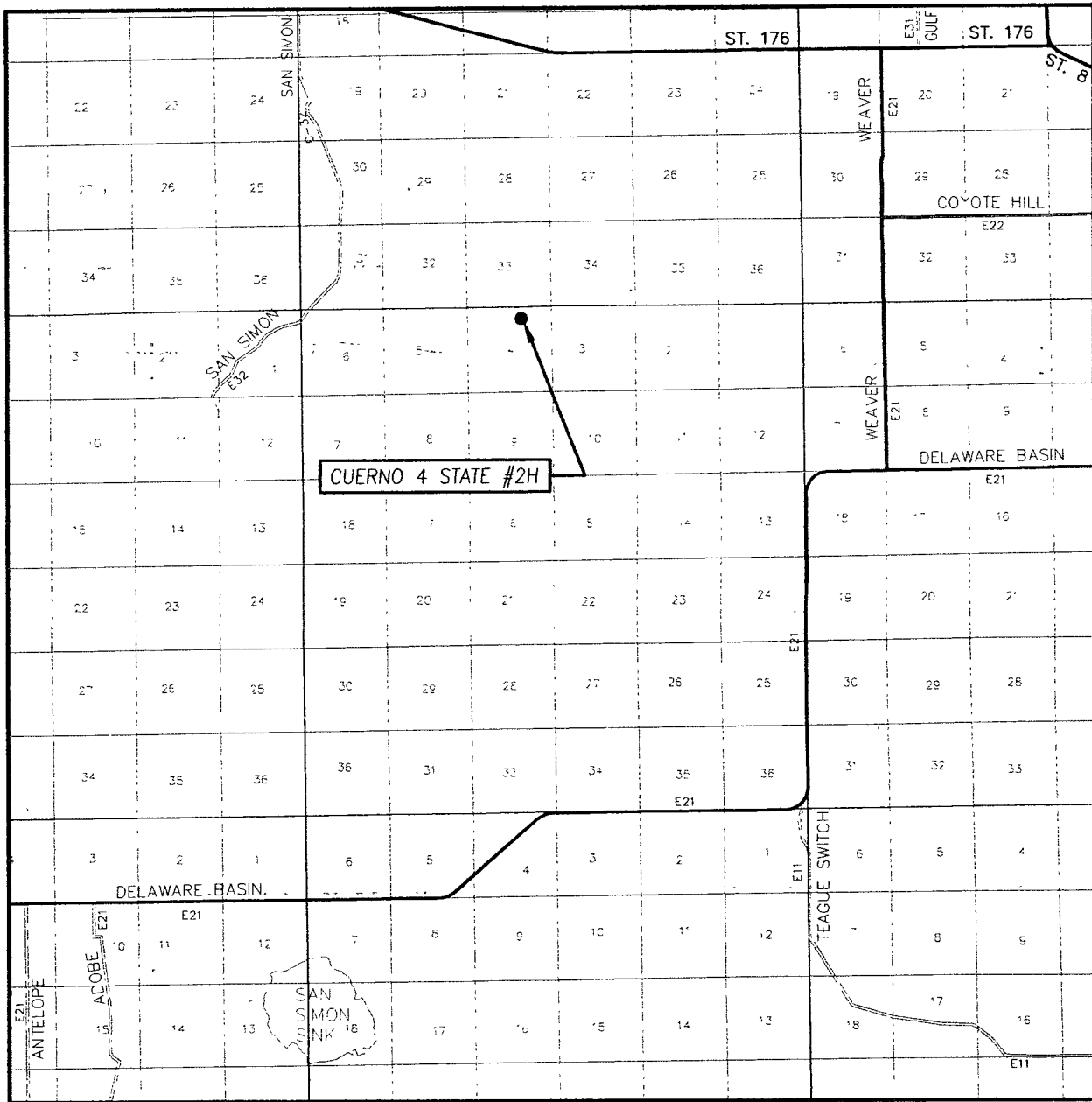
CUERNO 4 STATE #2H WELL
 LOCATED 736 FEET FROM THE NORTH LINE
 AND 1899 FEET FROM THE EAST LINE OF SECTION 4,
 TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO.

Survey Date: 02/19/08	Sheet 1 of 1 Sheets
W.O. Number: 08.11.0212	Dr By: DSS
Date: 02/22/08	08110212
	Scale: 1"=100'



PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 4 TWP. 22-S RGE. 35-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

DESCRIPTION 736' FNL & 1899' FEL

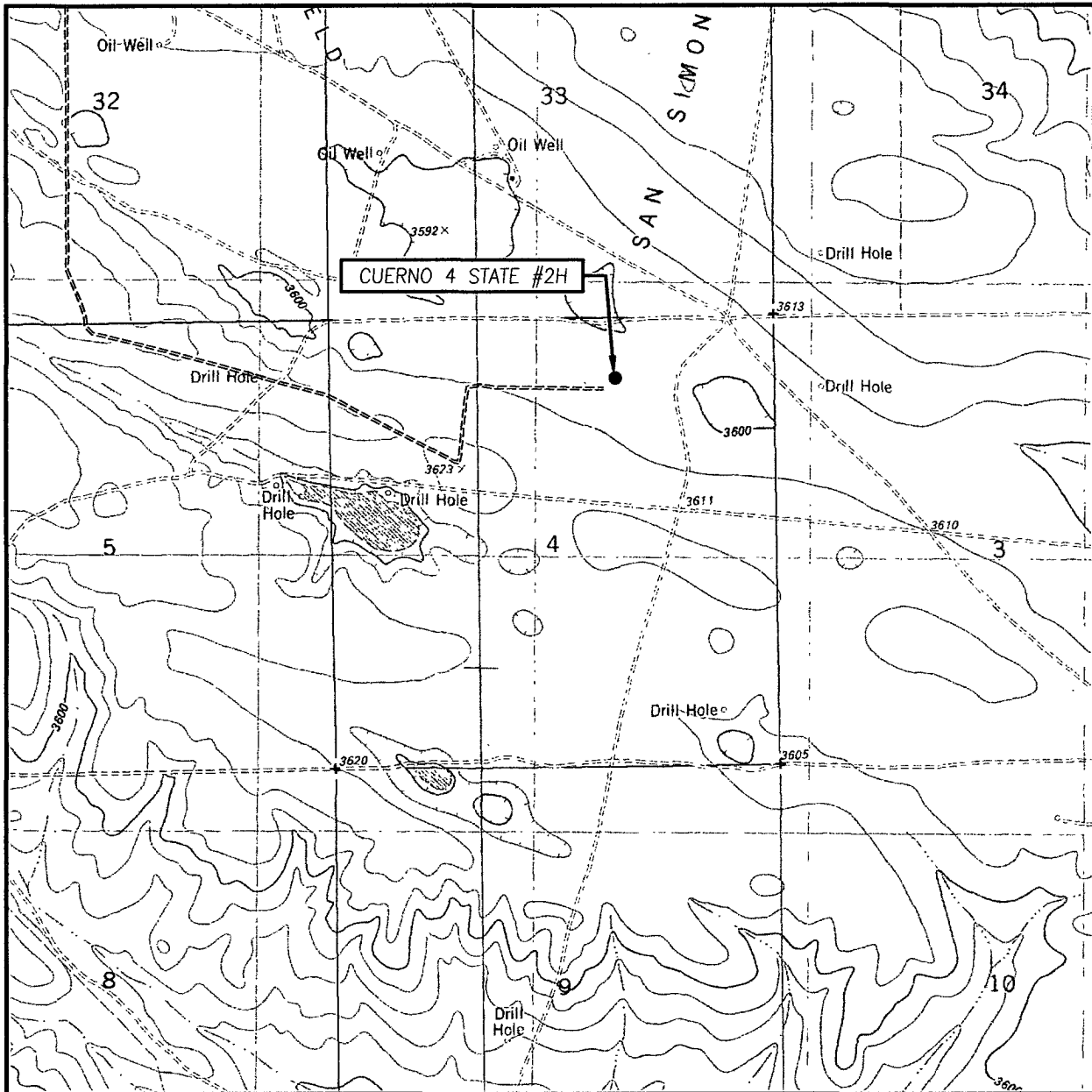
ELEVATION 3605'

OPERATOR NEARBURG PRODUCING COMPANY

LEASE CUERNO 4 STATE

PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
OIL CENTER, NM

SEC. 4 TWP. 22-S RGE. 35-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

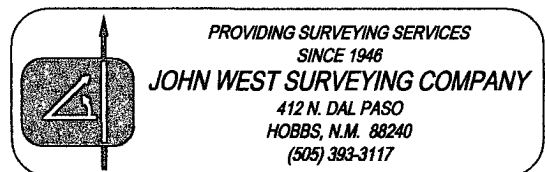
DESCRIPTION 736' FNL & 1899' FEL

ELEVATION 3605'

OPERATOR NEARBURG
PRODUCING COMPANY

LEASE CUERNO 4 STATE

U.S.G.S. TOPOGRAPHIC MAP
OIL CENTER, NM



30-025-36452

Nearburg Producing Co.

Lea County, NM

Cuerno 4 State #2

Cuerno 4 State #2

Lateral #1

Plan: Scenario #2

Standard Survey Report

12 February, 2008

Black Viper Energy

Survey Report

Company:	Nearburg Producing Co.	Local Co-ordinate Reference:	Well Cuerno 4 State #2
Project:	LeaCounty, NM	TVD Reference:	KB Elev. @ 3626.00ft (KB Elevation)
Site:	Cuerno 4 State #2	MD Reference:	KB Elev. @ 3626.00ft (KB Elevation)
Well:	Cuerno 4 State #2	North Reference:	True
Wellbore:	Lateral #1	Survey Calculation Method:	Minimum Curvature
Design:	Scenario #2	Database:	EDM 2003.14 Server Db

Project	LeaCounty, NM		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Cuerno 4 State #2		
Site Position:		Northing:	520,055.00 ft
From:	Map	Easting:	797,342.00 ft
Position Uncertainty:	0.00 ft	Slot Radius:	"
		Latitude:	32° 25' 33.801 N
		Longitude:	103° 22' 10.888 W
		Grid Convergence:	0.52 °

Well	Cuerno 4 State #2		
Well Position	+N/-S	0.00 ft	Northing: 520,055.00 ft
	+E/-W	0.00 ft	Easting: 797,342.00 ft
Position Uncertainty	0.00 ft	Wellhead Elevation:	3,626.00 ft
		Latitude:	32° 25' 33.801 N
		Longitude:	103° 22' 10.888 W
		Ground Level:	3,605.00 ft

Wellbore	Lateral #1		
Magnetics	Model Name	Sample Date	Declination (°)
	IGRF200510	2/12/2008	7.90
		Dip Angle (°)	60.50
		Field Strength (nT)	49,118

Design	Scenario #2		
Audit Notes:			
Version:	Phase:	PROTOTYPE	Tie On Depth: 5,800.00
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)
	0.00	0.00	0.00
		Direction (°)	273.11

Survey Tool Program	Date	2/12/2008		
From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
5,800.00	12,164.46	Scenario #2 (Lateral #1)	MWD	MWD - Standard

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
5,800.00	0.00	0.00	5,800.00	0.00	0.00	0.00	0.00	0.00	0.00	
5,801.00	0.00	0.00	5,801.00	0.00	0.00	0.00	0.00	0.00	0.00	
KOP Build 2.00°/100'										
6,473.51	13.46	273.11	6,465.37	4.25	-78.28	78.40	2.00	2.00	0.00	
EOB Hold 13.46° INC :: 273.11° AZI										
12,164.46	13.46	273.11	12,000.00	76.00	-1,401.00	1,403.06	0.00	0.00	0.00	

Black Viper Energy

Survey Report

Company: Nearburg Producing Co.
 Project: LeaCounty, NM
 Site: Cuerno 4 State #2
 Well: Cuerno 4 State #2
 Wellbore: Lateral #1
 Design: Scenario #2

Local Co-ordinate Reference:
 TVD Reference:
 MD Reference:
 North Reference:
 Survey Calculation Method:
 Database:

Well Cuerno 4 State #2
 KB Elev @ 3626.00ft (KB Elevation)
 KB Elev. @ 3626.00ft (KB Elevation)
 True
 Minimum Curvature
 EDM 2003.14 Server Db

Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
- hit/miss target									
- Shape									
PBHL#1[Cuerno4ST#2]	0 00	0 00	12,000.00	76.00	-1,071.00	520,121.34	796,270.36	32° 25' 34.553 N	103° 22' 23.383 W
- plan misses by 320.96ft at 12087 76ft MD (11925.41 TVD, 75.03 N, -1383.17 E)									
- Point									
PBHL#2[Cuerno4ST#2]	0 00	0.00	12,000.00	76 00	-1,401 00	520,118.36	795,940.37	32° 25' 34.553 N	103° 22' 27.233 W
- plan hits target									
- Point									

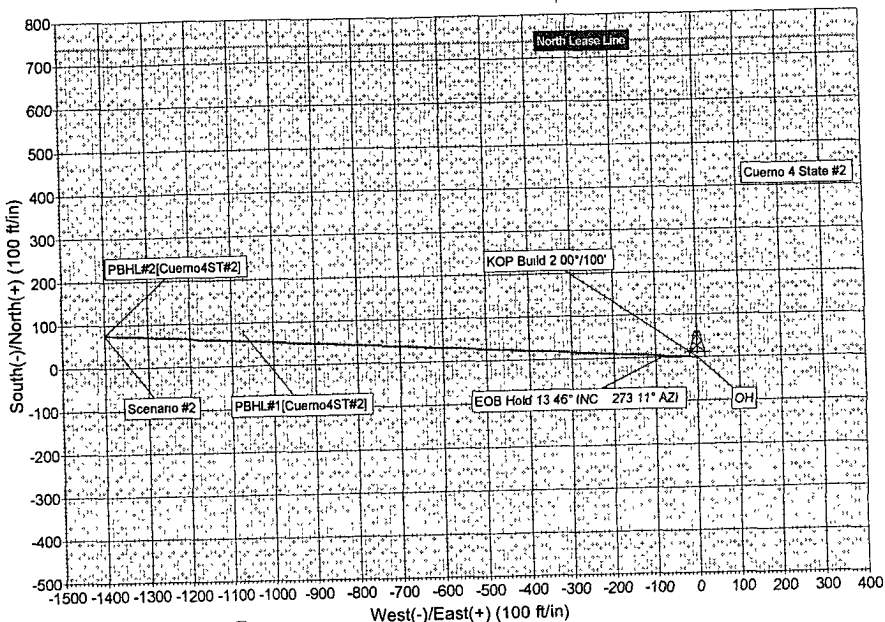
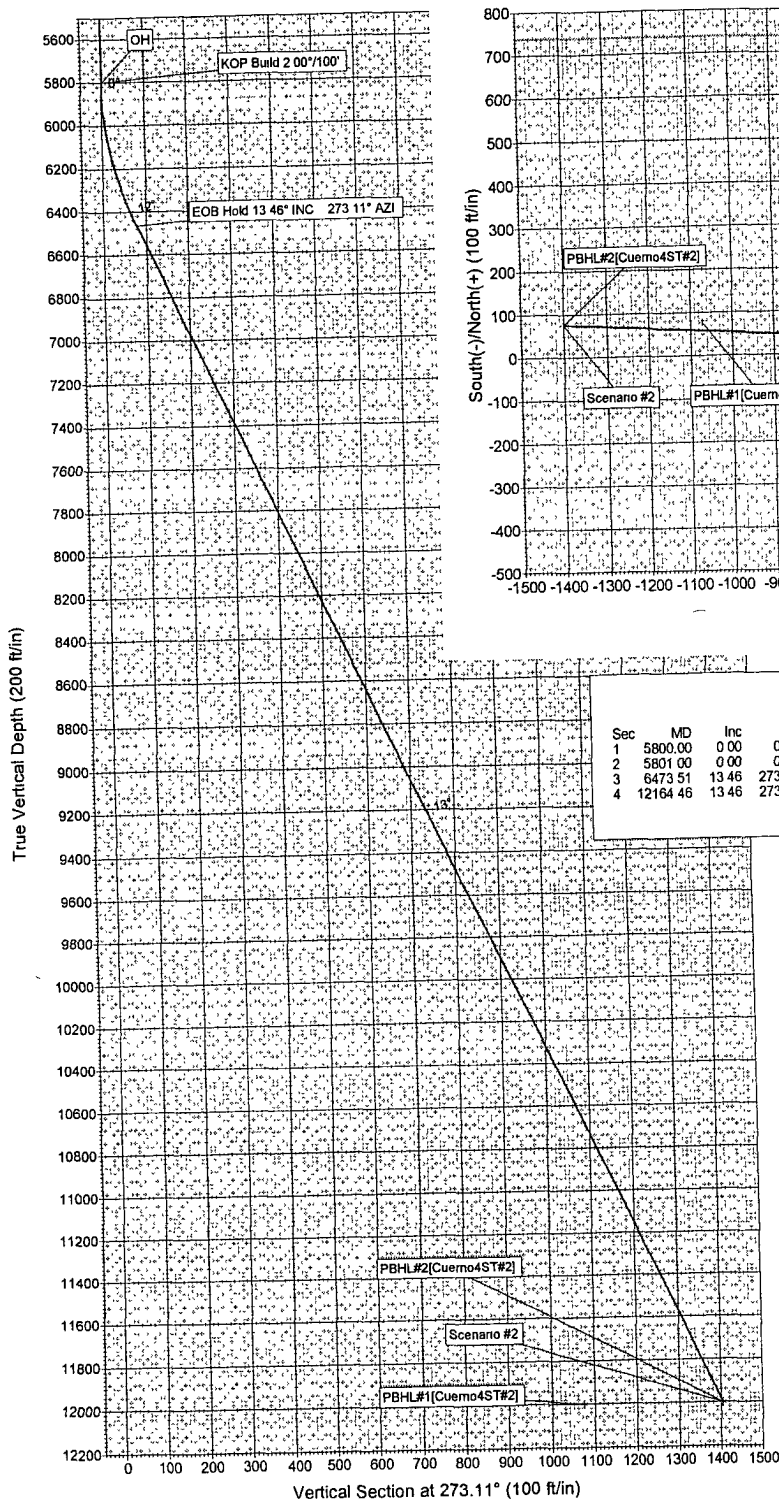
Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
5,801.00	5,801.00	0.00	0.00	KOP Build 2 00°/100°
6,473.51	6,465.37	4.25	-78.28	EOB Hold 13 46° INC :: 273 11° AZI

Checked By: _____ Approved By: _____ Date: _____

NEARBURG PRODUCTION

Project LeaCounty, NM
Site Cuerno 4 State #2
Well Cuerno 4 State #1
Wellbore Lateral #1
Plan Scenano #2 (Cuerno 4 State #2/Lateral #1)



SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	5800.00	0.00	0.00	5800.00	0.00	0.00	0.00	0.00	0.00	
2	5801.00	0.00	0.00	5801.00	0.00	0.00	0.00	0.00	0.00	
3	6473.51	13.46	273.11	6465.37	4.25	-78.28	2.00	273.11	78.40	
4	12164.46	13.46	273.11	12000.00	76.00	-1401.00	0.00	0.00	1403.06	PBHL#2[Cuerno4ST#2]

PROJECT DETAILS LeaCounty, NM
Geodetic System US State Plane 1927 (Exact solution)
Datum NAD 1927 (NADCON CONUS)
Ellipsoid Clarke 1866
Zone New Mexico East 3001
System Datum Mean Sea Level



Azimuths to True North
Magnetic North 7.90°
Magnetic Field
Strength 49117.5nT
Dip Angle 60.50°
Date 2/12/2008
Model IGRF200510

ANNOTATIONS

TVD	MD	Annotation
5801.00	5801.00	KOP Build 2 00°/100'
6465.37	6473.51	EOB Hold 13.46° INC : 273 11° AZI

Plan Scenano #2 (Cuerno 4 State #2/Lateral #1)
Created By Heather Vannoy Date February 12, 2008