State of New Mexico Submit to Appropriate District Office Form C-101 Energy, Minerals and Natural Resources Department State Lease - 6 copies Fee Lease - 5 copies Revised 1-1-89 OIL CONSERVATION DIVISION API NO. (assigned by OCD on New Wells) DISTRICT 1 P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088 30-025-30669 Santa Fe, New Mexico 87504-2088 DISTRICT II 5. Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 FEE X STATE (DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 12. Type of Work: 7. Lease Name or Unit Agreement Name DRILL X RE-ENTER DEEPEN PLUG BACK b. Type of Well: MET METT X MULTIPLE ZONE OTHER X Price Family 1L 2. Name of Operator 8. Well No. Nearburg Producing Company 1 9. Pool name or Wildcat Address of Operator P. O. Box 31405, Dallas, Texas 75231-0405 Shipp Strawn 4. Well Location 660 Feet From The West Feet From The South Unit Letter Line and 2,130 Line **17S** 37E Township **NMPM** Lea County 10. Proposed Depth 11. Formation 12. Rozary or C.T. 12,200 Strawn Rotary 14. Kind & Status Plug. Bond 13. Elevations (Show whether DF, RT, GR, etc.) 15. Drilling Contractor 16. Approx. Date Work will start 3,746.4' GR Blanket Undetermined 9/14/89

Propose to drill the well to evaluate the Strawn formation. After reaching TD, logs will be run and casing set if the evaluation is positive. Perforate, test and stimulate as necessary to establish production. BOP program is attached.

PROPOSED CASING AND CEMENT PROGRAM

WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT

460'

4,700 T

,200

500

600

830

Case No. 9693 hearing was heard on July 12, 1989.

48#

4-1/2 or 5-1/2" 11.6 or 17&20#

23, 24 or 32#

SIZE OF CASING

13-3/8"

8-5/8"

17.

SIZE OF HOLE

17-1/2"

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE, GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.		
I bereby certify that the information above is true and complete to the best of my knows SKINATURE MILDER SKINATURE	www.mwdge and bedief. TITLE Production Analyst	DATE 9-11-89
TYPEOR PRINTINGME Mildred Simpkins		тецерноме но. 214/739-1778
(This space for State Use) ORIGINAL SIGNED BY JERRY SEXTON DISTRICT 1 SUPERVISOR	TITLE	SEP 1 3 1989
CONDITIONS OF A PRODUCT PER AND.	THE	DATE

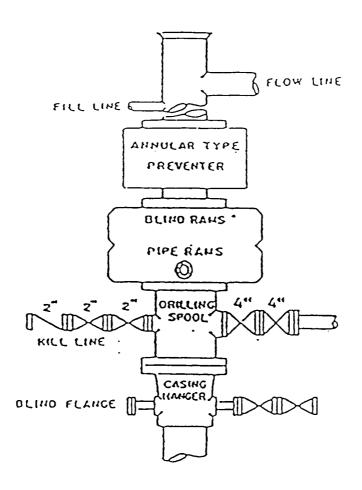
Permit Expires 6 Months From Approval Sate Unless Dillling Underway.

EST. TOP

<u>Circ.</u>

Circ. ±8,000 BLOWOUT PREVENTER SKETCH Nearburg Producing Company

PRICE FAMILY 1L WELL NO. 1



900 SERIES