

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Exp. Form  
P.O. Box 1980  
Hobbs, NM 88241

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT-" for such proposals

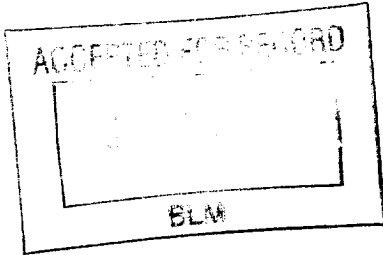
SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-97896
2. Name of Operator Nearburg Producing Company	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 3300 North A Street, Building 2, Suite 120, Midland, Texas 79705 (915) 686-8235	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1,980' FSL and 1,150' FEL, Section 34, T19S, R33E	8. Well Name and No. Jade 34 Federal Com #1
	9. API Well No.
	10. Field and Pool, or Exploratory Area Gem East - Morrow
	11. County or Parish, State Lea County, New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Surface casing and cement</u>	<input type="checkbox"/> Dispose Water
<small>(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)</small>		

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Drilled to 1,345'. C&C hole. RU and ran 36 jts 16" 65#, 75#, 85#, N80 & J55, BTC csg. Set csg at 1,345'. Cement csg using 760 sx cmt plus additives. Circ 317 sx cmt to surface. WOC 24 hrs, cut-off csg & weld on wellhead. NU BOPE and test.



(SIC. SGD.) GARY GOURLEY

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

Signed [Signature] Title Manager of Drilling and Production Date 5/18/98

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any: