Nearburg Producing Company 9. APR WILL NO. 9. APR WILL NO. 3. appress AND TELEPHONE NO. 9. APR WILL NO. 9. APR WILL NO. 3.000 North A Street, Building 2, Suite 120, Midland, Texas 79705 (915) 686-8235 10. FeLD AMBROG, ON ALLO, ATTACHED 4. LOCATION OF WELL (Report location dewrly and in accordance with any State negatiments.") N. 11.P. P.OTASH At proposed prod. zone BECRETATT'S POTASH 14. DISTANCE FROM PROPOSED BECRETATT'S POTASH 15. DISTANCE FROM PROPOSED 16. NO. OF ACRES IN LEASE 16. DISTANCE FROM PROPOSED 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED 10. DIFACTION FROM REPOSED 16. DISTANCE FROM PROPOSED 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED 20. ROTARY OR APRILS 18. DISTANCE FROM PROPOSED LOCATION* 19. REPOSED DEFTH 19. DISTANCE FROM PROPOSED LOCATION* 19. REPOSED DEFTH 10.001 APREST VELL, DRUING, COMPLETED, 1400* 13.800* 17. TZ?** 13.378* 18. DISTANCE FROM PROPOSED LOCATION* 22. ROTARY OR CABLE TOOLS 17. TZ?** 13.800* 22. ROTARY OR CABLE TOOLS 18. DISTANCE FROM PROPOSED LOCATION* 10.00 YES OFTION OF ARREST SOOLS COMMENTED, 10.00 YES OFTION OF ARREST SOOLS COMMENTED, 10.00 YES OFTIONO			ROSWELL	FIELD OFFICE	—			K-03
BUREAU OF LAND MANAGEMENT 5. LEASE DESCRIPTION FOR PERMIT TO DRILL OR DEEPEN 1a APPLICATION FOR PERMIT TO DRILL OR DEEPEN 5. LEASE DESCRIPTION FOR PERMIT TO DRILL OR DEEPEN 1a The of WALL MANAGEMENT DEEPEN 5. LEASE DESCRIPTION FOR PERMIT TO DRILL OR DEEPEN 1a The of WALL MANAGEMENT DEEPEN 5. LEASE DESCRIPTION FOR PERMIT TO DRILL OR DEEPEN 1a The MEL MANAGEMENT DEEPEN 5. Least DESCRIPTION FOR PERMIT TO DRILL OR DEEPEN 1a Source of X 2016 X X 1a Antones AND SERVICE Antones AND SERVICE F. MANAGEMENT 3a Antones AND SERVICE Roll LEASE TO RELATE AND SERVICE 3a Antones AND SERVICE Roll LEASE TO RELATE AND SERVICE 3a Contract of the MELSA DOBECTION FROM NEW MEST TOWN OF POST OFFICE Roll AND OF AND SERVICE TE COUNTY OF AND SERVICE 1a DETECT OF MELSA DOBECTION FROM NEW MEST TOWN OF POST OFFICE TE RELATE AND SERVICE TE COUNTY OF AND SERVICE 1a DETECT OF MELSA DOWN OF POST OFFICE TE RELATE AND SERVICE TE COUNTY OF AND SERVICE TE COUNT OF AND SERVICE 1a DETECT OF MELSA DOWN OF POST OFFICE		y 1992) UNITED STATES (Other instruction)		structions on	OMB NO. 100	3 NO. 1004-0136		
APPLICATION FOR PERMIT TO DRILL OR DEEPEN APPLICATION FOR PERMIT TO DRILL OR DEEPEN 6. IF MOMA ALOTTE OR TRUBE MAKE 1a TITEMONE DEEPEN 3000 EX 5. If MOMA ALOTTE OR TRUBE MAKE 1a TITEMONE DEEPEN 3000 EX 7. INIT ADDEED 2. INAR O OFFARCE DEEPEN 7. INIT ADDEED 7. INIT ADDEED 2. INAR O OFFARCE DEEPEN 7. INIT ADDEED 7. INIT ADDEED 3. ADDEES AND TELEMONE NO 33000 Noth A Street, Building 2, Suite 120, Midland, Texas 79705 (915) 686-6235 10. FRILD AUDOECONFRONT NO 4. LOCATION OF WILL, REPORTABING AND ADDEECTOR FROM ALCAREST TOWN OF ROOT OFFICE: 8. ANTERS 1, SOO 10. FRILD AUDOECONFROM ALCAREST TOWN OR POST OFFICE: 10. FRILD AUDOECONFROM AUDOECON							5. LEASE DESIGNATION AN	D SERIAL NO.
The THE BELLY MORE DRILL M DR					DEN			
b TYPE OF WILLIAM DEEPEN TYPE OF WILLIAM DEEPENDER TYPE OF WILL AND TYPE OF WILL AND TYPE OF WILL AND TYPE OF WILL AND T		ATION FOR PER	KMIT TO DR	ILL OR DEE	PEN		O. IF INDIAN, ALLOTTEE OR	
2. Web or preparities Viper 3 Federal #2 Nearburg Producing Company 3. Address Not REPHONE NO. 3. Address Not REPHONE NO. Subject 120, Midland, Texas 79705 (915) 896-8235 4. A Inface 1.650 FSL and 1.980 FEL R. 111-P. POTASH A Inface 1.650 FSL and 1.980 FEL R. 111-P. POTASH J. Dorskow Processor Section 3. T206-R332 1. Dorskow Processor 16.00, Or Adress Section 3. T206-R332 1. Dorskow Processor 19.00, Or Adress Section 3. T206-R332 1. Dorskow Processor 19.00, Or Adress Nulles Alex Demonstration of Near Section 3. T206-R332 1. Dorskow Processor 19.00, Or Adress Section 3. T206-R332 1. Dorskow Processor 19.00, Or Adress Section 3. T206-R332 1. Dorskow Processor 19.00, Or Adress Section 3. T206-R332 1. Dorskow Processor 19.00, Or Adress Section 3. T206-R332 1. Dorskow Processor 19.00, Or Adress Section 3. T206-R332 1. Dorskow Processor 19.00, Or Adress Section 3. T206-R332 1. Dorskow Processor 19.00, Or Adress Section 3. T206-R332 1. Dorskow Processor 10.00, Or Adress Section 3. 21. Elevations (Representation 1.100) 19.00, Or Adress Section 3. 22. Approx Dor R1, Gr. 10, Sectin 3. 22.00, Or Adress Section 3	ENTER		DEEPEN [7. UNIT AGREEMENT NAME	
Nearburg Producing Company In Producing Company 3 Address AND TELEMONE NO In Producing Company 3 Address AND TELEMONE NO In Producing Company 3 Address AND TELEMONE NO In Producing Company 4 LOCATION OF WELL Report backet deemy with a resolution with any State regarments. T In Producing Company 4 LOCATION OF WELL Report backet deemy with a resolution with any State regarments. T In Producing Company 41 Database most index of the most deem deemy with a resolution with any State regarments. T In Rest Address Produced Market State Regarments. T 41 Database most index of the most deem deemy with a resolution with any State regarments. T In Rest Address Produced Market State Register Market Register		WELL OTHER					8. FARM OR LEASE NAME,	WELL NO.
3 JODES AND TREPHONE TO 3300 North A Street, Building 2, Suite 120, Midland, Texas 79705 (915) 686-8235 10. FELO PAGES, Suite 120, Midland, Texas 79705 (915) 686-8235 10. FELO PAGES, Suite 120, Midland, Texas 79705 (915) 686-8235 10. FELO PAGES, Suite 120, Midland, Texas 79705 (915) 686-8235 10. FELO PAGES, Suite 120, Midland, Texas 79705 (915) 686-8235 10. FELO PAGES, Suite 120, Midland, Texas 79705 (915) 686-8235 10. FELO PAGES, Suite 120, Midland, Texas 79705 (915) 686-8235 10. FELO PAGES, Suite 120, Midland, Texas 79705 (915) 686-8235 10. FELO PAGES, Suite 120, Midland, Texas 79705 (915) 686-8235 10. FELO PAGES, Suite 120, Midland, Texas 79705 (915) 686-8235 11. DISTACE MAILES AND DRECTION FROM NEMPERSTOWN OR POST OFTICS* 11. DISTACE TRANSPORTS 12. CONTROL PAGES, SUITE 120, MILLING, M								al #2
4. LOCATION OF WELL (Report loaden campy and according and the ac				·····	<u></u>		30-025	34872
4. LOCATION OF WELL (Report location clearly and it accordance with any State requirements. " 4. LOCATION OF WELL (Report location clearly and it accordance with any State requirements." 4. LOCATION OF WELL (Report Location Clearly Clearry Clearly Clearry Clearly Clear	3300 North A Stree	et, Building 2, Suite 120,	Midland, Texas 7	79705 (915) 686-	-8235		10. FIELD AND POOL OR V	
At proposed prod. zone SECRETARY'S POTASH Decknon, 200-R33E 14. DISTANCE IN MILES AND DIRECTION FROM MEAREST TOWN OR POST OFFICE* 12. COUNTY OR PARESH 12. COUNTY OR PARESH 13. Distance from Halfway 15. DISTANCE FROM PROPOSED LOCATION 16. NO. OF ACRES IN LEASE 17. NO Of KORES ASSIGNED 320 15. DISTANCE FROM PROPOSED LOCATION 16. NO. OF ACRES IN LEASE 17. NO Of KORES ASSIGNED 320 15. DISTANCE FROM PROPOSED LOCATION 19. PROPOSED DEFTH 20. ROTARY OR CARLE FOOLS 320 15. DISTANCE FROM PROPOSED LOCATION 14.00° 19. REPORDED DEFTH 20. ROTARY OR CARLE FOOLS 21. ELEVATIONS (BMD WHILL) CAPITAN CONTROLLED WATER BASIN 22. APPROX DATE WORK WILL START 3.576 G R 21. RELATIONS (SMD WHILL) CAPITAN CONTROLLED WATER BASIN 22. APPROX DATE WORK WILL START 12.114* 6.565 455 3-51 24# 8. 32# 5.000 WITTEESS 04.04TTY OF CEMENT 12.124** 6.5167 455 3-52 24# 8. 32# 5.000 WITTEESS 500 scrmt. circ to surf. 17-172* 13.326**HeB 17# 4-20# 13.600 1.500 scrmt. circ to surf. 1.500 scrmt. circ to surf. 12.124** 6.5167 455 3-5 24# 8. 32# 5.000 WITTESS<			e with any State require	ments.*)		-	Wildcat, Mor	row
3 SECREDART'S PUILABIN Section 3, T205-R33E 14. DistANCE IN MILES AND DIRECTION FROM MEAREST TOWN OR POST OFFICE' 12. COUNTY OR PARSH 13. STATE 5 miles NE from Halfway 13. BOX 13. BOX 13. BOX 15. DISTANCE FROM PROPOSED 18. NO. OF ACRES IN LEASE 17. NO. CARCES ASSIGNED 320 15. DISTANCE FROM PROPOSED CONTON 18. PROPOSED DEPTH 20. ROTARY OR CARLE TOOLS Rotary 21. BOXTANCE FROM PROPOSED CONTON 1400' 13. BOX' Rotary 22. APPROX DATE WORK WILL START 3.576 GR CAPITAN CONTROLLED WATER BASIN 22. APPROX DATE WORK WILL START 10/01/99 23. PROPOSED CASING AND CENENTIME PROGRAM 22. APPROX DATE WORK WILL START 3.576 GR GRADE, SIZE OF NOLE GRADE, SIZE OF ASING AND CENENTIME PROGRAM 22. APPROX DATE WORK WILL START 3.576 GR CAPITAN CONTROLLED WATER BASIN 10/01/99 10/01/99 10/01/99 23. PROPOSED CASING AND CENENTIME PROGRAM 24. APPROX DATE WORK WILL START 10/01/99 24. GRADE, SIZE OF ASING AND CENENTIME PROGRAM 10/00 in somt 10/01/99 10/00 is x cmt 25. TARE GRADE, SIZE OF ASING AND CENENTIME PROGRAM SIZE OF NOLE S	At proposed prod. Zone	and 1,980' FEL		R-111-P	POTASI	j		
6 miles NE from Halfway Lea New Ma 15. Distruct FROM FROMOSED 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED 320 16. Distruct FROM FROMOSED CONTROL 33.807 18. NO. OF ACRES IN LEASE 320 16. Distruct FROM FROMOSED CONTROL 14.007 18. PROPOSED DEFYI 20. ROTAINT OR CARLE TOOLS Rotary 3.800 Rotary 20. ROTAINT OR CONTROLLED WATER BASIN 20. ROTAINT OR CARLE TOOLS Rotary 3.576 GR CAPITAN CONTROLLED WATER BASIN 20. ROTAINT OR CARLE TOOLS Rotary 3.576 GR CAPITAN CONTROLLED WATER BASIN 20. ROTAINT OR CARLE TOOLS Rotary 3.576 GR GRADE SIZE OF CASING AND CENENTING DEFTING DEFTING TOOL OR CONTROLLED WATER BASIN 20. ROTAINT OR CARLE TOOLS 3.576 GR GRADE SIZE OF CASING AND CENENTING DEFTING DEFTING TOOL OR CORTAINT OR CARLE TOOLS Rotary 12.147 9.567 UK55 J-5.5 2.4# 8.32# 5.000 1.500 sx cmt 12.147 9.567 UK55 J-5.5 2.4# 8.32# 5.000 1.500 sx cmt 12.147 9.567 UK55 J-5.5 2.4# 8.32# 5.000 1.500 sx cmt 12.147 9.567 UK55 J-5.5 2.4# 8.32# 5.000 1.500 sx cmt	At proposed prod. zone	J		Secreta	rty's po	TASH	Section 3, T20S	-R33E
15. DETAINS OF POR PROPOSED 16. NO. OF ACRES IN LEASE G39.87 17. NO. OF ACRES ASSIGNED TO THE WELL STATUS TO T			WN OR POST OFFICE	•			12. COUNTY OR PARISH	13. STATE
LOCATION TO REAREST 1850' 633.87 TO THIS WELL 320 VARTE TAYLOR BALLEY, PLAN 18. DO TANCE FROM PROPOSED LOCATION 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS ROTARY OR CABLE TOOLS 18. DISTANCE FROM PROPOSED LOCATION 13.800' ROTARY OR CABLE TOOLS ROTARY OR CABLE TOOLS 21. ELEVATIONS ROW UNKELL, ORLING, COMPLETED, 1400' 13.800' ROTARY OR CABLE TOOLS 22. APROX. DATE WORK WILL START 3.576 GR CAPITAN CONTROLLED WATER BASIN 22. APROX. DATE WORK WILL START 10/01/99 3.576 GR CAPITAN CONTROLLED WATER BASIN 22. APROX. DATE WORK WILL START 3.576 GR CAPITAN CONTROLLED WATER BASIN 22. APROX. DATE WORK WILL START 3.576 GR GRODE, SIZE OF CASING AND CEMENTING PROGRAM 22. APROX. DATE WORK WILL START 3.576 GR GRODE, SIZE OF CASING AND VEGHT PER POOT SETTING DEPT WITNESS 0.00000000000000000000000000000000000								New Mexico
18. DISTANCE FROM PRODOSED LOCATION ON APPERIUM CONFLICTION 19. PROPOSED DEPTH 20. ROTARY OR CALLE TOOLS Rotary 21. RELATIONS CONFLICTED 1400° 13,800° Rotary 23. STAG GR CAPITAN CONTROLLED WATER BASIN 22. APPROX CATE WORK WILL START 10/01/59 23. PROPOSED CASING AND CEMENTING PROGRAM 22. APPROX CATE WORK WILL START 10/01/59 32. PROPOSED CASING AND CEMENTING PROGRAM 22. APPROX CATE WORK WILL START 10/01/59 32. PROPOSED CASING AND CEMENTING PROGRAM 22. APPROX CATE WORK WILL START 10/01/59 32. PROPOSED CASING AND CEMENTING PROGRAM 24. APPROX CATE WORK WILL START 10/01/59 32. GRADE SIZE OF CASING WIENT FOR FOOT SETTING DEPTH WITTNESS 0UMITTY OF CEMENT 11.200 SK CMT, CITC to SUIT. 17.41/2" 13.360° MEIGHT FER FOOT SETTING DEPTH MITTNESS 0UMITTY OF CEMENT 1,200 SK CMT, CITC to SUIT. 12.1/4" 8-5/8" KSS 5.5.5. 24# 8.32# 5,000 WITTNESS 500 SK cmt, Citc to SUIT. 12.1/2" 13.800° 1/7# 4.20# 11/8# 20# 13,800° 1,200 SK cmt, Citc to SUIT. 13.200 SK cmt, Citc to sUIT. 1.50 SK cmt, Citc to SUIT. 1,500 SK cmt, Citc to SUIT. 0 4.1/2" APPROVAL SUBJECT TO SETIND DEFT. APROPCISTY NO	LOCATION TO NEAREST		1650				S WELL	
TO NAMEST WELL DIRUMS COMPLETED. OR APPLEOP CONTING LEASE, FT. 1400' 13,800' Rotary 21. ELEVATIONS (Show weakler DF, RT, GR, etc.) 3,576 GR CAPITAN CONTROLLED WATER BASIN 22. APPROX.DATE WORK WILL START 10/01/99 23. 7.767 CAPITAN CONTROLLED WATER BASIN 10/01/99 23. STE OF MOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTIMET DESS 0.0041/09 24. GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTIMET DESS 0.0041/09 1.001/99 24. B-5/8" 4456, 7-55 24# 8.32# 5,000' WITNESSS 500 sx cmt, circ to surf. 12-1/4" 8-5/8" 4456, 7-55 24# 8.32# 5,000' 1,500 sx cmt 1,500 sx cmt 12-1/4" 8-5/8" 4456, 7-55 24# 8.32# 5,000' 1,500 sx cmt 1,500 sx cmt 12-1/4" 8-5/8" 4456, 7-55 24# 8.32# 5,000' 1,500 sx cmt 0.15 7.4' 0.001 174 42:00 1.7# 42:00' 1.7# 42:00' 1.500 sx cmt 0.05 7.7 3.50 24. PROPOSEL TO APROPOSEL SUBJECT TO APRINO. 3.2 - 0.2 - 3.4'.4' 0.02 + '000E 7.7 3.50 2.4'.7 9			000			20 80740		
21. ELEVATION OF, RT, GR, etc. 3,576 GR CAPITAN CONTROLLED WATER BASIN 22. APPROX. DATE WORK WILL START 10/01/59 23. PROPOSED CASING AND CEMENTING PROGRAM 22. APPROX. DATE WORK WILL START 10/01/59 32. PROPOSED CASING AND CEMENTING PROGRAM 22. APPROX. DATE WORK WILL START 10/01/59 32. GRADE, SIZE OF ANDLE GRADE, SIZE OF ANDLE GRADE, SIZE OF ANDLE CAPITAN CONTROLLED WATER BASIN 22. APPROX. DATE WORK WILL START 10/01/59 32.3 PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE GRADE, SIZE OF ANDLE, SIZE OF ANDLE WEIGHT PER FOOT SETTING DEPTIMITINESS QUANTITY OF CEMENT 17.17.17 13.307*1449 (-5.5) 48.8 32.4 5,000 WITNESS SOO as cmt, circ to surf. 12.14" 8.518*455.7-5 24.8 32.4 6,000 WITNESS 1200 sx cmt, circ to surf. 12.14" 8.518*456.7-5 24.8 32.4 6,000 WITNESS 1200 sx cmt, circ to surf. 12.018.00 1.507*4 20.44 0.948*4.4 0.948*4.4 0.000 120.05 34.0 Propose to drill well to sufficient depth to evaluate the Morrow formation. After reaching TD, logs will be run and casing set if the evaluation is positive. Performate, test and stimulate as necessary to estabilish productio	TO NEAREST WELL, DRIL	LING, COMPLETED,	1400'			20. RUTAR		
23. PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTINETINESS QUANTITY OF CEMENT 17-1/2" 13-36"-HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTINETINESS QUANTITY OF CEMENT 12-1/4" 13-36"-HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTINETINESS QUANTITY OF CEMENT 12-1/4" 13-36"-HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTINETINESS QUANTITY OF CEMENT 12-1/4" 13-36"-HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTINETINESS QUANTITY OF CEMENT 12-1/4" 13-36"-HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTINETINESS QUANTITY OF CEMENT 13-1/2" 13-1/2" 13-1/2" 13-1/2" 13-1/2" 13-1/2" 13-1/2" 13-1/2" 13-1/2" 13-1/2" 13-1/2" 13-1/2" 13-1/2" 13-1/2" 13-0/2" 15-0/2" 13-0/2" 15-0/2" 13-0/2" 15-0/2" 13-0/2" 13-0/2" 15-0/2" 15-0/2" 13-0/2" 15-0/2" 13-0/2" 15-0/2" 13-0/2" 15-0/2" 15-0/2" 13-0/2" 15-0/2" 15-0/2" 13-0/2" 15-0/2" 15-0/2" 13-0/2" 15-0/2" 13-0/2" 15-0/2" 15-0/2" 15-0/2" 13-0/2" 15-0/2" 15-0/2" 15-0/2" PROPOSED to drill well to sufficient depth to evaluate the Morrow formation. After reaching TD, logs will bg run and casing set if the evaluation is positive. Perforate, test and stimulate as necessary to establish production. OPER. OGRID NO		her DF, RT, GR, etc.)	•	L				WILL START*
PROPOSED CASING AND CEMENTING PROMAMING SAME SET OF CASING 17-112" 13-3/8"-H40 (K-5) 148# 500" WITNESS 12-114" 12-114" 12-114" 12-112" NB0 17# 4-20# 13,800" 1,200 sx cmt, circ to surf. 7.7/8" 5.127" NB0 17# 4-20# Jack State of Casing With 4-20# Propose to drill well to sufficient depth to evaluate the Morrow formation. After reaching TD, logs will by run and casing set if the evaluation is possitive. Perforate, test and stimulate as necessary to establish production. Acreage dedication 320; S/2 of Section 3.	3,576 GR 🗸	C	APITAN CO	NTROLLED	WATER	BASIN	10/01/99	
17-1/2" 13-3/8"++40 K-55" 48# 500" WITTLESS 500 sx cmt, circ to surf. 12-1/4" 8-5/8" K55 - 55 24# 8.32# 5,000" 1,200 sx cmt, circ to surf. 7-7/8" 5-1/2" N80 17# 8-20# 13,800" 1,500 sx cmt driller up ghoga microsteride us 0 0 sheed /Kinn (E) Tleachang Pleachang Propose to drill well to sufficient depth to evaluate the Morrow 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. OPER. 03RID NO	3.		PROPOSED CAS	SING AND CEMENT	NG PROGRA	м		
12-1/4" 8-5/8" 455 .7-55 24# & 32# 5,000" 1,200 sx cml, circ to surf. 7-7/8" 5-1/2" N80 17# & 20# 13,800" 1,500 sx cml Juilling Ghoma minimum de uie @ 0% Act /Kim @ 7/62 lieuburg Propose to drill well to sufficient depth to evaluate the Morrow 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. OPER. OGRID NO	SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER F	OOT SETT	NG DEPTHAT	TNESS	QUANTITY OF CEMEN	т
7-7/8" 5-1/2" N80 17# # 20# 13,800 1,500 sx cmt dialler of Photo a minimulate as necessary to establish production. OPER. OGRID NO Propose to drill well to sufficient depth to evaluate the Morrow 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. OPER. OGRID NO	17-1/2"	13-3/8" -140 K-5	5 48#		500'	TNESS	500 sx cmt, circ to	surf.
dielling yhograminikus (de inc. 0 obsect / Kime @ Theadbring Propose to drill well to sufficient depth to evaluate the Morrow 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. OPER. OGRID NO			¥ *			111200		o surf.
Propose to drill well to sufficient depth to evaluate the Morrow formation. ⁴ After reaching TD, logs will be run and casing set if the evaluation is positive. Perforate, test and stimulate as necessary to establish production. Acreage dedication 320; S/2 of Section 3. Acreage dedication 320; S/2 of Section 3. Acreage dedication 320; S/2 of Section 3. Acreage dedication 320; S/2 of Section 3. APPROVAL SUBJECT TO APINO30. APPROVAL SPACE DESCRIBE PROGRAM: If proposal is to drill or despen directionally, give pertinent-data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any. 24. SIGNED	7-7/8"	5-1/2" N80	17# & 20#	<u>₩ 1</u>	3,800'		1,500 sx cmt	
PERMIT NO	Acreage dedication 3 Acreage dedication 3 NABOVE SPACE DESCF eepen directionally, give p 4.	e. Perforate, test and stin 320; S/2 of Section 3. RIBE PROGRAM: If proposal is	APPROV GENERA SPECIAL ATTACHI s to deepen, give da	AL SUBJECT L REQUIREN STIPULATIC ED ta on present produc	TO IENTS AI INS tive zone and lepths. Give b	OPER. PROPE POOL EFF. D. API NO ND	OGRID NO. 15 CRTY NO. 23 CODE 723 ATE 1/20 3D-025	742 910 580 2000 -3487
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon CONDITIONS OF APPROVAL, IF ANY:	(This space for rederal	or State office use)						
APPROVED BY AUTORNAL, IF ANY:		ins William	2	APPROVAL I	DATE			
APPROVED BY Julien all the ASSOC. Stale Duci GRAJE 4/2/99			nt holds legal or equitab	le title to those rights in t	he subject lease	which would enti	tle the applicant to conduct oper	ations thereon.
"See Instructions On Reverse Side			In fittle	Assoc. S	Stale	Pres	Scrate 1/2/99	
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	"We 40 U 0 0 0	on 1001 makes it a crim				make to any	/ denartment or agen	cv of the \\
See Amended	Inited States any fa	lse, fictitious or fraudule	ent statements o	r representation	s as to any	matter with	in its jurisdiction.	

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Nearburg Producing Company P. O. Box 823085 Dallas, Texas 75382-3085

The undersigned accepts all applicable terms, conditions, stipulations and restrictions covering operations conducted on the leased land or portion thereof, as described below:

Lease No: NM NM-17238

Legal Description of Land: 1,650' FSL & 1,980' FEL Section 3, T20S, R33E

NM1307

Formation(s) (if applicable): Wildcat - Morrow

Bond Coverage:

\$25,000 statewide bond of Nearburg Producing Company

BLM Bond File No:

Date

lles

H. R. Willis Drilling Superintendent

ATTACHMENT TO FORM 3160-3 VIPER 3 FEDERAL #2 SECTION 3, T20S, R33E LEA COUNTY, NEW MEXICO

DRILLING PROGRAM

1. GEOLOGIC NAME OF SURFACE FORMATION

Quaternery Aeolian Deposits

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS

T/Rustler	1,500'	T/Strawn	12,100'
B/Salts	3,150'	T/Atoka	12,370'
T/Delware	5,300'	T/Morrow	12,750'
T/Bone Spring	8,100'	TD	13,800'
T/Wolfcamp	11,000'		

3. ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL, OR GAS

Delware	Oil	Atoka	Gas
Bone Spring	Oil	Morrow	Gas
Strawn	Gas		

4. CASING AND CEMENTING PROGRAM

Casing Size	<u>From To</u>	<u>Weight</u>	<u>Grade</u>	<u>Joint</u>
13-3/8"	0 - 500'	48#	K55	STC
8-5/8"	0' - 2,000'	24#	J55	STC
8-5/8"	2,000' - 4,400'	32#	J55	STC
8-5/8"	4,400' - 5,000'	32#	S80米	STC
5-1/2"	0' - 2,400'	17#	N80	BTC
	2,400'-10,200'	17#	N80	LTC
	10,200' - 13,800'	17#	S95**	LTC

Equivalent or adequate grades and weights of casing may be substituted at time casing is run, depending on availability.

We plan to drill a 17-1/2" hole to equal 500'. 13-3/8" casing will be cemented with 500 sx or volume necessary to circulate to surface. We will then drill a 12-1/4" hole to 5,000'. 8-5/8" casing will be set using 1,200 sx of cement or volume necessary to circ to surface.

5-1/2" production casing will be cemented with approximately 500 sx of Class "H" 50/50 POZ and 1,000 sx Class "H" 35/65 Poz "H" cement.

* 5-20 = HCV-55

** 5-95= L-80 (HCL-80)



Viper 3 Federal #2 Page 2

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

The BOP stack will consist of a 5,000 psi working pressure, dual ram type preventer and annular.

A BOP sketch is attached.

6. CIRCULATING MEDIUM

Spud and drill to 500' with fresh water mud for surface string. The intermediate section will be drilled with 10 ppg brine to 5,000'. The production section from 5,000' to 10,200' will be cut brine at 8.6 ppg, 10,200' to 12,400' with 9 ppg cut brine, from 12,400' to 13,800' with Brine/Poly Pac/XCD system with mud weight sufficient to control formation pressures.

7. AUXILLARY WELL CONTROL AND MONITORING EQUIPMENT

None required.

8. LOGGING, TESTING, AND CORING PROGRAM

DLL/CNL/LDT/CAL/GR logging is planned. Drill stem tests, cores and sidewall cores are possible.

9. <u>ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES & POTENTIAL</u> <u>HAZARDS</u>

BHP expected to not exceed 6,000 psi.

10. ANTICAPATED STARTING DATE:

Is planned that operations will commence on October 1, 1999, with drilling and completion operation lasting about 45 days.

SURFACE USE AND OPERATIONS PLAN FOR

DRILLING, COMPLETION, AND PRODUCING

NEARBURG PRODUCING COMPANY VIPER 3 FEDERAL #2 SECTION 3-T20S-R33E LEA COUNTY, NEW MEXICO

LOCATED

6 miles Northeast from Halfway

OIL & GAS LEASE

NMNM - 17238

RECORD LESSEE

Eva G. Manning

BOND COVERAGE

\$25,000 statewide bond of Nearburg Producing Company

ACRES IN LEASE

639.87

GRAZING LEASE

Kenneth Smith PO Box 764 Carlsbad, NM 88220 505/887-3374

POOL

Wildcat, Morrow

EXHIBITS

- A. Area Road Map
- B. Drilling Rig Layout
- C. Vicinity Oil & Gas Map
- D. Topographic & Location Verification Map
- E. Well Location & Acreage Dedication Map

This well will be drilled to a depth of approximately 13,800'.

1. EXISTING ROADS

- A. Exhibit A is a portion of a section map showing the location of the proposed well as staked.
- B. Exhibit C is a plat showing existing roads in the vicinity of the proposed well site.

2. ACCESS ROADS

A. Length and Width

The access road will be built and is shown on Exhibit D. It will be approximately 12' wide and 718' long going NE.

B. Surface Material

Existing.

C. Maximum Grade

Less than five percent.

D. Turnouts

None necessary.

E. Drainage Design

Existing.

F. Culverts

None necessary.

G. Gates and Cattle Guards

None needed.

3. LOCATION OF EXISTING WELLS

Existing wells in the immediate area are shown in Exhibit C.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

Necessary production facilities for this well will be located on the well pad.

ŧ

5. LOCATION AND TYPE OF WATER SUPPLY

It is not contemplated that a water well will be drilled. Water necessary for drilling will be purchased and hauled to the site over existing roads shown on Exhibit D.

6. METHODS OF HANDLING WASTE DISPOSAL

- A. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- B. Water produced during tests will be disposed of in the drilling pits.
- C. Oil produced during tests will be stored in test tanks.
- D. Trash will be contained in a trash trailer and removed from well site.
- E. All trash and debris will be removed from the well site within 30 days after finishing drilling and/or completion operations.

7. ANCILLARY FACILITIES

None required.

8. WELL SITE LAYOUT

Exhibit B shows the relative location and dimensions of the well pad, mud pits, reserve pit, and trash pit, and the location of major rig components.

9. PLANS FOR RESTORATION OF THE SURFACE

- A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. The well site will be cleaned of all trash and junk to leave the site in an as aesthetically pleasing condition as possible.
- B. After abandonment, all equipment, trash, and junk will be removed and the site will be clean.

10. OTHER INFORMATION

A. Topography

The land surface at the well site is rolling native grass with a regional slope being to the east.

B. <u>Soil</u>

Topsoil at the well site is sandy soil.



C. Flora and Fauna

The location is in an area sparsely covered with mesquite and range grasses.

D. Ponds and Streams

There are no rivers, lakes, ponds, or streams in the area.

E. Residences and Other Structures

There are no residences within a mile of the proposed well site.

F. Archaeological, Historical, and Cultural Sites

None observed on this area.

G. Land Use

Grazing

H. Surface Ownership

Bureau of Land Management PO Box 1178 Carlsbad, NM 88221

11. OPERATOR'S REPRESENTATIVE

H. R. Willis 3300 North "A" Street, Bldg 2, Suite 120 Midland, Texas 79705 Office: (915) 686-8235 Home: (915) 697-2484

12. <u>CERTIFICATION</u>

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Nearburg Producing Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date

H. R. Willis Drilling Superintendent







EXHIBIT B DRILLING RIG LAYOUT NEARBURG PRODUCING COMPANY VIPER 3 FEDERAL COM #2 SCALE 1" = 50'



VICINITY MAP



SEC. <u>3</u> TWP.<u>20-S</u> RGE.<u>33-E</u> SURVEY_____N.M.P.M.

301(VE1______N.M.1.IM.

COUNTY____LEA

DESCRIPTION 1650' FSL & 1980' FEL

ELEVATION _____ 3576'

OPERATOR NEARBURG PRODUCING COMPANY LEASE VIPER "3" FEDERAL JOHN WEST SURVEYING HOBBS, NEW MEXICO (505) 393-3117

Exhibit C Vicinity Oil & Gas Map Viper 3 Federal Com #2

LOCALION VERIFICATION MAP



SEC. <u>3</u> TWP. <u>20-S</u> RGE. <u>33-E</u> SURVEY <u>N.M.P.M.</u> COUNTY <u>LEA</u> DESCRIPTION <u>1650'</u> FSL & 1980' FEL

ELEVATION______3576'

OPERATOR NEARBURG PRODUCING COMPANY

LEASE_____VIPER "3" FEDERA

U.S.G.S. TOPOGRAPHIC MAP LAGUNA GATUNA, N.M. JOHN WEST SURVEYING HOBBS, NEW MEXICO (505) 393-3117 Exhibit D

Topographic & Location Verification Map