State of New Mexico Energy, Minerals and Natural Resources Department

TELEPHONE NO. 915/686-8235

OIL CONSERVATION DIVISION P.O. Box 1980, Hobbs, NM 88240 WELL API NO. 2040 Pacheco St. 30-025-34471 Santa Fe, NM 87505 DISTRICT II sIndicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 STATE FEE DISTRICT III 6State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 7Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" Cuerno 4 State (FORM C-101) FOR SUCH PROPOSALS.) ₁Type of Well: GAS WELL WELL «Well No. 2Name of Operator Nearburg Producing Company 3Address of Operator Pool name or Wildcat 3300 N A St., Bldg 2, Suite 120, Midland, TX 79705 Grama Ridge, Morrow, East ₄Well Location 660 1750 North Feet From The Unit Letter Line and Feet From The Line **22S** Township Range **NMPM** County 10Elevation (Show whether DF, RKB, RT, GR, etc.) 3607' GR 11 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PLUG AND ABANDON PERFORM REMEDIAL WORK REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON** CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ANBANDONMENT PULL OR ALTER CASING CASING TEST AND CEMENT JOB OTHER: OTHER: Added Morrow Perfs 12Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. 2/13/02 MIRU pulling unit. Begin POOH w/ prod tbg. 2/14/02 Cont POOH w/ tbg. Set CIBP @ 12,700' w/ 10' cmt on top. Tag new PBTD @ 12,690'. 2/18/02 Perforate f/ 12,552' - 565'. 2/20/02 Stimulate Morrow perfs using 2000 gals Clean Sweep III acid w/ 8.5 tons CO2. 2/21/02 Turn well to sales. RDMO pulling unit. I hereby certify that the information above is true and complete to the best of my knowledge and belief. TITLE Production Analyst 11-20-2002 SIGNATURE

TYPE OR PRINT NAME Sarah Jordan

(This space for State Use)

APPROVED BY DATE NOV 2.5.2

CONDITIONS OF APPROVAL, IF ANY: