District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe. NM 87505

Form C-101

Revised March 17, 1999

Submit to appropriate District Office State Lease - 6 Copies Fee Lease - 5 Copies

	APP	LICATIO	N FOD DED!	MIT TO DDI	ad in	ENTE	D DEI	TOWN I	M. L.C.P. L. C.V.	B . DD		ENDED REPORT
APPLICATION FOR PERMIT TO DRILL, RE- Operator Name and Address Nearburg Producing Co.							² OGRID Number				E	
-PO Box 823085. 3300 N A S						+, Bldg 2, Su, k 120			³ API Number			
Property Code Dallas, TX 75382 Midland Property Code S Property												
270	Property Code S Property Grama Ridge										No.	
_							E Location					
UL or lot no.	Section	Township	Range	Lot Ida			North/South line		Feet from the	East West line		County
<u>C</u>	C 23 21S		34E			990		orth	1650We		est Lea	
			<u>Proposed</u>	Bottom Ho	le Loca	tion If	Diffe	rent Fr	om Surface			
UL or lot no.	UI. or lot no. Section Township		Range	Lot Idh	Feet from the		North/South line		Feet from the East		est line	County
	Wilson Penn Sou						Proposed Pool 2					
11 11/1-	T: C 1		12 11 11 -					·				
Work Type Code N			¹² Well Type Code Gas			Cable/Rotary 1- Rotary		Lease Type Code		15 Ground Level Elevation 3671		
1	16 Multiple		17 Proposed Dep	th	1* For	Formation			19 Contractor	²⁶ Spud Date		Spud Date
No 13100 Morrow Patterson UTI 1/5/03 21 Proposed Casing and Cement Program										1/5/03		
Hole Size Ca		Casi	ng Size						Sacks of Ce	ement Estimated TOC		stimated TOC
17-1/	17-1/2"		13-3/8" 48					400' 1000				
12-1/4"			9-5/8"		40#		5500'		1500		Circ to surface (2-	
				· · · · · · · · · · · · · · · · · · ·							stg)	
8-3/4"		7"		29#		11500'		400		9000		
6-1/8"		4-1/2"		13.5		13100'		250		11200 (TOL)		
22 Describe t	he proposed	d program. If	this application	is to DEEPEN o	r PLUG BA	ACK, giv	e the dat	a on the p	resent productive zo	one and pr	oposed ne	w productive zone
			gram, if any. Use					,	,	= р.	opobed ne	productive zone.
							sing.	VU 13.	-5/8" 1500 nsi	i annul	ar Dri	11 12-1/4"
Drill 17-1/2" hole to \pm 1400'. Run/cement 13-3/8" surface casing. NU 13-5/8" 1500 psi annular. Drill 12-1/4" hole to \pm 5500'. Run and cement 9-5/8" intermediate casing. NU 11" 3M BOPE and test to 3000 psi. Drill 8-3/4"												
hole \pm 11500'. Run and cement 7" production casing. NU 7-1/16" 10M BOPE and test to 10000 psi (annular to												
5000 psi). Drill 6-1/8" hole to PTD of 13100'. Evaluate to run 4-1/2" production liner.												
production fine:												
									<u></u> 58 L.a			
²³ I hereby certify that the information given above is true and complete to the						OIL CONSERVATION DIVISION						
best of my knowledge and belief. Signature: Old						Approved by: PETROLEUM ENGINEERS						
Printed name: Sarah Jordan							Title:					
Title: Production Analyst												
Date: Phone:					Approval Date: Expiration Date: Conditions of Approval:							
12.16.02 915.686.8235 x203												

915.686.8235 x203

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240

1301 W. Grand Avenue, Artesia, NM 88210

State of New Mexico

Form C-102

Energy, Minerals, and Natural Resources Department

OIL CONSERVATION DIVISION

Revised August 15, 2000 Submit to Appropriate District Office

State Lease - 4 copies

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 1220 South St. Francis Dr.

Fee Lease - 3 copies

DISTRICT II

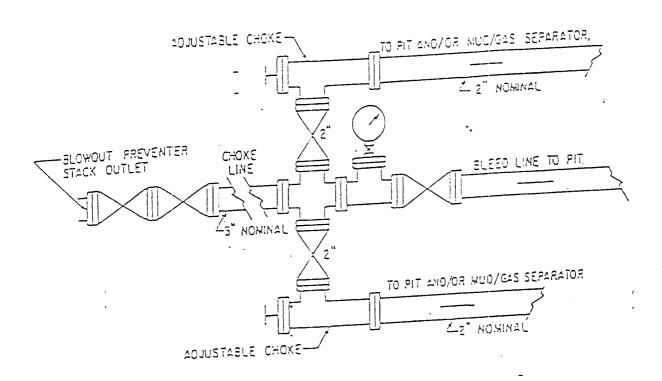
Santa Fe, New Mexico 87505

DISTRICT IV					-, -						
1220 S. St. Francis Dr., Santa Fe, NM 87505						1	AMENDED REPORT				
		WI	ELL LOC	ATION	AND A	CREAGE	DEDICATIO	ON PLAT		:	
¹ API Number ² Pool Code						³ Pool Name					
87.5			520		(x)1500 From South						
Property Code						erty Name SE "23" S	6 Well Nur	6 Well Number			
a'1040				2							
⁷ OGRID №.				9 Elevation							
15	15742			Nearburg Producing Co.							
¹⁰ Surface Location											
UL or lot no.	Section	Township	Ran	_	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
С	23	21 SOUTH	34 EAST,	N.M.P.M.		990'	NORTH	1650'	WEST	LEA	
			11 Botto	m Hole Lo	cation I	f Different Fr	om Surface			<u> </u>	
UL or lot no.	L or lot no. Section		Range		Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
		oint or Infill	14 Consolidation Code		15 Order N	o.					
320											
NO ALLOW	U A 10 T TE T	MCII DE ACC	CIC MED TO	TIME CO.							
NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A											
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION											
"OPERATOR CERTIFICATION							TYON				
OPERATOR C							CERTIFICA	TION			

<i> </i>	 	
990'		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and
1650'	Grama Ridge 13 ptate #1	complete to the best of my knowledge and belief. Signature Signature Existed Name
	-+	Production Analyst Title 12.16.02 Date
 	 + + + + + - + + + + + + - -	18 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.
		NOVEMBER 14, 2002 Date of Survey Signature and Seal of Professional Surveyor
	+	
		Oyun 1-18.02 Certificate Number
		V. L. BEZNER R.P.S. #7920 JOB #84654 / 46 NW / D.C.G.

NEARBURG PRODUCING CO. GRAMA RIDGE "23" STATE #2 LEA COUNTY, NEW MEXICO

3M CHOKE MANIFOLD

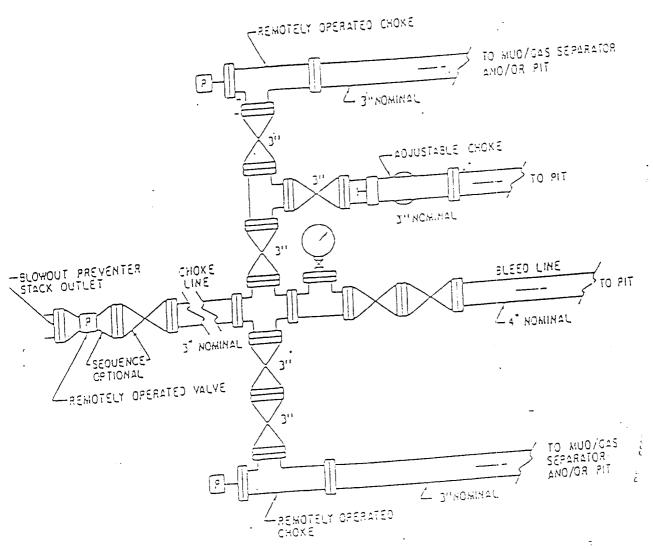


3M Choke Manifold

Depth Interval: 1400-11500' Hole Size: 12-1/4" & 8-3/4"

NEARBURG PRODUCING CO. GRAMA RIDGE "23" STATE #2 LEA COUNTY, NEW MEXICO

10M CHOKE MANIFOLD



10M Choke Manifold

Depth Interval: 11500-TD

Hole Size: 6-1/8"

NEARBURG PRODUCING CO. GRAMA RIDGE "23" STATE #2 LEA COUNTY, NEW MEXICO

BOP SHEMATICS INCLUDES BOTH 3M & 10M PSI SCHEMATIC

12-1/4" & 8-3/4" Hole Sections (3000 psi WP)

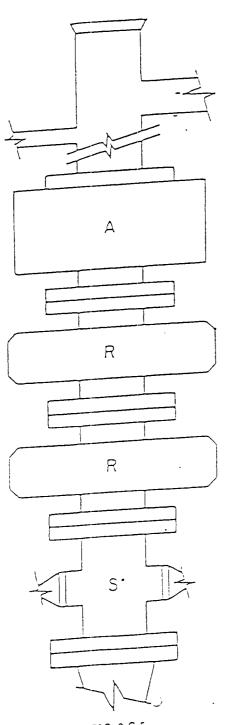


FIG. 2.C.5

ARRANGEMENT STRRA

Duck Preventers, R., Optional.

6-1/8" Hole Section (10,000 psi WP)

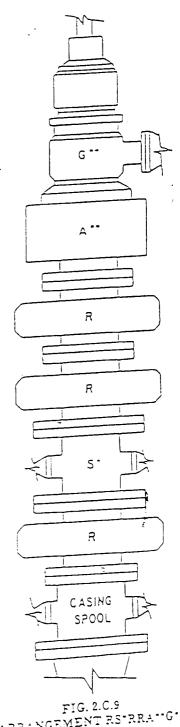


FIG. 2.C.9

ARRANGEMENT RS RRA G

Double Ram Type Preventers.

Rd. Optional