

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-8161 Fax:(575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505	Form C-103 August 1, 2011 Permit 200117 WELL API NUMBER 30-015-42659 5. Indicate Type of Lease S 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name MACHO GRANDE STATE																																																																
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)																																																																		
1. Type of Well: O		8. Well Number 002H																																																																
2. Name of Operator NADEL AND GUSSMAN PERMIAN, LLC		9. OGRID Number 155615																																																																
3. Address of Operator 601 N MARIENFELD , SUITE 508 , MIDLAND , TX 79701		10. Pool name or Wildcat																																																																
4. Well Location Unit Letter <u>A</u> : <u>200</u> feet from the <u>N</u> line and feet <u>700</u> from the <u>E</u> line Section <u>32</u> Township <u>23S</u> Range <u>29E</u> NMPM County <u>Eddy</u>																																																																		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3014 GR																																																																		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____																																																																		
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/></td> </tr> </table>			NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTER CASING <input type="checkbox"/>	TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE OF PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>		Other: _____		Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/>																																													
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. See Attached 1/17/2015 Spudded well.																																																																		
Casing and Cement Program <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>01/18/15</td> <td>Surf</td> <td>FreshWater</td> <td>17.5</td> <td>13.375</td> <td>48</td> <td>J55</td> <td>0</td> <td>402</td> <td>655</td> <td>1.35</td> <td>C</td> <td>85</td> <td>600</td> <td>0</td> <td>N</td> </tr> <tr> <td>01/26/15</td> <td>Int1</td> <td>Brine</td> <td>12.25</td> <td>9.625</td> <td>40</td> <td>L80</td> <td>400</td> <td>6525</td> <td>1600</td> <td>2.45</td> <td>C</td> <td></td> <td>1100</td> <td>0</td> <td>N</td> </tr> <tr> <td>02/05/15</td> <td>Prod</td> <td>CutBrine</td> <td>8.75</td> <td>7</td> <td>26</td> <td>P110</td> <td>6000</td> <td>11401</td> <td>1125</td> <td>2.5</td> <td>H</td> <td>0</td> <td>1500</td> <td>0</td> <td>N</td> </tr> </tbody> </table>			Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole	01/18/15	Surf	FreshWater	17.5	13.375	48	J55	0	402	655	1.35	C	85	600	0	N	01/26/15	Int1	Brine	12.25	9.625	40	L80	400	6525	1600	2.45	C		1100	0	N	02/05/15	Prod	CutBrine	8.75	7	26	P110	6000	11401	1125	2.5	H	0	1500	0	N
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I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .																																																																		
SIGNATURE <u>Electronically Signed</u>		TITLE <u>General Manager</u>	DATE <u>2/23/2015</u>																																																															
Type or print name <u>Scott Germann</u>		E-mail address <u>sgerman@naguss.com</u>	Telephone No. <u>432-682-4429</u>																																																															
For State Use Only: APPROVED BY: <u>Randy Dade</u> TITLE <u>District Supervisor</u> DATE <u>2/24/2015 8:42:15 AM</u>																																																																		

Macho Grande State #2H

30-015-42659

Sec. 32-T23S-R29E

Eddy Co., NM

Work information for Casing Strings

1/17/2015 – SPUD

1/18/2015 – DRILL 17.5" HOLE TO 402'. RUN 402' OF 13-3/8" 48# J-55 STC CASING. CEMENT LEAD 485 SX CLASS C W/ 1% CACL AND .25 # SACK CELLO-FLAKE, 14.8 PPG, 1.35 YIELD. LOST RETURNS WHEN PUMPING JOB, BUMP PLUG, DID NOT CIRCULATE. PICK UP 1" TUBING, TAG CEMENT AT 85'. PUMP 170 SACKS OF CEMENT, CIRCULATE CEMENT TO SURFACE. TESTED CASING TO 600 PSI FOR 30 MINS. TESTED GOOD.

1/26/2015 – DRILL 12.25" HOLE TO 6,525'. RUN 6,525' OF 9-5/8" 40# L-80 BTC CASING. CEMENT LEAD 1400 SX CLASS C, 11.8 PPG, 2.45 YIELD. TAIL 200 SX CLASS C, 14.8 PPG, 1.33 YIELD. GOOD RETURNS DURING JOB UNTIL 67.5 BBLS REMAINING. TESTED CASING TO 1100 PSI FOR 30 MINS. TESTED GOOD .

2/5/2015 – DRILL 8.75" HOLE TO 11,401'. RUN 11,401' OF 7" 26# P-110 BTC CASING. CEMENT LEAD 900 SX CLASS H, 11.8 PPG, 2.5 YIELD. TAIL 225 SX CLASS H 14.2 PPG, 1.31 YIELD. BUMPED PLUG, FLOATS HELD. GOOD RETURNS DURING JOB UNTIL 14 BBLS REMAINING ON DISPLACEMENT. TESTED CASING TO 1500 PSI FOR 30 MINS. HELD GOOD.

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Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Comments
Permit 200117

DRILLING COMMENTS

Operator: NADEL AND GUSSMAN PERMIAN, LLC 601 N MARIENFELD MIDLAND , TX 79701	OGRID:	155615
	Permit Number:	200117
	Permit Type:	Drilling

Comments

Created By	Comment	Comment Date
There are no Comments for this Permit		