RECEIVED OCD

2013 JAN 10 P 2: 21

May 29, 2013

Brooks

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Scott A. Harris 145 Ocean Pines Terrace Jupiter, FL 33477

Re:

NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOGD Case 14883, Order R-13698

Dear Mr. Harris:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .04087049.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

United New Mexico Financial Corporation, a NM Corporation c/o Gst Co.
1013 Centre Road
Wilmington, DE 19805

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Sirs:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .06250000.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours.

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

LD Exploration, Inc. P.O. Box 9573 Midland, TX 79708

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Sirs:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .01171875.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Shackelford Oil Properties, Inc. Attn: Sam Shackelford 1096 Mechem Drive, Suite G-15 Ruidoso, NM 88345

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Shackelford:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00390625.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Texacal Oil & Gas, Inc. 4299 MacArthur Blvd., Suite 207 Newport Beach, CA 92660

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Sirs:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00104167.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Linda Clayton Nelson 1116 Rosebriar Drive Guthrie, OK 73044

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Nelson:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00093750.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Joe A. Clayton, III P.O. Box 4190 Murfreesboro, TN 37133

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Clayton:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00093750.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Bert Nelson Myers 5003 County Road 1430 Lubbock, TX 79407

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Myers:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00086806.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Bert Nelson Myers 12035 Redbud Brooks Trail Houston, TX 77089

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Myers:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00086806.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very trady yours,

Colby Booth

Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Paul Julian Casabonne 177 CR 3823 Bridgeport, TX 76426

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Casabonne:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00065104.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Colby Booth

Very truly yours.

Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

REGINA WOOD C/O DEDRA MUNOZ 458 CHOCTAW HAGERMAN, NM 88232

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Wood:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00065104.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

100

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

MELINDA NELL JONES 708 PLANTATION CIRCLE PANAMA CITY, FL 32403

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Jones:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00065104.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Elizabeth Myers Schrader P.O. Box 1210 Roswell, NM 88202

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Schrader:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00052083.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Rada Angeline Muncy Hamilton C/O 377 Long Creek Road Mesquite, TX 75182

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Hamilton:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00046296.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Thyra Nell Myers Welborne 227 Via Ballena San Clemente, CA 92672

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Welborne:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00046296.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Ruth M. Myers 2417 Camino Corso Road Ana Clemente, CA 92666

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Myers:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00046296.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Martha B. Myers, DSSP C/O 227 Via Ballena San Clemente, CA 92672

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Myers:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00046296.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

JOHN LARRY CASABONNE 5205 EASTWIND ROAD ARTESIA, NM 88210

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Casabonne:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00032552.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Dale Douglas P.O. Box 10187 Midland, TX 79702

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Douglas:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00032552.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

JAMES E. GEITGEY P.O. BOX 51451 MIDLAND, TX 79710

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Geitgey:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00032552.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

GAY BROOKSHIRE MUNCY 9607 TOWER NE ALBUQUERQUE, NM 87112

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Muncy:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00007716.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Billie Jean Muncy Case 9607 Tower NE Albuquerque, NM 87112

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Case:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00007716.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Florine Muncy Stockton 2044 Crescent Drive Las Cruces, NM 88001

Re: NOTIFICATION OF ELECTION

· Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Stockton:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00007716.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Roy Weldon Muncy 731 Indiana Court El Segundo, CA 90245

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Muncy:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00023148.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

very truty yours

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Vivian Dohrmann, DSSP P.O. Box 828 Needles, CA 92363

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Dohrmann:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00023148.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Allen Ray Young 224 PR 2431 Decatur, TX 76234

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Young:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00023148.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Kemp B. Smith, heir of Zula Muncy Smith, deceased P.O. Box 26974 Albuquerque, NM 87125

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Smith:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00009921.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Ray Smith P.O. Box 671 Tijeras, NM 87059

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Smith:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00009921.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

JANE KNEUBUHL, AS TRUSTEE OF THE CHELSEA CASABONNE TRUST CREATED UNDER THE CASABONNE FAMILY TRUST AGREEMENT DATED 5-25-1990, AS AMENDED AND RESTATED 11-17-2003 6700 JEFFERSON PAIGE ROAD, LOT #90 SHREVEPORT, LA 71119

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Kneubuhl:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00016276.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

JANE KNEUBUHL, AS TRUSTEE OF THE ALANA CASABONNE TRUST CREATED UNDER THE CASABONNE FAMILY TRUST AGREEMENT DATED 5-25-1990, AS AMENDED AND RESTATED 11-17-2003 6700 JEFFERSON PAIGE ROAD, LOT #90 SHREVEPORT, LA 71119

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Kneubuhl:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00016276.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Voight E. Healey, DSSP 622 E. Street Taft, CA 93268

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Healey:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00015432.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Elmer D. Healey P.O. Box 844 Avenal, CA 93204

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Healey:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00015432.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Louise Mitchell, DSSP 223 "S" Avenue Majorka Laguna Hills, CA 92653

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Mitchell:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00015432.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Frank L. Muncy P.O. Box 162 Arcadia, OK 73007

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Muncy:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00015432.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Coleen June Magnunson C/O P.O. Box 43 Eldora, Iowa 50627

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Magnunson:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00015432.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Ila Mae Muncy Jacobs, DSSP Heir of Herman Muncy, deceased 255 Red Bud Drive Martin, TN 38237

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Jacobs:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00006614.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Paul Herman Muncy, DSSP Heir of Herman Muncy, deceased 255 Red Bud Drive Martin, TN 38237

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Muncy:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00006614.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Bobby J. Muncy 255 Red Bud Drive Martin, TN 38237

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Mr. Muncy:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00006614.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Betty R. Muncy 800 NW Avenue J Seminole, TX 79360

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Muncy:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00005787.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

May 29, 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Robin K. Shackelford 108 Paradise Canyon Ruidoso, NM 88345

Re: NOTIFICATION OF ELECTION

Compulsory Pooling

Well: Super Chief #1H API #30-015-39871

Dedication: E/2 W/2 of Section 24, T18S, R26E, NMP

Eddy County, New Mexico

NMOCD Case 14883, Order R-13698

Dear Ms. Shackelford:

On behalf of Nadel and Gussman Permian, L.L.C. and in accordance with the terms of the New Mexico Oil Conservation Division Order R-13698, copy enclosed, I am providing you with notice of your right to elect to participate in the drilling, completion and production of this well into the Glorieta and Yeso formations pursuant to this order.

Nadel and Gussman Permian, L.L.C.'s records indicate that you have either an unleased mineral interest owner or are a working interest owner in this 160-acre spacing unit for all formations from top of the Glorieta to the base of the Yeso formation in this well. Should you desire to participate in this well and avoid the payment of the 200% risk factor out of its share of production, then within thirty days of the date you receive this letter, then Nadel and Gussman Permian, L.L.C., located at Suite 508, 601 North Marienfeld, Midland, Texas 79701 must receive a cashier's check for your percentage of the completed well costs and a letter signed by you agreeing to participate in this well pursuant to this pooling order. Enclosed is a copy of the AFE for this well, which is the same as AFE, introduced at the hearing. Based on our inspection of public records, we have calculated your interest in the Super Chief #1H to be .00390625.

If you decide not to participate then you need do nothing further. In that event, Nadel and Gussman Permian, L.L.C. will pay your share of the costs of drilling and completing the well and will recover your share out of production plus an additional 200%.

Very truly yours,

Colby Booth Landman

cc: Director NMOCD-Santa Fe

Colby Book (SP)

AUTHORITY FOR EXPENDITURE

NADEL AND GUSSMAN PERMIAN, LIC

Date: 10/31/2012 Prepared By: Jason Goss Prospect Name: Bridgestone Prospect County, State: Eddy County, New Mexico Projected Total Depth: 7150' MD 3,000° TVD (3,200 Pilot Hole) Lease / Well Number: Super Chief #1H Location: Sec. 24- T18S - R26E SHL: 250' FSL, 1650' FWL BHL: 330' FNL, 1650' FWL

"NOTES" Daywork Contract - Horiz Oil Well - Closed Loop Mud System-Moyno Packers Plus OH completion, pilot hole and logs, use frac pit in sec 16

Assumes regulatory agent approves casing program

Note all pipe prices may be subject to increase due to market fluctuations

It is recognized that the amounts provided here are estimates only and approval of this authorization shall extend to actual costs incurred in conducting the operations specified, whether more or less than estimated.

Primary Objectives: Yeso

Intan. Drilling Costs BCP		COST
4-02 Abandonment & Cleanup	\$	30,000
1-10 Abstracts & Title Opinions	\$	25,000
4-87 Well Control Insurance 7150' MD \$/Ft: 0.684	\$	4,891
4-01 Legal, Permits & Fees	\$	5,000
4-67 Staking Location & Surveys	\$	1,250
4-36 Location, Road & ROW	\$	70,000
4-15 IDC Daywork Days: 17 \$/Day: 14000	\$	238,000
4-14 Mobilization / Demobilization	\$	65,000
4-66 Rig Fuel Days: 17 \$/Day: 3000 .	\$	51,000
1-24 IDC Footage \$/Ft:	\$	-
1-72 Supervision Days: 17 \$/Day: 650	\$	11,050
1-18 Drilling Overhead (Administrative Services)	\$	10,000
1-03 Bits & Reamers	\$	28,180
4-61 Rentals Surface	\$	68,480
1-62 Rentals Sub-Surface	\$	15,000
1-62 Drill Pipe Rental Days: 13 \$/Day: 1800	\$	12,000
1-16 Directional Onlling Expense Days: 10 \$/Day: 12500	\$	125,000
I-31 Inspection - Drill String	\$	10,000
1-04 Well Control & Testing	\$	5,000
1-45 Miscellaneous IDC	\$	5,000
1-52 Mud Logging & Geo Steering Days: 13 \$/Day: \$2,567	\$	33,37
1-08 Contract Labor	\$	8,000
1-78 Transportation	\$	30,000
I-05 Surface Casing Crews	\$	4,500
I-06 Surface Cement and Cement Services & possible !"	<u>\$</u>	30,000
1-23 Surface Float Equipment & Centralizers	\$	2,000
-05 Intermediate Casing Crews	\$	6,500
1-06 Intermediate Cement and Cement Services, kick off plug	\$	30,000
-23 IntermediateFloat Equipment & Centralizers	\$	5,000
I-51 Mud & Additives	\$	55,000
1-12 Corrosion Control & Chem.	\$	5,000
-84 Water	<u>\$</u>	7,500
I-85 Water / Mud Disposal CRI	\$	80,000
Contingency (5%)	\$	53,83
OTAL		
ntan. Formation Testing BCP	. 	COST
-39 Logging & Wireline	S	25,000
-21 Dnll Stem - Formation Tests	\$	
-12 Coring & Analysis (Sidewall Cores)	\$	10.000
Contingency (5%)	\$	1,750
OTAL SERVED HER SERVED	1.2 E	
angible Lease & Well Equipment BCP	- T 02	COST
i-72 Surface Casing 9-5/8 \$/Ft: 26 Feet: 1200	\$	31,200
-32 Intermediate Csg 7" 26# * \$/Ft: 28 Feet: 3350		93,80
* \$/Ft: Feet:	\$	-
* \$/Ft: Feet:	\$	
-84 Wellhead	\$	9,000
-76 Cattle Guards, Gates, Fences	\$	
	\$	6.700
ontingency (5%)		

	mp. Costs ACP			•			÷	COSTS
	ndonment & Clear	шр			·	40500	<u>\$</u>	(30,000)
	Daywork		Days: 2			13500	\$	27,000
4-66 Rig			Days: 2		/Day:		\$	6,000
	ing Rig Supervisio		Days: 2	2 5	/Day:	650	\$	1,300
	duction Casing Cre				-		\$	12,000
	duction Casing Ce					-	\$	
	d. Float Equipment						\$	
	npletion / Swab Un		Days:		/Day:		\$	25,000
	npl. Rig Supervisio		Days:	12 \$	/Day:	650	\$	7,800
	ninistrative Service	S					\$	
	d & Chemicals						\$	2,400
5-66 Wa							\$	55,000
	ging, Perforations	& Wireline	•				\$	
	itals Subsurface						\$	7,500
	itals Surface, Frac						\$	20,000
5-53 Nitro	gen Service & Coile	ed Tubing	Days: 2	2 \$	/Day:	28000	\$	56,000
5-22 Fish	ning						\$	
5-80 Stin	nulation						\$	800,000
5-92 Tra	nsportation						\$	8,000
5-77 Cor	tract Labor & Rou	stabout					\$	12,000
5-04 Bits	& Reamers						\$	5,000
5-11 Cou	olings & Fittings		_				\$	9,500
5-28 Loc	ation & Road Expe	nse	_				\$	10,000
	cellaneous IDC						\$	
	Inspection & Rec	condition					S	
	ping Services;Kill		OH pac	kers.one	n toe :	sub	ŝ	6,000
5-21 Tes				,.,.			\$	-,
	Control Insurance	ë	Days:	3 S	/Day:	350	S	2,100
Continger		<u> </u>	,	-	, .		s	52,130
TOTAL	THE TERMS	******** 17.5°	Carlotte and a	er and Sexa	100	4.04		
Tangible	Well Equipment	ACP						COSTS
6-60 Pro	d. Csg / Liners	4.5	\$/Ft:	13.5	Feet:	4400	\$	59,400
			* \$/Ft:		Feet:		\$	-
6-80 Tub	ing	2-7/8	" \$/Ft: +	6.5	Feet:	2300	\$	14,950
6-84 We	head						\$	2,500
6-68 Roc	s and Pump, Moyr	no			_		\$	65,000
6-56 Pac	kers Plus Tools						\$	270,000
Continge							\$	20,593
TOTALE	QUIPMENT	Charles of Charles	S. 45	17.00	A. Jan	Capata Property	- \$	432,443
Tangible	Lease & Battery	Equipmen	nt ACP	., ., .,	C\$ 2	3,4 4 4		COSTS
6-64 Pun	nping Units & Engi	nes					\$	-
6-16 Gas	Processing & Det	hy					\$	-
	ter Treater	*	-				\$	20,000
6-76 Tan	ks & Accessory Ed	quipment			-		\$	90,000
6-40 Pipe			_	_			\$	-
6-42 Flov							\$	2,500
	trollable Valves					-	\$	9,000
		T					\$	6,000
	 Controllable Equ 	ment						
		ulpment					- \$	6,375

TOTAL DRILLING	\$ 1,308,012
TOTAL INTANGIBLE	\$ 2,262,042

TOTAL COMPLETION	\$ 1,661,048
TOTAL TANGIBLE	\$ 707,018

Joint Interest Approval

Company: Nadel and Gussman Permian, LLC

TOTAL DRY HOLE COST \$ 1,344,027 \$ 2,969,059 TOTAL WELL COST

_ Date: _ Date: 10/31/2012 By: Jason Goss

RECEIVED OCD

STATE OF NEW MEXICO OF PERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 14883 ORDER NO. R-13698

APPLICATION OF NADEL AND GUSSMAN PERMIAN, L.L.C. FOR A NON-STANDARD OIL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on November 1, 2012, and again at 8:15 a.m. on March 21, 2013, at Santa Fe, New Mexico, before Examiner David K. Brooks.

NOW, on this 12th day of April, 2013, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

- (1) Due public notice has been given, and the Division has jurisdiction of this case and of the subject matter.
- (2) Nadel and Gussman Permian, L.L.C. ("Applicant"), seeks approval of a non-standard 160-acre oil spacing and proration unit and project area ("the Unit") in the Glorieta and Yeso formations [Atoka-Glorieta-Yeso Pool (Pool Code 3250)] consisting of the E/2 of the W/2 (Units N, K, F and C) of Section 24, Township 18 South, Range 26 East, NMPM, in Eddy County, New Mexico. Applicant further seeks an order pooling all uncommitted interests in the Unit in the Glorieta and Yeso formations.
- (3) The Unit is to be dedicated to Applicant's Super Chief Well No. 1H ("the proposed well"), a horizontal well to be drilled from a surface location 250 feet from the South line and 1650 feet from the West line (Unit N) of Section 24 to a standard terminus, or bottomhole location, in the Yeso formation, 330 feet from the North line and 1650 feet from the West line (Unit C) of Section 24. The well's completed interval will

be entirely located with the applicable 330-foot setbacks from the outer boundaries of the Project Area.

- (4) Spacing in the Atoka-Glorieta-Yeso Pool is governed by statewide Rule 19.15.15.9.A NMAC, which provides for standard 40-acre units, each comprising a governmental quarter-quarter section. The Unit consists of four adjacent quarter-quarter sections.
- (5) Applicant appeared at the hearing through counsel and presented geologic evidence by affidavit to the effect that:
 - (a) this area is suitable for development by horizontal drilling; and
 - (b) all quarter sections to be included in the Unit are expected to be productive in the Yeso formation, so that formation of the Unit as requested will not impair correlative rights.
- (6) DHA, LLC; Yates Petroleum Corporation; Yates Industries, LLC; Yates Brothers; John A. Yates Trust for Peggy A. Yates; Martin Yates; Charborough Holdings, LLC; Charborough Energy, LLC; Legacy Royalty, LLC; and COG Operating LLC all appeared at the hearing through counsel, but these parties presented no evidence and did not oppose the Application.

The Division concludes that:

- (7) Approval of the proposed non-standard unit will enable Applicant to drill a horizontal well that will efficiently produce the reserves underlying the Unit, thereby preventing waste, and will not impair correlative rights.
- (8) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.
- (9) Applicant is an owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the proposed well to a common source of supply within the Unit at the proposed location.
- (10) There are interest owners in the Unit that have not agreed to pool their interests. There are also many unlocated owners in the Unit. Accordingly, provision should be made to escrow funds for the account of such owners.
- (11) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense its just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas within the Unit.

- (12) Nadel and Gussman Permian, L.L.C. should be designated the operator of the proposed well and of the Unit.
- (13) Any pooled working interest owner who does not pay its share of estimated well costs should have withheld from production its share of reasonable well costs plus an additional 200% thereof as a reasonable charge for the risk involved in drilling the well.
- (14) Reasonable charges for supervision (combined fixed rates) should be fixed at \$6,000 per month while drilling and \$600 per month while producing, provided that these rates should be adjusted annually pursuant to Section III.1.A.3. of the COPAS form titled "Accounting Procedure-Joint Operations."

IT IS THEREFORE ORDERED THAT:

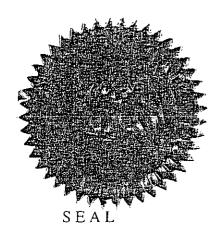
- (1) A non-standard 160-acre oil spacing and proration unit (the Unit) is hereby established in the Glorieta and Yeso formations [Atoka-Glorieta-Yeso Pool (Pool Code 3250)] consisting of the E/2 of the W/2 (Units N, K, F and C) of Section 24, Township 18 South, Range 26 East, NMPM, in Eddy County, New Mexico.
- (2) Pursuant to the application of Nadel and Gussman Permian, L.L.C., all uncommitted interests, whatever they may be, in the oil and gas in the Glorieta and Yeso formations underlying the Unit, are hereby pooled.
- (3) The Unit shall be dedicated to Applicant's Super Chief Well No. 1H ("the proposed well"), a horizontal well to be drilled from a surface location 250 feet from the South line and 1650 feet from the West line (Unit N) of Section 24 to a standard terminus, or bottomhole location, in the Yeso formation, 330 feet from the North line and 1650 feet from the West line (Unit C) of Section 24. The well's completed interval will be entirely located within the applicable 330-foot setbacks from the outer boundaries of the Project Area.
- (4) The operator of the Unit shall commence drilling the proposed well on or before April 15, 2014, and shall thereafter continue drilling the well with due diligence to test the Yeso formation.
- (5) In the event the operator does not commence drilling the proposed well on or before April 15, 2014, Ordering Paragraphs (1) and (2) shall be of no effect, unless the operator obtains a time extension from the Division Director for good cause demonstrated by satisfactory evidence.
- (6) Should the proposed well not be drilled and completed within 120 days after commencement thereof, then Ordering Paragraphs (1) and (2) shall be of no further effect, and the unit and project area created by this order shall terminate, unless operator appears before the Division Director and obtains an extension of the time for completion of the proposed well for good cause shown by satisfactory evidence. If the proposed well

is not completed in all of the quarter-quarter sections included in the proposed unit within 120 days after commencement of drilling, then the operator shall apply to the Division for an amendment to this Order to contract the Unit so that it includes only those quarter-quarter sections in which the well is completed.

- (7) Upon final plugging and abandonment of the proposed well and any other well drilled on the Unit pursuant to Division Rule 19.1513.9 NMAC, the pooled unit created by this Order shall terminate, unless this order has been amended to authorize further operations.
- (8) Nadel & Gussman Permian, L.L.C. (OGRID 155615) is hereby designated the operator of the well and of the Unit.
- (9) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit an itemized schedule of estimated costs of drilling, completing and equipping the proposed well ("well costs").
- (10) Within 30 days from the date the schedule of estimated well costs is furnished, any pooled working interest owner shall have the right to pay its share of estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided, and any such owner who pays its share of estimated well costs as provided above shall remain liable for operating costs but shall not be liable for risk charges. Pooled working interest owners who elect not to pay their share of estimated well costs as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."
- (11) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs within 90 days following completion of the proposed well. If no objection to the actual well costs is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs after public notice and hearing.
 - (12) Within 60 days following determination of reasonable well costs, any pooled working interest owner who has paid its share of estimated costs in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid exceed its share of reasonable well costs.

- the operator is hereby authorized to withhold the following costs and charges from production:
 - (a) the proportionate share of reasonable well costs attributable to each non-consenting working interest owner; and
 - (b) as a charge for the risk involved in drilling the well, 200% of the above costs.
 - (14) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs.
 - (15) Reasonable charges for supervision (combined fixed rates) are hereby fixed at \$6,000 per month while drilling and \$600 per month while producing, provided that these rates shall be adjusted annually pursuant to Section III.1.A.3. of the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from production the proportionate share of both the supervision charges and the actual expenditures required for operating the well, not in excess of what are reasonable, attributable to pooled working interest owners.
 - (16) Except as provided in Paragraphs (13) and (15) above, all proceeds from production from the well that are not disbursed for any reason shall be placed in escrow in Eddy County, New Mexico, to be paid to the true owner thereof upon demand and proof of ownership. The operator shall notify the Division (Attention: Records Clerk) of the name and address of the escrow agent not later than one year from the date of issuance of this Order.
 - (17) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for the purpose of allocating costs and charges under this order. Any well costs or charges that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.
 - (18) Should all the parties to this compulsory pooling order reach voluntary agreement subsequent to entry of this order, this order shall thereafter be of no further effect.
- (19) The operator of the well and Unit shall notify the Division in writing of the subsequent voluntary agreement of all parties subject to the compulsory pooling provisions of this order.
- (20) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JAMI BAILEY

Director