

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

APR 02 2014
OIL CONSERVATION DIVISION
RECEIVED 220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-34780
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-4725-3
7. Lease Name or Unit Agreement Name Sombrero State
8. Well Number 1
9. OGRID Number 155615
10. Pool name or Wildcat Hume West, Queen-Grayburg
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4207 GL

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Nadel and Gussman	
3. Address of Operator 601 N. Marienfeld, Suite 508, Midland, TX 79701	
4. Well Location Unit Letter <u>C</u> : <u>990</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>15</u> Township <u>16S</u> Range <u>33E</u> NMPM Lea County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4207 GL	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☒ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☒
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Well is currently completed in the Atoka 12,828'-12,840'. NGP proposes to plug back to Grayburg, which is currently behind 8-5/8" intermediate csg. It is NGP's intention to plug the well back in such a manner that the bottom part of the wellbore (below the proposed Grayburg completion interval) will be in compliance with OCD plug and abandonment regulations. NGP proposed to cut & pull 5-1/2" csg and plug well to the base of the Grayburg and recomplete:

1. Pull tbg and LD packer. TIH with tubing to +/- 12,860' and circulate 10 #/gal salt gel mud.
2. Set CIBP within 50' of Atoka perfs (Top 12,828') & cap w/35' cmt.
3. Set 25 sk cmt plug @ 9588'
4. Free point 5-1/2" csg and cut and pull. Expect free point to be @ +/- 9250'. Set 35 sk cmt plug across csg stub.
5. Set 35 sk plug @ 7185'.
6. Set 26 sk plug @ base of 8-5/8" intermediate csg, 50' in and out. WOC & tag.
7. Attempt recompletion in Grayburg @ 4362'-4376'.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Sarah Presley TITLE Regulatory Analyst DATE 3/28/2014

Type or print name Sarah Presley E-mail address: spresley@naguss.com PHONE: (432) 682-4429
For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE APR 02 2014
Conditions of Approval (if any):

APR 02 2014

Current Completion

Elev: 4207'

KB: 4225'

Sombrero State No. 1

Richard West 3/17/14
API # 30-025-34780-00

990' FNL & 1980' FWL

Sec 15 T16S R33E

Lea Co, NM

Conductor csg @ 40', 24" hole

17-1/2" hole

13-3/8", 48#, H-40 @ 405'

225 sx cmt circ to surf

12-1/4" hole

8-5/8", 32#, J55 @ 4481'

1415 sx cmt, circ to surface

TQC @ 9250'(CBL)

7-7/8" hole

5-1/2", 20# P110/N80 @ 13,573'

800 sx pozmix Class "C"

2-3/8", N-80 & P-105 EUE tbg

Arrowset 1X ret pkr @ 12,818'

P-105 tbg subs, XN nipple,
auto release firing device

Atoka Perfs 12,828'-12,840',
5 SPF

Atoka Perfs 12,848'-12,859',
4 SPF, 48 holes

Fish-17' x 3-3/8" TCP gun
w/ disconnect sub

PBTD = 13,432'

TD = 13,586'

Proposed

Elev: 4207'

KB: 4225'

Sombrero State No. 1

Richard West 3/17/14

API # 30-025-34780-00

990' FNL & 1980' FWL

Sec 15 T16S R33E

Lea Co, NM

Conductor csg @ 40', 24" hole

17-1/2" hole

13-3/8", 48#, H-40 @ 405'

225 sx cmt circ to surf

2-7/8" x (8-5/8", 32#) 10k diff pkr
w/ on/ off tl w/SN @ 4312'

12-1/4" hole

8-5/8", 32#, J55 @ 4481'

1415 sx cmt, circ to surface

TOC @ 9250'(CBL)

7-7/8" hole

5-1/2", 20# P110/N80 @ 13,573'

800 sx pozmix Class "C"

PBTD = 13,432'

TD = 13,586'

2-7/8", 6.5 #, tbg @ 4362'

Perf Grayburg @ 4362'-4376'

Set 26 sx plug @ 4531'.
WOC & tag.

Set 35 sx plug @ 7185'.
WOC & tag.

Cut 5-1/2" csg 50' above free point
Set 35 sx plug 50' below csg stub
WOC & tag.

Set 25 sx plug @ 9588'.
WOC & tag.

Set 35' cmt plug
Set CIBP @ 12,778'

Atoka Perfs 12,828'-12,840',
5 SPF

Atoka Perfs 12,848'-12,859',
4 SPF, 48 holes

Fish-17" x 3-3/8" TCP gun
w/ disconnect sub