<u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
<u>District II</u>

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr. Santa Fe. NM 87505

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462 State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-101 August 1, 2011

Permit 144143

## APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| 1. Operator        | 2. OGRID Number  |               |  |
|--------------------|------------------|---------------|--|
| NADEL AND GUS      | 155615           |               |  |
| 601 N MARIENFELD   |                  | 3. API Number |  |
| MIDLAND , TX 79701 |                  | 30-015-39991  |  |
| 4. Property Code   | 5. Property Name | 6. Well No.   |  |
| 39098              | TEXAS EAGLE      | 003H          |  |

## 7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| F        | 13      | 188      | 25E   | F       | 2310      | N        | 2160      | W        | EDDY   |

## 8. Pool Information

| FIVE MILE; YESO  | 24540 |
|------------------|-------|
| HIVE WHILE, IESO | 24340 |

## Additional Well Information

| 9. Work Type<br>New Well | 10. We   | 77.10.4.4.1.1.1 | 11. Cable/Rotary                  | 12. Lease Type Private | 13. Ground Level Elevation<br>3453 |
|--------------------------|----------|-----------------|-----------------------------------|------------------------|------------------------------------|
| 14. Multiple             | 15. Prop | osed Depth      | 16. Formation Yeso Formation      | 17. Contractor         | 18. Spud Date<br>5/1/2012          |
| Depth to Ground          |          | 900             | Distance from nearest fresh water | well                   | Distance to nearest surface water  |

19. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 12.25     | 9.625       | 36               | 900           | 600             | 0             |
| Int1 | 8.75      | 7           | 26               | 2850          | 500             | 0             |
| Prod | 6.125     | 4.5         | 13.5             | 6900          | 0               |               |

# Casing/Cement Program: Additional Comments

Will 1" cement to surface if necessary on surface casing, will circulate cement on 7" intermediate Casing. Complete open hole with Packers Plus completion in 6.125" hole set liner hanger at 2650'.

Proposed Blowout Prevention Program

| 129.      |                  |               |              |
|-----------|------------------|---------------|--------------|
| Туре      | Working Pressure | Test Pressure | Manufacturer |
| Annular   | 3000             | 1500          | Hydril       |
| DoubleRam | 3000             | 3000          | Shaffer      |

| of my knowledge and belief. | ion given above is true and complete to the best<br>ing pit will be constructed according to | OIL CONSERVATION DIVISION   |                           |  |
|-----------------------------|--|-----------------------------|---------------------------|--|
|                             | eral permit , or an (attached) alternative   | Approved By: Randy Dade     |                           |  |
| Printed Name: Electronica   | lly filed by Scott Germann   | Title: District Supervisor  |                           |  |
| Title: General Manager      |  | Approved Date: 3/1/2012     | Expiration Date: 3/1/2014 |  |
| Email Address: sgerman@     | naguss.com   |                             |                           |  |
| Date: 2/16/2012             | Phone: 432-682-4429  | Conditions of Approval Atta | ached                     |  |

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1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

# State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102
Revised August 1,
2011
Submit one copy to appropriate
District Office

■ AMENDED REPORT

|                         |                        | 7         | WELL LC       | CATIO                  | N AND ACE     | EAGE DEDIC                           | CATION PLA    | ΑT                  |                |  |
|-------------------------|------------------------|-----------|---------------|------------------------|---------------|--------------------------------------|---------------|---------------------|----------------|--|
| 1                       | API Number             | F         |               | <sup>2</sup> Pool Code | e             | <sup>3</sup> Pool Name               |               |                     |                |  |
| <sup>4</sup> Property ( | Code                   |           |               |                        |               | operty Name 'Well Number AS EAGLE 3H |               |                     |                |  |
| OGRID I                 | No.                    |           |               |                        |               |                                      |               | 'Elevation<br>3453' |                |  |
| MIN.                    |                        |           |               |                        | » Surface 1   |                                      | ,             |                     |                |  |
| UL or lot no.           | Section                | 1 *       | Range         | Lot Idn                | Feet from the | North/South line                     | Feet from the | East/We             | st line County |  |
| F                       | 13                     | 18 S      | 25 E          |                        | 2310          | NORTH                                | 2160          | WEST                | EDDY           |  |
|                         |                        |           | и Bot         | tom Hol                | e Location If | Different Fron                       | n Surface     |                     |                |  |
| UL or let no.           | Section                | Township  | Range         | Lot Idn                | Feet from the | North/South line                     | Feet from the | East/We             | st line County |  |
| K                       | 12                     | 18 S      | 25 E          |                        | 2310          | SOUTH                                | 2160          | WEST                | EDDY           |  |
| 12 Dedicated Acres      | <sup>13</sup> Joint on | Infill 14 | Consolidation | Code <sup>18</sup> Or  | der No.       |                                      |               |                     |                |  |

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

| 2160   | B.H.                | PROPOSED BOTTOM HOLE LOCATION  LAT = N 32*45'41.68" LONG = W 104"26'22.60"   |            | 11 OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mercal interest in the land including the proposed bottom hole |
|--------|---------------------|--|------------|---|
|        |                     | N.M.S.P.S.E.<br>NORTH = 640,811.72<br>EAST = 508,669.04                      |            | location or has a right to drill this well at this location pursuant to a contract with an owner of such a numeral or working interest, or to a voluntary pooling agreement or a compulsory pooling order herebofore entered by the division  |
|        |                     |  |            | Sgrhunde Date Scrah Tisdale Printed Name  |
|        | 4620'               |  | SECTION 12 | Sarahtahaguss.com  B.meil Address   |
|        |                     |  | SECTION 13 | *SURVEYOR CERTIFICATION  I hereby certify that the well location shown on this plat was   |
|        | 0,                  |  |            | plotted from field notes of actual surveys made by me or under<br>my supervision, and that the same is true and correct to the best<br>of my belief.  |
|        | 231                 |  |            | FEBRUARY 02, 2012  Date of Survey  Signature angles of Professional Survey  |
|        | 1                   | SURFACE LOCATION  LAT = N 32'44'55.98"  LONG = W 104'26'22.87"  N.M.S.P.S.E. |            | 12516   |
| 2160'- | → ⊙ <sub>S.L.</sub> | NORTH = 636,192.96<br>EAST = 508,641.46                                      |            | TERRY DE KALDEN SURVEY 12516 Certifical Number RAIN SURVEY AND COMPANY  |

# **Permit Comments**

Operator: NADEL AND GUSSMAN PERMIAN, LLC , 155615 Well: TEXAS EAGLE #003H

30-015-39991 API:

| Created By | Comment  | Comment Date |  |
|------------|----------|--------------|--|
| CSHAPARD   | Land p/P | 3/1/2012     |  |

# Permit Conditions of Approval

Operator: NADEL AND GUSSMAN PERMIAN, LLC , 155615 Well: TEXAS EAGLE #003H

API: 30-015-39991

| OCD<br>Reviewer | Condition  |
|-----------------|--|
| CSHAPARD        | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string |