

|                         |          |                        |                           |                 |                                   |
|-------------------------|----------|------------------------|---------------------------|-----------------|-----------------------------------|
| DATE IN <u>10/15/09</u> | SUSPENSE | ENGINEER <u>Brooks</u> | LOGGED IN <u>10/15/09</u> | TYPE <u>NSL</u> | PT6W<br>APP NO. <u>0928857182</u> |
|-------------------------|----------|------------------------|---------------------------|-----------------|-----------------------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



*Raptor West "3" State #1*  
*30-025-36680*  
*Nadell Huesman*  
*Permit*

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

*6107*

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR

- [D] Other: Specify \_\_\_\_\_

RECEIVED OGD  
 2009 OCT 15 A 9:52

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Emerald Johnson *[Signature]* Landman 10-14-09  
 Print or Type Name Signature Title Date  
e.johnson@naguss.com  
 e-mail Address

**NADEL AND GUSSMAN PERMIAN, LLC**

601 N. Marienfeld, Suite 508

Midland, Texas 79701

Phone: (432) 682-4429

Fax: (432) 682-4325

October 14, 2009

New Mexico Oil Conservation Division  
Attn: David Brooks  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

CC: New Mexico Oil Conservation Division  
District I  
Attn: Donna Mull  
1625 N. French Drive  
Hobbs, New Mexico 88240

Re: **Request Administrative Approval for Non Standard Location Application**

Raptor West 3 State #1 Well  
Section 3, T-19-S, R-34-E, 1650' FSL & 1650' FEL  
Scharb Bone Springs  
Lea County, New Mexico

Dear Mr. Brooks:

Per our recent telephone conversation, Nadel and Gussman Permian, L.L.C. (NGP) respectfully requests an Administrative Approval for an exception to the Special Pool Rules governing the Scharb Bone Springs Pool. The well is located 1650' FSL and 1650' FEL, Section 3, T-19-S, R-34-E, Unit J. NGP plans to plug back to the Scharb Bone Springs Pool. Special pool rules dictate that in this pool a well must be located within 200' of the center quarter- quarter. According to OCD guidelines, the proposed location is unorthodox by approximately 130', being 330' from the east quarter-quarter line of the NW/4 SE/4, approximately 130', being 330' away from the south quarter-quarter line of the NW/4 SE/4, and approximately 183.80', being 466.7' away from the diagonal quarter-quarter line of the NW/4 SE/4.

The Raptor West 3 State #1 is an existing well originally completed in the Morrow Formation and spaced on 320 acres. As a result of the proposed plug back operations, the well's location will become a Non-Standard Location.

Please find enclosed a land plat reflecting the offset acreage. The acreage being encroached on is the NE/4 SE/4, SW/4 SE/4 and the SE/4 SE/4 of Section 3. NGP owns and operates the offset acreage and all interests are the same. In addition, please find enclosed, a copy of the C-102 submitted for this well reflecting the original E/2 320 acre spacing unit when the well was proposed in the Morrow and a C-102 reflecting the 40 acre spacing unit resulting from the proposed plug back to the Scharb Bone Springs.

Once again we respectfully request the approval of a Non Standard Location. Thank you for your assistance in this matter and if additional information is needed, please contact me at 432-682-4429.

Sincerely,



Emerald Johnson  
Landman



30 FSL 1980 FWL

# Raptor West 3 State #1

760 FNL 330 FEL  
1

760 FNL 660 FWL  
1

718 FNL 660 FEL  
1

1980 FNL 660 FEL  
1

# 4

# 3

## Raptor West 3 St. #1

1650 FSL 1650 FEL  
1

1650 FSL 1650 FWL  
1

1839 FSL 519 FEL  
1

660 FSL 660 FWL  
1

INADL AND GUSMAN PERMIAN

Raptor West 3 State #1

T19S-R34E Sec. 3

Lea Co., New Mexico



October 14, 2009

DISTRICT I  
P.O. Box 1989, Hobbs, NM 88241-1900

DISTRICT II  
P.O. Drawer 80, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV  
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

O AMENDED REPORT

|                            |                                        |                       |                             |
|----------------------------|----------------------------------------|-----------------------|-----------------------------|
| API Number<br>20-025-36680 | Pool Code<br>97339                     | Pool Name<br>Airstrip | Wildcat; Wolfcamp Southwest |
| Property Code              | Property Name<br>RAPTOR WEST "3" STATE | Well Number<br>1      |                             |
| OCRD No.<br>150628         | Operator Name<br>PURE RESOURCES, L.P.  | Elevation<br>3992'    |                             |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| J             | 3       | 19-S     | 34-E  |         | 1650          | SOUTH            | 1650          | EAST           | LEA    |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|               |         |          |       |         |               |                  |               |                |        |

|                        |                 |                    |           |
|------------------------|-----------------|--------------------|-----------|
| Dedicated Acres<br>320 | Joint or Infill | Consolidation Code | Order 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

|                   |                   |                   |                   |
|-------------------|-------------------|-------------------|-------------------|
| LOT 4<br>44.32 AC | LOT 3<br>44.28 AC | LOT 2<br>44.24 AC | LOT 1<br>44.20 AC |
|-------------------|-------------------|-------------------|-------------------|

GEODEIC COORDINATE  
NAD 27 NME  
Y = 614351.2 N  
X = 742717.0 E  
AZ = 32°41'11.29"N  
LONG = 105°32'39.98"W

1650'

1650'

**OPERATOR CERTIFICATION**

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

*Alan W. Bohling*  
Signature  
Alan W. Bohling  
Printed Name  
Regulatory 484567  
Title  
September 30, 2003  
Date

**SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision and to the best of my knowledge and belief is correct to the best of my belief.

April 15, 2004  
Date Surveyed  
Signature & Seal of Professional Surveyor  
Cary E. Eubank 11/1/04  
07.17.0436  
Certificate No. CARY EUBANK 12641

**District I**  
1625 N. French Dr., Hobbs, NM 88240

**District II**  
1301 W. Grand Avenue, Artesia, NM 88210

**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410

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

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 October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                                         |  |                                                             |  |                                              |                                    |
|-----------------------------------------|--|-------------------------------------------------------------|--|----------------------------------------------|------------------------------------|
| <sup>1</sup> API Number<br>30-025-36680 |  | <sup>2</sup> Pool Code<br>55610                             |  | <sup>3</sup> Pool Name<br>SCHARB BONE SPRING |                                    |
| <sup>4</sup> Property Code<br>302783    |  | <sup>5</sup> Property Name<br>RAPTOR WEST "3" STATE         |  |                                              | <sup>6</sup> Well Number<br>3      |
| <sup>7</sup> OGRID No.<br>155615        |  | <sup>8</sup> Operator Name<br>NADEL AND GUSSMAN PERMIAN LLC |  |                                              | <sup>9</sup> Elevation<br>3,992 GL |

<sup>10</sup> Surface Location

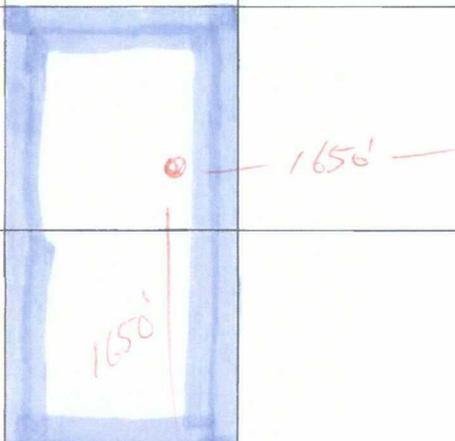
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| J             | 3       | 19-S     | 34-E  |         | 1650          | SOUTH            | 1650          | EAST           | LEA    |

<sup>11</sup> Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| SAME          |         |          |       |         |               |                  |               |                |        |

|                                     |                                    |                                  |                         |
|-------------------------------------|------------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>80 | <sup>13</sup> Joint or Infill<br>N | <sup>14</sup> Consolidation Code | <sup>15</sup> Order 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.

|    |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |  |
|----|--|--|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|
| 16 |  |  |  | <sup>17</sup> OPERATOR CERTIFICATION<br><i>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 mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> |  |  |
|    |  |  |  | <br>Signature Date                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |  |
|    |  |  |  | Printed Name KBM MCCREADY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |  |
|    |  |  |  | REFER TO ORIGINAL C-101 FOR CERTIFIED LOCATION<br>(COPY ATTACHED)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  |  |
| 16 |  |  |  | <sup>18</sup> SURVEYOR CERTIFICATION<br><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>                                                                                                                                                                                                                                                                                           |  |  |
|    |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |  |
|    |  |  |  | Date of Survey                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |
|    |  |  |  | Signature and Seal of Professional Surveyor:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |  |
|    |  |  |  | Certificate Number                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |  |

## Brooks, David K., EMNRD

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**From:** Brooks, David K., EMNRD  
**Sent:** Tuesday, November 03, 2009 4:26 PM  
**To:** 'ejohnson@naguss.com'  
**Cc:** Albers, Jeff J.  
**Subject:** Nadel and Gussman Permian, LLC - Raptor West 3 State #1; NSL approval  
**Attachments:** Nadel & G Raptor West 3 St #1.doc

Dear Mr. Johnson:

The OCD no longer mails original administrative orders.

This application was approved November 2, 2009, under Order No. NSL-6107 (unsigned copy attached).

The signed original will be posted on our website.

Sincerely

David K. Brooks  
Legal Examiner