

Submit To Appropriate District Office
Two Copies
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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 and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-105
Revised August 1, 2011

1. WELL API NO.
30-015-39250

2. Type of Lease

☒ STATE ☐ FEE ☐ FED/INDIAN

3. State Oil & Gas Lease No. V-5009

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

4. Reason for filing:

☒ **COMPLETION REPORT** (Fill in boxes #1 through #31 for State and Fee wells only)

☒ **C-144 CLOSURE ATTACHMENT** (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33, attach this and the plat to the C-144 closure report in accordance with 19.15.17 13.K NMAC)

7. Type of Completion:

☒ NEW WELL ☐ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER

8. Name of Operator
NADEL AND GUSSMAN PERMIAN, L.L.C.

5. Lease Name or Unit Agreement Name
CARRINGTON STATE

6. Well Number: 7

RECEIVED

SEP 28 2012

NMOCD ARTESIA

10. Address of Operator
601 NORTH MARIENFELD, SUITE 508
MIDLAND TEXAS 79701

11. Pool name or Wildcat
EMPIRE GLORIETA-YESO

| 12. Location | Unit Ltr | Section | Township | Range | Lot | Feet from the | N/S Line | Feet from the | E/W Line | County |
|--------------|----------|---------|----------|-------|-----|---------------|----------|---------------|----------|--------|
| Surface: | K | 12 | 17S | 28E | | 1650 | SOUTH | 2310 | WEST | EDDY |
| BH: | K | 12 | 17S | 28E | | 1650 | SOUTH | 2310 | WEST | EDDY |

| | | | | |
|---|--|--|--|---|
| 13. Date Spudded 10/4/2011 | 14. Date T D Reached 10/14/2011 10/15/11 | 15. Date Rig Released 10/15/2011 | 16. Date Completed (Ready to Produce) 12/08/2011 | 17. Elevations (DF and RKB, RT, GR, etc.) 3687' GL |
| 18. Total Measured Depth of Well 5260' | 19. Plug Back Measured Depth 5170' | 20. Was Directional Survey Made? NO | 21. Type Electric and Other Logs Run GAMMA, CBL, CNL, RESISTIVITY | |

22. Producing Interval(s), of this completion - Top, Bottom, Name
3812'-4070' YESO

CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|----------------|-----------|-----------|------------------|---------------|
| 13.375" | 48# | 333' | 17.5" | 300 SX, CIRC | NONE |
| 8.625" | 24# | 928' | 11" | 320 SX, CIRC | NONE |
| 5.5" | 17# | 5244' | 7.875" | 1000 SX, CIRC | NONE |
| | | | | | |
| | | | | | |

| 24. LINER RECORD | | | | 25. TUBING RECORD | | | |
|------------------|-----|--------|--------------|-------------------|--------|-----------|------------|
| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN | SIZE | DEPTH SET | PACKER SET |
| | | | | | 2-7/8" | 4100' | |
| | | | | | | | |

26. Perforation record (interval, size, and number)
3812'-4070'; 4" SHOT, 1 SPF, 60 DEGREE PHASING, 27 SHOTS TOTAL

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

| DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED |
|----------------|--|
| 3812'-4070' | 3600 GAL 15% HCL, 195,000 GAL FRAC FLUID, 154,000 LBS 16/30 WHITE SAND |
| | 40,000 LBS 16/30 SIBER PROP |

28. PRODUCTION

| | | | | | | | |
|-------------------------------------|-----------------------|--|------------------------|-----------------|--|------------------------------------|---------------------------------|
| Date First Production 12/08/2011 | | Production Method (Flowing, gas lift, pumping - Size and type pump) PC PUMP | | | Well Status (Prod. or Shut-in) PRODUCTION | | |
| Date of Test 01/21/2012 | Hours Tested 24 | Choke Size | Prod'n For Test Period | Oil - Bbl 22 | Gas - MCF 26 | Water - Bbl. 25 | Gas - Oil Ratio 1200 SCF/BBL |
| Flow Tubing Press. 20 | Casing Pressure 50 | Calculated 24-Hour Rate | Oil - Bbl | Gas - MCF | Water - Bbl. | Oil Gravity - API - (Corr) 38.8 | |

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Test Witnessed By

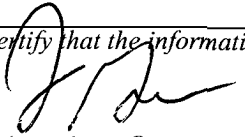
31. List Attachments

DEVIATION SURVEY

32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.

33. If an on-site burial was used at the well, report the exact location of the on-site burial:

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

| | | | |
|---|-------------------------|----------------|---------------|
| Signature | Latitude | Longitude | NAD 1927 1983 |
|  | Printed Name Jason Goss | Title Engineer | Date 9/25/12 |
| E-mail Address jgoss@naguss.com | | | |

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

| Southeastern New Mexico | | Northwestern New Mexico | |
|-------------------------|------------------|-------------------------|------------------|
| T. Anhy | T. Canyon | T. Ojo Alamo | T. Penn A" |
| T. Salt 450 | T. Strawn | T. Kirtland | T. Penn. "B" |
| B. Salt | T. Atoka | T. Fruitland | T. Penn. "C" |
| T. Yates 830' | T. Miss | T. Pictured Cliffs | T. Penn. "D" |
| T. 7 Rivers 1063' | T. Devonian | T. Cliff House | T. Leadville |
| T. Queen 1480' | T. Silurian | T. Menefee | T. Madison |
| T. Grayburg 1750 | T. Montoya | T. Point Lookout | T. Elbert |
| T. San Andres 2280 | T. Simpson | T. Mancos | T. McCracken |
| T. Glorieta 3627' | T. McKee | T. Gallup | T. Ignacio Otzte |
| T. Paddock 3728' | T. Ellenburger | Base Greenhorn | T. Granite |
| T. Blinebry 3941 | T. Gr. Wash | T. Dakota | |
| T. Tubb 5050' | T. Delaware Sand | T. Morrison | |
| T. Drinkard | T. Bone Springs | T. Todilto | |
| T. Abo | T. Tansill 680' | T. Entrada | |
| T. Wolfcamp | T. Bowers 1395' | T. Wingate | |
| T. Penn | T. Penrose 1810 | T. Chinle | |
| T. Cisco (Bough C) | T. | T. Permian | |

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 2, from.....to.....

No. 3, from.....to.....

No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

| From | To | Thickness In Feet | Lithology |
|------|------|----------------------|----------------------------|
| 450 | 800 | 350 | Salt, anhydrite |
| 1000 | 1600 | 600 | Anhydrite |
| 1600 | 2350 | 750 | Anhydrite, dolomite, shale |
| 2400 | 5200 | 2800 | Dolomite |
| 5200 | 5260 | 60 | Dolomite, sandstone |