

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
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
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 135299

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

1. Operator Name and Address NADEL AND GUSMAN PERMIAN, LLC 601 N MARIENFELD MIDLAND, TX 79701		2. OGRID Number 155615
		3. API Number 30-015-39345
4. Property Code 38734	5. Property Name MACHO GRANDE STATE	6. Well No. 001H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	32	23S	29E	A	330	N	330	E	EDDY

8. Pool Information

CEDAR CANYON;BONE SPRING	11520
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3022
14. Multiple N	15. Proposed Depth 12082	16. Formation 1st Bone Spring Sand	17. Contractor	18. Spud Date
Depth to Ground water		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	17.5	13.375	54.5	400	425	
Int1	12.25	9.625	40	3000	775	
Prod	8.75	7	29	7850	725	1500
Liner1	6.125	4.5	11.6	12082	0	

Casing/Cement Program: Additional Comments

Will set 4 1/2" liner hanger at 7650' and open hole stimulate with a packers plus type open hole system.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	Shaffer
DoubleRam	5000	5000	Cameron

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Randy Dade	
	Title: District Supervisor	
	Approved Date: 8/23/2011	Expiration Date: 8/23/2013
	Conditions of Approval Attached	

Printed Name: Electronically filed by Scott Germann
Title: General Manager
Email Address: scottg@naguss.com
Date: 8/2/2011 Phone: 432-682-4429

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

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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 and Natural Resources Department

Form C-102
Revised July 16, 2010

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 11520	Pool Name Cedar Canyon
Property Code	Property Name MACHO GRANDE STATE	Well Number 1H
OGRID No. 155615	Operator Name NADEL & GUSSMAN PERMIAN	Elevation 3022'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	32	23 S	29 E		330	NORTH	330	EAST	EDDY

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
P	32	23 S	29 E		330	SOUTH	330	EAST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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

<p>SURFACE LOCATION Lat - N 32°16'03.61" Long - W 103°59'58.06" NMSPCE- N 461271.879 E 644532.400 (NAD-83)</p>	<p>PROPOSED BOTTOM HOLE LOCATION Lat - N 32°15'17.80" Long - W 103°59'57.06" NMSPCE- N 456642.98 E 644632.83 (NAD-83)</p>	<p>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 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.</p> <p>Chris Marquez 8-1-11 Signature Date Chris Marquez Printed Name Cmarquez@naguss.com Email Address</p>
		<p>SURVEYOR CERTIFICATION 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.</p>
		<p>Date Surveyed Signature and Seal of Professional Surveyor Gary L. Jones Professional No. 25006</p>
		<p>Certificate No. Gary L. Jones 7977 BASIN SURVEYS 25006</p>

Permit Comments

Operator: NADEL AND GUSSMAN PERMIAN, LLC , 155615

Well: MACHO GRANDE STATE #001H

API: 30-015-39345

Created By	Comment	Comment Date
Artesia	Land P/S	8/3/2011

Permit Conditions of Approval

Operator: NADEL AND GUSSMAN PERMIAN, LLC , 155615

Well: MACHO GRANDE STATE #001H

API: 30-015-39345

OCD Reviewer	Condition
Artesia	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