<u>District I</u> 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 Phono (505) 324 6179 Per (505) 324 6170

Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u>

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

Oil Conservation Division

1220 S. St Francis Dr. Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources

Form C-101 August 1, 2011

Permit 145401

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

1. Operator NADEL AND GUS	2. OGRID Number		
NADEL AND GUSSMAN PERMIAN, LLC 601 N MARIENFELD MIDLAND , TX 79701		155615 3. API Number 30-015-40040	
32673	DULCE AMOR	003H	

7. Surface Location

UL - I	ot Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	4	188	26E	P	150	S	330	E	EDDY

8. Pool Information

WC: GLORIETA-YESO	97482

Additional Well Information

			Additional Wen Inform	ation	
9. Work Type New Well	10. Wet OI		11. Cable/Rotary	12. Lesse Type Private	13. Ground Level Elevation 3347
14. Multiple 15. Proposed Depth		16. Formation	17. Contractor	18. Spud Date	
N	7:	100	Yeso Formation	100	8/1/2012
Depth to Ground	water		Distance from nearest fresh water	well	Distance to nearest surface water

19. Proposed Casing and Cement Program

		V/			8	
Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	900	600	0
Prod	8.75	7	26	2800	500	0
Liner1	6.125	4.5	13.5	7100	0	0

Casing/Cement Program: Additional Comments

will 1" cement to surface if necessary on surface casing, open hole completion with packers plus in lateral, set Liner hanger for 4.5" at ~2650, 7" cement will tie back into 9-5/8" casing at minimum.

Proposed Blowout Prevention Program

No.	Troposcu Dionout I	revention riogram	
Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1500	Hydril GK
DoubleRam	3000	3000	Shaffer double

of my knowledge and belief.	nation given above is true and complete to the best illing pit will be constructed according to	OIL CONSERVATION DIVISION			
	eneral permit , or an (attached) alternative	Approved By: Randy Dade			
Printed Name: Electron	ically filed by Scott Germann	Title: District Supervisor			
Title: General Manager		Approved Date: 3/13/2012	Expiration Date: 3/13/2014		
Email Address: sgerman	@naguss.com				
Date: 3/9/2012	Phone: 432-682-4429	Conditions of Approval Atta	ched		

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State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-102 August 1, 2011

Permit 145401

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-40040	2. Pool Code 97482	3. Pool Name WC; GLORIETA-YESO
4. Property Code 32673	5. Property Name DULCE AMOR	6. Wett No. 003H
7. OGRID No. 155615	8. Operator Name NADEL AND GUSSMAN PERM	9. Elevation //IAN, LLC 3347

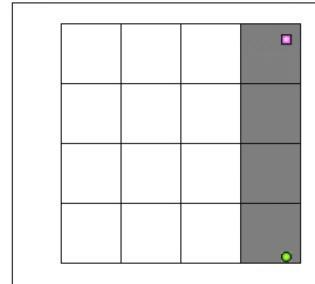
10. Surface Location

			24				A			74.
	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
5	P	4	188	26E		150	S	330	E	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	4	188	26E	1	330	N	330	E	EDDY
	cated Acres	13. J	oint or Infill	14	. Consolidation (Code		15. 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



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(s) 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.

E-Signed By: Scott Germann Title: General Manager Date: 3/9/2012

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.

Surveyed By: Terry Rains Date of Survey: 2/14/2012 Certificate Number: 12516

Permit Comments

Operator: NADEL AND GUSSMAN PERMIAN, LLC , 155615 Well: DULCE AMOR #003H

API: 30-015-40040

Created By	Comment	Comment Date	
CSHAPARD	Land p/P	3/12/2012	

Permit Conditions of Approval

Operator: NADEL AND GUSSMAN PERMIAN, LLC , 155615 Well: DULCE AMOR #003H

API: 30-015-40040

OCD 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