

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 144133

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

1. Operator Name and Address NADEL AND GUSSMAN PERMIAN, LLC 601 N MARIENFELD MIDLAND, TX 79701		2. OGRID Number 155615 3. API Number 30-015-39989
4. Property Code 39098	5. Property Name TEXAS EAGLE	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
H	13	18S	25E	H	2310	N	330	E	EDDY

8. Pool Information

FIVE MILE; YESO	24540
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3437
14. Multiple N	15. Proposed Depth 6900	16. Formation Yeso Formation	17. Contractor	18. Spud Date 5/1/2012
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	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

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1500	Hydril
DoubleRam	3000	3000	Shaffer

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	
Printed Name: Electronically filed by Scott Germann	Approved By: Randy Dade	
Title: General Manager	Title: District Supervisor	
Email Address: sgerman@naguss.com	Approved Date: 5/23/2012	Expiration Date: 5/23/2014
Date: 2/16/2012	Phone: 432-682-4429	Conditions of Approval Attached

FEB 09 2012

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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,
2011Submit one copy to appropriate
District Office☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name TEXAS EAGLE			⁶ Well Number 1H
⁷ OGRID No.		⁸ Operator Name Nadel and Gussman Permian, LLC			⁹ Elevation 3437'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	13	18 S	25 E		2310	NORTH	330	EAST	EDDY

¹¹ 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
I	12	18 S	25 E		2310	SOUTH	330	EAST	EDDY

¹² Dedicated Acres	¹³ Joint 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.

SECTION 12	SECTION 13	PROPOSED BOTTOM HOLE LOCATION LAT = N 32°45'41.73" LONG = W 104°25'50.10" N.M.S.P.S.E. NORTH = 640813.65 EAST = 511,444.15		¹⁷ 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. Signature: <u>Sarah Tisdale</u> Date: <u>2/9/2012</u> Printed Name: <u>Sarah Tisdale</u> E-mail Address: <u>sarah@naguss.com</u>
				¹⁸ 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. Date of Survey: <u>FEBRUARY 09 2012</u> Signature and Seal of Professional Surveyor: Certificate Number: <u>12516</u> TERRY D. RAINS SURVEYING COMPANY
		SURFACE LOCATION LAT = N 33°44'56.02" LONG = W 104°25'50.37" N.M.S.P.S.E. NORTH = 636,194.89 EAST = 511,416.57		

Permit Comments

Operator: NADEL AND GUSSMAN PERMIAN, LLC , 155615

Well: TEXAS EAGLE #001H

API: 30-015-39989

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 #001H

API: 30-015-39989

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