

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-8161 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) 334-8178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3482

**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 205714

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

|                                                                                                         |  |                               |
|---------------------------------------------------------------------------------------------------------|--|-------------------------------|
| 1. Operator Name and Address<br>NADEL AND GUSSMAN PERMIAN, LLC<br>601 N MARIENFELD<br>MIDLAND, TX 79701 |  | 2. OGRID Number<br>155615     |
| 4. Property Code<br>315018                                                                              |  | 3. API Number<br>30-015-43209 |
| 5. Property Name<br>SOUTHERN COMFORT 36 STATE                                                           |  | 6. Well No.<br>001H           |

**7. Surface Location**

|          |   |         |    |          |     |       |     |         |           |     |          |   |           |      |          |   |        |      |
|----------|---|---------|----|----------|-----|-------|-----|---------|-----------|-----|----------|---|-----------|------|----------|---|--------|------|
| UL - Lot | B | Section | 36 | Township | 24S | Range | 28E | Lot Idn | Feet From | 175 | N/S Line | N | Feet From | 2260 | E/W Line | E | County | Eddy |
|----------|---|---------|----|----------|-----|-------|-----|---------|-----------|-----|----------|---|-----------|------|----------|---|--------|------|

**8. Proposed Bottom Hole Location**

|          |   |         |    |          |     |       |     |         |   |           |     |          |   |           |      |          |   |        |      |
|----------|---|---------|----|----------|-----|-------|-----|---------|---|-----------|-----|----------|---|-----------|------|----------|---|--------|------|
| UL - Lot | O | Section | 36 | Township | 24S | Range | 28E | Lot Idn | O | Feet From | 330 | N/S Line | S | Feet From | 2310 | E/W Line | E | County | Eddy |
|----------|---|---------|----|----------|-----|-------|-----|---------|---|-----------|-----|----------|---|-----------|------|----------|---|--------|------|

**9. Pool Information**

|                            |       |
|----------------------------|-------|
| WC;SALT DRAW;WOLFCAMP, (G) | 97721 |
|----------------------------|-------|

**Additional Well Information**

|                           |                             |                                        |                         |                                    |
|---------------------------|-----------------------------|----------------------------------------|-------------------------|------------------------------------|
| 11. Work Type<br>New Well | 12. Well Type<br>OIL        | 13. Cable/Rotary                       | 14. Lease Type<br>State | 15. Ground Level Elevation<br>2940 |
| 16. Multiple<br>N         | 17. Proposed Depth<br>15100 | 18. Formation<br>Wolfcamp              | 19. Contractor          | 20. Spud Date<br>1/1/2016          |
| Depth to Ground water     |                             | Distance from nearest fresh water well |                         | Distance to nearest surface water  |

☐ We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

| Type   | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|--------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf   | 17.5      | 13.375      | 54.5             | 400           | 450             | 0             |
| Int1   | 12.25     | 9.625       | 36               | 2600          | 800             | 0             |
| Prod   | 8.75      | 7           | 26               | 10500         | 1050            | 0             |
| Liner1 | 6.125     | 4.5         | 11.6             | 15100         | 350             | 10000         |

**Casing/Cement Program: Additional Comments**

|  |
|--|
|  |
|--|

**22. Proposed Blowout Prevention Program**

| Type       | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Annular    | 5000             | 5000          | SHAFFER      |
| Double Ram | 5000             | 5000          | SHAFFER      |

|                                                                                                                                                                                                                                                                                                                      |                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br>I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable.<br><br>Signature: | <b>OIL CONSERVATION DIVISION</b>                       |
| Printed Name: Electronically filed by Scott Germann                                                                                                                                                                                                                                                                  | Approved By: Randy Dade                                |
| Title: General Manager                                                                                                                                                                                                                                                                                               | Title: District Supervisor                             |
| Email Address: sgerman@naguss.com                                                                                                                                                                                                                                                                                    | Approved Date: 7/9/2015      Expiration Date: 7/9/2017 |
| Date: 6/24/2015      Phone: 432-682-4429                                                                                                                                                                                                                                                                             | Conditions of Approval Attached                        |

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240  
Phone (505) 555-0141 Fax (505) 393-0928

DISTRICT II  
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Phone (505) 748-1283 Fax (505) 748-9120

DISTRICT III  
1000 Rto. Aragon Rd., Aztec, NM 87410  
Phone (505) 354-8178 Fax (505) 354-9170

DISTRICT IV  
1224 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 426-3469 Fax (505) 478-3462

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised August 1, 2011

Submit one copy to appropriate  
District Office

OIL CONSERVATION DIVISION  
1224 South St. Francis Dr.  
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

|                           |                             |             |
|---------------------------|-----------------------------|-------------|
| API Number                | Pool Code                   | Pool Name   |
| Property Code             | Property Name               | Well Number |
| OCRID No.                 | Operator Name               | Elevation   |
| 155615                    | NADEL & GUSSMAN PERMIAN LLC | 2940        |
| SOUTHERN COMFORT 36 STATE |                             |             |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | FEET from the | North/South Line | FEET from the | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| B             | 36      | 24 S     | 28 E  |         | 175           | NORTH            | 2260          | EAST           | EDDY   |

Bottom Hole Location If Different From Surface

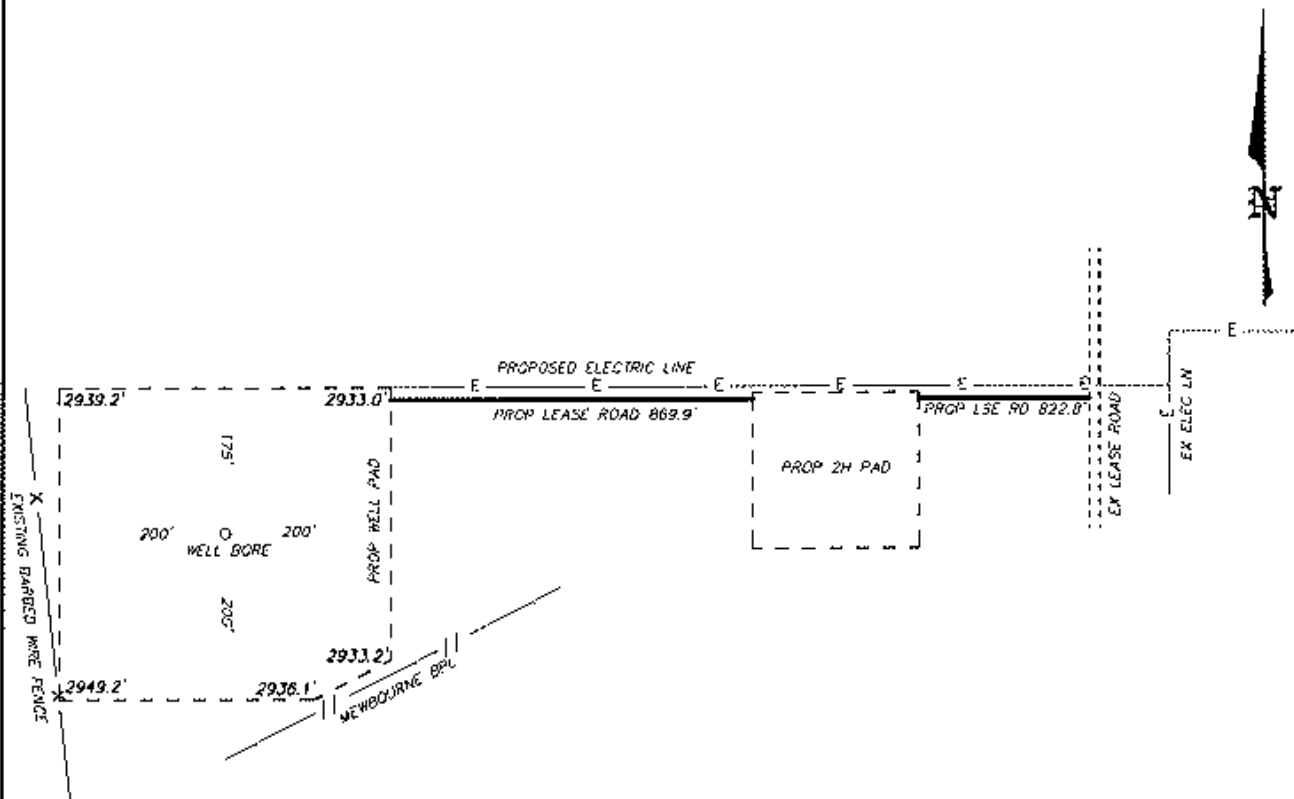
| UL or lot No. | Section | Township | Range | Lot Idn | FEET from the | North/South Line | FEET from the | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| O             | 36      | 24 S     | 28 E  |         | 330           | SOUTH            | 2310          | EAST           | EDDY   |

|                 |                |                    |           |
|-----------------|----------------|--------------------|-----------|
| Dedicated Acres | Joint or Indiv | Consolidation Code | Order No. |
| 320             |                |                    |           |

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>N: 429767.2<br/>E: 629159.5<br/>(NAD-83)</p> <p><b>SURFACE LOCATION</b><br/>Lat - N 32°10'50.42"<br/>Long - W 104°02'22.35"<br/>NADSPCE - N 429587.1<br/>E 632230.9<br/>(NAD-83)</p> | <p>N: 429761.4<br/>E: 631874.3<br/>(NAD-83)</p> <p><b>PROPOSED BOTTOM HOLE LOCATION</b><br/>Lat - N 32°10'02.55"<br/>Long - W 104°02'22.97"<br/>NADSPCE - N 424750.1<br/>E 632190.5<br/>(NAD-83)</p> | <p>N: 429765.8<br/>E: 634190.2<br/>(NAD-83)</p> <p>2260'</p> <p>2310'</p> | <p><b>OPERATOR CERTIFICATION</b><br/>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 undivided 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><i>Sarah Presley</i> 6-24-15<br/>Signature Date</p> <p>Sarah Presley<br/>Printed Name</p> <p>spresley@naguss.com<br/>Email Address</p> <p><b>SURVEYOR CERTIFICATION</b><br/>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: MAY 24, 2015<br/>Signature &amp; Seal of Professional Surveyor: [Seal]<br/>Certification Number: 7977<br/>Bureau of Land Management</p> <p>0' 500' 1000' 1500' 2000'<br/>SCALE: 1" = 1000'<br/>WO Num.: 31687</p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

SECTION 36, TOWNSHIP 24 SOUTH, RANGE 28 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.



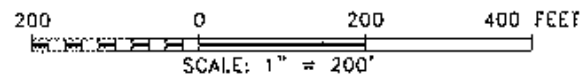
NADEL & GUSSMAN PERMIAN LLC  
SOUTHERN COMFORT 36 STATE 1H  
ELEV. - 2940'

Lat - N 32°10'50.42"  
Long - W 104°02'22.35"  
NADSPCE - N 429587.1  
E 632230.9  
(NAD-83)

Directions to Location:

FROM THE JUNCTION OF PULLEY ROAD AND PECOS  
HWY GO EAST ON PULLEY ROAD 1.1 MILES. TURN  
SOUTH AND FOLLOW LEASE ROAD 1 MILES. GO  
SOUTH 0.5 MILES ON LEASE ROAD TO PROPOSED  
LEASE ROAD DUE WEST.

MALAGA, NM IS ±3 MILES TO THE NORTHWEST OF LOCATION.



**NADEL & GUSSMAN PERMIAN LLC**

REF: SOUTHERN COMFORT 36 STATE 1H / WELL PAD TOPO

THE SOUTHERN COMFORT 36 STATE 1H LOCATED 175' FROM

THE NORTH LINE AND 2260' FROM THE EAST LINE OF

SECTION 36, TOWNSHIP 24 SOUTH, RANGE 28 EAST,

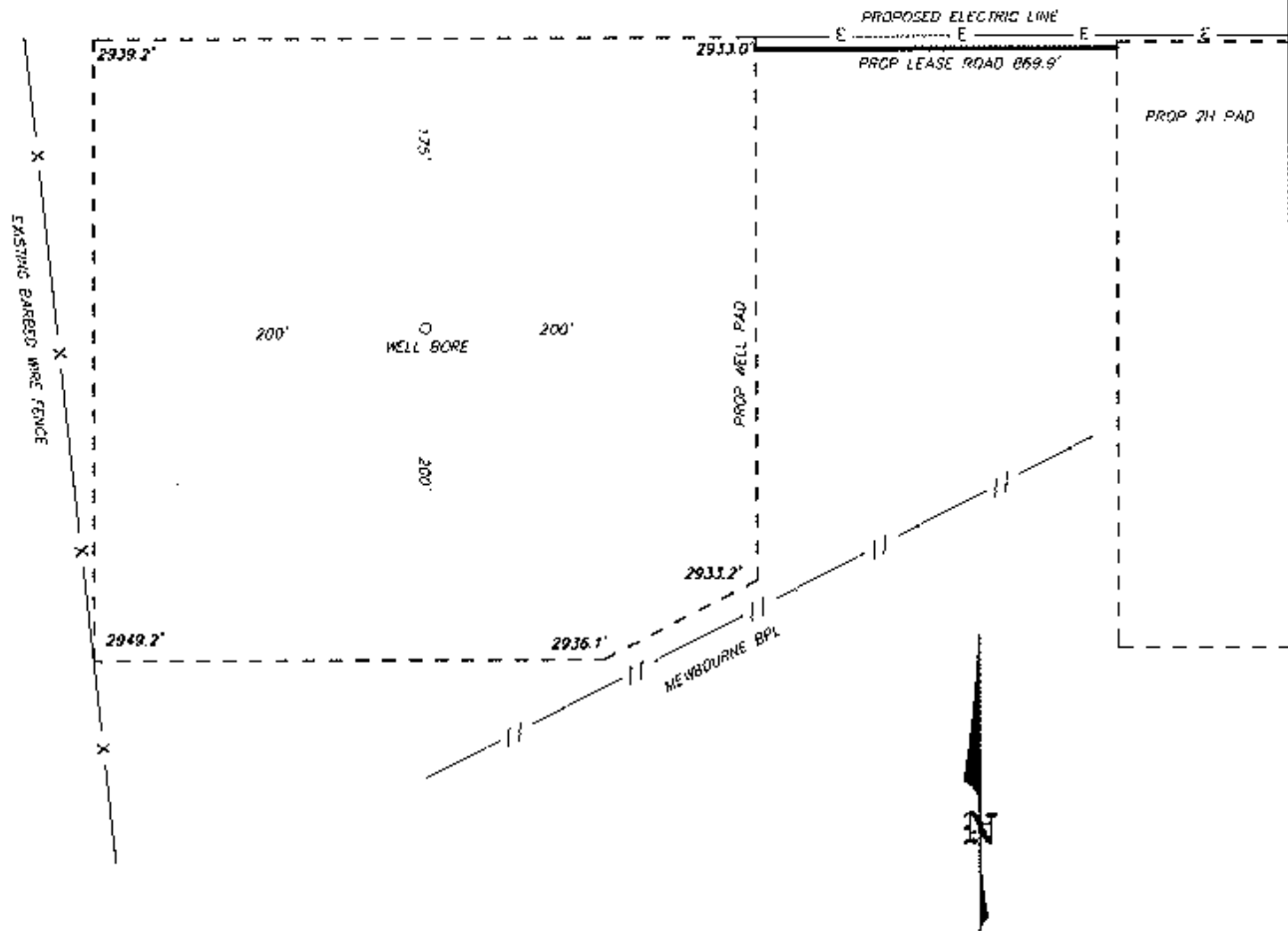
N.M.P.M., EDDY COUNTY, NEW MEXICO.

**Main  
surveys**

P.O. Box 1746 (575) 383-7316 - Office  
1120 N. West County Rd. (575) 382-7306 - Fax  
Hobbs, New Mexico 88241 [www.nadel.com](http://www.nadel.com)

W.O. Number: 31687 Drawn By: K. NORRIS Date: 05-29-2015 Survey Date: 05-21-2015 Sheet 1 of 1 Sheets

SECTION 36, TOWNSHIP 24 SOUTH, RANGE 28 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.



100 0 100 200 FEET  
SCALE: 1" = 100'

**NADEL & GUSSMAN PERMIAN LLC**

REF: SOUTHERN COMFORT 36 STATE 1H / WELL PAD TOPO

THE SOUTHERN COMFORT 36 STATE 1H LOCATED 175' FROM  
THE NORTH LINE AND 2260' FROM THE EAST LINE OF  
SECTION 36, TOWNSHIP 24 SOUTH, RANGE 28 EAST,  
N.M.P.M., EDDY COUNTY, NEW MEXICO.

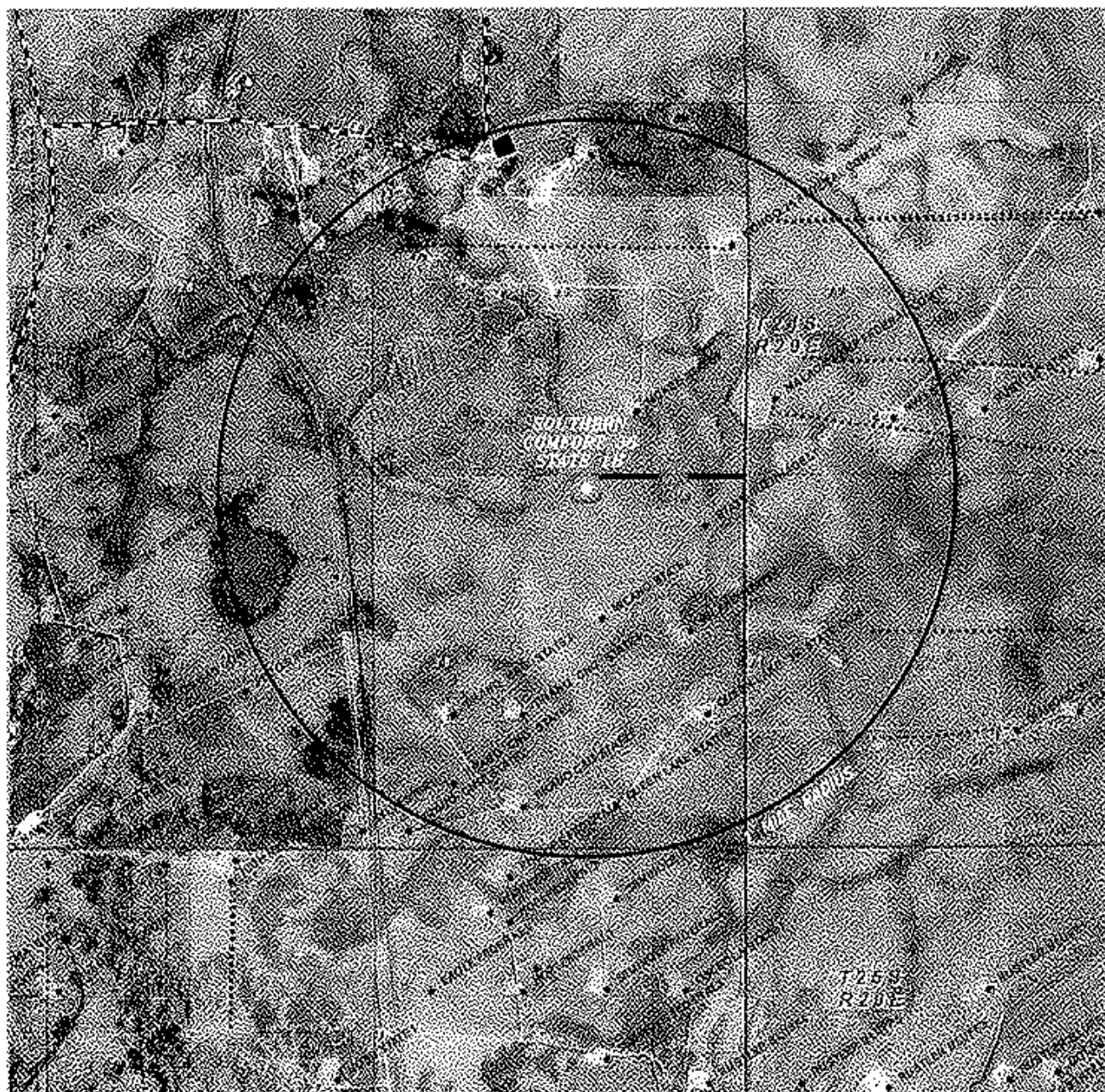
**Wain  
surveys**

Created on spreadsheet  
on the field  
P.O. Box 1780  
5120 N. West County Rd.  
Hobbs, New Mexico 88241  
(505) 341-1316 • Office  
(505) 341-2805 • Fax  
wain@wainpermian.com

W.O. Number: 31687 Drawn By: K. NORRIS Date: 05-29-2015 Survey Date: 05-21-2015 Sheet 1 of 1 Sheets







# SOUTHERN COMFORT 36 STATE 1H

Located 175' FNL and 2260' FEL

Section 36, Township 24 South, Range 20 East.

N.M.P.M., Eddy County, New Mexico.

**basin**  
**surveys**

focused on excellence  
in the field

P.O. Box 1785  
1120 N. West County Rd.  
Hobbs, New Mexico 88241  
(575) 393-7336 • Office  
(575) 392-2236 • Fax  
basinsurveys.com

|                       |            |            |       |
|-----------------------|------------|------------|-------|
| 1000'                 | 2000'      | 3000'      | 4000' |
| SECTION 36, T24S R20E |            |            |       |
| W.D. Buckler          | 8/28       | 51587      |       |
| Survey Date           | 05/21/2015 |            |       |
| YELLOW DIRT           | •          | USA LAND   |       |
| BLUE DIRT             | •          | STATE LAND |       |
| NATURAL COLOR         | •          | FEE LAND   |       |

**NADEL &  
GUSSMAN  
PERMIAN LLC**

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**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form APD Comments  
  
 Permit 205714

**PERMIT COMMENTS**

|                                                                                                                 |                                                                                                                                                                      |                                          |
|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
| Operator Name and Address:<br>NADEL AND GUSSMAN PERMIAN, LLC [155615]<br>601 N MARIENFELD<br>MIDLAND , TX 79701 |                                                                                                                                                                      | API Number:<br>30-015-43209              |
|                                                                                                                 |                                                                                                                                                                      | Well:<br>SOUTHERN COMFORT 36 STATE #001H |
| Created By                                                                                                      | Comment                                                                                                                                                              | Comment Date                             |
| rdade                                                                                                           | CLOSED LOOP WAS CHECKED NO; IF THIS IS CORRECT; AN OCD APPROVED PIT PERMIT MUST BE IN PLACE OR A C-103 STATING CLOSED-LOOP WILL BE USED BEFORE DRILLING MAY COMMENCE | 7/9/2015                                 |

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**Oil Conservation Division**  
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Form APD Conditions

Permit 205714

**PERMIT CONDITIONS OF APPROVAL**

|                                                                                                                 |                                          |
|-----------------------------------------------------------------------------------------------------------------|------------------------------------------|
| Operator Name and Address:<br>NADEL AND GUSSMAN PERMIAN, LLC [155615]<br>601 N MARIENFELD<br>MIDLAND , TX 79701 | API Number:<br>30-015-43209              |
|                                                                                                                 | Well:<br>SOUTHERN COMFORT 36 STATE #001H |
| OCD Reviewer                                                                                                    | Condition                                |