

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-32351
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator NADEL AND GUSSMAN PERMIAN, L.L.C.		6. State Oil & Gas Lease No. K0-3403-0003; L0-1649-0005
3. Address of Operator 601 N. MARIENFELD, SUITE 508, MIDLAND, TEXAS 79701		7. Lease Name or Unit Agreement Name CARLSBAD SOUTH 27 STATE COM
4. Well Location Unit Letter <u> </u> F <u> </u> : 1310 <u> </u> feet from the <u> </u> SOUTH <u> </u> line and <u> </u> 660 <u> </u> feet from the <u> </u> WEST <u> </u> line Section <u> </u> 27 <u> </u> Township <u> </u> 23S <u> </u> Range <u> </u> 26E <u> </u> NMPM <u> </u> County <u> </u> EDDY		8. Well Number <u> </u> 7
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3320 GR		9. OGRID Number 155615
		10. Pool name or Wildcat CARLSBAD SOUTH MORROW

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: RETURN TO PRODUCTION <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

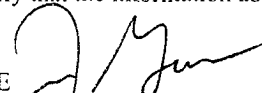
WELL WAS SHUT IN 3 DAYS FOR PRESSURE BUILD UP: 5-18/2012 through 5/20/2012

WELL OPEN TO TANKS 5-20-2012; WELL BACK TO ACTIVE PRODUCTION.
PRODUCTION 5-21-2012. WILL CONTINUE TO PRODUCE WELL.


	OIL	GAS	WATER
5-21-2012	0 BBLS	93 MCF	97 BBLS

Spud Date: N/A Rig Release Date: N/A

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE ENGINEER DATE 5/23/12

Type or print name JASON GOSS E-mail address: JGOSS@NAGUSS.COM PHONE: 432-682-4429
For State Use Only

APPROVED BY  TITLE DIST. H. Spewer DATE 05/23/2012
Conditions of Approval (if any):