State of New Mexico District I 1625 N. French Dr., Hobbs, NM 88240 Energy Minerals and Natural Resources Oil Conservation Division 2040 South Division District II 811 South First, Artesia, NM 88210 Submit to appropriate District Office District III State Lease - 6 Copies 1000 Rio Brazos Road, Aztec, NM 87410 Fee Lease - 5 Copies District IV Santa Fe, NMA 7505 2040 South Pacheco, Santa Fe, NM 87505 AMENDED REPORT APPLICATION FOR PERMIT TO DRILL, RE-ENTER, OR ADD A ZONE OGRID Number Operator Name and Address Nadel and Gussman Permian 155615 API Number 601 N. Marienfeld, Suite 508, Midland, Texas 79701 30 - 015 - **3/848** Well No. Property Code Property Name Valero State **Surface Location** Feet from the Lot Idn North/South line Feet from the East/West line County UL or lot no. Section Township Range 660' 1980' West 35 18-S 28-E North Eddy Proposed Bottom Hole Location If Different From Surface UL or lot no. Lot Idn Feet from the North/South line Feet from the East/West line County Section Township ¹⁰ Proposed Pool 2 9 Proposed Pool 1 Travis (Wolfcamp), 96833 Turkey Track, North (Morrow) 86500 12 Well Type Code Ground Level Elevation 13 Cable/Rotary ⁴ Lease Type Code 11 Work Type Code 3490' Rotary S N G 16 Multiple Proposed Depth 18 Formation 19 Contractor 20 Spud Date 11,300 **Morrow Patterson** ~7/15/01 No Proposed Casing and Cement Program Casing weight/foot Setting Depth Sacks of Cement Estimated TOC **Hole Size Casing Size** 400 13-3/8" 48#, H-40 400' Circulated 17-1/2" 12-1/4" 8-5/8" 32#, J-55 3.000 1250 Circulated 800 8000' 17#, N-80 11,300' 7-7/8" 5-1/2" Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary. Drill and complete well in Morrow at a projected TD of 11,300'. A BOP schematic is attached and a 5000 psi tree will be nippled up prior to perforating. A DV tool may be used if zones above the Morrow are prospective. The Morrow will be completed with thru-tubing or tubing conveyed guns. Will notify NMOCD in sufficient time to witness cementing the 8-5/8" casing. ²³ I hereby certify that the information given above is true and complete to the best of OIL CONSERVATION DIVISION my knowledge and belief. ORIGINAL SIGNED BY TIM W. GUM Approved by: Signature: NSTRICT II SUPERVIOLY Printed name: Robert T. McNaughton Expiration Date IN 2 6 2002 **Operations Engineer** Approval Date: Title: 915 - 682 - 4429 Conditions of Approval: Date: 6-21-01

Attached