

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

Operator Name and Address Nadel and Gussman Permian 601 N. Marienfeld, Suite 508, Midland, Texas 79701		² OGRID Number 155615
		³ API Number 30-015-31898
¹ Property Code 28501	⁵ Property Name Ancell	⁶ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	17	19-S	24-E		1980'	South	990'	East	Eddy

⁸ Proposed 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
⁹ Proposed Pool 1 Biggest Draw (Morrow), 85380					¹⁰ Proposed Pool 2 Antelope Sink (Upper Penn), 70520				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3750' GL
¹⁶ Multiple No	¹⁷ Proposed Depth 8,800	¹⁸ Formation Miss.	¹⁹ Contractor Patterson #55	²⁰ Spud Date ~9/15/01

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	48#, H-40	400'	450	Circulated
12-1/4"	8-5/8"	24#, J-55	1,500'	1200	Circulated
7-7/8"	5-1/2"	17#, N-80	8,800'	850	~5000'

2 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present
Describe the blowout prevention program, if any. Use additional sheets if necessary.

Drill and complete well in the Morrow at a projected TD of 8,800'. Secondary objective is the Upper Penn. A BOP schematic is attached and a 5000 psi tree will be nipped up prior to perforating. A DV tool may be used if zones above the Wolfcamp are prospective. The Morrow will be completed with thru-tubing or tubing conveyed guns. Will notify NMOC in sufficient time to witness cementing the 13 3/8" and 8 5/8" casing and minimum WOC time will be 12 hours or as directed.

18 Hours or Follow Option 2, Rule 107

NOTIFY OCD SPUD & TIME TO WITNESS
CEMENTING OF WATER PROTECTION
STRING

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>[Signature]</i>		OIL CONSERVATION DIVISION	
Printed name: Robert T. McNaughton		Approved by: ORIGINAL SIGNED BY TIM W. GUM DISTRICT H SUPERVISOR	
Title: Operations Engineer		Title:	
Date: 7-16-01		Approval Date: JUL 22 2001	Expiration Date: JUL 22 2002
Phone: 915 - 682 - 4429		Conditions of Approval: Attached <input type="checkbox"/>	

JUL 05 2001

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

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Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 88888	Pool Name Siegrest Draw (Morrow)
Property Code	Property Name ANCELL	Well Number 1
OGRID No. 155615	Operator Name NADEL AND GUSSMAN PERMIAN, L.L.C.	Elevation 3750'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	17	19 S	24 E		1980	SOUTH	990	EAST	EDDY

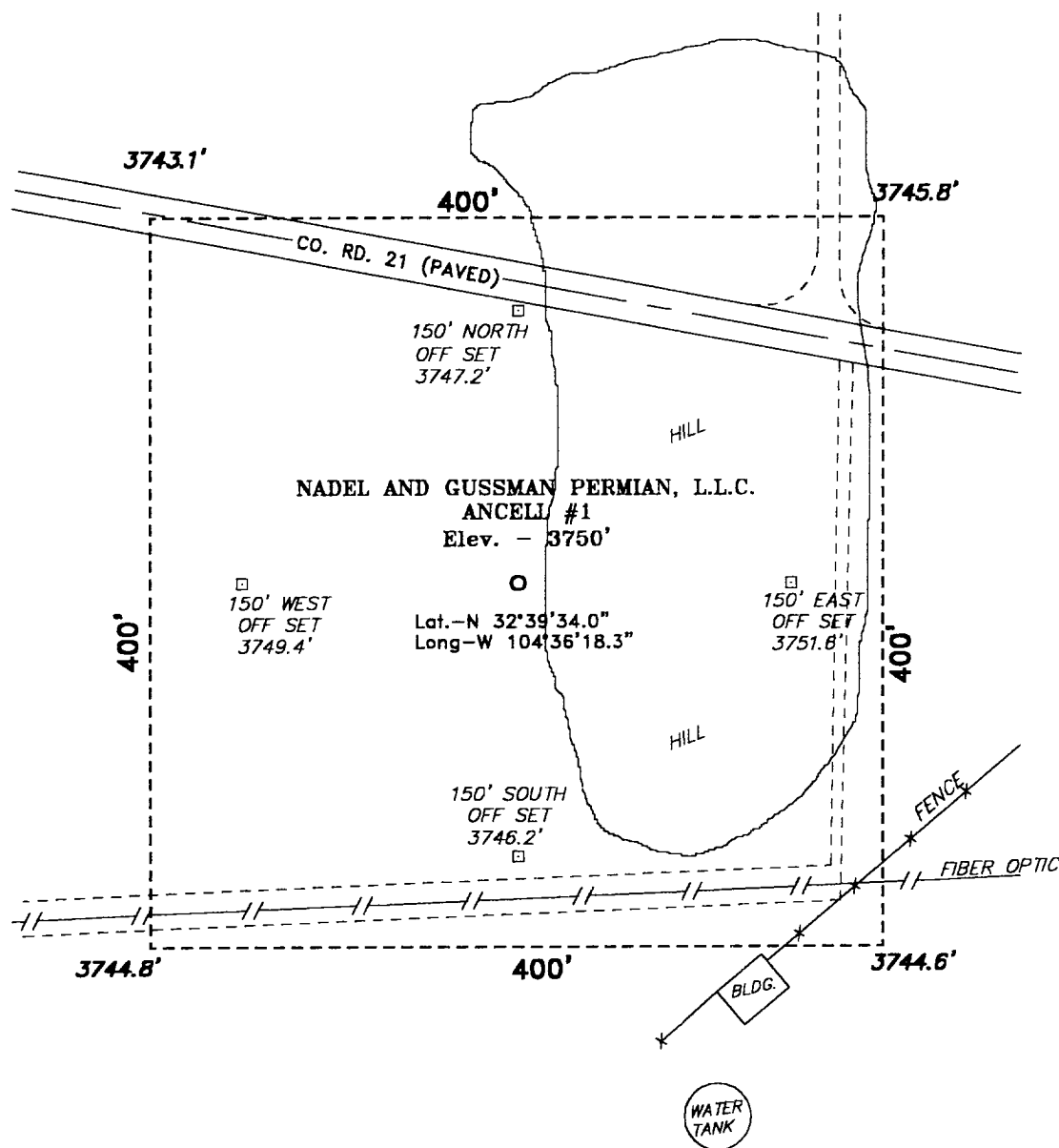
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code F	Order No. pending						

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

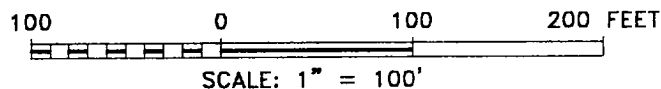
	<p>Lot - N32°39'34.0"</p> <p>Lon - W104°36'18.3"</p>		<p>3743.1' - 3745.8'</p> <p>3744.8' - 3744.6'</p> <p>990'</p> <p>1980'</p>
	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p></p> <p>Signature</p> <p>Robert McNaughton</p> <p>Printed Name</p> <p>Operations Engineer</p> <p>Title</p> <p>7-16-01</p> <p>Date</p>		
	<p>SURVEYOR CERTIFICATION</p> <p>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>June 29, 2001</p> <p>Date Surveyed</p> <p></p> <p>Signature & Seal of Professional Surveyor</p> <p>W.C. No. 1648A</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>		
	<p>Diagram showing well location on a grid. The well is located at the intersection of Section 17 and Township 19 S, Range 24 E. The diagram shows a 990' distance from the South line and a 1980' distance from the East line. The well is located at the intersection of the 990' and 1980' lines. The diagram also shows a 3743.1' distance from the North line and a 3745.8' distance from the West line. The well is located at the intersection of the 3743.1' and 3745.8' lines. The diagram also shows a 3744.8' distance from the North line and a 3744.6' distance from the West line. The well is located at the intersection of the 3744.8' and 3744.6' lines. The diagram also shows a 3743.1' distance from the North line and a 3745.8' distance from the West line. The well is located at the intersection of the 3743.1' and 3745.8' lines.</p>		

**SECTION 17, TOWNSHIP 19 SOUTH, RANGE 24 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF CO. RD. 21 AND CO. RD. 29, GO WEST ON CO. RD. 21 FOR APPROX. 4.25 MILES TO A POINT ON THE NORTH SIDE OF THE PROPOSED WELL LOCATION.



BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 1648

Drawn By: **K. GOAD**

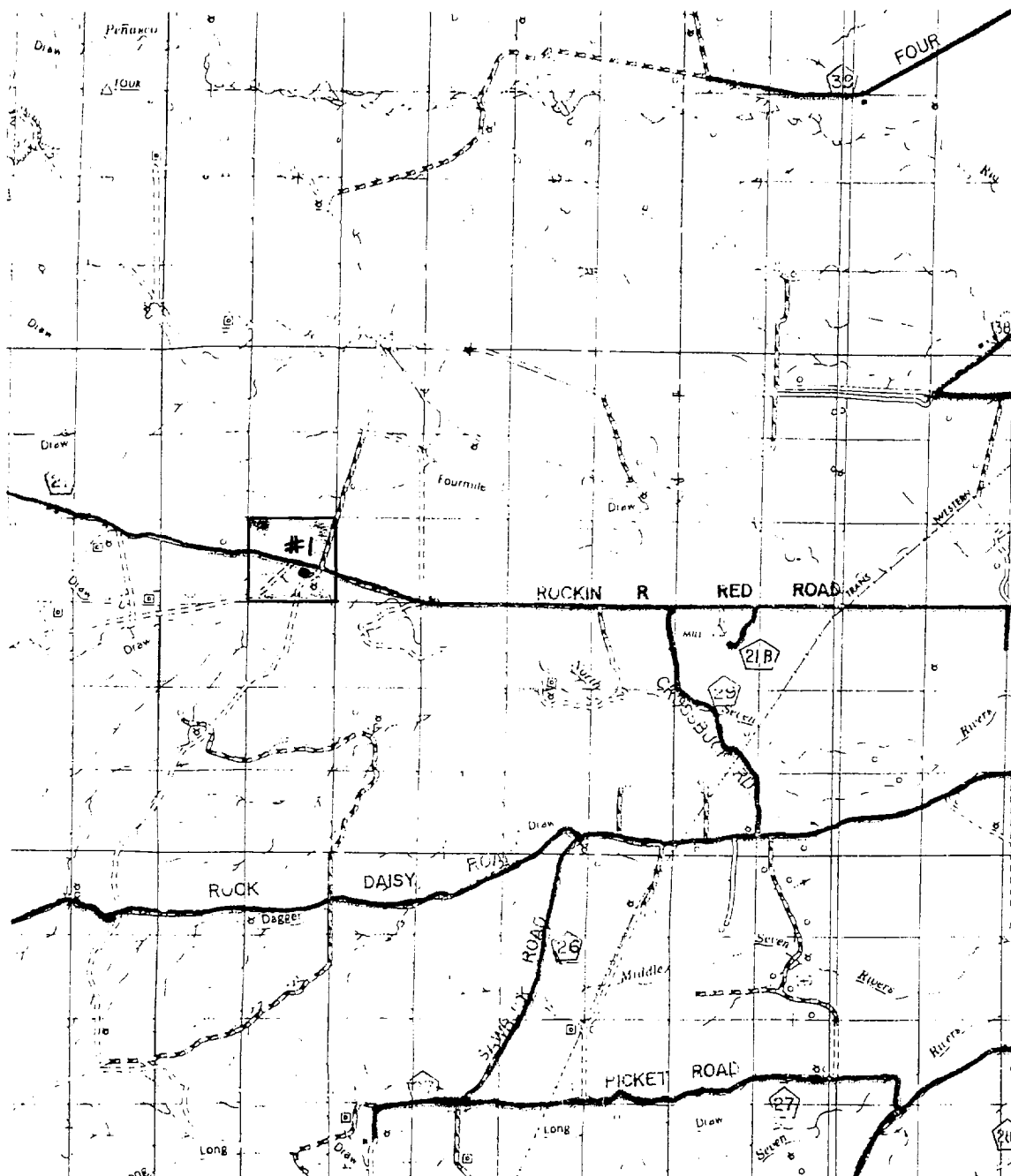
Date: 07-02-2001 | Disk: KJG CD#4 - 1648A.DWG

NADEL AND GUSSMAN PERMIAN, L.L.C.

REF: Ancestral #1 / Well Pad Topo

THE ANCELL No. 1 LOCATED 1980' FROM
THE SOUTH LINE AND 990' FROM THE EAST LINE OF
SECTION 17, TOWNSHIP 19 SOUTH, RANGE 24 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 06-29-2001 | Sheet 1 of 1 Sheets



ANCELL #1
 Located at 1980' FSL and 990' FEL
 Section 17, Township 19 South, Range 24 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basin-surveys.com

W.O. Number: 1648AA - KJG CD#4

Survey Date: 06-29-2001

Scale: 1" = 2 MILES

Date: 07-03-2001

NADEL AND GUSSMAN
PERMIAN, L.L.C.