

**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-103  
August 1, 2011  
Permit 138174

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: O 2. Name of Operator NADEL AND GUSSMAN PERMIAN, LLC 3. Address of Operator 601 N MARIENFELD, SUITE 508, MIDLAND, TX 79701 4. Well Location Unit Letter <u>  K  </u> : <u>  1650  </u> feet from the <u>  S  </u> line and <u>  2310  </u> feet from the <u>  W  </u> line Section <u>  12  </u> Township <u>  17S  </u> Range <u>  28E  </u> NMPM <u>  Eddy  </u> County		WELL API NUMBER 30-015-39250
		5. Indicate Type of Lease S
		6. State Oil & Gas Lease No.
		7. Lease Name or Unit Agreement Name CARRINGTON STATE
		8. Well Number 007
		9. OGRID Number 155615
		10. Pool name or Wildcat
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3687 GR		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE OF PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> Other: _____		<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTER CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> Other: Spud <input checked="" type="checkbox"/>
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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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

10/4/2011 Spudded well.

SPUD IN AT 6:00 AM ON OCTOBER 4, 2011. RIG: PATRIOT #1.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed TITLE General Manager DATE 10/4/2011  
 Type or print name Scott Germann E-mail address scottg@naguss.com Telephone No. 432-682-4429

**For State Use Only:**  
 APPROVED BY: Randy Dade TITLE District Supervisor DATE 10/4/2011