

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 138391

SUNDRY NOTICES AND REPORTS ON WELLS (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.)		WELL API NUMBER 30-015-39250
1. Type of Well: O		5. Indicate Type of Lease S
2. Name of Operator NADEL AND GUSSMAN PERMIAN, LLC		6. State Oil & Gas Lease No.
3. Address of Operator 601 N MARIENFELD, SUITE 508, MIDLAND, TX 79701		7. Lease Name or Unit Agreement Name CARRINGTON STATE
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		8. Well Number 007
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3687 GR		9. OGRID Number 155615
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat
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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
Other:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐
CASING/CEMENT JOB ☐
Other: **Drilling/Cement** ☒

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.

10/7/11

Drilled 11" intermediate hole to 928ft, run fluid caliper. Ran 931ft, 25 joints 8-5/8" 24# J-55 STC. Cemented with 120 sacks tail: 14.8 ppg, 1.35 cuft/sack yield, Class "C" w/ 2% CaCl and .25% R-38. 200 sacks lead: 13.6 PPG, 1.71 cuft/sack yield, w/ 4% bentonite, 2% CaCl and .25% R-38 de-foamer. Circulated 16 sacks, floats held. 10/4/2011 Spudded well.

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
10/04/11	Surf	Fresh Water	17.5	13.375	48	J-55	0	333	300	1.35	C		1000		N
10/07/11	Int1	Brine	11	8.625	24		0	928	320	1.55	c				

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 10/10/2011

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 10/11/2011 12:41:09 PM