

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-101
August 1, 2011
Permit 145481

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

1. Operator Name and Address NADEL AND GUSMAN HEYCO, LLC PO BOX 193 ROSWELL, NM 88202		2. OGRID Number 258462
		3. API Number 30-015-40044
4. Property Code 38960	5. Property Name IRON DUKE	6. Well No. 004H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	9	18S	26E	D	990	N	200	W	EDDY

8. Pool Information

ATOKA;GLORIETA-YESO	3250
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3384
14. Multiple N	15. Proposed Depth 7150	16. Formation Yeso Formation	17. Contractor	18. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	900	600	0
Prod	8.75	7	26	2800	500	0
Liner1	6.125	4.5	13.5	7150	0	

Casing/Cement Program: Additional Comments

Will 1" cement to surface on surface casing if necessary. OH completion with packers plus in lateral, set 4.5" liner hanger at ~2650. 7" casing cement will tie into surface casing at minimum.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1500	Hydril GK
DoubleRam	3000	3000	Shaffer double

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐ , a general permit ☐ , or an (attached) alternative OCD-approved plan ☐ .		OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by WENDY NORTHCUTT		Approved By: Randy Dade	
Title:	Title: District Supervisor		Approved Date: 3/15/2012 Expiration Date: 3/15/2014
Email Address: wnorthcutt@heycoenergy.com			
Date: 3/12/2012	Phone: 575-623-6601	Conditions of Approval Attached	

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APIA Number	Pool Code 3250	Pool Name Atoka, Glorita-Yeso
Property Code 38960	Property Name IRON DUKE	Well Number 4H
GRID No. 258462	Operator name NADEL AND GUSSMAN HEYCO	Elevation 3384.8'

Surface Location

URL or lot no.	Section	Township	Range	Lot/SDN	Feet from the	North/South line	Feet from the	East/West line	County
D	9	18 S	26 E		990	NORTH	200	WEST	EDDY

Bottom Hole Location If Different From Surface

URL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	9	18 S	26 E		990	NORTH	330	EAST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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.

	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by division. Signature: <i>[Signature]</i> Date: 3/12/12 Printed Name: JASON GROSS E-mail Address: jgross@gmail.com
SURFACE LOCATION LAT - N 32°46'01.25" LONG - W 104°23'41.45" N.M.S.P.C.E N 642,778.20 E 522,430.02	PROPOSED BOTTOM HOLE LOCATION LAT - N 32°46'01.30" LONG - W 104°22'45.73" N.M.S.P.C.E N 642,781.25 E 527,188.02
SURVEYOR CERTIFICATION 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 are true and correct to the best of my belief. DATE OF SURVEY: FEBRUARY 14, 2012 Signature and Seal of Professional Surveyor: <i>[Signature]</i> Certificate Number: 12516 TERRELL D. RAINS, JR. N.M.R.P.L.S. 12516	

Permit Comments

Operator: NADEL AND GUSSMAN HEYCO, LLC , 258462

Well: IRON DUKE #004H

API: 30-015-40044

Created By	Comment	Comment Date
CSHAPARD	Land p/P	3/14/2012

Permit Conditions of Approval

Operator: NADEL AND GUSSMAN HEYCO, LLC , 258462

Well: IRON DUKE #004H

API: 30-015-40044

OCD Reviewer	Condition
CSHAPARD	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string