

**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 177988

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

|                                                                                                         |  |                               |
|---------------------------------------------------------------------------------------------------------|--|-------------------------------|
| 1. Operator Name and Address<br>NADEL AND GUSSMAN PERMIAN, LLC<br>601 N MARIENFELD<br>MIDLAND, TX 79701 |  | 2. OGRID Number<br>155615     |
| 4. Property Code<br>306668                                                                              |  | 3. API Number<br>30-025-41567 |
| 5. Property Name<br>RAPTOR WEST 3 STATE                                                                 |  | 6. Well No.<br>003H           |

**7. Surface Location**

|               |              |                 |              |         |                  |               |                   |               |               |
|---------------|--------------|-----------------|--------------|---------|------------------|---------------|-------------------|---------------|---------------|
| UL - Lot<br>O | Section<br>3 | Township<br>19S | Range<br>34E | Lot Idn | Feet From<br>250 | N/S Line<br>S | Feet From<br>2310 | E/W Line<br>E | County<br>Lea |
|---------------|--------------|-----------------|--------------|---------|------------------|---------------|-------------------|---------------|---------------|

**8. Proposed Bottom Hole Location**

|               |              |                 |              |              |                  |               |                   |               |               |
|---------------|--------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|---------------|
| UL - Lot<br>B | Section<br>3 | Township<br>19S | Range<br>34E | Lot Idn<br>B | Feet From<br>330 | N/S Line<br>N | Feet From<br>2310 | E/W Line<br>E | County<br>Lea |
|---------------|--------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|---------------|

**9. Pool Information**

|                    |       |
|--------------------|-------|
| SCHARB;BONE SPRING | 55610 |
|--------------------|-------|

**Additional Well Information**

|                           |                             |                                        |                         |                                    |
|---------------------------|-----------------------------|----------------------------------------|-------------------------|------------------------------------|
| 11. Work Type<br>New Well | 12. Well Type<br>OIL        | 13. Cable/Rotary                       | 14. Lease Type<br>State | 15. Ground Level Elevation<br>3994 |
| 16. Multiple<br>N         | 17. Proposed Depth<br>15000 | 18. Formation<br>3rd Bone Spring Sand  | 19. Contractor          | 20. Spud Date<br>4/1/2014          |
| Depth to Ground water     |                             | Distance from nearest fresh water well |                         | Distance to nearest surface water  |

☒ We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

| Type   | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|--------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf   | 17.5      | 13.375      | 54.5             | 1900          | 1600            | 0             |
| Int1   | 12.25     | 9.625       | 36               | 3500          | 1100            | 0             |
| Prod   | 8.75      | 7           | 26               | 11000         | 1300            | 2500          |
| Liner1 | 6.125     | 4.5         | 13.5             | 15000         | 0               | 0             |

**Casing/Cement Program: Additional Comments**

|                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NGP plans to drill vertical hole to ~ 10,200ft. Kick off for horizontal and set 7" casing at end of curve at 11,000' MD. lateral will be open hole completion with packers and frac ports 20 stages, No Cement. |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**22. Proposed Blowout Prevention Program**

| Type       | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Annular    | 2000             | 1500          | shaffer      |
| Double Ram | 3000             | 3000          | cameron      |

|                                                                                                                                                                                                                                                                                                                        |                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br>I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable.<br><br>Signature: | <b>OIL CONSERVATION DIVISION</b>                           |
| Printed Name: Electronically filed by Scott Germann                                                                                                                                                                                                                                                                    | Approved By: Paul Kautz                                    |
| Title: General Manager                                                                                                                                                                                                                                                                                                 | Title: Geologist                                           |
| Email Address: sgerman@naguss.com                                                                                                                                                                                                                                                                                      | Approved Date: 12/19/2013      Expiration Date: 12/19/2015 |
| Date: 12/18/2013      Phone: 432-682-4429                                                                                                                                                                                                                                                                              | Conditions of Approval Attached                            |

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                            |                                                        |                                        |
|----------------------------|--------------------------------------------------------|----------------------------------------|
| API Number                 | Pool Code                                              | Pool Name<br><b>Scharb Bone Spring</b> |
| Property Code              | Property Name<br><b>RAPTOR 3 WEST</b>                  | Well Number<br><b>3H</b>               |
| OGRID No.<br><b>158615</b> | Operator Name<br><b>NADEL AND GUSSMAN PERMIAN LLC.</b> | Elevation<br><b>3994'</b>              |

Surface Location

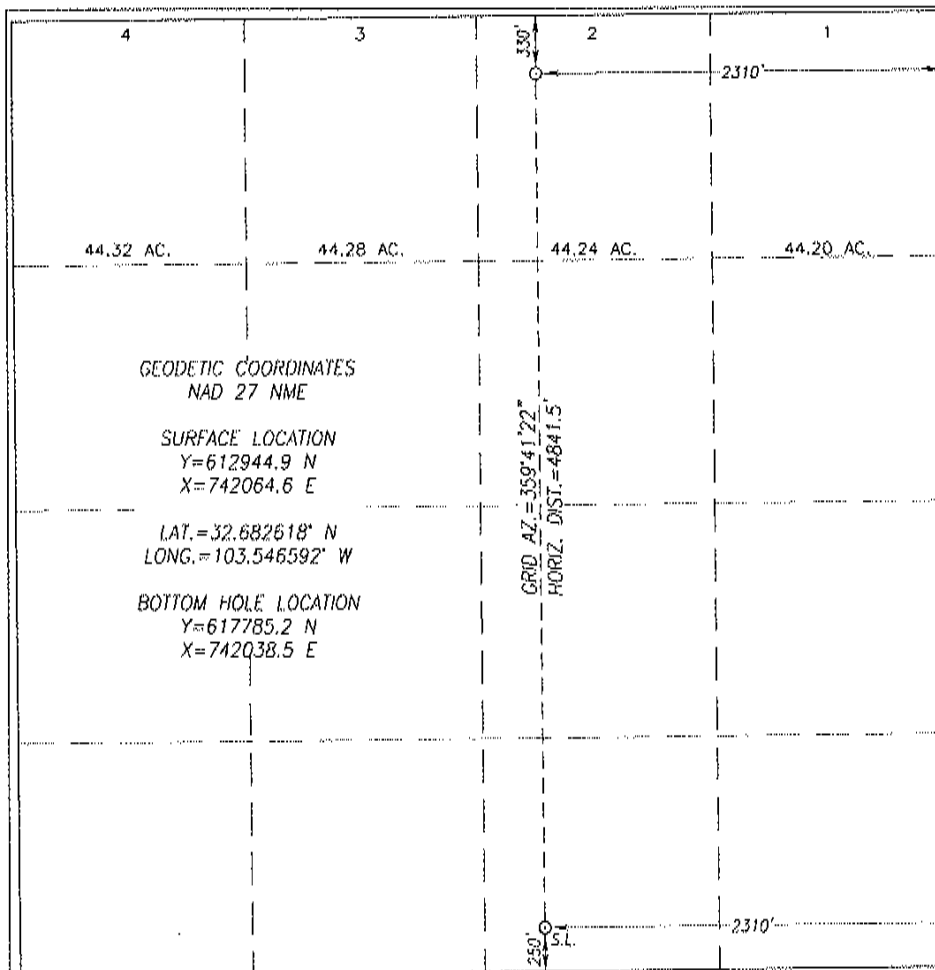
| UL or lot No. | Section  | Township    | Range       | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County     |
|---------------|----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|------------|
| <b>0</b>      | <b>3</b> | <b>19-S</b> | <b>34-E</b> |         | <b>250</b>    | <b>SOUTH</b>     | <b>2310</b>   | <b>EAST</b>    | <b>LEA</b> |

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     |
|---------------|----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|------------|
| <b>2</b>      | <b>3</b> | <b>19-S</b> | <b>34-E</b> |         | <b>330</b>    | <b>NORTH</b>     | <b>2310</b>   | <b>EAST</b>    | <b>LEA</b> |

| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
|-----------------|-----------------|--------------------|-----------|
| <b>164.24</b>   |                 |                    |           |

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 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

**Stacey Peck** 12-3-13  
Signature Date

**Stacey Peck**  
Printed Name

**speek@naguss.com**  
E-mail Address

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 is true and correct to the best of my belief.

NOVEMBER 11, 2013

Date of Survey  
Signature & Seal of Professional Surveyor:

**Ronald J. Eidson** 11/20/2013  
Certificate Number  
Gary C. Eidson 12641  
Ronald J. Eidson 3239  
ACK JWSC W O - 13 11 1261

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Form APD Comments  
  
Permit 177988

**PERMIT COMMENTS**

|                                                                                                                 |                                    |
|-----------------------------------------------------------------------------------------------------------------|------------------------------------|
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|                                                                                                                 | Well:<br>RAPTOR WEST 3 STATE #003H |

|            |         |              |
|------------|---------|--------------|
| Created By | Comment | Comment Date |
|------------|---------|--------------|

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Form APD Conditions

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
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**Santa Fe, NM 87505**

**PERMIT CONDITIONS OF APPROVAL**

|                                                                                                                |                                    |
|----------------------------------------------------------------------------------------------------------------|------------------------------------|
| Operator Name and Address:<br>NADEL AND GUSSMAN PERMIAN, LLC [155615]<br>601 N MARIENFELD<br>MIDLAND, TX 79701 | API Number:<br>30-025-41567        |
|                                                                                                                | Well:<br>RAPTOR WEST 3 STATE #003H |

| OCD<br>Reviewer | Condition                                                                                                                                                                                                                                                            |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DMULL           | Will require a directional survey with the C-104                                                                                                                                                                                                                     |
| DMULL           | 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 |
| pkautz          | 1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface 2) PRODUCTION CASING - Cement must tie back into intermediate casing 3) Liner - Cement must tie back into production casing                                                                      |
| pkautz          | Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water                                                                                                                                                                 |