

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-34861
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Bond Fee
8. Well Number 2
9. OGRID Number 155615
10. Pool name or Wildcat Undesignated Bass Morrow

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐ RECEIVED

2. Name of Operator
Nadel and Gussman Permian, LLC JUL 24 2006

3. Address of Operator
601 N. Marienfeld, Suite 508
Midland, TX 79701

4. Well Location
Unit Letter C : 660 feet from the N line and 1650 feet from the W line
Section 20 Township 21S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type reserve Depth to Groundwater 25' Distance from nearest fresh water well 71000' Distance from nearest surface water 71000'

Pit Liner Thickness: 20 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

7/12/06- LD drill string and RU Lewis casing crew. Ran 266 joints of 5-1/2"/ 17#/ P110-HCP/LTC casing set at 12,266' RKB.
Ran two flat joints, FC at DV tool set at 8217'. Circulated with cement on bottom. Cement first stage with lead of 490 sx 35/65 POZ H and tail of 670 sx PVL. Bump plug and drop bomb to open DV tool, circulated cement off DV.
Cement second stage with 670 sx 35/65 POZ Class H and 100 sx Class C neat. Bump plug, floats held. Began nipple down.
At report time, nipple down BOP's and nipple up wellhead.

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 Joel Martin TITLE Drilling Manager DATE 7/21/06

Type or print name Joel Martin E-mail address: martin@naguss.com Telephone No. (432) 682-4429
For State Use Only

APPROVED BY: Jim W. Guss DATE 9/21/06
Conditions of Approval (if any):