

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised August 1, 2011

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

|   |
|---|
| WELL API NO.<br>30-015-24591  |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br>L-654   |
| 7. Lease Name or Unit Agreement Name<br>NEW MEXICO DI STATE   |
| 8. Well Number 3  |
| 9. OGRID Number 155615  |
| 10. Pool name or Wildcat<br>WILDCAT, BONE SPRING, GP 2  |

|  |  |
|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>   |  |
| 2. Name of Operator<br>NADEL AND GUSSMAN PERMIAN, LLC  |  |
| 3. Address of Operator<br>601 N. MARIENFELD, SUITE 508, MIDLAND, TEXAS 79701   |  |
| 4. Well Location<br>Unit Letter <u>L</u> : <u>1980'</u> feet from the <u>SOUTH</u> line and <u>660'</u> feet from the <u>WEST</u> line<br>Section <u>19</u> Township <u>23S</u> Range <u>26E</u> NMPM County <u>EDDY</u> |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3476' GL   |  |

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 PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐ OTHER: ☐

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

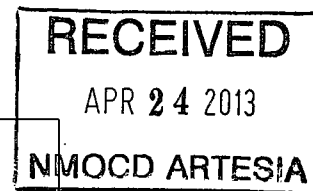
PLAN TO PLUG WELL BASED ON PLUGGING PROCEDURE APPROVED ON 10/19/2001. NO CHANGES TO WELLBORE HAVE OCCURRED SINCE 10/19/2001. APPROVED PROCEDURE AND WELLBORE DIAGRAMS ARE ATTACHED.

CONDITIONS OF APPROVAL ATTACHED

Approval Granted providing work is  
Completed by July 24-2013

Spud Date: N/A

Rig Release Date: N/A



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE ENGINEER DATE 4/23/13

Type or print name JASON GOSS E-mail address: JGOSS@NAGUSS.COM PHONE: 432-682-4429

For State Use Only

APPROVED BY: [Signature] TITLE Dist. H Supervisor DATE 4/24/2013  
Conditions of Approval (if any):

SEE Attachments!

Submit 3 Copies To Appropriate District

Office

District I

1625 N. French Dr., Hobbs, NM 87240

District II

811 South First, Artesia, NM 87210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, NM 87505

Form C-103

Revised March 25, 1999

WELL API NO.

30 - 015 - 24591

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

L - 654

7. Lease Name or Unit Agreement  
Name:

New Mexico "DI" State

8. Well No.

3

9. Pool name or Wildcat

Wildcat Bone Springs, WC GP 2

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 ☐

2. Name of Operator

Nadel and Gussman Permian, L.L.C. #155615

3. Address of Operator

601 N Marienfeld, Suite 508, Midland, Texas 79701

4. Well Location

Unit Letter: L : 1980' feet from the South line and 660' feet from the West line

Section 19 Township 23 S Range 26 E NMPM Eddy County

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

3476' GL

11. 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 PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

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.

02-04-84 Set CIBP at 4774' and capped with 30' cement. Loaded hole with inhibited water.

1. Load hole with 10 PPG salt gel mud. Place 100' Plug 2936 to 3036' and spot ~~2936~~ plug across 8-5/8" surface casing shoe from 1155' to 1159'. WOC and tag plug.

2. Cut off wellhead and spot ~15' cement at surface: 60' in casing, 60' in annulus.

3. Set dry hole marker. Clean location and pick up flowline.

Notify OCD 24 hrs. prior to any work done

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Operations Engineer DATE 9-20-01

Type or print name Robert McNaughton

Telephone No. 915 - 682 - 4429

(This space for State use)

APPROVED BY [Signature] TITLE Wildcat ID DATE 10-19-01

Conditions of approval, if any:

# NADEL AND GUSSMAN PERMIAN

## New Mexico "DI" State No. 3

1980' FSL, 660' FWL, Unit L, Sec 19, 23S, 26E, Eddy County, NM

API # 30-015-24591

Elev. 3476' GL

### Recommended P&A

DV Tool @ 668'

650 sx, DNC, cement fell back  
1" cement from 680'  
1000 sx, circulated

8-5/8", 24#, K-55 @ 1434'

1050 sx, TOC @ DV tool.  
12-1/4"

DV Tool at 2986'

650 sx, TOC @ 690' by temp

5-1/2", 15.5#, K-55 @ 5191'

590 sx, TOC @ DV tool  
7-7/8" Hole

Spot 15 sx (50') at surface:  
8 sx in casing, 7 sx in annulus



Spot 25 sx across intermediate shoe  
1300' to 1550'



CIBP @ 4774' w/ 30' cement

Delaware Perfs: 4844' - 4852'

Delaware Perfs: 4876' - 4886'

@ 1 SPF, 20 holes, 2000 15%, 32/34 foam frac

Delaware Perfs: 4938' - 4952'

@ 4 SPF, 56 holes, 1500 15%

PDTD @ 4734'

TD @ 5191'

Operator Nadel & Gussma Permian LLC  
Well New Mexico "DI" State #3  
Unit L Section 19 Township 23 Range 26  
API # 30 - 015 - 24571

TOPS

Delaware 1195'  
Bone 4877'

← 60' Surface Plug. Inside & Outside  
of CSg

878'  
1434'  
CWC

← shoe Plug <sup>1145'</sup>~~1200'~~ to 1550' TAG

2986' → DV Tool ← 100' Plug 2936' to 3036'

4774' → CIBD w/ 30' cmt.  
4844  
4952 → RAs

5191'  
512'

- Salt gel mud consisting of 10# brine with 25# of gel per barrel must be placed between each plug
- Install Dry Hole Marker
- Notify OCD 24 hrs. prior to any work done

NEW MEXICO OIL CONSERVATION DIVISION  
DISTRICT 2 OFFICE  
811 S. FIRST STREET  
ARTESIA, NM 88210  
(575)748-1283

**CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT**

Operator: Nadel & Gussman Permain, LLC

Well Name & Number: New Mexico DI State #3

API #: 30-015-24591

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged **ONLY**. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perfs, before any plugs can be set, by whatever means possible.
8. **Cement Retainers may not be used.**

9. Squeeze pressures are not to exceed 500 PSI, unless approval is given by NMOCD.
10. Plugs may be combined after consulting with and getting approval from NMOCD.
11. Minimum WOC time for tag plugs will be 4 Hrs.

DATE: 4/24/2013

APPROVED BY: *AL Webb*

## GUIDELINES FOR PLUGGING AND ABANDONMENT

### DISTRICT II / ARTESIA

- All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater.
- Mud laden fluids must be placed between all cement plugs.
- Mud laden fluids must be mixed at 25 sacks of gel per 100 bbls of water.
- A cement plug is required to be set 50' below and 50' above all casing shoes and casing stub plugs. These plugs must be tagged.
- A CIBP with 35' of cement on top may be set in lieu of 100' cement plug.
- A plug as indicated above must be placed within 100' of top perforation. This plug must be tagged.
- Plugs set below and above salt zones must be tagged.
- No more than 2000' is to be allowed between cement plugs in open hole and no more than 3000' in cased hole.
- DV tools are required to have a 100' cement plug set 50' above and below the tool and must be tagged.
- Formations to be isolated with plugs placed at the top of each formation are:
  - Fusselman
  - Devonian
  - Morrow
  - Wolfcamp
  - Bone Spring
  - Delaware
  - Any Salt Section (Plug at top and bottom)
  - Abo
  - Glorieta
  - Yates (this plug is usually at base of salt section)
- If cement does not exist behind casing strings at recommended formation depths, the casing must be cut and pulled with plugs set at these depths or casing must be perforated and cement squeezed behind casing at the formation depths.
- In the R-111-P area (Potash Mine area) a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts common to the section penetrated and in suitable proportions, but not more than a 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible (50' below and 50' above).