

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NM 58815, NM113407 & NM 130858

6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE - Other instructions on page 2.

| | | |
|--|---|---|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 7. If Unit of CA/Agreement, Name and/or No. N/A |
| 2. Name of Operator NADEL AND GUSSMAN PERMIAN, LLC | | 8. Well Name and No. PARKWAY 19-18 FEDERAL COM #1H |
| 3a. Address 601 N. MARIENFELD, SUITE 508 MIDLAND, TX 79707 | 3b. Phone No. (include area code) (432) 682-4429 | 9. API Well No. 30-015-42545 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 150' FSL, 330' FWL, SECTION 19, T-19-S, R-30-E | | 10. Field and Pool or Exploratory Area TURKEY TRACK; BONE SPRING |
| | | 11. County or Parish, State EDDY CO., NM |

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input checked="" type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other _____ |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | COMPLETION |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

SPUD: 9/6/2014

10/27/2014 - RUN CBL/GAMMA. PERFORATED FIRST STAGE FROM 13,910' TO 14,059'

11/13/2014 - 11/18/2014 - FRAC WELL; PERFORATED FROM 8,573' TO 14,059' (960 HOLES) WITH 15,482 BBLS SLICK WATER, 81,860 BBLS FRAC FLUID, 1,227 BBLS ACID, 160,776 LBS 100 MESH, 3,508,901 LBS 20/40 WHITE AND 1,141,461 LBS 20/40 OIL PLUS.

11/19/2014 - 11/21/2014 - DRILL OUT PLUGS AND FLOWBACK WELL

12/11/2014 - SET 2-7/8" TUBING TO 7,499'

12/14/2014 - WELL ON PRODUCTION

NM OIL CONSERVATION
ARTESIA DISTRICT

JAN 26 2015

RECEIVED

MS 2/13/15
Accepted for record
NMOCD

| | | |
|--|--|--------------------------|
| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) SARAH PRESLEY | | Title REGULATORY ANALYST |
| Signature <i>Sarah Presley</i> | | Date 01/20/2015 |

THIS SPACE FOR FEDERAL OR STATE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Pending BLM approvals will subsequently be reviewed and scanned *MS*

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person know... willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)