

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

RECEIVED  
FEB 09 2011  
Submit to appropriate District Office  
NMOCD ARTESIA  
RECEIVED REPORT

Form C-101  
June 16, 2008

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

Operator Name and Address Nadel and Gussman Permian, LLC 601 N. Marienfeld Suite 508 Midland, TX 79701		OGRID Number 155615
Property Code 38537	Property Name Long Branch	API Number 30-015-38514
Proposed Pool 1 97788		Proposed Pool 2

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	7	19S	26E		330'	NORTH	2310'	WEST	EDDY

Proposed 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
N	7	19S	26E		330'	SOUTH	2310'	WEST	EDDY

Additional Well Information

Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3372'
Multiple N	Proposed Depth 7271' MD/ 2775' TVD	Formation Paddock (Yeso)	Contractor N/A	Spud Date 4/15/11

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	9 5/8"	36#	1200' MD	500	SURFACE
8 3/4"	7"	26#	3100' MD	700	SURFACE
6 1/8"	4 1/2"	11.60#	7271' MD	None**	N/A

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Mud Program:

0' to 1200': 8.4 to 8.8 ppg, w/ Fresh water spud mud  
1200' to 7271': 8.8 to 10.0 ppg, w/ brine / cut brine water

\*\*Casing Cement - will utilize a Packers Plus type open hole system to complete well.

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

Signature:

Chris Marquez

Printed name: Chris Marquez

Title: Engineer

E-mail Address: cmarquez@naguss.com

Date: 2/3/11

Phone: 432-682-4429

OIL CONSERVATION DIVISION

Approved by:

Gregory D. ...  
Geologist

Title:

Approval Date: 3/2/2011

Expiration Date: 3/2/2013

Conditions of Approval Attached ☐

NG

**NADEL AND GUSSMAN PERMIAN, L.L.C.**  
**601 N. MARIENFELD STE. 508**  
**MIDLAND, TX 79701**  
**(432) 682-4429 (Office)**  
**(432) 682-4325 (Fax)**

2/7/11

Miss Reeves  
District 2 Geologist  
New Mexico Oil and Gas Division  
1301 West Grand Avenue  
Artesia, NM 88210

**Re: Long Branch #2**  
**SHL: 330' FNL & 2310' FWL UL C**  
**BHL: 330' FNL & 2310' FWL UL N**  
**Sec. 7, T19S, R26E**  
**Eddy, NM**  
**Rule 118 H2S Exposure**

Dear Miss. Reeves

Nadel and Gussman Permian, LLC have evaluated this well and we do not expect to encounter hydrogen sulfide. However, we will employ a third party monitoring system. We will begin monitoring prior to drilling out the intermediate casing and will continue monitoring the remainder of the well.

Please contact me if you have any additional questions.

Sincerely,

Chris Marquez  
Drilling Engineer

**Hydrogen Sulfide Drilling Operations Plan**  
**Long Branch #2**  
**SHL UNIT C, Sec 7, T19S, R26E**  
**330' FNL & 2310' FWL**  
**Eddy Co, NM**

1. Company and contract personnel admitted on location should be trained by a qualified H<sub>2</sub>S safety instructor to recognize and handle the following:
  - A. Characteristics of H<sub>2</sub>S gas
  - B. Physical effects and hazards
  - C. Proper use of safety equipment and life support systems
  - D. Principle and operation of H<sub>2</sub>S detectors, warning system and briefing knowledge
  - E. Evacuation procedure, routes and first aid support
  - F. Proper use of 30 minutes Pressure-on-Demand Air Pack
2. H<sub>2</sub>S Detection and Alarm Systems
  - A. H<sub>2</sub>S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse
3. Windsock and/or Wind Streamers
  - A. Windsock at mud pit area (high enough to be visible)
  - B. Windsock at briefing area (high enough to be visible)
  - C. Windsock at location entrance
4. Condition Flags and Signs
  - A. H<sub>2</sub>S warning signs on lease access road into location
  - B. Flags displayed on sign at location entrance
    1. Green flag indicates "Normal Safe Conditions"
    2. Yellow Flag indicates "Potential Pressure and Danger"
    3. Red Flag indicates "Danger - H<sub>2</sub>S Present in High Concentrations" *admit only emergency personnel*
5. Well Control Equipment
  - A. See BOP schematic page
6. Communication
  - A. While working under masks chalkboards will be used for communication
  - B. Hand signals will be used where chalk board is inappropriate
  - C. Two -way radios or cell phones used to communicate off location or minimally in Drilling Foreman's trailer or living quarters
7. Drillstem Testing
  - A. Exhausts watered
  - B. Flare line equipped with electric Igniter/propane pilot light in case gas reaches surface
  - C. If location near dwelling closed DST will be performed
8. Drilling Supervisor required to be familiar with effects of H<sub>2</sub>S on tubular goods/mechanical equipment
9. If H<sub>2</sub>S encountered, mud system shall be addressed to maintain control of formation. A mud gas separator will be brought into service along with H<sub>2</sub>S scavengers, if necessary.

PUBLIC PROTECTION PLAN FOR EMERGENCY CONTACTS

**NADEL AND GUSSMAN PERMIAN, LLC** (432) 682-4429

**Company Personnel**

Joel Martin	Drilling Enrineer	432-682-4429 432-238-9969
Chris Marquez	Drilling Engineer	432-682-4429 432-202-0942
Keith Cannon	Drilling Supt.	575-623-6601 575-626-1936

**ARTESIA N.M.**

Ambulance	911
State Police	575-746-5000
City Police	575-746-5000
Sheriff's Office	575-746-9888
Fire Department	575-746-5050 or 575-746-5051
N.M.O.C.D	575-748-1283

**CARLSBAD N.M.**

Ambulance	911
State Police	575-885-3137
City Police	575-885-2111
Sheriff's Office	575-887-7551
Fire Department	575-885-3125 or 575-885-2111
Carlsbad BLM	575-887-6544

**HOBBS N.M.**

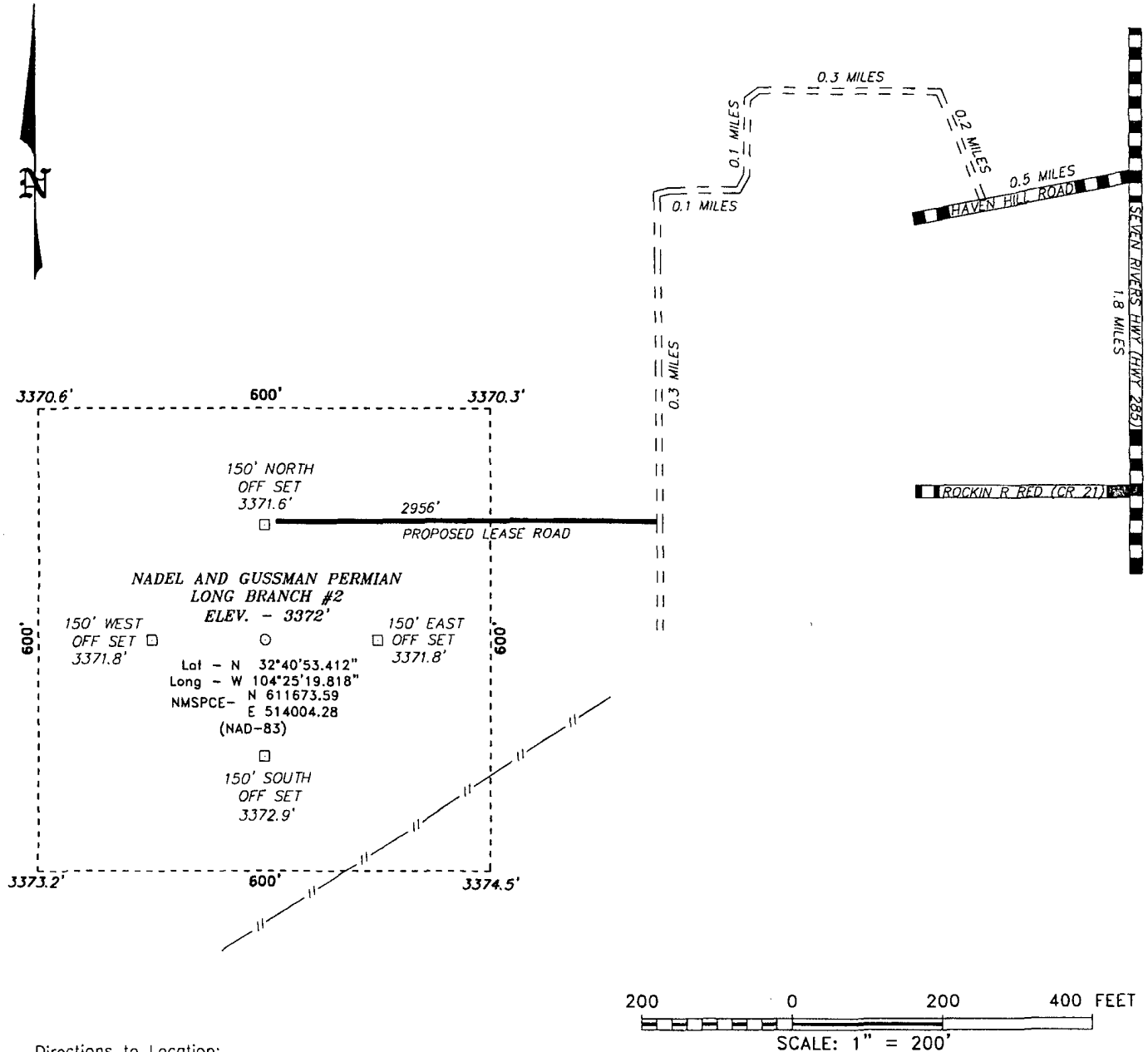
Ambulance	911
State Police	575-392-5588
City Police	575-397-9265
Sheriff's Office	575-396-3611
Fire Department	575-397-9308
N.M.O.C.D	575-393-6161
Hobbs BLM	575-393-3612

Flight for Life (Lubbock Tx)	806-743-9911
Aerocare (Lubbock Tx)	806-747-8923
Med flight air Ambulance (Albuq NM)	505-842-4433
SB air Med Services (Albuq NM)	505-842-4949

Boots & Coots IWC	800-256-9688 or 281-931-8884
Cudd Pressure Control	915-699-0139 or 915-563-3356
BJ Services (Artesia NM)	575-746-3569
(Hobbs NM)	575-392-5556

New Mexico Emergency Response Commission (Santa Fe)	505-476-9600
24 Hour	505-827-9126
New Mexico State Emergency Operations Center	505-476-9635

SECTION 7, TOWNSHIP 19 SOUTH, RANGE 26 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF ROCKIN R RED ROAD (CR 21), GO NORTH ON SEVEN RIVERS HIGHWAY (HWY 285) FOR 1.8 MILES, THEN GO WEST FOR 0.5 MILES ON HAVEN HILL ROAD, GO NORTH FOR 0.2 MILES, THEN WEST FOR 0.3 MILES, GO SOUTH 0.1 MILES, THEN EAST FOR 0.1 MILES, THEN GO SOUTH FOR 0.3 MILES TO PROPOSED LEASE ROAD.

**BASIN SURVEYS** P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 23986 Drawn By: B. NIXON

Date: 01-21-2011 Disk: BJN 23986

200 0 200 400 FEET  
SCALE: 1" = 200'

**NADEL AND GUSSMAN PERMIAN**

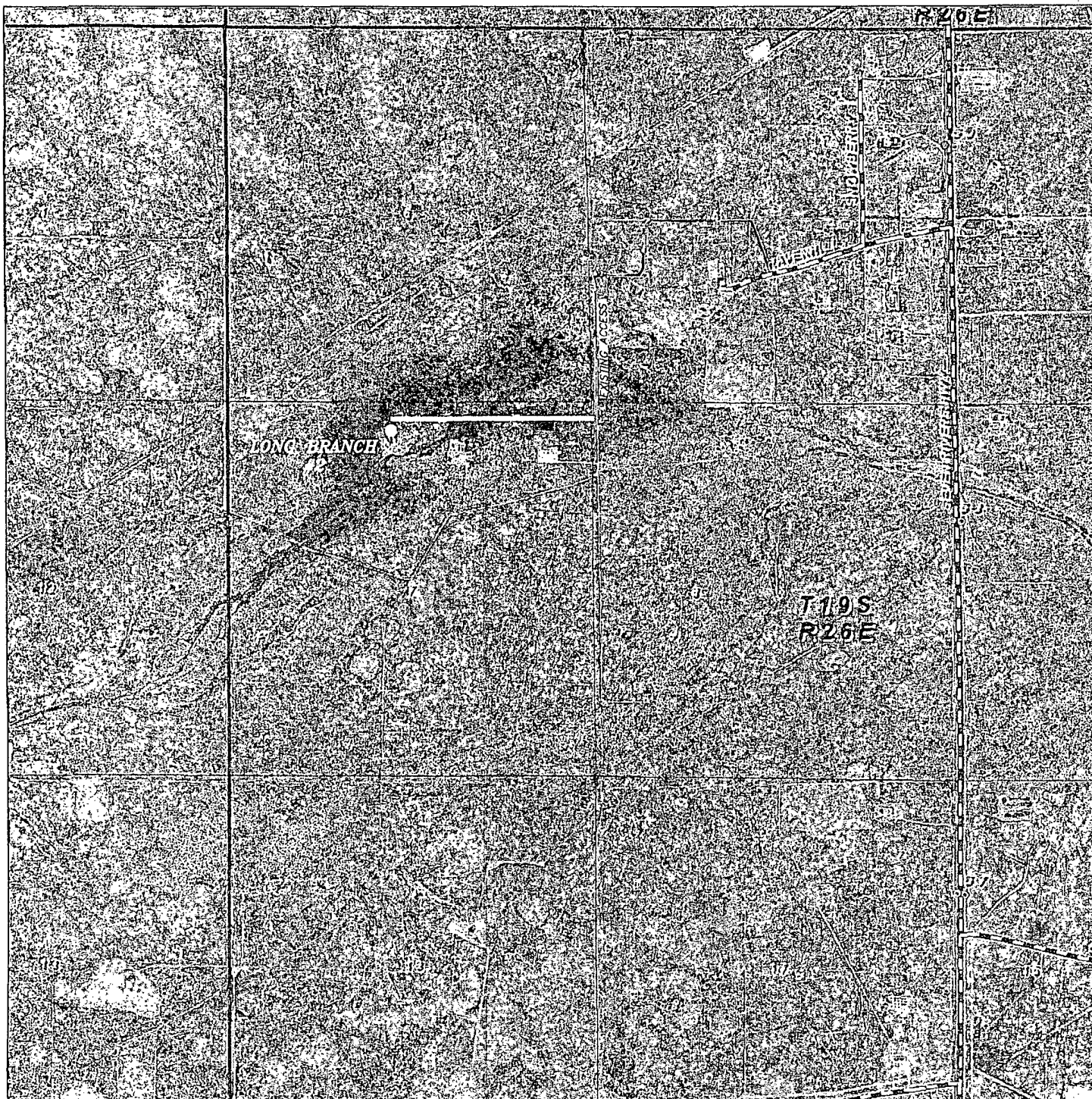
REF: LONG BRANCH #2 / WELL PAD TOPO

THE LONG BRANCH #2 LOCATED 330'

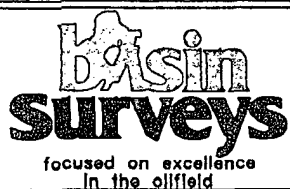
FROM THE NORTH LINE AND 2310' FROM THE WEST LINE OF  
SECTION 7, TOWNSHIP 19 SOUTH, RANGE 26 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 01-18-2011 Sheet 1 of 1 Sheets



**LONG BRANCH #2**  
 Located 330' FNL and 2310' FWL  
 Section 7, Township 19 South, Range 26 East,  
 N.M.P.M., Eddy County, New Mexico.



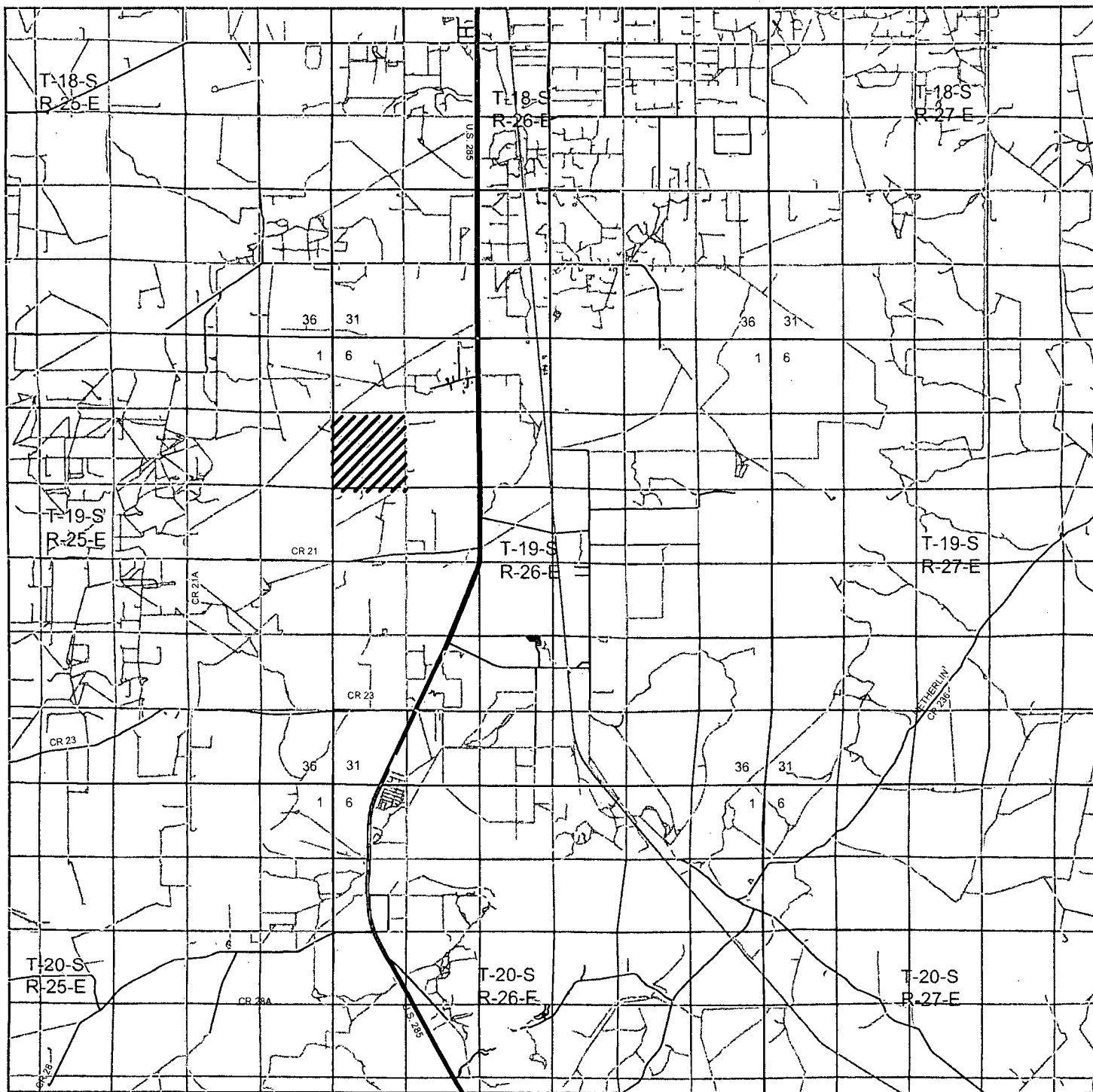
P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (575) 393-7316 - Office  
 (575) 392-2206 - Fax  
 basinsurveys.com

W.O. Number: BJN 23986

Scale: 1" = 2000'

YELLOW TINT - USA LAND  
 BLUE TINT - STATE LAND  
 NATURAL COLOR - FEE LAND

**NADEL AND  
 GUSSMAN  
 PERMIAN**



## LONG BRANCH #2

Located 330' FNL and 2310' FWL

Section 7, Township 19 South, Range 26 East,  
N.M.P.M., Eddy County, New Mexico.

**basin**  
**surveys**  
focused on excellence  
in the oilfield

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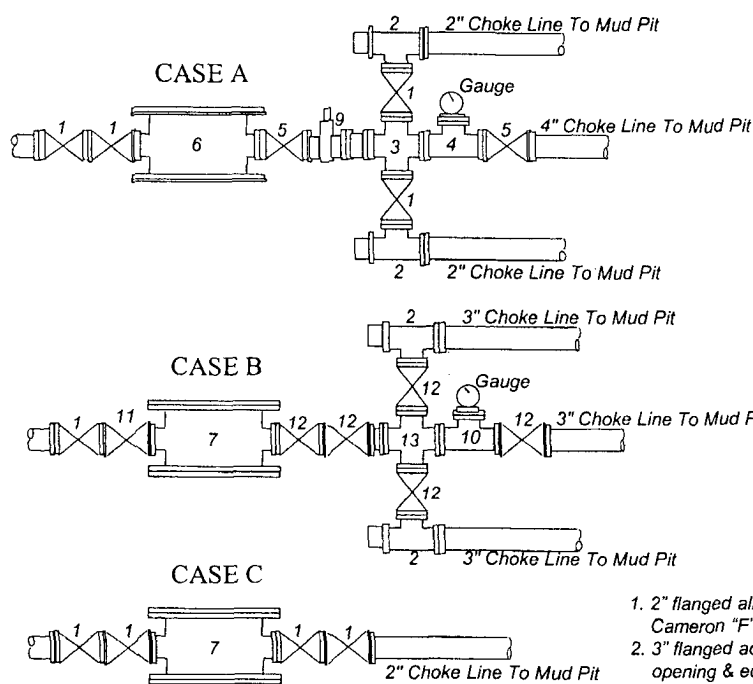
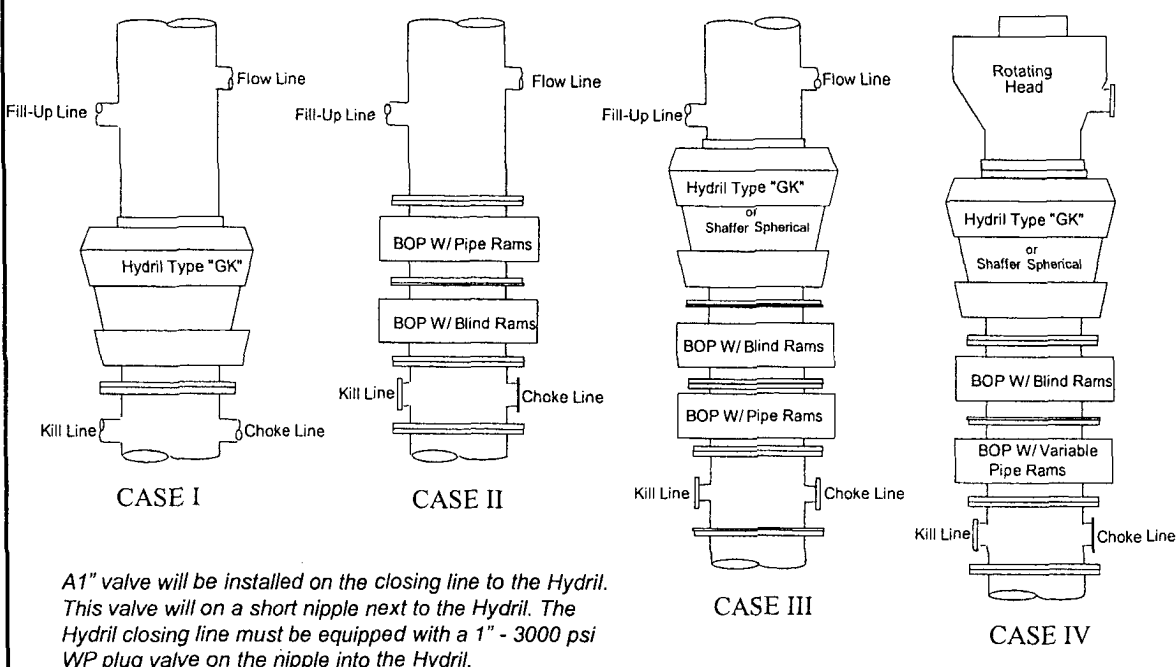
Scale: 1" = 2 Miles

Date: 01-21-2011

NADEL AND  
GUSSMAN  
PERMIAN

# Nadel and Gussman Permian, LLC

## MINIMUM BLOWOUT PREVENTER REQUIREMENTS



BOP SIZE	BOP CASE	WORKING PRESSURE	CHOKE CASE
13- 3/8"	III	3000 psi	B
11"	IV	3000 psi	B

**\*Rotating head required**

Bradenhead : \_\_\_\_\_  
Mfr: \_\_\_\_\_  
Size: \_\_\_\_\_ Type: \_\_\_\_\_

### Legend

1. 2" flanged all steel valve must be either Cameron "F", Halliburton Low Torque or Shaffer Flo-Seal.
2. 3" flanged adjustable chokes, min. 1" full opening & equipped with hard trim.
3. 4" x 2" flanged steel cross.
4. 4" flanged steel tee.
5. 4" flanged all steel valve (Type as in no. 1).
6. Drilling Spool with 2" x 4" flanged outlet.
7. Drilling Spool with 2" Flanged Kill inlet, & 3" flanged choke outlet.
8. 2" x 2" flanged steel cross.
9. 4" pressure operated gate valve.
10. 3" flanged steel tee.
11. 2" Flanged check valve
12. 3" flanged all steel valve must be either Cameron "F", Halliburton Low Torque or Shaffer Flo-Seal.
13. 3" x 3" flanged steel cross.

### Notes

Choke manifold may be located in any convenient position. Use all steel fittings throughout. Make 90° turns with bull plugged tees only. No field welding will be permitted on any of the components of the choke manifold and related equipment upstream of the chokes. The choke spool and all lines and fittings must be at least equivalent to the test pressure of the preventers required. Independent closing control unit with clearly marked controls to be located on derrick floor near driller's position.