

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
311 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brizos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources

Form C-104  
Revised August 1, 2011

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

Submit one copy to appropriate District Office

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

|                                                                                                                                 |                                              |                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-----------------------------------------------------------------|
| <sup>1</sup> Operator name and Address<br>NADEL AND GUSMAN PERMIAN, L.L.C.<br>601 N. MARIENFELD, SUITE 508, MIDLAND TEXAS 79701 |                                              | <sup>2</sup> OGRID Number<br>155615                             |
|                                                                                                                                 |                                              | <sup>3</sup> Reason for Filing Code/ Effective Date<br>2/2/2012 |
| <sup>4</sup> API Number<br>30 - 025-28016                                                                                       | <sup>5</sup> Pool Name<br>SCHARB QUEEN       | <sup>6</sup> Pool Code<br>55630                                 |
| <sup>7</sup> Property Code<br>22538                                                                                             | <sup>8</sup> Property Name<br>QUEEN DD STATL | <sup>9</sup> Well Number<br>4                                   |

II. <sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| K             | 4       | 19S      | 35E   |         | 2080          | South            | 1980          | West           | LEA    |

<sup>11</sup> Bottom Hole Location

| UL or lot no.               | Section                                     | Township                             | Range                             | Lot Idn                            | Feet from the                       | North/South line | Feet from the | East/West line | County |
|-----------------------------|---------------------------------------------|--------------------------------------|-----------------------------------|------------------------------------|-------------------------------------|------------------|---------------|----------------|--------|
|                             |                                             |                                      |                                   |                                    |                                     |                  |               |                |        |
| <sup>12</sup> Lsc Code<br>S | <sup>13</sup> Producing Method<br>Code<br>P | <sup>14</sup> Gas Connection<br>Date | <sup>15</sup> C-129 Permit Number | <sup>16</sup> C-129 Effective Date | <sup>17</sup> C-129 Expiration Date |                  |               |                |        |

III. Oil and Gas Transporters

| <sup>18</sup> Transporter<br>OGRID | <sup>19</sup> Transporter Name<br>and Address                                                  | <sup>20</sup> O/G/W |
|------------------------------------|------------------------------------------------------------------------------------------------|---------------------|
| 33479                              | HOLLY NAVAJO REFINING & MARKETING COMPANY<br>303 West Wall Street, Midland, TX 79701           | O                   |
| 24650                              | LARGA RESOURCES<br>Versado Gas Producers, LLC 100 Louisiana St., Suite 4300, Houston, TX 77002 | G                   |
|                                    |                                                                                                |                     |
|                                    |                                                                                                |                     |
|                                    |                                                                                                |                     |
|                                    |                                                                                                |                     |

IV. Well Completion Data

| <sup>21</sup> Spud Date | <sup>22</sup> Ready Date           | <sup>23</sup> TD<br>10,800' | <sup>24</sup> PBTB<br>5,000' | <sup>25</sup> Perforations<br>4670'-4678' | <sup>26</sup> DBC, MC |
|-------------------------|------------------------------------|-----------------------------|------------------------------|-------------------------------------------|-----------------------|
| <sup>27</sup> Hole Size | <sup>28</sup> Casing & Tubing Size | <sup>29</sup> Depth Set     | <sup>30</sup> Sacks Cement   |                                           |                       |
| 17.5"                   | 13-3/8"                            | 420'                        | 300                          |                                           |                       |
| 12.25"                  | 9-5/8"                             | 4,029'                      | 1850                         |                                           |                       |
| 7-7/8"                  | 5-1/2"                             | 10,778'                     | 1,400                        |                                           |                       |
|                         |                                    |                             |                              |                                           |                       |

V. Well Test Data

| <sup>31</sup> Date New Oil<br>2-2-2012                                                                                                                                                                                                   | <sup>32</sup> Gas Delivery Date | <sup>33</sup> Test Date<br>2-2-2012 | <sup>34</sup> Test Length<br>24 HOURS                 | <sup>35</sup> Tbg. Pressure | <sup>36</sup> Csg. Pressure          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-------------------------------------|-------------------------------------------------------|-----------------------------|--------------------------------------|
| <sup>37</sup> Choke Size                                                                                                                                                                                                                 | <sup>38</sup> Oil<br>8 BBLS     | <sup>39</sup> Water<br>12 BBLS      | <sup>40</sup> Gas<br>0 MCF                            |                             | <sup>41</sup> Test Method<br>PUMPING |
| <sup>42</sup> I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief<br>Signature: <i>[Signature]</i> |                                 |                                     | OIL CONSERVATION DIVISION                             |                             |                                      |
| Printed name: JASON GOSS                                                                                                                                                                                                                 |                                 |                                     | Approved by: <i>[Signature]</i><br>PETROLEUM ENGINEER |                             |                                      |
| Title: ENGINEER                                                                                                                                                                                                                          |                                 |                                     | Approval Date: APR 11 2012                            |                             |                                      |
| E-mail Address: JGOSS@NAGUSS.COM                                                                                                                                                                                                         |                                 |                                     |                                                       |                             |                                      |
| Date: 2-29-2012                                                                                                                                                                                                                          |                                 | Phone: 432-682-4429                 |                                                       |                             |                                      |

HOBBS OGD

APR 11 2012

RECEIVED

APR 11 2012