

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

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

Form C-103

May 27, 2004

| |
|---|
| WELL API NO. 30-025-37874 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. |

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|---|--|--|
| 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.) | | 7. Lease Name or Unit Agreement Name Angler State |
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> | | 8. Well Number 2 |
| 2. Name of Operator Nadel and Gussman Permian, L.L.C. | | 9. OGRID Number 155615 |
| 3. Address of Operator 601 N. Marienfeld, Suite 508, Midland, TX 79701 | | 10. Pool name or Wildcat Hume Grayburg West/Hume Queen West |
| 4. Well Location Unit Letter <u>A</u> : <u>990</u> feet from the <u>N</u> line and <u>990</u> ' feet from the <u>E</u> line Section <u>15</u> Township <u>16S</u> Range <u>33E</u> NMPM County <u>Lea</u> | | |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) | | |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> | | |
| Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ | | |
| Pit Liner Thickness: _____ 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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Grayburg:

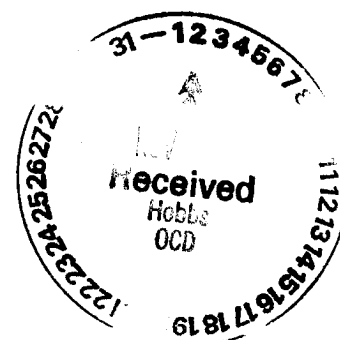
8/04/06 Acidized w/1000 gals of 7.5% HCL
 8/12/06 Fraced w/72.389 gals of 30# gel, 8000# of Literprop 125
 14/30, 63,000# 16/30 Jordan
 8/30/06 Final Test: Oil 5 bbls, Gas 5 mcf, Water 30 bbls

Queen

8/30/06 Acidized w/1000 gals of 7.5% HCL
 8/31/09 Fraced w/74.928 30# gel, 8000# of Liteprop 125
 14/30, 63,000# 16/30 Jordan
 9/30/06 Final Test: Oil 22 bbls, Gas 22 mcf, Water 35 bbls

Commingling Percentages - DHC 3752

Grayburg: Oil 18.6%, Gas 18.6%, Water 46%
 Queen: Oil 81.4%, Gas 81.4%, Water 54%



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 K.E. McCreary TITLE NM Operations Manager DATE 10/31/06

Type or print name
For State Use Only

E-mail address: kemm@naguss.com Telephone No. 432/682-4429

APPROVED BY: Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE JAN 02 2007