

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOCD Artesia
NM OIL CONSERVATION

ARTESIA DISTRICT

FEB 12 2015

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|--|---|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 8. Well Name and No. B & C FEDERAL 25 1 |
| 2. Name of Operator NADEL & GUSSMAN PERMIAN LLC E-Mail: DEYLER@MILAGRO-RES.COM Contact: DAVID A EYLER | | 9. API Well No. 30-015-30842-00-S2 |
| 3a. Address 601 NORTH MARIENFELD SUITE 508 MIDLAND, TX 79701 | 3b. Phone No. (include area code) Ph: 432-687-3033 | 10. Field and Pool, or Exploratory LITTLE BOX CANYON |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T20S R21E SWSW 660FSL 990FWL | | 11. County or Parish, and State EDDY COUNTY, NM |

12. CHECK 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 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 type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input checked="" type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <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 recompletable 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

01/12/15: PUMP 25 SXS.CMT. @ 7,163'(PER BLM); WOC X TAG CMT. PLUG @ 6,413'.
01/13/15: SET 5-1/2" CIBP @ 5,845'(PER BLM); CIRC. WELL; PUMP 25 SXS.CMT. @ 5,845'-5,685'; PERF. X SQZ. 50 SXS.CMT. @ 4,646'; WOC.
01/15/15: TAG CMT. @ 4,483'(OK'D BY BLM); PERF. X SQZ. 45 SXS.CMT. @ 3,537'; WOC.
01/20/15: TAG CMT. @ 3,369'(OK'D BY BLM); CUT X PULL 5-1/2" CSG. @ 1,510'.
01/21/15: PUMP 75 SXS.CMT. @ 1,560'; WOC X TAG CMT. @ 1,271'; MIX X CIRC. TO SURF. 65 SXS.CMT. @ 143'-3'.
01/22/15: DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; VERIFY CMT. TO SURF. ON ALL ANNULI; WELD ON STEEL PLATE TO CSGS. X INSTALL DRY HOLE MARKER.
WELL PLUGGED AND ABANDONED 01/22/15.

Accepted for record

ND NMOC 2/13/15

RECLAMATION
DUE 7-21-15Accepted as to plugging of the well bore.
Liability under bond is retained until
Surface restoration is completed.

| | |
|--|-----------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #289049 verified by the BLM Well Information System For NADEL & GUSSMAN PERMIAN LLC, sent to the Carlsbad Committed to AFMSS for processing by JAMES AMOS on 02/06/2015 (15JA0199SE) | |
| Name (Printed/Typed) DAVID A EYLER | Title AGENT |
| Signature (Electronic Submission) | Date 01/22/2015 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|---------------------------------------|-----------------|
| Approved By ACCEPTED | JAMES A AMOS Title SUPERVISORY PET | Date 02/06/2015 |
| 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. | | Office Carlsbad |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and 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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****