

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

Form C-101
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT



MAR 12 2008

OCD-ARTESIA

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

1 Operator Name and Address Nadel and Gussman HEYCO, LLC PO Box 1936, Roswell NM 88202-1936		2 OGRID Number 258462
3 Property Code 42074-305061		4 API Number 30-015-36197
5 Property Name SST	6 Well No. # 5	
7 Proposed Pool 1 Turkey Track; Morrow, North 86500	8 Proposed Pool 2 Bone Springs	

7 Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	6	19S	29E		660	South	990	East	Eddy

8 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
P	6	19S	29E		660	South	990	East	Eddy

Additional Well Information

11 Work Type Code N	12 Well Type Code G	13 Cable/Rotary Rotary	14 Lease Type Code S	15 Ground Level Elevation 3384'
16 Multiple	17 Proposed Depth 11,400'	18 Formation U. Missippian	19 Contractor	20 Spud Date April 15th
Depth to Groundwater 115'		Distance from nearest fresh water well 1 MILE		Distance from nearest surface water 1/2 MILE
Pit. Liner: Synthetic <input checked="" type="checkbox"/> 20 mils thick Clay <input type="checkbox"/> Pit Volume 15500bbls Drilling Method...				
Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48# H-40 STC	400' ✓	440 sx	surface
12 1/4"	9 5/8"	36# J-55 STC	3600'	980 sx	surface
8 3/4"	5 1/2"	17# HC / P-110 LTC	11400'	1590 sx (2 stgs)	3400'

22 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 400': 8.4 to 9.0 ppg FW Spud Mud
400' to 3600': 9.7 to 10.2 ppg Brine
3600' to 11400': 8.4 to 10.2 ppg FW/Brine Polymer w/5-15 cc Fluid Loss

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name Keith Cannon

Title Drilling superintendent

E-mail Address kcannon@heycoenergy.com

Date 3/11/08

Phone (505) 623-6601

OIL CONSERVATION DIVISION

Approved by

Jim W. Green

Title

District II Supervisor

Approval Date

3/24/08

Expiration Date

3/24/10

Conditions of Approval Attached ☒

DISTRICT I

1825 N. FRENCH DR., HOBBES, NM 88240

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

Submit to Appropriate District Office

State EDDYse - 4 Copies

Fee EDDYse - 3 Copies

Form C-102

Revised October 12, 2005

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED-REPORT

API Number 30-015-36199	Pool Code 86500	Pool Name TURKEY TRACK; MORROW; North
Property Code 12974	Property Name SST	Well Number 5
OGRID No. 258462	Operator Name NADEL AND GUSSMAN HEYCO, LLC	Elevation 3384'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	6	19-S	29-E		660	SOUTH	990	EAST	EDDY

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
Dedicated Acres 321.85	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4 33.77 AC. LOT 5	LOT 3 40.96 AC.	LOT 2 40.94 AC.	LOT 1 40.91 AC.
32.94 AC. LOT 6	GEODETIC COORDINATES NAD 27 NME. Y=612762.1 N X=569259.8 E LAT.=32.684380° N LONG.=104.108223° W		
32.92 AC. LOT 7			
32.91 AC.			V-689 321.85 Ac 990' 660'

OPERATOR CERTIFICATION


I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Keith Cannon 3-11-08
Signature Date

Keith Cannon
Printed Name

SURVEYOR CERTIFICATION

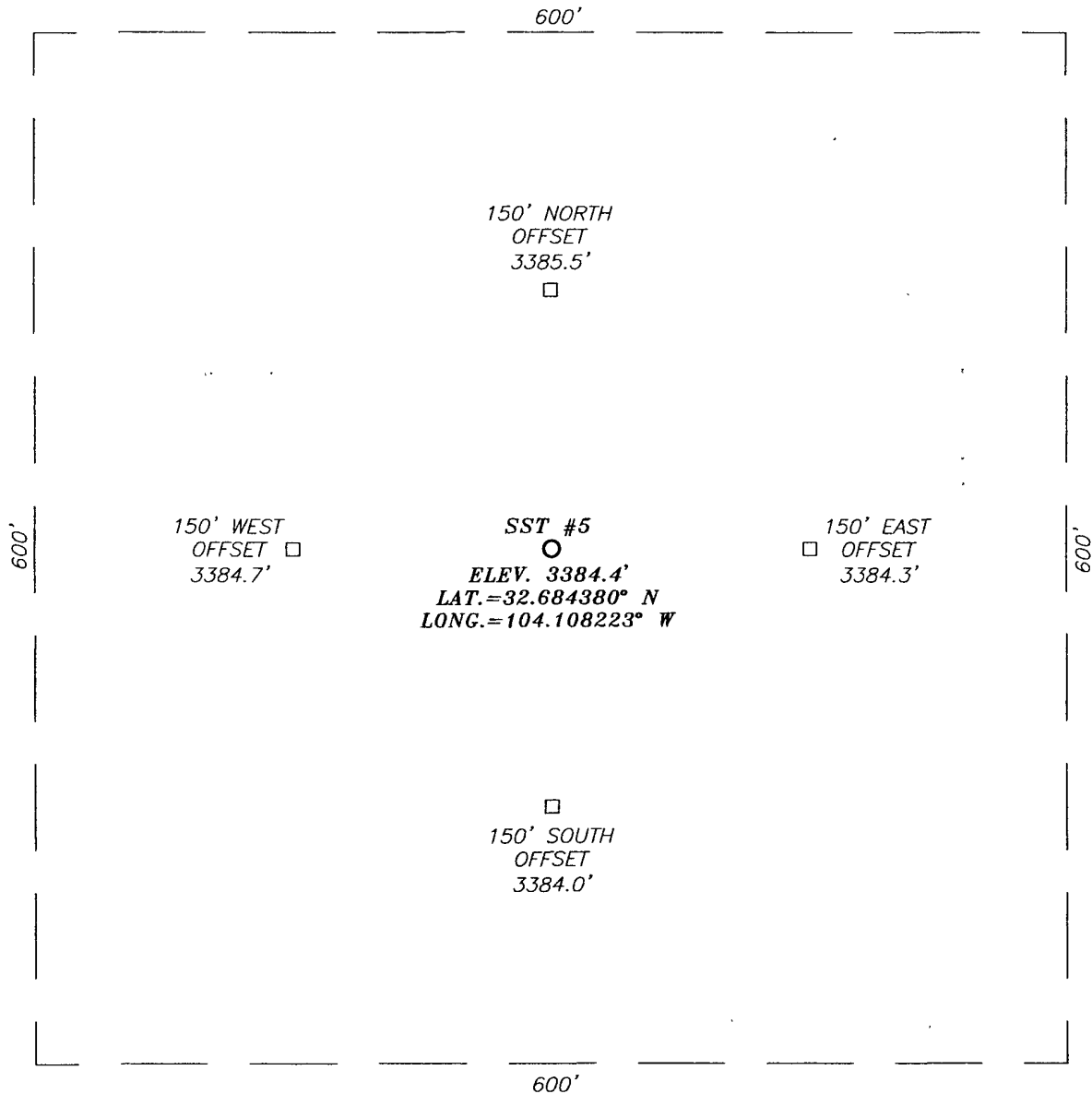
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.



Date Surveyed _____ DSS
Signature & Seal of Professional Surveyor
Ronald J. Eidson 3/10/08
08/11/09

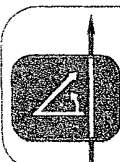
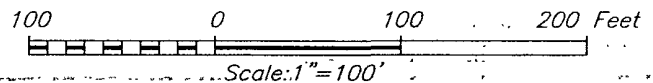
Certificate No. GARY G. EIDSON 12641
RONALD J. EIDSON 3239

SECTION 6, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF COUNTY ROAD 235 (CURRY ROAD) AND COUNTY ROAD 242 (BUCKSKIN ROAD), GO NORTH ON CALICHE ROAD APPROX. 1.3 MILES. TURN RIGHT AND GO EAST APPROX. 0.3 MILES. AT "Y" IN ROAD TAKE LEFT FORK AND GO NORTHEAST APPROX. 0.7 MILES. TURN RIGHT AND GO SOUTH APPROX. 0.4 MILES. THIS LOCATION IS APPROX. 350 FEET WEST.



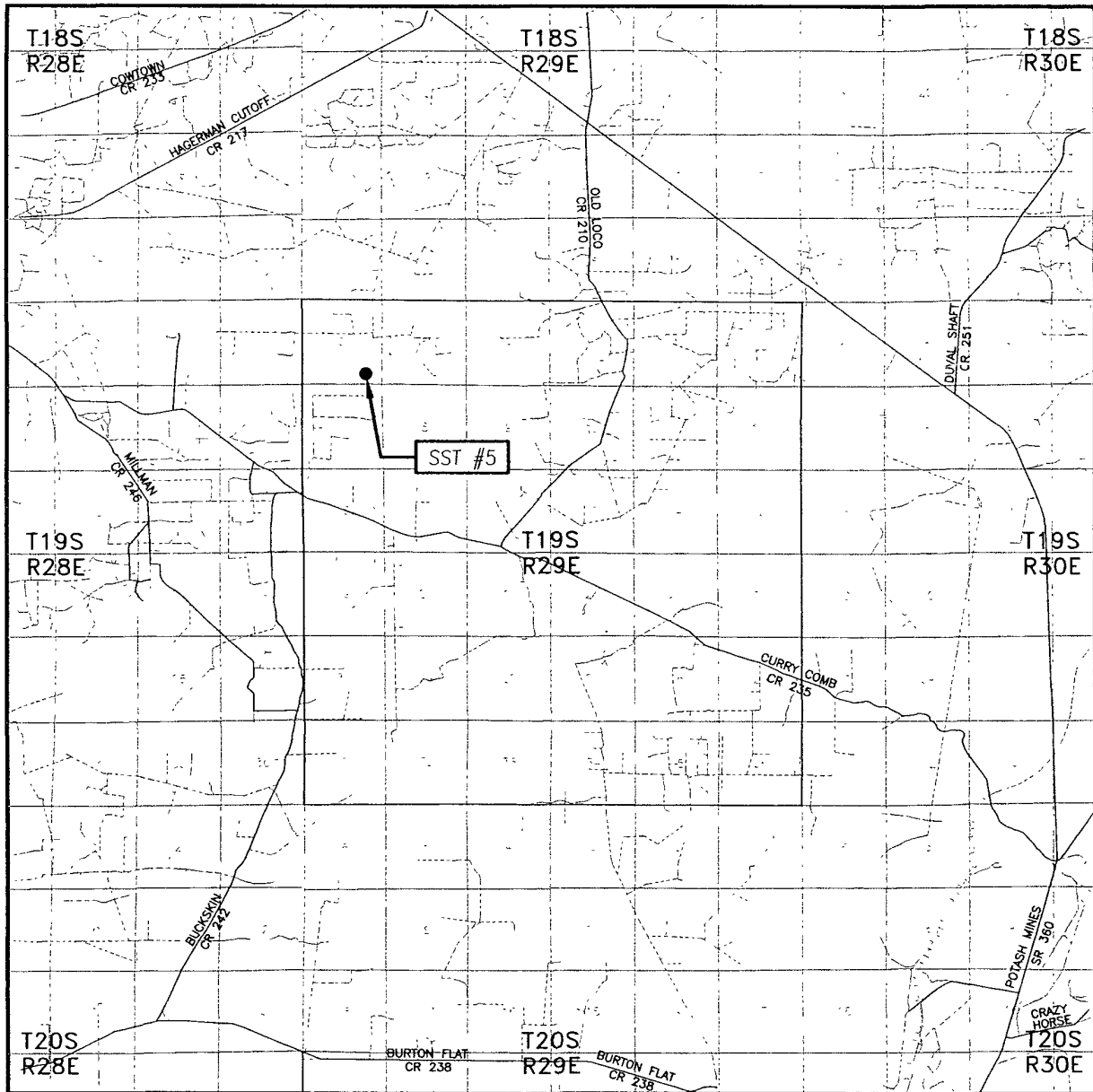
PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117

NADEL AND GUSSMAN HEYCO, LLC

SST #5 WELL
 LOCATED 660 FEET FROM THE SOUTH LINE
 AND 990 FEET FROM THE EAST LINE OF SECTION 6,
 TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

Survey Date: 03/04/08	Sheet 1 of 1 Sheets
W.O. Number: 08.11.0331	Dr By: DSS
Date: 03/07/08	08110331
	Scale: 1"=100'

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 6 TWP. 19-S RGE. 29-E

SURVEY N.M.P.M.

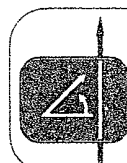
COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 660' FSL & 990' FEL

ELEVATION 3384'

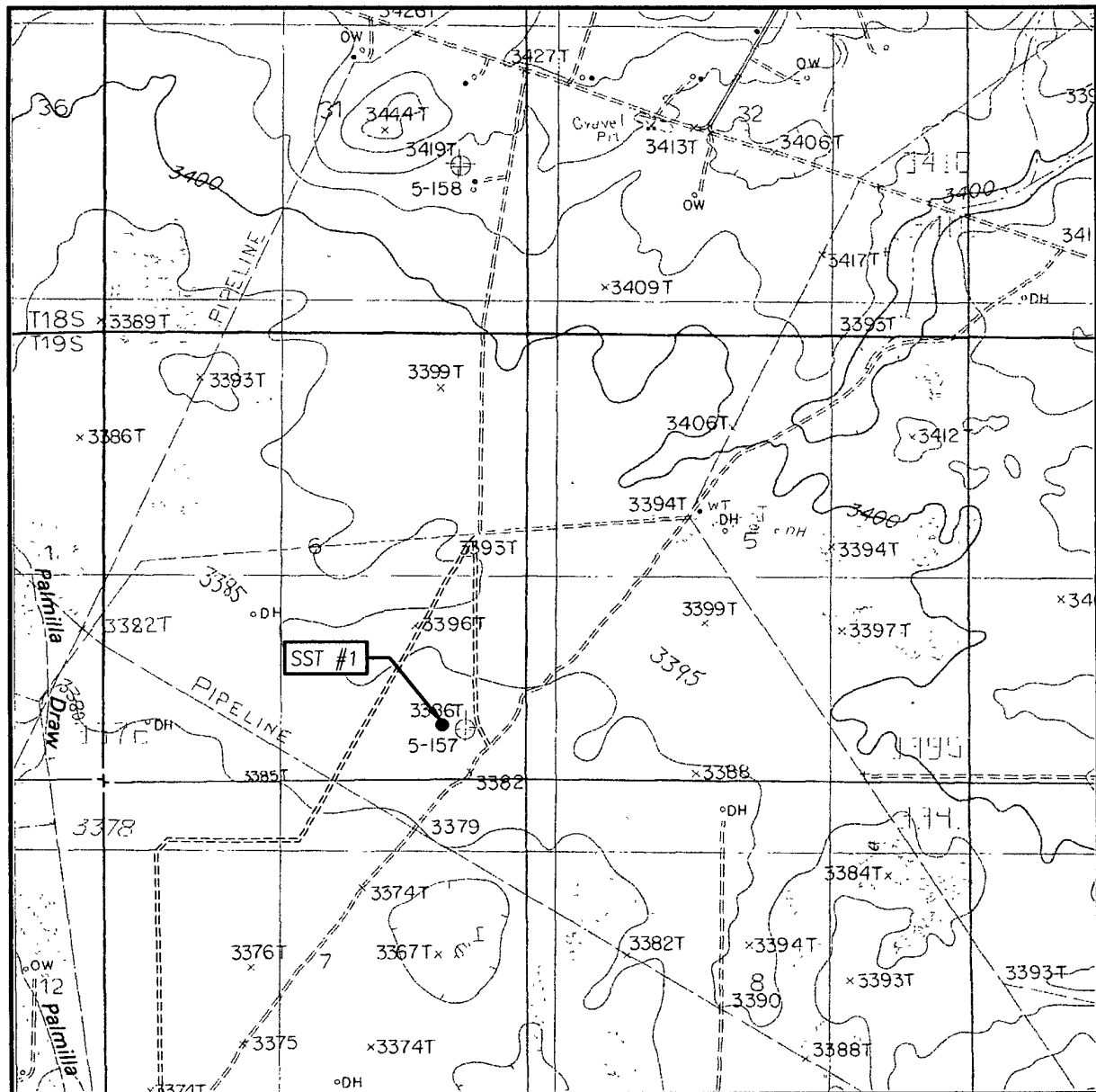
OPERATOR NADEL AND GUSSMAN HEYCO, LLC

LEASE SST



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:

ILLINOIS CAMP NE, N.M. - 10'

SEC. 6 TWP. 19-S RGE. 29-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

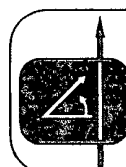
DESCRIPTION 660' FSL & 990' FEL

ELEVATION 3384'

OPERATOR NADEL AND GUSSMAN HEYCO, LLC

LEASE SST

U.S.G.S. TOPOGRAPHIC MAP
ILLINOIS CAMP NE, N.M.



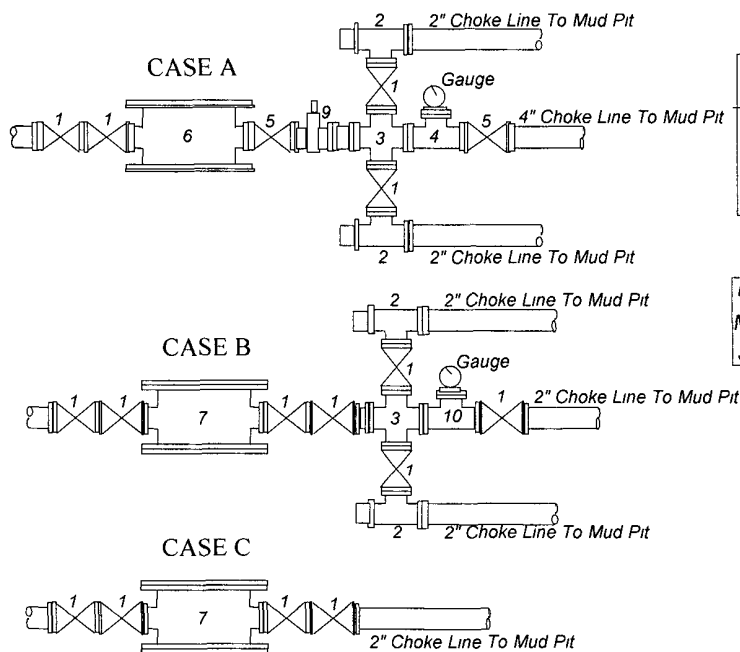
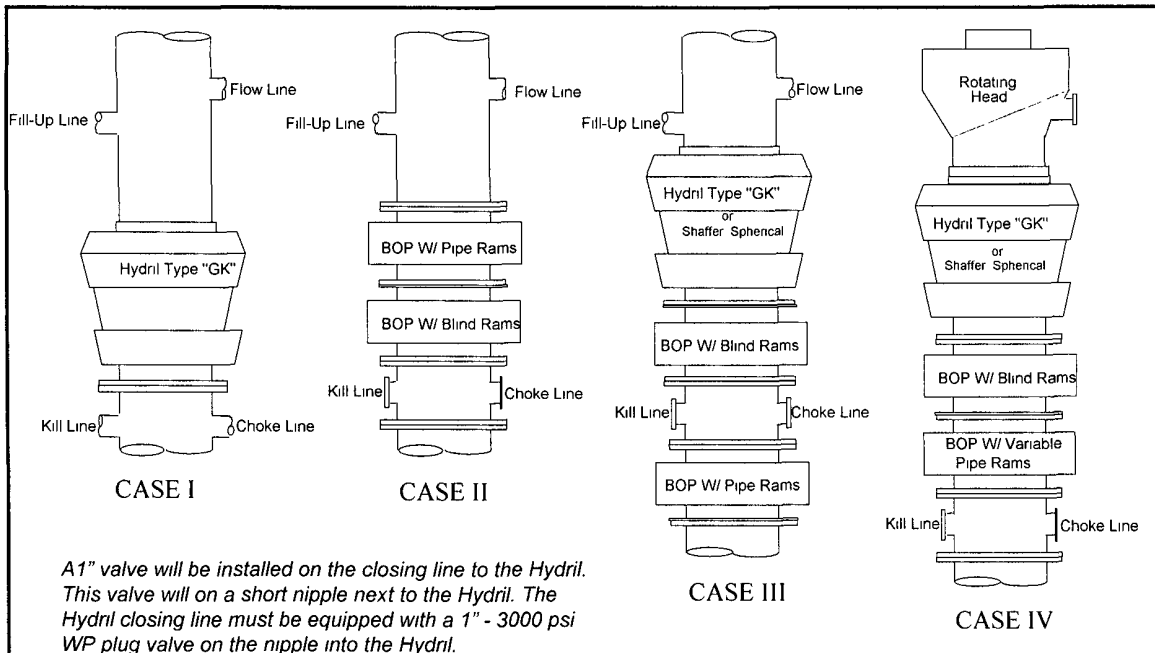
PROVIDING SURVEYING SERVICES
SINCE 1946

JOHN WEST SURVEYING COMPANY

412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

Nadel and Gussman Heyco, LLC

MINIMUM BLOWOUT PREVENTER REQUIREMENTS



BOP SIZE	BOP CASE	WORKING PRESSURE	CHOKE CASE
13-5/8"	IV	5000 psi	A

***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 2" 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" x 2" flanged outlet
- 8 2" x 2" flanged steel cross
- 9 4" pressure operated gate valve
- 10 2" flanged steel tee

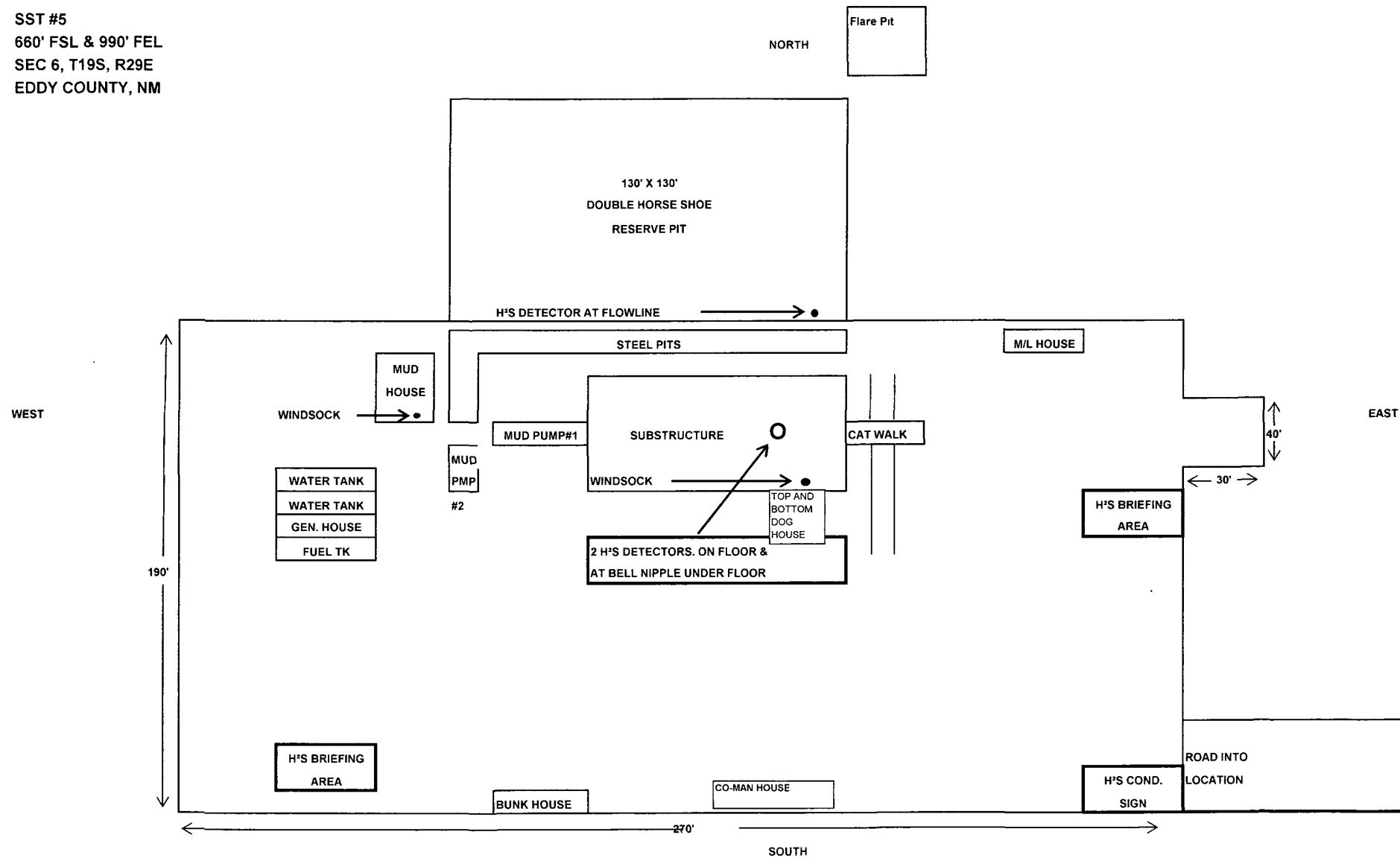
Notes

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.

(10-31-96) WTXBOPS PPT

EXHIBIT "D" LOCATION DIAGRAM

SST #5
660' FSL & 990' FEL
SEC 6, T19S, R29E
EDDY COUNTY, NM



NADEL AND GUSSMAN HEYCO, L.L.C.
P.O. BOX 1936
ROSWELL N.M. 88202
(575) 623-6601 (Office)
(575) 624-5321 (Fax)

3/11/08

Mr. Bryan Arrant
District 2 Geologist
New Mexico Oil and Gas Division
1301 West Grand Avenue
Artesia, NM 88210

Re: SST #5
660' FSL & 990' FEL
Unit Letter P, Sec. 6, T19S, R29E
Eddy, NM
Rule 118 H2S Exposure

Dear Mr. Arrant,

Nadel and Gussman Heyco, 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,



Keith Cannon
Drilling superintendent

Hydrogen Sulfide Drilling Operations Plan

1. Company and Contract personnel admitted on location should be trained by a qualified H₂S safety instructor to the following:
 - A. Characteristics of H₂S.
 - B. Physical Effects and Hazards.
 - C. Proper Use of Safety Equipment and Life Support Systems.
 - D. Principle and Operation of H₂S Detectors, Warning System and Briefing.
 - E. Evacuation Procedure, Routes and First Aid.
 - F. Proper Use of 30 minute Pressure Demand Air Pack.
2. H₂S Detection and Alarm Systems
 - A. H₂S 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 Should be High Enough to be Visible.
 - B. Windsock at Briefing Area Should be High Enough to be Visible.
 - C. There Should be a Windsock at Entrance to Location.
4. Condition Flags and Signs
 - A. Warning Sign on Access Road to Location.
 - B. Flags to be Displayed on Sign at Entrance to Location.
 1. Green Flag, Normal Safe Condition.
 2. Yellow Flag, Indicates Potential Pressure and Danger.
 3. Red Flag, Danger H₂S Present in Dangerous Concentration Only Emergency Personnel Admitted to Location.
5. Well Control Equipment
 - A. See Attached Diagram.
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 Radio or Cell Phone will be Used to Communicate off Location in Case of Available at Most Drilling Foreman's Trailer or Living Quarters.
7. Drillstem Testing
 - A. Exhausts will be Watered.
 - B. Flare Line will be Equipped with an Electric Igniter or a propane pilot light in case gas reaches the surface.
 - C. If Location is near any Dwelling a Closed DST will be Performed.
8. Drilling Contractor Supervisor will be Required to be Familiar with the Effects H₂S has on tubular goods and other mechanical equipment.
9. If H₂S Encountered, Mud system will be Altered if Necessary to Maintain Control of Formation. A Mud Gas Separator will be Brought into Service Along with H₂S Scavengers if Necessary.

New Mexico Office of the State Engineer
POD Reports and Downloads

Township 19S Range 29E Sections

NAD27 X Y Zone ☒ Search Radius

County ED ☒ Basin ☒ Number Suffix

Owner Name (First) (Last) ☐ Non-Domestic ☐ Domestic ☒ All

POD / Surface Data Report

Avg Depth to Water Report

Water Column Report

Clear Form

iWATERS Menu

Help

POD / SURFACE DATA REPORT 03/11/2008

(acre ft per annum)			(quarters are 1=NW 2=NE 3=SW 4=SE)										(quarters are biggest to smallest)			X Y are in Feet			UTM are in Meters			Start Date	Finish Date	Depth Well	Depth (ir Water
DB File Nbr	Use	Diversion	Owner	POD Number	Source	Tws	Rng	Sec	q	q	q	q	Zone	X	Y	UTM Zone	Easting	Northing							
CP 00646	PRO	0	THRESHOLD DEVELOPMENT COMPANY	CP 00646		19S	29E	07	4	1	1		13	583155	3615552									199	
CP 00681	PRO	0	CONOCO INC.	CP 00681	Shallow	19S	29E	34	3	1	1		13	587230	3609127	04/23/1986	04/23/1986								
CP 00703	PRO	0	SANTA FE ENERGY	CP 00703	Shallow	19S	29E	36	1	4			13	590945	3609441	12/02/1986	12/02/1986							200	115
CP 00703 (5)	PRO	0	WEST TEXAS WATER WELL SERVICE	CP 00703 (5) EXP		19S	29E	36	1	4			13	590945	3609441										
CP 00703 (6)	PRO	0	INC SANTA FE ENERGY RESOURCES	CP 00703 (6) EXP		19S	29E	36	1	4			13	590945	3609441										
CP 00739	PRO	0	SANTA FE ENERGY	CP 00739	Shallow	19S	29E	35	4	4	3		13	590046	3608532	12/09/1988	12/10/1988							200	110
				CP 00739 EXP		19S	29E	35	4				13	589946	3608833										
CP 00739 (E) 1	PRO	ERROR	SANTA FE ENERGY CO.	CP 00739 (E) 1 EXP		19S	29E	35	4				13	589946	3608833										
CP 00741	PRO	0	SIETE OIL & GAS	CP 00741	Shallow	19S	29E	34	2	3	1		13	588030	3609533	04/17/1989	04/20/1989							230	60

Record Count 9