

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies <u>District I</u> 1625 N French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> 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	<div style="text-align: right;"> Form C-105 Revised June 10, 2003 </div> WELL API NO. 30-015-31910 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> State Oil & Gas Lease No. 28528
WELL COMPLETION OR RECOMPLETION REPORT AND LOG		
1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ b. Type of Completion: NEW <input type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input checked="" type="checkbox"/> DIFF. WELL OVER BACK RESVR. <input type="checkbox"/> OTHER _____		7. Lease Name or Unit Agreement Name Grande S
2. Name of Operator Nadel and Gussman Permian		8. Well No. 1
3. Address of Operator 601 N. Marienfeld Suite 508, Midland Tx. 79701		9. Pool name or Wildcat Cedar Canyon (Bone Spring)
4. Well Location Unit Letter <u>C</u> : <u>660</u> Feet From The <u>North</u> Line and <u>1980</u> Feet From The <u>West</u> Line Section <u>32</u> Township <u>23-S</u> Range <u>29-E</u> NMPM <u>Eddy</u> County		
10. Date Spudded 11/05/03	11. Date T D Reached 12/15/03	12. Date Compl. (Ready to Prod.) 3/20/08
13. Elevations (DF& RKB, RT, GR, etc.) 3,012 KB		14. Elev. Casinghead 2,993
15. Total Depth 12,500	16. Plug Back T.D. 8,185'	17. If Multiple Compl. How Many Zones?
18. Intervals Drilled By		19. Producing Interval(s), of this completion - Top, Bottom, Name 7968'- 8052, Bone Spring
20. Was Directional Survey Made see initial C-105		21. Type Electric and Other Logs Run see initial C-105
23. CASING RECORD (Report all strings set in well)		
CASING SIZE	WEIGHT LB./FT.	DEPTH SET
See initial C-105		
HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
24. LINER RECORD		
SIZE	TOP	BOTTOM
See init C-105		
SACKS CEMENT	SCREEN	
25. TUBING RECORD		
SIZE	DEPTH SET	PACKER SET
2-7/8	8093	none
26. Perforation record (interval, size, and number) 7968-86' 36; 7989-99' 20; 8002-013' 22; 8018-23' 10; 8025-29' 8; 8032-35' 6; 8042-52' 10; Totals 61' 122 holes .41"		
27 ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 7968-8052 500 gals 20% acetic; 5000 gals 15% HCl 334,918 gals 2% KCl slick wtr w\ 164,154 # 40/70 and 19,543# 20/40 econo prop		
28. PRODUCTION		
Date First Production 1/27/08	Production Method (Flowing, gas lift, pumping - Size and type pump Pumping 1.5" rod pump C640-356-168 pump unit)	
Well Status (Prod. or Shut-in) Shut in waiting on gas connection		
Date of Test 3/22/08	Hours Tested 24	Choke Size
Flow Tubing Press.	Casing Pressure 150 psi	Calculated 24- Hour Rate
Prod'n For Test Period	Oil - Bbl 179	Gas - MCF 306
Water - Bbl. 452	Gas - Oil Ratio 1710	
Oil Gravity - API - (Corr.) 41.5		
29. Disposition of Gas (Sold, used for fuel, vented, etc.) flared		Test Witnessed By Lee Ledbetter
30. List Attachments		
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief		
Signature <i>Kem E. McCready</i>	Printed Name Kem E. McCready	Title NM Operations Mgr. Date 3/29/08