

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

N.M. Oil Cons. Division
S. 1st Street, Suite 1004-0137
Albuquerque, NM 87102-2834
LEASE DESIGNATION AND SERIAL NO.
NM - 25953

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____				6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____				7. UNIT AGREEMENT NAME 26599	
2. NAME OF OPERATOR Nadel and Gussman Permian LLC OGRID # 155615				8. FARM OR LEASE NAME, WELL NO. Kyle 34 Federal #1	
3. ADDRESS AND TELEPHONE NO. 601 N Marienfeld, Suite 508, Midland, Texas 79701				9. API WELL NO. 30-015-31311	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 660' FNL & 860' FEL, Unit Letter A At top prod. interval reported below At total depth				10. FIELD AND POOL, OR WILDCAT Salt Draw - Atoka	
14. PERMIT NO.				DATE ISSUED 08/21/00	12. COUNTY OR PARISH Eddy
15. DATE SPUDDED 10/01/00		16. DATE T.D. REACHED 10/31/00		13. STATE NM	
17. DATE COMPL. (Ready to prod.) 12/18/00		18. ELEVATIONS (DF, RKB, RT, GE, ETC.)* 3001' GL, 3019' KB		19. ELEV. CASING HEAD 3001'	
20. TOTAL DEPTH, MD & TVD 12,200'		21. PLUG, BACK T.D., MD & TVD 12,112'		22. IF MULTIPLE COMPL., HOW MANY*	
23. INTERVALS DRILLED BY ROTARY TOOLS 100% CABLE TOOLS				24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)* 11,970' - 11,978' - Atoka	
25. WAS DIRECTIONAL SURVEY MADE No				26. TYPE ELECTRIC AND OTHER LOGS RUN DLL/ML, SDL/CNL, RFT, CBL/GR	
27. WAS WELL CORED No				28. CASING RECORD (Report all strings set in well)	
CASING SIZE/GRADE		WEIGHT, LB./FT.		DEPTH SET (MD)	
13 3/8" J-55		54.5#		399'	
9 5/8" K-55		40#		4150'	
5 1/2" N80/P110		17#		12,200	
HOLE SIZE		TOP OF CEMENT, CEMENTING RECORD		AMOUNT PULLED	
17 1/2"		485 sx, cement circulated to surface		witnessed	
12 1/4"		1660 sx, cement circulated to surface		witnessed	
8 3/4"		1420 sx, TOC @ 7050' by CBL			
DV Tool @ 8522'					
29. LINER RECORD				30. TUBING RECORD	
SIZE		TOP (MD)		SIZE	
				2 7/8", 8.7#	
BOTTOM (MD)		SACKS CEMENT*		DEPTH SET (MD)	
				11,927'	
SCREEN (MD)		PACKER SET (MD)			
		11,893'			
31. PERFORATION RECORD (Interval, size and number) 11,970' - 11,978' @ 4 SPF, 32 x 0.44" holes				ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED			
11,970' - 11,978		natural			
(ORIG. SGD.) GARY GOURLEY					
33. * PRODUCTION					
DATE FIRST PRODUCTION 12/18/00		PRODUCTION METHOD (flowing, gas lift, pumping—size and type of pump) flowing		WELL STATUS (Producing or shut-in) producing	
DATE OF TEST 01/16/01		HOURS TESTED 24		CHOKE SIZE 1"	
FLOW. TUBING PRESS. 300		CASING PRESSURE 0		CALCULATED 24-HOUR RATE 0	
OIL—BBL 0		GAS—MCF. 356		WATER—BBL 0	
OIL GRAVITY-API (CORR.) na		OIL—BBL 0		GAS—MCF. 356	
WATER—BBL 0		OIL GRAVITY-API (CORR.) na			
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) sold				TEST WITNESSED BY Ernie Little	
35. LIST OF ATTACHMENTS 1-pt test, deviation survey					
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records					
SIGNED		TITLE R McNaughton, Operations Engineer		DATE 01/24/01	

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes 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.

37. SUMMARY OF POROUS ZONES: (See drill-stem, tests, including depth interval recoveries):

all important zones of porosity and contents tested, cushion used, time tool open, flowing a

eof; cored intervals; and all shut-in pressures, and

Kyle 34 #1

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Delaware	2670'		sand, shale
2nd Bone Springs sand	7282'		limestone, sand, shale
3rd Bone Springs sand	8000'		limestone, sand, shale
Strawn Lime	11,796'		limestone, shale
Atoka Sand	11,964'		sand, limestone, shale
Atoka Lime	12,062'		limestone, shale, sand
Morrow Sand	12,096'		sand, limestone, shale
<div style="text-align: right;"> RECEIVED JAN 26 '01 BLM ROSWELL, NM </div>			

38. GEOLOGICAL MARKERS			38. GEOLOGICAL MARKERS		
NAME	TOP		NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH		MEAS. DEPTH	TRUE VERT. DEPTH
T / Salt	1120'		Strawn	11,542'	
Delaware	2670'		Strawn lime	11,796'	
Bone Springs	6410'		Atoka sand	11,964'	
2nd Bone Springs sand	7282'		Atoka lime	12,062'	
2nd Bone Springs carbonate	7520'		Morrow lime	12,096'	
3rd Bone Springs sand	8000'				
3rd Bone Springs carbonate	8390'				
Wolfcamp Shale	9741'				
Penn	11,404'				