

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling
☒ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☒ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

JAMES BRUCE
 P.O. BOX 1056
 SANTA FE, NM 87504

Note: Statement must be completed by an individual with supervisory capacity.

Print or Type Name

Signature

Title

Date

James Bruce *Attorney in Charge* 7/26/00

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

3304 CAMINO LISA
HYDE PARK ESTATES
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

July 26, 2000

Hand Delivered

Michael E. Stogner
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F.(2), Nadel and Gussman Permian, L.L.C. ("NGP") applies for administrative approval of an unorthodox oil well location for the following well:

Atalaya Fed. Well No. 3
1175 feet FSL & 430 feet FWL
SW $\frac{1}{4}$ SW $\frac{1}{4}$ S35, Township 17 South, Range 30 East, NMPM
Eddy County, New Mexico

The well will be drilled to test the Grayburg-Jackson Pool, which is developed on statewide rules. A Form C-101 for the well is attached as Exhibit A.

Attached as Exhibit B is a land plat of the area. The SW $\frac{1}{4}$ of Section 35 and the E $\frac{1}{2}$ SE $\frac{1}{4}$ of offsetting Section 34 are covered by one Federal Lease (NM 0558580), with common royalty, overriding royalty, and working interest ownership in the Grayburg-Jackson Pool. The well only moves toward an interior boundary of the lease. Thus, there is no adverse effect on anyone due to the unorthodox location, and notice of this application was not given to anyone.

The proposed location is based upon archaeological and surface use reasons. This is the second location for the well. The current location, in the northern part of the well unit, minimizes surface disturbance (road building, etc.), and was approved by the BLM. See Exhibit C. In addition, the location moves away from archaeological sites immediately to the south and east of the location. See Exhibit D.

Please call me if you need anything further regarding this matter.

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce".

James Bruce

Attorney for Nadel and
Gussman Permian, L.L.C.

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

| | | | | |
|--|--|--|--|--|
| 1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> | | | 5. LEASE DESIGNATION AND SERIAL NO. NM - 0558580 | |
| 2. NAME OF OPERATOR Nadel and Gussman Permian L.L.C. | | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME | |
| 3. ADDRESS AND TELEPHONE NO. 601 N. Marienfeld Suite 508, Midland, Texas 79701 | | | 7. UNIT AGREEMENT NAME 19732 | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1175' FSL, 430' FWL, Unit Letter M At proposed prod. zone same | | | 8. FARM OR LEASE NAME, WELL NO. Atalaya Federal #3 | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 3 miles Southeast from Loco Hills, NM | | | 9. API WELL NO. 30-015-31063 | |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT (Also to nearest drg. unit line, if any) 430' | | | 10. FIELD AND POOL, OR WILDCAT Grayburg Jackson | |
| 16. NO. OF ACRES IN LEASE 240 | | | 11. SEC., T., R., M., OR BLK AND SURVEY OR AREA Sec 35, T17S, R30E | |
| 17. NO. OF ACRES ASSIGNED TO THIS WELL 40 | | | 12. COUNTY OR PARISH Eddy | |
| 18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 837' | | | 13. STATE New Mexico | |
| 19. PROPOSED DEPTH 4000' | | | 20. ROTARY OR CABLE TOOLS rotary | |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3598' | | | 22. APPROX. DATE WORK WILL START* 03/15/00 | |

| 23. PROPOSED CASING AND CEMENTING PROGRAM | | | | |
|---|-----------------------|-----------------|---------------|-----------------------------------|
| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
| 12-1/4" | 8-5/8", J-55 | 32# | 400' | 380 sx "C", circulated to surface |
| 7-7/8" | 5-1/2", J-55 | 15.5# | 4000' | 800 sx, TOC @ ~ 3000' |

1. MIRU rotary. Drill 12-1/4" hole to 400' w/ FW mud.
2. Set 400' of 8-5/8" casing. cement w/ 380 sx and circulate to surface.
3. Install 10" series 900, 3000# WP double ram BOP. Test BOP to 1000 psi.
4. Drill 7-7/8" hole to 4000' TD +/- w/ 10# brine.
5. Possibly run 1 or 2 DSTs. Log open hole with GR/D/N and DLL/ML w/ caliper.
6. Set 4000' of 5-1/2" casing at 4000' and cement with 800 sx class "C".
7. Cement top will be adjusted depending on waterflows and depth of prospective intervals.
8. Perf, acidize and frac selected San Andres, Grayburg, Queen and/or 7R pay zones.
9. Equip well with artificial lift equipment. Place well on production.
10. All production will be sent to existing Atalaya battery.



NSL-

IN ABOVE SPACE DESCRIBE PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE R. McNaughton -Operations Engineer DATE 2-21-00

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval 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 under the lease. CONDITIONS OF APPROVAL, IF ANY:

/S/LARRY D. BRAY

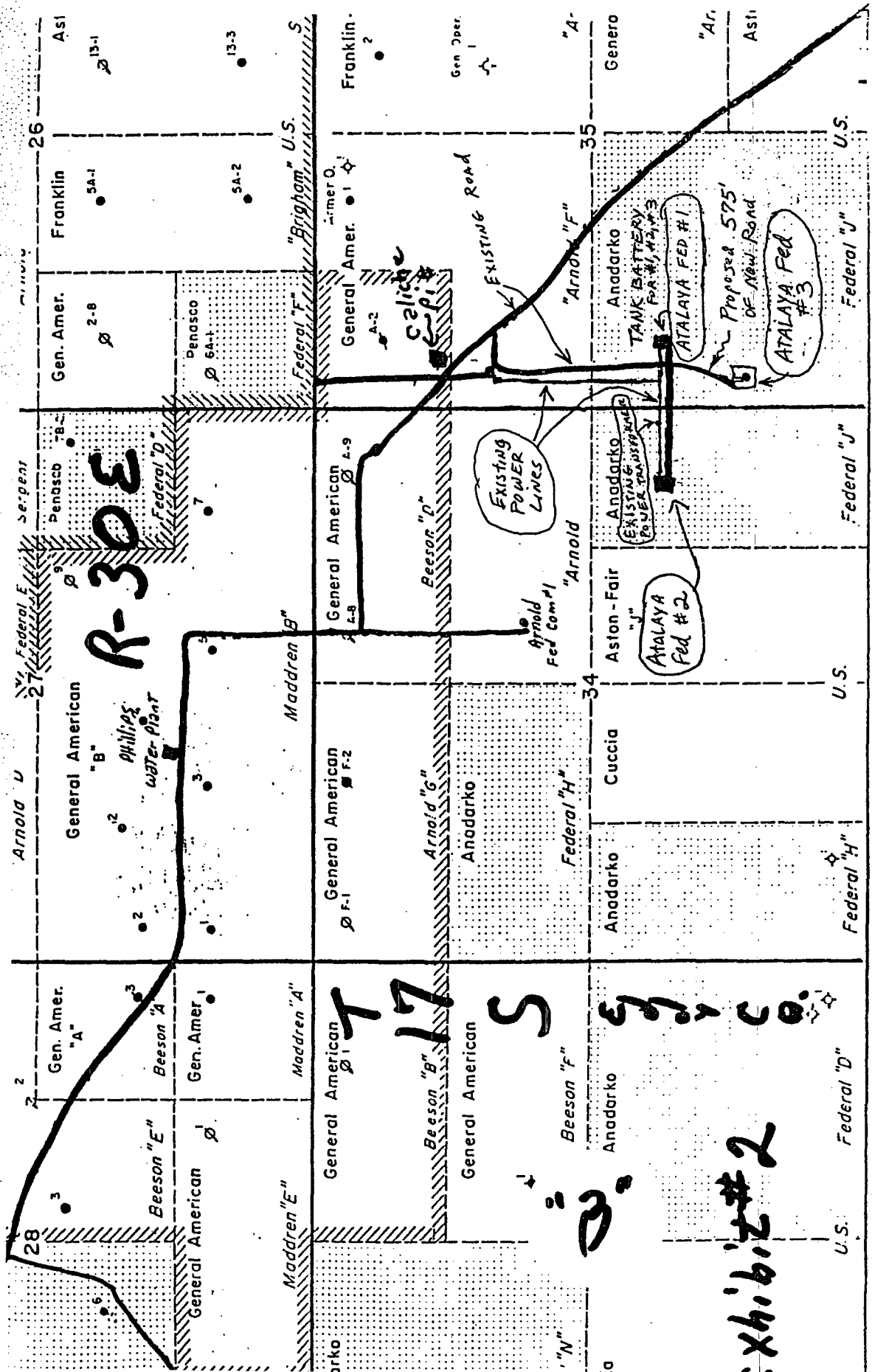
**Assistant Field Manager,
Lands And Minerals**

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions 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.

APPROVED FOR 1 YEAR



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NADEL AND GUSSMAN PERMIAN, L.L.C.
601 N. Marienfeld, Suite 508
Midland, TX 79701
Office: (915) 682-4429
Fax: (915) 682-4325

February 21, 2000

Bureau of Land Management
Lands & Minerals
2909 W. Second St.
Roswell, New Mexico 88201

Ms. Linda Askwig,

01
1275
990
/ 45

"C"

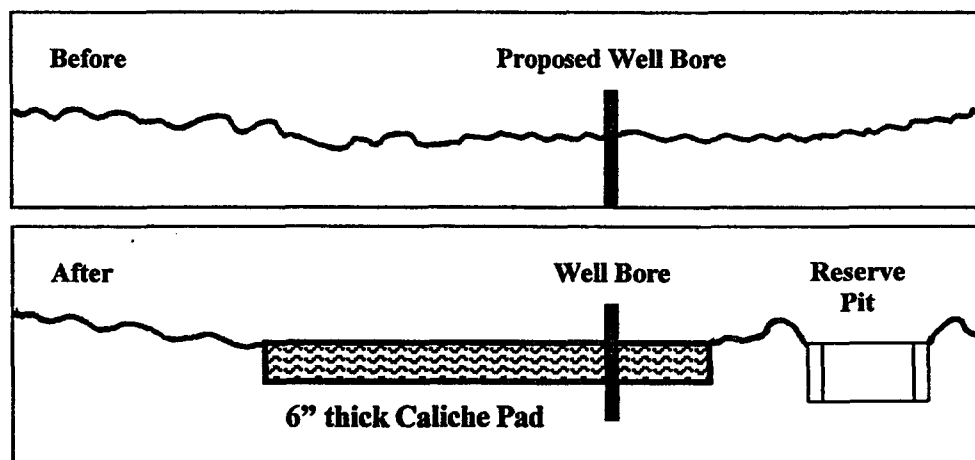
Following is a "Surface Use and Operation Plan" for the drilling of Nadel and Gussman's Atalaya Federal #3 well located 1175' FSL & 430' FWL Sec. 35, T17S, R30E, Eddy County, New Mexico. **Please disregard the prior drilling application for the Atalaya #3. This application supercedes it. Barry Hunt has approved the location and there are no archeological or environmental problems.**

13 Point Land Use Plan

1. Existing Roads - A small scale map is attached (Exhibit #1) which shows the location of this well in relation to Loco Hills, New Mexico. A larger scale map is attached (Exhibit #2) which shows existing caliche roads in bold ink. The nearest paved road is County Road 217 located approx. 3 miles West of this location.
2. Planned Access Roads - There is a proposed caliche road, which is shown as dashed line in Exhibit #2. No cattle guard is planned at the fence crossing but a gate will be installed.
3. Location of Existing Wells - All existing wells on lease are indicated an Exhibit #2; there are no exploratory wells presently being drilled within a two-mile radius.
4. Location of Tank Batteries, Production Facilities & Lines -
 - Since this will be the 3rd well on the Atalaya Federal lease, there will be no tank battery built. See Exhibit #3 for the existing tank battery layout on Atalaya Fed #1 well site.
 - A flowline is proposed (see dashed line from Atalaya Fed #3 wellsite, Exhibit #2) along the proposed new road ROW from Atalaya Fed #3 to Atalaya Fed #1 wellsite where tank battery is located (see Exhibit #3)
 - Produced water from this lease will be piped via an existing line from the Atalaya Fed #1 battery to a SWD well owned by Shahara to the north of the Atalaya Fed #1 wellsite.
 - The existing power line is shown in bold ink and the proposed power line as a dashed line (see Exhibit #2)
5. Location & Type- of Water Supply - Fresh water to be used at this drilling site will be supplied by I & W, Inc. of Loco Hills and will be hauled from Double Eagle Water Company (City of Loco Hills) taps in the Loco Hills area. Brine water will be hauled by I & W, Inc. and will be hauled from Loco Hills Salt Water & Brine Station, Inc. located on County Road 217 approximately ½ mi. N. of Loco Hills.
6. Source of Construction Material - Primary source of caliche will be the reserve pit area of the new drilling location. The alternate source will be from an existing caliche pit located in the NW/4 of the NW/4 of Sec. 35, T17S, R30E, which belongs to the U. S. Government.

7. Methods of Handling Waste Disposal - Enclosed drill site plat (Exhibit 4) indicates location of drilling pits, reserve pit & trash trailer. After sufficient time has elapsed to allow drilling fluids to dry, all pits will be closed and leveled. All trash and debris will be removed from the location.
8. Ancillary Facilities - There are no camps or airstrips planned.
9. Well Site Layout - Well site (see survey plat) has been staked and is indicated on the enclosed maps (Exhibits #1, #2 & #5). The drilling site is a sandy area, covered by sparse native vegetation. Drilling pad will be covered with 6" caliche with measurements as per attached drawing. The drilling pad will blend in with terrain since the topography is relatively rough sand dunes.

Cross section - Before and After is shown below:



10. Plans for Restoration of Surface - Commercial Well:

- Reshaped Topography - Rubbish will be hauled off upon completion of drilling operations. All future rubbish will be removed by the subcontractor generating same.

Caliche Pad - Caliche drilling pad will remain intact until well is abandoned.

Road - The road will remain intact as long as there is production on the lease.

Timetable - This well is expected to produce for several years

- Plans for Restoration of Surface - Plugged and Abandoned Well:

Surface will be restored in accordance with all regulations in effect at the time of abandonment.

11. Other Information -

Topography - generally rough sand dunes

Soil Characteristics - unconsolidated sand.

Flora - sparse grass and weeds

Fauna - rabbits, mice, rats, birds and snakes

Other Surface Use Activities - leased grazing land.

Surface Ownership - US Government

Water Wells - none

Lakes, Streams, Ponds - none

Dwellings - none

Archaeological Sites – none; an archaeological survey was conducted covering this proposed location, proposed road, and proposed power line. Cultural Resource Use Permit Holder suggested clearance for this drilling operation. (See attached report)

Historical Sites – none

Cultural Sites - none

12. Operator's Representative -

Gordon Barker-----Office Phone - (915)682-4429

Robert McNaughton ---Office Phone (915)682-4429
Home Phone (915)694-2553

Ernie Little -----Office Phone (915)682-4429
Home Phone (505)392-4907

Horace DeLong -- ----Office Phone (505)677-2334
Home Phone (505)746-3573

13. Certification - I hereby certify that I, or persons under my direct supervision, have inspected the proposed drilling site and access route; that I am familiar with the condition which presently exists; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Sweatt Construction Company or their contractors and sub-contractors in conformity with this plan



Robert McNaughton
Operations Engineer

February 21, 2000

This additional data is provided in reference to the attached "Application for Permit & Drill" : Nadel and Gussman's Atalaya Federal #3.

13 Point Drilling Plan:

1. Location: 1175' FSL & 430' FWL Sec. 35 T17S, R30E, Eddy County, New Mexico
2. Elevation: 3598' GLE
3. Geological Name of Surface Formation: Triassic Rock
4. Type of Drilling Tools to be utilized: Rotary Tools
5. Proposed Drilling Depth: 4000'

6. Tops of Important Geological Markers;

| | | | | | |
|---------|-------|------------|-------|------------|-------|
| T. Salt | 460' | 7 Rivers | 2300' | Premier | 3170' |
| B. Salt | 1350' | Queen | 2510' | San Andres | 3330' |
| Tansill | 1350' | Grayburg | 2880' | Lovington | 3540' |
| Yates | 1580' | Loco Hills | 2965' | | |

7. Estimated Depth of Anticipated Water, Oil or Gas:

Oil - - 2980'-3010'
3170'-3220'
3330'-3400'

8. Casing Program:

8-5/8" 24 # K-55 or J-55
4-1/2 10.5 # K 55 or J 55 New

9. Setting Depth of Casing and Cement: The surface casing will be cemented to the surface. The top of the cement behind the production casing will be based on the depth of prospective pay zones as well as the location of any water flows.

8 5/8" 400' approx. 380 sx cement
5 1/2" 4000' approx. 800 sx cement

10. Specifications for Pressure Control Equipment: (see attached diagram)

This rig will have a series 900 BOP with 4 1/2" pipe rams and blind rams, kill line, choke manifold, Koomey hydraulic controls, and accumulator with remote controls. When nipping up, will test BOP and choke to 1000 psi, will operate BOP once a day or as directed by the company representative.

11. Mud Program:

Spud and drill with fresh water to a depth of approx. 400'. Drill out from under surface casing with 10# brine water mud to within 50' of T D while maintaining a Ph of 10. At this point paper & gel will be used to clean hole prior to running electric logs.

12. Testing, Logging & Coring Program:

- Testing: two drill stem tests may be conducted from 3,200' to TD.
- Coring: no coring is planned.
- Logging: open hole logs will be run prior to running production casing.

13. Potential Hazards:

None.

14. Anticipated starting date & duration:

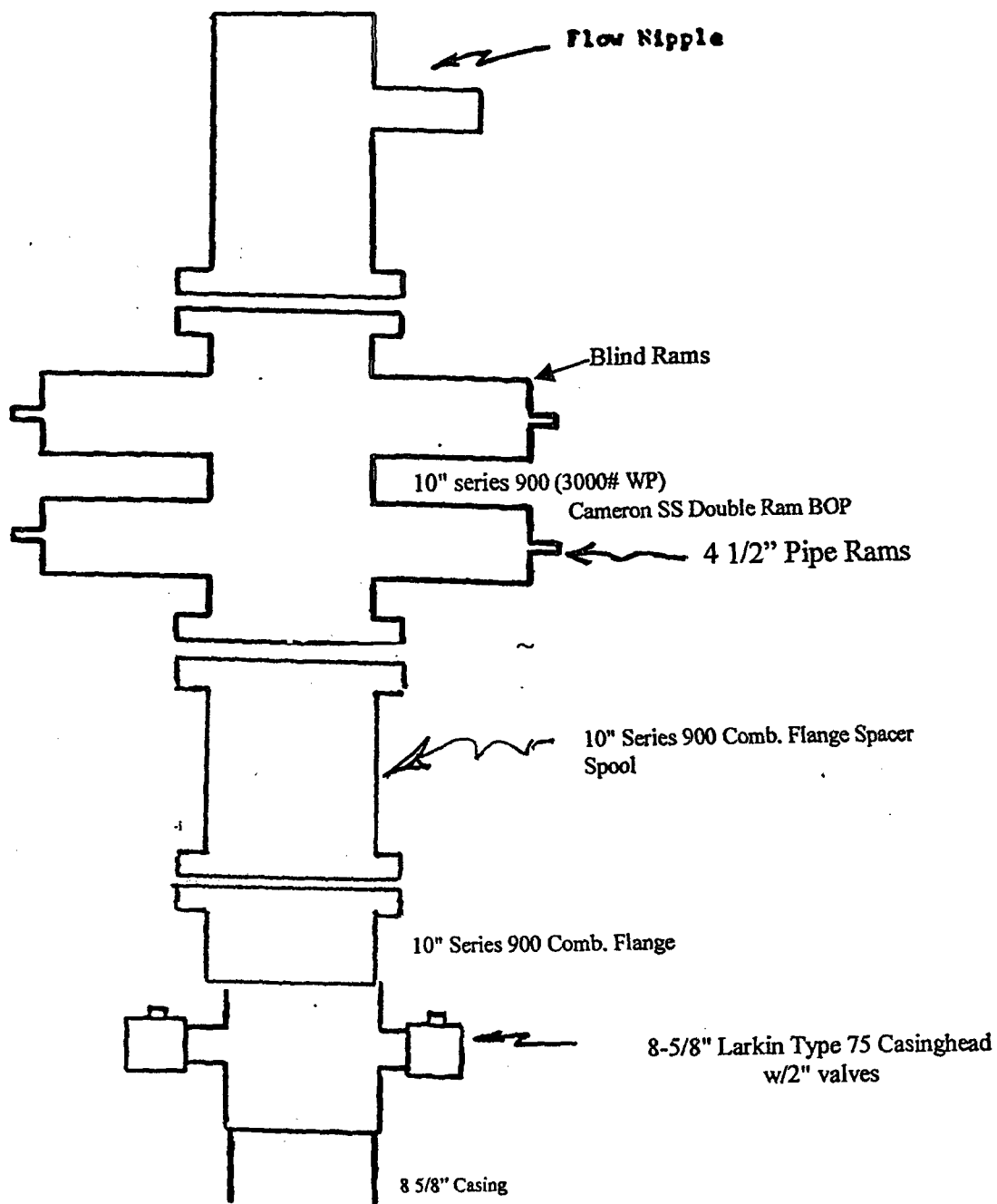
Plans are to begin drilling operations about March 15, 2000; approximately six days will be required to drill the well and ten days to complete.

15. Other Facets:

None.

Atalaya Federal #3
1175' FSL & 430' FWL
Sec. 35, T17S, R30E
Eddy County, New Mexico.

Closing Unit
4 stage payne



S.N.M.A.S.

SOUTHERN NEW MEXICO ARCHAEOLOGICAL SERVICES, INC.
P.O. Box 1 Bent, New Mexico 88314 Office (505) 671-4797

February 5, 2000

Nadel and Gussman Permian, L.L.C.
Mr. Gordon Barker
601 N. Marienfeld, Suite 508
Midland, Texas 79701

Dear Mr. Barker;

Enclosed is our cultural resource report for the following Nadel and Gussman Permian L.L.C. proposed project:

A Class III Cultural Resources Inventory
The Proposed Atalaya Federal Number 3 Well Location and Access Road
Section 35, T.17S., R.30E Eddy County, New Mexico

A records check was completed at the Bureau of Land Management, Roswell District, Carlsbad Resources Area Office, and the State of New Mexico Archaeological Records Management Section. The record check of T. 17S., R.30E., Section 35 and within one mile revealed seven previously recorded sites. During the current inventory, two isolated occurrences were encountered in the project area, recorded and all research potential exhausted in the field.

Archaeological clearance is recommended for the proposed Atalaya Federal Number 3 well location and access road, **with no stipulations.**

A copy of the report has been faxed to Ms. Rose Marie Havel of the Carlsbad BLM office, you may try contacting her for an earlier approval of your proposed well location.

We appreciate the opportunity to provide our services and look forward to working with your firm in the future. If you have any questions regarding the report, please do not hesitate to contact me. Thank you.

Sincerely,

Doralene Sanders

Doralene Sanders
Office Manager

CC: BLM Carlsbad Field Office (2)
CC: Nadel and Gussman Permian L.L.C. (1)

"D"

CULTURAL RESOURCE REPORT

**THE PROPOSED ATALAYA FEDERAL NUMBER 3
WELL LOCATION AND ACCESS ROAD
SECTION 35, T.17S., R.30E
EDDY COUNTY, NEW MEXICO**

**WRITTEN BY:
DORALENE SANDERS
AND
JOE BEN SANDERS
PRINCIPAL INVESTIGATOR**

**PREPARED FOR:
NADEL AND GUSSMAN PERMIAN, L.L.C.
601 MARIENFELD, SUITE 508
MIDLAND, TEXAS 79701**

**DATE:
FEBRUARY 5, 2000**

**REPORT NUMBER
SNMAS-00NM-296**

**NMCRIS NUMBER
67201**

TITLE PAGE/ABSTRACT
NEGATIVE SITE REPORT
ROSWELL DISTRICT

BLM/ RDO 1/95

Page 1

1. BLM Report No.

2. (Accepted)
(Rejected)

3. NMCRIS No. 67201

4. Title of Report (Project Title):

**The Proposed Atalaya Federal Number 3
Well Location and Access Road**
Section 35, T.17S., R.30E
Eddy County, New Mexico
A Cultural Resource Inventory

5. Project Date(s)

February 1, 2000

6. Report Date

February 5, 2000

7. Consultant Name & Address:

Direct Charge: Joe Ben Sanders

Name: Southern New Mexico Archaeological Services, Inc.

Address: PO Box 1 Bent, New Mexico 88314

Author's Name: Doralene Sanders

Field Personnel Names: Joe Ben Sanders

Phone No. (505) 671-4797

8. Permit No.

145-2920-99-D

Consultant Report #

SNMAS-00NM-296

10. SPONSOR NAME AND ADDRESS:

Individual Responsible: Gordon Barker

Name: Nadel and Gussman Permian, L.L.C.

Address: 601 Marienfeld, Suite 508

Midland, Texas 79701

Phone: (915) 682-4429

11. FOR BLM USE

12. ACREAGE:

Total No. of acres

Surveyed 5.02

Per Surface

Ownership:

Federal 5.02

State

Private

13. Location and Area: (Maps Attached if negative survey)

a. State: New Mexico

b. County: Eddy

c. BLM District: Roswell

Field Office: Carlsbad

d. Nearest City or Town: Loco Hills, New Mexico

e. Location: T.17S., R.30E Sec. 35, NW1/4SW1/4SW1/4, 1175' FSL and 430' FWL

f. 7.5' Map Name(s) and Code Number(s): USGS Loco Hills (1985) 32103-G8,

g. Area: Block:

Impact: 200' X 200'

Surveyed: 400' X 400'

Linear: 50' X 575'

Surveyed: 100' X 575'

14. a. Records Search:

Location: ARMS HPD.

Date: January 18, 2000

BLM Carlsbad

Date: January 19, 2000

List by LA # All sites within .25 miles of the project: LA 76495, LA 75431, LA 34366, LA 49436, LA 64962, LA 102548, LA 76480

b. Description of Undertaking:

The proposed Atalaya Federal Number 3 well location is staked in Section 35, T.17S., R.30E at 1175 ft FSL and 430 ft FWL. The impact area for the proposed well location is an area of 200 ft by 200 ft. The proposed access road is 575 ft long with an impact area of 50 ft by 575 ft. The proposed access road begins at an existing lease road and trends 575 ft south-southwest to the northwest corner of the proposed well location.

c. Environmental Setting NRCS soil designation: vegetative community: etc.:

The area is of prominent dunes 1-2 m tall, deep deflation basins with loamy sands. The area is covered in shin oak, yucca, sand sage and various grasses.

d. Field Methods:

Transect Intervals: 8 zigzag transects across well pad and 50 ft intervals over staked corridor.

Crew Size: one

Time in Field: 8 hours

Collections: NONE

15. Cultural Resource Findings:

a. Identification and description: (Location shown on project map)

Isolate one consists of one piece of impure gray chert angular debris, measuring 4 x 3 x 2 cm in size. Located in 1 m tall dunes, with vegetation consisting of shin oak and grass. Found in the SE1/4SW1/4NW1/4SW1/4SW1/4, in Section 35, T.17S., R.30E.

Isolate two consists of one piece of golf ball size burned caliche, two pieces of brown sandstone metate fragments measuring 4 x 3 x 1 x cm and 2 x 2 x 1 cm in size. The isolate was located in a 3 m area in a 20 x 40 m deflation basin with 1 m dunes. Vegetation consists of shin oak and grass. Found in the SW1/4NW1/4NE1/4SW1/4SW1/4, in Section 35, T.17S., R.30E

16. Management Summary (Recommendations):

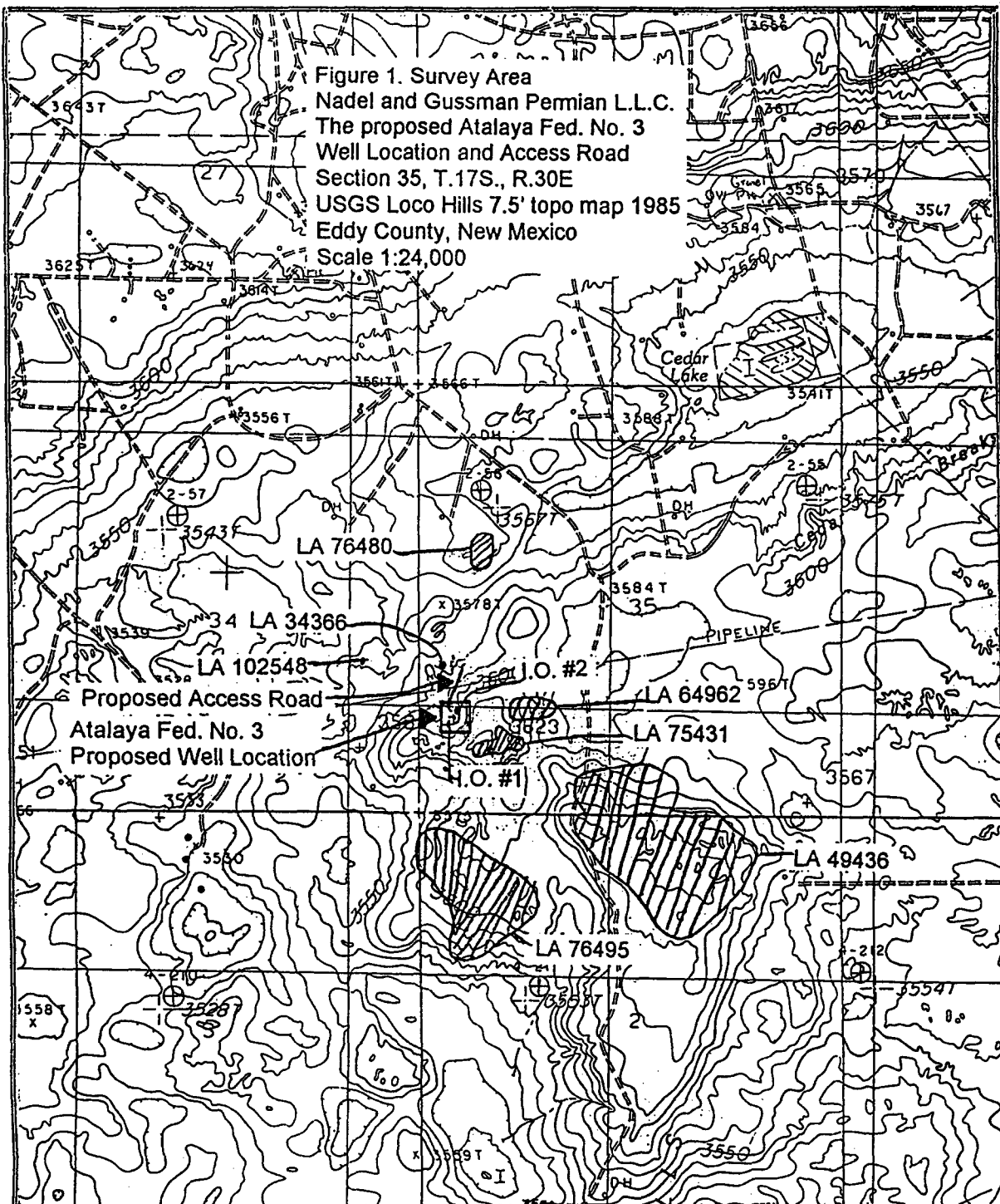
During the cultural resource inventory, two isolated occurrences were located, and all research potential exhausted in the field. Therefore, archaeological clearance is recommended for the Nadel and Gussman Permian L.L.C. proposed Atalaya Federal Number 3 well location and access road, with no stipulations

I certify the information provided above is correct and accurate and meets all appreciable BLM standards.

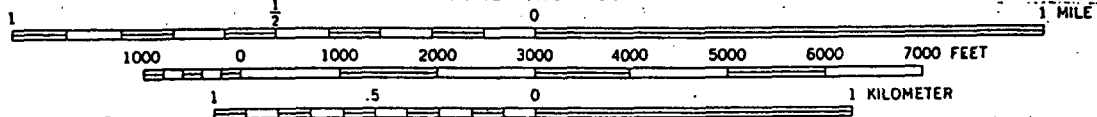
Responsible Archaeologist: Signature Joe Ben Sanders R.D.
Joe Ben Sanders Date: February 5, 2000
Principal Investigator

The above completes a negative report. If eligible of potentially eligible properties are involved, then the above will be the title page and abstract for a complete report

Figure 1. Survey Area
 Nadel and Gussman Permian L.L.C.
 The proposed Atalaya Fed. No. 3
 Well Location and Access Road
 Section 35, T.17S., R.30E
 USGS Loco Hills 7.5' topo map 1985
 Eddy County, New Mexico
 Scale 1:24,000



SCALE 1:24 000



SNMAS
 INC



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PAGE NO: 1

Sec : 35 Twp : 17S Rng : 30E Section Type : NORMAL

| | | | |
|--|--|--|--|
| D 40.00 Federal owned | C 40.00 Federal owned A | B 40.00 CS OPEN R A A | A 40.00 CS OPEN R A |
| E 40.00 Federal owned A | F 40.00 Federal owned | G 40.00 CS OPEN R | H 40.00 CS OPEN R |

PF01 HELP
PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

07/28/00 17:37:01
OGOMES -TPL3
PAGE NO: 2

Sec : 35 Twp : 17S Rng : 30E Section Type : NORMAL

| | | | |
|---------------|---------------|---------------|---------------|
| L 40.00 | K 40.00 | J 40.00 | I 40.00 |
| Federal owned | Federal owned | Federal owned | Federal owned |
| A | | | |
| M 40.00 | N 40.00 | O 40.00 | P 40.00 |
| Federal owned | Federal owned | Federal owned | Federal owned |
| A | | | A |

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

CMD : ONGARD 07/28/00 17:37:16
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TPL3

OGRID Idn : 155615 API Well No: 30 15 31063 APD Status(A/C/P): A
Opr Name, Addr: NADEL AND GUSSMAN PERMIAN, LLC Aprvl/Cncl Date : 03-27-2000
3200 1ST NATIONAL TOWER
TULSA,OK 74103

Prop Idn: 19732 ATALAYA FEDERAL Well No: 3

| | U/L | Sec | Township | Range | Lot | Idn | North/South | East/West |
|--------------|-----|-----|------------|-------|-----|-----|--------------|-------------|
| Surface Locn | : M | 35 | 17S | 30E | | | FTG 1175 F S | FTG 430 F W |
| OCD U/L | : M | | API County | : 15 | | | | |

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 3598

State Lease No: Multiple Comp (S/M/C) : N
Prpsd Depth : 4000 Prpsd Frmtn : GRAYBURG-JACKSON-SR-QN-GB-SA

E0009: Enter data to modify record

| | | | | | |
|-----------|------|------------|-----------|--------------|--------------|
| PF01 HELP | PF02 | PF03 EXIT | PF04 GoTo | PF05 | PF06 CONFIRM |
| PF07 | PF08 | PF09 PRINT | PF10 C102 | PF11 HISTORY | PF12 |

CMD : ONGARD 07/31/00 10:42:43
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TP7K

OGRID Idn : 155615 API Well No: 30 15 31063 APD Status(A/C/P): A
Opr Name, Addr: NADEL AND GUSSMAN PERMIAN, LLC Aprvl/Cncl Date : 03-27-2000
3200 1ST NATIONAL TOWER
TULSA,OK 74103

Prop Idn: 19732 ATALAYA FEDERAL Well No: 3

| | U/L | Sec | Township | Range | Lot | Idn | North/South | East/West |
|--------------|-----|-----|------------|-------|-----|-----|--------------|-------------|
| Surface Locn | : M | 35 | 17S | 30E | | | FTG 1175 F S | FTG 430 F W |
| OCD U/L | : M | | API County | : 15 | | | | |

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 3598

State Lease No: Multiple Comp (S/M/C) : N
Prpsd Depth : 4000 Prpsd Frmtn : GRAYBURG-JACKSON-SR-QN-GB-SA

E0009: Enter data to modify record

| | | | | | |
|-----------|------|------------|-----------|--------------|--------------|
| PF01 HELP | PF02 | PF03 EXIT | PF04 GoTo | PF05 | PF06 CONFIRM |
| PF07 | PF08 | PF09 PRINT | PF10 C102 | PF11 HISTORY | PF12 |