

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
N.M. Oil Cons. DIV-Dist. 2  
1501 W. Grand Avenue  
ALBUQUERQUE, NM 88210

FORM APPROVED  
OMB No. 1004-0135  
Expires: January 31, 2004

**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.**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

|  |   |   |
|--|---|---|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other |   | 5. Lease Serial No.<br>NMNM - 0115465 - A                       |
| 2. Name of Operator<br>NADEL AND GUSSMAN PERMIAN, LLC  |   | 6. If Indian, Allottee or Tribe Name                            |
| 3a. Address<br>601 N. MARIENFELD MIDLAND, TX 70701 Suite 508   | 3b. Phone No. (include area code)<br>(432) 682-4429 | 7. If Unit or CA/Agreement, Name and/or No.<br>35101            |
| 4. Location of Well (Footage, Sec., T, R., M., or Survey Description)<br>Sec. 25 - T15S - R27E, 1,980' FSL & 660' FWL            |   | 8. Well Name and No.<br>Lazarus Federal #1                      |
|  |   | 9. API Well No.<br>30-005-63780                                 |
|  |   | 10. Field and Pool, or Exploratory Area<br>Buffalo Valley Penn. |
|  |   | 11. County or Parish, State<br>Chaves, New Mexico               |

**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 checked="" type="checkbox"/> Other <u>Prod. Casing</u> |
|   | <input type="checkbox"/> Change Plans         | <input 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            |   |

3. 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 recompleat 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 recompleat 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.)

12/28/05 TD& set casing @ 8,720'. LD DC. RU Csg crew / Safety Meeting. Run 206 jts 5 1/2" 17# J55 & N80 LTC [1137 ft N80 on bottom & 250 ft N80 at top of hole]. 2 Float jts - FC @ 8636'. Install cmt head & Washed 20' to bottom [10 ft Fill]. Circulate w/ Full return [2X capacity]. RU Schlumberger - pump lead 200 sx 35/65 Poz and 300 sx tail class C, displace w/ 201 Bbls FW, Bump Plug w/ 1750 psi @ 8:15 PM. ND BOP, Set slips, & NU 11" 3M X 7 1/16" 5M Tbg Head. Test CSG to 1,500 psi.

RECEIVED

JAN 18 2006

U.S. DEPARTMENT OF THE INTERIOR

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

JOSH FERNAU

Title STAFF ENGINEER

Signature

Date 12/29/05

ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature)

Name  
(Printed/Typed)

Title

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

Date

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.

(Continued on next page)