

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other						5. Lease Serial No. NM 19842A			
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other _____						6. If Indian, Allottee or Tribe Name			
2. Name of Operator Nadel and Gussman Permian, L.L.C.						7. Unit or CA Agreement Name and No. NM NM 113982			
3. Address 601 N. Marienfeld, Suite 508, Midland, TX 79701				3a. Phone No. (include area code) 432/682-4429		8. Lease Name and Well No. Artemis Federal Com #2			
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 1200' FSL 1400' FEL At top prod. interval reported below At total depth						9. AFI Well No. 30-015-34391 S1			
14. Date Spudded 11/01/2005						15. Date T.D. Reached 01/05/2006			
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.						10. Field and Pool, or Exploratory Loving North Morrow			
18. Total Depth: MD 12,900' TVD						11. Sec., T., R., M., on Block and Survey or Area Sec. 33-22S-28E			
19. Plug Back T.D.: MD 12,816' TVD						12. County or Parish Eddy			
20. Depth Bridge Plug Set: MD TVD						13. State NM			
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) CNDL, DLL						17. Elevations (DF, RKB, RT, GL)* 3044', KB 19' AGL			
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit copy)									
23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Shury Vol. (BBL)	Cement Top*	Amount Pulled
17 1/2"	13 3/8"	48#	0	311'		400 SXS			
12 1/4"	9 5/8"	40#	0	5130'		2156 SXS	340 SXS		
8 3/4"	7"	26#	0	10,548'		1415 SXS	CIRC		
6 1/8"	4"	13.5#	0	12,900'		290 SXS	CIRC		
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2 7/8"	12,408'	12,284'							
25. Producing Intervals					26. Perforation Record				
Formation		Top	Bottom	Perforated Interval		Size	No. Holes	Perf. Status	
A) Morrow				12,412'-12,419'		.44	42	open	
B)				12,548'-12,558'		.44	60	plugged back	
C)				12,588'-12,597'		.44	36	plugged back	
D)									
27. Acid, Fracture, Treatment, Cement Squeeze, etc.									
Depth Interval			Amount and Type of Material						
12,412'-12,419'			natural completion						
12,548'-12,558'			43,920 #20/30 versa prop; 22,500 gals 29% KCL; 80 tons CO2, 640 MCF N2						
12,558'-12,597'			500 gals acetic acid, 179 MCF N2						
28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
02/25/2006	04/20/2006	24	→	0	1238	4	52	.7	Flowing
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
20/64	SI 1250	0	→	0	1238	4		Producing	
28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
	SI		→						

*(See instructions and spaces for additional data on page 2)

ENTERED IN
AFMSS

ACCEPTED FOR RECORD

MAY - 2 2006

ALEXIS C. SWOBODA
PETROLEUM ENGINEER

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D									
Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
Delaware	2618	6120	oil, gas, water	Delaware	2618
Bone Spring	6120	9578	gas, water	Bone Spring	6120
Wolfcamp	9703	9742	gas potential	Wolfcamp	9578
Atoka	11,475	11,616	gas	Canyon	10,169
Morrow	12,132	12,726	gas	Strawn	10,974
				Atoka Lime	11,240
				Atoka Clastics	11,475
				Morrow	11,616
				Morrow Clastics	12,132
				Lower Morrow	12,541

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☒ Directional Survey
☐ Sundry Notice for plugging and cement verification
☐ Core Analysis
☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Kem McCreadyTitle Operations Engineer

Signature

Kem McCreadyDate 04/21/2006

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.

OPERATOR Nadel & Gussman Permian, LLC
WELL/LEASE Artemis Fed. Com. #2
COUNTY Eddy, NM

511-5053

STATE OF NEW MEXICO
DEVIATION REPORT

136	3/4	3,190	1/2
288	3/4	3,536	1/2
401	2 1/4	3,820	1/2
482	2 1/2	4,166	1/2
546	2	4,507	3/4
889	1/2	4,866	1/2
1,015	1 1/2	5,179	1/2
1,141	1/2	5,494	1/2
1,268	1/2	5,967	1/2
1,394	1/2	6,368	1/2
1,520	1	6,838	1/2
1,645	2 1/2	7,341	1/2
1,677	2 1/2	7,814	1
1,710	2 3/4	7,846	1
1,772	3	8,287	1
1,835	3 1/2		
1,866	3		
1,897	3		
1,929	3		
1,960	2 1/2		
2,024	2 1/2		
2,118	2 3/4		
2,213	4		
2,244	3 1/2		
2,276	3 1/4		
2,307	3 1/4		
2,339	3		
2,370	2 3/4		
2,433	2		
2,527	1		
2,874	1/2		

BY: Steve Moore

STATE OF TEXAS
COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on January 16, 2006, by Steve Moore on behalf of Patterson - UTI Drilling Company, LP, LLLP.

J Robertson
Notary Public for Midland County, Texas
My Commission Expires: 8/23/07



J ROBERTSON
Notary Public, State of Texas
My Commission Expires:
August 23, 2007

Artemis Federal #2

SHL 1200' FSL, 1400' FEL Sec 33, 22S, 28E BHL 1482 FSL, 1972 FEL Sec 33 22S, 28E, Eddy County, NM
API # 30 - 015 - 34391-0

Elev: 3044', KB: 19' AGL

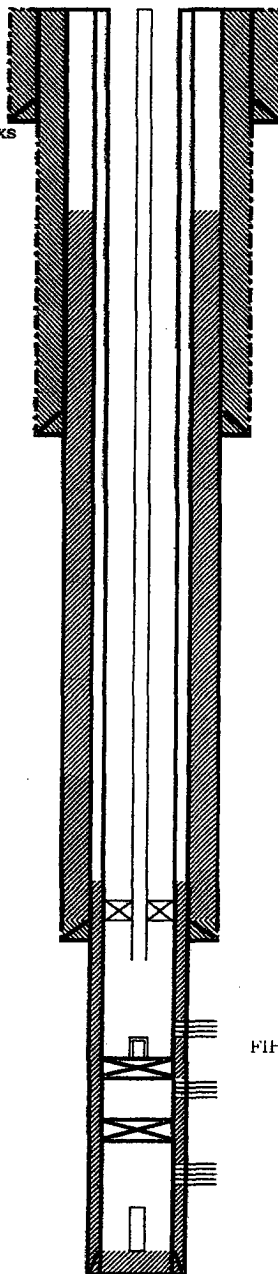
Current

13-3/8", 48#, H-40 @ 311'
400 sx, cement circulated 126 sxs
17-1/2" hole

9-5/8", 40#, P110 & N80 LTC
Set @ 5130' (44jts P110 on btm)
2156 sxs, cement; circ 340 sxs
12-1/4" hole

7", 26#, P-110 @ 0-10,548'
1415 sxs
8-3/4" hole
8-3/4" hole

4-1/2", 13.50#, P-110 @ 0-12,900'
cmt w\ 290 sxs
6-1/8" hole



FBTD @ 12,540'
TD @ 12,900' SLD 12,892 WLM

Peris @ 12,412' - 12,419 6 spf 42 holes
FIH TCP guns TOF @ 12,524'
CBP @ 12,540'
12,548- 12,558 6 spf 60 holes

RBP @ 12,574'

12,588-12,597 6 spf 54 holes

FIH TCP guns TOF @ 12,760

Tubing Detail	ID	OD	Length	Depth
2 3/8 TUBING	1.990	3.060	12214.30	
2 3/8 6" MARKER JOINT	1.990	3.060	6.14	12214.30
2 3/8 JOINT OF TUBING	1.990	3.060	31.20	12220.44
2 3/8 JOINT OF TUBING	1.990	3.060	30.94	12251.74
ON & OFF TOOL W/F NIPPLE	1.875	3.750	1.32	12282.68
BAKER PACKER	1.930	3.750	7.28	12284.00
2 3/8 10' PUP JOINT	1.990	3.060	10.10	12291.28
"F" NIPPLE	1.875	3.060	0.89	12301.38
2 3/8 10' PUP JOINT	1.990	3.060	10.09	12302.37
"K" NIPPLE W/1.822 NO-GO	1.875	3.060	1.01	12312.48
2 3/8 JOINT OF TUBING	1.990	3.060	31.30	12313.47
2 3/8 JOINT OF TUBING	1.990	3.060	31.23	12344.77
PORTED UNDERBALANCE SU	1.990	3.062	0.94	12376.00
2 3/8 TUBING JOINT	1.990	3.060	31.08	12376.94
MECHANICAL F.H W/AUTO RE	1.500	3.130	1.19	12408.02
EOT				12409.21