

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

OCD-ARTESIA

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	Oil Well	Gas Well	Other
	X		
2. Name of Operator	Nadel and Gussman Permian, LLC		
3a. Address	601 N. Marienfeld, Suite 508 Midland, TX 797001	3b. Phone No. (include area code)	432-682-4429
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit Letter D: 660 feet from the North line and 1240 feet from the West line of Section 26, Township 21S, Range 21E			

5. Lease Serial No.	NM100524
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA/Agreement, Name and/or No.	
8. Well Name and No.	Manco Federal #1
9. API Well No.	30-015-35553
10. Field and Pool, or Exploratory Area	Wildcat (Morrow), Little Box Canyon (Upper Penn)
11. County or Parish, State	Eddy County, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
X Notice of Intent	Acidize	Deepen	Production (Start/Resume)	Water Shut-Off
	Alter Casing	Fracture Treat	Reclamation	Well Integrity
Subsequent Report	Casing Repair	New Construction	Recomplete	
Final Abandonment Notice	X Change Plans	Plug and Abandon	Temporarily Abandon	Other:
	Convert to Injection	X Plug Back	Water Disposal	

13. 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 recomplete 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 recompletion 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.)

Based on open hole logs, we would like to plug back the bottom of the well and set 7", 26#, HCL-80, LTC casing from surface to approximately 4750'. TD is at 8400' and fill was last tagged at 8358'. 3 plugs will be set and tagged as follows prior to running the 7" casing.

The first plug (345 sx Class H, 15.6 ppg) will be set from bottom up to 7634' (top of Barnett is 8090' and top of Morrow is 7764'). Second plug (80 sx Class C, 15.6 ppg) will be set from 6544' to 6374' (top of Canyon is 6494'). Third plug (245 sx Class C, 15.6 ppg) will be set from 5257' to 4750' (top of Cisco is 5207'). The first 2 plugs will be tagged after WOC for about 3 hours. The top of the third plug will be reversed out to 4750'. If cement is not reversed out, we will tag the plug after WOC for about 3 hours.

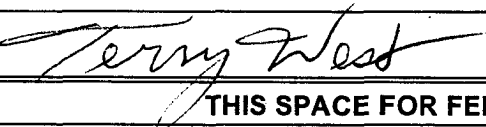
The 7" casing will be ran and set above the third plug and will be cemented up to 1200' (1350' is the minimum TOC required by BLM per the APD). Cement will consist of a 155 sx 50/50/10 Poz lead (11.9 ppg, 2.47 yield) and 260sx TX1 Lightweight cement (13.0 ppg, 1.4 yield)

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Terry West

Title Engineer

Signature



Date 6/6/2007

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

JUN 6 2007
DateWESLEY W. INGRAM
PETROLEUM ENGINEER

Ar2rave~

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.

Title

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowing 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.

(Instructions on page 2)