

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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

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 ☐ Other2. Name of Operator
NADEL AND GUSSMAN HEYCO, LLC3a. Address
PO BOX 1936 ~ ROSWELL NM 88202-19363b. Phone No. (include area code)
575/623/66014. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1880' FSL & 1980' FEL, Sec. 8: SWNE, T18S, R31E5. Lease Serial No.
NMNM-33437

6. If Indian, Allottee of Tribal Land

7. If Unit or CA Agreement, Name and/or No.

Shugart, Yates 7-RVS Q

8. Well Name and No.
PMS 8 Federal #49. API Well No.
30-015-2621810. Field and Pool, or Exploratory Area
Shugart, Yates 7-RVS Q11. County or Parish, State
Eddy, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 Sndry, Test 1st Bone
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Spring Sand
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 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.)

BLM Bond No. NMB000520
Surety Bond No. B004230

Current Perforations: 3754-3773- Grayburg.

Set CIBP @ +/-3850', squeeze Grayburg with approx 100 sx cmt under cmt retainer.

Drill out retainer, tst squeeze. If squeeze is successful, drill out CIBP. Perforate 1st BS Sand 7320-7448'.

Acidize with 1500 gallons 15% HCL. Swab test well. If sufficient oil show is present, perform frac with approximately 125,000 #'s prop. PWOP.

Anticipate work start date to be: 6/1/10. Duration of work: 2 weeks

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Tammy Link

Title Production Anlayst

Signature

Date

04/22/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

APPROVED
JUN 4 2010
/s/ Dustin Winkler

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.

(Instructions on page 2)

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

22 6-11-10

Nadel and Gussman HEYCO, LLC
NM-33437-B – PMS 8 Federal #4
API: 30-015-26218
Eddy County, New Mexico

RE: Plug back and Recomplete NOI – Conditions of Approval

There is to be no surface disturbance beyond the existing pad. A closed loop system is to be used. H2S monitoring and protection equipment is to be on site.

Contact the appropriate BLM office at least 24 hours prior to testing the squeeze. For wells in Eddy County, call 575-361-2822.

If squeeze isn't successful, repeat attempts until perfs are squeezed off. The option for using a packer instead of a cement retainer for subsequent attempts is available.

Submit subsequent report with updated wellbore schematic and completion report once work is completed.

DHW 052109