

Office

District I

1625 N French Dr., Hobbs, NM 88240

District II

1361 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM

87505

Energy, Minerals and Natural Resources

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

JUN 21 2010

NMOCD ARTESIA

WELL API NO.

30-015-37111

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VB-0407

7. Lease Name or Unit Agreement Name

Loving 2 State

8. Well Number

5

9. OGRID Number

258462

10. Pool name or Wildcat

Herradura Bend, Delaware, East

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator

NADELL & GUSSMAN HEYCO, LLC

3. Address of Operator

PO BOX 1936

ROSWELL NM 88202-1936 505/623-6601

4. Well Location

Unit Letter K : 1865 feet from the SOUTH line and 1980 feet from the WEST line
Section 2 Township 23S Range 28E NMPM County EDDY11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3052' GRPit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Site Security Plat

☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See Attached Site Security Plat

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE

TITLE PRODUCTION ANALYST

DATE 6/18/2010

Type or print name

E-mail address: tlink@heycoenergy.com

Telephone No. 575.623.6601

For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

Loving 2 State 5
 1865' FSL & 1980' FWL
 SEC 2, T23S, R28E
 EDDY COUNTY, NM

THIS LEASE IS SUBJECT TO THE SITE SECURITY PLAN
 FOR SOUTHEAST NEW MEXICO OPERATIONS. THE PLAN
 IS LOCATED AT:
 NADEL AND GUSSMAN HEYCO, LLC
 500 NORTH MAIN SUITE ONE
 ROSWELL, NM

