

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.	30-015-37906
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	B-4918-103

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)		7. Lease Name or Unit Agreement Name
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		Hillbilly Cave 8 State
2. Name of Operator NADEL AND GUSSMAN HEYCO, LLC		8. Well Number #1
3. Address of Operator PO BOX 1936 ROSWELL NM 88202-1936		9. OGRID Number 258462
4. Well Location Unit Letter M : 330 feet from the SOUTH line and 330' feet from the West line Section 8 Township 17S Range 29E NMPM County EDDY		10. Pool name or Wildcat EMPIRE GLORIETA-YESO, East
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3636' GR		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Spud, Surface and Prod Csg Report <input checked="" type="checkbox"/>	

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.

Spud Well on 6/22/10

TD 12 1/4" Hole at 303.79'. Total pipe ran 8 jts of 9 5/8" J-55 40# csg ran w/5 Centralizers placed @261.73', 223.08', 185.61', 148.30', 72.95'. Set csg at 303.79'. Lead:155 sks. Class "C" w/1% CACL2+.25%R-38, wT. 14.80 Yield: 1.32 Gal/sk 6.32. No problems w/csg or cmt jobs. Bump plug @ 6:20 pm 6/22/10, check plug (held), circ 85 sks to pit.

Production:

7/3/10 - TD 7 7/8" hole at 5,373'. Total pipe ran 146 Jts of 5 1/2" 17# J-55 Csg ran with 18 centralizers @ 2x5322.63, 2x5286.17, 5138.78, 5066.58, 4918.91, 4844.89, 4771.68, 4634.41, 4550.38, C-12 4476.72, 4330.41, 4256.25, 4145.56, 4071.52, 3960.92, 3886.90. Set csg at 5,373'. Spacer 10 bbls fresh, Lead:770 sks. 50/50 Poz C+10% Gel+2/10%C=12+5% Salt+.25% R-38, cmt wt 11.90, yield 2.37, gal/sks 13.52. Tail:325 sks Starbond "C"+5/10% fl-10+2/10% c=C-15+3#Gilsontite+3% salt+ 25% R-38, cmt wt 13.20, yield 1.69, gal sks 7.72. Displacement: 122.8 bbls. fresh water. Pumped Displacement and bumped @ 4:57 pm 7/3/10. Bump plug @ 1800 psi. Plug Float held, did not circulate cmt.

See attached: Surface and Production csg & cmt report and Tally Report.

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 Danny R. Link TITLE PRODUCTION ANALYST DATE 7/6/2010

Type or print name
For State Use Only

E-mail address: tlink@heycoenergy.com

Telephone No. 575.623.6601

APPROVED BY: Donald Gray TITLE Field Supervisor DATE 7-8-10

Conditions of Approval (if any):

Casing Pressure test required on all strings prior to commencing operations. Please submit sundry detailing results of surf. csg-Press. Test.