

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 1301 W. Grand, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO.
 30-015-32451

5. Indicate Type of Lease
 STATE FEE

State Oil & Gas Lease No.
 NA

6. Lease Name or Unit Agreement Name:
 Bond State

7. Well No.
 1

8. Pool name or Wildcat
 Bass Morrow Gas

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
 Nadel and Gussman Permian, L.L.C.

3. Address of Operator
 601 N Marienfeld, Suite 508, Midland, Texas 79701

4. Well Location
 Unit Letter F ~~X~~: 1980' feet from the North line and 1860' feet from the West line
 Section 20 Township 21-S Range 28-E NMPM Eddy County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3195' GL 3212' KB

11. 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"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. 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 recompilation.

- 10/24/02 Drilling break 10,750-10,770'. TOH for DST. Well kicked. Commenced well control operations.
- 11/3/02 Ran and set 7" csg at 10,685'. OH from 10685-10770'.
- 11/4/02 Cmt 7" in 2 stages. First stage cemented w\ 535 sxs of H mixed @ 11.9 ppg and 270 sxs of h mixed at 13.2 ppg. Circulated through DV tool @ 5586' for 6 hrs. Cemented 2nd stage w\ 250 sxs of C mixed @ 11.9 ppg and 100 sxs C mixed @ 15.6 ppg. After the second stage was displaced the well started flowing cement between the 7" and 9-5/8" csg annulus. Pumped 300 sx of Class H mixed at 16 ppg down 7" x 9-5/8" annulus. WOC 8 hrs bled pressure off annulus pressure fell to 0 psi and did not build back up.
- 11/6/02 Toc @ 1444 by CBL.
- 11/9/02 Ran pkr and production tubing set pkr @ 10665'
- 11/11/02 Released rig

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kem E. McCready TITLE Operations Engineer DATE 11/20/02

Type or print name Kem E. McCready Telephone No. 915-682-4429

(This space for State use)

APPROVED BY Fer Record only Bll TITLE _____ DATE _____

Conditions of approval, if any:

DEC 02 2002