

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

FEB 29 2008

OCD-ARTESIA

Form C-103
May 27, 2004

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

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)		WELL API NO. 30-015-31808
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator NADEL AND GUSSMAN HEYCO, LLC.		6. State Oil & Gas Lease No.
3. Address of Operator PO BOX 1936 ROSWELL NM 88202		7. Lease Name or Unit Agreement Name CEDAR 32 STATE COM
4. Well Location Unit Letter H : 1980' feet from the NORTH line and 660' feet from the EAST line Section 32 Township 17S Range 31E NMPM County EDDY		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc) 3,726' GL		9. OGRID Number 258462
10. Pool name or Wildcat CEDAR LAKE MORROW		
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:

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 ☐

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.

NADEL AND GUSSMAN HEYCO, LLC. PLANS TO RE-PERF THE EXISTING MORROW PAY WITH 3-1/8" CASING GUNS LOADED 3 SPF AT 60-120 DEG PHASING AS FOLLOWS:

MORROW 11680-92' (39)

FRAC MORROW 11680-92' DOWN TUBING AT 10-15 BPM USING CO2 FOAM CARRYING 10,000 LBS 30/60 SINTER LITE.

IF DECISION IS MADE TO ABANDON CURRENT MORROW PERFS 11680-92', WE WILL SET A CEMENT RETAINER AT APPROX 11,620' AND SQUEEZE WITH 50 SX CLASS "H" WITH FLUID LOSS CONTROL FOLLOWED BY 50 SX CLASS "H" NEAT WOC CLEAN WELL OUT TO ORIGINAL PBD OF APPROXIMATELY 11850' PERF LOWER MORROW WITH 3-3/8" OR 4" CASING GUNS LOADED 3 SPF AT 60-120 DEG PHASING.

L MORROW 11762-78'

ACIDIZE WITH 750 GALS NE FE 7 5% HCL MORROW ACID

IF DECISION MADE TO FRAC, L MORROW 11762-78' WILL BE FRAC'ED DOWN TUBING AT 10-15 BPM USING 60Q CO2 FOAM AND APPROX 10,000 LBS 18/40 VERSAPROP

IF DECISION IS MADE TO ABANDON LOWER MORROW 11762-78' SET CIBP IN 11670-11675' RANGE PERF THE UPPER MORROW WITH 1-11/16" THROUGH TBG GUNS LOADED 6 SPF AT 0 DEG PHASING

U MORROW 11662-64' (18)

ACIDIZE WITH 250 GALS NEFE 7 5% HCL MORROW ACID.

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 Janette Serrano TITLE ENG TECH DATE 2/28/08

Type or print name
For State Use Only

E-mail address: jserrano@heycoenergy.com Telephone No. 505 623 6601

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____

Accepted for record - NMOCD