

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

1a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other		5. Lease Serial No. NM106718
b. Type of Completion. ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr., Other _____		6. If Indian, Allottee or Tribe Name
2. Name of Operator NADEL AND GUSSMAN HEYCO, LLC		7. Unit or CA Agreement Name and No.
3. Address P.O. BOX 1936, ROSWELL, NM 88202-1936	3a. Phone No. (include area code) 575-623-6601	8. Lease Name and Well No. CHOLLA 1 Federal #9
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 930' FSL & 660' FEL At top prod. interval reported below 930' FSL & 660' FEL At total depth 9100'		9. AFI Well No. 30-015-36438
10. Field and Pool, or Exploratory Tamano; Bone Spring		11. Sec., T., R., M., on Block and Survey or Area Sec. 1: T18S, R31E
12. County or Parish EDDY		13. State NM
14. Date Spudded 08/21/2008	15. Date T.D. Reached 09/16/2008	16. Date Completed ☐ D & A ☒ Ready to Prod.
17. Elevations (DF, RKB, RT, GL)* 3801.8'	18. Total Depth: MD 9100' TVD	19. Plug Back T.D.: MD 8978' TVD
20. Depth Bridge Plug Set: MD TVD n/a		21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
22. Was well cored? ☒ No ☐ Yes (Submit analysis) Was DST run? ☒ No ☐ Yes (Submit report) Directional Survey? ☒ No ☐ Yes (Submit copy)		

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17 1/2	133/8h40	48	surface	986'	986'	1100/ Class C	12.7	surface	
12 1/4	9 5/8 k55	36	surface	2355'	2355'	650/Class C	14.8	surface	
7 7/8	5 1/2 I80	17	surface	9100'	9100'	1645/Class H	13.2	730'	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 7/8	8514'	8199' TAC						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Bone Spring Sd	8610'	8710'	8610'-8710'	.38	25	
B)						
C)						
D)						

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
8610'-8710'	2750 gal 7.5% NEFE Acid
	12.470 gal of Pad, 32.701 gals sand laden energized fluid, 4729 gal flush, 104.856 #Tempered LC 20/40, 19,023
	#SB Excel 20/40, total property Qty 123,879#

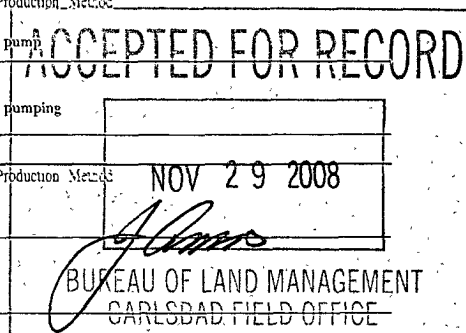
28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/08/2008			→	72	0	55	40		pump
Choke Size	Tbg. Press. Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	pumping
n/a			→						

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

*(See instructions and spaces for additional data on page 2)



Accepted for record - NMOC

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg Press. Flwg. SI	Csg Press	24 Hr Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg Press. Flwg. SI	Csg Press	24 Hr Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc)

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
Grayburg	4315	4355	No Cores	Rustler	950
San Andres	4635	4370	No DST's	Salado	1180
Delaware	5220	5245	Oil Show	Base Salt BX	2040
	5310	5335	Oil Show	Tansill	2200
			Gas Show	Yates	2355
Bone Spring Sd	8610	8720	Wet XW	Seven Rivers	2820
			Oil Show	Bowers	3270
				Queen	3525
				Penrose	3755
				Grayburg	4040
				Loco Hills	4165
				San Andres	4550
				Delaware Mountain Group	4720
				Brushy Canyon	5085
				Base Delaware	5750
				Bone Springs Ls.	6475
				1st Bone Spring Sand	7635
				2nd Bone Spring Sand	8310
				3rd Bone Spring Sand	9020
					9100

32. Additional remarks (include plugging procedure):

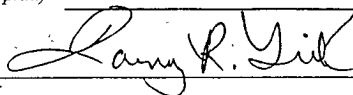
33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☒ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Tammy R. LinkTitle Production Tech

Signature

Date 11/21/2008

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.

Cholla 1 Federal #9
Survey

Survey	Depth	Inclination
1	264'	1/2°
2	862'	1°
3	1394'	3/4°
4	1822'	1/4°
5	2364'	1°
6	2741'	1/2°
7	3220'	1°
8	3759'	1°
9	4236'	1°
10	4772'	2 3/4°
11	4894'	3°
12	5053'	3 1/2°
13	5273'	3°
14	5541'	3 1/2°
15	6064'	3 1/2°
16	6101'	3 3/4°
17	6608'	5°
18	7021'	3 3/4°
19	7391'	3 1/2°
20	7431'	3 1/2°
21	7997'	2 3/4°
22	8428'	1 3/4°
23	9024'	2 1/2°