

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

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

SEP 22 2009

Form C-103
May 27, 2004

WELL API NO. 30-015-37111
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator NADEL AND GUSSMAN HEYCO, LLC	
3. Address of Operator PO BOX 1936 ROSWELL NM 88202-1936	
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 Eddy	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3052' 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 checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: See Attached Csg and Cmt 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.

9/19/09 Spud well at 6:00 am, did call and notify OCD.

9/19/09 TD 12 1/4" hole at 411'. Total pipe ran 11 Jts of 9 5/8" 36# J-55 STC csg ran with 5 centralizers. Set csg at 411'. Lead 300 sk, "C"+2%CACL 2 + .25%R-38, cMT W/ 14.80, yeild 134, gal/sk 6.33. No problems w/ csg or cmt job. Ck float held, circ 42 bbls 176 sks to pit.

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 Larry R. Lill TITLE PRODUCTION ANALYST DATE 9/22/09

Type or print name Jacow Reer E-mail address tlmk@heycoenergy.com Telephone No. 505.623.6601
For State Use Only

APPROVED BY: Jacow Reer TITLE Geologist DATE 9/23/09
Conditions of Approval (if any):

SUMMARY CASING AND CEMENTING REPORT

STRING:

SURFACE

DATE: 9/19/2009

OPERATOR: NADEL & GUSSMAN HEYCO
CONTRACTOR: EAGLE ROCK

WELL: LOVING 2 STATE #5
RIG: #5
REP: KEITH CANNON

CASING DETAIL

HOLE SIZE:	12 1/4"	DEPTH: 411'	
12 1/4 " HOLE			411.00
9 5/8" FLOAT SHOE			<u>1.00</u>
			410.00
1 JTS 9 5/8" 36# J-55 STC Csg			<u>37.26</u>
			372.74
9 5/8" FLOAT COLLAR			<u>1.20</u>
			371.54
10 JTS 9 5/8" 36# J-55 STC Csg			<u>375.29</u>
			-3.74
KB TO GL			<u>11.60</u>

CENTRALIZERS PLACED @ 371.74, 333.06, 295.32, 258.04, 220.31

REMARKS:

TOTAL CASING DELIVERED.... 17 JTS 9 5/8" 36# J-55 STC (563.05)
ALL CASING WAS DRIFTED, CLEANED, & VISUALLY INSPECTED ON LOCATION.
FLOAT SHOE, 2 SHOE JTS, FLOAT INSERT, WERE THREAD LOCKED.
TAGGED BOTTOM NO FILL. CIRCULATED CAPACITY & ANNULAR VOLUME

EXCESS CASING

CASING NOT USED 4 JTS 9 5/8" 36# (148.3) L-80 LTC.
DISPOSITION 4 JTS 36# J-55 TRANSFERRED TO NGP YARD (ARTESIA)

CEMENTING DATA

COMPANY: RISING STAR

DISTRICT: HOBBS

1ST STAGE:

PREFLUSH: 20 bbls FW, 20 bbls chemical wash

LEAD: 300 SK, "C" +2%CACL2+.25%R-38, CMT WT 14.80, YIELD 1.34, GAL/SK 6.33

SUMMARY CASING AND CEMENTING REPORT

TAIL:

NOTE: NO PROBLEMS W/ CSG OR CMT JOBS. DID NOT BUMP PLUG, CK FLOAT (HELD).
CIRC 42BBLS / 176SKS TO PIT