

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

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

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well  
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator  
NADEL AND GUSSMAN HEYCO, LLC3a. Address  
PO BOX 1936 ~ ROSWELL NM 88202-19363b. Phone No. (include area code)  
505/623/66014. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1980' FSL & 660' FWL, Sec. 4: T18S, R31E  
330

5. Lease Serial No.

LC-029389-B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No

8. Well Name and No

HONDO 4 FEDERAL #4

9. API Well No.

30-015-25600

10. Field and Pool, or Exploratory Area  
Und Bone Springs

11. County or Parish, State

Eddy, New Mexico

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

## TYPE OF SUBMISSION

## TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other Add Pay

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Test additional Bone Spring Pay, current perforations: 7566'-8804' Bone Spring.

Set RBP @ +/-7400

Perforate 7738'-7265'; Acidize with 1500 gallons 15% HCL.

Swab test well. If sufficient oil show is present, perform frac with approximately 125,000 #'s prop.

Remove RBP and PWOP, anticipate work start date: 5/1/2010

Duration of work: 2 weeks.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Tammy R. Link

Title Production Tech

Signature

Date

03/16/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

MAR 26 2010

/s/ Dustin Winkler

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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

(Instructions on page 2)

Nadel and Gussman HEYCO, LLC  
NMLC-029389-B – Hondo 4 Federal #4  
API: 30-015-25600  
Eddy County, New Mexico

RE: Add Pay – Conditions of Approval

There is to be no surface disturbance beyond the existing pad. A closed loop system is to be used. H2S monitoring and protection equipment is to be on site.

3M BOP required. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

Submit a Subsequent Report and the well test to the BLM once work is complete.

DHW 032510