Form 3160-4 (July 1992)

SUBMIT IN DUPLICATE UNITEL STATES DEPARTMENT OF THE INTERIOR

BURFAU OF LAND MANAGEMENT

(See other instructions on reverse side)

FORM APPROVED OMB NO. 1004-0137 Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

NM - 0558580

6. IF INDIAN, ALLOTTEE OR TRIBE NAME WELL COMPLETION OR RECOMPLETION REPORT AND LOG* GAS WELL OIL X 1a. TYPE OF WELL: DRY 7. UNIT AGREEMENT NAME Other 2324 252627 b. TYPE OF COMPLETION: WORK OVER PLUG BACK DIFF DEEP 8. FARM OR LEASE NAME, WELL NO. WELL X RESVR. Other ΕN 2. NAME OF OPERATOR Atalaya Federal #3 Nadel and Gussman Permian LLC OGRID # 155615 9. API WELL NO. 192027 3. ADDRESS AND TELEPHONE NO. -30 - 015 - 31063 601 N Marienfeld, Suite 508, Midland, Texas 79701 RECEIVED 10. FIELD AND POOL, OR WILDCAT 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) OCD - ARTESIAGraybar Jackson Yt, 7R, QN, GB E 91814 EIZIN 11. SECOT, R., M., OR BLOCK AND SURVEY 1175' FSL & 430' FWL, Unit Letter M OR WREA At top prod. interval reported below Sec 35, T 17 S, R 30 E At total depth 12. COUNTY OR PARISH 13. STATE 14. PERMIT NO. DATE ISSUED NM 03/27/00 Eddy 18. ELEVATIONS (DF, RKB, RT, GE, ETC.)* 19. ELEV. CASINGHEAD 16. DATE T.D. REACHED 17. DATE COMPL. (Ready to prod.) 15. DATE SPUDDED 3598 3598' GL, 3604' KB 06/18/00 07/28/00 06/06/00 CABLE TOOLS 23. INTERVALS **ROTARY TOOLS** 22. IF MULTIPLE COMPL., 21. PLUG, BACK T.D., MD & TVD 20. TOTAL DEPTH, MD & TVD DRILLED BY HOW MANY 100% 3810 4000 25. WAS DIRECTIONAL 24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)* SURVEY MADE 3620' - 3700'. San Andres No 27. WAS WELL CORED 26. TYPE ELECTRIC AND OTHER LOGS RUN No DLL/ML, SDL/CNL, CBL/GR CASING RECORD (Report all strings set in well) AMOUNT PULLED DEPTH SET (MD) HOLE SIZE TOP OF CEMENT, CEMENTING RECORD WEIGHT, LB./FT. CASING SIZE/GRADE 12 1/4" 370 sx, cement circulated to surface 420 8 5/8" J-55 24# 85 sx, cement circulated to surface 12 1/4' 28# 700 K-55 6 1/8 775 sx, cement circulated to surface 4000 4 1/2" J-55 11.6# DV Tool @ 1000' **TUBING RECORD** 30. 29. LINER RECORD DEPTH SET (MD) PACKER SET (MD) SIZE BOTTOM (MD) SACKS CEMENT SCREEN (MD) SIZE TOP (MD) 3720 2 3/8" ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. 32 31. PERFORATION RECORD (Interval, size and number) 3620' - 3700': 42' - 84 holes AMOUNT AND KIND OF MATERIAL USED DEPTH INTERVAL (MD) 3620' - 3700' 1500 gals 15% NEFE CIBP @ 3810' 150 Ball Sealers 3848' - 3866': 19', 76 holes **PRODUCTION** WELL STATUS (Producing or PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump) DATE FIRST PRODUCTION producing pumping: 2" x 1-1/2" x 16' 07/28/00 GAS-OIL RATIO GAS-MCF WATER-BBL **CHOKE SIZE** PROD'N FOR OIL--BBL DATE OF TEST HOURS TESTED TEST PERIOD 37 154 13 08/09/00 24 CALCULATED GAS---MCF. WATER---BBL OIL GRAVITY-API (CORR.) OIL--BBL FLOW. TUBING PRESS. CASING PRESSURE 24-HOUR RATE 36.5 2 37 13 TEST WITNESSED BY 34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Ernie Little sold 35. LIST OF ATTACHMENTS deviation survey, wellbore drawing 36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records 8-15-00 DATE TITLE R McNaughton, Operations Engineer SIGNED

37. SUMMARY OF POROUS ZONES: (Short	all important zones of porosity and contents the	reof; cored intervals; and all
drill-stem, tests, including depth interva	ed, cushion used, time tool open, flowing ar	ut-in pressures, and
recoveries):		

FORMATION	ТОР	воттом	DESCRIPTION, CONTENTS, ETC.
Loco Hills	2990'	3110'	Sand, Dolomite
San Andres	3526'	3868'	Dolomite, Sand
Loco Hills	2974'	3025'	DST #1: 1
			IHP = 1512 psi, FHP = 1512 psi
			15 minute initial flow = 245 psi
			60 minute initial shut-in = 1408 psi
			60 minute final flow = 549 psi
			240 minute final shut-in = 1439 psi
		÷	Recovered 3 Bbls - 38.7' API oil, 3.8 Bbls water - 87,000 PPM chlorides

38. GEOLOGICAL MARKERS		38. GEOLOGICAL MARKERS			
NAME M	T	TOP		TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
B/ Salt, T/ Tansil		1378'			
T/ Yates		1594'			
T/ Seven Rivers		2314'			
T/ Queen		2498'			
T/ Grayburg		2894'			
T/ Loco Hills		2990'			
T/ Premier		3251'			
T/ San Andres		3526'			