SUNDRY NOT CHESTAND REPORTS ON WELLS 7. Lease Name or Unit Agreement (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Name:			
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Name: DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH			
PROPOSALS.) FI Presidente State			
1. Type of Well:			
Oil Well Gas Well Other 2. Name of Operator 8. Well No.			
Name of Operator Nadel and Gussman Permian, L.L.C. OGRID # 155615 1			
3. Address of Operator 9. Pool name or Wildcat			
601 N Marienfeld, Suite 508, Midland, Texas 79701 Black River Atoka/ Morrow			
4. Well Location			
Unit Letter <u>H</u> : <u>1930'</u> feet from the <u>North</u> line and <u>760'</u> feet from the <u>East</u> line Section 2 Township 24 - S Range 27 - E NMPM Eddy County			
10. Elevation (Show whether DR, RKB, RT, GR, etc.)			
3149' GL, 3166' KB			
11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data			
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK			
TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT			
PULL OR ALTER CASING IN MULTIPLE CASING TEST AND COMPLETION CEMENT JOB			
OTHER OTHER			

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 recompilation.

Notice of setting intermediate casing.

- 01/13/02 TD 12¼" hole at 12:45 PM. Pumped sweep and circulated hole. Dropped Totco and ran SLM while POH. LD 8" collars and BHA. Rigged up Weatherford casing crew and ran 9-5/8", 40#, J-55 LT+C new casing and set at 4245'. RU BJ Services and circulated hole. Pumped 1020 sx 50-50 lead cement with 5# salt and ¼# CF per sk. Tailed in with 250 sx "C" plus 3# salt. Plug down at 2:00 AM and cement was circulated. RD BJ services. Picked up stack, set slips and cut off casing.
- 01/14/02 Installed B-section and NU BOP. PU BHA and TIH. Tagged cement at 4200' and drilled to shoe at 4245'. Resumed drilling 8-3/4" hole. Total WOC time = 17.5 hrs.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE	TITLE Operations Engine	eer DATE 2-05-02
Type or print name Robert/McNaughton	a Telephone No.	915 - 682 - 4429
	INED BY TIM W. GUM	DATE FEB 1 2 202
APPPROVED BY // DISTRICT ILS	UPERMOOR	DATE DATE
Conditions of approval, if any:		