

NADEL AND GUSSMAN PERMIAN, L.L.C.

601 N. Marienfeld, Suite 508

Midland, TX 79701

Office: (915)682-4429

Fax: (915)682-4325

facsimile transmittal

To:	David Brooks - Santa Fe NMOCD	Fax:	505 - 476 - 3462
From:	Robert McNaughton	Date:	March 19, 2002
Re:	Compliance Order #12811	Pages:	C + 12

☐ Urgent☐ For Review☐ Please Reply☐ Please Recycle

As of March 12, 2002, Nadel and Gussman Permian is in full compliance with NMOCD Order #12811. Copies of the C-115s and C-103 and 3160-5 sundry notices are attached. Copies have also been mailed or faxed the Artesia NMOCD office. If you have any questions, feel free to contact us.



Robert McNaughton
Operations Engineer

915 - 682 - 4429

Form 3160-5
(June 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0136
Expires: March 31, 19935. Lease Designation and Serial No.
NM - 55133

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Nadel and Gussman Permian

3. Address and Telephone No.

601 N Marientfeld, Suite 508, Midland, Texas 79701

OGRID # 156615

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

860' FSL, 1980' FEL
Unit O, Sec 30, T15S, R30E

7. If Unit or CA, Agreement Designation

NM061P35 - 87C434

8. Well Name and No.

Big Lucky Lake #1

9. API Well No.

30 - 005 - 21063

10. Field and Pool, or Exploratory Area

Little Lucky Lake Morrow

11. County or Parish, State

Chaves Co., NM

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

TYPE OF SUBMISSION

- ☐
- Notice of Intent
-
- ☒
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Abandonment
-
- ☐
- Recompletion
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Altering Casing
-
- ☒
- other temporary abandonment
-
- ☐
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note: Report results of multiple completion or Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Well is economical to produce, but we are unable to because it shares the same 1/4 section with the #2 well.
At the request of the NMOCD, we temporarily abandoned this well.
However, we are still evaluating a future Strawn recompletion.

2/07/02: MIRU Key #296. Bleed 70 psi off tubing and installed a BOP. POH with packer and tubing. RU Apollo Wireline.
Set CIBP at 9800' and capped with 35' cement in two bailer runs. RDMO.

2/08/02: RU Key pump truck and loaded casing with 20 Bbls inhibited water. Pressured up to 500 psi twice.
Casing would not test due to leaking wellhead.

2/13/02: MI United wellhead and sealed test ports and rings in well head. Tested it to 3000 psi - OK.

2/15/02: MIRU Key #296. TIH with packer and set at 8014'. Tested casing to 1500 psi - OK. Reset packer at 5031' and tested the casing to 850 psi - OK. RDMO rig.

2/27/02: MI Key Energy truck. Tested casing to 510 psi for 30 minutes - OK. RDMO.

Request TA status for one year.

14. I hereby certify that the foregoing is true and correct

Signed

Title R. McNaughton - Operations Engineer

Date

3-19-02

(This space for Federal or State office use)

Approved by
Conditions of approval, if any:

Title

Date

Title 18 U.S.C. Section 1001, makes 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.

*See instruction on Reverse Side

Operator Nadel and Gussman Permian, L.L.C.				3 OGRID 155615		4 Month/Year 12/01		5 Page 8 of 11									
2		INJECTION		PRODUCTION				DISPOSITION OF OIL, GAS, AND WATER									
POOL NO. AND NAME		8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Property No. and Name		C	Volume	Pressure	C	Barrels of Oil/condensate produced	Barrels of water produced	MCF Gas Produced	Days Produced	C	Point of Disposition	Gas BTU or Oil API Gravity	Oil on hand at beginning of month	Volume (Bbls/mcf)	Transporter Ogrid	C	Oil on hand at end of month
Well No. & U/L-S-T-R		O			O					O						O	
API No.		E			E					E						E	
		1			2					3						4	
16439 Stuart-Yates 7RS-ON, Gradyne																	
019733 Keohane																	
001 M-25-19S-31E																	
0015-05605		P				124	168		31								
002 L-25-18S-31E																	
0015-05606		P				124	168		31	O	0627510	34.8	220	333	15694		135
										W	0627550			336			
019733 Hinkle B																	
003 N-26-18S-31E																	
0015-05610		P				58	184		31								
004 K-26-18S-31E																	
0015-05611		P				15	60		31	O	0627510		123		15694		196
										W	0627550			244			
019734 Hinkle B-26																	
001 M-26-18S-31E																	
0015-05608		P				38	122		31								
002 J-26-18S-31E																	
0015-05609		S															
003 M-26-18S-31E																	
0015-05612		S								O	0627510		46		15694		84
										W	0627550			122			
16619 Chaves UND Group 6																	
120752 Stevens Federal																	
004 P-27-13S-29E																	
0005-61015		S								O	1282510		100				100
0285 Little Lucky Lake Morrow (Gas)																	
120731 Big Lucky Lake Fed Com																	
01 O-30-15S-30E																	
0005-21063		S															
02 I-30-15S-30E																	
0005-00517		F				19		2982	31	O	1280710		119		15694		138
										G	1280730	1482		2982	000602		
120732 Champezo Federal																	
01 C-31-15S-30E																	
0005-00518		S															

Form 3160-5
(June 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Nadel and Gussman Permian, L.L.C.

OGRID # 155615

3. Address and Telephone No.

601 N. Marienfeld, Suite 508, Midland, TX 79701

915-682-4429

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1650' FSL & 330' FWL
Unit J, Sec. 26 - 18S - 31E

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

6. Lease Designation and Serial No.

LC - 020392 B

8. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Hinkle B-26 #2

9. API Well No.

30-015-05609

10. Field and Pool, or Exploratory Area

Shugart YT, 7R, QN, GB

11. County or Parish, State

Eddy Co., NM

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

TYPE OF SUBMISSION

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☒ Abandonment☐ Recompletion☐ Plugging Back☐ Casing Repair☐ Altering Casing☐ Other☐ Change of Plans☐ New Construction☐ Non-Routine Fracturing☐ Water Shut-Off☐ Conversion to Injection☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

2-22-02: MIRU Key Unit #453. Worked on wellhead and then unscrewed it. No tubing in hole. SD and MI work string.

2-25-02: RU wireline truck but couldn't get down. Picked up tubing and bit and TIH. Tagged up hard at 1425' - possibly on old plug. Called Jim Amos with the BLM and Van Barton of the OCD. They approved changes to plugging procedure. Pressured up on the casing to 1500 psi - OK. Pumped 25 sx cement from 1425' to 1275'. RU wireline and shot squeeze perfs at 895'. Set retainer at 830'. Squeezed annulus with 130 sx cement.

2-26-02: Perforated casing at 50'. Filled casing and annulus to the surface with 40 sx cement. Cut off casing and installed dry hole marker. RDMO, cleaned location and hauled off tubing.

14. I hereby certify that the foregoing is true and correct

Signed

Title Robert McNaughton-Operations Engineer

Date

3-18-02

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

Title 18 U.S.C. Section 1001, makes 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.

*See Instruction on Reverse Side

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 87240

District II

1301 West Grand, Artesia, NM 87210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

Form C-103

Revised March 25, 1999

WELL API NO.

30 - 015 - 24425

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

L - 654

7. Lease Name or Unit Agreement Name:

New Mexico "DI" State

8. Well No.

1

9. Pool name or Wildcat

Dark Canyon Delaware, West

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 ☒ Gas Well ☐ Other ☐

2. Name of Operator

Nadel and Gussman Permian, L.L.C. #155615

3. Address of Operator

601 N Marienfeld, Suite 508, Midland, Texas 79701

4. Well Location

Unit Letter: E : 1880' feet from the North line and 660' feet from the West lineSection 19 Township 23 S Range 26 E NMPM Eddy County

1. Elevation (Show whether DR, RKB, RT, GR, etc.)

3430' GL

II. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☒CASING TEST AND CEMENT JOB ☐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.

3-06-02: MIRU Key Rig # 401. Tubing and rods were stuck, so Key ran an outside back-off on the tubing. POH with 3348' tubing and fished rods to below there. NMOCD Artesia approved the procedural changes to the P&A.

3-07-02: Pumped 25 sx plug at 3348', WOC, but didn't tag cement. Pumped 2nd 25 sx plug at 3348', WOC, but didn't tag the cement.

3-11-02: Set a CIBP at 3348' and pumped 25 sx cement on top. Loaded hole with 10 PPG salt gel mud.

3-12-02: Pumped a 25 sx plug across 8-⁵/₈" intermediate casing shoe from 1700' to 1472'. WOC and tagged plug. Pumped 25 sx cement from 908' - 680'. Shot SQZ perfs at 675'. Pumped 70 sx cement and filled the casing. Squeezed cement into annulus, but couldn't circulate at 500 psi. Tagged plug at 5'.

3-13-02: Cut off wellhead and topped off the 5¹/₂" casing annulus with cement. Set dry hole marker, back filled and cleaned the location.

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

SIGNATURE



TITLE Operations Engineer

DATE 3-13-02

Type or print name Robert McNaughton

Telephone No. 915 - 682 - 4429

(This space for State use)

APPROVED BY

TITLE

DATE

Conditions of approval, if any:

Submit 3 Copies To Appropriate District Office
District I
 1625 N. French Dr., Hobbs, NM 87240
District II
 811 South First, Artesia, NM 87210
District III
 1000 Rio Brazos Rd., Aztec, NM 87410
District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-103

Revised March 25, 1999

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.)		WELL API NO. 30 - 015 - 24592
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Nadel and Gussman Permian, L.L.C. #155615		6. State Oil & Gas Lease No. L - 654
3. Address of Operator 601 N Marienfeld, Suite 508, Midland, Texas 79701		7. Lease Name or Unit Agreement Name: New Mexico "DI" State
4. Well Location Unit Letter: D : 660' feet from the North line and 660' feet from the West line Section 19 Township 23 S Range 26 E NMPM Eddy County		8. Well No. 2
1. Elevation (Show whether DR, RKB, RT, GR, etc.) 3439' GL		9. Pool name or Wildcat Dark Canyon Delaware, West

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☒

CASING TEST AND CEMENT JOB ☐

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.

03-04-02: MIRU Key Energy Rig. Set CIBP at 4650' and circulated salt gel mud in hole.

03-05-02: Pumped 25 sx cement on CIBP from 4650' to 4404'. Pumped 25 sx plug from 2450' to 2204' across the DV tool. Pumped 35 sx cement at 1650' across the surface casing shoe. Tagged plug at 1060'. Shot Squeeze holes at 50' but could not circulate to the surface. Pumped 10 sx plug (100') at the surface. RDMO.

03-06-02: Set dry hole marker and dug out the anchors and well head and cut them off.

Will clean location and pick up the flowline after the other wells are plugged.

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

SIGNATURE  TITLE Operations Engineer DATE 3-12-02

Type or print name Robert McNaughton Telephone No. 915 - 682 - 4429

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

FEB 27 2002

Form 3160-6
(June 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Nadel and Gussman Permian

3. Address and Telephone No.

601 N Marlenfeld, Suite 508, Midland, Texas 79701

OGRID # 155615

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980' FNL, 680' FWL
Unit E, Sec 12, T14S, R28E6. Lease Designation and Serial No.
NM - 17218

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Paula Federal #2/

9. API Well No.

30 - 005 - 61875

10. Field and Pool, or Exploratory Area

Sams Ranch Grayburg SA

11. County or Parish, State

Chaves Co., NM

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

TYPE OF SUBMISSION

- ☐
- Notice of Intent
-
- ☒
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☒
- Abandonment
-
- ☐
- Recompletion
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Altering Casing
-
- ☐
- Other

- ☐
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note: Report results of multiple completions on Well Completion or Intervention Report and Log form.)

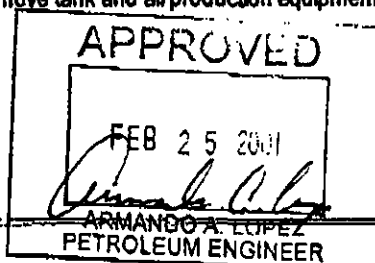
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Notified BLM of impending P&A.

2-14-02: MI Key Well Service. Had to reset one anchor. Dug working pit with backhoe.

2-15-02: RU Key rig. Opened tubing and annulus to pit. Bled pressure off the tubing annulus. Well died in one hour. NU BOP and pulled the tubing. Circulated 50 Bbls 10 PPG salt gel mud and POH. RU Black Warrior Wireline. Bailed 35' cement on CIBP at 2650'. RIH with a CIBP and set at 1830'. Bailed 35' cement on top and POH. RIH with 3-1/8" casing gun and shot squeeze holes at 350'. POOH. MIRU BJ Services. RIH with tubing and closed the tubing annulus. Established circulation and pumped 105 sx through the casing annulus to the surface. Closed the surface casing valve, filled the casing with 25 sx and circulated 10 sx to the pit. Removed the Larkin wellhead and POH with the tubing. Filled the casing up to the surface with cement. RDMO BJ services. Note: the BLM reviewed and approved BJ's cementing report but did not witness the work.

2-19-02 Will cut off wellhead and set regulation 4' dry hole marker. Will remove tank and all production equipment and clean location.



14. I hereby certify that the foregoing is true and correct

Signed

Title R. McNaughton - Operations Engineer

Date

2-19-02

(This space for Federal or State office use)

Approved by

Title

Date

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*See Instruction on Reverse Side

Z POOL NO. AND NAME Property No. and Name Well No. & UAL-G-T-R APT No.	8 C O D E 1	INJECTION		11 C O D E 2	PRODUCTION				16 C O D E 3	DISPOSITION OF OIL, GAS, AND WATER							22 C O D E 4	23 Oil on hand at end of month
		9 Volume	10 Pressure		12 Barrels of Oil/condensate produced	13 Barrels of water produced	14 MCF Gas Produced	15 Days Produced		17 Point of Disposition	18 Gas BTU or Oil API Gravity	19 Oil on hand at beginning of month	20 Volume (Bbls/mcf)	21 Transporter Ogrid				
2155 Black River Atoka (Gas) 20210 Carlsbad State Com 1 B-34-23S-26E 0-015-21466	F						147	29	O G	2805123 2218930	1056	21	147	20445 7057		21		
7400 Geronimo Delaware 19947 State HM Delaware 02 A-36-19S-32E 0-025-31803	S								O W	2547010		45				45		
4100 SWD Delaware 19947 State HM Delaware 12 H-36-19S-30E 0-025-31950	S																	
9230 Little Lucky Lake Devonian 20036 Perry Federal 01 G-29-15S-30E 1-005-00514 15 B-29-15S-30E 1-005-21129	S T								O G W	2039810 2039830 2816575		205		15694 9171		205		
9285 Little Lucky Lake Morrow 20036 Perry Federal 12 O-29-15S-30E 1-005-00515 13 K-29-15S-30E 1-005-00516	S F						14	2	O G W	2039810 2039830 2816575	1392	56	14	15694 9171		56		
6101 Little Lucky Lake 20036 Perry Federal 14 A-29-15S-30E 1-005-20333	S			W														

Form 3160-5
(June 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOPERATOR'S COPY FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Nadel and Gussman Permian

3. Address and Telephone No.

601 N Marienfeld, Suite 508, Midland, Texas 79701

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

760' FNL, 1775' FEL
Unit B, Sec 29, T15S, R30E

5. Lease Designation and Serial No.

NM NM0338A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Peery Federal #6

9. API Well No.

30 - 005 - 21129

10. Field and Pool or Exploratory Area

Little Lucky Lake SA

11. County or Parish, State

Chaves Co., NM

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

TYPE OF SUBMISSION

- ☐
- Notice of Intent
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- ☒
- Subsequent Report
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- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Abandonment
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- Plugging Back
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- ☐
- Casing Repair
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- ☐
- Altering Casing
-
- ☒
- Other
- Temporary Abandonment
-
- ☐
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Please Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

2-06-02: MIRU Apollo Wireline. Set 5-1/2" CIBP at 3535'. Capped with 35' cement by bailer. RDMO.

2-08-02: RU Key pump truck. Loaded casing with inhibited water and tested to 500 psi. Unsuccessful due to leaking wellhead.

2-13-02: RU United Wellhead Service. Tightened flange bolts and injected O-ring sealer. Tested wellhead to 3000 psi - OK.

2-14-02: RU Hughes pump truck. Tested casing to 500 psi for 30 minutes - OK. See attached chart.

Request one year TA status while we evaluate offset drilling. We may need this well for a backup SWD.

APPROVED FOR 12 MONTH PERIOD
ENDING Feb. 14, 03

14. I hereby certify that the foregoing is true and correct

Signed

Title R. McNaughton - Operations Engineer

Date

2-20-02

(This space for Federal or State office use)

Approved by

Title

P.E.

Date

3/1/03

Title 18 U.S.C. Section 1001, makes 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.

*See instruction on Reverse Side

Submit 3 Copies To Appropriate District Office
District I
 1625 N. French Dr., Hobbs, NM 87240
District II
 811 South First, Artesia, NM 87210
District III
 1000 Rio Brazos Rd., Aztec, NM 87410
District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-103

Revised March 23, 1999

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.)		WELL API NO. 30 - 015 - 30588
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Nadel and Gussman Permian, L.L.C.		6. State Oil & Gas Lease No. VB - 0528
3. Address of Operator 601 N Marienfeld, Suite 508, Midland, Texas 79701		7. Lease Name or Unit Agreement Name: Rolling Rock State
4. Well Location Unit Letter M : 990 feet from the South line and 990 feet from the West line Section 31 Township 23 S Range 25 E NMMPM Eddy County		8. Well No. 1
1. Elevation (Show whether DR, RKB, RT, GR, etc.) 3875' GL, 3894' GL		9. Pool name or Wildcat Baldrige Canyon Morrow

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
 OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
 CASING TEST AND CEMENT JOB ☐

TEMPORARILY ABANDON ☒

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.

2/06/02: Opened 2" surface valve and blew well down.

2/16/02: MI Black Warrior Wireline. Set CIBP at 10,140' and cased with 35' cement in two bailer runs.

2/22/02: Loaded casing with inhibited water and tested casing to 500 psi for 30 minutes - OK.

Request Temporary Abandoned Status.

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

SIGNATURE  TITLE Operations Engineer DATE 3-18-02

Type or print name Robert McNaughton Telephone No. 915 - 682 - 4429

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

OPERATOR'S COPY

Form 3160-5
(June 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 19935. Lease Designation and Serial No.
NM - 54400

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Shel 15 Federal #2

9. API Well No.

30 - 005 - 62558

10. Field and Pool, or Exploratory Area

Lucky Lake Queen

11. County or Parish, State

Chaves Co., NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Nadel and Gussman Permian

3. Address and Telephone No.

801 N Marionfeld, Suite 500, Midland, Texas 79701

OGRID # 155615

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FNL, 1650' FWL

Unit C, Sec 15, T15S, R29E

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

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

2-12-02: MIRU Key well Service. POOH with pump, rods and tubing.

2-13-02: RU Black Warrior Wireline. Set CIBP at 1800' and capped with 35' cement by bailer. Shot 2 squeeze holes at 1108'. RIH with 34 jts tubing to 1092'. RU BJ Services and tied onto the tubing. Opened the casing valve and pumped 50 Bbls 10 PPG salt gel mud, but did not circulate any to the pit. Pumped 10 Bls fresh water followed by 10 sx cement. Closed the casing valve and squeezed cement into the annulus with no pressure. With the approval of JR Hogdon of the BLM, pumped 30 sx "C" with 6% CaCl to flash set the cement. POOH with wet tubing string - last five joints were full of cement. SD for 1 hour. RIH with tubing and tagged cement at 908'. BLM approved and instructed us to proceed. POH with tubing and shot squeeze holes at 325'. RIH with tubing and attempted circulation with the tubing annulus open. Opened casing valve and pumped fresh water without any circulation. Pumped 195 sx cement down tubing and circulated through the tubing annulus. Filled casing to the surface and then circulated remaining cement through the 5-1/2" x 8-5/8" casing annulus. Circulated 10 sx cement to the pit. RD BJ and LD tubing. BLM approved the plugging work.

2-14-02 After the rig is moved, a backhoe will dig out the well head and clean the location. A welder will cut off the well head and set a dry hole marker. Then the backhoe will backdrag the location and cover the working pit.

APPROVED

FEB 25 2001

ARMANDO A. LOPEZ

PESTROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct

Signed

Title R. McNaughton - Operations Engineer

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.

*See Instruction on Reverse Side

District I

P. O. Box 1980, Hobbs, NM 88241-1980

District II

P. O. Drawer DD, Artesia, NM 88211-0719

District III

3009 Rio Brazos, Aztec, NM 87410

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South Saint Francis Dr.
Santa Fe, NM 87505
OPERATOR'S MONTHLY REPORT

Form C-115 First Page
Revised October 17, 1993
Instruction on Reverse Side
1 ☐ Amended Report

2 Operator Nadel and Gussman Permian, L.L.C.					3 OGRID: 55615					4 Month/Yr 11/01						
5 Address: 601 N. Martenfeld, Suite 508, Midland, TX 79701										6 Page 9 of 11						
Z POOL NO. AND NAME Property No. and Name Well No. & U-I-S-T-R API No.		INJECTION		PRODUCTION				DISPOSITION OF OIL, GAS, AND WATER								
		9 Volume	10 Pressure	11 C O D E 2	12 Barrels of Oil/conden- sate produced	13 Barrels of water produced	14 MCF Gas Produced	15 Days Pro- duced	16 C O D E 3	17 Point of Disposition	18 Gas BTU or Oil API Gravity	19 Oil on hand at beginning of month	20 Volume (Bbls/mcf)	21 Transporter Ogrid	22 C O D E 4	23 Oil on hand at end of month
82730 Porco Stone Abo 020790 Allen Federal 001 D-07-10S-26E 30-005-62817		P					636	28	G	1281730	1119		636	147831		
39270 Little Lucky Lake Penn 020734 Soro Federal 001 D-28-15S-30E 30-005-00512		P			11			14	O	1280910		144		15694		115
41310 Lucky Lake Queen 020749 Shell 15 Federal 001 D-15-15S-29E 30-005-10185 002 C-15-15S-29E 30-005-62558		S							O G W	1282010 1282030 1282050		53		15694		53
88117 SWD Queen 020749 Shell 15 Federal 003 E-15-15S-29E 30-005-62656		D	55	W												

I hereby certify that the information contained in this report is true and complete to the best of my knowledge.

24

Signature

Nestora Germann - Production Analyst

Printed Name & Title

5/13/1998

Date

(915)682-4429

Phone Number

Mar 19 02 01:31p

Nadel and Gussman Permian 915 682 4325

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