

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

RECEIVED

MAY 19 2004

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.

OCD-ARTESIA

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Nadel and Gussman Permian L.L.C.

OGRID# 155615

3a. Address

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

3b. Phone No. (include area code)

432-682-4429

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

1800 FSL & 840 FWL

UL L Sec. 31- T20S - R27E

5. Lease Serial No.

NM-0400512A

6. If Indian, Allottee or Tribe Name

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

2732A

8. Well Name and No.

ICA 31 Federal No. 1

9. API Well No.

30-015-31587

10. Field and Pool, or Exploratory Area

Avalon Morrow

11. County or Parish, State

Eddy, Co. NM

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 type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

3. 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.)

5-05-04 - Set CIBP @ 7871' spot 25 sxs on top - 7631'

Circulate hole with 10# mud

5-06-04 - Spot 25 sxs @ 5121' - 4881'

Perforate @ 2106 - test to 1000#

Spot 25 sxs @ 2154' - 1910 & Tag

5-07-04 Spot 44 sxs @ 562' - 160' & Tag

5-07-04 Spot 10 sxs @ 90' - surface

Install hole marker

Approved as to plugging of the well bore.
Liability under bond is retained until
surface restoration is completed.

Accepted for record - NMOCD

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

Name (Printed/Typed)

K. E. McCready

Title Operations Engineer

Signature

Date

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature)

(ORIG. SGD.) ALEXIS C. SWOBODA

Name

(Printed/Typed)

PETROLEUM ENGINEER

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

Date

MAY 18 2004

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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on next page)

NADEL AND GUSSMAN PERMIAN

ICA 31 Federal #1

1800' FSL, 840FWL, Unit L, Sec 31, 24S, 27E, Eddy County, NM
API # 30-015-31587

Elev: 3237', KB = 3252'

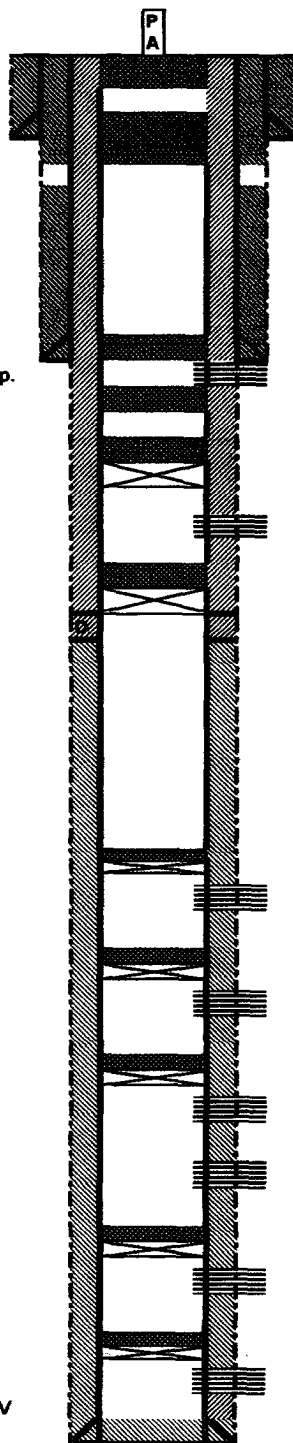
Current Status - PA

13-3/8", 48#, J-55 @ 400'
440 sx, cement circulated
17-1/2" hole

8-5/8", 24#, J-55 @ 2000'
600 sx, DNC, TOC @ 500' by temp.
1" to surface w/ 236 sx, circulated
11" hole

DV tool at 8200'
742 sx, cement circulated

5-1/2", 17#, N80 @ 10,760'
550 sx, circulated cement to the DV
7-7/8" Hole



Set CIBP @ 7871' cap w/ 25 sxs TOC @ 7631
Circ hole w/ 10# mud
Spot 25 sxs @ 5121-4881'
Perforate @ 2106 and test to 1000 #
Spot 25 sxs 2154-1910 & tag
Spot 44 sxs 562-160' and tag
spot 10 sxs from 90' to surf
Erect PA marker

Wolfcamp Perfs 7930-7964' 68 holes

CIBP @ 8150' capped w/ 35' of cmt

CIBP @ 9300' w/ 35' cement

Strawn Perfs: 9340' - 9496'
@ 2 SPF, 46 holes, 5000 gal 50Q 7.5% MSR w/ N₂

CIBP @ 9970' w/ 35' cement

Atoka Perfs: 10,118' - 10,120'
@ 2 SPF, 64 holes, 2500 gals 70Q 7.5% MSR w/ N₂

CIBP @ 10,320' w/ 35' cement

Morrow Perfs: 10,370' - 10,420'
@ 4 SPF, 200 holes, 3000 gals 7.5% MSR w/ N₂

Morrow Perfs: 10,430' - 10,446'
@ 4 SPF, 64 holes, 1300 gals 7.5% MSR w/ N₂

CIBP @ 10,469' w/ 10' cement

Morrow Perfs: 10,484' - 10,494'
@ 4 SPF, 40 holes, 1000 gals 7.5% MSR w/ N₂

CIBP @ 10,540' w/ 10' cement

Morrow Perfs: 10,566' - 10,580'
@ 2 SPF, 30 holes, 800 gals 7.5% MSR w/ N₂

PBTD @ 9935'

TD @ 10,760'

Accepted for record - NMOCD