

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOCD Artesia
RECEIVED

APR 02 2013

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**SUNDRY NOTICES AND REPORTS ON WELLS IN ARTESIA****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, LLC**3a. 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)
1650' FSL & 660' FEL, Sec. 11 NESE, T18S, R31E

5. Lease Serial No.

NMLC029388B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

AJ 11 Federal #2

9. API Well No.

30-015--26158

10. Field and Pool, or Exploratory Area

Tamano, Bone Spring

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			
<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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input 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	

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 recompleate 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 recompleation 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.)

BLM Bond No. NMB000520
Surety Bond No. B004230

Accepted for record
NMLC029388B 4/3/13

Nadel and Gussman HEYCO, LLC received approval from partners to recompleate this wellbore to the Grayburg formation. A CIBP at 5700' was tagged and 40' of cement dump bailed on top. A CIBP was set at 4310' and pressure tested to 2500 psi, 40' of cement was subsequently dump bailed on top. The Grayburg formation was then perforated from 4170' to 4178', acidized and swabbed to test for inflow. Inflow was measured at less than 3 bbls in a 24 hour period with an oil cut less than 1%. This interval requires hydraulic fracture stimulation to be commercial. A supplemental AFE will be submitted to partners for additional funds to hydraulically fracture stimulate the Grayburg interval from 4170' to 4178'.

Nadel and Gussman HEYCO, LLC requests an extension until June 30, 2013 to secure additional partner approvals and fracture stimulate the interval to definitively ascertain commercial production from the Grayburg formation in this wellbore. Should partners fail to approve additional funding for this well, Nadel and Gussman HEYCO, LLC will proceed with plans to plug and abandonment the well.

APPROVED FOR 3 MONTH PERIOD
ENDING June 30, 2013

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

Tammy R. Link

Title **Production Tech**

Signature

Date

03/22/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

SEPS

Date

3-31-13

Office

CFD

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.

(Instructions on page 2)