

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. DIV-Dist. 2

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

1301 W. Grand Avenue

Astoria, NM 87003

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.

5. Lease Serial No. 5
NMNM 0115464 - A

6. If Indian, Allottee or Tribe Name

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, LLC

3a. Address

601 N. MARIENFELD MIDLAND, TX 70701 Suite 508

3b. Phone No. (include area code)

(432) 682-4429

RECEIVED

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

Sec. 25 - T15S - R27E, 1,980' FSL & 660' FWL

DEC 28 2005

OD-ARTS-01

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

35101

8. Well Name and No.

Lazarus Federal #1

9. API Well No.

30-005-63780

10. Field and Pool, or Exploratory Area

Buffalo Valley Penn.

11. County or Parish, State

Chaves, New Mexico

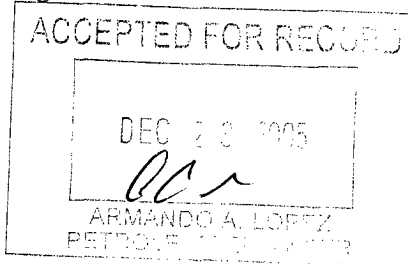
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Inter. Casing</u>
	<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	

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.)

12/08/05 RU csg crew, run 43 joints 8 5/8"28#/M55/STC csg. 2 float joints, flat collar at 1734', install cmt head and wash to btm. Circ with full returns, pump lead 300 sx 35/65 poz and 200 sx tail class C, displace with 108.5 bbls FW, bump plug at 1160 psi, circ +/- 169 sx to pits. ND BOP's, NU 13 5/8" 3K X 11" 3K B section. Test to 1250 psi. At report time, NU BOP's. WOC 18 hrs.

12/09/05 Test BOP Blinds / Rams / Manifold to 3,000 psi high and 250 low test annular 1,500 psi high and 250 psi low. Install wear bushing strap BHA / PU BHA / TIH. Test casing to 1,500 psi high and 250 low for 30 minutes. Note drilling formation @ 2:00am.



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

JOSH FERNAU

Title STAFF ENGINEER

Signature

Date 12/12/05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature)

Name
(Printed/Typed)

Title

Office

Date

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 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)