

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OCD-ARTESIA

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

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

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

Surface: UL N Sec. 30 T20S R23E 660' FSL & 2,280' FWL

BH: UL N Sec. 30 T20S R23E 660' FSL & 1,980' FWL

5. Lease Serial No.

NM 93460

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Josey Federal #3

9. API Well No.

30-015-34513

10. Field and Pool, or Exploratory Area

Chester

11. County or Parish, State

Eddy County, 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 checked="" type="checkbox"/> Other <u>CMT Surf / Inter.</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>CSG</u>
	<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.)

01/24/06 Short trip 9 stds DP. TOH & LD 8" DCs. Run 45 jts 9 5/8" 36# K55 LTC Csg. FC @ 1933'

Pump 320 Bbls FW w/ rig pump / washed to bottom. RU Schlumberger - Pump 75 Bbls FW Gel Cem-Net.

1st Lead: 100 sks [29 Bbls] RFC 1-A w/ 3 pps D24, 0.25 pps D29 @ 14.2 ppg 1.6 cuft/sk yield. 2nd Lead: 800 sks [346 Bbls] 50/50 POZ w/ 10% D20, 2% S1, 5 pps D24, 0.25 pps D29, 0.2% D46 @ 11.8 ppg 2.43 cuft/sk yield. TAIL: 350 sks [94 Bbls] Class C w/ 2% S1, 0.25 pps D29 @ 14.8 ppg 1.34 cuft/sk yield. Displace w/ 149 Bbls FW. Bumped plug w/ 1150 psi - Float held. Did not circulate cement to surface. WOC BLM on location.

01/25/06 WOC 18hrs, Run Temp Survey. TOC @ 90' [annulus] & @ 1860' [inside] Cut off 20" Conductor & 9 5/8" csg / Top off 9 5/8" Annulus w/ 6 yards [160 sks] of Redi-Mix cement. Weld on 11" 3M Csg head & test 1000 psi. NU BOP. Test BOP - Rams, manifold, choke, valves [250 low / 3000 high] Annular [250 low/ 1500 high] for 30 min respectively.

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

Name (Printed/Typed)

JOSH FERNAU

Title STAFF ENGINEER

Signature

Date 01/26/06

ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

DAVID E. GLASS

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 18 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)