Form 3160-5
(April 2004)

Month - Year
FEB - 5 2007
OCD - ARTESIA, NM

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

5. Lease Serial No. NM 20360

6. If Indian, Allottee or Tribe Name

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

1. Type of Well: Oil Well ___ Gas Well X Other ___

2. Name of Operator: Nadel and Gussman Permian, LLC

8. Well Name and No.: Aminoil Federal #3

9. API Well No.: 30-015-35020

3a. Address: 601 N. Marienfeld, Suite 508, Midland, TX 797001

3b. Phone No. (include area code): 432-682-4429

10. Field and Pool, or Exploratory Area: Morrow

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Unit Letter M: 660 feet from the South line and 660 feet from the West line of Section 22, Township 24S, Range 28E

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			
Notice of Intent	Acidize	Deepen	Production (Start Resume)	Water Shut-Off
	Alter Casing	Fracture Treat	Reclamation	Well Integrity
X Subsequent Report	Casing Repair	New Construction	Recomplete	Other Run & Cement Intermediate Casing
	Change Plans	Plug and Abandon	Temporarily Abandon	
Final Abandonment Notice	Convert to Injection	Plug Back	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 recomplete 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 recompletion 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.)

1/1/07 Work stuck pipe @ 746' with 1336' of pipe in the hole, Jar loose stuck pipe and TIH. Ream through tight spot and then continue jarring out of hole, lay down BHA. Started running 9-5/8" / 40# / N-80 / LTC casing, Conduct 5 min safety meeting with all personal on location.

1/2/07 Finished running 9 5/8 casing to 6200'. Rigged up Schlumberger and cemented well w/ 1580 sxs 50/50 POZ/C and 200 sxs C. Displaced and bumped plug. Did not get cement to surface. Temperature survey detected cement at 290' below surface. Nippled down BOP and ran 1" pipe on backside to 290' and began cementing to surface per BLM requirement. Conducted 5 min safety meeting w/ all personnel on location.

1/3/07 Continued and completed 1" cement on backside to surface. Set slips cut off and nipple up BOP. Test BOP, tested OK. Picked up BHA and TIH. Tested pipe rams and casing to 1500 psi. Drilled cement and plug to 6200'.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed): Terry West — Title: Engineer

Signature: Terry West — Date: 1-8-07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Ar2rave~

Title: ___ Date: JAN 25 2007

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: ___

ACCEPTED FOR RECORD
WESLEY W. INGRAM
PETROLEUM ENGINEER

Title 18 U.S.C. Section 1001 and Tide 43 U.S.C. Section 1212, make it a crime for any person knowingl and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to anymatter within its j urisliction.

(Instructions on page 2)

Accepted for record - NMOCD

2/5/07