

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.**1 Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
NADEL AND GUSSMAN HEYCO, LLC3a Address
PO BOX 1936 ~ ROSWELL NM 88202-19363b Phone No (include area code)
505/623/6601

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

660'FSL & 990' FEL, Unit P, Sec. 6, T19S, R29E

MAY 21 2008

OCD-ARTESIA

5 Lease Serial No
V-689

6 If Indian, Allottee or Tribe Name

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

8. Well Name and No.
SST #59. API Well No
30-015-3619910. Field and Pool, or Exploratory Area
N. Turkey Tract Morrow11 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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other surface & intermediate
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<input type="checkbox"/> Csg cmt. report
	<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 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.)

5/12/08 Spud Well.

5/12/08 TD 17 1/2" hole. Ran sweep. RIH w/13/8" H-40# ST&C. Lead: 165 sx of 35/65 POZ/C (Fly Ash) Class C CMT; 3% Calcium Chloride; 6% Bentonite Gel; 0.125 Cello Flake; Yield 1.94; H2O 10.46 gal/sk. Tail: 200 sx class "C" CMT; 2% CaCl; 0.125 Cello Flake; Yield 1.34; H2O 6.3 gal/sk.

Circulated 26 sx = 9 Bbbs to pit.

5/19/08 TD 12 1/4" hole. Ran sweep. RIH w/ 83 jts and 9 5/8" 36# J55 ST&C; Lead: 802 sx of 50:50 POZ Class C+5% D44+10% D20+0.125 pps D130+0.2% D46, PPG 11.9, Yield 2.46 Mix Water 14.15 GPS. Tail CMT: 200 Class C+ 0.1% D13. Circulated 82 sx. Bumped plug w/1350 psi at 5:30 pm.

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

Tammy R. Link

Title Production Tech

Signature

Date

05/20/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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.

Office

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)

Accepted for record - NMOCB

HARVEY E. YATES COMPANY INTERMEDIATE CASING REPORT

WELL: SST #5
LOC: 660 FSL; 990 FEL
S/T/R: SEC 6; T19S-R29E
CO: EDDY
ST: NM

DATE: 5/19/08

DEPTH: 3,600'
CASING SIZE: 39696 I.D. 8.921
CEMENT CO: SCHLUMBER HOLE SIZE: 12.25
FOREMAN: DENNIS
RIG: PATTERSON 504

ITEM:	NO. JTS:	LENGTH:	WT:	GRADE:	THREAD:	TOP:	BOTTOM:
1	83	3598.69	36#	J-55	STC	0	0.00
2	0	0	0	0	0	0	0
3	0	0	0	0	0	0	0
4	0	0	0	0	0	0	0
5	0	0	0	0	0	0	0
	0	3,598.69					

CASING DELIVERED

JOINTS: 86

THREADS OFF TALLY: 3,723.22

CASING LEFT OVER

FULL JOINTS: 3 9 5/8" 36# ST&C J-55

LENGTH: 127.53

FULL JOINTS: 0 8 5/8" 24# ST&C J-55

0.00

CUT OFF: 1 9 5/8" 36# ST&C J-55

LENGTH: 20.00

CEMENT

SX:	DESCRIPTION:	PPG.	YIELD	MIX WATER	
802	50:50 POZ CLASS C + 5% D44 + 10% D20 + 0.125pps D130 + 0.2% D46	11.9	2.46	14.15	GPS
200	CLASS C + 0.1% D13	14.8	1.32	6.3	GPS

LEAD SLURRY 530.0 BBLS

TAIL SLURRY 200.0 BBLS

MUD WEIGHT 10 PPG

DIFF PRESS. 857 PSI

FRESH WATER REQUIREMENTS in BBLS

MIX 0.0

MISC 50.0

TOTAL 50.0

DISP. 0.0 BBLS

DISPLACEMENT IS DRILLING FLUID

SACKS CIRCULATED 82

ACTUAL HOLE CEMENT VOLUME #DIV/0! CFT/FT

COMMENTS

BUMPED PLUG w/1350 psi; CIRCULATED 36 BBLS CEMENT

HARVEY E. YATES COMPANY SURFACE CASING REPORT

DATE: 5/12/08

LOCATION: 660' FSL & 990' FEL

S/T/R: Sec 6 T19S-R29E

#REFI

COUNTY: Eddy

STATE: NM

CASING SIZE: 13 3/8

CEMENT CO: Schlumberger

FOREMAN: Dennis

RIG: Patterson 504

ITEM:	NO. JTS:	LENGTH:	WT:	GRADE:	THREAD:	TOP:	BOTTOM:
1	T/P Shoe	1.50				446.5	448.00
2	1	44.51	48	H-40	STC	401.99	446.5
3	INSERT FLOAT	1.50	0	0	0	400.49	401.99
4	0	0.00	0	0	0		400.49
	1	47.51					

CASING DELIVERED

JOINTS:

11

THREADS OFF TALLY:

495.76

CASING LEFT OVER

FULL JOINTS:

1

13 3/8" 48# ST&C H-40

LENGTH:

41.46

CEMENT

SX:

DESCRIPTION:

165	35/65 POZ/C (Fly Ash) Class C CMT; 3% Ca-CL; 6% Bentonite Gel; 0.125 Cello Flake;					
PPG	12.7/14.8	YIELD	1.94	MIX WATER PER SACK	10.46	

BBLs MIX WATER REQ'D

71

DISP. WATER REQ'D

63.3

TOTAL BBLs WATER REQ'D

300

BARRELS OF SLURRY

105.0

SX CIRCULATED

26

ACTUAL HOLE VOLUME

0.60

CFT/FT

COMMENTS

Plug Down @ 2212 NM w/980#; Circulated 26 Sks = 9 Bbls

Schlumberger

DESIGN - EXECUTE - EVALUATE - REPORT

9 5/8 Intermediate

Company Name: Nadel & Gussman
WellName & #: SST # 5
County, State: Eddy, New Mexico
Company Rep: Dennis Pomroy

Prepared By: Emery Fisher
Title: FS1
District: ANM
Phone #: 746-9363
Sales: Donald Garcia
City: Artesia
Date: 5/19/2008



Service Order

2008-May-19

Customer NadeL & GUSSMAN Heyco LLC		Person Taking Call Martinez, Raul		Dowell Location Artesia, NM		OrderDate 2008-May-12		Job Number 2202046606	
Well Name and Number SST 5		Legal Location		Field TURKEY TRA		County Eddy		State/Province NM	
Well Master 0631011357		API / UWI: 30015361990000							
Rig Name Patterson #504		Well Age New		Sales Engineer Crowe, Russell		Job Type Cem Interm Casing			
Time Well Ready:		Deviation °		Bit Size in		Well MD 3,600 ft		Well TVD 3,600 ft	
						BHP psi		BHST 108 °F	
								BHCT 80 °F	
Treat Down Casing		Packer Type		Packer Depth ft		WellHead Connection		HHP on Location	
								Max AllowedPressure	
								Max Allowed AnnPressure	
Casing					Services Instructions:				
Depth, ft					CEMENT 3600' OF 9 5/8" INTERMEDIATE CASING IN 12 1/4" HOLE				
Size, in									
Weight, lb/ft									
Grade									
Thread									
3600									
9.63									
36									
400									
13.38									
48									
Tubing					Extra Equipment:				
Depth, ft									
Size, in									
Weight, lb/ft									
Grade									
Thread									
Perforated Intervals									
Top, ft									
Bottom, ft									
spf									
No. of Shots									
Total Interval									
					ft				
					Diameter				
					in				
Expected On Location:					Ready To Pump:				

Contact	Voice	Mobile	FAX	Notes
Dennis Pomroy	432-238-3644	432-559-7373		

Notes:

REMEMBER TO WORK SAFE AND DO THE JSA
DO NOT BACK WITHOUT A LAND GUIDE!!!!!!!!!!!!!!!!!!!!!! OR PULL FORWARD WITHOUT A LAND GUIDE!!!!!!!!!!!!!!!!!!!!!!!!!!!!

Directions:

FROM ARTESIA: GO EAST ON 82 , TURN RIGHT ON 360, GOTO MM 18 TURN RIGHT ON CALICHE ROAD, GO 2.5M TURN RIGHT, GO 0.4M TURN LEFT, GO 1.4M TURN LEFT TO LOCATION.

Other Notes:

CONFIRM WELL DATA WITH COMPANY REP

Comments:

REMEMBER TO WEAR ALL PPE

Fluid Systems:

Extra			
Take 2 sks GEL + 2 sks CemNet			
Density:	lb/gal	Thickening Time:	
Yield:	ft ³ /sk		
H2O Mix:	0 gal/sk		
H2O:	0 gal	Eq. Sack Weight:	0 lb
		Total Blend:	0 sacks
Dowell Code	Conc/ Amount	Total Quantity	
CemNet	100 lbs	100	
J424	100 lbs	100	

Lead			
802 sks 50:50 Poz:Class C+5% D44 (bwow) +10% D20+0.125pps D130+0.2% D46			
Density:	11.9 lb/gal	Thickening Time:	
Yield:	2.46 ft ³ /sk		
H2O Mix:	14.15 gal/sk		
H2O:	11348.3 gal	Eq. Sack Weight:	86.5 lb
		Total Blend:	802 sacks
Dowell Code	Conc/ Amount	Total Quantity	
D046	0.173 lbs/sk	138.746	
D130	0.125 lbs/sk	100.25	
D020	8.65 lbs/sk	6937.3	
D044	5.894 lbs/sk	4726.988	
D132	39.5 lbs/sk	31679	
D903	47 lbs/sk	37694	

Plug			
9 5/8" Plug, Top Rubber Alum Core			
Density:	lb/gal	Thickening Time:	
Yield:	ft ³ /sk		
H2O Mix:	0 gal/sk		
H2O:	0 gal	Eq. Sack Weight:	0 lb
		Total Blend:	0 sacks
Dowell Code	Conc/ Amount	Total Quantity	
56704095	1	1	

Tail			
200 sks Class C+0.1% D13			
Density:	14.8 lb/gal	Thickening Time:	
Yield:	1.32 ft ³ /sk		
H2O Mix:	6.3 gal/sk		
H2O:	1260 gal	Eq. Sack Weight:	94 lb
		Total Blend:	200 sacks
Dowell Code	Conc/ Amount	Total Quantity	
D013	0.094 lbs/sk	18.8	
D903	94 lbs/sk	18800	

CemCAT Treatment Report

Well : SST 5
Field :
Formation :

Well Location :
County : Eddy
State : New Mexico
Country : United States

Prepared for

Client : Nadel and Gussman
Client Rep : Dennis Pomroy
Proposal No. : 2202046606
Date Prepared : 05-19-2008

Prepared by

Name : Emery Fisher
Division : Schlumberger
Phone : 1 505 746 9363
Service Point : Artesia
Fax No. : 1 505 748 1392

Comments :**Disclaimer Notice:**

This information is presented in good faith, but no warranty is given by and Dowell assumes no liability for advice or recommendations made concerning results to be obtained from the use of any product or service. The results given are estimates based on calculations produced by a computer model including various assumptions on the well, reservoir and treatment. The results depend on input data provided by the Operator and estimates as to unknown data and can be no more accurate than the model, the assumptions and such input data. The information presented is Dowell's best estimate of the actual results that may be achieved and should be used for comparison purposes rather than absolute values. The quality of input data, and hence results, may be improved through the use of certain tests and procedures which Dowell can assist in selecting.

The Operator has superior knowledge of the well, the reservoir, the field and conditions affecting them. If the Operator is aware of any conditions whereby a neighboring well or wells might be affected by the treatment proposed herein it is the Operator's responsibility to notify the owner or owners of the well or wells accordingly.

Prices quoted are estimates only and are good for 30 days from the date of issue. Actual charges may vary depending upon time, equipment, and material ultimately required to perform these services.

Freedom from infringement of patents of Dowell or others is not to be inferred.

Client : Nadel and Gussman
 Well : SST 5
 Formation :
 District : Artesia
 Country : United States
 Loadcase

Schlumberger

Section 1: Overall Measured Parameters

As Measured Totals		
Slurry Volume (bbl)	Displacement Volume (bbl)	Pump Time (min)
354.3	0.0	105.8

Average Treating Pressure: 402 psi
 Maximum Treating Pressure: 3037 psi
 Minimum Treating Pressure: 0 psi
 Average Slurry Rate: 7.0 bbl/min
 Maximum Slurry Rate: 8.0 bbl/min
 Average Horsepower: 63.1 hhp
 Maximum Horsepower: 186.1 hhp
 Circulated Cement to Surface 36 bbl, 82 sks

Section 2: Message Log

#	Time	Message	Treating Pressure (psi)	Rate (bbl/min)	Density (lb/gal)	Stage (bbl)	Total (bbl)
1	14:49:02	Pressure Test Lines	2849	0.0	8.37	0.3	0.3
2	14:50:02	Start Spacer with Gel	12	0.0	8.37	0.3	0.3
3	14:54:42	End Spacer with Gel, Vol = 28bbl	128	5.2	8.77	23.3	23.3
4	14:55:42	Start Lead Slurry	454	7.7	12.24	0.9	0.9
5	15:41:42	End Lead Slurry, Vol = 358bbl	194	6.0	12.01	358.9	358.9
6	15:42:02	Start Tail Slurry	204	6.0	11.90	1.9	1.9
7	15:51:02	End Tail Slurry, Vol = 55bbl	100	3.9	14.70	52.1	52.1
8	15:53:02	Drop Top Plug	9	0.0	13.96	55.7	55.7
9	15:53:22	Start Displacement	20	0.9	14.03	55.7	55.7
10	16:28:22	Slow Rate, Vol = 250bbl	758	4.2	8.38	325.4	325.4
11	16:34:02	Bump Top Plug, 1350psi	1209	2.6	8.38	343.0	343.0
12	16:34:22	End Displacement, Vol = 270bbl	1343	0.0	8.38	343.2	343.2