OCD-ARTESIA

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.
NM2538

6. If Indian, Allottee or Tribe Name

RECEIVED
JAN 13 2010
NMOCD ARTESIA

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

1. Type of Well
☑ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
Cholla 1 Federal #14

2. Name of Operator **Nadel and Gussman HEYCO, LLC**

9. API Well No.
30-015-37391

3a. Address
PO BOX 1936 ~ ROSWELL NM 88202-1936

3b. Phone No. *(include area code)*
575.623.6601

10. Field and Pool, or Exploratory Area
Tamano; Bone Spring

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
2310' FNL & 660' FWL, Sec. 1, T18S, R31E

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			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☑ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other **Casing and Cement report (production)**
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ 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)

BLM Bond No. NMB00520
Surety Bond No. B004230

12/25/09 - 7 7/8 " hole, ran sweep RIH 2 jts 5 1/2" 17# J-55 LTC csg and 124 jts of 5 1/2" 17# J55 LTC csg and 104 jts 5 1/2" ~~15.50~~ 17# L-80 LT&C csg to 9050'. Centralizers placed @ 7460.13, 4954.31, 4326.70, 4286.68, 4247.48, 4208.08, 4167.40, 4128.46, 3483.74'. Lead: 400 sks, 50/50 POZ H 10% GEL, 2% C-12, 5% SALT .25% R-38, CMT WT 11.90 PPG YEILD 2.37, GAL/SK 13.52. TAIL: 910 SK, STARBONE "C" .5% FL-10, 5% C-12, .2% C-15, 3# GILSONITE, 3% SALT, .25% R-38, CMT WT 13.20 PPG, YIELD 1.60, GAL/SK 7.72.

No problems w/csg or cmt jobs. Plug dn 4:36 pm 12/25/09. Circ 137 sks to pit. No BLM rep. on location for csg of cmt job.

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Tammy R. Link Title **Production Tech**

Signature Tammy R. Link Date **01/05/2010**

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

ACCEPTED FOR RECORD
/s/ Roger Hall
JAN 26 2010
Petroleum Engineer
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD 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)

SUMMARY CASING AND CEMENTING REPORT

STRING: **5 1/2" PROD** DATE: **12/25/2009**

OPERATOR: NADEL & GUSSMAN HEYCO WELL: **Cholla 1 Federal #14**
CONTRACTOR: PATRIOT RIG: #1
REP: KEITH CANNON

CASING DETAIL

HOLE SIZE: 7 7/8 DEPTH: 9050'

5 1/2" CSG SET	9030.10
5 1/2" FLOAT SHOE	1.37
	9028.73
2 JTS 5 1/2" 17# J-55 LTC Csg	78.24
	8950.49
5 1/2" FLOAT COLLAR	1.40
	8949.09
124JTS 5 1/2" 17# J-55 LTC Csg	4761.18
	4187.91
104 JTS 5 1/2" 15.50# L-80 LT&C CSG	4188.18
	-0.27
KB TO GL	18.50

7460.13,
4954.31
4326.70, 4286.68, 4247.48, 4208.08, 4167.40, 4128.46, 3483.74

REMARKS:
TOTAL CASING DELIVERED- 107 JTS (4345.70') 5 1/2" 17# J55 & 124 JTS (4871.30') 5 1/2" 17# L-80 LTC (9217') ALL CASING WAS DRIFTED, CLEANED, & VISUALLY INSPECTED ON LOCATION.
FLOAT SHOE, 2 SHOE JTS, FLOAT INSERT, WERE THREAD LOCKED.
TAGGED BOTTOM NO FILL. CIRCULATED CAPACITY & ANNULAR VOLUME

EXCESS CASING

CASING NOT USED .... 3 JTS 5 1/2" 17# L-80(120.0')
DISPOSITION .... 3 JTS 17#, L-80 TRANSFERRED TO NGP YARD (ARTESIA)

CEMENTING DATA

COMPANY: RISING STAR DISTRICT: HOBBS

1ST STAGE:

PREFLUSH: 20 bbls FW, 20 bbls chemical wash

SUMMARY CASING AND CEMENTING REPORT

LEAD:	400 SK, 50/50 POZ H 10%GEL, .2%C-12, 5% SALT .25%R-38, CMT WT 11.90 PPG YIELD 2.37, GAL/SK 13.52
TAIL:	910 SK, STARBONE "C" .5%FL-10, .5%C-12, .2%C-15, 3#GILSONITE, 3%SALT, .25%R-38, CMT WT 13.20 PPG, YIELD 1.60, GAL/SK 7.72
NOTE:	NO PROBLEMS W/ CSG OR CMT JOBS. PLUG DN 4:36 PM 12/25/09. CIRC 137 SKS TO PIT. NO BLM REP.ON LOCATION FOR CSG OR CMT JOB.

DATE : 12/23/2009		WELL :				CHOLLA 1 FEDRAL #14				
Casing OD	5 1/2	Grade	L-80/J-55	Displacement bbl/ft		0.00613	Burst	5320	Torque	2470 / J-55
Casing ID	4.892	Weight	17#	Capacity bbl/ft		0.02320	Collapse	4910	2440 - 3050	3410 / L-80
Jt # or Item	Item or Jt. Lgth.	Total Length	Calc'd disp / jt	Calc'd tot disp	Actual tot disp	Calc Bbl to fill jt	Calc tot fill	Actual tot fill	Remarks Centrilizers	Depth 9030.1
1	1.37	1.37	0.0084	0.0084		0.031784	0.0318			9028.73
2	39.40	40.77	0.2415	0.2499		0.91408	0.9459		2x centrilrzer	8989.33
3	38.84	79.61	0.2381	0.4880		0.901088	1.8470		2x centrilrzer	8950.49
4	1.40	81.01	0.0086	0.4966		0.03248	1.8794			8949.09
5	38.84	119.85	0.2381	0.7347		0.901088	2.7805			8910.25
6	38.11	157.96	0.2336	0.9683		0.884152	3.6647			8872.14
7	39.20	197.16	0.2403	1.2086		0.90944	4.5741			8832.94
8	38.14	235.30	0.2338	1.4424		0.884848	5.4590			8794.80
9	39.03	274.33	0.2393	1.6816		0.905496	6.3645			8755.77
10	38.56	312.89	0.2364	1.9180		0.894592	7.2590			8717.21
11	38.46	351.35	0.2358	2.1538		0.892272	8.1513			8678.75
12	37.87	389.22	0.2321	2.3859		0.878584	9.0299			8640.88
13	38.72	427.94	0.2374	2.6233		0.898304	9.9282		Centrilizers	8602.16
14	38.49	466.43	0.2359	2.8592		0.892968	10.8212			8563.67
15	39.18	505.61	0.2402	3.0994		0.908976	11.7302		Centrilizers	8524.49
16	38.33	543.94	0.2350	3.3344		0.889256	12.6194			8486.16
17	38.78	582.72	0.2377	3.5721		0.899696	13.5191		Centrilizers	8447.38
18	38.71	621.43	0.2373	3.8094		0.898072	14.4172			8408.67
19	38.72	660.15	0.2374	4.0467		0.898304	15.3155		Centrilizers	8369.95
20	38.68	698.83	0.2371	4.2838		0.897376	16.2129			8331.27
21	38.65	737.48	0.2369	4.5208		0.89668	17.1095			8292.62
22	38.22	775.70	0.2343	4.7550		0.886704	17.9962			8254.40
23	39.33	815.03	0.2411	4.9961		0.912456	18.9087			8215.07
24	39.60	854.63	0.2427	5.2389		0.91872	19.8274			8175.47
25	38.91	893.54	0.2385	5.4774		0.902712	20.7301			8136.56
26	38.53	932.07	0.2362	5.7136		0.893896	21.6240			8098.03
27	38.02	970.09	0.2331	5.9467		0.882064	22.5061			8060.01
28	39.07	1009.16	0.2395	6.1862		0.906424	23.4125			8020.94
29	38.44	1047.60	0.2356	6.4218		0.891808	24.3043			7982.50
30	38.51	1086.11	0.2361	6.6579		0.893432	25.1978			7943.99
31	39.00	1125.11	0.2391	6.8969		0.9048	26.1026			7904.99
32	38.73	1163.84	0.2374	7.1343		0.898536	27.0011			7866.26
33	38.66	1202.50	0.2370	7.3713		0.896912	27.8980			7827.60
34	38.31	1240.81	0.2348	7.6062		0.888792	28.7868			7789.29
35	39.15	1279.96	0.2400	7.8462		0.90828	29.6951			7750.14
36	39.45	1319.41	0.2418	8.0880		0.91524	30.6103			7710.69
37	38.68	1358.09	0.2371	8.3251		0.897376	31.5077		Centrilizers	7672.01
38	38.28	1396.37	0.2347	8.5597		0.888096	32.3958			7633.73
39	39.17	1435.54	0.2401	8.7999		0.908744	33.3045		Centrilizers	7594.56
40	38.70	1474.24	0.2372	9.0371		0.89784	34.2024			7555.86
41	38.50	1512.74	0.2360	9.2731		0.8932	35.0956		Centrilizers	7517.36
42	38.27	1551.01	0.2346	9.5077		0.887864	35.9834			7479.09
43	39.13	1590.14	0.2399	9.7476		0.907816	36.8912		Centrilizers	7439.96
44	38.49	1628.63	0.2359	9.9835		0.892968	37.7842			7401.47
45	38.63	1667.26	0.2368	10.2203		0.896216	38.6804		Centrilizers	7362.84
46	39.53	1706.79	0.2423	10.4626		0.917096	39.5975			7323.31

47	38.91	1745.70	0.2385	10.7011		0.902712	40.5002			7284.40
48	39.06	1784.76	0.2394	10.9406		0.906192	41.4064			7245.34
49	40.98	1825.74	0.2512	11.1918		0.950736	42.3572			7204.36
50	39.07	1864.81	0.2395	11.4313		0.906424	43.2636			7165.29
51	38.82	1903.63	0.2380	11.6693		0.900624	44.1642			7126.47
52	38.86	1942.49	0.2382	11.9075		0.901552	45.0658			7087.61
53	37.97	1980.46	0.2328	12.1402		0.880904	45.9467			7049.64
54	38.86	2019.32	0.2382	12.3784		0.901552	46.8482			7010.78
55	39.56	2058.88	0.2425	12.6209		0.917792	47.7660			6971.22
56	40.38	2099.26	0.2475	12.8685		0.936816	48.7028			6930.84
57	39.68	2138.94	0.2432	13.1117		0.920576	49.6234			6891.16
58	40.08	2179.02	0.2457	13.3574		0.929856	50.5533			6851.08
59	39.15	2218.17	0.2400	13.5974		0.90828	51.4615			6811.93
60	40.76	2258.93	0.2499	13.8472		0.945632	52.4072			6771.17
61	38.61	2297.54	0.2367	14.0839		0.895752	53.3029			6732.56
62	38.54	2336.08	0.2363	14.3202		0.894128	54.1971			6694.02
63	39.11	2375.19	0.2397	14.5599		0.907352	55.1044			6654.91
64	37.82	2413.01	0.2318	14.7918		0.877424	55.9818			6617.09
65	38.76	2451.77	0.2376	15.0294		0.899232	56.8811			6578.33
66	39.48	2491.25	0.2420	15.2714		0.915936	57.7970			6538.85
67	38.83	2530.08	0.2380	15.5094		0.900856	58.6979			6500.02
68	39.27	2569.35	0.2407	15.7501		0.911064	59.6089			6460.75
69	38.20	2607.55	0.2342	15.9843		0.88624	60.4952			6422.55
70	39.59	2647.14	0.2427	16.2270		0.918488	61.4136			6382.96
71	39.25	2686.39	0.2406	16.4676		0.9106	62.3242			6343.71
72	39.52	2725.91	0.2423	16.7098		0.916864	63.2411			6304.19
73	39.25	2765.16	0.2406	16.9504		0.9106	64.1517			6264.94
74	39.93	2805.09	0.2448	17.1952		0.926376	65.0781			6225.01
75	39.30	2844.39	0.2409	17.4361		0.91176	65.9898			6185.71
76	39.96	2884.35	0.2450	17.6811		0.927072	66.9169			6145.75
77	38.51	2922.86	0.2361	17.9171		0.893432	67.8104			6107.24
78	38.34	2961.20	0.2350	18.1522		0.889488	68.6998			6068.90
79	39.71	3000.91	0.2434	18.3956		0.921272	69.6211			6029.19
80	38.11	3039.02	0.2336	18.6292		0.884152	70.5053			5991.08
81	39.79	3078.81	0.2439	18.8731		0.923128	71.4284			5951.29
82	37.88	3116.69	0.2322	19.1053		0.878816	72.3072			5913.41
83	38.01	3154.70	0.2330	19.3383		0.881832	73.1890			5875.40
84	39.77	3194.47	0.2438	19.5821		0.922664	74.1117			5835.63
85	38.76	3233.23	0.2376	19.8197		0.899232	75.0109		Centrilizers	5796.87
86	37.80	3271.03	0.2317	20.0514		0.87696	75.8879		Centrilizers	5759.07
87	37.83	3308.86	0.2319	20.2833		0.877656	76.7656		Centrilizers	5721.24
88	38.82	3347.68	0.2380	20.5213		0.900624	77.6662		Centrilizers	5682.42
89	38.47	3386.15	0.2358	20.7571		0.892504	78.5587		Centrilizers	5643.95
90	39.48	3425.63	0.2420	20.9991		0.915936	79.4746		Centrilizers	5604.47
91	39.83	3465.46	0.2442	21.2433		0.924056	80.3987		Centrilizers	5564.64
92	39.94	3505.40	0.2448	21.4881		0.926608	81.3253		Centrilizers	5524.70
93	39.73	3545.13	0.2435	21.7316		0.921736	82.2470			5484.97
94	39.63	3584.76	0.2429	21.9746		0.919416	83.1664			5445.34
95	39.95	3624.71	0.2449	22.2195		0.92684	84.0933			5405.39
96	38.10	3662.81	0.2336	22.4530		0.88392	84.9772			5367.29
97	40.36	3703.17	0.2474	22.7004		0.936352	85.9135			5326.93
98	38.47	3741.64	0.2358	22.9363		0.892504	86.8060			5288.46
99	40.07	3781.71	0.2456	23.1819		0.929624	87.7357			5248.39

100	38.83	3820.54	0.2380	23.4199		0.900856	88.6365			5209.56
101	39.60	3860.14	0.2427	23.6627		0.91872	89.5552			5169.96
102	39.98	3900.12	0.2451	23.9077		0.927536	90.4828			5129.98
103	39.13	3939.25	0.2399	24.1476		0.907816	91.3906		Centrilizers	5090.85
104	39.41	3978.66	0.2416	24.3892		0.914312	92.3049		Centrilizers	5051.44
105	38.98	4017.64	0.2389	24.6281		0.904336	93.2092		Centrilizers	5012.46
106	39.56	4057.20	0.2425	24.8706		0.917792	94.1270		Centrilizers	4972.90
107	38.76	4095.96	0.2376	25.1082		0.899232	95.0263		Centrilizers	4934.14
108	39.33	4135.29	0.2411	25.3493		0.912456	95.9387			4894.81
109	39.61	4174.90	0.2428	25.5921		0.918952	96.8577			4855.20
110	38.77	4213.67	0.2377	25.8298		0.899464	97.7571			4816.43
111	38.73	4252.40	0.2374	26.0672		0.898536	98.6557			4777.70
112	38.80	4291.20	0.2378	26.3051		0.90016	99.5558			4738.90
113	38.85	4330.05	0.2382	26.5432		0.90132	100.4572			4700.05
114	39.87	4369.92	0.2444	26.7876		0.924984	101.3821			4660.18
115	38.90	4408.82	0.2385	27.0261		0.90248	102.2846			4621.28
116	40.31	4449.13	0.2471	27.2732		0.935192	103.2198			4580.97
117	40.66	4489.79	0.2492	27.5224		0.943312	104.1631			4540.31
118	39.58	4529.37	0.2426	27.7650		0.918256	105.0814			4500.73
119	38.16	4567.53	0.2339	27.9990		0.885312	105.9667			4462.57
120	39.48	4607.01	0.2420	28.2410		0.915936	106.8826			4423.09
121	39.52	4646.53	0.2423	28.4832		0.916864	107.7995			4383.57
122	38.45	4684.98	0.2357	28.7189		0.89204	108.6915			4345.12
123	38.59	4723.57	0.2366	28.9555		0.895288	109.5868		Centrilizers	4306.53
124	40.02	4763.59	0.2453	29.2008		0.928464	110.5153		Centrilizers	4266.51
125	39.20	4802.79	0.2403	29.4411		0.90944	111.4247		Centrilizers	4227.31
126	39.40	4842.19	0.2415	29.6826		0.91408	112.3388	J-55	Centrilizers	4187.91
127	40.68	4882.87	0.2494	29.9320		0.943776	113.2826	L-80	Centrilizers	4147.23
128	38.94	4921.81	0.2387	30.1707		0.903408	114.1860		Centrilizers	4108.29
129	40.38	4962.19	0.2475	30.4182		0.936816	115.1228			4067.91
130	40.13	5002.32	0.2460	30.6642		0.931016	116.0538			4027.78
131	40.67	5042.99	0.2493	30.9135		0.943544	116.9974			3987.11
132	41.27	5084.26	0.2530	31.1665		0.957464	117.9548			3945.84
133	40.15	5124.41	0.2461	31.4126		0.93148	118.8863			3905.69
134	41.21	5165.62	0.2526	31.6653		0.956072	119.8424			3864.48
135	40.57	5206.19	0.2487	31.9139		0.941224	120.7836			3823.91
136	38.35	5244.54	0.2351	32.1490		0.88972	121.6733			3785.56
137	37.91	5282.45	0.2324	32.3814		0.879512	122.5528			3747.65
138	41.11	5323.56	0.2520	32.6334		0.953752	123.5066			3706.54
139	40.50	5364.06	0.2483	32.8817		0.9396	124.4462			3666.04
140	41.42	5405.48	0.2539	33.1356		0.960944	125.4071			3624.62
141	40.77	5446.25	0.2499	33.3855		0.945864	126.3530			3583.85
142	40.07	5486.32	0.2456	33.6311		0.929624	127.2826			3543.78
143	39.95	5526.27	0.2449	33.8760		0.92684	128.2095			3503.83
144	40.26	5566.53	0.2468	34.1228		0.934032	129.1435		Centrilizers	3463.57
145	40.37	5606.90	0.2475	34.3703		0.936584	130.0801			3423.20
146	40.93	5647.83	0.2509	34.6212		0.949576	131.0297			3382.27
147	39.81	5687.64	0.2440	34.8652		0.923592	131.9532			3342.46
148	40.59	5728.23	0.2488	35.1140		0.941688	132.8949			3301.87
149	40.73	5768.96	0.2497	35.3637		0.944936	133.8399			3261.14
150	40.70	5809.66	0.2495	35.6132		0.94424	134.7841			3220.44
151	40.45	5850.11	0.2480	35.8612		0.93844	135.7226			3179.99
152	39.69	5889.80	0.2433	36.1045		0.920808	136.6434			3140.30

259	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
260	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
261	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
262	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
263	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
264	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
265	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
266	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
267	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
268	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
269	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
270	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
271	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
272	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
273	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
274	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
275	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
276	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
277	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
278	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
279	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
280	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
281	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27
282	0.00	9150.37	0.0000	56.0918		0	212.2886			-120.27