



SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)		WELL API NO. 30-015-37109
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator NADEL AND GUSSMAN HEYCO, LLC		6. State Oil & Gas Lease No. VB-0407
3. Address of Operator PO BOX 1936 ROSWELL NM 88202-1936		7. Lease Name or Unit Agreement Name Loving 2 State
4. Well Location Unit Letter F : 1850 feet from the North line and 2045 feet from the West line Section 2 Township 23S Range 28E NMPM County Eddy		8. Well Number 4
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3035' GR		9. OGRID Number 258462
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Herradura Bend, Delaware, East
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 OTHER ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS ☐ P AND A ☐
 CASING/CEMENT JOB ☐
 OTHER: Amended Completion Sundry ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

6-16-2010-MIRU wireline Run CBL TOC @ Surface, PBTD @ 6398' test csg to 2500 psi- O K Perforate 6364-6380, 0 40", 34 holes-Bone Spring
 6-17-10-Acidize 6364-6380 w/ 1000 gal 15% NEFE + 68 BS
 6-28-10-Frac 6364-6380 w/ 37,996 gal 30# x-link + 74,687#'s prop
 7-2-10-Place well on pump testing production from 6364-6380
 8-4-10-Set CIBP @ 6310 Perforate 6201-6254, 0 4", 26 holes-Delaware
 8-5-10-Acidize 6201-6254 w/ 1500 gal 15% NEFE + 52 BS
 8-14-10-Frac 6201-6254 w/68,634 gal 25# x-link + 135,307#'s prop
 8-17-10-Place well on pump testing production from 6201'-6254' -Delaware

Anticipate testing Delaware zone for 2 months Will then MIRU PU, DO BP, and co-produce Bonespring and Delaware Initial production for Delaware zone only to follow in subsequent report Will file application for down hole comingle production once production rate is determined for Delaware Zone

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Larry R. Gist TITLE PRODUCTION ANALYST DATE 8/31/10
 Type or print name _____ E-mail address: tlinc@heycoenergy.com Telephone No. 575 623 6601

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any): _____