

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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. 30-015-33282
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Nadel and Gussman Permian, L.L.C.		6. State Oil & Gas Lease No.
3. Address of Operator 601 N. Marienfeld, Suite 508 Midland, TX 79701		7. Lease Name or Unit Agreement Name Apollo Fee
4. Well Location Unit Letter _____ : 660 feet from the South line and 660 feet from the West line Section 4 Township 23S Range 28E NMPM Eddy County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GL 3011'		9. OGRID Number 155615
10. Pool name or Wildcat Loving Morrow (North) 80695		

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 COMPLETION ☐
 OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
 CASING TEST AND CEMENT JOB ☒
 OTHER: ☐

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.

SPUD WELL 03/24/2004

05/18/04

Production Casing

RIH w/ 282 jts (12,614') landed @ 12,597' 5.5" 17# SP-110 and 5.5" 20# P-110. RU Schlumberger and pump 20 bbls fresh water, lead w/ 535/sx 35-65 POZ H + 5% D-44 + 6% D-20 + .15% D13 @ 12.4PPG. 2nd lead TXI+2% Salt + .3% Fluid Loss + .2% Antifoam + .5% Retarder @ 13 PPG. Tail Class H + 1.5% Gas Block + .1% Fluid Loss + .2% Anti-settling + .05% Antifoam. Displaced w/ 292 bbls fresh water w/ 2% KCL float held.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Josh Fernau TITLE Staff Engineer DATE 05/18/04

Type or print name Josh Fernau E-mail address: _____ Telephone No. (432) 682-4429

(This space for State use)

APPROVED BY _____ TITLE _____ DATE MAY 31 2004

Conditions of approval, if any: