

Submit 3 Copies To Appropriate District Office
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

Form C-103
May 27, 2004

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

WELL API NO. 30-015-31910
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Grande State
8. Well Number 1
9. OGRID Number 155615
10. Pool name or Wildcat Laguna Salado (Atoka)

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.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Nadel and Gussman Permian L. L. C.	
3. Address of Operator 601 N. Marienfeld Suite 508, Midland Tx. 79701	
4. Well Location Unit Letter <u>C</u> <u>660</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>32</u> Township <u>23-S</u> Range <u>29-E</u> NMPM County <u>Eddy</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2993 GL	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input checked="" type="checkbox"/>	

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.

12/15/03 TD 6-1/8" hole at 12,500'. Ran 55 jts (2,196') of 4-1/2" 13.5 ppf P-110 liner set @ 12,500'. Liner top @ 10,277' Cement w/ 295 sxs mixed at 12.5 ppg. Reversed out 14 bbls 55 sxs cmt.
1/17/04 Started completion
2/04/04 Perfed Atoka at 12,278-12,282'
2/18/04 Set retrievable bridge plug @ 12,250
2/19/04 Perfed Atoka @ 12,122-12,140
2/20/04-5/21/04 Evaluated and testes Atoka
5/22/04-5/25/04 Determined that the 4-1/2 csg collapsed @ 12,155'
5/26/04 Spot 25 sxs (5.3 bbls; calc 350') from 12,154 to 11,804'. Spot 100 sx (21 bbls) CI H plug @ 10,333'
5/27/04 Tagged plug @ 9918' (415' of cmt across liner top. Circulated well with 12 ppg mud.
5/28/04 Nipped up 5000 psi dry hole tree.

Current plans are to evaluate for possible side track or plug and abandon.

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 K. E. McCready TITLE Operations Engineer DATE 7/14/04

Type or print name K. E. McCready E-mail address: kemm@naguss.com Telephone No. 432-682-4429
For State Use Only

APPROVED BY: FOR RECORDS ONLY TITLE _____ DATE JUL 20 2004
Conditions of Approval (if any):