

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. 30-015-34800-27929
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 CEDAR 32 STATE COM
8. Well Number #1
9. OGRID Number 258462
10. Pool name or Wildcat CEDAR LAKE MORROW

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3726' GL
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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 _____

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 HEYCO, LLC OCT 09 2008
3. Address of Operator PO BOX 1936 ROSWELL NM 88202-1936

4. Well Location Unit Letter H : 1980 feet from the NORTH line and 660 feet from the EAST line Section 32 Township 17S Range 31E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3726' GL
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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: PERFORM REMEDIAL WORK <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: RECOMPLETION WITHIN SAME RESERVOIR <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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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.

REPERFORATE THE EXISTING MORROW PAY 11680-92' (39)
FRAC MORROW 11680-92 DOWN TUBING AT 10-15 BPM USING FOAM CARRYING 10,000 LBS 30/60 SINTER LITE.
IF DECISION IS MADE TO ABANDON CURRENT MORROW PERFS, WILL SET A CEMENT RETAINER AT APPROX 11620', AND SQUEEZE WITH 50 SX. CLASS "H" WITH FLUID LOSS CONTROL FOLLOWED BY 50 SX. CLASS "H" NEAT.
PERF THE LOWER MORROW 11762-78' (51) AND ACIDIZE WITH 750 GALS. NE FE 7.5% HCL. IF DECISION MADE TO FRAC, L. MORROW 11762-78' WILL BE FRACED DOWN TUBING AT 10-15 BPM USING 60Q C02 FOAM AND APPROX. 10,000 LBS 18/40 VERSAPROP.
IF DECISION IS MADE TO ABANDON LOWER MORROW, SET CIBP IN 11670'-11675' RANGE AND PERF THE UPPER MORROW 11662-64' (18)
IF DECISION IS MADE TO ACIDIZE, ACIDIZE WITH 250 GALS. NE FE 7.5% HCL.

ACCEPTED FOR RECORD

OCT 14 2008

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIA

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 Gerry Guye TITLE PRODUCTION ANALYST DATE 3/26/08

Type or print name _____ E-mail address: tlmk@heycoenergy.com Telephone No. 505.623.6601
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):