Form 3160-5 (April 2004)

OCD-ARTESIA

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OM B No 1004-0137 Expires: March 31, 2007

JUL 13 200 Gease Serial No

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.				1414114141-100 / 10	
				6 If Indian, Allotte	e or Tribe Name
SUBMIT IN TRIPLICATE- Other instructions on reverse side.				7. If Unit or CA/Agreement, Name and/or No.	
1. Type of Well ☐ ☐ Gas Well ☐ ☐ Other				8 Well Name and No.	
2. Name of Operator NADEL AND GUSSMAN HEYCO, LLC				South Taylor 13 Federal #5 9 API Well No.	
3a. Address PO BOX 1936 ~ ROSWELL	3b. Phone No. (include area code) 505/623/6601		30-015-37092 10. Field and Pool, or Exploratory Area		
4. Location of Well (Footage, Sec., T, R, M, or Survey Description)				East Shugart	
1697' FSL & 1600' FEL, Sec. 13: T18S, R31E				11. County or Parish, State Eddy, New Mexico	
TYPE OF SUBMISSION TYPE OF ACTION					
Notice of Intent Subsequent Report	Acidize Alter Casing Casing Repair	Deepen Fracture Treat New Construction	Production (Sta	w	ater Shut-Off Integrity
	Change Plans	Plug and Abandon			
Final Abandonment Notice	Convert to Injection	Plug Back	Water Disposal	_	
determined that the site is ready Variance for flex hose from	·		SE	E ATTACHE	
14. I hereby certify that the fore	going is true and correct				
Name (Printed/Typed) Keith Cannon Title			Drilling Superintendent		
Signature	1 (/_	Date	0'	7/02/2009	
- II MA	THIS SPACE FOR F	EDERAL OR	STATE OFFICE	USE	
Approved by Roge &	5. 1 Jane		Re troleum E	ngineon	ML 0 6 2009
Conditions of approval if any, are a certify that the applicant holds lega which would entitle the applicant to	Office Carlsbur	Field Of	fice		

Title 18 USC Section 1001 and Title 43 USC 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 anymatter within its jurisdiction.

(Instructions on page 2)



PECOS DISTRICT CONDITIONS OF APPROVAL

July 6, 2009

OPERATOR'S NAME: | Nadel and Gussman HEYCO, LLC

LEASE NO.: | NMNM-106718

WELL NAME & NO.: | South Taylor 13 Federal #5 SURFACE HOLE | 1697' FSL & 1600' FEL

FOOTAGE:

BOTTOM HOLE FOOTAGE | 1697' FSL & 1600' FEL

LOCATION: | Section 13, T. 18S., R 31E., NMPM

COUNTY: Eddy County, New Mexico

1. Variance approved to use flex line from the BOP to the choke manifold.

Manufacturer: Midwest Hose & Speciality Inc.

Length: 15-16'

Size: 3-1/8" 5,000# AFI Flanges, WP Rating – 5,000#

I.D. 3.0", O.D. 6.0"

Anchors required by manufacturer

2. Check condition of 3-1/8" flexible line from BOP to choke manifold. Replace if exterior is damaged or if line fails test.

- 3. Line to be as straight as possible with no hard bends.
- 4. Anchors to be installed.

RGH 070609