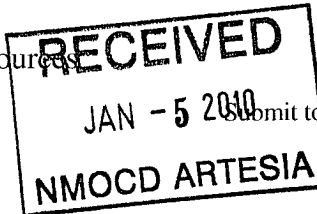


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-104
Revised Feb. 26, 2007



Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Nadel and Gussman HEYCO, LLC P.O. Box 1936 Roswell, NM 88202		² OGRID Number 258462
⁴ API Number 30 - 015-36439		⁶ Pool Code 56405
⁷ Property Code 305045	⁵ Pool Name Shugart; Bone Spring North	⁹ Well Number 4
⁸ Property Name Mesquite 3 Federal #4		

II. ¹⁰ Surface Location

UL or lot no. M	Section 3	Township 18S	Range 31E	Lot Idn	Feet from the 330	North/South Line South	Feet from the 330	East/West line West	County Eddy
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¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Lse Code	¹³ Producing Method Code P	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number		¹⁶ C-129 Effective Date		¹⁷ C-129 Expiration Date		

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
214985	Plains Marketing LP 500 Dallas, Suite 700 Houston, TX 77002	O
221115	Frontier Field Serv. LLC 4200 E. Skelly, Suite 700, Tulsa, Ok 74135	G

IV. Well Completion Data

²¹ Spud Date 7/24/2009	²² Ready Date 10/07/2009	²³ TD 9075'	²⁴ PBDT 8914'	²⁵ Perforations 7874-8529	²⁶ DHC, MC n/a
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set		³⁰ Sacks Cement	
17 1/2	13 3/8	837'		675 sks, CL C	
12 1/4	9 5/8	2030'		800 sks, CL C	
7 7/8	5 1/2	9065'		1525 sks, CL H	

V. Well Test Data

³¹ Date New Oil 10/3/2009	³² Gas Delivery Date 10/9/09	³³ Test Date 10/06/2009	³⁴ Test Length 24 hrs	³⁵ Tbg. Pressure n/a	³⁶ Csg. Pressure 50
³⁷ Choke Size n/a	³⁸ Oil 82	³⁹ Water 76	⁴⁰ Gas 10		⁴¹ Test Method P
⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature:			OIL CONSERVATION DIVISION		
Printed name: Tammy R. Link			Approved by:		
Title: Production Analyst			Title: Geologist		
E-mail Address: tlink@heycoenergy.com			Approval Date: 1/8/2010		
Date: 11/19/2009		Phone: 575-623-6601			