| Submit 3 Copies To Appropriate District Office   | State of New Mexico Energy, Minerals and Natural Resources |                              | Form C-103<br>May 27, 2004                    |                                   |
|--|--|------------------------------|---|-----------------------------------|
| District I<br>1625 N. French Dr., Hobbs, NM 88240  | Energy, Minerals and Natural Resources                     |                              | WELL API NO                                   |                                   |
| District II<br>1301 W. Grand Ave., Artesia, NM 88210   | OIL CONSERVATION DIVISION                                  |                              | 5. Indicate Typ                               |                                   |
| District III<br>1000 Rio Brazos Rd., Aztec, NM 87410   | 1220 South St. Francis Dr. Santa Fe, NM 87505              |                              | STATE   | X FEE                             |
| District IV<br>1220 S. St. Francis Dr., Santa Fe, NM   | Santa 1 6, 14141 67505                                     |                              | 6. State Oil & 0                              | jas Lease No.                     |
| 87505  SUNDRY NOTICES AND REPORTS ON WELLS  7. Lease Name or Unit Agreement Name   |  |                              |   |                                   |
| (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.)  |  |                              |   | Aid State                         |
| 1. Type of Well: Oil Well X  | Gas Well Other   | 8. Well Numbe                | #0  |                                   |
| Name of Operator     NADEL AND GUSSMAN HEYCO, LLC  |  |                              | 9. OGRID Nun                                  | 158462 258462                     |
| 3. Address of Operator PO BOX 1936   |  |                              | 10. Pool name or Wildcat EMPIRE GLORIETA-YESO |                                   |
| ROSWELL NM 88202-1936 EMPIRE GLORIETA-TESO  4. Well Location   |  |                              |   |                                   |
| Unit Letter A: 990' feet from the NORTH line and 330' feet from the EAST line  |  |                              |   |                                   |
| Section 13 Township 17S Range 28E NMPM County EDDY   |  |                              |   |                                   |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3713' GR  |  |                              |   |                                   |
| Pit or Below-grade Tank Application  or Closure  |  |                              |   |                                   |
| Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water   |  |                              |   |                                   |
| Pit Liver 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 TEMPORARILY ABANDON  | <del></del>  |                              |   | ALTERING CASING  P AND A          |
| PULL OR ALTER CASING   MULTIPLE COMPL   CASING/CEMENT JOB  |  |                              |   |                                   |
| OTHER:   |  | OTHER: Completic             | n Sundry                                      | $\boxtimes$                       |
| 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.   |  |                              |   |                                   |
| 12/02/10-Run CBL from 5281 to surface, TOC @ 20'.  |  |                              |   |                                   |
| 12/15/10-Test casing to 4000 psi-OK Perforate 5005-5190, 0.40", 39" penetration, 27 Total  |  |                              |   |                                   |
| 12/16/10-Frac 5005-5190 w/ 137,802 gal 25#/20# X-link and 102,000#'s 16/30 prop. Set BP @ 4890: Perforate 4525-4787, 0.4", 39" penetration, 26 Total. Frac 4525-   |  |                              |   |                                   |
| 4787 w/ 218,526 gal 25#/20# X-link and 205,500 #'s 16/30 prop. Set BP @ 4470. Perforate 4187-4411, 0.4", 39" penetration, 25 Total. Frac 4187-4411 w/ 192,780 gal 25#/20# X-Link and 190,000 #'s 16/30 prop. Set BP @ 4110. Perforate 3898-4080, 0.4", 39" penetration, 25 Total. Frac 3898-4080 w/ 187,088 gal 25#/20# X-Link and |  |                              |   |                                   |
| 198,860 #'s 16/30 prop.  | orop. Set BP (@ 4110. Periorate 3898-4080, 0               | ).4", 39" penetration, 25 To | tal. Frac 3898-4080                           | w/ 187,088 gai 25#/20# X-Link and |
| 12/17/10 thru 12/19/10-Flow well back  |  |                              |   |                                   |
| 12/20/10-MJRU PU, drill out BP's @ 4   | 10, 4470, and 4890. Clean out well                         |                              |   | RECEIVED                          |
| . 12/21/10-RIH with tubing and rods. Tubing count: 118jts, 2 7/8", 6.4#/ft, J-55. TAC@ 3781, SN@3814. Turn   |  |                              | vell to production                            | JAN 1 4 2011                      |
| NMOCD ARTESIA  |  |                              |   |                                   |
|  |  |                              | •   | THILOIA                           |
| 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 aug R.   | TITLE P  | RODUCTION ANALY              | ST  | DATE_1/11/2011                    |
| Type or print name For State Use Only  | E-mail ad  | ldress: tlink@heycoen        | ergy.com - j                                  | relephone No. 575.623.6601        |
|  |  | (-1                          |   | 11211201                          |
| APPROVED BY: / MA TITLE GOOD DATE 1/01/00 (Conditions of Approval (if/any):  |  |                              |   |                                   |
| ······································   |  | U.                           |   |                                   |