

N.M. Oil Conservation Division
1625 N. French Dr.
Hobbs, NM 88240

Form 3160-5
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM13422B
2. Name of Operator NADEL & GUSSMAN PERMIAN LLC		6. If Indian, Allottee or Tribe Name
3a. Address 601 N. MARIENFIELD, STE 508, MIDLAND, TX 79701	3b. Phone No. (include area code) 79701	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980 FSL 660 FWL, SEC. 9-T19S-R32E, UNIT L		8. Well Name and No. DOROTHY MCKAY FEDERAL #2
		9. API Well No. 30-025-35490
		10. Field and Pool, or Exploratory Area LUSK; MORROW
		11. County or Parish, State LEA CO., NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

NADEL & GUSSMAN PERMIAN LLC REQUESTS APPROVAL FOR THE PRODUCED WATER FROM THE ABOVE REFERENCED WELL TO BE STORED IN A 500 BBL FIBERGLASS TANK. THE WATER WILL THEN BE TRUCKED BY OK HOT OIL SERVICE TO LOCO HILLS WATER DISPOSAL AND PLACED INTO AN OPEN PIT DISPOSAL.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

K. E. McCready

Title Operations Engineer

Signature

K. E. McCready

Date 3/17/04

APPROVED THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (ORIG. SGD.) DAVID R. GLASS

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. 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 any matter within its jurisdiction.

(Instructions on reverse)

GNW

The following information is needed before your disposal of produced water can be approved, per Onshore Oil & Gas Order #7.

You may attach this information to your Sundry Notice (3160-5). Submit all required information as per this attachment, submit a Sundry Notice(3160-5), one original and five copies to this office within the required time.

1. Name(s) of all formation(s) producing water on the lease. Marrow
2. Amount of water produced from all formations in barrels per day. 1 BPD
3. A CURRENT water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates.
4. How water is stored on the lease. 500 661 Fiber glass Tanks
5. How water is moved to the disposal facility. Trucked by OK Hot Oil service
6. Identify the Disposal Facility by:
 - A. Operators' Name Loco Hills Water Disposal
 - B. Well Name NA
 - C. Well type and well number NA
 - D. Location by quarter/quarter, section, township, and range S 16 T 17 S R 30 E
7. A copy of the Underground Injection Control Permit - issued for the injection well by the Environmental Protection Agency or New Mexico Oil Conservation Division where the State has achieved primacy.

Commonical Waste
management Facility
permit NM-01-0004



CENTRAL OPERATIONS LABORATORY
WATER ANALYSIS REPORT
HOBBS, NEW MEXICO

COMPANY Marbob

REPORT

W01-054

DATE

June 4, 2001

DISTRICT

Artesia

Morrow Produced Water Sample
Analogous to Dorothy McKay Fed 2
Produced Water

SUBMITTED BY Kenny SmithWELL Trapper Fed 13 Com 2

DEPTH

FORMATION

COUNTY Ar 13-19s-3/e

FIELD

SOURCE

MorrowEddy, NM

SAMPLE

Sample Temp.	72	°F		°F		°F		°F
RESISTIVITY	0.094							
SPECIFIC GR.	1.055							
pH	6.89							
CALCIUM	3,750	mpl		mpl		mpl		mpl
MAGNESIUM	1,320	mpl		mpl		mpl		mpl
CHLORIDE	50,500	mpl		mpl		mpl		mpl
SULFATES	2,000	mpl		mpl		mpl		mpl
BICARBONATES	976	mpl		mpl		mpl		mpl
SOLUBLE IRON	200	mpl		mpl		mpl		mpl
Sodium	27280	mpl	0	mpl	0	mpl	0	mpl
TDS	85,826	mpl	0	mpl	0	mpl	0	mpl
OIL GRAVITY	@	°F	@	°F	@	°F	@	°F

REMARKS KCL test negative

MPL = Milligrams per liter

Resistivity measured in: Ohm/m2/m

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ANALYST: John Eubank