

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. 30-025-37874
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 Angler State
8. Well Number 2
9. OGRID Number 155615
10. Pool name or Wildcat Hume Grayburg West/ Hume Queen West

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 Gas Well Other

2. Name of Operator
Nadel and Gussman Permian, LLC

3. Address of Operator 601 N. Marienfeld, Suite 508
Midland, TX 79701

4. Well Location
 Unit Letter A : 990 feet from the N line and 990 feet from the E line
 Section 15 Township 16S Range 33E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

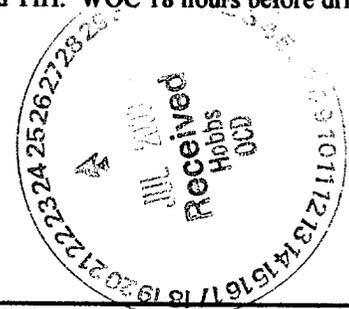
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

7/13/06- Spud

7/15/06- Depth 1592' footage 0 feet.

Rig up casing crew and run 1592' of 8-5/8" / 24# STC casing. Rig up Schlumberger and cement casing with 20 bbls fresh water/ gel spacer, 10 bbls fresh water and 464 sx 12.7ppg 35-65 POZ and 200 sx 14.8 ppg Class C. Displace with 96 bbls fresh water, bump plug with 900 psi, float held. Circulate 175 sx to reserve pit. WOC and jet pits, then cut off casing and install 8-5/8" casing head, nipple up BOP's. Test to 300 psi high and 250 psi low, pick up 7-7/8" bit and TIH. WOC 18 hours before drill out.



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 Joel Martin TITLE Drilling Manager DATE 7/21/06

Type or print name Joel Martin E-mail address: jmartin@naguss.com Telephone No. (432) 682-4429

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE AUG 04 2006

Conditions of Approval (if any):