

RECEIVED
Form 3160-5
(April 2004)
DEC 04 2008

HOBBSOCO

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

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.		5. Lease Serial No. NM-100590 111242
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/>		6. If Indian, Allottee or Tribe Name
2. Name of Operator Nadel and Gussman HEYCO, LLC <input checked="" type="checkbox"/>		7. If Unit or CA/Agreement, Name and/or No.
3a. Address PO BOX 1936 ~ ROSWELL NM 88202-1936	3b. Phone No. (include area code) 505.623.6601	8. Well Name and No. Pearsall 6 Federal #9 <input checked="" type="checkbox"/>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1750' FSL & 1060' FEL, Sec. 6, T18S, R32E <input checked="" type="checkbox"/>		9. API Well No. 3002539135 <input checked="" type="checkbox"/>
Unit I		10. Field and Pool, or Exploratory Area Young; Bone Spring North <input checked="" type="checkbox"/>
		11. County or Parish, State Lea, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	csg and cmt report
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input 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 recomplate 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 recomplate 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.)

See Attached Production Csg Report;

See Attached Cement Report from Schlumberger dated 10/31/08

ACCEPTED FOR RECORD

NOV 29 2008

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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

Tammy R. Link

Title Production Tech

Signature

Date

11/04/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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 page 2)

NADEL AND GUSSMAN HEYCO LLC PRODUCTION CASING REPORT

WELL: Pearsall 6 Fed #9
LOCATION: 1750' FSL & 1060' FEL
S/T/R: SEC 6, T18S, R32E
COUNTY: LEA
STATE: N.M

DEPTH: 9,166
CASING SIZE: 5.5
CEMENT CO: SCHLUMBERGER
FOREMAN: KEITH CANNON
RIG: Amerimex Rig #1

1

ITEM:	NO. JTS:	LENGTH:	WT:	GRADE:	THREAD:	TOP:	BOTTOM:
1	Float Shoe	1.5				9164.50	9166.00
2	2	77.78	17#	L-80	LT&C	9086.72	9164.50
3	Float Collor	1.5				9085.22	9086.72
4	21	813.24	17#	L-80	LT&C	8271.98	9085.22
6	128	5653.96	15.5#	L-80	LT&C	2618.02	8271.98
7	68	2636.11	17#	L-80	LT&C	-18.09	2618.02
8							
9							
10							
11							
12							
TOTALS:	219	9,184.09					

CASING DELIVERED (Threads off Talley)

JTS	LENGTH	WT	GRADE	THREAD
232	9695.8	17/15.5	L-80	LT&C
TOTAL:	232	9,695.80		

CASING LEFT OVER

JTS	LENGTH	WT	GRADE	THREAD
13	511.71	17/15.5	L-80	LT&C
CUT OFF:	29.5	17#	L-80	LT&C

	SX	DESCRIPTION	PPG	YIELD	M/W GAL/SX	BBL SLRY	SX CIRC
CEMENT:							
1ST LEAD	750	Poz/H,5%D44(BWOW), 6% D20, 0.2%D65,0.2% D46,0.2%D800	12.6	2.04	11.2	272.5	
1ST TAIL	800	TXI,1.33%D44(DWOW), 0.2%D46,0.3%D167, 0.2%D65,0.35%D800	13	1.41	7.26	200.9	
2ND LEAD						0.0	
2ND TAIL						0.0	

WATER REQUIRED 1ST STAGE

MIX 338 DISP 215.4 MISC 50 TOTAL 604

WATER REQUIRED 2ND STAGE

MIX 0 DISP 0.0 MISC 50 TOTAL 50

COMMENTS TD 11:30AM 10/29/08 @ 9166'. No problems with casing or cement job. Plug down @ 5:05pm 10/31/08.
Called Hobbs BLM for casing & cement job, Spoke w/ Jim McCormick

Schlumberger

DESIGN - EXECUTE - EVALUATE - REPORT

5 1/2 Long String

Company Name: Nadel & Gussman Heyco LLC
WellName & #: Persall 6 Federal # 9
County, State: Lea, New Mexico
Company Rep: Kevin Cannon

Prepared By: Emery Fisher
Title: FS1
District: ANM
Phone #: 746-9363
Sales: Donald Garcia
City: Artesia
Date: 10/31/2008



Service Order

2008-Oct-31

Customer: NADEL & GUSSMAN HEYCO LLC
Well Name and Number: Pearsall 6 Federal 9
Well Master: 0631030212
Person Taking Call: Crowe, Russel
Legal Location: Artesia, NM
Field: Lea
API / UWI: New Mexico
Dowell Location: 2008-Sep-16
Order Date: 2202046827
Job Number: 2202046827
State/Province: New Mexico

Rig Name: Amerimex 1
Well Age: New
Sales Engineer: Crowe, Russell
Job Type: Cem Prod Casing
Time Well Ready: Deviation: Bit Size: 7.88 in
Well MD: 9,200 ft
Well TVD: 9,200 ft
BHP: psi
BHST: 145 °F
BHCT: 125 °F
Treat Down: Packer Type: Packer Depth: ft
WellHead Connection: 5 1/2H,M,QC,Swad
HHP on Location: Max Allowed Pressure: Max Allowed Ann Pressure:

Depth, ft	Size, in	Weight, lb/ft	Grade	Thread
9200	5.5	17		

Depth, ft	Size, in	Weight, lb/ft	Grade	Thread
-----------	----------	---------------	-------	--------

Top, ft	Bottom, ft	spf	No. of Shots	Total Interval
---------	------------	-----	--------------	----------------

Services Instructions:

Cement 9200' of 5 1/2 casing in 7 7/8 open hole
Need sugar 300#
Check all number with co-rep.

Extra Equipment:

Expected On Location:

Ready To Pump:

Contact	Voice	Mobile	FAX	Notes
Freddie Pontremoli		432-425-5976		

Notes:

Directions:

From Artesia go East on highway 82 to Highway 529. Turn right on 529 to mm7. Turn right at mm7 on to CR126 for 1.2 miles. Turn right for 0.2 miles, turn left for 1.7 miles, turn left for 0.1 mile, turn right for 0.1 mile, turn left for 0.3 miles to locati

Other Notes:

Comments:

Fluid Systems:

Extra				
Take 2 sks CemNet + 2sks Gel + 300# Sugar				
Density:	lb/gal	Thickening Time:		
Yield:	ft ³ /sk			
H2O Mix	0 gal/sk			
H2O	0 gal	Eq. Sack Weight:	0 lb	
		Total Blend:	0 sacks	
Dowell Code	Conc/ Amount	Total Quantity		
J424	100 lbs	100		
Sugar	300 lbs	300		
D095	100 lbs	100		

Plug				
5 1/2 Top Rubber Plug				
Density:	lb/gal	Thickening Time:		
Yield:	ft ³ /sk			
H2O Mix:	0 gal/sk			
H2O:	0 gal	Eq. Sack Weight:	0 lb	
		Total Blend:	0 sacks	
Dowell Code	Conc/ Amount	Total Quantity		
56702054	1	1		

Lead				
750sks 35/65 Poz/H+5%D44(BWOW)+6%D20+0 2%D167+0 2%D65+0 2%D46+0 2%D800				
Density	12.6 lb/gal	Thickening Time:		
Yield	2.04 ft ³ /sk			
H2O Mix	11.2 gal/sk			
H2O	8400 gal	Eq. Sack Weight:	88.75 lb	
		Total Blend:	750 sacks	
Dowell Code	Conc/ Amount	Total Quantity		
D800	0.1775 lbs/sk	133.125		
D909	61.1 lbs/sk	45825		
D132	27.65 lbs/sk	20737.5		
D020	5.325 lbs/sk	3993.75		
D044	4.648 lbs/sk	3486		
D065	0.1775 lbs/sk	133.125		
D46	0.1775 lbs/sk	133.125		
D167	0.1775 lbs/sk	133.125		

Tail				
800sks TXI+1 33%D44(BWOW)+0 2%D46+0.3%D167+0 2%D65+0.35%D800				
Density:	13.0 lb/gal	Thickening Time:		
Yield:	1.41 ft ³ /sk			
H2O Mix:	7.26 gal/sk			
H2O:	5808 gal	Eq. Sack Weight:	75 lb	
		Total Blend:	800 sacks	
Dowell Code	Conc/ Amount	Total Quantity		
D049	75 lbs/sk	60000		
D044	0.8043 lbs/sk	643.44		
D046	0.15 lbs/sk	120		
D167	0.225 lbs/sk	180		
D065	0.15 lbs/sk	120		
D800	0.2625 lbs/sk	210		

CemCAT Treatment Report

Well : Pearsall 8 Federal 9
Field :
Formation :

Well Location :
County : Lea
State : New Mexico
Country : United States

Prepared for
Client : Nadel & Gussman Heyco LLC
Client Rep : Keith Cannon
Proposal No. : 2202046827
Date Prepared : 10-31-2008

Prepared by
Name : Emery Fisher
Division : Schlumberger
Phone : 505-703-0736
Service Point : Artesia, New Mexico
Fax No. : 505-748-2133

Comments :

Disclaimer Notice:

This information is presented in good faith, but no warranty is given by and Dowell assumes no liability for advice or recommendations made concerning results to be obtained from the use of any product or service. The results given are estimates based on calculations produced by a computer model including various assumptions on the well, reservoir and treatment. The results depend on input data provided by the Operator and estimates as to unknown data and can be no more accurate than the model, the assumptions and such input data. The information presented is Dowell's best estimate of the actual results that may be achieved and should be used for comparison purposes rather than absolute values. The quality of input data, and hence results, may be improved through the use of certain tests and procedures which Dowell can assist in selecting.

The Operator has superior knowledge of the well, the reservoir, the field and conditions affecting them. If the Operator is aware of any conditions whereby a neighboring well or wells might be affected by the treatment proposed herein it is the Operator's responsibility to notify the owner or owners of the well or wells accordingly.

Prices quoted are estimates only and are good for 30 days from the date of issue. Actual charges may vary depending upon time, equipment, and material ultimately required to perform these services.

Freedom from infringement of patents of Dowell or others is not to be inferred.

Client : Nadel & Gussman Heyco LLC
 Well : Pearsall 8 Federal 9
 Formation :
 District : Artesia, New Mexico
 Country : United States
 Loadcase :



Section 1: Overall Measured Parameters

As Measured Totals		
Slurry Volume (bbl)	Displacement Volume (bbl)	Pump Time (min)
780.7	0.0	178.2

Average Treating Pressure: 588 psi
 Maximum Treating Pressure: 2964 psi
 Minimum Treating Pressure: 0 psi
 Average Slurry Rate: 6.6 bbl/min
 Maximum Slurry Rate: 10.1 bbl/min
 Average Horsepower: 91.6 hhp
 Maximum Horsepower: 400.0 hhp

Section 2: Message Log

#	Time	Message	Treating Pressure (psi)	Rate (bbl/min)	Density (lb/gal)	Stage (bbl)	Total (bbl)
1	14:09:06	Pressure Test Lines	2960	0.2	8.42	3.3	3.3
2	14:10:06	Start Spacer	-3	2.3	8.42	3.6	3.6
3	14:13:26	End Spacer, Vol = 20 bbl	317	7.3	8.42	27.1	27.1
4	14:13:26	Start Lead Cement	317	7.3	8.42	27.1	27.1
5	14:54:06	End Lead, Vol = 273 bbl	369	7.5	12.78	325.1	325.1
6	14:54:06	Start Tail Cement	369	7.5	12.78	325.1	325.1
7	15:24:06	End Tail, Vol = 201 bbl	307	6.2	13.26	521.4	521.4
8	15:31:46	Drop Plug	-22	0.0	8.43	554.3	554.3
9	15:32:26	Start Displacement	45	3.9	8.43	554.6	554.6
10	16:02:46	Slow Rate	2135	3.1	8.42	776.7	776.7
11	16:04:06	Bump Plug	2771	0.0	8.42	780.7	780.7
12	16:04:06	End Displacement, Vol = 201 bbl	2771	0.0	8.42	780.7	780.7

NADEL & GUSSMAN PEARSALL 6 FEDERAL 9 PILOT LEAD

Fluid No : 2020 8C337001	Client : Nadel & Gussman	Location / Rig : Amerimex 1	Signatures
Date : Oct-13-2008	Well Name : Pearsall 6 Federal	Field : 9	John Jinks

Job Type	LongString	Depth	9200.0 ft	TVD	9200.0 ft
BHST	154 degF	BHCT	(degF)	BHP	(psi)
Starting Temp	80 degF	Time to Temp	00 46 hr.mn	Heating Rate	1.06 degF/min
Starting Pressure	610 psi	Time to Pressure	00 46 hr.mn	Schedule	9.7-1

Composition

Slurry Density	12.60 lb/gal	Yield	2.07 ft ³ /sk	Mix Fluid	11.610 gal/sk
Solid Vol. Fraction	25.0 %	Porosity	75.0 %	Slurry type	Conventional

Code	Concentration	Sack Reference	Component	Blend Density	Lot Number
35:65Poz:H		88.7 lb of BLEND	Blend	186.56 lb/ft ³	
Fresh water	11.438 gal/sk		Base Fluid		
D044	5.000 %BWOW		Salt		
D020	6.000 %BWOB		Extender		
D167	0.200 %BWOB		Fluid loss		
D065	0.200 %BWOB		Dispersant		
D046	0.200 %BWOB		Antifoam		
D013	0.200 %BWOB		Retarder		

Rheology (Average readings)

(rpm)	(deg)	(deg)
300	23.0	16.0
200	17.5	10.0
100	12.0	8.0
60	8.5	6.0
30	5.5	5.0
6	4.0	3.5
3	3.5	2.5

10 sec Gel	4	4
10 min Gel	9	8
1 min Stirring	21	19

Temperature	80 degF	129 degF
-------------	---------	----------

k : 1.74E-3	k : 2.55E-4
lbf s ⁿ /ft ²	lbf s ⁿ /ft ²
n : 0.771	n : 0.997
Ty : 2.76 lbf/100ft ²	Ty : 3.41 lbf/100ft ²

Thickening Time

Consistency	Time
POD :	04:47 hr:mn
30 Bc	05:56 hr:mn
50 Bc	07:14 hr:mn
70 Bc	08:00 hr:mn
Remark : Thickening time do not include batch time	

Free Fluid

14.0 mL/250mL	in 2 hrs
At 129 degF and 0 deg incl.	
Sedimentation	None

Comments

General Comment :
Fann Reading Comment :
Thickening Time Comment :
Other test Comment : , ; , ;

NADEL & GUSSMAN PEARSALL 6 FEDERAL 9 PILOT TAIL

Fluid No : 2020 8C337002	Client	Nadel & Gussman	Location / Rig	Amerimex 1	Signatures
Date : Oct-13-2008	Well Name	Pearsall 6 Federal	Field		John Jinks
		9			

Job Type	LongString	Depth	9200.0 ft	TVD	9200.0 ft
BHST	154 degF	BHCT	(degF)	BHP	(psi)
Starting Temp	80 degF	Time to Temp.	00 46 hr:mn	Heating Rate	1 06 degF/min
Starting Pressure	610 psi	Time to Pressure	00 46 hr:mn	Schedule	9 7-1

Composition

Slurry Density	13.00 lb/gal	Yield	1.41 ft3/sk	Mix Fluid	7.304 gal/sk
Solid Vol. Fraction	30.8 %	Porosity	69.2 %	Slurry type	Conventional

Code	Concentration	Sack Reference	Component	Blend Density	Lot Number
PVL		75.0 lb of BLEND	Blend	176.05 lb/ft3	
Fresh water	7.277 gal/sk		Base Fluid		
D044	1.330 %BWOW		Salt		
D046	0.200 %BWOC		Antifoam		
D167	0.300 %BWOC		Fluid loss		
D065	0.200 %BWOC		Dispersant		
D800	0.300 %BWOC		Retarder		

Rheology (Average readings)

(rpm)	(deg)	(deg)
300	25.0	50.0
200	18.0	41.5
100	11.5	27.5
60	9.5	20.0
30	6.5	16.0
6	5.0	7.5
3	4.5	5.5
10 sec Gel	8	6
10 min Gel	9	10
1 min Stirring	29	50
Temperature	80 degF	129 degF
	k : 4.32E-4 lbf s^n/ft2 n : 0.995 Ty : 4 79 lbf/100ft2	k : 1.35E-2 lbf.s^n/ft2 n : 0 578 Ty : 2 67 lbf/100ft2

Thickening Time

Consistency	Time
POD :	01:23 hr:mn
30 Bc	01:51 hr:mn
50 Bc	02:31 hr:mn
70 Bc	02:58 hr:mn
Remark : Thickening time do not include batch time	

Free Fluid

0.0 mL/250mL	in 2 hrs
At 129 degF and 0 deg incl	
Sedimentation	None

Comments

General Comment :
Fann Reading Comment
Thickening Time Comment :
Other test Comment : ; ; ;

NADEL & GUSSMAN PEARSALL 6 FEDERAL 9 FIELD BLEND TAIL

Fluid No : 2020 8C351002	Client : Nadel & Gussman	Location / Rig : Lea, NM	Signatures
Date : Oct-22-2008	Well Name : Pearsall 6 Federal 9	Field :	Freddy Orquiz

Job Type	Longstring	Depth	9200.0 ft	TVD	9200.0 ft
BHST	153 degF	BHCT	(degF)	BHP	(psi)
Starting Temp.	80 degF	Time to Temp	00:46 hr mn	Heating Rate	1.05 degF/min
Starting Pressure	610 psi	Time to Pressure	00:46 hr mn	Schedule	9.7-1

Composition

Slurry Density	13.00 lb/gal	Yield	1.41 ft ³ /sk	Mix Fluid	7.304 gal/sk
Solid Vol Fraction	30.8 %	Porosity	69.2 %	Slurry type	Conventional

Code	Concentration	Sack Reference	Component	Blend Density	Lot Number
PVL		75.0 lb of BLEND	Blend	176.05 lb/ft ³	
Fresh water	7.277 gal/sk		Base Fluid		
D044	1.330 %BWOW		Salt		
D046	0.200 %BWOC		Antifoam		
D167	0.300 %BWOC		Fluid loss		
D065	0.200 %BWOC		Dispersant		
D800	0.300 %BWOC		Retarder		

Rheology (Average readings)

(rpm)	(deg)	(deg)
300	23.0	39.0
200	18.0	34.5
100	12.5	26.5
60	10.5	24.0
30	9.5	20.0
6	6.0	11.5
3	5.5	10.5
10 sec Gel	9	12
10 min Gel	12	19
1 min Stirring	25	40
Temperature	80 degF	129 degF
	k : 2.11E-3 lbf s ⁿ /ft ² n : 0.719 Ty : 5.05 lbf/100ft ²	k : 4.17E-2 lbf s ⁿ /ft ² n : 0.350 Ty : 2.87 lbf/100ft ²

Thickening Time

Consistency	Time
POD	01:11 hr:mn
30 Bc	01:39 hr:mn
50 Bc	02:12 hr:mn
70 Bc	02:20 hr:mn
Remark : Thickening time do not include batch time	

Free Fluid

0.0 mL/250mL	in 2 hrs
At 129 degF and 0 deg incl	
Sedimentation	None

Comments

General Comment :
Fann Reading Comment :
Thickening Time Comment :
Other test Comment : ; ; ;