

Submit 1 Copy 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
October 13, 2009

RECEIVED
JUL 28 2010
HOBBSOCD

CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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.)		WELL API NO. 30-025-38954
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator NADEL AND GUSSMAN PERMAIN LLC		6. State Oil & Gas Lease No. 37182
3. Address of Operator 601 NORTH MARIENFELD, SUITE 508, MIDLAND, TX 79701		7. Lease Name or Unit Agreement Name CEBO STATE
4. Well Location Unit Letter <u>P</u> : <u>660</u> feet from the <u>SOUTH</u> line and <u>990</u> feet from the <u>EAST</u> line Section <u>10</u> Township <u>16 S</u> Range <u>33 E</u> NMPM LEA County		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 155615
		10. Pool name or Wildcat West Hume Grayburg\Queen DHC 4078

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: REQUEST TA STATUS ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

7-18-10 MI RUPU pull out hole rods and pump. Lay down rods. Release TAC trip out of hole with tbq and lay down
7-19-10 MI wireline company and set cibp @ 3839' Release PU and wireline company
7-20-10 RU M&S Services and pressure test cibp and csg to 520 psi for 60 mins and chart.

Request approval to place well in TA status for 5 years due to current poor economics

This Approval of Temporary
Abandonment Expires 7-20-2015

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kem E. McCready TITLE NM Operations Manager DATE 07/27/10

Type or print name Kem E. McCready E-mail address: kemm@naguss.com PHONE: 432-682-4429
For State Use Only

APPROVED BY: [Signature] TITLE STAFF MGR DATE 7-29-10
Conditions of Approval (if any):

R.M.

Cebo State No. 1

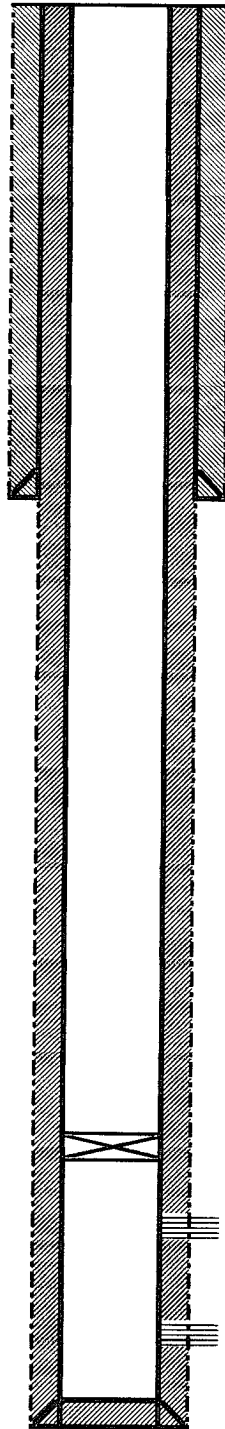
660' FSL, 990' FEL Sec 10 T 16S R 33E, Lea County, NM
API # 30 - 025 -38954-00

Elev: 4201', KB: 4217'

Current 07/27/10

8-5/8", 24#, J-55 STC @ 1565'
 1074 sx, cement circulated
 12-1/4" hole

4-1/2", 10.50#, J-55 LTC @ 0-4570'
 cmt w \1776 sxs Light Crete & PVL



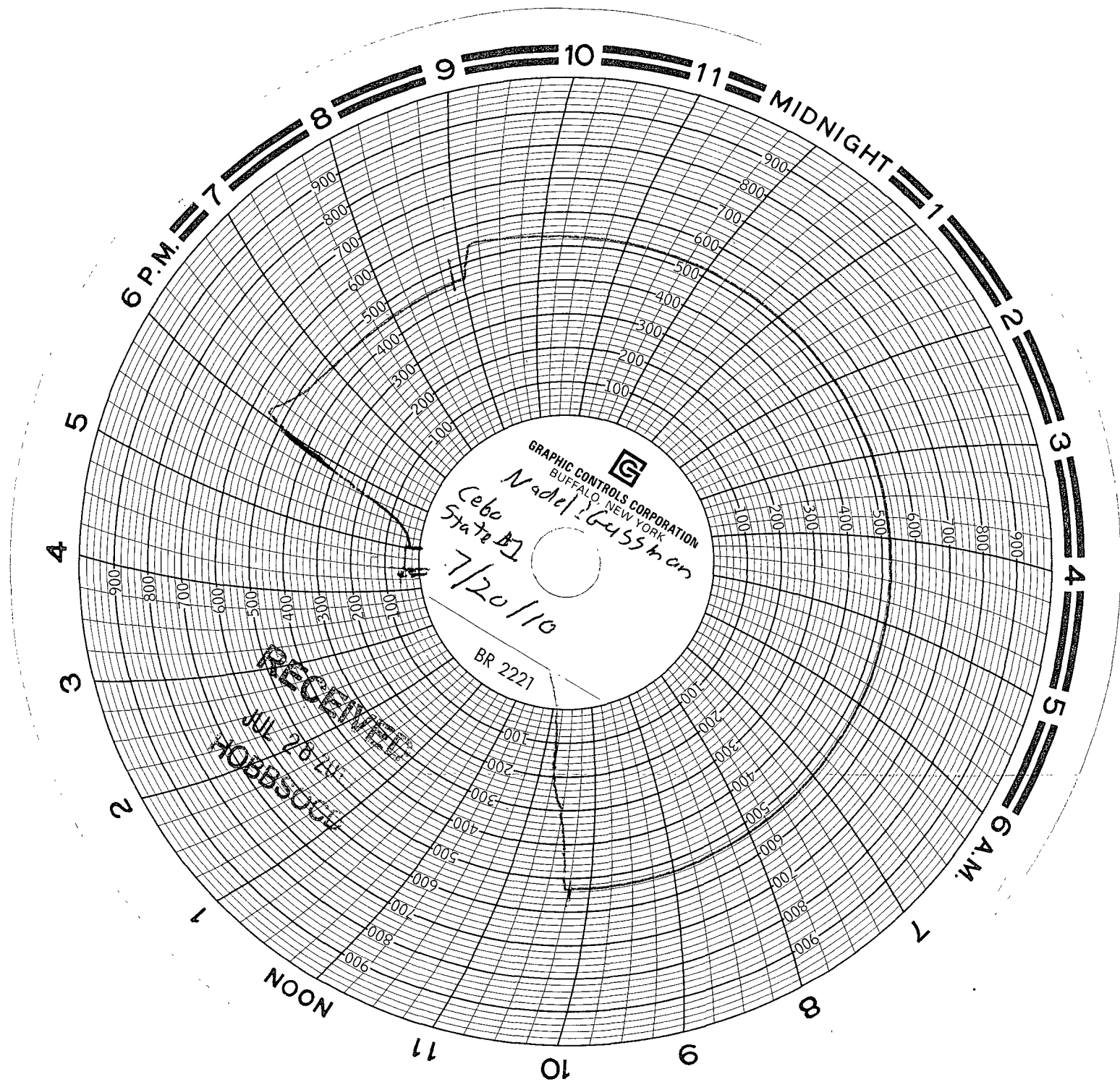
CIBP @ 3839' set 07/19/10

Queen Perfs
 3900'-3926'
 4 spf 104 holes

Grayburg perfs
 4348' - 4372'
 6 spf 144 holes

Est PBTD @ 4724'
 TD @ 4805'

5-5



07-20-10

~~60~~ 60 MINUTE CLOCK

Bob Ritzman
M&S SERVICES

CEBO STATE #1

NADAL GUSMAN

7-20-10

Mahab Wheeler
BOT