

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. O. Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

Lease Designation and Serial No.
NM - 19611

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Nadel and Gussman Permian, L.L.C. OGRID # 155615

3. Address and Telephone No.
601 N. Mariefeld, Suite 508, Midland, TX 79701

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FNL & 660' FEL

Unit H, Sec. 27 - 15S - 30E

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

McClellan A Fed ComNo. 2

9. API Well No.

30-005-20906

10. Field and Pool, or Exploratory Area

Cedar Point Abo Gas

11. County or Parish, State

Chaves Co., NM

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

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other (NTL -4A) Violation

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

08/20/02 In reply to BLM NOTICE OF NONCOMPLIANCE dated 7/22/02 regarding venting of natural gas and the need to measure the gas volume.
The volume of gas produce from this well is too small to measure. We do not produce enough gas from this well to run the gas engine on the pumping unit. To produce the well we shut it in for 2 to 3 days to build up enough casing pressure to run the pumping unit engine.

RECEIVED
FEDERAL
BUREAU OF LAND
MANAGEMENT
OCT 1 1992

14. I hereby certify that the foregoing is true and correct

Signed K. E. McCready

Title K. E. McCready -Operations Engineer

Date 8/20/02

(This space for Federal or State office use)

Approved by P.F.
Conditions of approval, if any:

Title P.F.

Date 9/17/02

Title 18 U.S.C. Section 1001, makes 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.

*See Instruction on Reverse Side

GWW

☒ Certified Mail - Return Receipt Requested
7099322000400179869

☐ Hand Delivered Received by

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

NOTICE OF INCIDENTS OF NONCOMPLIANCE

Identification
IID
Lease <u>NMNM19611</u>
CA <u>NMNM84645</u>
Unit
PA

Bureau of Land Management Office ROSWELL FIELD OFFICE		Operator NADEL & GUSSMAN PERMIAN LLC				
Address 2909 W. SECOND ST. ROSWELL NM 88201		Address 3200 FIRST NATIONAL TOWER TULSA OK 74103				
Telephone 505.627.0272		Attention NADEL & GUSSMAN PERMIAN LLC				
Inspector MAYO		Attn Addr 3200 FIRST NATIONAL TOWER TULSA OK 74103				
Site Name MCCLELLAN A FED	Well or Facility 2	Township 15S	Range 30E	Meridian NMP	Section 27	1/4 1/4 SENE
Site Name	Well or Facility	Township	Range	Meridian	Section	1/4 1/4

THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE

Date	Time (24 - hour clock)	Violation	Gravity of Violation
07/15/2002	09:29	NTL-4A	MINOR
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
08/28/2002			43 CFR 3163.1()

Remarks
THE BUREAU OF LAND MANAGEMENT DOES NOT HAVE ON FILE AT THIS OFFICE AND AN APPROVED APPLICATION FOR NADEL AND GUSSMAN PERMIAN LLC TO VENT GAS PRODUCED BY THE WELL(S) ENTERING THE FACILITY LOCATED AT THE ABOVE SITE. THE APPROVAL SHALL INCLUDE THE AMOUNT OF GAS PRODUCED EACH DAY AND THE METHOD OF MEASUREMNT USED.

When violation is corrected, sign this notice and return to above address.

Company Representative Title Operations Engineer Signature [Signature] Date 8/21/02

Company Comments _____

WARNING

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

REVIEW AND APPEAL RIGHTS

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 4015 Wilson Blvd., Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer <u>[Signature]</u>	Date 7-22-02	Time 1344
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FOR OFFICE USE ONLY				
Number 53	Date	Assessment	Penalty	Termination
Type of Inspection PI				