

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

WELL API NO. 30 - 025 - 35052
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Hulda
8. Well No. 1
9. Pool name or Wildcat Townsend Morrow

SUNDRY NOTICES AND REPORTS ON WELLS	
1. Type of Well: Oil Well Gas Well Other	
2. Name of Operator Nadel and Gussman Permian, L.L.C.	
3. Address of Operator 601 N Marienfeld, Suite 508, Midland, Texas 79701	
4. Well Location Unit Letter N : 760' feet from the South line and 1980' feet from the West line Section 4 Township 16-S Range 35-E NMPM Lea County 1. Elevation (Show whether DR, RKB, RT, GR, etc.) 4023' GL, 4041' KB	

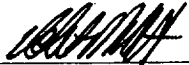
11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>

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 recompilation.

Notice of setting production casing:

1. TD 7-7/8" hole at 12,218' at 5:00 PM on 7/24/00. Made two 20 stand trips to condition hole.
2. RU Schlumberger and ran SGR/CNL/SDL/Cal, DLL/ML and Sonic logs. Ran FMI log. RDMO.
3. LD collars and pipe. Ran 335 jts 5 1/2", 17# N-80 and P-110 casing and set at 12,218'.
4. Circulated mud and cut weight back to 10.5 PPG. RU BJ services and pumped 15 Bbls 2% KCl and 25 Bbls mud cleaner.
5. Cemented casing with 1190 sx Super "H" Modified w/ 0.7% FL-62, 0.7% FL-25 and 6 #/sk Gilsonite. Slurry weight was 13.6 PPG giving a 1.46 yield. Displaced w/ 282 Bbls water.
6. Plug down at 4:45 PM on 7/28/00. ND BOPs, set slips and cut off casing.
7. Installed "C" section of wellhead and tested to 5000 psi - OK. Jetted pits, broke down rig and released rental equipment. Prep for completion.

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

SIGNATURE  TITLE Operations Engineer DATE 8-2-00

Type or print name Robert McNaughton Telephone No. 915 - 682 - 4429

(This space for State use)

APPROVED BY ORIGINAL SIGNED BY CHIEF WILLIAMS DISTRICT COPIED FOR TITLE DATE AUG 11 2000

Conditions of approval, if any: