

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 - 11408
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B - 11302
7. Lease Name or Unit Agreement Name: New Mexico BM State
8. Well No. 3
9. Pool name or Wildcat (North) Justis Blinebry

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	7. Lease Name or Unit Agreement Name: New Mexico BM State
2. Name of Operator Nadel and Gussman Permian, L.L.C.	8. Well No. 3
3. Address of Operator 601 N Marienfeld, Suite 508, Midland, Texas 79701	9. Pool name or Wildcat (North) Justis Blinebry
4. Well Location Unit Letter P : 915 feet from the South line and 330 feet from the East line Section 2 Township 25-S Range 37-E NMPM Lea County	
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3126' DF	

11. 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"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Add Blinebry Pay <input checked="" type="checkbox"/>	

12. 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.

8/23/99 to 9/02/99

- MIRU. Set 4-1/2" BOP on east casing. Pull rods and pump. Pickup work string and casing scraper and TIH.
- Rig up wireline. Run CBL from 6950' to 4000' - good bond. Pump 20 Bbls of 80# X-L gel in 2-7/8" and displace across perfs.
- Set 4-1/2" CIBP @ 5180'. Selectively perforate the Blinebry intervals @ 4SPF, 120 ° phasing, 0.4" holes:
 - 4976' - 5176' (25') & 5524' - 5604' (13')
- Pump into 2-7/8" casing, communicated w/ 4-1/2". Set 2-7/8" CIBP at 5130'. TIH with 2-3/8" tubing and treating packer.
- In 4-1/2" string, acidize new perfs w/ 1500 gals 15% NEFE and ball sealers. Frac upper Blinebry perfs with 18,000 gallons 30# X-L gel and 40,000# of 20/40 resin coat sand 15 Bbls/ Minute, 6#/ gal at 4650 psig max. SI and let gel break.
- Flow back broken gel and gas. Swab load water. Unseat packer and POH with packer. Run bailer and clean sand out of 4-1/2" casing to CIBP at 5180'.
- Set larger pumping unit and run 2-3/8" tubing, rods and pump. Put back on production.

9/28/99: 24 hr test - pumped 2 bopd, 57 mcfpd, 14 bwpd , GOR = 28,500 scf/bbl.

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

SIGNATURE  TITLE **Operations Engineer** DATE **10-27-99**

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

(This space for State use)

APPROVED BY **GARY WINK** ORIGINAL SIGNED BY **GARY WINK** TITLE **FIELD REP. II** DATE **10-27-99**

Conditions of approval, if any: **FIELD REP. II**

NADEL and GUSSMAN PERMIAN

New Mexico BM State #3
Unit P, Sec 2, 25S, 37E, Lea County NM
 API # 30-025-11408

GL = 3116', KB = 3127'

Current Completion

