

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

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

WELL API NO. 30-015-22826
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name R&S, Inc. Fadeaway State 32
8. Well Number 1
9. OGRID Number 18917
10. Pool name or Wildcat Millman, Qn-Gb-SA, East 46555

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"/>	
2. Name of Operator Read & Stevens, Inc.	
3. Address of Operator P. O. Box 1518, Roswell, NM 88202-1518	
4. Well Location Unit Letter <u>B</u> : <u>660</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>32</u> Township <u>19S</u> Range <u>28E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3366.9' GL	

12. 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"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER - Perf/Frac/Acidize <input checked="" type="checkbox"/>	

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.

08/01/2012 - 08/17/12

Drlg out float collar, cmt, guide shoe. Perf (1) SPF - 2184', 2181', 2169', 2167', 2165', 2148', 2147', 2137', 2136', 2114', 2112', 2110', 2097', 2092', 2078', 2076', 2067', 2065', 2046', 2044', 2027', 2025'. Total of (22) - 0.47" holes. Spot 700 gals 15% NeFe double inhibited w/clay HCI from 2200' to 1970'. Acidize w/2800 gals acid spacing (80) - ball sealers throughout job. Pmax - 5000#, Pavg - 3000#, Ravg 5.3 BPM. ISIP 920#, 5 min - 817#, 10 min - 786#, 15 min 773#. Swab well. Frac stimulate perfs 2025'-2184' w/476 bbls 30# x-linked gel pad followed by 15,000# 20/40 proppant pumped in 1 ppg stage of 30# x-linked gel. Pumped 100,000# 16/30 proppant pumped in 2 ppg, 3 ppg, and 4 ppg stages contained in 30# x-linked gel. Pmax 1937#, Pavg - 1850#, Ravg 32 BPM. ISIP 1330#, 5 min - 1154#, 10 min - 1115#, 15 min - 1077#. Flow back well. Swab well.

Spud Date:

7/24/2012 re-entry

Rig Release Date:

RECEIVED

AUG 20 2012

NMOCD ARTESIA

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

SIGNATURE Tim Collier TITLE Sr VP, Exploration & Development DATE 08/17/12

Type or print name Tim Collier E-mail address: tcollier@read-stevens.com PHONE: 575-622-3770

For State Use Only

APPROVED BY: RL Dade TITLE Dist. # Supervisor DATE 8/29/12

Conditions of Approval (if any):