

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**5. Lease Serial No.
NMLC029418B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
LEA C FEDERAL 169. API Well No.
30-015-20707-00-S110. Field and Pool, or Exploratory
GRAYBURG11. County or Parish, and State
EDDY COUNTY, NM1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
CAPSTONE NATURAL RESOURCES LLC
Contact: CLINT A BRIAN
Email: cbrian@capstonenr.com3a. Address
2250 E 73RD ST SUITE 500
TULSA, OK 741363b. Phone No. (include area code)
Ph: 918-236-38004. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 11 T17S R31E NENE 660FNL 660FEL

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input checked="" type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones: Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

4-1-13 Looking for anchors 1 loose, can't find another. 10:25am MI & RU waiting on Hobbs Anchor. 10:55 am unseat pump & rods lay down rods. 11:15am anchor broke set new one. 12:00 pm lunch. 12:40 pm continue POOH. 1:30pm out w/ pump. RU to Pull tbg. NDWH & NUBOP (2:00 pm Nabors reverse unit on location) 2:55pm TOO H w/ 2 7/8" tbg. 4:00 pm to TAC (TAC not sheared - But will not set) 4:15 pm out w/ tbg. 4:30 pm, close well in & shut down.

4-2-13 8:45am here. 9:30am Nabors here 9:45am PU & RIH w/ 4 1/2" wash pipe w/ 4 5/16" cut rite shoe 11:45am tag up w. / shoe@ 3925' Lay down 2 jts. RU Swival 1:00pm. Lunch 1:10 pm broke Cir. 1:40 pm start drilling 2:40 pm made 1' plus or minus in 1 hr. 3:00 pm lay down swival 3:30 pm POOH 4:45pm cut rite on OD of shoe gone & edge nothing had been in shoe 5:00 pm close well in & Shut down.



Submit Sundry Notice within 5 days of well going on Prod

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

Electronic Submission #206487 verified by the BLM Well Information System
For CAPSTONE NATURAL RESOURCES LLC, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 05/08/2013 (13KMS6018SE)

Name (Printed/Typed) CLINT A BRIAN

Title VICE PRESIDENT OF OPERATIONS

Signature (Electronic Submission)

Date 05/07/2013

Accepted for record
NMOC D

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **ACCEPTED**JAMES A AMOS
Title SUPERVISOR EPS

Date 05/19/2013

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

Additional data for EC transaction #206487 that would not fit on the form

32. Additional remarks, continued

4-3-13 9:00am all here Waiting on wireline. 10:00 am TFH here to jet & empty reverse pit. 11:00 am call from Jackie w / Capitan Crew got tied up on another job Will Perf & run PPI tools
4-4-13.

4-4-13 MI&RU RU Capitan @ 8:45am. Tag up w/ gauge ring @ 3926'. 9:45am RIHw/ 5 1/2" CIBP. Set @ 3923' 10:25 am RIH w/ cement dump bailer. Top of cement @ 3913'. 11:37am RIH w/ 3 1/8" gun to re-perf in Grayburg/San Andres 3409-3907, 16 holes. 12:00 pm finish perf. All shots fired RD Capitan 12:20 pm. PU & RIH w / 5 1/2" PPI tools w/ 102 jts. Leave Swinging @3300 1:15pm close well in & shut down.

4-5-13 Shack & all here. MI & RU 9:30 am move tools to 1st. setting install tbgs, float & NU stripper head. 9:52am RU stand pipe. 10:30 am Break Cir. 10:45 am start acid job. 3:30 pm finish acid job stand back 2 7/8" tbgs. 4:00 pm out w/ PPI tools OK Close well in & shut down. Not all holes broke down, will reperf and acidize holes that did not break on 4-6-13.

4-6-13 8:00am all here MI &RU Capitan to re- Perf 3409-3443-34-68-3518-3615-3720-3764-3808, .38 holes 2 SPF. 10:05 am pooh w/ wireline 10:17 am RD Capitan. Close well in & shut down.

4-8-13 7:45am here. 8:45am Csg. On Vac 9:00 am PU &RIH w / PPI Tools. RU Shack. 10:10 am NU stripper rubber. 10:42am Load hole & start acid job. 12:30 pm Finish POOH to float valve 1:15pm Lunch 1:50 pm lay down tbgs. 4:00 pm all tbgs. Down Close well in & shut down.

4-9-13 8:15am Midwest here to move tbgs around, D & L here to change ram's. 10:00 am PU & RIH w/ 5 1/2" 15.5-20# AS1X 10 K treating Pkr. & 3 1/2" N-80 tbgs. W/105 jts. Set Pkr. @3367' w/ 40 pts. Tension 11:45am RD.

4/11/13 MI RU Baker Hughes, test lines to 8175 psi. Set pop off to 7040 psi. Pump 399 bbls of (Viking 2500) pad at 5444 psi at 46.1 BPM. Pump 105 bbls of 0.75# 40/70 Arizona sand at 5469 psi at 47.2 BPM. Pump 402 bbls of pad at 5022 psi at 47.1 BPM. Pump 1000 bbls of slickwater brine pad at 5684 psi. at 42.9 BPM. Pump 1519 bbls of 0.35# 40/70 Arizona White sand/Flex sand lite prop at 5554 psi at 42.9 BPM. Pump 1537 bbls of 0.45# 40/70 Arizona White sand/Flex sand Lite prop at 5340 psi at 43.9 BPM. Pump 568 bbls of 0.85# 40/70 Arizona White sand/Flex sand Lite prop at 5205 psi at 43 BPM. Pump 32 bbls of flush at 2568 psi. at 43 BPM ISIP 2568 psi, 5 min 2277 psi, 10 min 2191 psi, 15 min 2151 psi. avg rate 38.5 BPM. Total load 5416 bbl, total sand 70,680 lbs, RDMO BJ, Max press 6573 psi, avg press 5619 SI 4 hrs. 4:00 PM Rig up Flow back and open well on 12/64 choke at 2000 psi. 7:00 AM report time flowing back 2" open at 1 bbl per min at 45 psi. Recovered 940 bbls. ACID and FRAC TLTR 5606 TLR 940 TLTR 4666.

4-15-13 8:00 am here & Nabors. 8:55 am crew here rig down off of #18 & move to #16. (10 loads hauled off) 9:30 am MI &RU 11:20 am release Pkr. OK, lay down 3 1/2" tbgs. 12:00 pm Lunch. 12:45pm back to work. 1:45 pm out w/ PKR. OK change Rams to 2 7/8". Waiting on forklift, 3:45pm lift here 5:00 pm all tbgs. moved around. Close well in & shut down.