

Submit 3 Copies 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
 May 27, 2004

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

WELL API NO. 30-005-27946 ✓
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 Manry Elliott ✓
8. Well Number 2 ✓
9. OGRID Number 18917 ✓
10. Pool name or Wildcat TV; Penn (Gas) ✓

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 Gas Well Other

2. Name of Operator
Read & Stevens, Inc. ✓

3. Address of Operator
P. O. Box 1518, Roswell, NM 88202-1518

4. Well Location
 Unit Letter: H 1980 feet from the North line and 990 feet from the East line ✓
 Section 22 Township 11S Range 31E NMPM County Chaves

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4462' GR

Pit or Below-grade Tank Application or Closure
 Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
 Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input checked="" type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: Frac Stimulate</p>
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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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1/7/08 ~ 1/16/08 per KB
 RU frac crew. Install treesaver. Frac stimulate well via csg by pumping 143 bbls 40# x-linked gel 70Q binary foam pad followed by 66,500# 18/40 proppant pumped in 0.25 ppg, 0.5 ppg, 1.0 ppg, 1.5 ppg, 2.0 ppg, 2.5 ppg & 3.0 ppg stages. Flush w/121 bbls 70Q binary foam. Pmax - 5980#, Pavg - 5600#, Ravg - 55 BPM. ISIP - 3489#. 5 Min - 2332#, 10 Min - 1743#, 15 Min - 1651#. RD treesaver. RD frac crew. Open well to tank w/800# SICP. FCP increased to 1300# on 32/64" choke. Turn well to sales. Disconnect old gas unit that was cut by frac sand. MI and set 1 MM BTU 3 phase gas separator. Plumb in all lines on gas unit. SICP 1500#. New meter installed and flowlines. Open well to sales on 13/64" choke.

RECEIVED

MAR 10 2008

HOBBS OCC

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE *John Maxey* TITLE *Pres* DATE: 03/11/2008

Type or print name: John Maxey E-mail address: *jcm@read-stevens.com* Telephone No. 575-622-3770

APPROVED BY: *[Signature]* TITLE PETROLEUM ENGINEER DATE JUN 17 2008

Conditions of Approval (if any):