

Submit 1 Copy To Appropriate District
Office

District I - (575) 393-6161

1625 N. French Dr., Hobbs, NM 88241

District II - (575) 748-1281

811 S. First St., Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Rd., Aztec, NM 87410

District IV - (505) 476-3460

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources

Form C-103

Revised July 18, 2013

WELL API NO.

30-025-25804

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

SCHARB COM

8. Well Number

1

9. OGRID Number

18917

10. Pool name or Wildcat

Scharb Bone Spring

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

PO Box 1518, Roswell, NM 88202

4. Well Location

Unit Letter J : 1980 feet from the South line and 1980 feet from the East line
Section 7 Township 19S Range 35E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3866.2' GR

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☐

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.

May 10th - 25th, 2018

After moving a rig on this well, Read & Stevens, Inc. determined that the production casing is parted at a depth of approximately 6,940'. We have temporarily suspended remedial work until the middle of July 2018. The rig and support equipment has been moved to work on another well. Our technical team is currently evaluating our options for repairing and/or plugging back and recompleting in a shallower zone. Prior to proceeding with any additional work, we will obtain formal approval from the NMOCD.

Spud Date:

02/08/2010

Rig Release Date:

02/18/2010

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

SIGNATURE

K. Barajas

TITLE Production/Regulatory

DATE 06/18/2018

Type or print name Kelly Barajas

E-mail address: kbarajas@read-stevens.com PHONE: 575-624-3760

For State Use Only

APPROVED BY:

Karen Sharp

TITLE

Staff Mgr

DATE 6-20-18

Conditions of Approval (if any):