

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

District II
1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-103
Permit 111048

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NUMBER 30-015-37434
1. Type of Well: O		5. Indicate Type of Lease S
2. Name of Operator READ & STEVENS INC		6. State Oil & Gas Lease No.
3. Address of Operator P. O. BOX 1518, ROSWELL, NM 88202		7. Lease Name or Unit Agreement Name BANDIT STATE
4. Well Location Unit Letter <u>F</u> : <u>1650</u> feet from the <u>N</u> line and <u>1650</u> feet from the <u>W</u> line Section <u>10</u> Township <u>23S</u> Range <u>26E</u> NMPM <u>Eddy</u> County		8. Well Number 008
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3311 GR		9. OGRID Number 18917
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 _____		10. Pool name or Wildcat See Area 13

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 OF PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 Other:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐
 COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐
 CASING/CEMENT JOB ☐
 Other: **Perforations/Tubing** ☒

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.
 2/25/10 - 3/12/10: Load and pressure csg to 1000#. Test okay. Perf 3 spf from 2,723' to 41'. Total of 54.42 holes. Swab. Acidize w/1,250 gal 7 1/2% NeFe HCl. Frac w/320 bbls linear gel pad followed by 40,000# 16/30 Brady sand. RIH w/2 7/8" 6.5#, J-55 tbg and rods. Left pumping to tank battery on 3/12/2010.

Perforations

Pool: HAPPY VALLEY;DELAWARE, 29665 Location: F -10-23S-26E 1650 N 1650 W

TOP	BOT	Open Hole	Shots/ft	Shot Size	Material	Stimulation	Amount
2723	41		3	0.42	Sand	Acid	1250

Tubing

HAPPY VALLEY;DELAWARE, 29665

Tubing Size	Type	Depth Set	Packer Set
2.875	J-55	2694	

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 Electronically Signed TITLE Petroleum Engineer DATE 3/19/2010

Type or print name David Luna E-mail address dluna@read-stevens.com Telephone No. 575-622-3770

For State Use Only:

APPROVED BY: Jacqueta Reeves TITLE District Geologist DATE 3/19/2010 4:33:55 PM