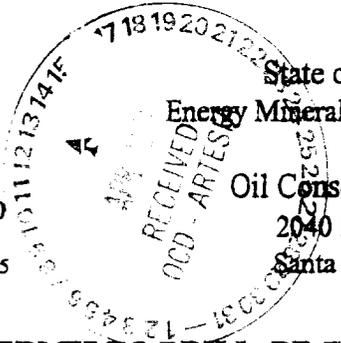


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505



State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

CISF
BOM
B of M
S.F. Bd

Form C-101
Revised March 17, 1999
Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Read & Stevens, Inc. P. O. Box 1518 Roswell, New Mexico 88202		² OGRID Number 018917
¹ Property Code 19282		³ API Number 30-315-31708
⁵ Property Name Bandit State		⁶ Well No. 3

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	10	23S	26E		660	North	660	West	Eddy

⁸ Proposed Bottom Hole Location If Different F

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line

⁹ Proposed Pool 1
South Carlsbad Morrow

OPERATOR TO COMPLY WITH ANY CITY, COUNTY, OR FAA ORDINANCE THAT APPLIES

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3,313 GL
¹⁶ Multiple No	¹⁷ Proposed Depth 12,100'	¹⁸ Formation Morrow	¹⁹ Contractor Pending	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	54.5#	650'	600	Surf
12 1/4"	9 5/8"	36#	2,500'	800	Surf
8 3/4"	7"	26# & 29#	10,000'	975	Tie Back
6 1/8"	5"	18#	12,100'	120	Tie Back

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Read & Stevens, Inc. proposes to drill and complete a 12,100' Morrow test. The well will be drilled with fluids sufficient to control the well, with the proposed BOP equipment attached.

DEPTH	MW	VIS	WL	COMMENTS
0' - 650'	8.4	28	-	Fresh Water
650' - 2,500'	8.4-10	28	-	Fresh Water & Brine
2,500' - 10,000'	10	28	-	Brine
10,000' - TD	10-10.2	32	5-10	Brine Mud

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *John G. Maxey, Jr.*
Printed name: John G. Maxey, Jr.
Title: Operations Manager
Date: 4-11-01
Phone: 505/622-3770 Ext 224

OIL CONSERVATION DIVISION *Bok*

Approved by: ORIGINAL SIGNED BY TIM W. GUM
Title: DISTRICT IV SUPERVISOR

Approval Date: APR 15 2001 Expiration Date: APR 15 2002

Conditions of Approval:
Attached

DISTRICT I
 P. O. Box 1980
 Hobbs, NM 88241-1980

State of New Mexico
 Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94

Instructions on back

DISTRICT II
 P. O. Drawer DD
 Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
 P. O. Box 2088
 Santa Fe, New Mexico 87504-2088

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

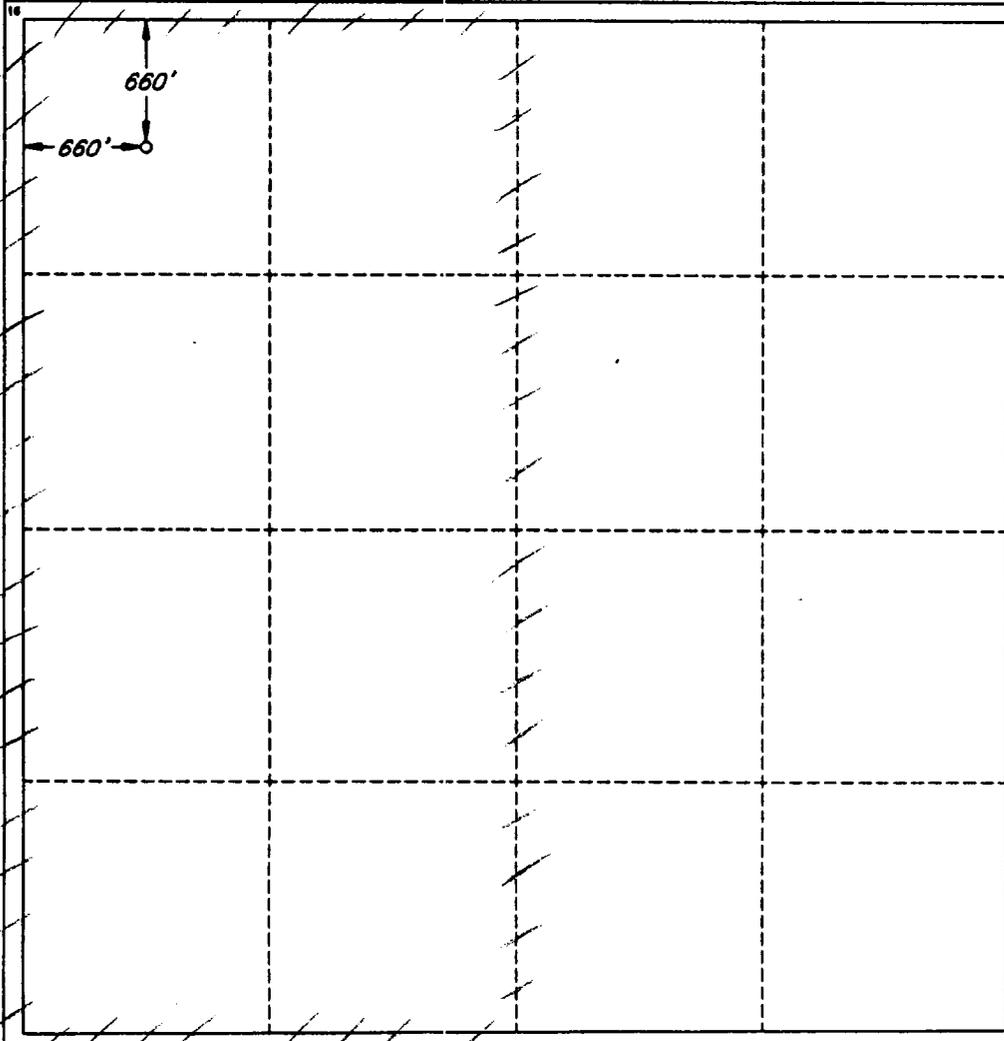
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code		5 Property Name BANDIT STATE						6 Well Number 3	
7 OGRID No. 018917		8 Operator Name READ & STEVENS						9 Elevation 3313'	
10 SURFACE LOCATION									
UL or lot no. D	Section 10	Township 23 SOUTH	Range 26 EAST, N.M.P.M.	Lot Ida	Feet from the 660'	North/South line NORTH	Feet from the 660'	East/West line WEST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 320		13 Joint or Infill N		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

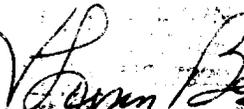
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

 Printed Name
John C. Maxey, Jr.
 Title
Operations Manager
 Date
4-11-01

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey
MARCH 12, 2001
 Signature and Seal of Professional Surveyor

 Certificate No.
V. L. REZNER R.P.S. #7920
 JOB #75140 / 50 SE / V.H.B.