

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED  
OMB No. 1004-0137  
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.**5. Lease Serial No.  
LC-029418-B

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator  
Capstone Natural Resources, LLC3a. Address  
2250 E 73rd St., Suite 500, Tulsa OK 741363b. Phone No. (include area code)  
918-236-3800

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

8. Well Name and No.  
Lea C #79. API Well No.  
300150513410. Field and Pool or Exploratory Area  
Grayburg Jackson, 7 River-QN-GB-SA4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
SE NW, 1980' FNL & 1980' FWL, Sec. 11, Township 17S, Range 31E11. Country or Parish, State  
Eddy County, New Mexico

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

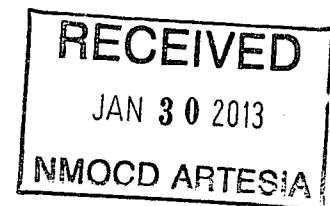
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input checked="" 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

10/30/12 MIRU Tyler Well Service. POOH with TBG and PKR. Pick up and TIH with casing scraper. Tag up at 3281'. MIRU reverse unit and swivel and clean down to PBTD at 3938'. POOH, TIH with 5 1/2 PKR and RBP. Set RBP at 3311' and PKR at 3290'. Test RBP to 640# (good). Release PKR and test casing to 640#. Good test. BLM representative Jerry Blakely on location to witness casing integrity test. Mr Blakely took chart with him for file. TOOH with RBP and PKR. Rig up wire line and perforate 9 holes 3441'-3818' inside original perforation interval. rig down wire line. TIH with PKR. Rig up Petroplex and acidize with 1500 gals of 15% HCL acid with 500 # rock salt and displace with 29 BBLs fresh water a 5 BPM. Rig up and swab test. Release PKR and TOOH. TIH with production tubing, pump, and rods. Release unit wait on pumping unit and generator. Install pumping unit and flowline. Electrify and begin testing. MIRU WSU and TOOH with pump. R&R pump and TIH with pump and rods. AggieTech on location to line up pumping unit. 11/29/12 well producing to battery.

Accepted for record  
NMOCD

R DeLo 1/31/13

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
Darren Seglem

Title Production Manager

Signature

Date 12/20/2012

ACCEPTED FOR RECORD

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

JAN 26 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.

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.