

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
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.
NMLC029418B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
LEA C FEDERAL 4

9. API Well No.
30-015-05132

10. Field and Pool, or Exploratory
GRAYBURG

11. County or Parish, and State
EDDY COUNTY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other: INJECTION

2. Name of Operator
CAPSTONE NATURAL RESOURCESE-Mail: cbrian@capstonenr.com
Contact: CLINT BRIAN

3a. Address
2250 E. 73RD ST. STE 500
TULSA, OK 74136-6834

3b. Phone No. (include area code)
Ph: 918-236-3800

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 11 T17S R31E NWSE 1980FSL 1980FEL

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

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

In order to increase injection into water flood. CNR has requested permission from OCD to inject off lease water. This request has been granted. (Case File 15036). CNR will now be moving forward with preparations to bring off lease water from Hudson. Anticipated blend range of off lease/lease water is 71% off lease and 29% lease water. Total lease injection volumes are not expected to be more than 300 BWPd.

NM OIL CONSERVATION
ARTESIA DISTRICT

OCT 17 2014

This Sundry is also being submitted to the OCD 'For Record Only'.

LRD 10/24/14
Accepted for record
NMOCD

RECEIVED

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #270687 verified by the BLM Well Information System
For CAPSTONE NATURAL RESOURCES, sent to the Carlsbad

Name (Printed/Typed) CLINT BRIAN Title VICE PRESIDENT OF OPERATIONS

Signature (Electronic Submission) Date 10/14/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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.

Office _____

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****