

Submit 1 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 811 S. First St., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 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

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. <b>30-015-05132</b>
5. Indicate Type of Lease <b>FEDERAL NMLC-029418B</b>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name <b>LEA C FEDERAL</b>
8. Well Number <b>004</b>
9. OGRID Number <b>289372</b>
10. Pool name or Wildcat <b>GRAYBURG JACKSON;SR-Q-G-SA</b>

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  
**CAPSTONE NATURAL RESOURCES, LLC**

3. Address of Operator  
**2250 E. 73<sup>RD</sup> ST., SUITE 500, TULSA, OK 74136**

4. Well Location  
 Unit Letter J : 1980 feet from the SOUTH line and 1980' feet from the EAST line  
 Section 11 Township 17S Range 31E NMPM EDDY County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
**3954' DF**

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

SUBSEQUENT REPORT OF:

REMEDIAL WORK  ALTERING CASING   
 COMMENCE DRILLING OPNS.  P AND A   
 CASING/CEMENT JOB

OTHER:

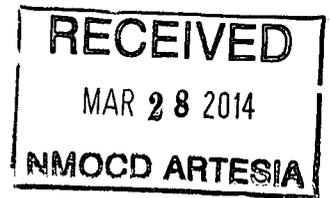
OTHER: **CONVERT TO INJECTOION**

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 19.15.714 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Reinstatement of authorization to inject for waterflood operations authorized by NMOCD Order No. R-4697-B

Commence Injection:

Commenced injection March 26, 2014 at a rate of 400 BWPD at 100 psi.



This information is also being submitted to the BLM on Sundry Form 3160-5.

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

SIGNATURE Debbie McKelvey TITLE AGENT DATE 3/27/14  
 Type or print name: Debbie McKelvey E-mail address: debmckelvey@earthlin.net Telephone No. 505-392-3575

For State Use Only

APPROVED BY: R. Wade TITLE DIST. SUPERVISOR DATE 3/31/2014  
 Conditions of Approval (if any):