

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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
May 27, 2004

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

WELL API NO. 30-015-35235	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Lake 4 Federal Unit	
8. Well Number 1	
9. OGRID Number 18917	
10. Pool name or Wildcat Wildcat	

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" FORM C-104 FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐

2. Name of Operator
Read & Stevens, Inc.

3. Address of Operator
P. O. Box 1518 Roswell, NM 88202

4. Well Location
Unit Letter **12** : **2781** feet from the **North** line and **660** feet from the **West** line
Section **4** Township **16S** Range **27E** NMPM County **Eddy**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,497' GR

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 _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Spacing and Name Change (Of Pool) <input checked="" type="checkbox"/>	

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.

Read & Stevens recently drilled the subject well and set 5 1/2" csg on 12/25/06. The well was drilled within a mile of the Lake Arthur Penn Gas Pool boundary, subsequently the well was placed in the Lake Arthur Penn Gas Pool. Because the Lake Arthur Penn is on 160 acre spacing for deep gas, Read & Stevens went before the Division on November 9, 2006 and asked for an order limiting the current well spacing rules for the Lake Arthur Penn Gas Pool to acreage currently within the pool boundaries. On December 4, 2006 the Division Director signed Order #R-12673 limiting development in the Lake Arthur Penn Gas Pool and confined current well spacing rules for the Lake Arthur Penn Gas Pool to the acreage currently within the pool boundaries. Therefore, attached is a C-102 for the subject well on which Read & Stevens has dedicated a standup W/2 320 acre proration unit based on Order #R-12673

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE John C. Maxey TITLE **President** DATE **1-9-07**

Type or print name **John C. Maxey**
For State Use Only

E-mail address: **read@trailnet.com** Telephone No. **505/622-3770**

APPROVED BY: **FOR RECORDS ONLY** TITLE _____ DATE **JAN 18 2007**
Conditions of Approval (if any):

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Bravos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-35235	² Pool Code	³ Pool Name Wildcat
⁴ Property Code	⁵ Property Name LAKE 4 FEDERAL UNIT	⁶ Well Number 1
⁷ OGRID No. 18917	⁸ Operator Name READ & STEVENS, INC.	⁹ Elevation 3497

¹⁰ Surface Location

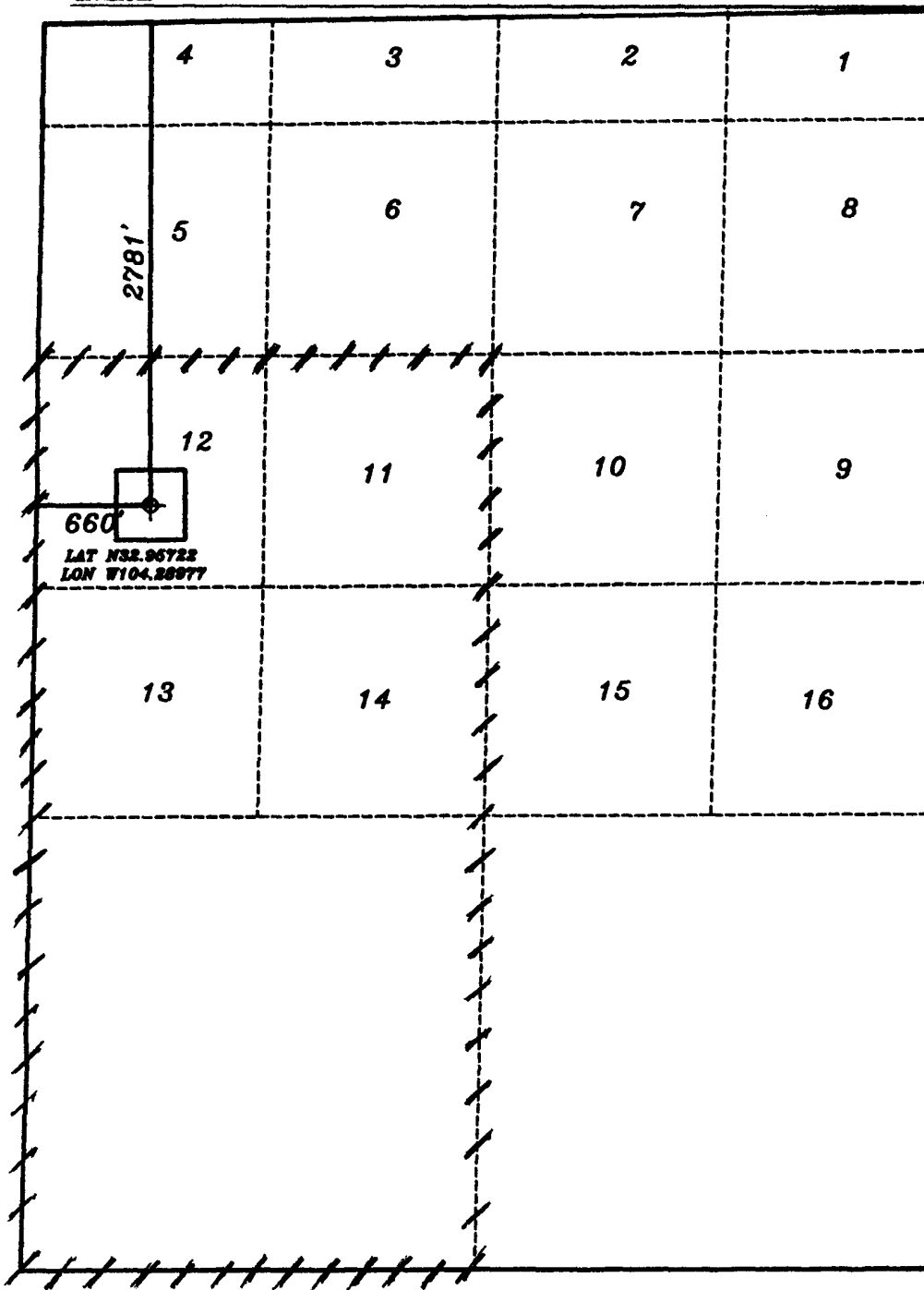
UL or lot no. 12	Section 4	Township 16-S	Range 27-E	Lot Idn	Feet from the 2781	North/South line NORTH	Feet from the 660	East/West line WEST	County EDDY
---------------------	--------------	------------------	---------------	---------	-----------------------	---------------------------	----------------------	------------------------	----------------

¹¹ Bottom Hole Location If Different From Surface

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

¹² Dedicated Acre 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
-------------------------------------	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *[Signature]* Date: 1-9-07

Printed Name: John C. Maxey

¹⁸ 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.

JUNE 8, 2006

Date of Survey: Signature and Seal of Professional Surveyor:

[Signature]
DAN R. REDDY
NEW MEXICO
5412
RECEIVED
JUN 8 2006
OFFICE OF THE ATTORNEY GENERAL
SANTA FE, NM