

Submit 1 Copy To Appropriate District Office

District I - (575) 393-6161
1625 N French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S St Francis Dr., Santa Fe, NM 87505

HOBBS OCD

NOV 23 2011

RECEIVED

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

Form C-103
Revised August 1, 2011

WELL API NO. 30-025-25804
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Scharb Com
8. Well Number #1
9. OGRID Number 018917
10. Pool name or Wildcat Scharb Bone Spring
11. Elevation (Show whether DR, RKB, RT, GR, etc) 3866.2' GR, 3879' RKB

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Read & Stevens, Inc.	
3. Address of Operator P. O. Box 1518, Roswell, NM 88202-1508	
4. Well Location Unit Letter J : 1980 feet from the South line and 1980 feet from the East line Section 7 Township 19S Range 35E NMPM County Lea	
11. Elevation (Show whether DR, RKB, RT, GR, etc) 3866.2' GR, 3879' RKB	

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 ☐
DOWNHOLE COMMINGLE ☐

OTHER: Casing Repair ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

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

10/14/11-11/18/11

MIRU. Isolate casing leak at 6528'. Cmt squeeze leak w/75 sxs "H" Neat followed by 25 sxs "H" w/2% CC. No squeeze. Resqueeze to 1500# w/75 sxs "H" Neat followed by 25 sxs "H" w/2% CC. Drill CIR, cmt. Isolate additional casing leak at 8134'. Cmt squeeze leak w/75 sxs "H" Neat followed by 25 sxs "H" w/2% CC. Drill CIR, cmt. Clean out wellbore to PBTD at 10,200'. Acidize Bone Springs formation w/1000 gals 15% NeFe HCl. Return to production.

Spud Date:

01/20/1978

Rig Release Date:

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

SIGNATURE

Will V. Palmer

TITLE Manager, Prod/Completions

DATE 11/21/2011

Type or print name

Will V. Palmer

E-mail address:

wpalmer@read-stevens.com

PHONE: 575-622-3770

For State Use Only

APPROVED BY:

[Signature]

TITLE

STAFF MGR

DATE

11-28-2011

Conditions of Approval (if any):

NOV 28 2011