

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

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. 30-025-25804
5. Indicate Type of Lease STATE FEE X
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

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
Read and Stevens, Inc.

3. Address of Operator
PO box 1518, Roswell, NM 88202-1508

4. Well Location
Unit Letter J: 1980 feet from the S line and 1980 feet from the E line
Section 7 Township 19S Range 35E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3866.2 GR

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER:	REN COM CAS OTHER:	E-PERMITTING <SWD INJECTION> CONVERSION <input type="checkbox"/> RBDMS <input type="checkbox"/> RETURN TO <input type="checkbox"/> TA <input type="checkbox"/> CSNG <input type="checkbox"/> CHG LOC <input type="checkbox"/> INT TO P&A <input checked="" type="checkbox"/> P&A NR <input type="checkbox"/> P&A R <input 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The Oil Conservation Division
MUST BE NOTIFIED 24 Hours
Prior to the beginning of operations

Read and Stevens, Inc. plans to P&A this well as follows:

- Set CIBP at 10,088' and perforate 5894'.
- Run in hole with tubing and circulate hole with plug mud and pump 25 sx Class H plug on top of CIBP. **Plug 1: 9754 - 10088**
- Pull tubing up and pump pump 50 sx Class H plug at 8564'; **Plug 2: 7895-8564**, tag if experience fluid loss **WOC & TAG**
- Pull tubing up and pump 25 sx Class H plug @ 6578, **Plug 3: 6244 - 6578**, tag if experience fluid loss **WOC & TAG**
- Pull tubing up and pump 35 sx Class H plug in and out of squeeze holes @ 5894: **Plug 4: 5794-5894'** WOC and Tag
- Cut 4 1/2" casing and pull from 4050' **4100'**
- RIH with tubing and pump 35 sx class C plug @ 4050', **Plug 5: 3950-4050'**, WOC and Tag.
- Pull tubing up and pump 35 sx class C plug @ 1950', **Plug 6: 1850-1950'**
- Perforate 8 5/8" casing @ 420'.
- RIH w/ tubing to 420' and pump approximately 250 sx Class C to fill 8 5/8" and 13 3/8" casing. **Plug 7: Surface to 420'**

After plugging the location will be cleared of equipment and junk and a dry hole marker will be installed per NMOCD rules and Regs.

Spud Date: 1/20/1978

Rig Release Date: 4/5/1978

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

SIGNATURE Tim Collier TITLE VP Drilling and Exploration DATE 3/19/2015

Type or print name Tim Collier E-mail address: tcollier@read-stevens.com PHONE: 575 622 3770

For State Use Only

APPROVED BY: Mary Brown TITLE Dist Supervisor DATE 3/30/2015
Conditions of Approval (if any):

APR 02 2015

Read and Stevens, Inc.

WELL BORE DIAGRAM

Proposed Plugs

Scarb Unit Com #1 2/24/2015
API # 30-025-25804

Plug #7 Approx 250 sx
Surface to 420'

Sq Hole @ 420'

Plug #6 35 sx 1850-1950

Plug #5 35 sx 3050 to 4050

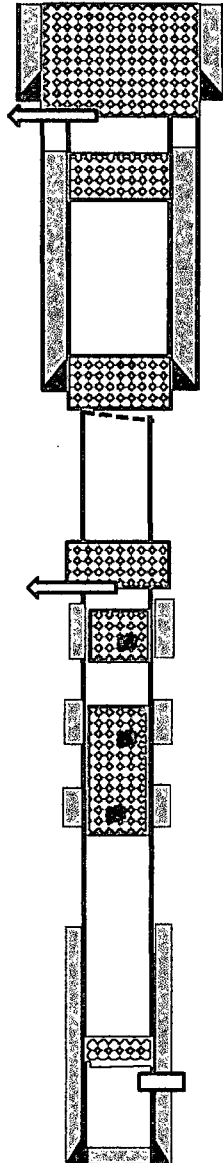
Cut and Pull 4 1/2"
casing @ 4050'

Plug #4 35 sx 5794 to 5894
Sq Hole @ 5894

Plug #3 25 sx 6244-6578

Plug #2 50 sx 7895-8564'

Plug #1: 25 sx on CIBP
CIBP @ 10,088



TD 11,223

1 3/4" 34# H-40 @ 371',
400 sx, Circulated to Surface

TOC behind 8 5/8" @ 1000' by Temp. Log

8 5/8" 24,28 & 32# J-55 @ 4000'
950 sx, TOC 1000'

7 7/8" hole from 4000 to TD

TOC squeeze @ 5828

Hole in casing @ 6528
Squeeze

TOC squeeze @ 7667'
Hole in Casing 8134, sq 100 sx
Calc TOC squeeze @ 8132'

Hole in casing between 8483 and 8514', sq 75 sx

TOC 9380'

Bone Spring Perforations: 10,138-10,162'
7000 gals acid

4 1/2" 10.5 & 11.6# @ 10,223
200 sx, est TOC 9380'

Geologic Tops	
Anhydrite	1830
T. Salt	1900
B. Salt	3214
Yates	3486
7 Rivers	3965
Queen	4660
Penrose	4914
Delaware	5774
Bone Spring	7905
Scharb	10,132