JUL 27 2015

District.1 1625 N. French Dr.; Hobbs, NM 88240 District.II 811 S. First St., Artesia, NM 88210 District.III 1000 Rio Bràzos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104 Revised August 1, 2011

☐ AMENDED REPORT

Oil Conservation Division 1220 South St. Francis Dr.

RECSILLOTE One copy to appropriate District Office

azo allate riancis in l'anno	Suitu 1 C, 1417 67505				
I.	REQUEST FOR ALLOWABLE AND AU	THORIZATION	TO TRANSPO	RT	
⁷ Operator name and Address Read & Stevens, Inc. P. O.Box 1518 Roswell, NM 88202-1518		² OGRID Number 18917 ³ Reason for Filing Code/ Effective Date RT 07/27/2015			
⁴ API Number 30 - 0 25-42228	⁵ Pool Name Quail Ridge; Bone Spring South		⁶ Pool Code 50461		
⁷ Property Code 313633	8 Property Name North Lea 3 Federal Com		⁹ Well Number #3H		

11. 10 Surface Location

Utor lot no. Section Township Range Lot Idn Feet from the North/South Line Feet from the East/West line. County

C 3 20S 34E 200 North 2290 West Lea

11 Bottom Hole Location

Literal no. Section Township Range Lot Idn Feet from the North/South Line Feet from the East/West line. County

C 3 20S 34E 200 North East Section Township Range Lot Idn Feet from the North/South Line Feet from the East/West line. County

UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County 330 205 South 2290 34E West Lea 12 Lse Code O Producing Metho C-129 Permit Number C-129 Effective Date 17 C-129 Expiration Date N/A Date F

IV. Well Completion Data 23 TD 21 Spud Date 22 Ready Date 24 PBTD 25 Perforations b DHC, MC 01/24/2015 11,000-15,000 15,450 28 Casing & Tubing Size 29 Depth Set 30 Sacks Cement 27 Hole Size 16" 13 3/8" 54.5# J-55 1707 980 sxs / 80 sxs to surface 12.25" 9 5/8" 40# J55-L80 5403 3336 sxs / 474 sxs to surface 5.5 17# P-110 5413 8 3/4" 8 3/4" 7" 26# P-110 15,450 2095 sxs / 570 sxs to surface

V. Well Test Data 32 Gas Delivery Date 31 Date New Oil Test Date 34 Test-Length Tbg. Pressure Csg. Pressure 38 Oil 40 Gas 37 Chokë Size 39 Water 41 Test Method ⁴² I hereby certify that the rules of the Oil Conservation Division have OIL CONSERVATION DIVISION been complied with and that the information given above is true and complete to the best of my knowledge and belief. Approved by Signaturé: Printed name: Title Petroleum Engine Tim Collier Sr VP, Exploration & Development E-mail Address: tcollier@read-stevens.com 07/27/2015 575-622-3770

Bu