

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88201
 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
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised July 18, 2013

WELL API NO. 30-025-25804
5. Indicate Type of Lease STATE <input 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 18917
10. Pool name or Wildcat Scharb Bone Spring
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3866.2' GR

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 & Stevens, Inc.

3. Address of Operator
PO Box 1518, Roswell, NM 88202

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**

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 checked="" 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"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <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.

May 10th - 25th, 2018

After moving a rig on this well, Read & Stevens, Inc. determined that the production casing is parted at a depth of approximately 6,940'. We have temporarily suspended remedial work until the middle of July 2018. The rig and support equipment has been moved to work on another well. Our technical team is currently evaluating our options for repairing and/or plugging back and recompleting in a shallower zone. Prior to proceeding with any additional work, we will obtain formal approval from the NMOCD.

Spud Date: **02/08/2010** Rig Release Date: **02/18/2010**

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

SIGNATURE *K. Barajas* TITLE **Production/Regulatory** DATE **06/18/2018**

Type or print name **Kelly Barajas** E-mail address: **kbarajas@read-stevens.com** PHONE: **575-624-3760**

APPROVED BY: *Karen Sharp* TITLE **Staff Mgr** DATE **6-20-18**
 Conditions of Approval (if any):