

Office

Energy, Minerals and Natural Resources

June 19, 2008

District I

1625 N. French Dr., Hobbs, NM

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

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

SEP - 2 2008 Santa Fe, NM 87505

HOBBS OCD

| | | |
|---|--|---|
| 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.) | | WELL API NO. 30-005-27939 |
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> | | 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 2. Name of Operator Read & Stevens, Inc. | | 6. State Oil & Gas Lease No. |
| 3. Address of Operator P. O. Box 1518, Roswell, NM 88202-1518 | | 7. Lease Name or Unit Agreement Name Bonafide "15" Com |
| 4. Well Location Unit Letter: M 1100 feet from the South line and 660 feet from the West line Section: 15 Township: 11S Range: 31E NMPM County: Chaves | | 8. Well Number #1 |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4473' GR | | 9. OGRID Number 018917 |
| | | 10. Pool name or Wildcat TV: Penn (Gas) |

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: ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐
 Approved for plugging of well bore only.
 Liability under bond is retained pending receipt
 of C-103 (Subsequent Report of Well Plugging)
 which may be found at OCD Web Page under
 Forms, www.cmnr.state.nm.us/oed.

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.

July 30, 2008 MIRU. Well plugged and abandoned as follows:

Plug #1: 40 sxs Class H @ 10,941'; Plug #2: 70 sxs Class H @ 9535' to 9435'; Plug #3: 75 sxs Class H @ 7240' to 7140'; Plug #4: 40 sxs Class C @ 3750' to 3650', Tag @ 3660'. Plug #5: 25 sxs Class C @ 2440' to 2340'; Plug #6: 25 sxs Class C @ 450' to 350', Tag @ 328'. Plug #7: 20 sxs Class C @ surface to 60'. Install dry hole maker.

Site ripped and reseeded per OCD specifications.

Subsequent report after told by OCD that footages were incorrect on maker. After investigation, found that footages were correct as stated.

Spud Date: 05/01/2005

Rig Release Date: 07/31/2007

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

SIGNATURE David Luna TITLE: Petroleum Engineer

DATE: 08/29/2008

Type or print name: David Luna

E-mail address: dluna@read-stevens.com

PHONE: 575-622-3770

For State Use Only

APPROVED BY: David Luna TITLE: PETROLEUM ENGINEER

DATE: SEP 02 2008

Conditions of Approval (if any):