

District I

1625 N. French Dr., Hobbs, NM 88240

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

87505

RECEIVED

MAR 20 2009

HOBBS

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

June 19, 2008

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. 30-025-35847 ✓
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 Klein 5 ✓
4. Well Location Unit Letter: I 2020 feet from the South line and 330 feet from the East line ✓ Section: 5 Township: 20S Range: 36E NMPM County: Lea		8. Well Number 1 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,632' GR		9. OGRID Number 018917 ✓
10. Pool name or Wildcat North Osudo Devonian		

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 COMMUNICATE ☐

SUBSEQUENT REPORT OF:

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

OTHER:

13. De Conditions of Approval- Before selling of
 of production for Bone Springs or Strawn formation
 or forms C102, C104, C105 and C107 must be submitted
 02/18/09 - to the OCD Hobbs Office

OTHER: Multiple Comp.

X

pertinent details, and give pertinent dates, including estimated date
 Completions: Attach wellbore diagram of proposed completion

MIRU. Unseat pump. POH w/rods & pump. LD bottom ¾ rods. NDWH. NUBOP. Release TAC. POH w/2 7/8" tbg. RUWL. Trip w/4.32 gauge ring to 10,650'. PU & RIH w/CIBP. Set CIBP at 10,600'. POH w/WL. RIH w/csg gun. Perf 9,668' - 74' & 9,717' - 23' w/1 SPF. Total of 14 shots. 35' cmt on top of CIBP. RIH w/pkr, OD seating nipple and 2 7/8" tbg. Set pkr at 9,568'. Swab well. RU acid crew. Pumping acid at a rate of 3 BPM. Pmax - 3846 psi. Pavg - 3500 psi. Had 13 bbls acid into formation and communicated between tbg & csg. RU acid crew. Acidize well by pumping 3000 gal 15% NeFe via tbg spacing 18 ball sealers throughout job. Flush w/72 bbls 2% KCI wtr. Pmax - 5000 psi. Pavg - 4000 psi. 3 BPM. ISIP 4050 psi. 5 min 3960 psi. 10 min - 3800 psi. 15 min - 3607 psi. Bleed pressure from csg. RD acid crew. Swab well. Attempt to open bypass on pkr. Would not release. RU pump truck. Load tbg w/55 BPW. Release pkr. POH w/tbg, pkr. Start in hole w/RBP, tbg. Set RBP at 9,438'. Release tbg from RBP. RU pump truck. Load hole w/85 BPW and pressure test RBP to 500 psi. Test okay. Release pressure and RD pump truck. POH w/tbg. RUWL. RIH w/4" HSC. Perf 1 spf at 8,836', 8,838', 8,840', 8,897', 8,898', 8,899', 8,907', 8,908', 8,909'. RIH w/2 7/8" x 5 ½" pkr w/retrieving head, 2 7/8" OD seating nipple, 278 jnts 2 7/8" tbg. Set pkr at 8,743' w/30,000 psi compression. Close BOP. Swab well. Acidize well by pumping 3000 gal 15% NeFe HCI via tbg. Space 13 ball sealers during middle of job. Flush w/54 bbls 2% KCI wtr. Pmax - 5400 psi. Pavg - 3200 psi. Ravg - 4.7 BPM. Balled out to 5400 psi during job. Resume pumping acid and rate increased from 1.6 BPM w/5000 psi to 4.7 BPM w/2600 psi. ISIP - 1550 psi. 5 min - 86 psi. On vacuum. Swab well. Release pkr. POH w/tbg. RIH w/2 7/8" x 4' perf sub w/bull plug, 298 jnts 2 7/8" tbg. NDBOP. NUWH. RIH w/10 - 1" rods, 118 - ¾" rods, 117 - 7/8" rods, 116 - 1" rods, 1" x 4' pony rod and 1 ½" x 30' polished steel rod. Hang well on stuffing box. RDMOSU. Evaluating well for completion at report time.

Spud Date: 03/01/2002

Rig Release Date: 04/20/2002

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

SIGNATURE

TITLE: Petroleum Engineer

DATE: 03/19/09

Type or print name: David Luna

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

PHONE: 622-3770

For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

MAR 23 2009

Conditions of Approval (if any):