

NMOCD Artesia

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

5. Lease Serial No. NMNM0115465A

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals

abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well 8. Well Name and No. TOLES FEDERAL #2 Oil Well **✓** Gas Well Other 9. API Well No. 30-005-62271 2. Name of Operator READ & STEVENS, INC. 3a. Address P.O. BOX 1518 10. Field and Pool or Exploratory Area 3b. Phone No. (include area code) (575) 622-3770 **BUFFALO VALLEY; PENN** ROSWELL, NM 88202-1518 11. Country or Parish, State 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SEC 24 T15S-R27E 1980' FSL & 990' FWL CHAVES COUNTY, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Production (Start/Resume) Water Shut-Off Acidize Deepen ✓ Notice of Intent Hydraulic Fracturing Reclamation Well Integrity Alter Casing Casing Repair New Construction Recomplete **✓** Other Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Plug Back Water Disposal Convert to Injection 13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be perfonned or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.) Read & Stevens, Inc. is requesting a Change of Operator for the Toles Federal #2 to: SEE ATTACHED FOR Read & Stevens, Inc. BLM Bond No. NMB001324 CONDITIONS OF APPROVAL Bond Type: Oil & Gas Personal Bond P. O. Box 1518 Roswell, NM 88202-1518 Bond Amount: \$300,000 \$50,000 Blanket Cash Plugging Bond Read & Stevens, Inc., Principal Pioneer Bank -Roswell Depository CD Account #0140101609 Bond #OCD-1042

Read & Stevens, Inc. accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described above.

Accepted for record NMOCD

any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NM OIL CONSERVATION
ARTESIA DISTRICT

MAR 1/8 2016

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Kelly Barajas	Production &	RECEIVED /			
Signature K Basajas)	Date	A // 1/29/2016)	//D // /		
THE SPACE FOR FEDERAL OR STATE OFICE USE					
Approved by	Title	MAR 2	LOID MY MY		
Conditions of approval, if any, are attached. Approval of this notice does not warrar certify that the applicant holds legal or equitable title to those rights in the subject to which would entitle the applicant to conduct operations thereon.		BARLAU OF LAND M CARLSBAD FIELI	O CE		
Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for a:	ny person knowingly a	and willfully to make to any departme	nt or agency of the Inited States		

(Instructions on page 2)

Read & Stevens, Inc. March 02, 2016 Change of Operator Conditions of Approval

- 1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
- 2. Submit for approval of water disposal method.
- 3. Submit updated facility diagrams as per Onshore Order #3
- 4. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 5. All outstanding environmental issue must be addressed within 90 days.
- 6. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
- 7. Subject to like approval by NMOCD.
- 8. All Reporting to ONRR (OGOR Reports) must be brought current within 30 days of this approval including any past history.
- 9. If this well is incapable of producing in paying quantities submit NOI to plug and abandon this well or obtain approval to do otherwise within 90 days.
- 10. Submit plan for approval of well operations for all TA/SI wells within 30 days of this approval to change operator.
- 11. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.

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