Form 3100-5 (June 2015) UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT HODDS SUNDARY NOTCES 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 propasation. 5. Lease Serial No. NMNM54432 6. If Indian, Allottee or The Name 1. Type of Vell SUBMIT IN TRIPLICATE - Other instructions on the Vell of UNITED STATES 7. If Unit of CAAgreement, Name and/or No. 3. Address p.o. DOX 1518 SUBMIT IN TRIPLICATE - Other instructions on the Vell of UNITED STATES 7. If Unit of CAAgreement, Name and/or No. 4. Address p.o. DOX 1518 SUBMIT IN TRIPLICATE - Other instructions on the Vell of UNITED STATES 9. API Well No. 30-0225-32153 3. Address p.o. DOX 1518 Ib Phone No. Orbital area codel 11. Commut you Prints, State LEA COUNTY, NM 1. Contour Yell (Propage, Sec. T.R.M. or Survey Description) 12. CHECK THE APROPRIATE BOX[ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION Importantic fracturing in proposition of the resonable (Change Plans, T.R., More and the resonable in the order of the proprime that state and the resonable in the order of the the proposition of the resonable in the order of the the proposition of the resonable in the resonable i	e		NMOCD	FORM APPROVED	
BUREAU OF LAND MANAGEMENT SLADE STORE 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 property of the Name 6. If Indian, Allottee or Tibe Name SUMDAY INTRELICATE - Other instructions of Model 9. If Indian, Allottee or Tibe Name 6. If Indian, Allottee or Tibe Name Address p. Oxford SUMMIT INTRELICATE - Other instructions of Model 9. If Indian, Allottee or Tibe Name Address p. Oxford Gas Well Other MAR 1 4 2006 Address p. Oxford Gas Well Other MAR 1 4 2006 Address p. Oxford B. Pome No. (Indiffer area cold) 10. Field and Pool Exploratory Area Location of Windowscie. Address p. Oxford 10. Field and Pool Exploratory Area Location of Windowscie. Indiffer area cold 10. Field and Pool Exploratory Area Lex COUNTY, NM LEX COUNTY, NM LEX COUNTY, NM LOCATION Gas Statian Other Casing Indian and the complete Notice Casing Ca	(1			OMB No. 1004-0137	
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. Image: Comparison of the proposal of the propropesal of the proposal of the proposal of				5 Lease Serial No.	-
abadoned well. Use Form 3160-3 (APD) for such propagation Image: Submit IN TRIPLICATE - Other instructions on No. Image: Submit IN TRIPLICATE - Other instructions on No. Image: Submit IN TRIPLICATE - Other instructions on No. Image: Submit IN TRIPLICATE - Other instructions on No. Image: Submit IN TRIPLICATE - Other instructions on No. Image: Submit IN TRIPLICATE - Other instructions on No. Image: Submit IN TRIPLICATE - Other instructions on No. Image: Submit IN TRIPLICATE - Other instructions on No. Image: Submit IN TRIPLICATE - Other instructions on No. Image: Submit IN TRIPLICATE - Other instructions on No. Image: Submit IN TRIPLICATE - Other instructions on No. Image: Submit IN TRIPLICATE - Other instructions on No. Image: Submit IN TRIPLICATE - Other INTIGE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION Image: Submit IN TYPE OF ACTION Image: Submit IN TYPE OF SUBMISSION Image: Submit IN TYPE OF SUBMISSION Image: Submit IN TYPE OF ACTION Image: Submit IN TYPE OF ACTION Image: Submit IN TYPE OF ACTION Image: Submit				6. If Indian, Allottee or Tribe Name	-
I. Type of Yell B. Well Name and No. B. Well Name and No. 2. Name of Operator READ & STEVENS, INC. 9. API Well No. 9. API Well No. 3a. Address p.O. BOX 1518 (B75) 622-3770 10. Field and Pool or Exploratory Area 4. Location of Well (<i>Pootage, Sec. T.R.M. or Survey Description</i>) 11. Country or Parish, State LEA: DELAWARE NE 14. Location of Well (<i>Pootage, Sec. T.R.M. or Survey Description</i>) 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF SUBMISSION TYPE OF SUBMISSION Hydraulic Fracturing 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF SUBMISSION TYPE OF ACTION 13. Boesrike Proposed or Completed Operator. 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 brotizontally, give suburfiable completions of the prime transfers and zones. Attabute is ready of find all preferent markers and zones. Attabute is ready of find and proposed work and approximate duration thereof. If the proposed or Completed Operator for the Mark Federal #7 to: Read & Stevens, Inc. B.M. Bond No. NNB003124 Stevens Inc. Step Step Step Step Step Step Step Step	Do not use this a abandoned well.	form for proposals to drill or to Use Form 3160-3 (APD) for sucl	re-enter an h proposals CD		_
2. Name of Operator READ & STEVENS, INC. 3a. Address P.O. BOX 1518 ROSWELL, NM 88202-1518 (575) 622-3770 LA Caction of Well (Footage, Sec. T.R. M. or Survey Description) SEC 3. T20S-R34E 1650 FSL & 1980 FEL LA: DELAWARE NE LA: DELAWARE	SUBMIT IN	TRIPLICATE - Other instructions on page	2000	7. If Unit of CA/Agreement, Name and/or No.	
2. Name of Operator READ & STEVENS, INC. 9. API Well No. 30-025-32153 3a. Address P.O. BOX 1518 ROSWELL, NM 82020-1518 3b. Phone No. (whildle area code) (575) 622-3770 10. Field and PDO of ESploratory Area LEA: DELAWARE NE 4. Location of Well (Footage, Sec. 7K, M. or Survey Description) SEC 3, T20S-R34E 10. Field and PDO of DS DSploratory Area LEA: DELAWARE NE 11. Country or Parish, State LEA: COUNTY, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION Inter Casing Phy analysis Subsequent Report Casing Repair Notice of Intent Subsequent Report Casing Repair No construction Subsequent Report Casing Repair New or construction 13. Describe Proposed or Completed Operation. Clearly state all pertinent details, including estimated attring date of any proposed work and approximate duration thereof. If the proposal los do epen directionally or ecomplete horizonally, gree subsafface location, have been completed and the vertical depth of all pertinent matters and zones. Attach the Bond under which the work will be performed or provide the Bond No. on Bib001324 Stevens, Inc. P. O. Box 1618 Result Abandonment Notice Stevens, Inc. Field Muha 30 days following completion of the movide operations. If the operation result is a multiple completion on a winterval, a Form 31604 and before direction. Field Muha 30 days following completion of the movide operations. If the oper	Oil Well 🚺 Gas V	Well Other	MAR 1 4 2016	8. Well Name and No. MARK FEDERAL #7 🦯	-
Sa Adapti P.O. BOX 1518 So P.O. BOX 151	2. Name of Operator READ & STEVE	ENS, INC.	DECEIVED	9. API Well No. 30-025-32153 /	
SEC 3, 720S-R34E 1550 FSL & 1980' FEL LEA COUNTY, MM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Image: Subsequent Report Acidize Deepen Production (Start/Resume) Water Shu-Off Image: Subsequent Report Change Plans Plug and Abandon Emporarily Abandon Other Image: Subsequent Report Change Plans Plug and Abandon Emporarily Abandon Other Image: Subsequent Report Convert to Injection New Construction Recomplete Other Image: Subsequent Report Convert to Injection New Construction Recomplete Other Image: Subsequent Report Convert to Injection New Construction Recomplete And Abandon measured and true vertical depths of all pertinent markers and zones. Attach the Bood Inder which the work will be performed to attach starts, including setting has been completed in a bandon inder which the work will be performed and No. on file will BMIBIA. Required abstequent has be filed which and abandon inder which the work Notices must be filed which abandon Notices must be filed which abandon Notices must be filed which abandon inder subsequent markers and zones. Attach the Boot Type: OI & Construction of the Mark Federal #7 to: Read & Stevens, Inc. is requesting ab been completed Cash Plugging Bond Read & Stevens, Inc. is requesting ab been construction sconducted on the leased lan	3a. Address P.O. BOX 1518	30. Phone INO. (I	neluae area coae)	10. Field and Pool or Exploratory Area	
TYPE OF SUBMISSION TYPE OF ACTION Image: Subsequent Report Acidize Deepen Production (Start/Resume) Water Shut-Off Subsequent Report Casing Repair New Construction Recomplete Other Type OF ACTION Image Plans Image Plans The event of the involved option of the involv					
Image: Subsequent Report Image: Acidize image: Subsequent Report	12. CHE	CK THE APPROPRIATE BOX(ES) TO INDI	ICATE NATURE OF NOTI	ICE, REPORT OR OTHER DATA	
V Notice of Intent Alter Casing Hydraulic Fracturing Reclamation Well Integrity Subsequent Report Casing Repair New Construction Recomplete Other The 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 matters and zones. Attach the Bond Moon file with BLMARIA. Required subsequent reports must be filed onnot objacy following completion of the involved operations. If the operation results in a multiple completion or recompleted and the operator has detennined that the site is ready for final inspection.) Read & Stevens, Inc. is requesting a Change of Operator for the Mark Federal #7 to: Read & Stevens, Inc. is requesting a Change of Operator for the Mark Federal #7 to: Read & Stevens, Inc. BLM Bond No. NMB001324 Bond Ype: Oli & Gas Personal Bond Bond Ype: Oli & Gas Personal Bond Read & Stevens, Inc. \$\$0.000 Blanket Cash Plugging Bond Read & Stevens, Inc. accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described above. 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Kelly Barajas Production & Regulatory Analyst 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Kelly Barajas Date 01/29/2016 I	TYPE OF SUBMISSION		TYPE OF ACT	TION	
Subsequent Report Casing Repair New Construction Recomplete Other Final Abandonment Notice Change Plans Plug and Abandon Temporarily Abandon 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 complete on or recomplete on or recompletion or the vortical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BLA. Required aussequent reports must be filed within 30 days following completion or the operations. If the operation relation is an autiple completion 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 Mark Federal #7 to: SCE ATTACHED FOR Read & Stevens, Inc. Requesting and No. NMB001324 Bond Type: Oil & Gas Personal Bond Bond Amount: \$300,000 Storens, Inc. BLM Bond No. Storens, Inc, Principal Prioneer Bank -Roswell Depository CD Account #0140101609 Bond #OCD-1042 Bond #OCD-1042 Production & Regulatory Analyst Title 14. I hereby certify that the foregoing is true and correct. Name (<i>Printed/Tiped</i>) Tr	✓ Notice of Intent				
Stosequent Report Change Plans Change Plans Convert to Injection Plug Back Water Disposal Convert to Injection Plug Back Convert to Injection Plug Back Convert to Injection Plug Back Convert to Injection Poter vertical depth or all pertinent markers and zones. Attach the proopadi to depend on If the involved operations. If the operation result is an audiple completion or completion in a new interval, a Form Step ATTACHED FOR Convertion Read & Stevens, Inc. P. O. Box 1518 Roswell, NM 88202-1518 Stevens, Inc. Pode A Stevens Pode A Stevens Po					
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 performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports 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. P. O. Box 1518 Roswell, NM 88202-1518 BLM Bond No. NMB001324 Bond Type: Oil & Gas Personal Bond Bond Amount: \$300,000 \$50,000 Blanket Cash Plugging Bond Read & Stevens, Inc. accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described above. 14. I hereby certify that the foregoing is true and correct. Name (<i>Printed/Typed</i>) Kelly Barajas Signature KBAAAAO THE SPACE FOR FEDERAL OR STATE OFICE USE Approved by	Subsequent Report			_	
the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and mesured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.) Read & Stevens, Inc. BLM Bond No. NMB001324 P. O. Box 1518 BLM Bond No. NMB001324 Rosswell, NM 88202-1518 BLM Bond No. NMB001324 Bond Amount: \$300,000 \$\$500,000 Blanket Cash Plugging Bond Read & Stevens, Inc. \$\$500,000 Blanket Cash Plugging Bond Read & Stevens, Inc. accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described above. 14. 1 hereby certify that the foregoing is true and correct. Name (<i>Printed/Typed</i>) Kelly Barajas True Signature O1/29/2016 The SPACE FOR FEDERAL OR STATE OFICE USE Approved by Date					
Read & Stevens, Inc. accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described above. 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Kelly Barajas Production & Regulatory Analyst Signature 01/29/2016 THE SPACE FOR FEDERAL OR STATE OFICE USE Approved by	Read & Stevens, Inc. is reques Read & Stevens, Inc. P. O. Box 1518	BLM Bond No. NMB Bond Type: Oil & G Bond Amount: \$300 \$50,000 Blanket Cas Read & Stevens, Inc Pioneer Bank -Rosw	8001324 as Personal Bond 0,000 sh Plugging Bond ., Principal	CONDITIONS OF APPROVA	L
Kelly Barajas Production & Regulatory Analyst Signature Barajas Date Old Old THE SPACE FOR FEDERAL OR STATE OFICE USE		all applicable terms, conditions, stipulation	s, and restrictions concer	rning operations conducted on the leased land or portion	
Kelly Barajas Production & Regulatory Analyst Signature Barajas Date Date 01/29/2016 THE SPACE FOR FEDERAL OR STATE OFICE USE Approved by Image: Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2">Colspan="2"Colspan=					.)
Kelly Barajas Production & Regulatory Analyst Signature Barajas Date Ol/29/2016 Date THE SPACE FOR FEDERAL OR STATE OFICE USE					/
Kelly Barajas Production & Regulatory Analyst Signature Barajas Date Ol/29/2016 Date THE SPACE FOR FEDERAL OR STATE OFICE USE	14. I hereby certify that the foregoing is	true and correct Name (Printed/Tuned)			. /
THE SPACE FOR FEDERAL OR STATE OFICE USE			Production & Regula	atory Analyst	
Approved by	Signature KBarage	as) r	Date 01/29/2016		
)	THE SPACE FOR FEDER	RAL OR STATE OF	FICE USE	
Title Date MAR 1	Approved by		Title	Date MAR 1 2016	1
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	certify that the applicant holds legal or equitable title to those rights in the subject lea			BI CARLSBAD FIELD	/
Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	Title 18 U.S.C Section 1001 and Title 43 any false, fictitious or fraudulent stateme	3 U.S.C Section 1212, make it a crime for any ents or representations as to any matter within	person knowingly and willf its jurisdiction.	fully to make to any department or agency of the United States	
(Instructions on page 2) MAR 1 4 2016	(Instructions on page 2)		M	IAR 1 4 2016	m

Read & Stevens, Inc. March 01, 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. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
- 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.

JAM 030116