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N.M. Oil Cons. DIV-Dist. 2

1301 W. Grand Avenue
UNITED STATES
DEPARTMENT ATTESIA EN 88210
BUREAU OF LAND MANAGEMENT

NMOCD ARTESIADRY NOTICES AND REPORTS ON WELLS

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

5.	Lease Serial No.	
4	NMNM0310633	

6.	If Indian.	Allottee	or Tribe	Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.					7. If Unit or CA/Agreement, Name and/or No.				
1. Type of Well	8. Well Name and No.								
Oil Well S Gas Well Oth			FEDERAL I 1						
Name of Operator READ & STEVENS INCORPO	k Samuel Sam	9. API Well No. 30-005-60135-00-S1							
3a. Address P. O. BOX 1518 ROSWELL, NM 88202	`	3b. Phone No. Ph: 575-62	(include area code) 2-3770 Ext: 305		10. Field and Pool, or E HAYSTACK-CIS				
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description			11. County or Parish, ar	nd State				
Sec 21 T6S R27E NESW 198	OFSL 1980FWL		•	t .	CHAVES COUN	TY, NM			
		* * * * * * * * * * * * * * * * * * * *		, ,					
12. CHECK APPF	ROPRIATE BOX(ES) TO) INDICATE	NATURE OF N	NOTICE, RI	LEPORT, OR OTHER	DATA			
TYPE OF SUBMISSION				ACTION					
<u></u>	☐ Acidize	☐ Dee	nen	☐ Product	ion (Start/Resume)	☐ Water Shut-Off			
Notice of Intent	☐ Alter Casing		ture Treat	Reclam		☐ Well Integrity			
☐ Subsequent Report	Casing Repair		Construction	Recomp		Other			
☐ Final Abandonment Notice	☐ Change Plans		and Abandon	_ , -	arily Abandon				
T man / touries mains reside	☐ Convert to Injection	Plug		☐ Water I					
13. Describe Proposed or Completed Ope	-				, -	mote duration thereof			
If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Ab determined that the site is ready for fi	k will be performed or provide operations. If the operation re andonment Notices shall be fil nal inspection.)	the Bond No. or sults in a multipled only after all	file with BLM/BIA	Required sul	bsequent reports shall be f	iled within 30 days			
Read & Stevens Proposes To A		Follows:			_				
(1) Place A CIBP @ 5,800' W/1	l00' Of Cement.				,	2.47			
(2) Perforate 4-1/2" Casing @	3,500' & Squeeze Wit	th Sufficient	Cement (+/- 4	40 Sx.) To 1	Have A 120' Solid	•			
Cement Plug From 3,500' To 3	3,380'. WOC. Tag.				•				
(3) Perforate 4-1/2" Casing @	1,500' & Squeeze Wit	:h Sufficient	Cement (+/- 5	55 Sx.) To I	Have A 150' Solid				
Cement Plug From 1,500' To 1	.,350' Across 8-5/8" Si	urface Casin	g Shoe. WOC	. Tag.		•			
(4) Perforate 4-1/2" Casing @	60' & Squeeze With !	Sufficient Co	ement (+/- 20	Sx.) To Ha	ve A 60' Solid				
Cement Plug From 60' To Surf		÷	d.		•				
(5) Install Dry Hole Marker. Re	eclaim Surface Per BLI	M Recomm	endations.		-				
14. I hereby certify that the foregoing is	true and correct								
	Electronic Submission # For READ & STE Dommitted to AFMSS for pro	VENS INCOR	ORATED, sent to	o the Roswe	li i i i i i i i i i i i i i i i i i i				
Name (Printed/Typed) DAVID LU		, , , ,	Title ENGINE						
		,	٠, ٠,		1, 1				
Signature (Electronic S	Submission)	,	Date 07/15/2	010		***			
	THIS SPACE FO	OR FEDERA			SE				
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Approved By DAVID R GLASS	. <u> </u>	<u> </u>	TitlePETROLE	UM ENGIN	EER	Date 08/10/2010			
Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to condition	itable title to those rights in the	not warrant or e subject lease	Office Roswell	· · · · · · · · · · · · · · · · · · ·					
Title 18 U.S.C. Section 1001 and Title 48 Speed and Title 48 North Title 18 19 19 19 19 19 19 19 19 19 19 19 19 19	US O Section (2)2, make it a statements of representations as	crime for any pe to any matter w	rson knowingly and ithin its jurisdiction.	willfully to m	ake to any department or a	gency of the United			
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** BLM REVISED ** BLM REVISED ** BLM REMISEROVELY REPUSED ** SUBSECTION									

ENDING

NOV 0 8 2010

BUREAU OF LAND MANAGEMENT

Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201 (575) 627-0272

Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

- 1. Plugging operations shall commence within <u>ninety (90)</u> days from the approval date of this Notice of Intent to Abandon. If you are unable to plug the well by the 90th day provide the BLM Roswell Field Office, prior to the 90th day, with the reason for not meeting the deadline and a date when the BLM Roswell Field Office can expect the well to be plugged. Failure to do so will result in enforcement action.
- 2. <u>Notification:</u> Contact the BLM Roswell Field Office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, during office hours call (575) 627-0205 or after office hours call (575) 420-2832. Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.
- 3. <u>Blowout Preventers:</u> A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9090 feet; a 3M system for a well not deeper than 13636 feet; and a 5M system for a well not deeper than 22727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at a rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 50 feet of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either class "C" for up to 7500 feet of depth, mixed at 14.8 lbs./gal with 6.3 gallons of fresh water per sack or class "H" for deeper than 7500 feet plugs, mixed at 16.4 lbs./gal with 4.3 gallons of fresh water per sack.

- 6. <u>Dry Hole Marker:</u> All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10 feet in length, 4 feet above the ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator, the lease serial number, the surveyed location (the quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).
- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to the BLM Roswell Field Office. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. <u>Show date well was plugged.</u>

Following the submittal and approval of the Subsequent Report of Abandonment, a Notice of Intent for Final Abandonment with the proposed surface restoration procedure must be submitted for approval.