

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Conservation Division

811 S. 1st Street

Artesia, NM 88210-2834

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Read & Stevens, Inc.

3. Address and Telephone No.

P. O. Box 1518 Roswell, NM 88202

505/622-3778

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FSL & 660' FWL
Section 10 T5S-R25E

5. Lease Designation and Serial No.

NM 16783

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

RNM-049

8. Well Name and No.

Beard Federal #1

9. API Well No.

30-005-61775

10. Field and Pool, or Exploratory Area

Pecos Slope Abo

11. County or Parish, State

Chaves County, New Mexico

CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☒ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ Other Test San Andres

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

01/20/00 Read & Stevens proposes to plug and abandon the subject well by setting a CIBP at 3,650' and capping with 20' of cmt to abandon the Abo perforations. The San Andres will then be perforated and swabbed tested at 1,600'. If the swab test proves noncommercial a CIBP will be set at the top of the San Andres at 1,550' and capped with 20' of cmt. A CIBP or equivalent cmt plug will then be set across the 10 3/4" surface csg shoe at 900', then a 50 sx surface plug will be set. The wellhead will be cut off and a dry hole marker set up. Note that the 4 1/2" production csg was previously cemented from TD to surface. Time is of the essence based on the attached letter received by Read & Stevens from the Bureau of Land Management, so a quick approval and turn around of this sundry is requested.

14. I hereby certify that the foregoing is true and correct

Signed

DAVID R. GLASS

Title

Operations Manager

Date

1-20-00

(This space for Federal or State office use)

Approved by

(ORIG. SGD.) DAVID R. GLASS

Title

PETROLEUM ENGINEER

Date

JAN 24 2000

Conditions of approval, if any:

Communitization Agreement (CA) RNM-049 Will Terminate In 60 Days (03-11-2000) Without Operations To Restore Production From The Communitized Formation. Lease NM-16783 Will Be Extended By Allocated Production From CA NM061P35-87C413. Lease NM-44514 Will Be Extended By Allocated Production From CA 88210-2834.

to make to any department or agency of the United States any false, fictitious or fraudulent statements

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BUREAU OF LAND MGMT.
ROSWELL OFFICE

2000 JAN 21 A 8:21

RECEIVED

RECEIVED JAN 11 2000



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-1287

IN REPLY REFER TO:
RNM-049
3105.2 (06300)

January 10, 2000

CERTIFIED-RETURN RECEIPT REQUESTED
Z 410 094 737

Read and Stevens, Inc.
P. O. Box 1518
Roswell, New Mexico 88202

Gentlemen:

A review of our files concerning your Well No. 1-Beard Federal Com., Federal Lease NM-16783, Communitization Agreement (CA) RNM-049, SW $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 10, T. 5 S., R. 25 E., Chaves County, New Mexico, shows that the well has not produced since being completed as shut-in gas well on December 1982. This CA, which includes lease NM-44514, became effective October 12, 1982 for two years and so long as communitized substances are or can be produced in paying quantities. Therefore, this CA must contain a well capable of producing hydrocarbons in paying quantities, i.e. enough to pay the day-to-day operating and communitized area maintenance costs, or it will expire effective the date of receipt of this letter.

We have determined that this CA may not be capable of production in paying quantities. Under 43 CFR 3107.2-2, you are allowed 60 days from receipt of this letter within which to commence reworking or drilling operations on the lease. The CA will remain in full force and effect if approved operations are commenced within the 60-day period and are continued with reasonable diligence until paying production is restored.

If you believe that the CA is capable of production in paying quantities, which are to pay the day-to-day operating costs, including minimum royalty on a sustained basis, you must submit justification within 60 days of receipt of this letter to this office.

If a reworking or drilling operation proposal or justification that the well is capable of production in paying quantities is not submitted within 60 days from receipt of this letter, the CA will automatically terminate. A Notice of Intention to Abandon (NIA) the well should be filed with this office within 90 days after receipt of this letter. Leases NM-16783 and NM-44514 committed to the CA will be extended by allocated production from CA's NM061P35-87C413 and SCR-336 respectively.

The aforementioned information is furnished so you may take such action as you consider appropriate. You are further reminded that no production tests or other operations should be conducted on the CA without prior approval of this office. If you have any further questions regarding this letter, please contact David Glass of this office at phone (505) 627-0275.

Sincerely,

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Larry D. Bray
Assistant Field Office Manager,
Lands and Minerals