

District I
1625 N. Freese Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised August 1, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit one copy to appropriate District Office

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Read & Stevens, Inc. P.O. Box 1518 Roswell, NM 88202		² OGRID Number 18917
		³ Reason for Filing Code/ Effective Date RC April 25, 2017
⁴ API Number 30 - 0 15-10805	⁵ Pool Name Happy Valley, Delaware	⁶ Pool Code 29665
⁷ Property Code 9529	⁸ Property Name Hackberry Hills Federal	⁹ Well Number #4

II. ¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
F	22	22S	26E		2310	North	1980	West	Eddy

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Use Code F	¹³ Producing Method Code P	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
34053	Plains Marketing, LP	O
151618	Enterprise Field Services - NM OIL CONSERVATION ARTESIA DISTRICT MAY 04 2017 RECEIVED	G

IV. Well Completion Data

²¹ Spud Date	²² Ready Date	²³ TD	²⁴ PBTD	²⁵ Perforations	²⁶ DHC, MC
5/12/1966	4/25/2017	10,500'	4802.5'	4760'-4802'	
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set	³⁰ Sacks Cement		
	ON FILE				
	2 7/8" TBG	4740'			

V. Well Test Data

³¹ Date New Oil	³² Gas Delivery Date	³³ Test Date	³⁴ Test Length	³⁵ Tbg. Pressure	³⁶ Csg. Pressure
4/25/2017		5/3/2017	24 hrs	300	280
³⁷ Choke Size	³⁸ Oil	³⁹ Water	⁴⁰ Gas	⁴¹ Test Method	
-0-	40	150	100	P	
⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief Signature: <i>Kelly Barajas</i>			OIL CONSERVATION DIVISION Approved by: <i>Raymond H. Rodas</i> Title: <i>Geologist</i> Approval Date: <i>5-30-2017</i>		
Printed name: Kelly Barajas					
Title: Production/Regulatory					
E-mail Address: kbarajas@read-stevens.com					
Date: 5/4/2017		Phone: 575-624-3760	Pending BLM approvals will subsequently be reviewed and scanned		

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.5. Lease Serial No.
NMLC064490

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

HACKBERRY HILLS FEDERAL 4

2. Name of Operator
READ & STEVENSContact: KELLY BARAJAS
E-Mail: kbarajas@read-stevens.com

9. API Well No.

30-015-10805

3a. Address
P. O. BOX 1518
ROSWELL, NM 882023b. Phone No. (include area code)
Ph: 575-624-376010. Field and Pool or Exploratory Area
HAPPY VALLEY; DELAWARE

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

Sec 22 T22S R26E 2310FNL 1980FWL

11. County or Parish, State

EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Workover Operations
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleat 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 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 determined that the site is ready for final inspection.

3/15/2017: TIH. Set RBP #2 at 4704'. Dump 2 sxs sand dwn tbg on top of RBP #2. Set cmt retainer at 4523'. Pump 190 sxs Class C Neat followed w/190 sxs Class C w/2% CaCL. Displace w/24 bbls H2O. Max press 955 psi, average press 350 psi, max rate 3 bpm, average rate 1.5 bpm. WOC.
3/17/2017: TIH. Tag and drill cmt retainer and cmt from 4516'-4660'. Cont to 4691'. Clean out sand to top of RBP #2 at 4704'. Circ well clean. TOH. SDFN.
3/18/2017: TIH. Tag sand at 4675' and wash dwn to 4704'. Release RBP #2. Tag sand at 4719' and clean out to top of fish at 4823'. Circ wellbore clean. TOH.
3/20/2017: Ran CBL-CCL-GR-ND log from 4803' to 3800'. Tag at 4803'. Set Arrow Set I pkr at 4657', unloader, SN at 4646', 2 7/8" workstring. Swab well rec 23 bbls fluid.
3/22/2017: TIH. Tag at 4802.5'. TIH w/perf guns and perforate from 4760'-4802' (2 JSPF). Previously perforated from 4760'-4810' 2 JSPF. Has doubled to 4 JSPF from 4760'-4802'. Frac scheduled for 4/4/2017.

NM OIL CONSERVATION
ARTESIA DISTRICT

MAY 04 2017

RECEIVED

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

**Electronic Submission #374953 verified by the BLM Well Information System
For READ & STEVENS, sent to the Carlsbad**

Name (Printed/Typed) KELLY BARAJAS

Title REPORT PREPARER

Signature (Electronic Submission)

Date 05/03/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

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.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly a
States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ***Pending BLM approvals will
subsequently be reviewed
and scanned

5-30-17

SUBMITTED **

Additional data for EC transaction #374953 that would not fit on the form

32. Additional remarks, continued

4/4/2017: Frac w/62,880# of 20/40 Cool Set sand, 1069 bbls of 18# Borate gel pad. Displace w/30 bbls 18# Borate gel. Max rate 21 bpm, average rate 20 bpm, max press 4883 psi, average press 2505 psi, ISIP 831 psi, 5 min SI 546 psi, 10 min 573 psi, 15 min SI 575 psi. Leave well SI overnight for sand to set up.

4/5/2017: Tbg 450 psi, csg 350 psi. Swab 89 bbls fluid.

4/6/2017: Tbg 50 psi, csg 250 psi. Swab 286 bbls fluid.

4/7/2017 - 4/11/2017: Flowback and monitor well.

Report continued on attachment.

HACKBERRY HILLS FEDERAL #4
NMLC064490
API #30-015-10805

April 17, 2017: MI. 2 stage compressor. Plumb in lines. Erect 640 - 365 - 144 Lufkin PU.

April 18, 2017: Prep to run production string.

April 19, 2017: SICP - 120#. Blow well down to steel pit. RIH w/2 7/8" x 31' BPMA, 2 7/8" x 4' perf'd sub, 2 7/8" OD seating nipple, 4 jnts 2 7/8" tbg, 2 7/8" x 5 1/2" TAC and 145 jnts 2 7/8" tbg. Tag PBTD at 4798'. Pull up and lay down one jnt of tbg. ND BOP. Set TAC with 12,000# tension. NUWH. Receive and rack 7/8" rods. Install rod couplings on rods. RIH w/ 1 1/4" x 20 gas anchor, 2 1/2" x 1 3/4" x 24 pump and 152 - 7/8" rods. EOT @ 4740'. SN @ 4704'. TAC @ 4579'.

April 21, 2017: RIH w/2 1/2" x 1 3/4" x 24' pump, 186 - 7/8" rods, 7/8" x 8' x 6' x 4' pony rods and 1 1/4" x 26' polished steel rod. Seat and space pump. Hang well on. RU reverse unit. Load tubing with 5 bbls 2% KCL water. Pressure up to 500# w/downhole pump. Held okay. RD reverse unit. RDMOSU. MI and set 108 KV generator. Set and run power line from panel box to 30 HP electric prime mover, then from panel box to generator. Set propane and plumb in to generator. Balance unit by removing 2 counter weights. MI and set 3 phase separator. Plumb in WH.

April 22, 2017: Lay 2 7/8" flowline from WH to separator and plumb in at both ends. Plumb in oil dump line to oil tank. Plumb in wtr dump line to wtr tank and run gas line from separator to meter run. Well is producing at report time.

Form 3160-4
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RE-COMPLETION REPORT AND LOG

Bold* fields are required.

Section 1 - Completed by Operator	
1. BLM Office* Carlsbad, NM	2. Well Type* OIL
3. Completion Type* Work Over	
Operating Company Information	
4. Company Name* READ & STEVENS, INC	
5. Address* P. O. BOX 1518 ROSWELL NM 88202	6. Phone Number* 575-622-3770
Administrative Contact Information	
7. Contact Name* KELLY _ BARAJAS	8. Title* PRODUCTION/REGULATORY
9. Address* P. O. BOX 1518 ROSWELL NM 88202	10. Phone Number* 575-624-3760 11. Mobile Number _____
12. E-mail* kbarajas@read-stevens.com	13. Fax Number _____
Technical Contact Information	
<input checked="" type="checkbox"/> Check here if Technical Contact is the same as Administrative Contact.	
14. Contact Name* _____	15. Title* _____
16. Address* _____ _____ _____	17. Phone Number* _____ 18. Mobile Number _____
19. E-mail* _____	20. Fax Number _____
Surface Location	

Pending BLM approvals will
subsequently be reviewed
and scanned
5-30-17
AC

21. Specify location using one of the following methods:

- a) State, County, Section, Township, Range, Meridian, N/S Footage, E/W Footage, with Qtr/Qtr, Lot, or Tract
 b) State, County, Latitude, Longitude, Metes & Bounds description

State* NM	County or Parish* EDDY			
Section 22	Township 22S	Range 26E	Meridian	
Qtr/Qtr —	Lot # F	Tract # —	N/S Footage 2310 FNL	E/W Footage 1980 FWL
Latitude —	Longitude —	Metes and Bounds		

Producing Interval Location

22. Specify location or



Check here if the producing hole location is the same as the surface location.

State* —	County or Parish* —			
Section —	Township —	Range —	Meridian	
Qtr/Qtr —	Lot # —	Tract # —	N/S Footage —	E/W Footage —
Latitude —	Longitude —	Metes and Bounds		

Bottom Location

23. Specify location or



Check here if the bottom hole location is the same as the surface location.

State* —	County or Parish* —			
Section —	Township —	Range —	Meridian	
Qtr/Qtr —	Lot # —	Tract # —	N/S Footage —	E/W Footage —
Latitude —	Longitude —	Metes and Bounds		

Lease and Agreement

24. Lease Serial Number* NMLC064490	
26. If Unit or CA/Agreement, Name and/or Number —	27. Field and Pool, or Exploratory Area* HAPPY VALLEY; DELAWARE

Well

28. Well Name* HACKBERRY HILLS FEDERAL				29. Well Number* 4		30. API Number 30-015-10805				
31. Date Spudded 05/12/1966		32. Date T.D. Reached 07/06/1966		33. Date Completed 04/25/2017 <input checked="" type="checkbox"/> Dry & Abandoned <input checked="" type="checkbox"/> Ready to Produce		34. Elevations (DF, RKB, RT, GL) 3404 Ground Level				
35. Total Depth: MD 10500 TVD 10500			36. Plug Back Total Depth: MD 4803 TVD 4803			37. Depth Bridge Plug Set: MD _____ TVD _____				
38. Type Electric & Other Mechanical Logs Run (Submit copy of each) _____					39. Was Well Cored? <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit Analysis) Was DST run? <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit Report) Directional Survey? <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit Copy)					
40. Casing and Liner Record (Report all strings set in well)										
Hole Size	Casing Size	Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk.	Slurry Vol. (BBL)	Cement Top	Amount Pulled
17.5	13.375	___	48	916	___	___	500	___	___	___
12.25	9.625	___	36	2600	___	___	800	___	___	___
7.875	5.5	___	17	10500	___	___	800	___	___	___
___	___	___	___	___	___	___	___	___	___	___
___	___	___	___	___	___	___	___	___	___	___
___	___	___	___	___	___	___	___	___	___	___
41. Tubing Record					42. Producing Intervals					
Size	Depth Set (MD)	Packer Depth (MD)	Formation				Top (MD)	Bottom (MD)		
2.875	4740	___	A) DELAWARE				4741	4840		
___	___	___	B) _____				___	___		
___	___	___	C) _____				___	___		
___	___	___	D) _____				___	___		
43. Perforation Record										
Top	Bottom	Size	No. Holes	Perf. Status						
4760	4802	0.41	168	4 JSPF						
4803	4810	0.41	74	2 JSPF						
___	___	___	___	___						
___	___	___	___	___						

44. Acid, Fracture, Treatment, Cement Squeeze, etc.

Top	Bottom	Amount and Type of Material
4760	4802	62,880# 20/40 COOL SET SAND; 1069 BBLS 18# BORATE GEL PAD
4760	4802	ACIDIZE WITH 3004 GALS 15.8% HCL ACID

45. Production Method and Well Status for Production Intervals

Production Method	Well Status
Electric Pumping Unit	Producing Oil Well

46. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil (BBL)	Gas (MCF)	Water (BBL)	Oil Gravity Corr. API	Gas Gravity
04/25/2017	05/03/2017	24	>>>>>	40	100	150		
Choke Size	Tubing Pressure Flowing / Shut In	Casing Pressure	24 Hour Rate	Oil (BBL)	Gas (MCF)	Water (BBL)	Gas/Oil Ratio	
	300	280	>>>>>	40	100	150		

47. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil (BBL)	Gas (MCF)	Water (BBL)	Oil Gravity Corr. API	Gas Gravity
			>>>>>					
Choke Size	Tubing Pressure Flowing / Shut In	Casing Pressure	24 Hour Rate	Oil (BBL)	Gas (MCF)	Water (BBL)	Gas/Oil Ratio	
			>>>>>					

48. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil (BBL)	Gas (MCF)	Water (BBL)	Oil Gravity Corr. API	Gas Gravity
			>>>>>					
Choke Size	Tubing Pressure Flowing / Shut In	Casing Pressure	24 Hour Rate	Oil (BBL)	Gas (MCF)	Water (BBL)	Gas/Oil Ratio	
			>>>>>					

49. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil (BBL)	Gas (MCF)	Water (BBL)	Oil Gravity Corr. API	Gas Gravity
			>>>>>					
Choke Size	Tubing Pressure Flowing / Shut In	Casing Pressure	24 Hour Rate	Oil (BBL)	Gas (MCF)	Water (BBL)	Gas/Oil Ratio	
			>>>>>					

50. Disposition of Gas (Sold, used for fuel, vented, etc.)

Captured

51. Summary of Porous Zones <i>(Include Aquifers)</i> : Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.				52. Formation (Log) Markers	
Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top (MD)
				CHERRY CANYON	2423
				BRUSHY CANYON	3811
				BONE SPRING	5079

53. Additional remarks (include plugging procedure):

54. Indicate which items have been attached by placing a check in the appropriate boxes:

<input checked="" type="checkbox"/> Electrical/Mechanical Logs (1 full set req'd.)	<input checked="" type="checkbox"/> Geologic Report	<input checked="" type="checkbox"/> DST Report	<input checked="" type="checkbox"/> Directional Survey
<input checked="" type="checkbox"/> Sundry Notice for plugging and cement verification	<input checked="" type="checkbox"/> Core Analysis	<input checked="" type="checkbox"/> Other:	

I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

55. Name
KELLY _ BARAJAS

56. Title
PRODUCTION/REGULATORY

57. Date* (MM/DD/YYYY)
05/08/2017

58. Signature*
You have the ability to sign this form only if a SmartCard or digital certificate has been issued to you.
☒ Digital Signature

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.

Section 2 - System Receipt Confirmation

59. Transaction

60. Date Sent

61. Processing Office

Section 3 - Internal Review #1 Status

62. Review Category

63. Date Completed

64. Reviewer Name

65. Comments

Section 4 - Internal Review #2 Status

66. Review Category

67. Date Completed

68. Reviewer Name

69. Comments

Section 5 - Internal Review #3 Status

70. Review Category

71. Date Completed

72. Reviewer Name

73. Comments

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Section 6 - Internal Review #4 Status		
74. Review Category _____	75. Date Completed _____	76. Reviewer Name _____
77. Comments 		

Section 7 - Final Approval Status			
78. Disposition _____	79. Date Completed _____	80. Reviewer Name _____	81. Reviewer Title _____
82. Comments 			

INSTRUCTIONS

GENERAL: This form is designed for submitting a complete and correct well completion/recompletion report and log on all types of wellson Federal and Indian leases to a Federal agency, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal office.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, and all types electric), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal laws and regulations. All attachments should be listed on this form, see item 33.

ITEMS 24, 22, and 23: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal office for specific instructions.

ITEM 34: Indicate which reported elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

ITEM 40: Show how reported top(s) of cement were determined, i.e. circulated (CIR), or calculated (CAL), or cement bond log (CBL), or temperature survey (TS).

PRIVACY ACT

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is to be used to evaluate the actual operations performed in the drilling, completing and testing of a well on a Federal or Indian lease.

ROUTINE USES: (1) Evaluate the equipment and procedures used during the drilling and completing/recompleting of a well. (2) The review of geologic zones and formation encountered during drilling. (3) Analyze future applications to drill in light of data obtained and methods used. (4) (5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this report and disclosure of the information is mandatory once a well drilled on a Federal or Indian lease is completed/recompleted.

The Paperwork Reduction Act of 1995 requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling and completing/recompleting wells on Federal and Indian oil and gas leases.

This information will be used to analyze operations and to compare equipment and procedures actually used with those proposed and approved.

Response to this request is mandatory only if the operator elects to initiate drilling completing/recompleting and operations on an oil and gas lease.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 60 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer, (WO-630), MS 401 LS, 1849 C Street, N.W., Washington, D.C. 20240.