

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS** **OCD Artesia**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC064490
2. Name of Operator READ & STEVENS INCORPORATED E-Mail: wpalmer@read-stevens.com		6. If Indian, Allottee or Tribe Name
3a. Address ROSWELL, NM 88202	3b. Phone No. (include area code) Ph: 575-622-3770 Fx: 575-396-7274	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T22S R26E SENW 2310FNL 1980FWL		8. Well Name and No. HACKBERRY HILLS 4
		9. API Well No. 30-015-10805-00-S1
		10. Field and Pool, or Exploratory HACKBERRY HILL
		11. County or Parish, and State EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recompleate 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

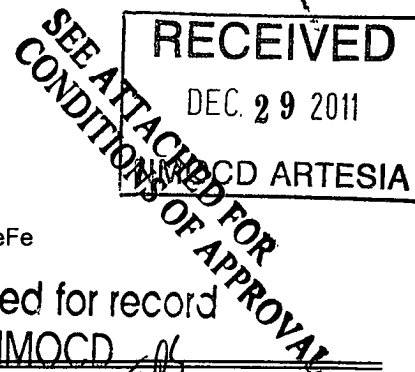
Read & Stevens, Inc. proposes to recompleat the Hackberry Hills Federal #4 per the following:

MIRU completion unit. NUBOP. Release pkr. POH w/tbg laying dwn 6 jnts. RUWL. RIH & correlate depth. Set 5 1/2" CIBP at 10,000'. Dump bail 35' cmt on top. Perf 4 shots at 8540'. RIH w/5 1/2" CIR, 2 3/8" tbg. Set CIR at 8500'. Pump 700 sxs "C" w/additives cementing 5 1/2" csg. Estimated TOC at 2500' (9 5/8" at 2600'). WOC. POH laying dwn tbg until 4800' in derrick. RUWL. Set CIBP at 7000' dump bailing 35' cmt on top. Set CIBP at 5500' dump bailing 35' cmt on top.

RUWL. RIH w/3 1/8" csg guns. Correlate depth. Perforate Delaware 4760' - 4800' w/2 spf. Total of 81 holes. POH & RDWL. RIH w/packer, tubing. Set packer @ 4650'. Acidize w/3000 gals 15% NeFe HCl via tbg spacing 100 ball sealers. If commercial put on pump. If not commercial, but good show, frac well w/100,000# 16/30 brn sand. Place well on pump.

Accepted for record

NMOCD



14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #110530 verified by the BLM Well Information System For READ & STEVENS INCORPORATED, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 06/15/2011 (11DLM0922SE)	
Name (Printed/Typed) WILL PALMER	Title MANAGER, PROD & COMPLETIONS
Signature (Electronic Submission)	Date 06/14/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By (BLM Approver Not Specified)	Title	APPROVED	Date 12/27/2011
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 Carlsbad	DEC 27 2011 /s/ Chris Walls	
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.			

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

**Hackberry Hills Fed 4
30-015-10805
Read and Stevens, Inc.
December 27, 2011
Conditions of Approval**

- 1. Notify the BLM (575-361-2822) 24 hours prior to plug back procedure.**
- 2. The top of the Wolfcamp formation is at 8556'. A 190' plug is required across the top of the Wolfcamp. Perforate 50' below the Wolfcamp at approximately 8606'. RIH w/ 5-1/2" CICR and set approx. 50 ft above perms. Pump proposed volume through retainer and spot an additional 25 sx on top of CICR.**
- 3. A 25 sx cement plug is required across the top of the Bone Spring formation from 5100'-4950'. The CIBP at 5500 feet does not have to be set due to the Bone Spring plug.**
- 4. Surface disturbance beyond the originally approved pad must have prior approval.**
- 5. Closed loop system required.**
- 6. 3000 (3M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.**
- 7. Operator to have H2S monitoring equipment on location as H2S has been reported from wells in the area.**
- 8. Subsequent sundry and completion report are required.**

CRW 122711