

NM OIL CONSERVATION

Form 3160-3
ARTESIA DISTRICT
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SEP 02 2016

RECEIVED
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.
NMNM0115465A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

1. Type of Well

Oil Well Gas Well Other

8. Well Name and No.
TOLES FEDERAL #1

2. Name of Operator
READ & STEVENS, INC.

9. API Well No.
30-005-60782

3a. Address
P. O. Box 1518, Roswell, NM 88202

3b. Phone No. (include area code)
575-622-3770

10. Field and Pool or Exploratory Area
DIAMOND MOUND-MORROW

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SEC 34, T15S-R27E
660' FSL & 1980' FEL

11. County or Parish, State
CHAVES CO., NM

12. CHECK THE 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 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 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 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.)

Read & Stevens, Inc. is requesting a 90 day extension to the existing Temporary Abandon status currently in effect. The purpose of the request is that we have spent the past year in discussing with our natural gas transporter/marketer and feel that we may have come to terms on a contractual relationship that may make the Toles Federal #1 commercial again.

Therefore, we are requesting additional time in order to present to the Working Interest Owners of the well the opportunity to participate with us in the re-work of the well as is proposed with the data describing the work and strips of the well logs that is attached to this Sundry Notice. The goal is to isolate the existing perforations and production by plugging back and coming up the hole to the Atoka 8695 to 8699 and the Penn 7640 to 7649. Should we be commercially unsuccessful with the above-described additional perforations, we would set a bridge plug above those perforations and come up the hole to 7705 to 7720 and attempt a completion at that point.

In addition to the time for noticing the Working Interest Owners, we need additional time to coordinate and rally the vendors. We anticipate being complete with our attempts on or before December 15, 2016.

TA extended to January 1, 2017

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Rory McMinn

Title President

Signature

Date 08/18/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

APPROVED

AUG 22 2016

Title

Office

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.

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.

(Instructions on page 2)