

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Artesia

FORM 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.
NMNM0115465A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
TOLES FEDERAL 1

9. API Well No.
30-005-60782-00-S1

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

11. County or Parish, State
CHAVES COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

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

3a. Address
P.O. BOX 1518
ROSWELL, NM 88202

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 34 T15S R27E SWSE 660FSL 1980FEL

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 Workover Operations
	<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.

4/11/2017: MIRU Capitan WL. Tag at 8624'. Dump bail 165' of additional cmt from 8624' to 8459'. WOC.

4/13/2017: 0 psi on tbg and csg. TIH. Set pkr at 7555'. Load csg w/35 bbls 2% KCL H2O. Pressure test csg to 350 psi for 5 min. Test okay. Left pressure on csg and swab well. LD swab. SI for weekend.

04/17/2017: 0 psi on tbg and 200 psi on csg. PU swab. swab well. LD swab. Release pkr and TOH. SDFN.

4/18/2017: 0 psi on csg. MIRU WL. Load hole w/14 bbls KCL H2O. Ran CBL-CCL-GR from 8380'-5200'. TIH and set RBP at 6325'. LD 1 jnt tbg. Set pkr at 6293'. Pressure test RBP to 380 psi for 5 min. Test okay. Pressure test csg to 350 psi for 5 min. Test okay. Release pkr and TOH. TIH w/1 stand tbg. Dump 2 bags (20') of sand on top of RBP. SDFN.

4/19/2017: MIRU WL. TIH w/CBL-GR-CCL. TIH to 6124'. TOH and log to 1000'. TIH and perf

NM OIL CONSERVATION DISTRICT
ARTESIA DISTRICT
MAY 12 2017
RECEIVED

Accepted for record - NMOCD
PC 5-12-17

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

Electronic Submission #374805 verified by the BLM Well Information System For READ & STEVENS INCORPORATED, sent to the Roswell Committed to AFMSS for processing by JENNIFER SANCHEZ on 05/03/2017 (17JS0055SE)

Name (Printed/Typed) **KELLY BARAJAS** Title **REPORT PREPARER**

Signature (Electronic Submission) _____ Date **05/02/2017**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date **MAY 3 2017**

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 _____

ACCEPTED FOR RECORD
MAY 3 2017
BUREAU OF LAND MANAGEMENT
ROSWELL FIELD OFFICE

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 any statement or representation to any agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

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

Additional data for EC transaction #374805 that would not fit on the form

32. Additional remarks, continued

Glorieta from 2930' to 2935' w/2 JSPF (12 .42" holes). RDMO WL. TIH w/on-off tool. Wash 20' f sand out of wellbore and latch on to RBP at 6325'. Release RBP and TOH. SDFN.
04/20/2017: TIH w/RBP set at 3054'. LD 1 jnt and set pkr. Test RBP to 350 psi for 5 min. Test ok. Release pkr and LD one additional jnt. Dump 200# (20') sand on top of RBP through tbg. Flush tbg w/8 bbls and TOH. Top of sand at +/- 3034'. SDFN.

4/21/2017: TIH w/pkr, unloader, SN and workstring. Set pkr at 2840'. Acidize well w/700 gals 15% HCL w/additives. Flush w/13 bbls H2O. Test lines to 3500 psi. Establish rate at 1900 psi. 3.4 bbls per min w/10 bbls 2% KCL H2O. Pump 2300 gals of 15% HCL acid and flushed w/13 bbls 2% KCL H2O. ISIP 1400 psi, 5 min SI 1425 psi, 10 min 1475 psi, 15 min 1450 psi, 30 min SI 1400 psi. Max pressure 2000 psi. Average pressure 1700 psi, Max rate 3.7 bpm, average rate 3.4 bpm. Open well. Flow back 11 bbls dirty H2O. Visual appearance of possible iron sulfide. Strong H2S smell. SI well and evacuate to upwind. Wait on H2S safety trailer. Block incoming access road with forklift. Install warning signs, flags and windsock. SDFN.

4/22/2017: Tbg pressure 15 psi. Open well, flow back 1.5 bbls of H2O. RU swab. Swab well. SD for weekend.

Attachment to Toles Federal #1 sundry dated May 2, 2017

4/24/2017: 50 psi on tbg and 90 psi on csg. Release pressure. Made 2 swab runs. #1 FL 600', 7 bbls black wtr, no oil. #2 FL 1000', 3 bbls black wtr, no oil. Small amount of H2S gas. LD swab. Release pkr and TOH. LD pkr. TIH w/retrieving head. Circ 20' of sand out of wellbore and latch onto RBP. Release RBP and reset at 1871'. Get off of RBP. LD 2 jnts. Load well w/16 bbls 2% KCL H2O. Close pipe rams on BOP. Pressure test csg and RBP to 400 psi for 5 min. Test okay. LD an additional 36 jnts and TOH. LD retrieving head. TIH w/1 stand tbg. Load tbg and well w/3 bbls. Dump 2 sxs (20') of sand dwn tbg through funnel. SDFN.

4/25/2017: 0 psi on csg. MIRU WL. Perforate Premier Sand from 1710' to 1720' w/4 JSPF (44 0.42 holes). RDWL. TIH and set pkr w/unloader and seating nipple above 1581'. Pressure test backside to 400 psi for 5 min. Test okay. Left 300 psi on csg. Pressure test lines to 6000 psi and reset kills to 4500 psi. Establish rate at 2000 psi at 2.5 bpm w/10 bbls of 2% KCL H2O. Pump 5000 gals of 15% HCL w/additives. Drop 48 balls in 12 ball – 1000 gal intervals. Flush w/10 bbls 2% KCL H2O. Surge balls off after 5 bbls of flush. ISIP 1405 psi, 5 min 1392 psi, 10 min 1370 psi and 15 min 1349 psi. Max pressure 2830 psi, average pressure 2500 psi. Max rate 6.1 bpm, average rate 5.9 bpm. Left well SI for 1 hr. Open well and flow back 84.5 bbls of H2O to steel pit. SD due to wind. Swab tomorrow.

4/26/2017: Swab well. Tbg pressure 600 psi. Flow back. Total of 39 bbls. 80# on tbg. No fluid. SDFN. SI well.

4/27/2017: 0 psi on csg. Release pkr. TOH w/tbg and prk. TIH w/retrieving tool. Circ 20' sand and latch onto RBP. TOH w/RBP. TIH w/203 jnts tbg. SDFN due to wind.

4/28/2017: TIH and tag at 8421'. TOH and remove bull plug. TIH open ended to 6321'. Clean up location. Release crew. Rory McMinn and Matt Murphy met with Jennifer Sanchez and David Glass with the BLM/Roswell to plug and abandon well. Jennifer and David gave **verbal approval**.

May 1, 2017: Start plugging and abandoning the well. Oscar Torres with the BLM is on the Toles Federal #1 location with Matt Murphy. Waiting for Matt's report due to the plugging procedure has changed from April 27, 2017 (Friday).