

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia
Hobbs

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

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.
SHL: NM-84902 BHL: NM-54432

6. If Indian, Allottee or Tribe Name
HOBBS OCD

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement Name and No. **MAY 20 2015**

1. Type of Well

Oil Well Gas Well Other

8. Well Name and No.
North Lea 3 Federal Com #1H **RECEIVED**

2. Name of Operator
Read & Stevens, Inc.

9. API Well No.
30-025-42080

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

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

10. Field and Pool or Exploratory Area
Quail Ridge; Bone Spring, South (50461)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SL: 200' FNL & 350' FEL, Sec 3, T20S-R34E
BHL: 330' FSL & 350' FEL, Sec 3, T20S-R34E

11. County or Parish, State
Lea 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 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 checked="" type="checkbox"/> Other <u>Site Spill</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Contamination Clean-Up
	<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.)

2/19/2015 - Subsequent to multi-stage hydraulic fracturing operations, Three Rivers Operating Company, LLC reported that there were indications of possible communications between the above referenced R&S well and Three Rivers' wells:

Eagle 2 State Unit #006 Battery API 30-025-40330, Section 2, T20S, R34E, 330' FSL & 1950' FEL - Produced Water Storage Tank over pressured and released into containment area at battery.

Eagle 2 State #3 API 30-025-38042, Section 2, T20S-R34E, 1980' FNL & 2130' FWL, State Prop #35083- released on ground.

Eagle 2 State #4 API 30-025-38622, Section 2, T20S-R34E, 660' FNL & 660' FWL, State Prop #35083-released on ground.

Contaminated areas cleaned, and reclaimed by Three Rivers Operating Company, LLC.

Three Rivers Operating Company, LLC has reclaimed the well site contamination and Read & Stevens through it's insurance carrier, addressing possible remuneration to Three Rivers.

Attachments: Copies of C-141 and C-103 from the NM Oil Conservation Division

NM OIL CONSERVATION
ARTESIA DISTRICT
MAY 18 2015

RECEIVED

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

Title: President & Managing Director

Signature 

Date 04/10/2015

ACCEPTED FOR RECORD

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

BUREAU OF LAND MANAGEMENT
CARLSBAD 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 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)

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

IRP 3630 Form C-103
 Revised July 18, 2013

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-42080
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Read & Stevens, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator POB 1518; Roswell, NM 88202-1518		7. Lease Name or Unit Agreement Name North Lea 3 Federal Com #1H
4. Well Location Unit Letter <u>A</u> -Surface/P Bot. Hole: 200 feet from the FNL Surface/ 330 FSL Bot. Hole and 350 feet from the FELline Surface and Bottom Hole		8. Well Number 1H
Section 3	Township 20S	Range 34E
		NMPM
		County Lea
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3678.6		9. OGRID Number 18917
		10. Pool name or Wildcat Code 50461 Quail Ridge, Bone Spring South

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: Site spill contamination clean-up <input checked="" type="checkbox"/>		OTHER: Site spill contamination clean-up <input checked="" type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Subsequent to multi-stage hydraulic fracturing operations (2-19-15), Three Rivers Operating Company, LLC reported that there were indications of possible communications between the above referenced R&S well and Threes Rivers' wells:

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Spud Date: 12-18/2014

Rig Release Date: 2-19-15

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE President & Managing Director DATE April 10, 2015

Type or print name Rory McMinn E-mail address: rmcminn@read-stevens.com PHONE: 575/622-3770 x 307
For State Use Only

APPROVED BY:  TITLE _____ DATE _____
 Conditions of Approval (if any): Environmental