

Form 3160-3  
(August 2007)

**HOBBS OCD**  
RECEIVED  
MAR 11 2017  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SECRETARY'S POTASH**

FORM APPROVED  
OMB No. 1004-0137  
Expires July 31, 2010

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SHL & BHL: NM-56264
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Read and Stevens, Inc. (18917)		7. If Unit or CA Agreement, Name and No.
3a. Address 400 N. Pennsylvania Ave #1000 Roswell, NM 88201	3b. Phone No. (include area code) 575-622-3770	8. Lease Name and Well No. (317199) North Lea 10 Fed Com #1H
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 200' FNL 575' FEL (A) At proposed prod. zone 330' FSL 350' FEL (P)		9. API Well No. 30-025-43679 (50461)
14. Distance in miles and direction from nearest town or post office* 26 miles WSW of Hobbs		10. Field and Pool, or Exploratory Quail Ridge; Bone Spring, South
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 200'	16. No. of acres in lease 480	11. Sec., T. R. M. or Blk. and Survey or Area Sec. 10 T-20S R-34E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See raduis maps attached.	19. Proposed Depth 10,874.50'TVD / 15,220'MD	12. County or Parish Lea
21. Elevations (Show whether DF, KDB, RT, GL, etc.) GL - 3650.8' RKB - 3672.8'	22. Approximate date work will start* 07/15/2017	13. State NM
17. Spacing Unit dedicated to this well 160		
20. BLM/BIA Bond No. on file NM-2310		
23. Estimated duration 60 days until completion		

**UNORTHODOX  
LOCATION**

**24. Attachments**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification
- 6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature	Name (Printed/Typed) Rory McMinn	Date 10/27/2016
Title Project Manager		
Approved by (Signature) <b>/s/Cody Layton</b>	Name (Printed/Typed)	Date <b>FEB 24 2017</b>
Title <b>FIELD MANAGER</b>		
Office <b>CARLSBAD FIELD OFFICE</b>		

Application approval 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.  
Conditions of approval, if any, are attached.

**APPROVAL FOR TWO YEARS**

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.

(Continued on page 2)

\*(Instructions on page 2)

**Capitan Controlled Water Basin**

07/10/17

**Approval Subject to General Requirements  
& Special Stipulations Attached**

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**