

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUN 28 2010
OCD Hobbs

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.

HOBBSOCD

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM105221
2. Name of Operator READ & STEVENS INCORPORATED E-Mail: dluna@read-stevens.com Contact: DAVID LUNA		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 1518 ROSWELL, NM 88202	3b. Phone No. (include area code) Ph: 575-622-3770 Ext: 305 Fx: 575-622-8643	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T20S R34E NESW 1980FSL 1980FWL ✓ 32.58586 N Lat, 103.55028 W Lon		8. Well Name and No. COYOTE 10 FEDERAL 01 ✓
		9. API Well No. 30-025-30352-00-S1 ✓
		10. Field and Pool, or Exploratory QUAIL RIDGE
		11. County or Parish, and State LEA COUNTY, NM ✓

12. CHECK 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"/> 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 checked="" 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 recompletable 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 recompletable 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.)

05/07/10 - 05/18/2010

MIRUSU. Tag up at 5,690' (bottom perf). Set TAC at 5,498' w/12,000# tension. Swab well. RIH w/2 1/2" x 1 1/4" x 16" pump. 148 3/4" rods, 76 7/8" rods, 7/8" x 6' x6' x2' pony rods, 1 1/4" x 16' polished steel rod. Spaced pump. Build berm around pad. Set 2 210 tanks. Build wellhead. Lay flowline from well to heater treater. Plumb in oil, wtr and gas lines. Erect 320 beam pumping unit. Start unit. Left unit pumping to battery.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #87339 verified by the BLM Well Information System For READ & STEVENS INCORPORATED, sent to the Hobbs Committed to AFMSS for processing by CHERYLE RYAN on 06/04/2010 (10KMS0011SE)	
Name (Printed/Typed) DAVID LUNA	Title OPERATIONS ENGINEER
Signature (Electronic Submission)	Date 06/02/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	DUSTIN WINKLER Title PETROLEUM ENGINEER	Date 06/23/2010
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 Hobbs	PETROLEUM ENGINEER JUN 29 2010

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.