



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
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.

5. Lease Serial No.
NMNM06570

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other ✓

2. Name of Operator
 READ & STEVENS Contact: DAVID LUNA
 E-Mail: dluna@read-stevens.com

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

8. Well Name and No.
 LAURIE D FEDERAL 2 ✓

9. API Well No.
30-025-39822

10. Field and Pool, or Exploratory
 LEA, YATES ✓

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 Sec 15 T20S R34E 754FNL 873FEL ✓

11. County or Parish, and State
 LEA COUNTY COUNTY, NM

12. CHECK 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 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 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 shall 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 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.)

Since the BLM requires surface to be set at 1,620', Read & Stevens, Inc. is requesting to "not" run a DV on the 5 1/2" csg and to put the TOC @ 1,000'. This should allow for protection of all potential water zones as long as cmt is at the surface for the 8 5/8" csg.

More cmt on the 5 1/2" string could potentially damage the producing zone (Yates).

Spud date is set for July 28th. Please respond on or before this date.

Secretary's potash - cement must come to surface on both casing strings.

RECEIVED

JUL 23 2010

HOBBSOCD

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

Electronic Submission #89777 verified by the BLM Well Information System For READ & STEVENS, sent to the Hobbs

Name (Printed/Typed) DAVID LUNA Title OPERATIONS ENGINEER

Signature (Electronic Submission) Date 07/19/2010

PETROBRUM ENGINEER
LEA
JUL 26 2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By *Rejected 7/21/10* Title *Wesley M. Dugan* Date

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 *Supr. Petr. Engr.*

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Z.M.