

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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 any abandoned well. Use form 3160-3 (APD) for such proposals.

SEP 27 2010

HOBBSOCD

5. Lease Serial No.
NMNM105221

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
COYOTE 10 FEDERAL 019. API Well No.
30-025-30352-00-S110. Field and Pool, or Exploratory
QUAIL RIDGE

11. County or Parish, and State

LEA COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

READ & STEVENS INCORPORATED

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

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

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 checked="" 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 type="checkbox"/> Recomplete | <input 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 recompleat 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 recompleat 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.)

08/05/2010 - 08/25/10

Perforate 2 spf at 3,674'-79', 3,705'15'. Total of 32 .48" holes. Acidize well by pumping 2000 gals 7 1/2% NeFe HCl. Flush w/21 bbls 2% KCl wtr. Swab well. Frac well w/381 bbls 35# linear gel pad followed by 17,200# 20/40 brown sand pumped in 1 ppg & 2 ppg stages & contained in 35# x-linked gel. Pump 52,040# 16/30 brown sand pumped in 3 ppg, 4 ppg, & 5 ppg stages-contained in 35# x-linked gel. Tail in w/12,080# 16/30 resin coated brown sand pumped in 5 ppg stage-contained in 35# x-linked gel. Flush to within 2 bbls top perf w/20 bbls linear gel. ISIP 2594#, 5 min-2485#, 10 min-2448#, 15 min-2416#. Swab well. Set Parkersburg 320 pumping unit. Hung well on w/good pump action. Left unit pumping to tank battery.

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

Electronic Submission #91876 verified by the BLM Well Information System
For READ & STEVENS INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by KURT SIMMONS on 08/31/2010 (10KMS0802SE)

Name (Printed/Typed) DAVID LUNA

Title OPERATIONS ENGINEER

Signature (Electronic Submission)

Date 08/25/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTED

JAMES A AMOS
Title SUPERVISOR EPS

Date 09/20/2010

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

SEP 28 2010

KZ 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.

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