

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTRECEIVED
NOV 1 9 2010
HOBBS

OCD - Hobbs

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. NMNM06570	
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____		6. If Indian, Allottee or Tribe Name	
2. Name of Operator READ & STEVENS INCORPORATED		7. Unit or CA Agreement Name and No.	
Contact: DAVID LUNA E-Mail: dluna@read-stevens.com		8. Lease Name and Well No. LAURIE D FEDERAL 2	
3. Address P O BOX 1518 ROSWELL, NM 88202		9. API Well No. 30-025-39822-00-S1	
3a. Phone No. (include area code) Ph: 575-622-3770 Ext: 305		10. Field and Pool, or Exploratory LEA	
4. Location of Well (Report location clearly and in accordance with Federal requirements)* Sec 15 T20S R34E Mer NMP At surface NENE 754FNL 873FEL At top prod interval reported below At total depth		11. Sec., T., R., M., or Block and Survey or Area Sec 15 T20S R34E Mer NMP	
14. Date Spudded 07/31/2010		15. Date T.D. Reached 08/10/2010	
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 08/28/2010		17. Elevations (DF, KB, RT, GL)* 3644 GL	
18. Total Depth: MD TVD 3735		19. Plug Back T.D.: MD TVD 3685	
20. Depth Bridge Plug Set: MD TVD		21. Type Electric & Other Mechanical Logs Run (Submit copy of each) PEX-HRLA-NGT	
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)			

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	8.625 J-55	32.0	0	1656		750		0	
7.875	5.500 J-55	15.5	0	3730		540		0	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	3673							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) YATES	3491	3626	3491 TO 3516	0.000	33	OPEN
B)			3602 TO 3626	0.000	33	OPEN
C)						
D)						

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
3491 TO 3626	gal 7.5% NEFE HCL acid
3491 TO 3626	# 20/40 brown sand, 52060# 16/30 brown sand, 35# x-link gel, 12120 resin 16/30 sand

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
09/02/2010	10/06/2010	24	→	10.0	400.0	10.0	33.7	10.71	ACCEPTED FOR RECORD GAS PUMPING UNIT
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
SI		30.0	→	10	400	10		POW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						NOV 12 2010 J. L. M.
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
SI			→						BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #95939 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

29. Disposition of Gas(Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
YATES	3491	3626	SAND	RUSTLER TOP OF SALT YATES	1590 1720 3424

32. Additional remarks (include plugging procedure):

Mailing logs and Inclination Report to BLM office in Carlsbad, NM.

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #95939 Verified by the BLM Well Information System.
For READ & STEVENS INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by KURT SIMMONS on 11/01/2010 (11KMS0018SE)

Name (please print) DAVID LUNATitle OPERATIONS ENGINEERSignature (Electronic Submission)Date 10/27/2010

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.

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****