N. M. OIL CONS. COMMISSION P. O. BOX 1980

Dispose Water

(Note: Report results of multiple completion on Well

HOBBS, NEW MEXICO 88240 Form 3160-5 UNITED STATES FORM APPROVED (June 1990) Budget Bureau No. 1004-0135 DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. NMNM-054926 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE I. Type of Well X Oil Well 8. Well Name and No. 2. Name of Operator R&J Federal #1 Read & Stevens, Inc. 9. API Well No. 3. Address and Telephone No. 30-005-20365 P. O. Box 1518 Roswell, NM 88202 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Chaves Queen Gas Area SE 660' FNL & 660' FEL 11. County or Parish, State Section 20 T12S-R31E Chaves County NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12 TYPE OF SUBMISSION TYPE OF ACTION X Notice of Intent Abandonment Change of Plans Recompletion **New Construction** Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Other

currently evaluating the potential Stevens is reconnecting the subject well to a low BTU gas line. produces a very low quality gas with a BTU content that ranges from 400 to 500. At the present time we are awaiting a proposal from the successor of Cabot Corporation which use to purchase the gas. As soon as a proposal is made to Read & Stevens concerning the price that can be paid for the gas, we will evaluate the property for return to production or plug and abandonment. process Read & Stevens requests the subject well be continued in a shut-in status until the purchaser's proposal is received.

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled,

give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

14. I hereby cortify that the forestipe of true and correct	
Signed Signed Title Petroleum Engines (This space for Federal or State officuse)	er Date 9-25-95
	PERMIT
Approved by Conditions of approval, if any: APPROVED FOR MONTH PERIOD	Date 1975
ENDING <u>SEP 2 5 1996</u>	I $\gamma \Gamma \gamma$
Fitle 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully as	18025 10 1996

rime 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.