Form 1160-5 (June 1990) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS Por not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals		FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993 5. Lease Designation and Serial No. NM-54432 6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE		7. If Unit or CA, Agreement Designation
I. Type of Well		8. Well Name and No.
X Oil Gas Well Other		Mark Federal #5
2. Name of Operator		9. API Well No.
Read & Stevens, Inc.		30-025-32166
1. Address and Telephone No. P. O. Box 1518, Roswell, New Mexico 88202-1518		10. Field and Pool, or Exploratory Area Quail Ridge Delaware
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		11. County or Parish, State
1650' FSL & 1650''FWL		The county of the start the
Section 3, T2OS-R34E		Lea County, New Mexico
12. CHECK APPROPRIATE BOX	s) TO INDICATE NATURE OF NOTICE, REPO	RT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
Notice of Intent	Abandonment Recompletion	Change of Plans
XX Subsequent Report	Plugging Back	Non-Routine Fracturing Water Shut-Off
Final Abandonment Notice	Altering Casing	Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well
		Completion or Recompletion Report and Log form.)

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.)*

Read & Stevens, Inc. originally specified in the APD that the intermediate casing on the subject well be set @5000'. The sole reason for setting the intermediate casing was because of a severe lost circulation zone located between 3800' and 4500'. We anticipated the possibility of not encountereing the lost circulation interval on this well. After drilling through the interval, we, in fact, lost only partial returns. After drilling 200 additional feet, circulation was regained. Since the intermediate string is only run for the lost circulation zone and the zone has been successfully bridged, and since the intermediate string increases cost significantly, we request approval to reduce hole size from 11" to 7-7/8" and drill to a TD of approximately 6500'. The intermediate string will not be run and 5-1/2" casing will be run to TD and cemented to the surface.

For your information, the 13-3/8" surface casing was run to 1500' and successfully cemented to surface.

14. I hereby certify the the forgoing true and correct Signed	Title John C. Maxey, Petroleum Engine	erDate <u>09-27-93</u>
(This space for Ederal or State office use) Approved by Conditions of approval, if any:	Title 200000000000000000000000000000	Date 10/15/93

Title 18 U.S.C. Section 1001, makes 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.