

OCD-ARTESIA

Form 3160-3
(August 2007)

RECEIVED

MAY 15 2012

NMOCD ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
LRE Operating, LLC

3a. Address

1111 Bagby Suite 4600, Houston, TX 77002

3b. Phone No. (include area code)

713-292-9510

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1800' FSL 2310' FEL; Unit J, Section 25, T17S, R27E

5. Lease Serial No.
NMLC-58181

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Enron Federal #59. API Well No.
30-015-32299

10. Field and Pool or Exploratory Area

Red Lake, QN-GB-SA

11. Country or Parish, State

Eddy

12. CHECK THE 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 checked="" 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 recompleting 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleting in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

1. LRE Operating, LLC has contracted Talon/LPE to reclaim the closed drilling pit at the Enron Federal No. 5, an active well.

2. On 4/13/2012 Talon/LPE mobilized personnel to the site to carry out soil sampling activities for the construction of a work plan. A grab soil sample was collected from the surface of the the closed drilling pit. The soil samples were sent to Cardinal Laboratories for analysis. The results for the soil samples are attached.

3. The surface of the closed drilling pit area will be bladed to prepare for the installation of a liner. Rock and debris will be deep buried into the drilling reserve pit area. A composite 20 millimeter liner measuring 180-feet long by 110-feet wide will be installed over the closed drilling pit area. The edges of the liner will be keyed a minimum of 3-feet deep into a trench excavated at the boundaries of the closed drilling pit area.

4. A minimum of 2-foot of new soil will be placed over the top of the 20 mil liner in closed drilling pit area. The soil lift will be contoured to match the surrounding terrain.

5. A 1-foot berm will be constructed up gradient of the drilling pit to divert run off waters for erosion control. The drilling pit will be seeded using the recommended BLM seed mixture for the area.

* Contact Jennifer Van Curen prior to start @
575-234-5905.

Accepted for record

NMOCD

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Jerry Smith

Title Production Supervisor

Signature

Date 04/20/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

SEAS

Date

5-13-12

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

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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.

(Instructions on page 2)



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

April 18, 2012

MIKE STUBBLEFIELD

TALON LPE

408 W. TEXAS AVE.

ARTESIA, NM 88210

RE: ENRON FED NO. 5

Enclosed are the results of analyses for samples received by the laboratory on 04/13/12 16:55.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Celey D. Keene". The signature is written in a cursive, flowing style.

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

TALON LPE
MIKE STUBBLEFIELD
408 W. TEXAS AVE.
ARTESIA NM, 88210
Fax To: (575) 745-8905

Received: 04/13/2012
Reported: 04/18/2012
Project Name: ENRON FED NO. 5
Project Number: NONE GIVEN
Project Location: SEC 25-T17S-R27E

Sampling Date: 04/13/2012
Sampling Type: Soil
Sampling Condition: ** (See Notes)
Sample Received By: Jodi Henson

Sample ID: S-1 0' DRILLING PIT (H200864-01)

Chloride, SM4500Cl-B

mg/kg

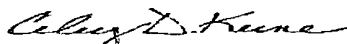
Analyzed By: CK

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	40400	16.0	04/18/2012	ND	416	104	400	0.00	

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

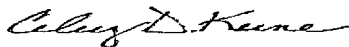
Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C
	Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

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Celey D. Keene, Lab Director/Quality Manager

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Relinquished By:		Date: 4/13/2012	Received By:	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
Michele Stullfield		Time: 12:45 PM	Paul Morison	Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Relinquished By:		Date: 4/13/12	Received By:	REMARKS:	
Paul Morison		Time: 4:55	Jodi Denson		
Delivered By: (Circle One)		Sample Condition	CHECKED BY:		
Sampler - UPS - Bus - <u>Other</u>		Cool Intact	(Initials)		
30°C		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No		