

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

RECEIVED

MAY 31 2013

NMOC-ARTESIA

FORM APPROVED

OMB NO. 1004-0137

Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.

NMNM-048344

1a. Type of Well ☒ Oil Well ☐ Gas ☐ Dry ☐ Other
b. Type of Completion: ☐ New ☒ Work Over ☐ Deepen ☐ Plug Back ☒ Diff. Resvr.
Other:

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator

LRE OPERATING, LLC c/o Mike Pippin LLC (Agent)

8. Lease Name and Well No.

WILLIAMS A FEDERAL #3

3. Address

3104. N. Sullivan, Farmington, NM 87401

3a. Phone No. (include area code)

505-327-4573

9. API Well No.

30-015-34614 52

4. Location of Well (Report locations clearly and in accordance with Federal requirements) *

At surface 1400' FSL & 1150' FWL Unit (L) Sec. 29, T17S, R28E

At top prod. interval reported below

10. Field and Pool, or Exploratory
Red Lake, On-Grybg-San Andres (51300)

11. Sec., T., R., M., or Block and
Survey or Area L 29 17 28

12. County or Parish Eddy 13. State NM

At total depth

14. Date Spudded

04/05/06

15. Date T.D. Reached

04/12/06

16. Date Completed

☐ P & A ☒ Ready to Prod.
WO: 5/8/13

17. Elevations (DF, RKB, RT, GL)*

3653' GL

18. Total Depth: MD 3550'
TVD

19. Plug Back T.D.: MD CBP @ 3293'
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
LDT-CNL-GR & DLL

22. Was well cored? ☒ No ☐ Yes (Submit copy)
Was DST run? ☒ No ☐ Yes (Submit copy)
Directional Survey? ☐ No ☒ Yes (Submit copy)

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 Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|----------------|---------------|
| 12-1/4" | 8-5/8" | 22# K-55 | 0' | 452' | | 375 sx C | | Surface (Circ) | 0' |
| 7-7/8" | 5-1/2" | 14# K-55 | 0' | 3547' | | 375 35/65 +400 C | | Surface (Circ) | 0' |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Set (MD) |
|--------|----------------|-------------------|------|----------------|-------------------|------|----------------|-----------------|
| 2-7/8" | 3258' | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|---------------|-------|--------|-----------------------------------|-------|-----------|----------------------|
| A) San Andres | 1848' | 3240' | 2200'-2540' | 0.41" | 46 | Open |
| | | | 2584'-2846' | 0.41" | 39 | Open |
| | | | 2880'-3202' | 0.41" | 34 | Open |
| | | | Existing Yeso perms @ 3330'-3498' | | 49 | SI below CBP @ 3293' |

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

| Depth Interval | Amount and type of Material |
|----------------|---|
| 2200'-2540' | 3100 gal 15% HCL & fraced w/88,533# 16/30 B W & 60,729# 16/30 Resin Coat sand in X-linked gel |
| 2584'-2846' | 3100 gal 15% HCL & fraced w/62,499# 16/30 B W & 26,567# 16/30 Resin Coat sand in X-linked gel |
| 2880'-3202' | 4200 gal 15% HCL & fraced w/74,548# 16/30 B W & 39,765# 16/30 Resin Coat sand in X-linked gel |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water | Oil Gravity | Gas Gravity | Production Method |
|---------------------|-----------------------|--------------|-----------------|---------|---------|-------|-----------------|-------------|-------------------|
| | In 30 days | | → | | | | Corr. | | Pumping |
| Choke Size | Tbg. Press. Flwg. PSI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water | Gas : Oil Ratio | Well Status | |
| | | | → | | | | | | Pumping |

28a. Production - Interval B

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

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

ACCEPTED FOR RECORD
MAY 26 2013
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

28b. Production - Interval C

| | | | | | | | | | |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. | 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. | 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.)

Plan to Sell

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 |
| San Andres | 1848' | 3240' | Oil & Gas | | Depth |
| Glorieta | 3240' | 3330' | Oil & Gas | | |
| Yeso | 3330' | | Oil & Gas | Yates | 600' |
| | | | | Seven Rivers | 900' |
| | | | | Queen | 1080' |
| | | | | Grayburg | 1588' |
| | | | | San Andres | 1848' |
| | | | | Glorieta | 3240' |
| | | | | Yeso | 3330' |

32. Additional remarks (include plugging procedure):

WILLIAMS A FEDERAL #3 Recompletion to San Andres

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 | 5. Core Analysis | 7. Other: | |

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

Name (please print) Mike Pippin 505-327-4573 Title Petroleum Engineer (Agent)

Signature  Date May 11, 2013

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 U. States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.