

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

LRE OPERATING, LLC

3a. Address c/o Mike Pippin LLC

3104 N. Sullivan, Farmington, NM 87401

3b. Phone No. (include area code)

505-327-4573

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

1980' FNL & 2230' FEL Unit G

Sec. 29, T17S, R28E

5. Lease Serial No.

NMLC 046250B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

WILLIAMS B FEDERAL #5

9. API Well No.

30-015-35545

10. Field and Pool, or Exploratory Area

Artesia: Glorieta-Yeso (96830)

Red Lake, San Andres (97253)

AND


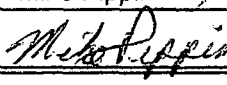
Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input checked="" type="checkbox"/> Fracture Treat <input 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 checked="" type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other Recompleted to
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> San Andres
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal <input type="checkbox"/> Page #1

13. Describe Proposed or Completed Operations (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 recompleate 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

6/25/13: MIRUSU. TOH w/rods, pump, & tbg. Set 5-1/2" CBP @ 3250' & PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed lower San Andres @ 2874', 80', 86', 94', 2900', 07', 14', 20', 26', 32', 40', 46', 54', 62', 78', 83', 91', 96', 3002', 08', 16', 22', 30', 36', 46', 52', 60', 68', 74', 80', 88', 94', 3100', 06', 14', 22', 32', 40', 46', 52', 60', 72', 76' w/1-0.34" spf. Total 43 holes. On 7/2/13, treated new SA perfs w/3000 gal 15% HCL acid & 65 perf balls & fraced w/60,616# 16/30 Barry White & 20,089# 16/30 resin coated sand in 25# X-linked gel. Set 5-1/2" CBP @ 2850' & PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed middle San Andres @ 2520', 28', 38', 46', 54', 68', 78', 86', 94', 2600', 10', 18', 28', 34', 40', 50', 58', 68', 78', 2700', 22', 32', 40', 46', 52', 60', 68', 78', 84', 92', 98', 2804', 18', 24' w/1-0.34" spf. Total 34 holes. Treated new SA perfs w/3000 gal 15% HCL acid & 51 perf balls & fraced w/62,775# 16/30 Barry White & 22,477# 16/30 resin coated sand in 20# X-linked gel. Continued on Page #2.

<p>Accepted for record  8/6/2013</p>		<p>RECEIVED AUG 27 2013</p>
<p>14. I hereby certify that the foregoing is true and correct</p>		<p>FOR RECORD July 10, 2013</p>
<p>Name (Printed/Typed) Mike Pippin</p>	<p>Title NM Petroleum Engineer (Agent)</p>	
<p>Signature </p>	<p>Date</p>	
<p>THIS SPACE FOR FEDERAL OR STATE USE</p>		
<p>Approved by</p>	<p>Title</p>	<p>Date AUG 24 2013</p>
<p>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.</p>	<p>Office</p>	<p>BUREAU OF LAND MANAGEMENT WILSON FIELD OFFICE</p>
<p>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.</p>		

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5. Lease Serial No.	NMLC 046250B
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA/Agreement, Name and/or No.	
8. Well Name and No.	WILLIAMS B FEDERAL #5
9. API Well No.	30-015-35545
10. Field and Pool, or Exploratory Area	Artesia: Glorieta-Yeso (96830) Red Lake, San Andres (97253) AND Eddy County, New Mexico

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator LRE OPERATING, LLC	
3a. Address c/o Mike Pippin LLC 3104 N. Sullivan, Farmington, NM 87401	3b. Phone No. (include area code) 505-327-4573
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 2230' FEL Unit G Sec. 29, T17S, R28E	

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Continued from Page #1. Set 5-1/2" CBP @ 2498' & PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed upper San Andres @ 2196', 2200', 06', 12', 20', 30', 40', 48', 62', 70', 80', 86', 94', 2302', 10', 18', 26', 32', 38', 50', 58', 64', 76', 92', 2400', 08', 14', 22', 32', 40', 50', 56', 64', 74', 80', 86' w/1-0.34" spf. Total 36 holes. Treated new SA perfs w/3000 gal 15% HCL acid & 54 perf balls & fraced w/64,599# 16/30 Barry White & 22,534# 16/30 resin coated sand in 20# X-linked gel. Set 5-1/2" CBP @ 2140' & PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed upper San Andres @ 1932', 36' 40', 44', 53', 65', 84', 90', 96', 2001', 19', 23', 32', 42', 46', 54', 58', 68', 74', 82', 94', 98' w/1-0.34" spf. Total 22 holes. Treated new SA perfs w/3135 gal 15% HCL acid & 33 perf balls & fraced w/38,772# 16/30 Barry White & 23,498# 16/30 resin coated sand in 20# X-linked gel. CO after frac & drill out CBPs @ 2140', 2498', & 2850', & CO to CBP @ 3250'. On 7/8/13, landed 2-7/8" 6.5# J-55 tbg @ 3216'. Ran pump & rods. Released workover rig on 7/10/13. Completed as a single San Andres oil well. We plan to evaluate this well in a few months for a San Andres-Yeso DHC.

Existing Yeso perfs 3291'-3502' are now SI below the CBP @ 3250'.

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Mike Pippin	Title Petroleum Engineer (Agent)
Signature <i>Mike Pippin</i>	Date July 10, 2013

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
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