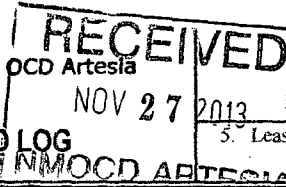


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG



FORM APPROVED  
OMB NO. 1004-0137  
Expires: November 30, 2000

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

2. Name of Operator

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

3. Address

3104. N. Sullivan, Farmington, NM 87401

3a. Phone No. (include area code)

505-327-4573

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

At surface

2310' FNL & 2310' FWL Unit (F) Sec. 29, T17S, R28E

At top prod. interval reported below

At total depth

14. Date Spudded

04/18/06

15. Date T.D. Reached

05/01/06

16. Date Completed

☐ P & A ☒ Ready to Prod.  
WO: 10/15/13

18. Total Depth: MD

3585'

TVD

19. Plug Back T.D.: MD

3557'

TVD

20. Depth Bridge Plug Set: MD CBP @ 3260'

TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

Induction & Density/Neutron

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 Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8"	28#	0'	465'		375 sx C - Circ		Surface (Circ)	0'
7-7/8"	5-1/2"	14#	0'	3577'		375 35/65 C +			0'
						400 C - Circ		Surface (Circ)	

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"	3234'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) San Andres	1874'	3248'	2000'-2056'	0.41'	16	Open
			2186'-2514'	0.41'	32	Open
			2560'-2850'	0.41'	27	Open
			2900'-3200'	0.41'	29	Open
			Existing Yeso Perfs: 3284'-3506'	0.42'	44	SI Below CBP @ 3260'

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

Depth Interval	Amount and type of Material
2000'-2056'	6009 gal 15% HCL acid
2186'-2514'	2735 gal 15% HCL & fraced w/104,596# Wisconsin & 117,837# resin coated 16/30 sand in 15# X-linked gel.
2560'-2850'	3011 gal 15% HCL & fraced w/70,075# Wisconsin & 19,070# resin coated 16/30 sand in 15# X-linked gel.
2900'-3200'	2911 gal 15% HCL & fraced w/76,108# Wisconsin & 17,827# resin coated 16/30 sand in 15# X-linked gel.

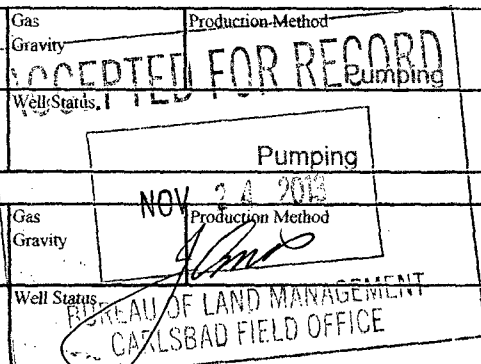
28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
10/22/13	11/01/13	24	→	28	130	348			Pumping
Choke Size	Tbg. Press. Flwg. PSI	Csg. Press. PSI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→	28	130	348			Pumping

28a. Production - Interval B

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

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



## 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	1874'	3248'	Oil & Gas		Depth
Glorieta	3248'	3361'	Oil & Gas		
Yeso	3361'		Oil & Gas		
				Queen	1137'
				Grayburg	1510'
				San Andres	1874'
				Glorieta	3248'
				Yeso	3361'

## 32. Additional remarks (include plugging procedure):

WILLIAMS B FEDERAL #3

Recompleted 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 October 21, 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.