

Submit within 45 days of well completion	<div>State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505</div>	Revised November 6, 2013				
<div>HYDRAULIC FRACTURING FLUID DISCLOSURE</div> <div><input checked="" type="checkbox"/> Original</div> <div><input type="checkbox"/> Amendment</div>		1. WELL API NO: 30-015-42162				
		2. Well Name: KERSEY STATE #007				
		3. Well Number: 007				
		4. Surface Hole Location: Unit:P Lot:P Section:32 Township:17S Range:28E Feet from:400 N/S Line:S Feet from:330 E/W Line:E				
		5. Bottom Hole Location: Unit:P Lot:P Section:32 Township:17S Range:28E Feet from:400 N/S Line:S Feet from:330 E/W Line:E				
		6. Latitude: 32.7848337889837		Longitude: -104.190380302673		
		7. County: Eddy				
8. Operator Name and Address: LRE OPERATING, LLC 1111 Bagby Suite 4600 Houston 77002		9. OGRID: 281994	10. Phone Number: 713-292-9517			
11. Last Fracture Date: 10/24/2014 Frac Performed by: ELITE		12. Production Type: O				
13. Pool Code(s): 96830		14. Gross Fractured Interval: 3,755 ft to 4,740 ft				
15. True Vertical Depth (TVD): 5,100 ft		16. Total Volume of Fluid Pumped: 1,645,140 gals				
17. Total Volume of Re-Use Water Pumped: 822,570 gals		18. Percent of Re-Use Water in Fluid Pumped: 50%				
19. HYDRAULIC FLUID COMPOSITION AND CONCENTRATION:						
Trade Name	Supplier	Purpose	Ingredients	(CAS #) Chemical Abstract Service #	Maximum Ingredient Concentration in Additive (% by mass)	Maximum Ingredient Concentration in HF Fluid (% by mass)
SAND	US SILICA	PROPPANT	SILICON DIOXIDE	14808-60-7	100%	3.68558%
HYDROCHLORIC ACID	CNR	ACIDIZING	HYDROCHLORIC ACID	7647-01-0	38.8%	0.1419%
4-N-1	CHEMPLEX	IRON CONTROL	ACETIC ACID	64-19-7	80%	0.0023%
			METHANOL	67-56-1	10%	0.00029%
PLEXICIDE 24L	CHEMPLEX	BIOCIDE	TETRAHYDRO-3,DIMETHYL- 2H	533-74-4	24%	0.00629%
PLEXSLICK 953	CHEMPLEX	FRICTION REDUCER	ALCOHOL ETHOXYLATE SURFACTANTS	TRADE SECRET	8%	0.0024%
			HYDROTREATED PETROLEUM DISTILLATE	64742-47-8	30%	0.00901%
			POLYACRYLAMIDE-CO- ACRYTIC ACID	9003-06-9	31%	0.00931%
PLEXSLICK 953	CHEMPLEX	FRICTION REDUCER	ALCOHOL ETHOXYLATE SURFACTANTS	TRADE SECRET	8%	0.00347%
			HYDROTREATED PETROLEUM DISTILLATE	64742-47-8	30%	0.013%
			POLYACRYLAMIDE-CO- ACRYTIC ACID	9003-06-9	31%	0.01343%
20. I, as Operator, hereby certify that the information shown on this disclosure form is true and complete to the best of my knowledge and belief.						
Signature: <u>Signed Electronically</u>		Printed Name: <u>Mike Pippin</u>		Title: <u>Consultant</u>		
Date: <u>10/31/2014</u>						
E-mail Address: <u>mike@pippinllc.com</u>						

NMOCD does not require the reporting of information beyond MSDS data as described in 29 CFR 1910.1200. NMOCD does not require the reporting or disclosure of proprietary, trade secret or confidential business information.