

LRE Operating, LLC
Northwest State Lease
Pilot Waterflood Project
Section 32 T17S R28E
Eddy Co., NM

Calculation results:

Parameter	NE/4 Sec 32	SW/4 Sec 32
Original Oil In Place (STB)	5,809,000	4,997,000
Cumulative Oil Production (as of 3/2015, STB)	352,970	235,120
Remaining Oil to 3 BOPD/Well (STB)	58,280	35,020
Est Ultimate Primary Oil (STB)	411,250	270,140
Produced GOR (SCF/STB)	3,523	2,286
Primary Vol Recovery Factor (%)	7.1	5.4
Current Oil Saturation (%)	59	60
Current Gas Saturation (%)	6	5
Estimated Residual Oil Saturation (%)	35	35
Pore Volume (Res bbl)	10,052,000	8,648,000
Displaceable Oil Vol (Res bbl)	2,412,000	2,160,000
Recoverable Oil @ Ea & Ev (STB)	774,700	691,200
Calculated Secondary to Primary Ratio	1.9 to 1	2.6 to 1
5 Spot Fill Up Time @ 150 BWPD/Inj Well (months)	27	24

OCD Case No. 15343

LRE OPERATING
Exhibit #11