

|                                                                                                                                                            |                                                                                                                                                           |                                                                                                                                                        |                                   |                                     |                                                          |                                                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------------------------------|----------------------------------------------------------|----------------------------------------------------------|
| Submit within 45 days of well completion                                                                                                                   | <div>State of New Mexico<br/>Energy, Minerals and Natural Resources<br/>Oil Conservation Division<br/>1220 S. St Francis Dr.<br/>Santa Fe, NM 87505</div> | Revised November 6, 2013                                                                                                                               |                                   |                                     |                                                          |                                                          |
|                                                                                                                                                            |                                                                                                                                                           | 1. WELL API NO:<br>30-015-40067                                                                                                                        |                                   |                                     |                                                          |                                                          |
|                                                                                                                                                            |                                                                                                                                                           | 2. Well Name:<br>TIGNER STATE #003                                                                                                                     |                                   |                                     |                                                          |                                                          |
|                                                                                                                                                            |                                                                                                                                                           | 3. Well Number:<br>003                                                                                                                                 |                                   |                                     |                                                          |                                                          |
| <div>HYDRAULIC FRACTURING FLUID<br/>DISCLOSURE</div> <div><input checked="" type="checkbox"/> Original</div> <div><input type="checkbox"/> Amendment</div> |                                                                                                                                                           | 4. Surface Hole Location:<br>Unit:L    Lot:L    Section:28    Township:17S    Range:28E<br>Feet from:2310    N/S Line:S<br>Feet from:330    E/W Line:W |                                   |                                     |                                                          |                                                          |
|                                                                                                                                                            |                                                                                                                                                           | 5. Bottom Hole Location:<br>Unit:L    Lot:L    Section:28    Township:17S    Range:28E<br>Feet from:2310    N/S Line:S<br>Feet from:330    E/W Line:W  |                                   |                                     |                                                          |                                                          |
|                                                                                                                                                            |                                                                                                                                                           | 6. Latitude:    longitude:<br>32.8044345589717    -104.188306131751                                                                                    |                                   |                                     |                                                          |                                                          |
|                                                                                                                                                            |                                                                                                                                                           | 7. County:<br>Eddy                                                                                                                                     |                                   |                                     |                                                          |                                                          |
| 8. Operator Name and Address:<br>LRE OPERATING, LLC<br>1111 Bagby<br>Suite 4600<br>Houston 77002                                                           |                                                                                                                                                           | 9. OGRID:<br>281994                                                                                                                                    | 10. Phone Number:<br>713-292-9517 |                                     |                                                          |                                                          |
| 11. Last Fracture Date:    8/1/2014    Frac Performed by:    ELITE                                                                                         |                                                                                                                                                           | 12. Production Type:<br>O                                                                                                                              |                                   |                                     |                                                          |                                                          |
| 13. Pool Code(s):<br>96830                                                                                                                                 |                                                                                                                                                           | 14. Gross Fractured Interval:<br>3,314 ft to 3,510 ft                                                                                                  |                                   |                                     |                                                          |                                                          |
| 15. True Vertical Depth (TVD):<br>3,665 ft                                                                                                                 |                                                                                                                                                           | 16. Total Volume of Fluid Pumped:<br>127,512 gals                                                                                                      |                                   |                                     |                                                          |                                                          |
| 17. Total Volume of Re-Use Water Pumped:<br>0 gals                                                                                                         |                                                                                                                                                           | 18. Percent of Re-Use Water in Fluid Pumped:<br>%                                                                                                      |                                   |                                     |                                                          |                                                          |
| 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%                                                     | 12.09406%                                                |
| RCS                                                                                                                                                        | MOMENTIVE                                                                                                                                                 | PROPPANT                                                                                                                                               | SILICON DIOXIDE                   | 14808-60-7                          | 100%                                                     | 4.24021%                                                 |
| HYDROCHLORIC ACID                                                                                                                                          | CNR                                                                                                                                                       | ACIDIZING                                                                                                                                              | HYDROCHLORIC ACID                 | 7647-01-0                           | 38.8%                                                    | 1.08468%                                                 |
| CLAYMAX                                                                                                                                                    | CHEMPLEX                                                                                                                                                  | CLAY CONTROL                                                                                                                                           | CHOLINE CHLORIDE                  | 67-48-1                             | 62%                                                      | 0.05224%                                                 |
| 4-N-1                                                                                                                                                      | CHEMPLEX                                                                                                                                                  | IRON CONTROL                                                                                                                                           | ACETIC ACID                       | 64-19-7                             | 80%                                                      | 0.0169%                                                  |
|                                                                                                                                                            |                                                                                                                                                           |                                                                                                                                                        | METHANOL                          | 67-56-1                             | 10%                                                      | 0.00211%                                                 |
| PLEXSET 730                                                                                                                                                | CHEMPLEX                                                                                                                                                  | ACTIVATOR                                                                                                                                              | SECONDARY ALCOHOL ETHOXYLATE      | 84133-50-6                          | 50%                                                      | 0.0195%                                                  |
| PLEXSURF 580 ME                                                                                                                                            | CHEMPLEX                                                                                                                                                  | SURFACTANT                                                                                                                                             | METHYL ALCOHOL                    | 67-56-1                             | 10%                                                      | 0.00836%                                                 |
|                                                                                                                                                            |                                                                                                                                                           |                                                                                                                                                        | 2-BUTOXYETHANOL                   | 111-76-2                            | 50%                                                      | 0.0418%                                                  |
| AMA 398                                                                                                                                                    | CHEMPLEX                                                                                                                                                  | BIOCIDE                                                                                                                                                | TETRAHYDRO-3,DIMETHYL-2H          | 533-74-4                            | 98%                                                      | 0.0016%                                                  |
| PLEXGEL 907 LE                                                                                                                                             | CHEMPLEX                                                                                                                                                  | POLYMER                                                                                                                                                | GUAR GUM                          | 9000-30-0                           | 50%                                                      | 0.27601%                                                 |
|                                                                                                                                                            |                                                                                                                                                           |                                                                                                                                                        | MINERAL OIL                       | 64742-47-8                          | 55%                                                      | 0.30361%                                                 |
|                                                                                                                                                            |                                                                                                                                                           |                                                                                                                                                        | BENTONITE CLAY                    | 14808-60-7                          | 2%                                                       | 0.01104%                                                 |
|                                                                                                                                                            |                                                                                                                                                           |                                                                                                                                                        | SURFACTANT                        | 68439-51-0                          | 2%                                                       | 0.01104%                                                 |
| PLEXBOR 101                                                                                                                                                | CHEMPLEX                                                                                                                                                  | CROSSLINKER                                                                                                                                            | ETHYLENE GLYCOL                   | 107-21-1                            | 9.99%                                                    | 0.00817%                                                 |
|                                                                                                                                                            |                                                                                                                                                           |                                                                                                                                                        | POTASSIUM METABORATE              | 13709-94-9                          | 30%                                                      | 0.02454%                                                 |
|                                                                                                                                                            |                                                                                                                                                           |                                                                                                                                                        | POTASSIUM HYDROXIDE               | 1310-58-3                           | 5%                                                       | 0.00409%                                                 |
| PLEXGEL BREAKER 10L                                                                                                                                        | CHEMPLEX                                                                                                                                                  | BREAKER                                                                                                                                                | MANNANASE ENZYMES                 | TRADE SECRET                        | 2%                                                       | 0.00131%                                                 |
|                                                                                                                                                            |                                                                                                                                                           |                                                                                                                                                        | SODIUM CLORIDE                    | 7647-14-5                           | 15%                                                      | 0.0098%                                                  |
| SODIUM PERSULFATE                                                                                                                                          | CHEMPLEX                                                                                                                                                  | BREAKER                                                                                                                                                | SODIUM PERSULFATE                 | 7775-27-1                           | 98%                                                      | 0.0076%                                                  |
| 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:    Signed Electronically                                                                                                                        |                                                                                                                                                           | Printed Name:    Mike Pippin                                                                                                                           |                                   | Title:    Consultant                |                                                          |                                                          |
| Date:    8/7/2014                                                                                                                                          |                                                                                                                                                           |                                                                                                                                                        |                                   |                                     |                                                          |                                                          |
| E-mail Address:    mike@pippinllc.com                                                                                                                      |                                                                                                                                                           |                                                                                                                                                        |                                   |                                     |                                                          |                                                          |

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.