

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas <input type="checkbox"/> Dry <input type="checkbox"/> Other		5 Lease Serial No NMNM-048344	
b. Type of Completion <input type="checkbox"/> New <input checked="" type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff Resvr Other _____		6 If Indian, Allottee or Tribe Name	
2 Name of Operator LRE OPERATING, LLC c/o Mike Pippin LLC (Agent)		7 Unit or CA Agreement Name and No	
3 Address 3104. N Sullivan, Farmington, NM 87401		8 Lease Name and Well No KERSEY WILLIAMS A FED #10	
3a. Phone No (include area code) 505-327-4573		9 API Well No 30-015-37248	
4. Location of Well (Report locations clearly and in accordance with Federal requirements)* At surface 1650' FNL & 990' FEL		10 Field and Pool, or Exploratory ed Lake, Queen-Grayburg-San Andres (513C	
At top prod interval reported below		11 Sec, T., R. M., or Block and Survey or Area H 28 17 28	
At total depth		12 County or Parish Eddy	
14 Date Spudded 09/14/09		13 State NM	
15 Date T.D Reached 09/25/09		17 Elevations (DF, RKB, RT, GL)* 3657' GL	
16 Date Completed <input type="checkbox"/> P & A <input checked="" type="checkbox"/> Ready to Prod WO. 2/7/12			
18 Total Depth MD 3605' TVD		19 Plug Back T.D. MD CBP @ 3346' TVD	
20 Depth Bridge Plug Set MD TVD			
21 Type Electric & Other Mechanical Logs Run (Submit copy of each) Induction & Density Neutron		22 Was well cored <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> 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 Skis, & Type of Cement	Slurry Vol (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8"	24#	0'	473'		100 H, 500 C	150	Surface	0'
7-7/8"	5-1/2"	17#	0'	3594'		750, C	213	Surface	0'

24 Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2-3/8"	2850'							

25 Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No Holes	Perf Status
A) San Andres	1964'	3359'	2330'-2604'	0.41	55	Open
			2890'-3080'	0.42	39	Open

26 Perforation Record

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

Depth Interval	Amount and type of Material
2330'-2604'	2500 gal 7.5% HCL acid, fraced w/68,319# 16/30 & 26,680# 16/30 siber prop sand in X-linked
2890'-3080'	2500 gal 7.5% HCL acid, fraced w/48,835# 16/30 & 6,757# 16/30 siber prop sand in X-linked

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
READY	Soon		→						Pumping
Choke Size	Tbg Press Flwg PSI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
			→						

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
			→						Pumping
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
			→						

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

RECEIVED
FEB 29 2012
NMOCD-ARTESIARECLAMATION
DUE 8-7-12ACCEPTED FOR RECORD
Pumping
FEB 20 2012
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

28b Production - Interval C

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	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 API	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.)

Vent

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	1964'	3359'	Oil & Gas		Depth
				Queen	1248'
				Grayburg	1673'
				San Andres	1964'
				Glorieta	3359'
				Yeso	3432'

32 Additional remarks (include plugging procedure).

KERSEY WILLIAMS A FED #10

Recompletion 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 505-327-4573Title Petroleum Engineer (Agent)

Signature

Date February 14, 2012

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 United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction