

AUG 31 2012

SUNDRY NOTICES AND REPORTS ON WELLS

RECEIVED
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No. NMNM36653
6. If Indian, Allottee or Tribe Name.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

7. If Unit of CA/Agreement, Name and/or No. NMNM72387

2. Name of Operator LRE Operating, LLC

8. Well Name and No. Carol Federal Com #13

3a. Address 1111 Bagby Street Suite 4600, Houston, Tx 77002

3b. Phone No. (include area code) 575-623-8424

9. API Well No. 30-005-61921

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL 1650' FEL G-01-07S-22E

10. Field and Pool or Exploratory Area Pecos Slope; ABO West

11. Country or Parish, State Chaves, NM

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

This well has returned to production on December 24, 2011 after being shut in for an extended period of time. Please note that this well along with others in the Pecos Slope area are being alternated for production due to limited capacity thru Agave Pipeline.

RECEIVED
SEP 05 2012
NMOCD ARTESIA

DENIED

DENIED! Well Produced For 78 Days From 12-2011 Thru 05-2012 And Was Shut-In Again! Well Has Not Produced For At Least 15 Days During Any Month Since 03-2012!

DENIED

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed) Michael Barrett Title Production Supervisor
Signature [Signature] Date 08/07/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by DENIED /S/ DAVID R. GLASS Title PETROLEUM ENGINEER Date AUG 21 2012

Office ROSWELL FIELD OFFICE

DENIED: Under 43 CFR 3162.3-4 (c): The Authorized Officer May Authorize A Delay In The Permanent Abandonment Of A Well For A Period Of 12 Months. When Justified By The Operator. Provide Justification For Your Requested Shut-In.

Do not warrant or certify... Office ROSWELL FIELD OFFICE... time for any person knowingly and willfully to make to any department or agency of the United States any false... its jurisdiction