

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

5. Lease Serial No.
NMLC 046250-B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
WILLIAMS B FEDERAL #10

3
30-015-41778

10. Field and Pool, or Exploratory Area
Artesia, Glorieta-Yeso (96830)
AND
Eddy County, New Mexico

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
LRE OPERATING, LLC

3a. Address C/o Mike Pippin LLC
3104 N. Sullivan, Farmington, NM 87401

3b. Phone No. (include area code)
505-327-4573

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1650' FNL & 2285' FWL Unit F
Sec. 29, T17S, R28E

12. CHECK 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 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 checked="" type="checkbox"/> Other Spud & Surface & Production Casing
	<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 Operations (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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Spudded well on 12/20/13. Drilled 12-1/4" hole to 435'. On 12/22/13, set 8-5/8" 24# J-55 csg @ 426'. Cmted w/300 sx (404 cf) cl "C" cmt w/1/4# C/F. Circ 58 sx cmt to-pit. On 12/23/13, PT 8-5/8" csg to 1500 psi for 30 min - OK.

Drilled 7-7/8" hole to TD3615' on 12/24/13 & set 5-1/2" 17# J-55 production csg @ 3610'. Cmted lead w/310 sx (589 cf) 35/65 POZ "C" cmt w/5% salt, 6% gel, 2% R-3, & 1/8# cello flake & tailed w/375 sx (495 cf) cl "C" cmt w/5% PF-13, 2% PF-167, 0.2% PF-65, & 0.125# PF-29. Circ 183 sx cmt to surface. Released drilling rig on 12/25/13. Plan to pressure test 5-1/2" csg during completion operations.

Accepted for record
WD PIPPIN 3/11/14

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Mike Pippin Title Petroleum Engineer (Agent)

Signature *Mike Pippin* Date December 26, 2013

RECEIVED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE USE

Approved by _____ Title _____ Date FEB 17 2014

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

Title 18 U.S.C. Section 1001, makes 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.

BUREAU OF LAND MANAGEMENT
CARLOS ALBAREZ FIELD OFFICE

RECEIVED
FEB 20 2014
NMOCD ARTESIA