

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised Feb. 26, 2007

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office
5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address LRE OPERATING, LLC c/o Mike Pippin LLC, 3104 N. Sullivan Farmington, NM 87401		² OGRID Number 281994
⁴ API Number 30 - 015-39238		³ Reason for Filing Code/ Effective Date Recompletion to San Andres
⁵ Pool Name Red Lake, San Andres	⁶ Pool Code 97253	
⁷ Property Code 309867	⁸ Property Name WILLIAMS B FEDERAL	⁹ Well Number 9

II. ¹⁰ Surface Location

Ul or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
E	29	17-S	28-E		1650	NORTH	330	WEST	EDDY

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Lse Code F	¹³ Producing Method Code P	¹⁴ Gas Connection Date READY	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
35103	Great Lakes 6525 Jerome Road, Alma, MI 48801	O
151618	Frontier Field Service 4200 Skelly Dr., Suite 700, Tulsa, OK 74135	G
NM OIL CONSERVATION ARTESIA DISTRICT JAN 14 2015		

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IV. Well Completion Data

²¹ Spud Date 8/22/11	²² Ready Date 11/13/14	²³ TD 3674'	²⁴ PBDT 3613' CBP@3190'	²⁵ Perforations 2004'-3162' (SA)	²⁶ DHC, MC DHC-4652
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set	³⁰ Sacks Cement		
12-1/4"	8-5/8" 24#	434'	350 sx Class C		
7-7/8"	5-1/2" 17#	3658'	350 sx 35/65 Poz/C + 300 sx C		
	2-7/8" tubing	3139'			

V. Well Test Data

³¹ Date New Oil 11/17/14	³² Gas Delivery Date 11/17/14	³³ Test Date 12/1/14	³⁴ Test Length 24 HRS	³⁵ Tbg. Pressure	³⁶ Csg. Pressure
³⁷ Choke Size	³⁸ Oil (bbls) 20	³⁹ Water (bbls) 180	Gas (MCF) 30		⁴¹ Test Method Pumping

⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.
Signature:

OIL CONSERVATION DIVISION	
Approved by: <i>[Signature]</i>	
Printed name: Mike Pippin	Title: <i>[Signature]</i>
Title: Petroleum Engineer - Agent	Approval Date: 1-15-2015
E-mail Address: mike@pippinllc.com	
Date: 1/15/14	Phone: 505-327-4573

Pending BLM approvals will subsequently be reviewed and scanned

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No: 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
NMLC046250B

1a. Type of Well Oil Well Gas Well Dry Other
 b. Type of Completion New Well Work Over Deepen Plug Back Diff. Resvr.
 Other _____

2. Name of Operator: LRE OPERATING, LLC Contact: MIKE PIPPIN E-Mail: mike@pipinllc.com

3. Address: C/O MIKE PIPPIN 3104 N. SULLIVAN FARMINGTON, NM 87401 3a. Phone No. (include area code): 505-822-5612

4. Location of Well (Report location clearly and in accordance with Federal requirements):
 At surface SWNW 1650FNL 330FWL
 At top prod interval reported below SWNW 1650FNL 330FWL
 At total depth SWNW 1650FNL 330FWL

6. If Indian, Allottee or Tribe Name
 7. Unit or CA Agreement Name and No.
 8. Lease Name and Well No. WILLIAMS B FEDERAL 9
 9. API Well No. 30-015-39238
 10. Field and Pool, or Exploratory RED LAKE, SAN ANDRES 97253
 11. Sec., T., R., M., or Block and Survey or Area Sec 29 T17S R28E Mer
 12. County or Parish EDDY 13. State NM
 14. Date Spudded 08/22/2011 15. Date T.D. Reached 08/30/2011 16. Date Completed D & A Ready to Prod. 11/13/2014
 17. Elevations (DF, KB, RT, GL)* 3602 GL

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18. Total Depth: MD 3674 TVD
 19. Plug Back T.D.: MD 3613 TVD
 20. Depth Bridge Plug Set: MD 3190 TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
 INDUCTION, NEUTRON/DENSITY

22. Was well cored? No Yes (Submit analysis)
 Was DST run? No Yes (Submit analysis)
 Directional Survey? No Yes (Submit analysis)

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 Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	8.625 J-55	24.0	0	434		350		0	0
7.875	5.500 J-55	15.5	0	3658		650		0	0

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875	3139							

25. Producing Intervals 26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
RED LAKE, SAN ANDRES 97253	1825	3200	2004 TO 2330	0.410	37	OPEN
ARTESIA (B) GLORIETA-YESO 96830	3200		2362 TO 2596	0.410	28	OPEN
C)			2702 TO 2906	0.410	25	OPEN
D)			2934 TO 3162	0.410	28	OPEN SEE #53

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

Depth Interval	Amount and Type of Material
2004 TO 2330	1500 GAL 7.5% HCL & FRACED W/62,000# BRADY & 18,000# RESIN COATED 16/30 SAND IN 20# X-LINKED GEL.
2362 TO 2596	1500 GAL 7.5% HCL & FRACED W/64,018# BRADY & 20,712# RESIN COATED 16/30 SAND IN 20# X-LINKED GEL.
2702 TO 2906	1500 GAL 7.5% HCL & FRACED W/62,245# BRADY & 18,839# RESIN COATED 16/30 SAND IN 20# X-LINKED GEL.
2934 TO 3162	1500 GAL 7.5% HCL & FRACED W/74,220# BRADY & 22,267# RESIN COAT 16/30 SAND IN 25# X-LINK GEL. SEE#53

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
11/17/2014	12/01/2014	24	→	20.0	30.0	180.0			ELECTRIC PUMPING UNIT
Choke Size	Tbg. Press. Flwg. St	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→	20	30	180	1500	POW	

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
11/17/2014	11/12/2011	24	→	38.0	54.0	304.0			
Choke Size	Tbg. Press. Flwg. St	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→	38	54	304	1421	POW	

Pending BLM approvals will subsequently be reviewed and scanned *add 1/16/15*

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.)
SOLD

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	1825	3200	OIL & GAS	SEVEN RIVERS	511
GLORIETA	3200	3316	OIL & GAS	QUEEN	1070
YESO	3316		OIL & GAS	GRAYBURG	1501
				SAN ANDRES	1825
				GLORIETA	3200
				YESO	3316

32. Additional remarks (include plugging procedure):
 RECOMPLETION TO SAN ANDRES:
 #43: 3210 3502 0.32" 41 Yeso Perfs Shut-in Below CBP @ 3190'
 #44: 3210 3502 3654 GAL 15% HCL & FRACED W/102,718# BRADY & 7,561# SIBER PROP 16/30 SAND IN X-LINKED GEL.

State approved DHC with order DHC-4652.
 BLM DHC application was submitted on 5/24/14 & is pending.

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 | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):
Electronic Submission #283750 Verified by the BLM Well Information System.
For LRE OPERATING, LLC, sent to the Carlsbad

Name (please print) MIKE PIPPIN Title PETROLEUM ENGINEER

Signature (Electronic Submission) Date 12/02/2014

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.

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Additional data for transaction #283750 that would not fit on the form

32. Additional remarks, continued

The CBP @ 3190' will be drilled out & the pools DHC following a test of the SA & the BLM DHC application approval.

Existing Yeso perms currently shut-in below CBP @ 3190': 3210'-3502'