

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAY 31 2013

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

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.

Lease Serial No.

NMNM-048344

If Indian, Allottee or Tribe Name

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

8. Well Name and No.

WILLIAMS A FEDERAL #3

3

30-015-34614

10. Field and Pool, or Exploratory Area

Artesia, Glorieta-Yeso (96830)

Red Lake, Queen-Grayburg-San Andres (51300)

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)

1400' FSL & 1150' FWL Unit L

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

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.)

5/1/13: MIRUSU. TOH w/rods, pump, & tbq. Set 5-1/2" RBP @ 3304' & PT RBP & 5-1/2" csg to 3500 psi for 15 min-OK. TOH w/RBP. Set 5-1/2" CBP @ 3293' & PT CBP & 5-1/2" csg to 3500 psi-OK. Perfed lower San Andres @ 2880', 90', 2900', 10', 18', 30', 38', 48', 61', 74', 84', 90', 3000', 10', 20', 30', 42', 54', 64', 74', 86', 94', 3104', 17', 30', 40', 48', 56', 69', 79', 86', 90', 96', 3202' w/1-0.41" spf. Total 34 holes. On 5/3/13, treated new SA perfs w/4200 gal 15% HCL acid & 51 perf balls & fraced w/74,548# 16/30 Barry White & 39,765# 16/30 resin coated sand in X-linked gel. Set 5-1/2" CBP @ 2660' & PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed middle San Andres @ 2584', 92', 2600', 04', 10', 16', 24', 30', 36', 46', 51', 72', 78', 84', 90', 94', 2700', 10', 16', 23', 30', 36', 44', 49', 55', 60', 65', 70', 75', 80', 89', 96', 2800', 04', 08', 16', 25', 32', 46' w/1-0.41" spf. Total 39 holes. Treated new SA perfs w/3100 gal 15% HCL acid & 58 perf balls & fraced w/62,499# 16/30 Barry White & 26,567# 16/30 resin coated sand in X-linked gel. Set 5-1/2" CBP @ 2560' & PT CBP & 5-1/2" csg to 4000 psi-OK.

Perfed upper San Andres @ 2200', 08', 16', 26', 34', 42', 52', 58', 64', 70', 80', 88', 98', 2308', 16', 23', 32', 40', 48', 58', 65', 72', 80', 88', 94', 98', 2416', 25', 32', 38', 43', 47', 52', 60', 64', 70', 79', 84', 90', 96', 2504', 09', 14', 20', 30', 40' w/1-0.41" spf. Total 46 holes. Treated new SA perfs w/3100 gal 15% HCL acid & 69 perf balls & fraced w/88,533# 16/30 Barry White & 60,729# 16/30 resin coated sand in X-linked gel. CO after frac & drill out CBPs @ 2560' & 2660' & CO to CBP @ 3293'. On 5/7/13, landed 2-7/8" 6.5# J-55 tbq @ 3258'. Ran pump & rods. Released workover rig on 5/8/13. Completed as a single San Andres oil well. Existing Yeso perfs 3330'-3498' are now SI below the CBP @ 3293'. We plan to evaluate this well in a few months for a San Andres-Yeso commingle.

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

Name (Printed/Typed)

Mike Pippin

Title

Petroleum Engineer (Agent)

Signature

Mike Pippin

Date

May 1 2013

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

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

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD 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.

Accepted for record
NM/DCD
4/7/2013

ACCEPTED FOR RECORD