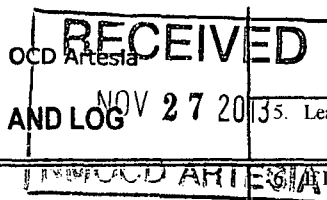


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0137  
Expires: November 30, 2000

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

35. Lease Serial No.  
NMLC-046250 B

1a. Type of Well ☒ Oil Well ☐ Gas ☐ Dry ☐ Other  
b. Type of Completion: ☐ New ☒ Work Over ☐ Deepen ☐ Plug Back ☒ Diff. Resvr.  
Other: Recomplete to San Andres

Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No.

WILLIAMS B FEDERAL #7

9. API Well No.

30-015-37196

10. Field and Pool, or Exploratory

Red Lake, San Andres (97253) S2  
Artesia, Glorieta-Yeso (96830)

11. Sec., T., R., M., or Block and

Survey or Area E 29 17 28

12. County or Parish

Eddy

13. State

NM

2. Name of Operator

LRE OPERATING, LLC c/o Mike Pippin LLC (Agent)

3. Address

3104. N. Sullivan, Farmington, NM 87401

3a. Phone No. (include area code)

505-327-4573

4. Location of Well (Report locations clearly and in accordance with Federal requirements)\*

At surface

2310' FNL &amp; 330' FWL Unit (E) Sec. 29, T17S, R28E

At top prod. interval reported below

At total depth

14. Date Spudded

09/29/09

15. Date T.D. Reached

10/08/09

16. Date Completed

☐ P & A ☒ Ready to Prod.  
WO: 10/7/13

17. Elevations (DF, RKB, RT, GL)\*

3613' GL

18. Total Depth: MD 3630'  
TVD19. Plug Back T.D.: MD CBP @ 3200'  
TVD20. Depth Bridge Plug Set: MD 3200'  
TVD

21. Type Electric &amp; Other Mechanical Logs Run (Submit copy of each)

Induction &amp; Density Neutron

22. Was well cored? ☒ No ☐ Yes (Submit copy)Was DST run? ☒ No ☐ Yes (Submit copy)Directional Survey? ☐ No ☒ 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 Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8"	24#	0'	392'		375 C	83	Surface	0'
7-7/8"	5-1/2"	17#	0'	3617'		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)
2-7/8"	3148'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Grayburg	1503'	1817'	1782'-2008'	0.34"	26	Open
San Andres	1817'	3190'	2148'-2476'	0.34"	35	Open
			2518'-2732'	0.34"	27	Open
			2800'-3042'	0.34"	26	Open
Yeso	3299'	---	3325'-3504'	0.42"	89	SI Below CBP

26. Perforation Record

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

Depth Interval	Amount and type of Material
1782'-2008'	2163 gal 15% HCL & fraced w/52,213# 16/30 Arizona & 15,870# 16/30 resin coated sand in 20# X-linked gel
2148'-2476'	3350 gal 15% HCL & fraced w/81,879# 16/30 Arizona & 18,123# 16/30 resin coated sand in 20# X-linked gel
2518'-2732'	2075 gal 15% HCL & fraced w/55,168# 16/30 Arizona & 18,566# 16/30 resin coated sand in 20# X-linked gel
2800'-3042'	2184 gal 15% HCL & fraced w/59,772# 16/30 Arizona & 20,415# 16/30 resin coated sand in 20# X-linked gel

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
10/18/13	11/04/13	24	→	23	205	358			Pumping
Choke Size	Tbg. Press. Flwg. PSI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→	23	205	358			Pumping

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

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.	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.	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.)

Plan to sell.

## 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
Grayburg	1503'	1817'	Oil & Gas		Depth
San Andres	1817'	3190'	Oil & Gas	Yates	287'
				7-Rivers	516'
Yeso	3299'	---	Oil & Gas	Queen	1080'
				Grayburg	1503'
				San Andres	1817'
				Glorieta	3190'
				Yeso	3299'

## 32. Additional remarks (include plugging procedure):

**WILLIAMS B FED #7      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 505-327-4573 Title Petroleum Engineer (Agent)

Signature  Date October 7, 2013

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