

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**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.  
NMNM-048344

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator  
LRE Operating, LLC

3a. Address

1111 Bagby Street, Suite 4600, Houston, Texas 77002

3b. Phone No. (include area code)

713-292-9510

4. Location of Well (Footage, Sec., T, R, M., or Survey Description)

1400' FSL and 1150' FWL, Sec. 29, T17S, R28E, Unit L

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

8. Well Name and No.  
Williams A Federal #3

9. API Well No.  
30-015-34614

10. Field and Pool or Exploratory Area  
Artesia; Glorieta-Yeso (96830)

11. Country or Parish, State  
Eddy County, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 <u>Add Perforations to</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>current Perforations</u>
	<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 recompleat 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 recompleat 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.)

LRE Operating, LLC (current operator of well was formerly operated by Lime Rock Resources A, L.P.), requests approval to add the following perforations:

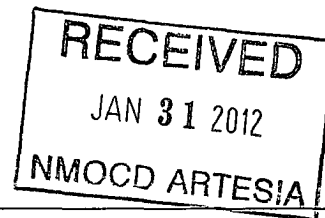
3,330', 3332', 3340', 3343', 3346', 3349', 3351', 3356', 3360', 3409', 3466', 3468', 3471', 3480', 3484', 3488', 3496', 3498' (1 spf, 0.41" or 0.43" holes, 18 perforations),

to existing perforations in the Yeso from 3377' to 3458' (31perforations in place), and fracture stimulate the Yeso with about:

3500 gal 7-1/5% acid, 48000 gal 20# Borate X-linked gel, 85000#s 16/30 Brady sand and 22500#s 16/30 resin coated sand at 55 BPM. Following the fracture stimulation treatment, the well will be cleaned out to a PBTD of 3545' MD. Once the wellbore is free of frac sand, the tubing will be run back to 3225', a pump will be added on rods, and the well will be placed back on production.

Accepted for record  
NMOCD

TCS  
2/1/2012



14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Robert S. (Sid) Ashworth

Title Production Engineer

Signature

Date 12/08/2011

**THIS SPACE FOR FEDERAL OR STATE OFFICE 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

ACCEPTED FOR RECORD

JAN 28 2012

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.

(Instructions on page 2)

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

**Williams A Federal #3  
Sec 29-17S-28E (L)  
1400' FSL, 1150' FWL  
Elevation – 3,653'  
API #: 30-015-34614  
Eddy County, NM**

**LRE Operating, LLC  
PayAdd Workover:  
Add Yeso Perforations and Frac  
AFE W11091**

8-5/8",  
24#, K-55,  
ST&C  
Casing @  
452'.  
Circulated  
87 sx to  
surface.

- TOH w/ rods, pump. N/U BOP.
- TIH w/ 2-7/8" tubing Tag PBTD TOOH and clean out wellbore to PBTD is necessary.
- POOH / LD tubing.
- MIRU WLU and add perfs from 3,330' – 3498' (see detail below) in the Yeso
- Breakdown perfs w/ about 3500 gal 7.5% acid and ball sealers.
- Frac w/about 85000# 16/30 sand & 22500# 16/30 RC sand in 48k gal of 20# X-linked Borate gel
- PU 2-7/8" tubing and RIH.
- Run 2-7/8" tbg & tag bottom. Clean out if necessary and POOH.
- TIH w/ tubing and production equipment to 3,225'.
- Run pump, & rods & initiate producing load water.

**GEOLOGY**

<u>Zone</u>	<u>Top</u>
Yates	600'
7 Rivers	900'
Queen	1,080'
Grayburg	1,588'
San Andres	1,848'
Glorietta	3,240'
Yeso	3,330'

**SURVEYS**

<u>Degrees</u>	<u>Depth</u>
0°	460'
1/2°	1,001'
3/4°	1,536'
1/2°	2,034'
1/2°	2,531'
1/2°	2,997'
1/2°	3,550'

2-7/8"; 6.5#, J-55 Tubing @ 3,225' after frac

**Proposed Additional Perfs:** 3,330', 3332', 3340', 3343', 3346', 3349', 3351', 3356', 3360', 3409', 3466', 3468', 3471', 3480', 3484', 3488', 3496', 3498' (1 SPF, 18 holes, > 0.4" to 0.43" EHD w/ 29" or > penetration )

**Proposed Stimulation:** 3500 gals 7-1/2% HCL acid at 20 BPM, 48000 gal 25# (pad) and 20# X-linked Borate gel with 85000 lbs 16/30 Brady sand and 22500 lbs 16/30 resin coated sand with sand staged from 1.5 to 5 ppg Frac will be pumped at 55 BPM and max pressure of 4500 psig.

Perfs: 3377', 79, 85, 86, 87, 88, 91, 92, 93, 96, 97, 98, 99, 3400, 15, 16, 19, 22, 26, 37, 38, 39, 44, 45, 46, 50, 51, 53, 54, 57, 58 (1 SPF, 31 holes)

**Stim Info:** 3000 gal 15% NEFE; 20k gal htd 20% HCl, 30k gal htd 40# gel. (6/6/06)

PBTD @ 3,545'

5-1/2"; 14#, J-55; ST&C Casing @ 3,547'.  
Circulated 91 sx to surface. (4/14/2006)

TD @ 3,550'