

AUG 31 2012

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.

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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, TX 77002

3b. Phone No. (include area code)

575-623-8424

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

660' FNL 1980' FEL B-18-07S-23E

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.  
NMNM36648

8. Well Name and No.

China Federal 1

9. API Well No

30-005-60863

10. Field and Pool or Exploratory Area

Pecos Slope; ABO, West

11. Country or Parish, State

Chaves, NM

12. CHECK THE 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 checked="" 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 type="checkbox"/> Other
	<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 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.)

The last day of production on this well was April 15, 2012. This well will be shut in until further notice.

DENIED

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SEP 05 2012  
NMOCD ARTESIA

DENIED

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

Michael Barrett

Title Production Supervisor

Signature

*[Signature]*

Date 08/08/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by  
DENIED /S/ DAVID R. GLASS

Title PETROLEUM ENGINEER

Date AUG 21 2012

Office

ROSWELL FIELD OFFICE

DENIED: Under 43 CFR 3162.3-4 (c): The Authorized Officer May Authorize A Delay In The Permanent Abandonment Of A Well For A Period Of 12 Months. When Justified By The Operator. Provide Justification For Your Requested Shut-In.

for any person knowingly and willfully to make to any department or agency of the United States any false, jurisdiction