

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

1625 N. French
Hobbs, NM 88240
FORM APPROVED
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. **NM-15289**
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, 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' FWL C-18-05S-25E

7. If Unit of CA/Agreement, Name and/or No.: RM118

8. Well Name and No.: Benedict Federal Com #1

9. API Well No.: 30-005-61800

10. Field and Pool or Exploratory Area: Pecos Slope; ABO

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 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 checked="" type="checkbox"/> Other Shut-In
	<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 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 must 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 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 25, 2012. This well will be shut in until further notice.

RECEIVED
NOV 19 2012
NMOCD ARTESIA

Shut-In Due To Gas Quality Issue Posted 04-21-2011 By Transwestern Pipeline. This Notice Effectively Forced Agave To Curtail Gas Receipts On The Gathering Systems In The Bitter Lakes & Red Bluff Areas.

GSI APPROVED FOR 12 MONTH PERIOD
ENDING APR 25 2013

Accepted for record
NMOCD
RWade 11/20/12

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed): Michael Barrett
Title: Production Supervisor

Signature: *Michael Barrett*
Date: 08/08/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by: **/S/ DAVID R. GLASS**
Title: PETROLEUM ENGINEER
Date: NOV 08 2012

Office: **ROSWELL FIELD OFFICE**

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.

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.