

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

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

5. Lease Serial No.

NMLC-046250-B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

WILLIAMS B FEDERAL #1

3

30-015-35627

10. Field and Pool, or Exploratory Area

Artesia, Glorieta-Yeso (96830)

Red Lake, San Andres (97253)

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)

1650' FNL & 990' FWL Unit E

Sec. 29, T17S, R28E

RECEIVED

MAY 29 2013

NMOC D ARTESIA

12. CHECK 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 checked="" 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 checked="" type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Recomplete to San Andres
	<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 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.)

LRE would like to recomplete this Yeso oil well to the San Andres as follows: MIRUSU. TOH w/rods & pump. Set a 5-1/2" CBP @ ~3220' & PT to ~3500 psi. Perf lower SA @ about 2918'-3201' w/~30 holes. Stimulate w/~3000 gal 15% NEFE HCL acid & frac w/~81,000# 16/30 sand in X-linked gel. Set a 5-1/2" CBP @ ~2894' & PT to ~3500 psi. Perf middle SA @ about 2630'-2871' w/~26 holes. Stimulate w/~3000 gal 15% NEFE HCL acid & frac w/~73,000# 16/30 sand in X-linked gel. Set a 5-1/2" CBP @ ~2610' & PT to ~3500 psi. Perf upper SA @ about 2380'-2591' w/~22 holes. Stimulate w/~3000 gal 15% NEFE HCL acid & frac w/~67,000# 16/30 sand in X-linked gel. Set a 5-1/2" CBP @ ~2350' & PT to ~3500 psi. Perf upper SA @ about 2052'-2351' w/~20 holes. Stimulate w/~3000 gal 15% NEFE HCL acid & frac w/~82,000# 16/30 sand in X-linked gel.

CO after frac, drill CBPs & 2350', 2610', & 2894' & CO to CBP @ 3220'. Land 2-7/8" tbg @ ~3165' & run pump & rods. Release workover rig & complete as a single San Andres oil well. The existing Glorieta-Yeso perms (53 holes @ 3233'-3503') will be SI below the CBP @ 3220'. After about two months of San Andres production, the well will be evaluated for DHC.

Accepted for record
NMOC D LRE Date 5/29/2013

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 27, 2013

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

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.

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

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MAY 29 2013
NMOCD ARTESIA

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

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MAY 29 2013

NMOCD ARTESIA

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-015-35627	² Pool Code 97253	³ Pool Name Red Lake, San Andres
⁴ Property Code 309867	⁵ Property Name WILLIAMS B FEDERAL	
⁷ OGRID No. 281994	⁸ Operator Name LRE OPERATING, LLC	⁶ Well Number 1
		⁹ Elevation 3607' GL

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	29	17-S	28-E		1650	NORTH	990'	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	¹⁷ OPERATOR CERTIFICATION	
	<i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>	
	Signature <u>Mike Pippin</u>	Date <u>5/27/13</u>
	Printed Name <u>Mike Pippin</u>	
	¹⁸ SURVEYOR CERTIFICATION	
	<i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>	
	Date of Survey <u>9/11/00</u>	
	Signature and Seal of Professional Surveyor: <u>Dan R. Reddy</u>	
		Certificate Number <u>5412</u>