

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

MAY 31 2013

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

SUNDRY NOTICES AND REPORTS ON **WMOCD ARTESIA**

**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>NMLC-046250 B</b>
2. Name of Operator <b>LRE OPERATING, LLC</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>c/o Mike Pippin LLC</b> <b>3104 N. Sullivan, Farmington, NM 87401</b>	3b. Phone No. (include area code) <b>505-327-4573</b>	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>1650' FNL &amp; 1750' FWL Unit F</b> <b>Sec. 29, T17S, R28E</b>		8. Well Name and No. <b>WILLIAMS B FEDERAL #2</b>
		9. API Well No. <b>30-015-37203</b>
		10. Field and Pool, or Exploratory Area <b>Red Lake, San Andres (97253)</b> <b>Artesia, Glorieta-Yeso (96830)</b> <b>AND</b> <b>Eddy County, New Mexico</b>

12. CHECK 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 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 <u>Recompleted To</u>
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <u>San Andres</u>
	<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 recompleate 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.)

4/11/13: MIRUSU. TOH w/rods, pump, & tbg. Set 5-1/2" RBP @ 3250' & PT RBP & 5-1/2" csg to 3500 psi for 15 min-OK. TOH w/RBP. Set 5-1/2" CBP @ 3250' & PT CBP & 5-1/2" csg to 3500 psi-OK. Perfed lower San Andres @ 2748'-49', 54', 55', 58', 59', 88', 89', 90', 91', 2844'-45', 52', 53', 56', 57', 76', 77', 78', 79', 83', 84', 2903'-04', 33', 34', 35', 60', 61', 68', 69', 82', 83', 92', 93', 3004'-05', 12', 13', 21', 22', 23', 28', 29', 72', 73', 3147'-48', 49', 56', 57', 63', 64' w/1-0.41" spf. Total 53 holes. On 4/16/13, treated new SA perfs w/4200 gal 15% HCL acid & 80 perf balls & fraced w/101,500# 16/30 Barry White & 30,192# 16/30 resin coated sand in X-linked gel. Set 5-1/2" CBP @ 2700' & PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed middle San Andres @ 2250'-54', 2258'-64', 2270'-72', 2276'-88', 2298'-2301', 2305'-07', 2396'-2404', 2422'-30', 2488'-90', 2492'-94', 2498'-2500', 2517'-22', 2542'-44', 2548'-50', 2558'-60' w/1-0.41" spf. Total 62 holes. Treated new SA perfs w/3150 gal 15% HCL acid & 93 perf balls & fraced w/88,831# 16/30 Barry White & 33,811# 16/30 resin coated sand in X-linked gel.

CO after frac & drill out CBP @ 2700' & CO to CBP @ 3250'. On 4/19/13, landed 2-7/8" 6.5# J-55 tbg @ 3215'. Ran pump & rods. Released workover rig on 4/20/13. Completed as a single San Andres oil well. Existing Yeso perfs 3304'-3508' are now SI below the CBP @ 3250'. We plan to evaluate this well in a few months for a San Andres-Yeso commingle.

Accepted for record *6/7/13*

14. I hereby certify that the foregoing is true and correct		<b>WMOCD</b>	
Name (Printed/Typed) <b>Mike Pippin</b>	Title <b>Petroleum Engineer (Agent)</b>	<b>ACCEPTED FOR RECORD</b> <b>MAY 11, 2013</b>	
Signature <i>Mike Pippin</i>	Date <b>May 11, 2013</b>		
<b>THIS SPACE FOR FEDERAL OR STATE USE</b>			
Approved by <i>[Signature]</i>	Title <b>DATE MAY 26 2013</b>	<b>BUREAU OF LAND MANAGEMENT</b>	
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 <i>[Signature]</i>	
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.			