

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

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

**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.**

**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)

1980' FNL & 2230' FEL Unit G

Sec. 29, T17S, R28E

**RECEIVED**  
JUN 14 2013  
**NMOCD ARTESIA**

5. Lease Serial No.

**NMLC 046250B**

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 #5**

9. API Well No.

30-015-35545

10. Field and Pool, or Exploratory Area

Artesia: Glorieta-Yeso (96830)

Red Lake, San Andres (97253)

AND

Eddy County, New Mexico

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 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 recompleation 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 recompleate this Yeso oil well to the San Andres as follows: MIRUSU. TOH w/rods & pump. Set a 5-1/2" CBP @ 3250' & PT to 3500 psi. Complete the San Andres from ~1932'-3177' in 4 stages of about 300' each. Stages to be separated by about 50' & 5-1/2" CBPs. Each stimulation to consist of about 3000 gal 15% HCL acid & about 85,000# 16/30 sand in X-linked gel. CO after frac, drill 3 CBPs & CO to CBP @ 3250'. Land 2-7/8" tbg @ ~3190' & run pump & rods. Release workover rig & complete as a single San Andres oil well. The existing Glorieta-Yeso perfs (47 holes @ 3291'-3502') will be SI below the CBP @ 3250'. After about two months of San Andres production, the well will be evaluated for DHC.

**SUBJECT TO LIKE  
APPROVAL BY STATE**

Accepted for record  
NMOCDSEE ATTACHED FOR  
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Mike Pippin

Title

Petroleum Engineer (Agent)

Signature

*Mike Pippin*

Date

April 11, 2013

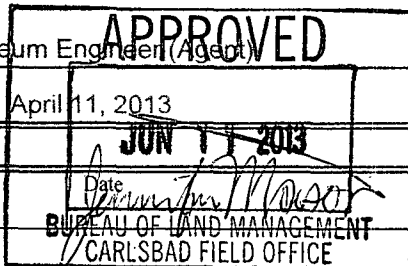
THIS SPACE FOR FEDERAL OR STATE USE

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



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.

Accepted for record  
NMOCD

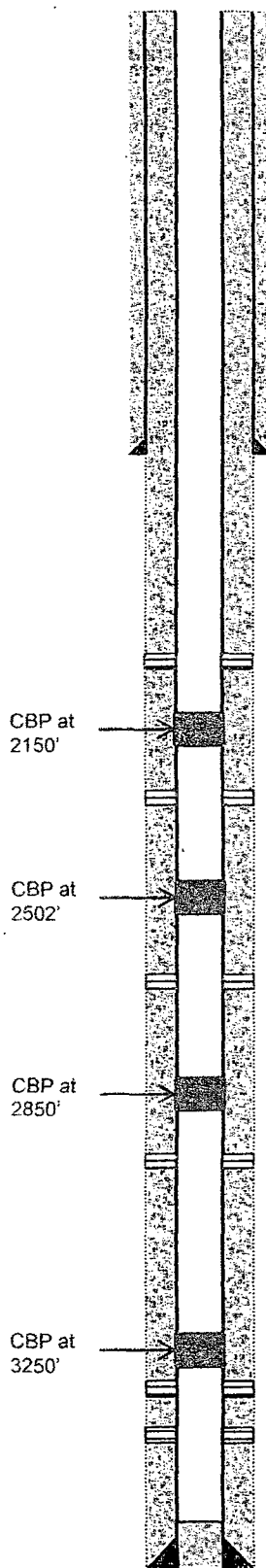


## Proposed San Andres Recompletion

**Williams B Federal #5**  
**Sec 29-17S-28E (G)**  
**1980' FNL, 2230' FEL**  
**Elevation – 3,638' GL**  
**3,645' KB**  
**API #: 30-015-35545**  
**Eddy County, NM**

GEOLOGY	
Zone	Top
Yates	680'
7 Rivers	940'
Queen	1,244'
Grayburg	1,562'
San Andres	1,880'
Glorieta	3,264'
Yeso	3,374'

SURVEYS	
Degrees	Depth
3/4°	465'
3/4°	990'
1°	2,001'
3/4°	2,529'
3/4°	2,945'
1°	3,570'



8-5/8", 24#, K-55, ST&C Casing @ 459'. Cmt w 375 sks. Circulated 172 sx to surface.

### San Andres:

**Stage 4:** Perfs 1932'-2099'; 22 holes, 2,000 g 15% HCL and 33 bio balls  
 29,000 g x-linked 20 # gel + 33,500 # 16/30 Berry White Sand + 13,500 #  
 16/30 Resin Coated Sand 1# - 4.5#

**Stage 3:** Perfs 2196'-2487'; 36 holes, 3,000 g 15% HCL and 54 bio balls  
 51,000 g x-linked 20 # gel + 63,500 # 16/30 Berry White Sand + 18,000 #  
 16/30 Resin Coated Sand 1# - 4.5#

**Stage 2:** Perfs 2520'-2825'; 34 holes, 3,000 g 15% HCL and 51 bio balls  
 53,000 g x-linked 20 # gel + 64,000 # 16/30 Berry White Sand + 22,500 #  
 16/30 Resin Coated Sand 1# - 4.5#

**Stage 1:** Perfs 2874'-3177'; 43 holes, 3,000 g 15% HCL and 65 bio balls  
 53,000 g x-linked 25 # gel + 63,500 # 16/30 Berry White Sand + 22,500 #  
 16/30 Resin Coated Sand 1# - 4.5#

### Glorieta/Yeso:

**Perfs:** 3291' - 92', 3313' - 14', 3346' - 47', 3352' - 53',  
 3362' - 64', 3393' - 95', 3483' - 84', 3487' - 89' & 3,500' - 02' (2 SPF - 26 holes) (7/28/11)

**Stim Info:** 3500 gal 15% NEFE; Frac w/ 83,748 gal x-linked 25# gel + 107,200# 16/30 Brady + 21,000# 16/30 RC sand. (7/30/11)

**Perfs:** 3,411', 12', 13', 22', 23', 24', 29', 30', 31', 43', 44', 45', 46', 50', 54', 55', 56', 57', 58', 59' & 60' (1 SPF - 21 holes) (July 2007)

**Stim Info:** 3000 gal 15% NEFE; Treat w/ 110 gal SQ300 + 20k gal heated 20% HCl & 30k gal heated 40# linear gel + 3000 gal 15% HCl NEFE Cool down. (7/13/07)

PBTD @ 3,535'

5-1/2", 15.5#, J-55; ST&C Casing @ 3,562'. Cmt w 375 sks lead and 375 sks tail. Circulated 48 sx to surface. (06/19/2007)

TD @ 3,570'

**Williams B Federal 5  
30-015-35545  
LRE Operating, LLC.  
June 11, 2013  
Conditions of Approval**

**Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.**

**Work to be completed by September 11, 2013.**

- 1. The operator shall place CBP at 3250' and recomplete as proposed.**
- 2. If operator wishes to DHC an NOI must be submitted.**
- 3. If no DHC is done for the Glorieta-Yeso perforations, an NOI must be submitted to isolate the Glorieta formation according to NMOCD regulations. (This can be done before the well is plugged and/or abandoning the San Andres formation.)**
- 4. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.**
- 5. Surface disturbance beyond the originally approved pad must have prior approval.**
- 6. Closed loop system required.**
- 7. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.**
- 8. Operator to have H2S monitoring equipment on location.**
- 9. A minimum of a 2000 (2M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.**

10. Subsequent sundry required detailing work done and completion report for the new formation. Operator to include well bore schematic of current well condition when work is complete.

**JAM 061113**