

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)

1650' FNL & 990' FWL Unit E
Sec. 29, T17S, R28E

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

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 Recompleted to
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> San Andres
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal <input type="checkbox"/> Page #1

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.)

7/24/13: MIRUSU. TOH w/rods, pump, & tbg. Set 5-1/2" CBP @ 3220' & PT CBP & 5-1/2" csg to 3500 psi-OK. Perfed lower San Andres @ 2918', 30', 36', 42', 50', 60', 70', 80', 90', 3004', 14', 22', 34', 44', 56', 64', 74', 84', 92', 3104', 12', 22', 32', 46', 52', 62', 72', 80', 92', 3200' w/1-0.34" spf. Total 20 holes. On 8/2/13, treated new SA perfs w/3119 gal 15% HCL acid & 45 perf balls & fraced w/61,310# 16/30 Jordan White & 15,001# 16/30 resin coated sand in 25# X-linked gel. Set 5-1/2" CBP @ 2894' & PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed middle San Andres @ 2630', 40', 50', 60', 70', 80', 90', 2700', 10', 20', 30', 40', 54', 70', 78', 84', 90', 2800', 20', 28', 38', 46', 56', 62', 70', 75' w/1-0.34" spf. Total 27 holes. Treated new SA perfs w/3000 gal 15% HCL acid & 41 perf balls & fraced w/54,858# 16/30 Jordan White & 18,070# 16/30 resin coated sand in 20# X-linked gel. **Continued on Page #2.**

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

Name (Printed/Typed)

Mike Pippin

Signature

Date

Petroleum Engineer (Agent)

Accepted for record

ARCD

NMOC

11/13/2013

RECEIVED

NOV 07 2013

NMOC ARTESIA

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.

CARLSBAD FIELD OFFICE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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Continued from Page #1. Set 5-1/2" CBP @ 2610' & PT CBP & 5-1/2" csg to 3500 psi-OK. Perfed upper San Andres @ 2380', 90', 2400', 10', 20', 30', 40', 50', 60', 74', 86', 94', 2504', 14', 24', 34', 44', 50', 60', 70', 80', 90' w/1-0.34" spf. Total 25 holes. Treated new SA perfs w/3000 gal 15% HCL acid & 33 perf balls & fraced w/50,858# 16/30 Jordan White & 21,327# 16/30 resin coated sand in 20# X-linked gel. Set 5-1/2" CBP @ 2365' & PT CBP & 5-1/2" csg to 3500 psi-OK. Perfed upper San Andres @ 2052', 2152', 62', 76', 86', 96', 2206', 20', 30', 40', 50', 60', 70', 80', 90', 98', 2310', 20', 30', 50' w/1-0.34" spf. Total 25 holes. Treated new SA perfs w/3000 gal 15% HCL acid & 30 perf balls & fraced w/65,960# 16/30 Jordan White & 21,691# 16/30 resin coated sand in 20# X-linked gel. CO after frac & drill out CBPs @ 2365', 2610', & 2894', & CO to CBP @ 3220'. On 8/6/13, landed 2-7/8" 6.5# J-55 tbg @ 3167'. Ran pump & rods. Released workover rig on 8/6/13. Completed as a single San Andres oil well. A DHC application has been submitted to the NMOCD & BLM to commingle these SA perfs with the existing Yeso perfs, which are currently SI below the CBP @ 3220'. Existing Yeso perfs 3233'-3503' are now SI below the CBP @ 3220'.

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

Name (Printed/Typed)

Mike Pippin

Title

Petroleum Engineer (Agent)

Signature

Mike Pippin

Date

August 7, 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.

**Williams B Federal 1
30-015-35627
LRE Operating, LLC.
November 04, 2013
Conditions of Approval**

1. **Operator shall produce solely from the San Andres formation in order to establish a typical decline curve obtain reservoir data and submit results to the BLM for future DHC review. Sundry dated July 23, 2013 will be held until the information is received.**
2. **Attached is a DHC worksheet that should be filled out and submitted to the BLM.**

JAM 110413

Downhole Commingling Worksheet

Operator:
Lease/Well Name/API Number/Location:
Date:

<u>Data</u>	<u>Bottom Formation</u>	<u>Middle Formation</u>	<u>Upper Formation</u>	<u>Estimated Combined Production Data</u>
Pool name				
Pool Code				
State Form C-102 with dedicated Acres Provided				
Formation Name				
Top and Bottom of Pay Section (Perforated or open-Hole Interval)				
Method of production				
Bottom Hole Pressure				
Reservoir Drive mechanism				
Oil gravity and/or BTU				*
Average Sulfur Content (Wt %)				*
Oil sample Analysis provided				
Gas Analysis provided				
Produce Water Analysis provided				
H2S present				*
Producing, Shut-In or New Zone				
Date and Oil/Gas/Water rates of Last Production (new zones or no production history Operator shall attached production estimated and supporting data)				
Average decline % (provide back up data)				
Fixed Allocation Percentage				

Remarks:
Operator Signature:
Date:

Attached Supporting documents

State Form C-102 with dedicated Acres Provided

Oil sample Analysis provided (Must be current)

Gas Analysis provided (Must be current)

Produce Water Analysis provided (Must be current)

Any additional supporting data (i.e. offset well production and decline curves etc..)

*Utilize weighted average.