

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

JAN 15 2014

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)

2060' FSL & 2260' FWL Unit K  
Sec. 29, T17S, R28E

OGRID#: 281994

5. Lease Serial No.

NMNM 048344

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

WILLIAMS A FEDERAL #7

9. API Well No.

30-015-36512

10. Field and Pool, or Exploratory Area

Artesia: Glorieta-Yeso (96830)

Red Lake, Queen-Grayburg-San Andres (51300)

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 checked="" type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input checked="" type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other Set 4" Csg & Recomplete to SA
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporary Abandon <input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back

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 recomple 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 3160-5 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.)

11/7/13 MIRUSU: Set 5-1/2" RBP @ 3288'. Using 5-1/2" pkr, located csg leak @ 539'-544'. Established circ from csg leak out bradenhead valve. On 11/12/13, ran CBL from 3262' to 280'. TOC @ 538'. Released RBP @ 3288' & TOH. Set 5-1/2" CBP @ 3280' & top w/sand. On 11/15/13, ran 4" FJ 10.46# J-55 production csg to 3225'. Cmted w/150 sx (198 cf) "C" neat. Circ cmt out bradenhead valve & 4" annulus. Circ out 4" annulus ended during shutdown to drop cmt plug. On 11/18/13, PT 4" csg to 4000 psi-OK.

On 11/25/13, perfed lower San Andres @ 2850', 60', 70', 90', 2901', 08', 15', 24', 32', 44', 56', 70', 77', 88', 98', 3008', 20', 34', 46', 56', 62', 70' w/1-0.37" spf. Total 22 holes. On 11/26/13, treated new SA perfs w/2500 gal 15% HCL acid & 33 perf balls & fraced w/59,814# 16/30 Arizona & 17,310# 16/30 resin coated sand in 25# X-linked gel. Set 4" CBP @ 2814'-failed PT. Set 4" CBP @ 2805' & PT CBP & 4" csg to 3100 psi-OK. Perfed middle San Andres @ 2560', 64', 70', 76', 84', 92', 99', 2610', 20', 26', 33', 42', 50', 60', 69', 78', 92', 2701', 11', 18', 32', 42', 50', 58', 63', 72', 80' w/1-0.37" spf. Total 27 holes. Treated new SA perfs w/2500 gal 15% HCL acid & 41 perf balls & fraced w/57,732# 16/30 Arizona & 21,665# 16/30 resin coated sand in 20# X-linked gel. Continued on Page #2.

Accepted for record

LES NMDCD 1/15/2014

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

Name (Printed/Typed)

Mike Pippin

Title

Petroleum Engineer (Agent)

Signature

*Mike Pippin*

Date

December 4, 2013

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

JAN 17 2014

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

BUREAU OF LAND MANAGEMENT

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.

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	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <b>Page #2</b>
	<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.)

**Continued from Page #1.** Set 4" CBP @ 2553' & PT CBP & 4" csg to 3000 psi-OK. Perfed upper San Andres @ 2233', 44', 54', 62', 76', 90', 2300', 09', 24', 35', 50', 56', 62', 72', 82', 2400', 20', 34', 46', 58', 66', 72', 86', 2506', 12', 20' w/1-0.37" spf. Total 26 holes. Treated new SA perfs w/3000 gal 15% HCL acid & 39 perf balls & fraced w/66,529# 16/30 Arizona & 18,007# 16/30 resin coated sand in 20# X-linked gel. Set 4" CBP @ 2177' & PT CBP & 4" csg to 3000 psi-OK. Perfed upper Grayburg/San Andres @ 1886', 90', 94', 1900', 07', 16', 37', 62', 68', 86', 92', 2000', 12', 36', 49', 60', 70', 88', 98', 2100', 03', 08', 10' w/1-0.37" spf. Total 23 holes. Treated new SA perfs w/2500 gal 15% HCL acid & 35 perf balls & fraced w/46,514# 16/30 Arizona & 16,222# 16/30 resin coated sand in 20# X-linked gel. CO after frac & drill out CBPs @ 2177', 2553', 2805', & 2814', & CO to 3183'. On 12/3/13, landed 2-3/8" 4.7# J-55 tbg @ 3152'. Ran pump & rods. Released workover rig on 12/4/13. Completed as a single San Andres oil well.

A DHC application has been approved by the State as per order DHC-4636. We plan to submit a DHC application to the BLM in the very near future. The existing Yeso perfs @ 3321'-3510' are currently SI below the 5-1/2" CBP @ 3280'.

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

Name (Printed/Typed)	Title
<b>Mike Pippin</b>	<b>Petroleum Engineer (Agent)</b>
Signature	Date
<i>Mike Pippin</i>	<b>December 4, 2013</b>

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Approved by	Title	Date
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