

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**  
**RECEIVED**

5. Lease Serial No.  
NMNM97122

1a. Type of Well  Oil Well  Gas Well  Dry  Other  
b. Type of Completion  New Well  Work Over  Deepen  Plug Back  Diff. Resvr.  
Other \_\_\_\_\_

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator  
LRE OPERATING, LLC  
Contact: MIKE PIPPIN  
E-Mail: mike@pippinllc.com

8. Lease Name and Well No.  
CHALK FEDERAL 7

3. Address C/O MIKE PIPPIN 3104 N. SULLIVAN  
FARMINGTON, NM 87401

3a. Phone No. (include area code)  
Ph: 505-327-4573

9. API Well No.  
30-015-42875

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
At surface NESW 1650FSL 1650FWL  
At top prod interval reported below NESW 1650FSL 1650FWL  
At total depth NESW 1650FSL 1650FWL

10. Field and Pool, or Exploratory  
RED LAKE, GL-YESO 51120

11. Sec., T., R., M., or Block and Survey  
or Area Sec 5 T18S R27E Mer

12. County or Parish  
EDDY

13. State  
NM

14. Date Spudded  
06/23/2015

15. Date T.D. Reached  
06/27/2015

16. Date Completed  
 D & A  Ready to Prod.  
08/26/2015

17. Elevations (DF, KB, RT, GL)\*  
3489 GL

18. Total Depth: MD 4100  
TVD

19. Plug Back T.D.: MD 4040  
TVD

20. Depth Bridge Plug Set: MD  
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
CASED HOLE NEUTRON LOG

22. Was well cored?  No  Yes (Submit analysis)  
Was DST run?  No  Yes (Submit analysis)  
Directional Survey?  No  Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
11.000	8.625 K-55	24.0	0	439		350	84	0	0
7.750	5.500 K-55	17.0	0	4088		830	240	0	0

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875	3930							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
RED LAKE A) GLORIETA-YESO 51120	2681		2840 TO 3162	0.420	32	OPEN
B)			3310 TO 3620	0.420	32	OPEN
C)			3696 TO 4010	0.420	33	OPEN
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
2840 TO 3162	1000 GAL 15% HCL & FRACED W/30,236# 100 MESH & 338,788# 40/70 ARIZONA SAND IN SLICK WATER
3310 TO 3620	1529 GAL 15% HCL & FRACED W/30,324# 100 MESH & 270,966# 40/70 ARIZONA SAND IN SLICK WATER
3696 TO 4010	2020 GAL 15% HCL & FRACED W/29,978# 100 MESH & 287,918# 40/70 ARIZONA SAND IN SLICK WATER

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
09/15/2015	10/04/2015	24	→	10.0	100.0	1000.0			Electric Pumping Unit
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio		
			→	10	100	1000	10000		

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio		
			→						

**ACCEPTED FOR RECORD**  
FEB 11 2016  
BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

(See Instructions and spaces for additional data on reverse side)  
ELECTRONIC SUBMISSION #320659 VERIFIED BY THE BLM WELL INFORMATION SYSTEM  
\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

Reclamation due: 04/04/2015

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press Flwg. SI	Csg. Press	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press Flwg. SI	Csg. Press	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)  
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GLORIETA YESO	2681 2798	2798	OIL & GAS OIL & GAS	QUEEN GRAYBURG SAN ANDRES GLORIETA YESO	660 1024 1315 2681 2798

32. Additional remarks (include plugging procedure):  
THIS IS A NEW OIL WELL COMPLETION IN THE YESO.

33. Circle enclosed attachments:

- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geologic Report
- 3. DST Report
- 4. Directional Survey
- 5. Sundry Notice for plugging and cement verification
- 6. Core Analysis
- 7 Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #320659 Verified by the BLM Well Information System.  
For LRE OPERATING, LLC, sent to the Carlsbad  
Committed to AFMSS for processing by DEBORAH HAM on 12/22/2015 ()

Name (please print) MIKE PIPPIN Title PETROLEUM ENGINEER

Signature (Electronic Submission) Date 10/20/2015

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***