

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.

5. Lease Serial No.	NMLC 058181
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA/Agreement, Name and/or No.	
8. Well Name and No.	ENRON FEDERAL #18
9. API Well No.	30-015-41289
10. Field and Pool, or Exploratory Area	Red Lake: Queen-Grayburg-San Andres (51300) AND Eddy County, New Mexico

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)
 985' FSL & 2310' FEL Unit O OGRID#: 281994
 Sec. 25, T17S, R27E

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 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 type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other Spud & Casings
	<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.)

Spudded well on 6/10/13 w/12-1/4" bit. Drilled 12-1/4" hole to 445'. Set 8-5/8" 24# J-55 csg @ 439'. Cmted w/300 sx (405 cf) "C" cmt w/2% Cacl2 & 1/8# cello flake. Circ 42 sx cmt to pit. On 6/12/13, pressure tested 8-5/8" csg to 1500 psi for 30 min - OK.

Drilled 7-7/8" hole to TD3157' on 6/14/13. On 6/14/13, set 5-1/2" 17# J-55 production csg @ 3157'. Cmted lead w/300 sx (570 cf) 35/65 poz "C" cmt w/5% salt, 6% gel, 2% R-3, & 0.125% CF & tailed w/350 sx (462 cf) cl "C" cmt w/0.5% PF-13, 2% PF-167, 0.2% PF-65, 0.125# PF-29. Circ 123 sx cmt to surface. Released drilling rig on 6/14/13. Plan to pressure test 5-1/2" csg before completion operations.

RECEIVED
 JUL 26 2013
 NMOCD ARTESIA

Accepted for records
 uDade NMOCD 7/31/13

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

Name (Printed/Typed) Mike Pippin	Title Petroleum Engineer (Agent)
Signature <i>Mike Pippin</i>	Date June 15, 2013

ACCEPTED FOR RECORD
 June 15, 2013

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
		JUL 21 2013

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.

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