

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 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 #7

9. API Well No.
30-015-37196

10. Field and Pool, or Exploratory Area
Artesia: Glorieta-Yeso (96830)
Red Lake, San Andres (97253)
AND
Eddy County, New Mexico

SUBMIT IN TRIPLICATE -- Other instructions on reverse side

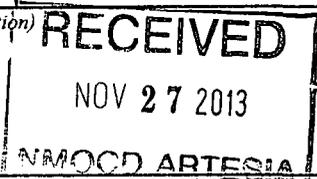
1. Type of Well
 Oil Well Gas Well Other

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)
**2310' FNL & 330' FWL Unit E
Sec. 29, T17S, R28E**



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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input checked="" type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Recompleted to San Andres
	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.)

9/27/13: MIRUSU. TOH w/rods, pump, & tbg. Set 5-1/2" CBP @ 3200' & PT CBP & 5-1/2" csg to 3500 psi-OK. Perfed lower San Andres @ 2800', 08', 16', 28', 40', 48', 60', 75', 84', 97', 2909', 24', 34', 43', 52', 63', 72', 82', 86', 94', 98', 3015', 22', 28', 36', 42' w/1-0.34" spf. Total 26 holes. On 10/2/13, treated new SA perfs w/2184 gal 15% HCL acid & 39 perf balls & fraced w/59,772# 16/30 Arizona & 20,415# 16/30 resin coated sand in 20# X-linked gel. Set 5-1/2" CBP @ 2766' & PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed middle San Andres @ 2518', 24', 32', 42', 48', 58', 64', 74', 82', 90', 98', 2606', 13', 22', 30', 40', 52', 58', 68', 78', 84', 92', 2700', 11', 18', 25', 32' w/1-0.34" spf. Total 27 holes. Treated new SA perfs w/2075 gal 15% HCL acid & 40 perf balls & fraced w/55,168# 16/30 Arizona & 18,566# 16/30 resin coated sand in 20# X-linked gel. **Continued on Page #2.**

Accepted for record
12/4/2013

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 October 5, 2013

RECEIVED FOR RECORD
October 5, 2013

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
		NOV 24 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.	Office	
		<i>[Signature]</i>

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

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Continued from Page #1. Set 5-1/2" CBP @ 2498' & PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed upper San Andres @ 2148', 60', 70', 78', 88' 2208' 18', 26', 36', 44', 52', 60', 70', 80', 90', 99', 2310', 16', 26', 33', 41', 48', 62', 74', 80', 88', 98', 2408', 18', 30', 40', 50', 60', 70', 76' w/1-0.34" spf. Total 35 holes. Treated new SA perfs w/3350 gal 15% HCL acid & 52 perf balls & fraced w/81,879# 16/30 Arizona & 18,123# 16/30 resin coated sand in 20# X-linked gel. Set 5-1/2" CBP @ 2100' & PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed upper San Andres @ 1782', 88', 92', 96', 1800', 10', 12', 14', 40', 43', 74', 80', 84', 86', 88', 90', 92', 94', 96', 98' w/1-0.34" spf & 2004', 06', 08" w/2-0.34" spf. Total 26 holes. Treated new SA perfs w/2163 gal 15% HCL acid & 39 perf balls & fraced w/52,213# 16/30 Arizona & 15,870# 16/30 resin coated sand in 20# X-linked gel. CO after frac & drill out CBPs @ 2100', 2498', & 2766', & CO to CBP @ 3200'. On 10/5/13, landed 2-7/8" 6.5# J-55 tbg @ 3148'. Ran pump & rods. Released workover rig on 10/7/13. Completed as a single San Andres oil well.

A DHC application has been submitted to the NMOCD & BLM to commingle these new SA perfs with the existing Yeso perfs @ 3325'-3504', which are currently SI below the CBP @ 3200'.

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 October 6, 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	

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