

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.  
**NMNM 97122**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**CHALK FEDERAL #5**

3  
30-015-29650

10. Field and Pool, or Exploratory Area (51300)  
Red Lake, Glorieta-Yeso (51120)

AND  
Eddy County, New Mexico

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

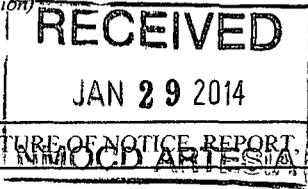
1. Type of Well  
 Oil Well  Gas Well  Other

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)  
990' FNL & 2310' FWL Unit C  
Sec. 5, T18S, R27E



12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" 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 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 type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other <u>Payadd Workover</u>
	<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 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.)

LRE OPERATING, LLC would like to perform a payadd workover on this Yeso oil well as follows: TOH w/rods, pump, & tbg. Using 4-3/4" bit, drill cmt & 5-1/2" csg shoe & CO to TD 3450'. (Existing Yeso perfs are 2796'-3059'). Perf lower Yeso @ about 3140'-3429' w/about 35 holes. Set 5-1/2" pkr on 3-1/2" 9.3# N-80 frac string @ 3100'. Treat new Yeso perfs & Yeso open hole w/about 3000 gal 15% NEFE HCL & frac w/about 84,000# 16/30 sand in X-linked gel. TOH w/frac string & pkr. CO after frac to TD3450'. Land 2-7/8" production tbg @ about 3405'. Run pump & rods. Release workover rig.

Accepted for record  
NMOC D <sup>TES</sup> 1-29-2014

*Waiting on operator 9 months need full drilling plan*

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

Name (Printed/Typed) <b>Mike Pippin</b>	Title <b>Petroleum Engineer (Agent)</b>
Signature <i>Mike Pippin</i>	Date <b>May 9, 2013</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by **DENIED** Title *[Signature]* Date **1/27/14**

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.

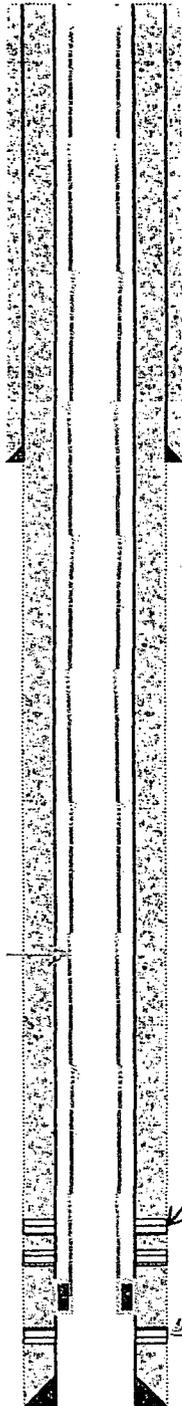
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Chalk Federal #5  
Sec 5-T18S-R27E (C)  
990' FNL & 2310' FWL  
Elevation – 3,481'  
API #: 30-015-29650  
Eddy County, NM**

Spud  
10/18/00

8-5/8",  
24#, J-55,  
ST&C  
Casing @  
1154'.  
Cement w  
575 sks  
Circulated  
129 sx to  
Surface.  
10/18/00

3 1/2"  
9.3#  
tbg w  
PKR at  
3100'



**Glorieta / Upper Yeso** 2796', 2805', 11', 14', 22', 38', 41', 52', 64', 66', 2905', 14', 41', 52', 69', 87', 97', 3011', 15', 34', 46', & 59' (1spf – 24 holes) (November, 2000)  
Stim Info: 4000 g 15% NEFE HCL. Frac w/59.7k g Viking 30# gel + 100,320 #16/30 + 35,120# 12/20. (November, 2000)

**Lower Yeso:** 3140' – 3429', 35 holes, 3000 g 15% NEFE HCL. Frac w/ 50,500 g 20# Xlinked gel and 63,500 lbs 16/30 Brady sand and 20,250 lbs 16/30 Resin coated sand staged 1# – 4.5#.

PBTD @ 3405'

5-1/2"; 14#, K-55; ST&C Casing @ 3,448'; Cement w 600 sks.  
Circulated 66 sx to Surface. (10/25/2000) (10/25/00 TD @3450')

GEOLOGY	
Zone	Top
San Andres	1,380'
Glorieta	2,650'
Yeso	2,880'

SURVEYS	
Degrees	Depth
1/4°	504'
1/4°	1,175'
1/2°	1,505'
3/4°	2,027'
3/4°	2,490'
3/4°	2,982'
1/4°	3,450'