

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. OIL CONSERVATION DIVISION
811 S. FIRST STREET
ARTESIA, NM 88210

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM114782

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other

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

NM-11782

8. Well Name and No.
MEC Com #2

2. Name of Operator
LRE Operating, LLC

9. API Well No.
30-005-63501

3a. Address

1111 Bagby Street Suite 4600, Houston, TX 77002

3b. Phone No. (include area code)

575-623-8424

10. Field and Pool or Exploratory Area
Pecos Slope; ABO

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 6, T 07S, R 23E - 1850' FSL 1140' FWL

11. Country or Parish, State
Chaves County, New Mexico

12. CHECK THE 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 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>Shut In Status</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 Operation: 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

This well is shut in due to the inability of Agave Pipeline (Gas Transporter) to market the gas due to high N2 levels.

Requesting for a "shut in" status for a period of up to six months while Agave is installing equipment for the new N2 Plant which should be up and running by April 2014.

Accepted for record
NMOCD *Jes 2-26-2014*

APPROVED FOR 6 MONTH PERIOD
ENDING 9-1-2014

RECEIVED
FEB 26 2014
NMOCD ARTESIA

SUBJECT TO
LIKE APPROVAL
BY NMOCD

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

Name (Printed/Typed)

Michael Barrett

Title Production Supervisor

Signature *[Signature]*

Date 12/10/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ISI Angel Mayes

Assistant Field Manager,
Lands And Minerals

Date 2-24-14

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.

Office

ROSWELL FIELD OFFICE

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.

(Instructions on page 2)