

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.

NM OIL CONSERVATION
SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well JUL 28 2014
 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)
 1650' FSL & 330' FWL Unit L
 Sec. 29, T17S, R28E

5. Lease Serial No.
NMNM-048344

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
WILLIAMS A FEDERAL #4T

3
 30-015-33130

10. Field and Pool, or Exploratory Area
 Artesia, Glorieta-Yeso (96830)
 Red Lake, Queen-Grayburg-San Andres (51300)
 Eddy County, New Mexico

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 checked="" type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Recomplete
	<input checked="" type="checkbox"/> Other Payadd Workover in San Andres
	<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
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Water Shut-Off

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.)

2/3/14: MIRUSU. TOH w/rods, pump, & tbg. Set RBP @ 2649'. During PT, found hole in 5-1/2" csg just below wellhead. Removed wellhead & repaired hole in csg. Replaced wellhead & PT 5-1/2" csg & RBP to 3500 psi-OK. Perfed additional San Andres @ 2234', 44', 50', 60', 68', 78', 86', 94', 2310', 16', 46', 58', 66', 78', 90', 2404', 14', 26', 38', 54', 62', 70', 81', 90', 2500', 10', 20', 30', 40', 50', 62', 74', 82', 92', 2600' w/1-0.41" spf. Total 35 holes. On 2/7/14, treated new upper San Andres perfs w/3500 gal 15% HCL acid & 52 perf balls & fraced w/95,349# 16/30 Arizona & 25,587# 16/30 resin coated sand in 20# X-linked gel. Set 5-1/2" RBP @ 2160' & PT to 3500 psi-OK. Perfed additional San Andres @ 1780', 82', 84', 86', 88', 90', 92', 94', 96', 98', 1800', 02', 04', 06', 08', 10', 12', 14', 16', 18', 20', 94', 96', 98', 1900', 02', 10', 12', 14' w/1-0.41" spf. Total 29 holes. Treated new upper San Andres perfs w/2531 gal 15% HCL acid & 42 perf balls & fraced w/13,815# 16/30 Arizona & 17,003# 16/30 resin coated sand in 20# X-linked gel. On 2/8/14, MIRUSU. Retrieved RBP @ 2160' & CO to RBP @ 2649'.

On 2/11/14, landed 2-7/8" 6.5# J-55 tbg @ 2616'. Ran pump & rods. Released workover rig on 2/11/14. Completed as a single San Andres oil well. Following a test on the new San Andres perfs, we plan to recalculate the pool allocation & retrieve the RBP @ 2649', & return the well to DHC status as per order DHC-4211.

The existing Yeso perfs are 3328'-3482' & existing San Andres perfs were 2683'-2949'

ACCEPTED FOR RECORD
J. P. Fernandez
 JUL 21 2014
 BUREAU OF LAND MANAGEMENT
 CARLSBAD FIELD OFFICE

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 February 17, 2014

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	Accepted for record RD NMCCD 8-19-14