

OCD Artesia
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CONSERVATION
ARTESIA DISTRICT

DEC 15 2014

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 #9

9. API Well No.
30-015-39238

10. Field and Pool, or Exploratory Area
Red Lake, San Andres (97253)
Artesia: Glorieta-Yeso (96830)
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)
1650' 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 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 Drill CBP & DHC |
| | <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 recomplate 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.)

Following the recompletion to San Andres, LRE would like to drill the CBP @ ~3190' & DHC the Yeso with the San Andres.

LRE requests administrative approval to downhole commingle the existing Artesia, Glorieta-Yeso (96830) and the proposed Red Lake, San Andres (97253). Both intervals have common ownership, we have not experienced any significant cross flows, & all the fluids are compatible. Downhole commingling will maximize the ultimate recovery of oil & gas & eliminate redundant surface equipment. We have secured State order DHC-4652. See the attached DHC worksheet & supporting data. The "Williams A & B Field Study of the Yeso & San Andres" dated 11/23/2013 reviewed & approved by EGF on 1/27/2014 has been accepted by BLM CFO as justification for a downhole pool commingling project on the Williams A & B Federal leases.

Accepted for record

RD NMOCD *12/9/14*

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 May 24, 2014 |

THIS SPACE FOR FEDERAL OR STATE USE

| | | |
|---|-------|--------------------|
| Approved by | Title | Date |
| | | DEC 11 2014 |
| <p>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.</p> <p>BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE</p> | | |

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.

DOWNHOLE COMMINGLING WORKSHEET

| |
|--|
| Operator: LRE OPERATING, LLC |
| Lease/Well Name/API#/Location: NMLC-046250B, WILLIAMS B FEDERAL #9, 30-015-39238, E SEC 29 T17S R28E |
| Date: 5/26/2014 |

| Data | Bottom Formation | Upper Formation | Estimated Combined Production Data |
|---|--|--|--|
| Pool Name: | Artesia, G-Y | Red Lake, San Andres | (See attached weighted average calculations) |
| Pool Code: | 96830 | 97253 | |
| State Form C-102 w/dedicated Acres provided: | Yes 40 acres | Yes 40 acres | |
| Formation Name: | Yeso | San Andres | |
| Top & Bottom of Pay Section (Perfed or OH interval): | 3210'-3502' Perfed | ~2004'-3163' Plan to Perf | |
| Method of Production: | Pumping | Plan to pump | |
| Bottom Hole Pressure: | 851 psi | 690 psi | |
| Reservoir Drive Mechanism: | Solution gas drive | Solution gas drive | |
| Oil Gravity &/or BTU: | 35.8 / 1295* | 34.1 / 1197* | 34.1 / 1219 |
| Average Sulfur Content (Wt%): | 1.003* | 1.2293* | 1.2278 |
| Oil Sample Analysis Provided: | Yes* | Yes* | |
| Gas Analysis Provided: | Yes* | Yes* | |
| Produce Water Analysis Provided: | Yes* | Yes* | |
| H2S Present: | 9,500 ppm* | 3500 ppm* | 4827 ppm |
| Producing, Shut-in or New Zone: | Pumping | Plan to pump | |
| Date & Oil/Gas/Water rates of Last Production (new zones or no production history Operator shall attach production estimate & supporting data): | 2/25/2014 0.5 BOPD 50 MCF/D 25 BWPD | Ave. SA From Lease 74 BOPD 176 MCF/D 185 BWPD ** | Estimated Rates: 78 BOPD 240 MCF/D 220 BWPD |
| Average decline % (provide back up data): | OIL = 9.76%* GAS = 1.57%* | OIL = 9.51%* GAS = 5.89%* | OIL = 8.59%* GAS = 1.91%* |
| Fixed Allocation %: (See attached calculations) | OIL = 1% GAS = 22% WTR = 12% | OIL = 99% GAS = 78% WTR = 88% | |

| |
|--|
| Remarks: *See attached back-up data & "Williams A & B Field Study of Yeso & San Andres". |
| ** As per EGF. Pool allocations will be fine tuned after SA test. |
| Operator Signature: Mike Pippin PE |
| Date: 5/26/2014 |

Attached Supporting Documents

- State Form C-102 w/dedicated Acres Provided
- Oil Sample Analysis Provided (Must be Current)
- Gas Analysis provided (Must be Current)
- Produce Water Analysis provided (Must be Current)
- Any additional supporting data (i.e. offset well production & decline curves etc.)

* FROM WILLIAMS A & B FIELD STUDY

LRE OPERATING, LLC
WILLIAMS B FEDERAL #9
Artesia; Glorieta-Yeso & Red Lake, San Andres
E Section 29 T17S R28E
5/25/2014 – Mike Pippin
API#: 30-015-39238

WEIGHTED AVERAGES

OIL GRAVITY:

Bottom zone (Yeso) = 0.5 BOPD, 35.8

Upper zone (SA) = 74 BOPD, 34.1

$$(0.5 \times 35.8) + (74 \times 34.1) = 17.9 + 2523.4 = 2541.3$$

$$2541.3 / (0.5 + 74) = \underline{\underline{34.1 \text{ GRAVITY OIL}}}$$

GAS BTU:

Bottom zone (Yeso) = 50 MCF/D, 1295 BTU

Upper zone (SA) = 176 MCF/D, 1197 BTU

$$(50 \times 1295) + (176 \times 1197) = 64,750 + 210,672 = 275,422$$

$$275,422 / (50 + 176) = \underline{\underline{1219 \text{ BTU GAS}}}$$

H2S in GAS:

Bottom zone (Yeso) = 50 MCF/D, 9,500 ppm

Upper zone (SA) = 176 MCF/D, 3500 ppm

$$(50 \times 9500) + (176 \times 3500) = 475,000 + 616,000 = 1,091,000$$

$$1,091,000 / (50 + 176) = \underline{\underline{4,827 \text{ ppm H2S}}}$$

Sulfur in Oil:

Bottom zone (Yeso) = 0.5 BOPD, 1.003

Upper zone (SA) = 74 BOPD, 1.2293

$$(0.5 \times 1.003) + (74 \times 1.2293) = 0.5015 + 90.9682 = 91.4697$$

$$91.4697 / (0.5 + 74) = \underline{\underline{1.2278 \text{ Wt\% Sulfur}}}$$

LRE OPERATING, LLC
WILLIAMS B FEDERAL #9
 Artesia; Glorieta-Yeso & Red Lake, San Andres
 E Section 29 T17S R28E
 5/26/2014
 API#: 30-015-39238

Commingle Allocation Calculations

On 9/28/11, the Yeso (lower zone) was completed as a new well. LRE has submitted an NOI sundry to recomplete this well to the San Andres (upper zone) and produced as a single SA well to obtain a test. Following the SA test, the well will be DHC. The last Yeso production test on 2/25/14 before the recompletion was 0.5 BOPD, 50 MCF/D, & 25 BWPD. The average San Andres test on the lease is 74 BOPD, 176 MCF/D, & 185 BWPD. As per EGF, the pool allocations will be fine tuned after the SA test.

| | Upper Zone (SA) | + | Lower Zone (YESO) | = | Total |
|----------------------|--------------------|---|----------------------|---|-------|
| Total Oil (bbls/d) | 74 | + | 0.5 | = | 74.5 |
| Total Gas (mcf/d) | 176 | + | 50 | = | 226 |
| Total Water (bbls/d) | 185 | | 25 | = | 210 |

OIL

Upper Zone (SA) = 74 BOPD
 Total oil = 74.5 BOPD
 % Upper Zone = $\frac{74}{74.5} = \underline{99\%}$

Lower Zone (Yeso) = 0.5 BOPD
 % Lower Zone = $\frac{0.5}{74.5} = \underline{1\%}$

GAS

Upper Zone (SA) = 176 MCF/D
 Total gas = 226 MCF/D
 % Upper Zone = $\frac{176}{226} = \underline{78\%}$

Lower Zone (Yeso) = 50 MCF/D
 % Lower Zone = $\frac{50}{226} = \underline{22\%}$

WATER

Upper Zone (SA) = 185 BWPD
 Total Water = 210 BWPD
 % Upper Zone = $\frac{185}{210} = \underline{88\%}$

Lower Zone (Yeso) = 25 BWPD
 % Lower Zone = $\frac{25}{210} = \underline{12\%}$

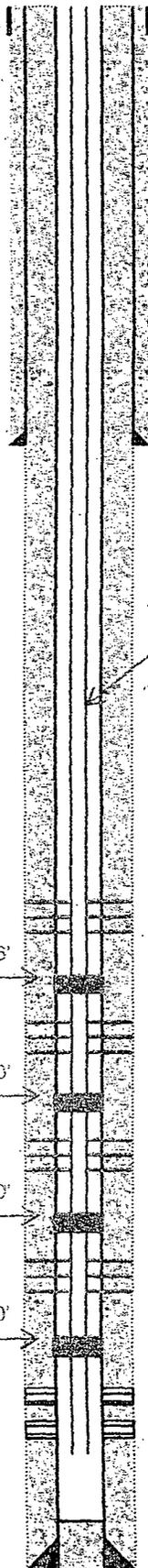


**Williams B Federal #9
San Andres Recompletion
AFE #R14003**

**Williams B Federal #9
Sec 29-17S-28E (E)
1650' FNL, 330' FWL
X=539507.9'E, Y=657596.6'N
Lat.=32.807756°N
Long.=104.204746°W
Elevation - 3,602' GL
3,613' KB Est.
API #: 30-015-39238
BLM APD Approved 7-19-2011
BLM Lse # NMLC046250B
NMOCD CLS Permit #0211752
Eddy County, NM**

Spud
8/22/11

40', 14"
Conductor Pipe



12-1/4" Hole from 40' to 425' MD.
8-5/8", 24#, J-55, ST&C Casing @ 434'. Circulate
cmt to surface using 150 SK Lead C & Poly-E Flake,
and 200 sx C w/ 2% CaCl₂. Circ 118 sx to pit.

2-7/8"; 6.5#, J-55 Tubing TAC at 1904',
SN at 3510', 4' Slotted sub, 2 jt MA w BP
at 3575'

CBP at 2346'

San Andres Perfs:
2004'-2331' 37 holes

Stim Info: 3300 g 15% NEFE HCL & 56 bio balls,
62,000 # 16/30 Brady & 18,000 # 16/30 Resin with
20 # x-linked gel

CBP at 2840'

San Andres Perfs:
2362'-2597' 28 holes

Stim Info: 2500 g 15% NEFE HCL & 42 bio balls,
62,000 # 16/30 Brady & 18,000 # 16/30 Resin with
20 # x-linked gel

CBP at 2920'

San Andres Perfs:
2702'-2907' 25 holes

Stim Info: 2100 g 15% NEFE HCL & 38 bio balls,
62,000 # 16/30 Brady & 18,000 # 16/30 Resin with
20 # x-linked gel

CBP at 3190'

San Andres Perfs:
2934'-3163' 28 holes

Stim Info: 2300 g 15% NEFE HCL & 42 bio balls,
73,000 # 16/30 Brady & 18,000 # 16/30 Resin with
25 # x-linked gel

Yeso Perfs:
3,210' - 3,500' (41 holes)
(9/8/11)

Stim Info: 3500 gal 15% NEFE; Frac w/ 111,000#'s 16/30
Brady sand and 22500# 16/30 Siber Prop ramped to 4.5 ppa
and pumped at 70 BPM using Scale Sorb

PBTD @ 3,614'

7-7/8" Hole from 425' to 3,674' MD
5-1/2", 17#, J-55; ST&C Casing @ 3,658'. Circulate Lead of 350
SX 35/65 POZ C and Tail of 300 SX C to surface w/ 107 sx to pit

TD @ 3,674'

GEOLOGY

| Zone | Top |
|------------|--------|
| Queen | 1,070' |
| Grayburg | 1,501' |
| Premier | 1,786' |
| San Andres | 1,824' |
| MSA | 2,140' |
| LSA | 2,738' |
| Glorietta | 3,201' |
| Yeso | 3,307' |

SURVEYS

| Degrees | Depth |
|---------|-------|
| 1/2 | 443 |
| 3/4 | 1005 |
| 1 | 1535 |
| 1/4 | 2075 |
| 1 | 2548 |
| 1/2 | 3049 |
| 1/2 | 3548 |
| 1 | 3648 |

District I
1625 N. Francis Drive, Hobbs, NM 88240

District II
1331 W. Grand Avenue, Artesia, NM 88210

District III
1660 Rio Grande Street, Aztec, NM 87410

District IV
1720 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-107A
Revised June 10, 2003

APPLICATION TYPE

Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

LRE OPERATING, LLC c/o Mike Pippin LLC (agent), 3104 N. Sullivan, Farmington, NM 87401
Operator Address

WILLIAMS B FEDERAL #9 E SEC. 29 T17S R28E Eddy
Lease Well No. Unit Letter-Section-Township-Range County

GRID No. 281994 Property Code 309867 API No. 30-015-39238 Lease Type: Federal State Fee

| DATA ELEMENT | UPPER ZONE | INTERMEDIATE ZONE | LOWER ZONE |
|--|------------------------------|-------------------|---|
| Pool Name | RED LAKE; -San Andres | | ARTESIA; Glorieta-Yeso |
| Pool Code | 97253 | | 96830 |
| Top and Bottom of Pay Section (Perforated or Open-Hole Interval) | ~2004'-3163' | | 3210'-3502' |
| Method of Production (Flowing or Artificial Lift) | Plan to Pump | | Pumping |
| Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone) | 690 psi | | 851 psi |
| Oil Gravity or Gas BTU (Degree API or Gas BTU) | 34.8 | | 38.32 |
| Producing, Shut-In or New Zone | New Zone | | Producing |
| Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.) | Date: RATES: | Date: RATES: | Date: 2/25/14 Rates: 0.5 BOPD 50 MCF/D 25 BWPD |
| Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.) | Oil Gas | Oil Gas | Oil Gas |
| | | % % | |

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No

Are all produced fluids from all commingled zones compatible with each other? Yes No

Will commingling decrease the value of production? Yes No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No

NMOC Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

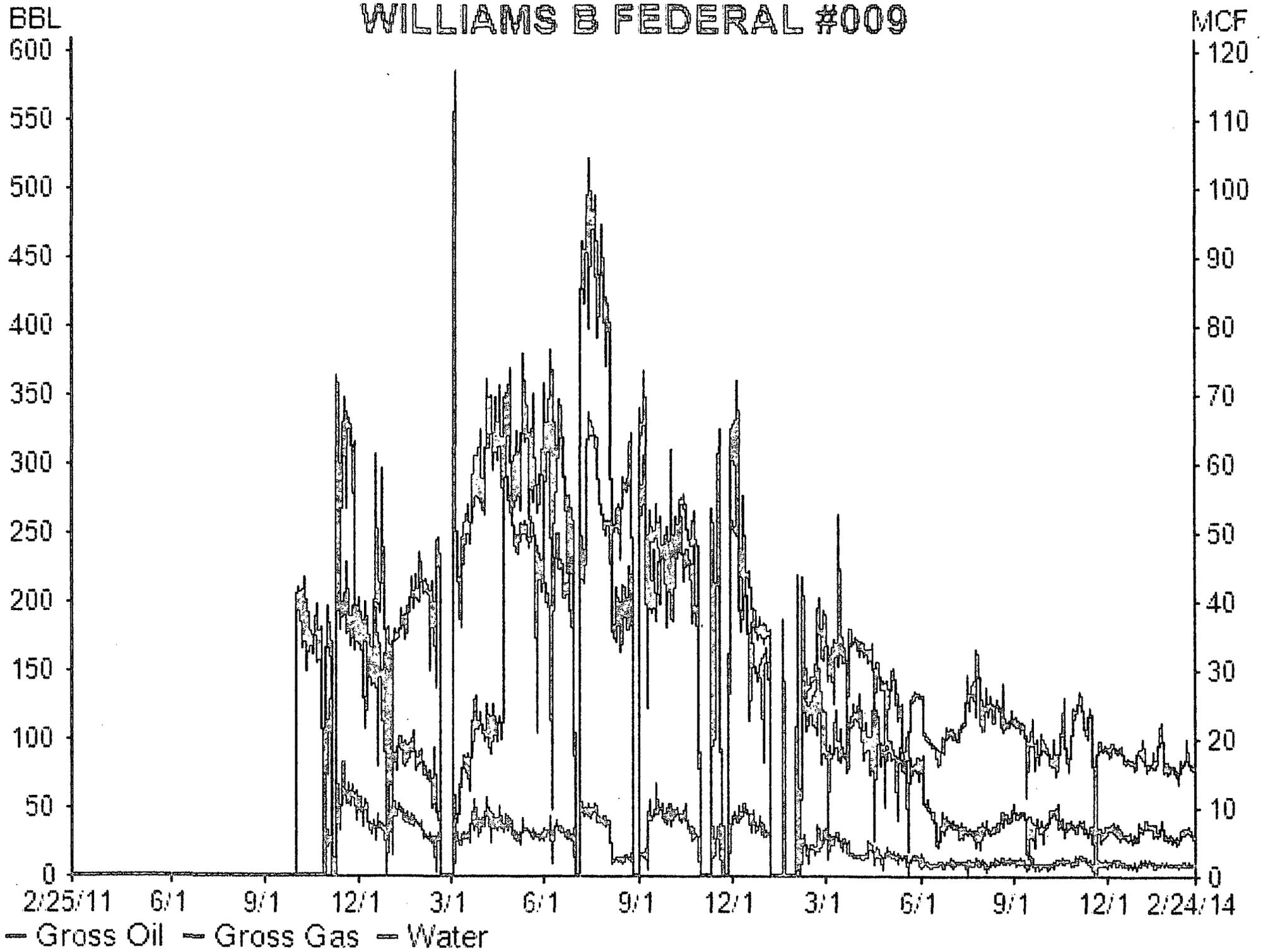
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mike Pippin TITLE Petroleum Engineer - Agent DATE February 26, 2014

TYPE OR PRINT NAME Mike Pippin TELEPHONE NO. (505) 327-4573

E-MAIL ADDRESS mike@pippinllc.com

WILLIAMS B FEDERAL #009



— Gross Oil — Gross Gas — Water

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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OMB No. 1004-0135
Expires July 31, 1996

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NMLC 046250E

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WILLIAMS B FEDERAL #3

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Red: Lake, San Andres (97253)
Artesia: Gloriata-Yeso (96830)
AND
Eddy County, New Mexico

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 Oil Well Gas Well Other

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505-327-4573

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1650' 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 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 Recomplete 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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LRE would like to recomplete this Yeso oil well into the San Andres & DHC as follows: MIRUSU. TOH w/rods, pump, & tbg. Set a 5-1/2" CBP @ 3190' & PT to 3500 psi. Perf Lower SA @ ~2934'-3163' w/~28 holes. Treat new perfs w/~2300 gal 15% HCL & frac w/~91,000# 16/30 sand in 25# X-linked gel. Set a 5-1/2" CBP @ 2920' & PT to 3500 psi. Perf middle SA @ ~2702'-2907' w/~25 holes. Treat new perfs w/~2100 gal 15% HCL & frac w/~80,000# 16/30 sand in 20# X-linked gel. Set a 5-1/2" CBP @ 2640' & PT to 3500 psi. Perf Upper SA @ ~2362'-2597' w/~28 holes. Treat new perfs w/~2500 gal 15% HCL & frac w/~80,000# 16/30 sand in 20# X-linked gel. Set a 5-1/2" CBP @ 2346' & PT to 3500 psi. Perf Upper SA @ ~2004'-2331' w/~37 holes. Treat new perfs w/~3300 gal 15% HCL & frac w/~80,000# 16/30 sand in 20# X-linked gel. CO after frac, drill CBPs @ 2346', 2640', & 2920' & CO to CBP @ ~3190'. Land 2-7/8" tbg @ ~3160' & run pump & rods. Release workover rig & complete as a single SA oil well. The existing Gloriata-Yeso perfs are 41 holes @ 3210'-3502'. This well will be DHC when the DHC applications with the State & BLM are approved. We plan to u

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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 24, 2014 |

APPROVED
MAR 11 2014
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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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District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|---|--|---|--|--|------------------------------------|
| ¹ API Number 30-015-39238 | | ² Pool Code 97253 | | ³ Pool Name Red Lake, San Andres | |
| ⁴ Property Code 309867 | | ⁵ Property Name WILLIAMS B FEDERAL | | | ⁶ Well Number 9 |
| ⁷ OGRID No. 281994 | | ⁸ Operator Name LRE OPERATING, LLC. | | | ⁹ Elevation 3602' GL |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| E | 29 | 17-S | 28-E | | 1650 | NORTH | 330 | WEST | EDDY |

¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|-------------------------------------|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 40 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|-------------------------------------|-------------------------------|----------------------------------|-------------------------|

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

| | | |
|---|---|---|
| <div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 20px;">1650'</div> <div style="margin-bottom: 20px;">○</div> <div style="margin-bottom: 20px;">330'</div> </div> | <div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 20px;">29</div> </div> | <p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>Signature: <u>Mike Pippin</u> Date: 2/24/14</p> <p>Printed Name: <u>Mike Pippin</u></p> |
| | | <p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>1/17/11</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor: Gary Eidson</p> <p>12641</p> <p>Certificate Number</p> |

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I
1825 N FRENCH DR., HOBBBS, NM 88240

DISTRICT II
1921 W GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

| | | |
|-----------------------------------|--|-------------------------------------|
| API Number 30-015-39238 | Pool Code 96830 | Pool Name Artesia; Glorieta-Yeso |
| Property Code 305444 | Property Name WILLIAMS B FEDERAL | Well Number 9 |
| OCRID No 255333 | Operator Name LIME ROCK RESOURCES A, L.P. | Elevation 3602' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| E | 29 | 17-S | 28-E | | 1650 | NORTH | 330 | WEST | EDDY |

Bottom Hole Location if Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
|-----------------|-----------------|--------------------|-----------|
| 40 | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | |
|--|--|
| <p>1650'</p> <p>SEE DETAIL</p> <p>330'</p> <p>GEODETC COORDINATES NAD 27 NME Y=657596.6 N X=539507.9 E LAT.=32° 80' 77.56" N LONG.=104° 20' 47.46" W</p> <p>DETAIL</p> <p>3591.5' 3600.7'</p> <p>600'</p> <p>600'</p> <p>3603.7' 3612.5'</p> | <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>George R. Smith</i> 2/28/2011 Signature Date George R. Smith, agent Printed Name</p> |
| | <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shows on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>JANUARY 17, 2011 Date Surveyed LA</p> <p>Signature & Seal of Professional Surveyor <i>Gary G. Edson</i> 1/31/11 11110070</p> <p>Certificate No. GARY EDSON 12641 RONALD J. EDSON 3239</p> |

RECEIVED
JUL 20 2011
NMOCD ARTESIA

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