

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
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.*

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

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM048344
2. Name of Operator LRE OPERATING LLC Contact: MIKE PIPPIN E-Mail: mike@pippinllc.com		6. If Indian, Allottee or Tribe Name
3a. Address 1111 BAGBY SUITE 4600 HOUSTON, TX 77002	3b. Phone No. (include area code) Ph: 505-327-4573	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T17S R28E NWSW 2310FSL 0330FWL 32.804072 N Lat, 104.204717 W Lon		8. Well Name and No. WILLIAMS A FEDERAL 14
		9. API Well No. 30-015-41891-00-S1
		10. Field and Pool, or Exploratory ARTESIA
		11. County or Parish, and State EDDY COUNTY, NM

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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 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.)

THIS IS A REQUEST TO RECOMPLETE THIS YESO WELL TO THE SAN ANDRES.

MIRUSU. TOH w/rods, pump, & tbg. Set a 5-1/2" CBP @ ~3250' & PT to ~3500 psi. (Existing Yeso perms are at 3305'-3510'). Perf lower SA @ ~2664'-3072' w/~36 holes. Treat new perms w/~1500 gal 15% HCL & frac w/~30,000# 100 mesh & ~331,590# 40/70 Ottawa sand in slick water. Set a 5-1/2" CBP @ ~2622' & PT to ~3500 psi. Perf middle SA @ ~2170'-2584' w/~37 holes. Treat new perms w/~1500 gal 15% HCL & frac w/~30,000# 100 mesh & ~331,590# 40/70 Ottawa sand in slick water. Set a 5-1/2" CBP @ ~2100' & PT to ~3500 psi. Perf upper SA @ ~1780'-2007' w/~34 holes. Treat new perms w/~1500 gal 15% HCL & frac w/~30,000# 100 mesh & ~120,960# 40/70 Ottawa sand in slick water. CO after frac & drill out CBPs @ 2100' & 2622'; & CO to CBP @ 3250'. Land 2-7/8" 6.5# J-55 production tbg @ ~3110'. Run pump & rods. Release workover rig. Complete as a single San Andres oil well. See the attached wellbore diagram & C-102 for the new pool. Following a test of the SA alone

**NM OIL CONSERVATION**  
ARTESIA DISTRICT  
JUL 10 2015  
RECEIVED

Accepted for record  
(RD) NMOC 7/30/15

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

Electronic Submission #298392 verified by the BLM Well Information System  
For LRE OPERATING LLC, sent to the Carlsbad  
Committed to AFMSS for processing by ED FERNANDEZ on 07/07/2015 (15EF0034SE)

Name (Printed/Typed) MIKE PIPPIN	Title PETROLEUM ENGINEER
Signature (Electronic Submission)	Date 04/16/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By EDWARD FERNANDEZ Title PETROLEUM ENGINEER

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 Carlsbad

**APPROVED**  
JUL 7 2015  
BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE  
07/07/2015

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.

\*\* BLM REVISED \*\*

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

**Additional data for EC transaction #298392 that would not fit on the form**

**32. Additional remarks, continued**

and the approval of both the State & BLM DHC applications, the CBP @ 3250' will be removed and the well DHC.



County	EDDY	Well Name	Williams A Federal #14	Field:	Redlake Glorieta-Yeso NE	Well Sketch:	AFE R15021 LRE Operating, LLC
Surface Lat:	32.8040722°N	BH Lat:	32.8040722°N	Survey:	S29-T17S-R28E Unit L	API #	30-015-41891
Surface Long:	104.2047166°W	BH Long:	104.2047166°W		2310' FSL & 330' FWL	OGRID #	281994

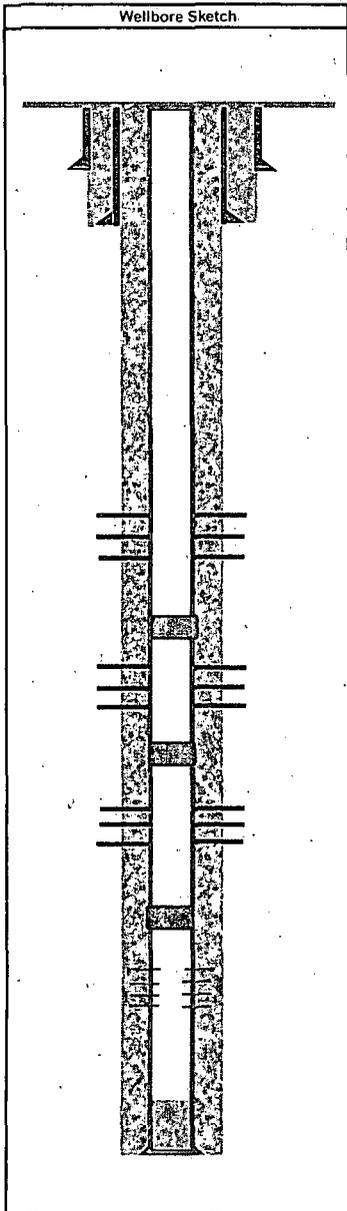
Directional Data:			
KOP			
Max Dev.:			
Dev sev.:			
Dev @ Pars			
Ret to Vert:			

Tubular Data							
Tubulars	Size	Weight	Grade	Thread	TVD	MD	TOC
Conductor	14"	68.7#	B	Weld	40'	40'	SURF
Surface	8 5/8"	24#	J-55	STC	426'	426'	SURF
Intermediate							
Production	5 1/2"	17#	J-55	LTC	3,595'	3,595'	SURF
Liner							

Wellhead Data	
Type:	
WP:	
Tree Cap	Flange:
	Thread:
Tbg.Hanger:	
8TM Flange:	
BPV Profile:	NA
Elevations:	GR - RKB = 11.8'
RKB:	3631.5
GL:	3,619.7"

Drilling / Completion Fluid	
Drilling Fluid:	10.2 PPG Brine / Salt Gel
Drilling Fluid:	
Completion Fluid:	2% KCL
Completion Fluid:	
Packer Fluid:	NA

CEMENT DATA							
	L/sks	Yld	Wt	T/sks	Yld	Wt	XS
Surface	300	1.35	14.8	NA	NA	NA	83 sx
Intermediate							
Liner							
Production	310	1.9	12.8	375	1.33	14.8	122 sx



Completion Information					
DEPTHS (MD)	FORMATION TOPS / WELL INFO	PERFORATIONS		# of HOLES	DETAILS
.0		from	to		
40'	20" Hole				14" Conductor Pipe
426'	12 1/4" Hole				8-5/8" Surf Csg Circ 83-sx Cmt to surf
527'	Seven Rivers				
1088'	Queen				
1510'	Grayburg				
1817'	San Andres				
2 7/8" tbg, TAC at 1680', SN at 3075', 4' slotted sub, 1 jt MA w BP at 3110'					
119- 7/8" KD rods, 4- 1.5" kbars, 2.5"x2"x20' RHBC-HVR pump					
Weatherford ALX 320-256-120 Pumping Unit- 30 HP Motor, 100" SL at 9 SPM					
	San Andres	1,780'	2,007'	34	227', 1500 g 15% HCL, 5,700 bbls water
					30,000 # 100 Mesh, 120,960 # 40/70 Ottawa
					80 + BPM
CBP at 2100'					
	San Andres	2,170	2,584'	37	414', 1500 g 15% HCL, 8,900 bbls water
					30,000 # 100 Mesh, 331,590 # 40/70 Ottawa
					80 + BPM
CBP at 2622'					
	San Andres	2,664'	3,072'	36	408', 1500 g 15% HCL, 8,900 bbls water
					30,000 # 100 Mesh, 331,590 # 40/70 Ottawa
					80 + BPM
3187'	Glorieta				
CBP at 3250'					
3,305'	Yeso				
	Stage 1 Yeso Frac	3,305'	3,511'	41	205' Stg1 - See Frac Design
	PBTD				
3,595'	PROD CSG				above 5-1/2" Float Collar
					5-1/2" Prod Csg. Circ 122 SX Cmt to Surf
Comments: NM OCD CLP				Plug back Depth: MD	
				Total Well Depth: 3,600' 3600' MD	
				Prepared By: Date:	
				Eric McClusky 15-Apr-15	

**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**

<sup>1</sup> API Number 30-015-41891		<sup>2</sup> Pool Code 51300		<sup>3</sup> Pool Name Artesia, Queen-Grayburg-San Andres	
<sup>4</sup> Property Code 309877		<sup>5</sup> Property Name <b>WILLIAMS A FEDERAL</b>			<sup>6</sup> Well Number <b>14</b>
<sup>7</sup> OGRID No. 281994		<sup>8</sup> Operator Name <b>LRE OPERATING, LLC.</b>			<sup>9</sup> Elevation 3620' GL

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	29	17-S	28-E		2310	SOUTH	330	WEST	EDDY

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.

				<b><sup>17</sup> OPERATOR CERTIFICATION</b>	
				<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>	
				<div style="text-align: right;">4/16/15</div> <hr/> Signature _____ Date _____	
				Mike Pippin Printed Name	
<b>29</b>				<b><sup>18</sup> SURVEYOR CERTIFICATION</b>	
				<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>	
				5/23/12 Date of Survey	
				Signature and Seal of Professional Surveyor: Filmon F. Jaramillo	
330'					
2310'					
				12797 Certificate Number	

## Conditions of Approval

### San Andres

LRE Operating, LLC  
Williams A Federal- 14  
API 3001541891, T17S-R28E, Sec 29  
July 7, 2015

1. The "Williams A & B Field Study of the Yeso & San Andres" dated 11/23/2013 reviewed and Approved by EGF on 01/27/2014 has been accepted by BLM CFO as justification for a downhole pool comingling project on the Williams A and Williams B federal leases. The Yeso is currently capable of production in paying quantities and is to be produced until that formation's economic limits are achieved. This being said, the combined formations should increase field production.
2. Closed loop system required.
3. Surface disturbance beyond the originally approved pad must have prior approval.
4. Allocation data must be obtained before comingling. The current Yeso production to be isolated and the San Andres tested.
5. A new "Well Location and Acreage Dedication Plat" (NMOCD Form C-102) is required with the notice of intent package when opening another pay zone.
6. A subsequent sundry detailing work done and a completion report for the San Andres formation is necessary.
7. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
8. Functional H<sub>2</sub>S monitoring equipment shall be on location.
9. 2000 (2M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels) equipment shall be installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related

equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.

10. Operators procedure approved as written with the following additions:

**11. After setting the isolation plug above the Yeso and before perforating, perform a (charted) casing integrity test of 700psig. Verify all annular casing vent valves are open to the surface during this pressure test. Pressure leakoff may require correction for approval. Include a copy of the chart in the subsequent sundry for this workover.**

**12. Provide BLM with an electronic copy (Adobe Acrobat Document) of any existing cement bond log record. The CBL may be attached to a pswartz@blm.gov email.**

Access information for use of Form 3160-5 "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - [http://www.blm.gov/nm/st/en/prog/energy/oil\\_and\\_gas.html](http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html)

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.