

Submit To Appropriate District Office Two Copies 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 and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505			Form C-105 July 17, 2008													
WELL COMPLETION OR RECOMPLETION REPORT AND LOG							1. WELL API NO. 30-015-40988											
4. Reason for filing: <input checked="" type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)							2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN											
7. Type of Completion: <input checked="" type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER							3. State Oil & Gas Lease No.											
8. Name of Operator: LRE OPERATING, LLC						5. Lease Name or Unit Agreement Name STALEY STATE	<div style="border: 2px solid black; padding: 5px; font-weight: bold; font-size: 1.2em;"> RECEIVED FEB 28 2013 NMOCD ARTESIA </div>											
10. Address of Operator: c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401						6. Well Number: #26												
11. Pool name or Wildcat: Red Lake, Glorieta-Yeso NE (96836)																		
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County								
Surface:	L	30	17-S	28-E	3	1655	South	990	West	Eddy								
BH:																		
13. Date Spudded 2/6/13	14. Date T.D. Reached 2/11/13	15. Date Drilling Rig Released 2/12/13		16. Date Completed (Ready to Produce) 2/26/13		17. Elevations (DF and RKB, RT, GR, etc.): 3598' GR												
18. Total Measured Depth of Well 4930'		19. Plug Back Measured Depth 4876'		20. Was Directional Survey Made? Yes			21. Type Electric and Other Logs Run Induction, Density/Neutron											
22. Producing Interval(s), of this completion - Top, Bottom, Name 3154'-3450'-Upper Yeso, 3490'-3780'- Upper Yeso, 3886'-4210' - Middle Yeso, 4265'-4560' - Lower Yeso																		
23. CASING RECORD (Report all strings set in well)																		
CASING SIZE		WEIGHT LB./FT.		DEPTH SET		HOLE SIZE		CEMENTING RECORD		AMOUNT PULLED								
8-5/8"		24# J-55		425'		12-1/4"		330 sx CI C		0'								
5-1/2"		17# J-55		4922'		7-7/8"		330 sx 35/65 Poz/C		0'								
								+ 625 sx C										
24. LINER RECORD						25. TUBING RECORD												
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN		SIZE	DEPTH SET	PACKER SET										
						2-7/8"	4679'											
26. Perforation record (interval, size, and number) <u>Upper Yeso: 3154'-3450', 35 holes</u> <u>Upper Yeso: 3490'-3780', 30 holes</u> <u>Middle Yeso: 3886'-4210', 46 holes</u> <u>Lower Yeso: 4265'-4560', 31 holes</u>						27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td>3154'-3450'</td> <td>3450 gals 15% HCL; fraced w/67,172# 16/30 & 38,825# 16/30 Siber prop sand in X-linked gel</td> </tr> <tr> <td>3490'-3780'</td> <td>3000 gals 7.5% HCL; fraced w/65,829# 16/30 & 32,791# 16/30 Siber prop sand in X-linked gel</td> </tr> <tr> <td>3886'-4210'</td> <td>3190 gals 7.5% HCL; fraced w/73,748# 16/30 & 36,398# 16/30 Siber prop sand in X-linked gel</td> </tr> </table>					DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	3154'-3450'	3450 gals 15% HCL; fraced w/67,172# 16/30 & 38,825# 16/30 Siber prop sand in X-linked gel	3490'-3780'	3000 gals 7.5% HCL; fraced w/65,829# 16/30 & 32,791# 16/30 Siber prop sand in X-linked gel	3886'-4210'	3190 gals 7.5% HCL; fraced w/73,748# 16/30 & 36,398# 16/30 Siber prop sand in X-linked gel
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28. PRODUCTION s						4265'-4560' 3000 gals 7.5% HCL, fraced w/65,640# 16/30 & 36,461# 16/30 siber prop sand in X-linked gel												
Date First Production READY		Production Method (<i>Flowing, gas lift, pumping - Size and type pump</i>) Pumping				Well Status (Prod. or Shut-in) Pumping												
Date of Test Within 30 days	Hours Tested	Choke Size	Prod'n For Test Period:	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio											
Flow Tubing Press.	Casing Pressure	Calculated 24- Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)												
29. Disposition of Gas (<i>Sold, used for fuel, vented, etc.</i>) To Be Sold						30. Test Witnessed By: Jerry Smith												
31. List Attachments																		
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.																		
33. If an on-site burial was used at the well, report the exact location of the on-site burial.																		
Latitude _____ Longitude _____ NAD 1927 1983																		
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief																		
Signature <i>M. Mike Pippin</i>			Printed Name	Mike Pippin	Title: Petroleum Engineer	Date: 2/26/13	40											
E-mail Address: mike@pippinllc.com																		

STALEY STATE #26 -- New Well

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

OIL OR GAS SANDS OR ZONES

No. 3, from.....to.....
No. 4, from.....to.....

Include data on rate of water inflow and elevation to which water rose in hole.

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology		From	To	Thickness In Feet	Lithology
			- On File -					