

RECEIVED
MAR 20 2013
CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
NMOCD ARTESIA

WELL API NO. 30-015-40982
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name AID 24 STATE
8. Well Number #21
9. OGRID Number 281994
10. Pool name or Wildcat Empire, Glorieta-Yeso (96210)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3676' GL

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
LRE OPERATING, LLC

3. Address of Operator
c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401

4. Well Location

Unit Letter **I** : **1660** feet from the **SOUTH** line and **330** feet from the **EAST** line
Section **24** Township **17-S** Range **28-E** NMPM **Eddy** County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☒

OTHER: ☐

OTHER: **Spud & Casings** ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Spud well on 3/12/13. Drilled 12-1/4" hole to 513'. Landed 8-5/8" 24# J-55 csg @ 513'. Cmted w/490 sx (662 cf) "C" cmt w/2% Cacl2, 0.005% static free, & 0.25# CF. Circ 299 sx cmt to surface. On 3/13/13, PT 8-5/8" csg to 800 psi for 30 min-OK.

Drilled 7-7/8" hole from 8-5/8" csg shoe to 5400' on 3/18/13. Ran open hole logs. On 3/18/13, landed 5-1/2" 17# J-55 csg @ 5400'. Cmted lead w/380 sx (722 cf) 35/65 poz "C" cmt w/0.25#/sx CF, 5% salt, 5# LCM-1 & 0.55% R-3. Tailed w/675 sx (898 cf) "C" cmt w/0.2% CD-32, 0.25#/sx CF, & 0.25% R-3. Circ 171 sx cmt to pit. Released drilling rig on 3/19/13. Plan to pressure test the 5-1/2" csg before completion operations.

Spud Date: **3/12/13**

Drilling Rig Release Date: **3/19/13**

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 3/20/13

Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573
For State Use Only

APPROVED BY: *JD Deale* TITLE Asst. PI Supervisor DATE 3/27/13
Conditions of Approval (if any):

JD