

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

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State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
June 19, 2008

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.)		WELL API NO. 30-015-34626
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator LRE OPERATING, LLC.		6. State Oil & Gas Lease No.
3. Address of Operator c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401		7. Lease Name or Unit Agreement Name JEFFERS 36 STATE
4. Well Location Unit Letter <u>B</u> : <u>935</u> feet from the <u>NORTH</u> line and <u>2260</u> feet from the <u>EAST</u> line Section <u>36</u> Township <u>17-S</u> Range <u>27-E</u> NMPM <u>Eddy</u> County		8. Well Number <u>#4T</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3622' GL		9. OGRID Number <u>281994</u>
		10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836) Red Lake, Queen-Grayburg-San Andres (51300)

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

OTHER: Recompleted to Yeso & Commingled w/SA ☒

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.

LRE has recompleted this well to the Red Lake, Glorieta-Yeso NE & commingled with the existing San Andres as follows: On 4/5/13, MIRUSU. TOH w/rods, pump, & tbg. Perfed Glorieta-Yeso @ 3152', 56', 60', 63' 68' 73', 76', 92', 98', 3205', 11', 16', 19', 24', 31', 37', 41', 46', 52', 55', 59', 63', 67', 72', 77', 80', 85', 88', 92', 96', 3302', 06', 09', 16', 20', 25', 30', 36', 42', 46', 50', 56', 62', 68', 72', 78', 84', 88', 98', 3404', 09', 14', 19', 26', 38', 48', 52', 56', 62', 68', 76', 80' w/1-0.34" spf. Total 62 holes. Set 5-1/2" pkr @ 3092' on 3-1/2" 9.3# L-80 frac string. On 4/19/13, treated new perfs w/3000 gal 15% HCL acid & 93 perf balls. Fraced Glorieta-Yeso w/66,505# 16/30 Berry White & 22,905# 16/30 resin coated and in 20# X-linked gel.

On 4/20/13, MIRUSU. TOH w/pkr & frac string. CO after frac to PBTD3488'. On 4/22/13, landed 2-7/8" 6.5# J-55 tbg @ 3458'. Ran pump & rods. Released workover rig on 4/24/13. Completed the well as a commingled San Andres/Glorieta-Yeso oil well as per DHC-4609. After a few months of commingled production, we plan to calculate the pool allocations & submit to the District OCD.

The existing San Andres perfs are 1884'-2868' (45 holes).

Spud Date: 5/30/06

Drilling Rig Release Date: 6/9/06

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 5/13/13

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

For State Use Only

APPROVED BY: JDade TITLE District Supervisor DATE 5/15/2013

Conditions of Approval (if any):

900