

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 87401

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

Energy, Minerals and Natural Resources

June 19, 2008

RECEIVED

MAY 14 2013

NM OOD ARTESIA

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-015-40230

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

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

7. Lease Name or Unit Agreement Name

HORSESHOE STATE

8. Well Number #1

9. OGRID Number 281994

10. Pool name or Wildcat

Red Lake, Glorieta-Yeso NE (96836)

4. Well Location

Unit Letter F : 2310 feet from the NORTH line and 1800 feet from the WEST lineSection 30 Township 17-S Range 28-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3576' GL

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: Completion ☒

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.

On 4/19/13, PT 5-1/2" csg to 5000 psi for 30 min-OK. Drilled out cmt & CO to PBTD4760'. Perfed lower Yeso @ 4326', 33', 39', 60', 70', 80', 92', 4408', 20', 34', 55', 70', 80', 90', 4500', 12', 26', 39', 44', 54', 62', 70', 86', 4600' w/1-0.34" spf. Total 24 holes. Treated w/4000 gal 15% HCL acid & 36 perf balls. On 4/22/13, fraced lower Yeso w/57,010# 16/30 Brady & 14,830# 16/30 siber prop sand in X-linked gel.

Set 5-1/2" CBP @ 4305'. PT csg & CBP to 4000 psi-OK. Perfed middle Yeso @ 4000', 10', 16', 24', 39', 46', 52', 60', 68', 74', 80', 4104', 19', 30', 50', 60', 68', 74', 80', 86', 92', 4200', 08', 19', 28', 55', w/1-0.34" spf. Total 26 holes. Treated perfs w/2478 gal 15% HCL acid & 39 perf balls. Fraced w/58,336# 16/30 Brady & 16,441# 16/30 siber prop sand in X-linked gel.

Set 5-1/2" CBP @ 3970'. PT csg to 4000 psi-OK. Perfed upper Yeso @ 3650', 74', 80', 94', 3709', 20', 37', 50', 62', 72', 89', 98', 3808', 27', 37', 50', 60', 75', 82', 92', 98', 3904', 12', 20', 30', 38' w/1-0.34" spf. Total 26 holes. Treated perfs w/2520 gal 15% HCL acid & 39 perf balls. Fraced w/60,292# 16/30 Brady & 21,012# 16/30 siber prop sand in X-linked gel.

Set 5-1/2" CBP @ 3598'. PT csg to 4000 psi-OK. Perfed upper Yeso @ 3285', 90', 95', 3300', 05', 10', 15', 20', 25', 30', 35', 40', 45', 50', 55', 60', 65', 70', 75', 80', 85', 90', 95', 3400', 05', 10', 15', 20', 25', 30', 35', 40', 45', 50', 56', 64', 72', 80', 94', 3505', 14', 36', 48', 63' w/1-0.34" spf. Total 44 holes. Treated perfs w/2730 gal 15% HCL acid & 66 perf balls. Fraced w/62,252# 16/30 Brady & 22,441# 16/30 siber prop sand in X-linked gel.

On 4/25/13, MIRUSU. Drilled CBPs @ 3598', 3970' & 4305' & CO to PBTD4760'. On 4/26/13, landed 2-7/8" 6.5# J-55 tbg @ 4702'. Ran pump & rods. Released completion rig on 4/27/13.

Spud Date: 4/6/13

Drilling Rig Release Date: 4/12/13

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 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:

RR Dade

TITLE

Dist JPSperwer

DATE 5/15/2013

Conditions of Approval (if any):