

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																																				
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)				5. Lease Name or Unit Agreement Name HORSESHOE STATE 6. Well Number: #1 RECEIVED <div style="text-align: right; font-size: 1.2em;">MAY 14 2013</div>																																
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				9. OGRID: 281994 GOOD ARTES																																
8. Name of Operator: LRE OPERATING, LLC				11. Pool name or Wildcat: Red Lake, Glorieta-Yeso NE (96836)																																
10. Address of Operator: c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401				12. Location <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>Unit Ltr</th> <th>Section</th> <th>Township</th> <th>Range</th> <th>Lot</th> <th>Feet from the</th> <th>N/S Line</th> <th>Feet from the</th> <th>E/W Line</th> <th>County</th> </tr> <tr> <td>Surface:</td> <td>F</td> <td>30</td> <td>17-S</td> <td>28-E</td> <td>2310</td> <td>North</td> <td>1800</td> <td>West</td> <td>Eddy</td> </tr> <tr> <td>BH:</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>			Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County	Surface:	F	30	17-S	28-E	2310	North	1800	West	Eddy	BH:									
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13. Date Spudded 4/6/13	14. Date T.D. Reached 4/11/13	15. Date Drilling Rig Released 4/12/13	16. Date Completed (Ready to Produce) 4/27/13	17. Elevations (DF and RKB, RT, GR, etc.): 3576' GR																																
18. Total Measured Depth of Well 4815'		19. Plug Back Measured Depth 4760'	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 3285'-3563'-Upper Yeso, 3650'-3938'- Upper Yeso, 4000'-4255' - Middle Yeso, 4326'-4600' - 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	480'	12-1/4"	325 sx Cl C	0'																														
5-1/2"		17# J-55	4805'	7-7/8"	300 sx 35/65 Poz/C	0'																														
					+ 600 sx C																															
24. LINER RECORD				25. TUBING RECORD																																
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET																														
					2-7/8"	4702'																														
26. Perforation record (interval, size, and number) Upper Yeso: 3285'-3563', 44 holes Upper Yeso: 3650'-3938', 26 holes Middle Yeso: 4000'-4255', 26 holes Lower Yeso: 4326'-4600', 24 holes				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>3285'-3563'</td> <td>2730 gals 15% HCL; fraced w/62,252# 16/30 & 22,441# 16/30 siber prop sand in X-linked gel</td> </tr> <tr> <td>3650'-3938'</td> <td>2520 gals 15% HCL; fraced w/60,292# 16/30 & 21,012# 16/30 Siber prop sand in X-linked gel</td> </tr> <tr> <td>4000'-4255'</td> <td>2478 gals 15% HCL; fraced w/58,336# 16/30 & 16,441# 16/30 Siber prop sand in X-linked gel</td> </tr> </table>			DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	3285'-3563'	2730 gals 15% HCL; fraced w/62,252# 16/30 & 22,441# 16/30 siber prop sand in X-linked gel	3650'-3938'	2520 gals 15% HCL; fraced w/60,292# 16/30 & 21,012# 16/30 Siber prop sand in X-linked gel	4000'-4255'	2478 gals 15% HCL; fraced w/58,336# 16/30 & 16,441# 16/30 Siber prop sand in X-linked gel																						
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28. PRODUCTION				4326'-4600' 4000 gals 15% HCL, fraced w/57,010# 16/30 Brady & 14,830# 16/30 siber prop sand in X-linked gel																																
Date First Production READY		Production Method (Flowing, gas lift, pumping - Size and type pump) 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.																														
Flow Tubing Press.	Casing Pressure	Calculated 24- Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)																														
29. Disposition of Gas (Sold, used for fuel, vented, etc.) 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		Printed Name		Title		Date																														
		Mike Pippin		Petroleum Engineer		5/13/13																														
E-mail Address: mike@pippinllc.com																																				

HORSESHOE STATE #1 -- 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.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....

From	To	Thickness In Feet	Lithology
			- On File -