| Sul Appropriate District Office   |  |                      |               |                                       | State of New Mexico  |           |   |                |                  |                       |                                      | Form C-105   |  |                 |                  |       |              |  |
|---|--|----------------------|---------------|---------------------------------------|--|-----------|---|----------------|------------------|-----------------------|--------------------------------------|--|--|-----------------|------------------|-------|--------------|--|
| Wo Copies <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240   |  |                      |               |                                       | Energy, Minerals and Natural Resources   |           |   |                |                  |                       |                                      | July 17, 2008  |  |                 |                  |       |              |  |
| District II   | M 882  | 40                   |               |                                       |  |           |   |                |                  |                       | 1. WELL API NO.                      |  |  |                 |                  |       |              |  |
| 1301 W. Grand Ave<br>District III   | ia, NM   | 1 88210              |               | Oil Conservation Division             |  |           |   |                |                  |                       | 30-015-41063<br>2. Type of Lease     |  |  |                 |                  |       |              |  |
| 1000 Rio Brazos Ro  | d., Aztec, N   | IM 874               | 410           |                                       | 1220 South St. Francis Dr.   |           |   |                |                  |                       |                                      | 2. Type of Lease  STATE   FEE   FED/INDIAN   |  |                 |                  |       |              |  |
| District IV<br>1220 S. St. Francis  | Dr., Santa   | Fe, NN               | M 87505       |                                       | Santa Fe, NM 87505   |           |   |                |                  |                       |                                      | 3. State Oil & Gas Lease No.   |  |                 |                  |       |              |  |
| WELL (  | COMPI  | LET                  | ION O         | RR                                    | RECOMPLETION REPORT AND LOG  |           |   |                |                  |                       |                                      |  |  |                 |                  |       |              |  |
| 4. Reason for fili  |  |                      |               |                                       |  |           |   |                |                  |                       | 5. Lease Name or Unit Agreement Name |  |  |                 |                  |       |              |  |
| ☑ COMPLETI  | ION REP  | ORT                  | TEIL in he    | ovec #1                               | as #1 through #21 for State and Fee wells only)  |           |   |                |                  |                       |                                      | STALEY STATE   |  |                 |                  |       |              |  |
| M COMILET   | ONKE   | OKI                  | (1 111 111 00 | JACS # 1                              |  |           |   |                |                  |                       |                                      | 6. Well Number: #22  |  |                 |                  |       |              |  |
| #33; attach this ar   | nd the pla   |                      |               |                                       | Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or sure report in accordance with 19.15.17.13.K NMAC) |           |   |                |                  |                       |                                      | RECEIVED   |  |                 |                  |       |              |  |
| <ol> <li>Type of Comp</li> <li>NEW \</li> </ol>   |  | ] wc                 | ORKOVER       | <u> </u>                              | DEEPENING □PLUGBACK □ DIFFERENT RESERVOIR  |           |   |                |                  |                       |                                      |  |  | MAY             | <b>29</b> 2      | 013   |              |  |
| 8. Name of Operator: LRE OPERATING, LLC   |  |                      |               |                                       |  |           |   |                |                  |                       | 1                                    | 9. OGRID: 28   | 31994  | 1               | SISSON ADTECLA   |       |              |  |
| 10. Address of Operator: c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401  |  |                      |               |                                       |  |           |   |                |                  | +                     | 11. Pool name or Wildcar:            |  |  |                 |                  |       |              |  |
| 10. Address of O  |  | # O 1412             | ike i ippiii  | DEC,                                  | C, 3104 N. Sumvan, Farmington, Nivi 8  |           |   |                |                  |                       |                                      |  |  |                 | Yeso NE (96836)  |       |              |  |
| 12.Location   | Unit Ltr   | Section              |               | <del></del>                           | Township   |           | Range Lot   |                |                  | Feet from the         | ne                                   | N/S Line   | Feet from the  |                 |                  |       | County       |  |
| Surface:  | J  |                      | 30            |                                       | 17-S   |           | 28-E  |                |                  | 2310                  |                                      | South  | 2175   |                 | East             |       | Eddy         |  |
| BH:   |  |                      |               |                                       | _  |           |   |                |                  |                       |                                      |  |  |                 |                  |       |              |  |
| 13. Date Spudded 14. Date T.D. Reached 5/8/13 15. Date Drilling Rig Released 5/9/13 16. Date Completed (Ready to Produce 5/24/13 17. Elevations (DF ar S7/24/13 RT, GR, etc.): 3593'                |  |                      |               |                                       |  |           |   |                |                  |                       |                                      |  |  |                 |                  |       |              |  |
| 18. Total Measure<br>5005'  | of We  | ell                  |               | 19. Plug Back Measured Depth<br>4952' |  |           |   |                | Was Directi<br>s | ional                 | Survey Made?                         |  | Type Electric and Other Logs Run nduction, Density/Neutron |                 |                  |       |              |  |
| 22. Producing Int<br>3305'-3485'-Upp  | 22. Producing Interval(s), of this completion - Top, Bottom, Name 3305'-3485'-Upper Yeso, 3520'-3656'- Upper Yeso, 3700'-3872' - Middle Yeso, 3922'-4240' - Lower Yeso, 4290'-4550' - Lower Yeso |                      |               |                                       |  |           |   |                |                  |                       |                                      |  |  |                 |                  |       |              |  |
| 23.   |  |                      |               |                                       | (  | CAS       | ING RECO  | ORD (F         | Rep              | ort all str           | ing                                  | s set in we  | ell)   |                 |                  |       |              |  |
| CASING SI   | ZE   |                      | WEIGHT I      | LB./F1                                |  |           |   |                |                  | LE SIZE               |                                      | CEMENTING  | CORD   | D AMOUNT PULLED |                  |       |              |  |
| 8-5/8"  |  |                      | 24# 1         |                                       |  |           | 4201  |                |                  | 0.1/42                |                                      | 200  | 01.0   |                 |                  |       |              |  |
| 5-1/2"  |  | 24# J-55<br>17# J-55 |               |                                       |  |           |   |                | 7-7/8"           |                       |                                      | 280 sx Cl C<br>300 sx 35/65 Poz/   |  |                 | 0'               |       |              |  |
| 3-112   |  | ••••                 | 1711 3        | -33                                   | <del></del>  |           | 4777  | <del>- }</del> |                  | 1-110                 |                                      | + 625  |  |                 |                  |       |              |  |
| 24.   |  |                      |               |                                       |  | LINE      | ER RECORD   |                |                  | I                     | 25.                                  |  |  | IG REC          | ORD              | ··    |              |  |
| SIZE  | TOP  |                      |               | BOTT                                  | OTTOM SACKS CEMENT   |           |   |                |                  |                       |                                      |  |  |                 | H SET PACKER SET |       |              |  |
| 26 8 6  | 1  |                      |               |                                       |  |           |   |                | 4.0              |                       | 2-7                                  |  |  | 39'             |                  |       |              |  |
| 26. Perforation Upper Yeso:   |  |                      |               |                                       | ber)   |           |   |                |                  | ID, SHOT,<br>INTERVAL | FRA                                  | AMOUNT A   |  |                 |                  |       | <del></del>  |  |
| Upper Yeso:   |  |                      |               |                                       |  |           |   |                |                  | 3485°                 |                                      | 2429 gals 159  |  |                 |                  |       | & 26,500#    |  |
| Middle Yeso: 3700'-3872', 18 holes  |  |                      |               |                                       |  |           |   |                |                  |                       |                                      | 16/30 resin coated sand in 25# X-linked gel<br>1500 gals 15% HCL; fraced w/48,074# 16/30 & 20,490# |  |                 |                  |       |              |  |
| Lower Yeso:   |  |                      | 3520'-3656'   |                                       |  |           | 16/30 resin coated sand in 20# X-linked   |                |                  |                       |                                      | & 20,490#  |  |                 |                  |       |              |  |
| Lower Yeso:   |  |                      | 370           | 3700'-3872'                           |  |           | 2000 gals 15% HCL; fraced w/57,196# 16/30 & 20,397# 16/30 resin coated sand in 20# X-linked gel |                |                  |                       |                                      |  |  |                 |                  |       |              |  |
| 28.PRODUCT  | ION  |                      |               |                                       |  |           | CL, fraced w/72,3   |                |                  | 4290'-455             |                                      | 3000 gals 15% l  |  |                 |                  |       | 25,012#      |  |
| S<br>Date First Produc  | tion   | & 2                  |               |                                       |  |           | in 20# X-linked<br>wing, gas lift, pu   |                | יות פי           | d type numni          |                                      | 16/30 resin coar   |  |                 |                  | d gel |              |  |
| READY   | uon  |                      | 1             | nping                                 | n iviou.   | 04 (1 10  | mng, gas tijt, pa   | mping - on     | ic un            | и туре ритру          |                                      | Pumping  | (1 TOU   | . Of Shat-      | 111)             |       |              |  |
| Date of Test<br>Within 30 days  | Hours Tested Choke Size Prod'n For Test Period:  |                      | Oil           | Oil - Bbl                             |  | Gas       | s - MCF Wate  |                | iter - Bbl.      | bl. Gas - C           |                                      | il Ratio   |  |                 |                  |       |              |  |
| Flow Tubing<br>Press.   | ubing Casing Pressure Calculated 24- Oil - Bbl. Hour Rate  |                      |               | Oil - Bbl.                            |  | Gas - MCF |   |                | Water - Bbl. C   |                       |                                      | Pil 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: |  |                      |               |                                       |  |           |   |                |                  |                       |                                      |  |  |                 |                  |       |              |  |
| oo. ii an on-she o  | uiidi WaS  | uscu                 | at uic Well   | , тероі                               | it tile e  | ract 100  |   | ne duliai:     |                  |                       |                                      | I omniku 4-  |  |                 |                  | 3.7.4 | D 1027 1002  |  |
| I hereby certif   | y that th  | he in                | formatio      | on she                                | own o  | n both    | Latitude sides of this  | form is t      | rue              | and compl             | ete 1                                | Longitude to the best of   | mv   | knowle          | dge an           |       | D 1927 1983  |  |
|   |  |                      | typp          |                                       |  | P         | rinted  | Pippin         |                  | . •                   |                                      | leum Engine  | •  |                 | e: 5/27          | ·     | (m)          |  |
| E-mail Addres   |  |                      |               |                                       |  | •         | 2.22.40   | t t            |                  |                       | •                                    |  |  | _ ***           | . 2 1            |       | / <b>"</b> " |  |

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## سرينظ يتميي

## INSTRUCTIONS

## STALEY STATE #22 -- New Well

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

| Southea              | stern New Mexico | Northwestern New Mexico |                  |  |  |  |  |
|----------------------|------------------|-------------------------|------------------|--|--|--|--|
| T. Anhy              | T. Canyon        | T. Ojo Alamo            | T. Penn A"       |  |  |  |  |
| T. Salt              | T. Strawn        | T. Kirtland             | T. Penn. "B"     |  |  |  |  |
| B. Salt              | T. Atoka         | T. Fruitland            | T. Penn. "C"     |  |  |  |  |
| T. Yates             | T. Miss          | T. Pictured Cliffs      | T. Penn. "D"     |  |  |  |  |
| T. 7 Rivers 485'     | T. Devonian      | T. Cliff House          | T. Leadville     |  |  |  |  |
| T. Queen <u>1045</u> | T. Silurian      | T. Menefee              | T. Madison       |  |  |  |  |
| T. Grayburg 1469     | T. Montoya       | T. Point Lookout        | T. Elbert        |  |  |  |  |
| T. San Andres 1779'  | T. Simpson       | T. Mancos               | T. McCracken     |  |  |  |  |
| T. Glorieta 3175'    | T. McKee         | T. Gallup               | T. Ignacio Otzte |  |  |  |  |
| T. Yeso 3302'        | T. Ellenburger   | Base Greenhorn          | T.Granite        |  |  |  |  |
| T. Blinebry          | T. Gr. Wash      | T. Dakota               |                  |  |  |  |  |
| T.Tubb <u>4673'</u>  | T. Delaware Sand | T. Morrison             |                  |  |  |  |  |
| T. Drinkard          | T. Bone Springs  | T.Todilto               |                  |  |  |  |  |
| T. Abo               | T                | T. Entrada              |                  |  |  |  |  |
| T. Wolfcamp          | T                | T. Wingate              |                  |  |  |  |  |
| T. Penn              | T.               | T. Chinle               |                  |  |  |  |  |
| T. Cisco (Bough C)   | T                | T. Permian              |                  |  |  |  |  |

| From | То | Thickness<br>In Feet | Lithology   | From | То | Thickness<br>In Feet | Lithology |
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