District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District Ill

Date: 7/2/13

Phone: 505-327-4573

State of New Mexico Energy, Minerals & Natural Resources

Form C-104 Revised Feb. 26, 2007

Oil Conservation Division

Submit to Appropriate District Office

5 Copies

1000 Rio Brazos Rd., Aztec, NM 87410 1220 South St. Francis Dr. District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 ☐ AMENDED REPORT REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT ² OGRID Number 1 Operator name and Address LRE OPERATING, LLC 281994 c/o Mike Pippin LLC, 3104 N. Sullivan 3 Reason for Filing Code/ Effective Date Farmington, NM 87401 ⁴ API Number **Pool Name** ⁶ Pool Code Red Lake, Glorieta-Yeso NE 96836 30 - 015-41065 ⁹ Well Number Property Code Property Name 309874 STALEY STATE II. 10 Surface Location Ul or lot no. Section Township Range East/West line Lot Idn Feet from the North/South Line Feet from the County 990 SOUTH **EDDY** 30 17-S 28-E 2335 West 11 Bottom Hole Location East/West line UL or lot no. | Section | Township Range Lot Idn Feet from the North/South line Feet from the County Producing Method Code 12 Lse Code Gas Connection ¹³ C-129 Permit Number 16 C-129 Effective Date ¹⁷ C-129 Expiration Date Date S READY III. Oil and Gas Transporters 20 O/G/W Transporter Name ⁸ Transporter **OGRID** 34019 ConocoPhillips 0 1130 Plaza Office Building, Bartlesville, OK 74004 221115 Frontier Field Service G 4200 E. Skelly Drive, Suite 700, Tulsa, OK 74135 RECEIVED JUL 03 2013 oco artesia IV. Well Completion Data 22 Ready Date ²³ TD ⁴ PBTD 26 DHC, MC 21 Spud Date ²⁵ Perforations 6/16/13 7/1/13 4900° 4854 3300'-4460' ²⁷ Hole Size 28 Casing & Tubing Size 29 Depth Set 30 Sacks Cement 8-5/8" 24# 11" 435 225 sx C 5-1/2" 17# 300 sx 35/65 Poz/C + 600 sx C 7-7/8" 4893 2-7/8" tubing 4578 V. Well Test Data 31 Date New Oil 34 Test Length 32 Gas Delivery Date 33 Test Date Tbg. Pressure 36 Csg. Pressure READY 37 Choke Size ³⁸ Oil (bbls) ³⁹ Water (bbls) 40 Gas (MCF) Test Method Pumping ⁴² I hereby certify that the rules of the Oil Conservation Division have OIL CONSERVATION DIVISION been complied with and that the information given above is true and complete to the best of my knowledge and Delief. Signature: Approved by Sist // Supervisor Printed name: Mike Pippin Title Petroleum Engineer - Agent E-mail Address: mike@pippinllc.com